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## Memorandum

To: Honorable Mayor and Members of the City Council  
From: Roger Kolman, City Manager  
Re: Ordinance on Capital Improvements Sales Tax  
Date: 2/3/2020

### **BACKGROUND**

For the last year or so, there have been discussions regarding the capital improvement needs of the City of Coweta and how those costs are best funded. Several options have been considered, and in the end the most effective and fairest, as far as spreading the costs of infrastructure across as many users as possible, is a dedicated sales tax.

Staff has worked to design a program under which a 1% Dedicated Sales Tax could be used to fund much of the needed capital improvements across Coweta with the least impact to Coweta's citizens. The One for Coweta program has been discussed at Council Meetings, at the Annual State of the City sponsored by the Chamber of Commerce, and in two community information sessions so far. The last community information session was attended by over twenty community members who asked very good questions and seemed generally supportive of the proposition. An additional community information session is planned for February and possibly another in March and other voter outreach methods are being planned.

The accompanying ordinance for a One Percent (1%) dedicated sales tax includes language that restricts the uses of revenues generated by that sales tax to very specific categories including: road and street improvements, improvements to water and wastewater systems, improvements to storm sewer systems, acquisition of park maintenance equipment, improvements to parks land and facilities, improvements to public safety facilities, and the acquisition of public safety vehicles and equipment. As such, the revenues from that tax would be legally restricted to the uses approved by the voters.

In accordance with state statutes, any increase in sales tax rates must be put before the qualified electors of the jurisdiction for approval before it can become effective. State statute further requires that the jurisdiction provide a 60-day notice to the county election board, regarding an upcoming election. The next available election date is April 7, 2020, requiring then that the City provide notice of the election no later than February 2020.

### **STAFF RECOMMENDATION**

Staff recommends adoption of Ordinance 828.

### **ATTACHMENTS**

Proposed Ordinance