



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Parks and Recreation

To: City Council

From: City Manager & Staff

Council Meeting Date: July 19, 2021

Re: Putting the Park Sales Tax Extension on November 2, 2021 Ballot

## Executive Summary

The Parks and Recreation Department is requesting City Council approval of an ordinance placing the extension of the 1/8-cent Park Sales Tax on the November 2, 2021 ballot. This 1/8-cent tax is currently used to fund capital improvements to the City's park and trail system and is scheduled to expire on March 31, 2022. Based on recommendations from city surveys, multiple city commissions, P&R partner agencies and City Council, the recommendation is to extend the 2021 Park Sales Tax for a 10-year period. It is estimated that the tax will generate \$30.9 million dollars over the 10-year period.

Based on significant public, user group and commissions' input, staff is recommending that the funding be used for existing park maintenance and improvements (55%), new park development (20%), trails and greenbelts (14%), land acquisition/preservation (7%) and annual funding for equipment replacement and program scholarships (4%). A detailed proposal as to how those funds will be allocated is shown on the attached Park Sales Tax Fact Sheet and will be brought to Council on August 2, 2021 in a companion resolution for review and approval.

## Discussion

The Park Sales Tax (PST) is the department's primary source of funding for capital improvement projects, including major maintenance and improvements to existing parks, land acquisition, trail improvements and new park and facility development. Prior to the passing of the PST in 2000, park capital improvements were included in the City's 1/4-cent sales tax ballot. For example, in 1996, P&R received 9.3% of the City's 1/4-cent sales tax and in 1999, P&R received 71%, as that ballot included \$10.5 million dollars for the Activity & Recreation Center construction. When Stephens Lake Park was threatened with development, Council proposed a dedicated Park Sales Tax with 1/8-cent being permanent and used for operating expenses (after paying off the purchase of Stephens Lake Park) and 1/8-cent being renewable and used for capital improvements. With a dedicated tax for parks and trails, all of the City's 1/4-cent sales tax is available for streets, sidewalks, public safety and general government improvements. In 2000, voters approved the dedicated Park Sales Tax with 53.7% of the vote in favor. The tax has been extended three additional times, in 2005 (53.15%), 2010 (64.3%) and 2015 (70.71%).

In early 2021, ETC Institute conducted a Parks and Recreation Survey for the City of Columbia. The survey questioned residents regarding their opinion of the Park Sales Tax and how the funds should be used for capital projects, land acquisition and future development. Key findings related to residents' support for the extension of the Park Sales Tax are as follows:



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- Eighty-seven percent (87%) of respondent households indicated they have visited City of Columbia parks over the past 12 months.
- Eighty-six percent (86%) of respondents are either "very supportive" or "somewhat supportive" of the renewal of the 1/8-cent Park Sales Tax.
- Eighty percent (80%) of respondents are "very supportive" or "somewhat supportive" of extending the length of the 1/8-cent park sales tax for 10 years.

The entire report may be viewed at the following link:

<https://www.como.gov/parksandrec/about-us/parks-recreation-citizen-surveys/#twentyonesurvey>

Based on the results of this survey, staff is recommending that the Park Sales Tax be extended for a period of ten years. This time period allows the department to make key improvements to aging parks and facilities, develop new facilities needed in the community and continue to develop key portions of the 30-mile trail loop. The time period also allows staff to solicit and match federal, state and private grants, many of which take multiple years for approval and implementation. The department will also have time to seek and develop agreements with co-sponsored organizations, private sponsors and partners for various projects.

The Parks and Recreation Department solicits a variety of public input regarding how Park Sales Tax funds will be used for future capital improvements. In addition to the 2021 Parks and Recreation Survey, park staff utilizes the 2013 Parks, Recreation and Open Space Master Plan as the guiding document for capital improvement projects.

Park staff will return to Council at the August 2 meeting with a resolution asking Council to review and approve a list of proposed projects to be completed if voters approve the Park Sales Tax. This will include a list of Priority 2 projects that pending available resources, may be brought forward for completion.

Developing a list of projects as a part of the ballot issue is important, as it provides transparency for the voters. The Department has prided itself on committing to a project list and then accomplishing those projects. On November 3, 2015, Columbia voters passed a ballot measure extending the existing 1/8-cent Park Sales Tax from April 1, 2016 to March 31, 2022. The projects identified in the 2015 ballot have been completed or are in various stages of construction, with the exception of one project that was postponed and unfunded due to sales tax revenue concerns due to COVID-19. It is anticipated that all of remaining funded 2015 ballot projects will be substantially completed prior to April 2022.

The Park Sales Tax is extremely important for a variety of reasons related to quality of life in Columbia. Key components related to the Park Sales Tax are maintaining the infrastructure and facilities in the existing park and trail system, preserving green space in the City of Columbia, continuing the development of the Columbia Trail System, and supporting the local economy through the development of sports tourism facilities and local attractions such as the MKT Trail.



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## Fiscal Impact

Short-Term Impact: Placing the ballot issue on the November general election will require the City to pay for a portion of the election. The cost of the election is unknown at this time, as it will depend on the number of items ultimately placed on the ballot.

Long-Term Impact: Should the proposal to extend the 1/8-cent Park Sales Tax be approved by voters, approximately \$30.9 million dollars will be generated for improvements to the City's parks and recreation system over the ten-year period.

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Economy, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Livable & Sustainable Communities, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
5/3/2021	(R73-21) Directing the City Manager to proceed with the development of a capital improvement project list to be funded by the proposed extension of the one-eighth of one percent local parks sales tax for a period of ten (10) years. <a href="https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4928167&amp;GUID=FC620DA5-961A-45EE-A1C6-A620CD818B43&amp;Options=&amp;Search=">https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4928167&amp;GUID=FC620DA5-961A-45EE-A1C6-A620CD818B43&amp;Options=&amp;Search=</a>
8/17/2015	(B226-15) Calling a special election on the question whether to extend the one-eighth of one percent local park sales tax. <a href="https://www.como.gov/Council/Commissions/downloadfile.php?id=18505">https://www.como.gov/Council/Commissions/downloadfile.php?id=18505</a>
8/17/2015	(R135-15) Specifying how the City Council intends to use funds that would be generated by the proposed extension of the one-eighth of one percent local park sales tax. <a href="https://www.como.gov/Council/Commissions/downloadfile.php?id=18505">https://www.como.gov/Council/Commissions/downloadfile.php?id=18505</a>

## Suggested Council Action

Approve the ordinance placing the proposed extension of the 1/8-cent Park Sales Tax on the November 2, 2021 general election ballot.