

# Recreation Facilities Sales Tax Resolution

RECOMMENDATION

Merriam City Council  
June 12, 2017

## Shall the following be adopted?

Shall the City of Merriam, Kansas be authorized to: (1) issue general obligation bonds in a principal amount of not to exceed \$24,000,000 to pay costs to construct certain parks and recreation capital improvements, including but not limited to construction of a new facility that will be used as a community center and aquatics center (the "New Community Center"), and to pay associated financing costs; and (2) impose a one-quarter percent (0.25%) Citywide retailers' sales tax to commence on January 1, 2018, or as soon thereafter as permitted by law and terminate ten (10) years after its commencement, the proceeds of which shall be used to pay the costs of the New Community Center and debt service on general obligation bonds issued to finance the New Community Center; all pursuant to the provisions of K.S.A. 10-101 *et seq.*, K.S.A. 12-187 *et seq.*, K.S.A. 12-1301 *et seq.*, K.S.A. 12-1736 *et seq.* and K.S.A. 25-431 *et seq.*, as amended?

# PUBLIC PROCESS TIMELINE

- 12/02/16 Postcard sent to all residents on Master Plan process; invite to Public Meeting on 12/13/16.
- 12/12/16 City Council presentation - Parks and Recreation Facilities Master Plan.
- 12/13/16 Public meeting and presentation - Parks and Recreation Facilities Master Plan.
- 01/09/17 City Council hears and accepts Steering Committee recommendation to build new facility at Vavra Park.

02/13/17

City Council presentation - recap of master plan findings. Council votes to eliminate the repair option.

Two solutions moving forward:

- Extensive remodel option (\$14 - \$17 million)
- Build-new option (\$25 - \$30 million)

02/27/17

City Council presentation - update on recent community center improvements. Building age, location in floodplain and modern code requirements limits possible improvements to existing site.

03/13/17

City Council presentation - funding new community center.

- Staff recommends issuing general obligation bonds coupled with ¼-cent sales tax to pay off bonds.
- Highest pull factor in Kansas translates to 80% of sales tax coming from non-residents.
- Staff explored feasibility of 10-year bonds vs 20-year bonds - including the ability of the CIP Budget to absorb the increased bond payments and \$5 million savings w/ a 10-year bond

03/23/17

Downtown Merriam Partnership presentation - merits of a new facility vs existing location and shares City Council desire to maintain presence in downtown.

03/27/17

City Council presentation - sales tax capacity. Merriam's sales tax rate would still be one of the lowest and not place Merriam at a competitive disadvantage if it was increased by 1/4-cent.

04/01/17

Summer issue of Highlights is mailed to all residents. Includes full-page article on the Master Plan process; a four-page insert on the two solutions being considered; and an invite to Joint Public Meeting.



04/10/17

## City Council presentation - 2015 Community Survey and 2016 Recreation Survey.

- 30% use pool; 34% community center.
- 83% believe it important to support a pool; 87% community center.
- 78% agree *"it is valuable to me to have a community recreation center"* and 79% believe *"a community recreation center boosts property values in our community."*
- Over 50% on both surveys agreed *"The City of Merriam needs a new community recreation center"* with ~30% indicating they were neutral or undecided.



04/24/17

2018 CIP Budget Presentation – Focused on transition from new extensive capital projects to a cycle of primarily maintenance-related budgets. Discussed budgetary impact a 10-yr bond would have on CIP Budget. Staff indicates 10-yr is viable and preferable.

04/25/17

Joint Public Meeting and Presentation to City Council, Park and Recreation Advisory Board and Steering Committee - Problem, Obligation, Solution, Ability, Opportunity.

04/27/17

Staff makes presentation at the annual meeting of the Antioch Hills Homes Association.

05/08/17

City Council presentation - update on outreach efforts. Reoccurring theme is residents want a voice in this decision. Staff recommends a mail-in ballot and reports that JoCo Elections is already mobilizing for mail-in ballots related to the 2018 budget on Sept. 15.

05/20/17

Steering Committee hosts an informational booth at Turkey Creek Festival.

05/22/17

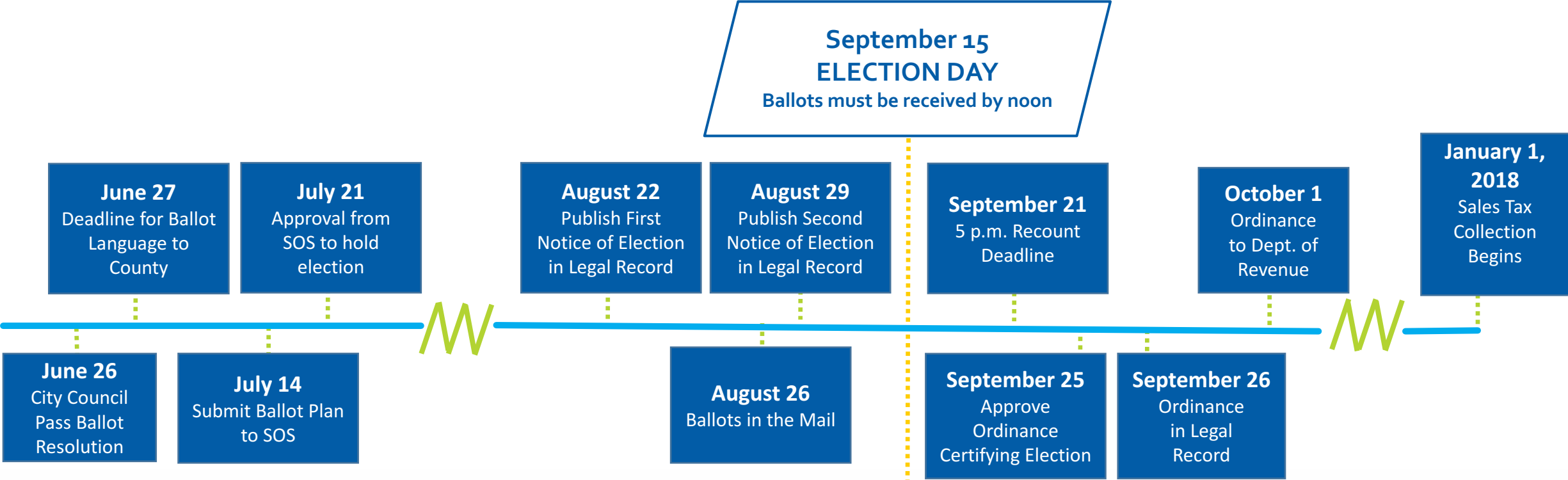
City Council presentation - development challenges in downtown Merriam. Modern building codes, ADA, life-safety, and the floodplain will increase costs and have a limiting effect on any improvements to existing site.



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# ELECTION TIMELINE



**QUESTIONS?**