



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Parks and Recreation

To: City Council

From: City Manager & Staff

Council Meeting Date: February 21, 2022

Re: 2021 Park Sales Tax Implementation Plan—Work Session

## Executive Summary

The Columbia Parks and Recreation Department is requesting City Council approval of the proposed 2021 Park Sales Tax Implementation Plan. This plan will serve as the annual schedule for the completion of all proposed projects associated with the 2021 Park Sales Tax. As proposed, the plan reflects the staff's recommendation to balance the cash flow, availability of in-house workforce, previous Council direction, donation or sponsorship opportunities, grant timelines, strategic plan initiatives, and other factors affecting project scheduling. The development of this schedule is similar to the process used following the completion of the 2015 Park Sales Tax ballot.

## Discussion

On November 2, 2021, Columbia citizens voted to extend the City's existing  $\frac{1}{8}$ -cent Park Sales Tax for park capital improvements for an additional 10 years. Staff is seeking Council approval on the proposed 2021 Park Sales Tax Implementation Plan, which schedules the funds generated annually by the Park Sales Tax. The draft plan identifies the budget year in which funds would be allocated in order to complete the specific projects as identified in the ballot package adopted by the City Council on September 7, 2021. In developing the recommended plan, staff considered a number of factors including, but not limited to the following:

1. **Cash Flow:** The proposed use of the Park Sales Tax funds for various projects is based on the estimated amount of revenue generated each year by the sales tax. Staff worked with the Finance Department to establish the amount of money that could be budgeted in any one year, and substantial effort was made to align each year's scheduled projects with those goals.
2. **Plan for Lower than Anticipated Revenues.** During the 2017 to 2020 fiscal years, the economy struggled and the estimated amount of revenue generated by the Park Sales Tax did not meet even the City's conservative expectations. Consequently, staff moved a higher portion of the acquisition funds to the latter part of the six-year period and is proposing to do the same with the 2021 Park Sales Tax. Staff was able to complete the projects as promised with the only funding delays being in the land acquisition category and Chapel Hill Connector trail project. Due to the recent increased sales tax revenue over the past 18 months, staff will be able to restore 2015 PST land acquisition funding to the full amount of funding promised with the adoption of the 2015 implementation schedule. These funds will be used for park land acquisition until the 2021 acquisition funds become available over the next 10 years.



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Staff anticipates returning to City Council in May 2022 to appropriate the land acquisition funding after the conclusion of the funding cycle for the 2015 Park Sales Tax.

3. **More Construction Projects Earlier in the Plan.** By shifting the priority of funds for land acquisition and large trail projects to the later years, this allows the City to initiate a higher percentage of the construction projects earlier in the ten-year timeframe. This increases the probability of completing or substantially completing the promised projects prior to any potential future ballot issues, as well as providing time for grant and donor opportunities. Predicting construction estimates for more than one to two years in advance is difficult, so constructing the larger, more expensive projects up front provides a better opportunity for the project to come in at or under budget. The proposed schedule also puts an emphasis on improvements to existing parks and facilities and allows staff to address current issues related to aging park infrastructure. Projects at Cosmo Park, Albert-Oakland Park, the Activity & Recreation Center, Rock Quarry Park and Twin Lakes Recreation Area focus on improvements to amenities and facilities more than 20 years old. Staff has a priority to complete projects that address aging parks and facilities, addresses park safety issues, reduces utility expenses and increases the potential for revenue generating programs.
4. **Workforce Availability.** Parks and Recreation Department staff resources to complete in-house construction and/or to supervise/manage contracted projects are limited due to the number of staff and type of project. A mixture of park staff projects combined with contracted projects each year provide the optimum use of the department's construction staff and park planning staff. The proposed cash flow reflects staff and resource availability to complete all projects on an annual basis and within the 10-year timeframe of the sales tax.
5. **Other Factors/Issues.** The following issues were also taken into consideration in developing the Park Sales Tax implementation plan:
  - a. The phase II construction of the Columbia Sports Fieldhouse is funded in the beginning of the 10-year plan at the request of the City Council. This is the single largest project and cost estimates and availability for materials such as steel is volatile.
  - b. The phase II construction of the Battle Park Property is funded in the beginning of the 10-year plan to coincide with the continued phase I construction allowing for only one construction disturbance at the park.
  - c. The Frank Morris Trust has made a \$500,000 donation to supplement funding for three bike-related projects listed in the 2021 implementation schedule. The donated funds include \$300,000 for the Cosmopolitan Recreation Area: Quarry Improvements (bike park development), \$125,000 for the Gans Creek Recreation Area Improvements, \$75,000 for the Stephens Lake Park Trailhead improvement project. As part of the donation agreement, the committee requested the projects be completed by 2025.



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- d. Park staff anticipates applying for various grants for different projects in the implementation schedule and those projects are placed strategically in the schedule so they don't overlap with other projects identified for grant funding. Staff anticipates applying for Land and Water Conservation Fund grant funding in every year of the schedule. Recreational Trails Program (RTP) grant funding will also be considered for multiple projects. Staff received previous RTP funding for the MKT Bridge Replacement project and the Perche Creek Trail phase I construction project.
- e. Staff identified the need to allocate funds for new trail development projects differently than previous funding cycles. Staff is proposing to have design and engineering funds allocated one to three years before the anticipated date of construction. This will allow staff to complete necessary design work, complete public input, coordinate the construction with City staff, apply for grants, and acquire any easements if required before the funding is available for the construction of the trail. This will create a more transparent process related to the timeframe for construction of a trail project as City Council and the public will know the amount of funding, why funds are allocated and timeframe for design and construction.
- f. The Hinkson Creek Trail project from Clark Lane to Vandiver Road is placed in the later part of the implementation schedule due to Missouri Department of Transportation's anticipated construction improvements at the Highway 63 / I-70 interchange. Staff will coordinate the planning and construction of the trail project to occur during or directly after the interchange improvements are completed.
- g. The construction of the Colt Railroad Trail is funded in the latter part of the implementation schedule due to the extensive planning needed for the trail design and public input required for the project. City staff will need to determine how the trail will be designed, how existing infrastructure will be utilized, coordinate the design of the trail at on-grade crossings at intersecting streets with the Public Works Department and gather consensus on the proposed plan.

**6. Five-Year Schedule Review.** Park staff will return to the City Council in January 2027 to review the implementation schedule. This five-year review of the plan will allow staff to update the City Council about completed projects, projects currently under construction and review the projects associated with the last five years of the schedule. This would give Council the option to make changes to the schedule of projects for the remaining five years, increase funding for listed projects or add projects from the approved priority 2 list of projects if there is a surplus in Park Sales Tax funding.

In addition to the five-year review of the plan, it is important to monitor the annual amount collected by the Park Sales Tax, especially if it generates more or less than budgeted. Each year, the plan will be reviewed and may be revised as part of the annual Capital Improvement Program budget process.



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## Fiscal Impact

Short-Term Impact: NA

Long-Term Impact: The implementation plan, once adopted by the City Council, will serve as a guide for the Park and Recreation Department's CIP budget requests for the upcoming ten years.

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Reliable Infrastructure, Secondary Impact: Inclusive Community, Tertiary Impact: Safe Neighborhoods

### Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Environmental Management, Tertiary Impact: Mobility, Connectivity, and Accessibility

## Legislative History

| Date       | Action   |
|------------|--|
| 12/07/2015 | 2015 Park Sales Tax Implementation Plan<br><a href="https://www.cmo.gov/Council/Commissions/downloadfile.php?id=19911">https://www.cmo.gov/Council/Commissions/downloadfile.php?id=19911</a> |

## Suggested Council Action

Council may direct staff to proceed with the plan as presented or alter the plan during the work session. Staff will return to Council in March, requesting approval of a resolution adopting the 2021 Park Sales Tax Implementation Plan for the expenditure of the 2021 1/8-cent Park Sales Tax.