



Date December 18, 2017

**APPROVING POLICIES FOR EXPENDITURE OF
LOCAL OPTION SALES AND SERVICES TAX REVENUES**

WHEREAS, by Roll Call No. 17-2093 of December 4, 2017, the City Council of the City of Des Moines approved submittal to the Polk County Commissioner of Elections of a resolution and motion for the imposition for an unlimited time of a one percent (1%) local option sales and services tax on the portion of the incorporated area of the City of Des Moines, Iowa, that is located in Polk County, Iowa; and

WHEREAS, by Roll Call No. 17-2110 of December 11, 2017, the City Council approved the ballot proposition language for the proposed imposition of a local option sales and services tax; and

WHEREAS, it is in the best interests of the City of Des Moines and its residents to provide the City Manager with specific policy direction for the expenditure of local option sales and services tax revenues consistent with the allocated uses set forth in the ballot proposition language for property tax relief, street improvements, neighborhood improvements and public safety which policy direction shall be utilized and followed in the preparation of and incorporated in the annual operating budgets and capital improvement program plans for the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that in the event the imposition of the local option sales and services tax is approved at election, the City Manager is hereby directed to apply the following policy direction for the allocation and expenditure of such revenues, which policy direction shall be utilized and followed in the preparation of and incorporated in the annual operating budgets and capital improvement program plans for the City:

- (a) 50% allocation for property tax relief -
 - (i) \$.40 reduction to the total tax levy rate for the City per \$1,000 valuation on regular property; and
 - (ii) The City Council acknowledges that the City Manager has identified the additional financial resources that are necessary to maintain acceptable levels of City services and neighborhood investments which, without the availability of local option sales and services tax revenues, would require an additional increase to the total tax levy rate for the City on regular property of \$1.50 per \$1,000 valuation; and
 - (iii) This City Council acknowledgment reflects City Council's intent to stabilize the total tax levy rate for the City on regular property and avoid any such increase.
- (b) 50% allocation for lawful purposes of the City -
 - (i) 20% allocation for street improvements.



Roll Call Number

Agenda Item Number

53

Date December 18, 2017

-2-

- Accelerating completion of improvements under the five-year street maintenance improvement plan. Streets improvements initially identified for the accelerated completion include, but are not limited to Fleur Drive, Pennsylvania Avenue and East Court Avenue.
- (ii) 20% allocation for neighborhood improvements.
 - Establish a Blitz on Blight effort involving a significant investment for removing blight in neighborhoods throughout the City.
 - Other substantial improvements to neighborhoods throughout the City including, but not limited to, streets, sidewalks, parks as required to meet and maintain minimum standards for condition and use.
- (iii) 10% allocation for public safety improvements and expenditures.
 - Fire station improvements throughout the City.
 - Fund 13 firefighter positions that are currently funded through soon-to-expire federal grant programs.
 - Replace and update police communication equipment.

BE IT FURTHER RESOLVED that following each fiscal year, the City Manager shall prepare a report showing the actual use of local option sales tax revenues consistent with the policy direction of this resolution.

APPROVED AS TO FORM:

Moved by _____ to adopt.



Lawrence R. McDowell
Deputy City Attorney

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CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MOORE				
WESTERGAARD				
TOTAL				

MOTION CARRIED APPROVED

Mayor

City Clerk