

grow. play. live.



pleasant hill

**PLEASANT HILL CITY COUNCIL
REGULAR SESSION
JANUARY 02, 2019**

12:00 PM

1. **CALL TO ORDER/ROLL CALL**
2. **APPROVAL OF AGENDA**
3. **PUBLIC INPUT (5 MINUTES FOR ITEMS NOT ON THE AGENDA)**
4. **CONSENT ITEMS**
5. **BUSINESS ITEMS**
 - a. **Resolution #010219-01** – Regarding an Election on the Imposition of a Local Option Sales and Services Tax
6. **CLOSING COMMENT**
7. **ADJOURNMENT**



CITY OF PLEASANT HILL, IOWA
CITY COUNCIL AGENDA COMMUNICATION

DATE: JANUARY 2, 2019
TO: MAYOR & CITY COUNCIL
FROM: J. BENJAMIN CHAMP, AICP, EDFP, ASLA
CITY MANAGER
SUBJECT: ELECTION FOR LOCAL OPTION SALES AND SERVICES TAX

BACKGROUND:

Following the recent approval of a Local Option Sales and Services Tax (LOSST) in Dallas County and the passage in a the Polk County cities including Runnels, Mitchellville, Elkhart, Polk City, and the Polk County portion of Carlisle, the remaining metro area communities in Polk County are discussing the possibility of 2019 special elections for the implementation in other portions of the County. The Iowa legislature created new regulations for LOSST elections in the last session that now allow for the contiguous cities in the County to hold individual elections that pass or defeat the ballot within each city. Previously, the contiguous cities were bound to the vote totals collectively. Following is a resolution that establishes ballot language and requests that the Polk County Commissioner of Elections to set a special election for the LOSST. The election date would be March 5, 2019.

The ballot language in the resolution provides for 85 percent of the revenues of the LOSST to be used for property tax relief and 15 percent for property tax stabilization through projects including public safety, streets, parks, and other lawful purposes of the City. Most importantly, the LOSST would be used to offset property tax increases that will otherwise be necessary for upcoming public safety improvements needed by the Police and Fire Departments.

ALTERNATIVES:

Not approve the resolution requesting a special election. However, the resolution only creates an election, it does not establish the LOSST.

FINANCIAL CONSIDERATIONS:

The City has many long term capital improvement funding needs that include the construction of a new public safety facility, roadway and other infrastructure improvements, park and trail development, and the implementation of a space needs study. Distribution of LOSST funds collected across Polk County utilize an existing formula beneficial to Pleasant Hill that is based on proportionate population (75%) and property tax levy (25%), not retail sales. Pleasant Hill could receive approximately \$1.4 million per year based upon 2018 estimates, though the actual number can fluctuate higher or lower depending on which communities elect to participate.

RECOMMENDATION:

Consider approval of the following resolution requesting a special election for a local options sales and services tax.

RESOLUTION NO. 010219-01

Resolution regarding an election on the imposition of a Local Option Sales and Services Tax in the City of Pleasant Hill, Iowa

WHEREAS, Chapter 423B of the Code of Iowa establishes the requirements by which a city located in a “qualified county” may request that the county commissioner of elections set a date for an election on the question of imposing a local option sales and services tax; and

WHEREAS, it has been determined that Polk County is a “qualified county” as defined in Chapter 423B of the Code of Iowa, and, therefore, the City of Pleasant Hill, Iowa (the “City”) is eligible to file a motion with the Polk County Commissioner of Elections requesting an election on the question of imposing a local option sales and services tax within the City; and

WHEREAS, in addition to filing such motion, it is necessary for the City Council of the City to determine the purposes for which the local option sales and services tax revenues will be used should the election be successful and to approve corresponding ballot language for use by the Polk County Commissioner of Elections;

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Pleasant Hill, Iowa, as follows:

Section 1. The City Council of the City of Pleasant Hill, Iowa hereby requests that the Polk County Commissioner of Elections accept this motion and take action to set a special election on the imposition of a local sales and services tax within the City of Pleasant Hill, Iowa.

Section 2. In accordance with Section 423B.1 of the Code of Iowa, the City Council hereby requests that the ballot proposition state that 85% of the revenues from such local option sales and services tax shall be used for property tax relief, and 15% shall be used for property tax stabilization through projects including, but not limited to, public safety, parks, recreation, trails, streets, utilities, economic development, community facilities and buildings and any lawful purposes of the City of Pleasant Hill. A form of the ballot proposition is attached hereto as “Exhibit A.”

Section 3. The City Clerk is hereby directed to file a copy of this resolution with the Polk County Commissioner of Elections.

Section 4. The Polk County Commissioner of Elections is hereby requested to cause notice of the ballot proposition to be published, in accordance with Chapter 423B of the Code of Iowa.

Passed and approved January 2, 2019.

Mayor

Attest:

City Clerk

**EXHIBIT A
BALLOT PROPOSITION FORM**

POLK COUNTY

CITY OF PLEASANT HILL, IOWA

PUBLIC MEASURE

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED?

- YES
- NO

Summary: To authorize imposition of a local sales and services tax in the City of Pleasant Hill, Iowa at the rate of one percent (1%) to be effective from July 1, 2019.

A local sales and services tax shall be imposed in the City of Pleasant Hill, Iowa at the rate of one percent (1%) to be effective from July 1, 2019.

Revenues from the sales and services tax shall be allocated as follows:

85% for property tax relief;

The specific purposes for which the revenues shall otherwise be expended are:

15% for property tax stabilization through projects including, but not limited to, public safety, parks, recreation, trails, streets, utilities, economic development, community facilities and buildings and any lawful purposes of the City of Pleasant Hill.