

PROPOSITION T

Local Use Tax in Parkville

TRAILS & TRANSPORTATION

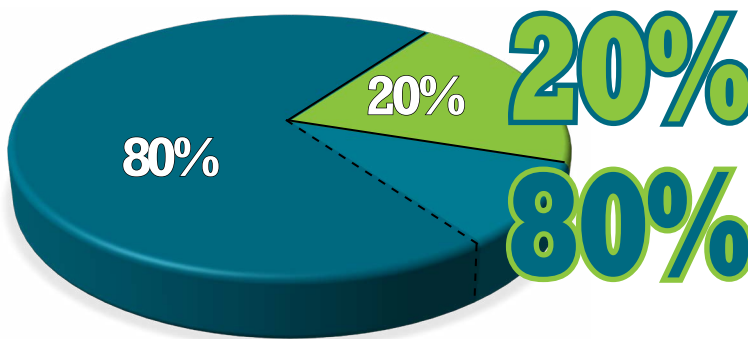


At a special election on Tuesday, November 7, 2023, Parkville citizens will have the opportunity to vote on Proposition T, a local use tax that would ensure purchases placed online from vendors located outside of the state are subject to the same local tax rates as those purchases made from Parkville vendors.

BALLOT LANGUAGE

For the purpose of funding roads, infrastructure and capital projects, including, without limitation, capital grant related projects requiring City of Parkville matching funds, including 9 Highway at East Street (triangle), future phases of 9 Highway (between 6th Street and Lakeview Drive) and the Bell Road connectivity project for sidewalks; and funding for the construction, maintenance, and repair of, and improvements to, pedestrian corridors, multi-use trails, and recreation trails, shall the City of Parkville, Missouri, impose a local use tax at the same rate as the total local City sales tax rate, currently two and one-half percent (2.50%), provided that if the local sales tax rate is reduced or raised by voter approval, the local use tax rate shall also be reduced or raised by the same action?

WHAT WILL THE REVENUE BE USED FOR?



TRAILS: Construction, maintenance and repairs of, and improvements to, multi-use trails, recreation trails and pedestrian corridors

TRANSPORTATION: Roads, infrastructure and capital improvements, including but not limited to capital grant-related projects requiring matching funds

↳ **10%** of 80% reserved for annual curb, sidewalk and street maintenance

MULTI-USE & RECREATION TRAILS



Total Trail Miles in Parkville: 18.35
Cost to Construct Concrete Trail/Mile: \$900,000
Cost to Maintain Existing Trails: \$55,500/year

ROADS & INFRASTRUCTURE



Total Lane Miles in Parkville: 85.6
Construction of 2-lane Street/Mile: \$1,000,000
Maintenance of 2-lane Street/Mile: \$25,000/year

Other projects that could be funded by the use tax include:

- Crooked Road at 6th Street
- River Road Reconstruction
- Elm Street Culvert Replacement
- Mill Street (from Main to Crooked Road Enhancements)

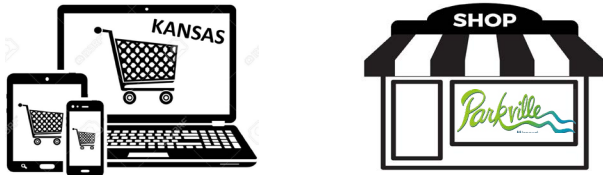
BELL ROAD SIDEWALKS



Total Cost: \$1,600,000
(\$320,000 engineering, \$1,280,000 construction)
Grant(s) Awarded: \$750,000
City's Funding Portion: \$850,000

WHAT IS A USE TAX?

A local use tax is a tax applied to purchases made online from out-of-state vendors and shipped to a location in Parkville.



USE TAX = OUT-OF-STATE SALES TAX = IN PARKVILLE

A local use tax is applied to the same type of products subject to traditional sales tax. If you purchase an item at a retail store in Parkville, you pay city sales tax. On the other hand, if you purchase an item through the internet or by catalog from an out-of-state business and have the item shipped to Parkville, then the use tax would apply.

ROUTE 9 (EAST STREET TRIANGLE)



Total Cost: \$7,000,000
(\$1,285,000 engineering, \$5,715,000 construction)
Grant(s) Awarded: \$4,987,950
City's Funding Portion: \$2,012,050

WHAT IS THE IMPACT TO A CITIZEN?

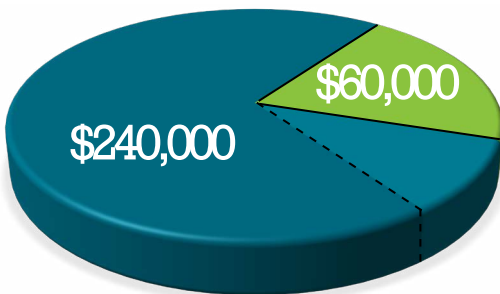
The City collects a 2.5% local sales tax on all goods or services purchased from local businesses. The use tax would be imposed at the same rate (2.5%). If the local sales tax rate is reduced or raised by voter approval, the local use tax rate would also be reduced or raised by the same action.

A \$100 online order of pet food from a company like Amazon would result in an additional \$2.50 in use tax, which would only be used for roads, capital improvements, multi-use and recreation trails and pedestrian corridors in Parkville, such as:

- Highway 9 at East Street (triangle)
- Bell Road Connectivity for Sidewalks

**IT IS ONE OR THE OTHER.
YOU WOULD NEVER PAY BOTH.**

HOW MUCH REVENUE WOULD THE USE TAX GENERATE?



The City estimates the use tax will generate up to \$300,000 per year. If the revenue was \$300,000, it would be distributed as follows:

\$216,000	Transportation (80%)
\$24,000	Reserved for annual curb, sidewalk & street maintenance (10% of Transportation's 80%)
\$60,000	Trails and pedestrian corridors (20%)

WHAT HAPPENS IF USE TAX PASSES?

If it passes, the City will have a source of funding to leverage matching federal and state grants needed to proceed with the Highway 9 and Bell Road projects, as well as have a funding source to leverage for other future grant applications. The use tax would also allow the City, as funds permit, to address more trail and transportation needs.

WHAT HAPPENS IF USE TAX DOES NOT PASS?

If it does not pass, the City may not be able to fund the local match needed for the federal and state grants received for the Highway 9 and/or Bell Road projects. The City will experience continued revenue decreases for infrastructure needs, making it more difficult to address our aging infrastructure, including streets, sidewalks, curbs and trails.