BILL 2014-1

****** Second Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: January 6, 2014

RE: Economic Development Sales Tax Ordinance

Issues

At the last Council meeting, it was decided to put on for discussion, the prospect of placing a sales tax for economic development on the August ballot. Details on the project were provided by Kent Osborn, Chairman of Economic Development of Cameron (EDOC). In order to get the initiative on the August ballot, it must be submitted to the Counties no later than May 27, 2014. The sales tax would be used to improve the aquatic center and replacing the existing pool and adding new features. A ball field complex would also be built and land acquired for economic development. The land would be a potential site for business or industry to expand or re-locate to Cameron. The required debt service would be for twenty years or as otherwise directed by Council.

The proposed ordinance is attached for discussion and contains the ballot language for the question.

Recommendation

Council will discuss the issue and provide direction to staff. Three readings are recommended.

Bill 2014-1

AN ORDINANCE IMPOSING A CITY SALES TAX FOR ECONOMIC DEVELOPMENT PURPOSES IN THE CITY OF CAMERON, CLINTON AND DEKALB COUNTIES, MISSOURI, AND PROVIDING FOR SUCH ORDINANCE TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE CITY.

WHEREAS, the City Council of the City of Cameron, Clinton and DeKalb Counties, Missouri, under the authority of powers given to the City by the provisions of Section 67.1305, RSMo, as amended (the "Act"), has determined that it is in the best interests of the City to impose a city sales tax for economic development purposes at the rate of one-half of one percent (1/2 of 1%) on the receipts from all retail sales within the City which are subject to taxation under Sections 144.010 to 144.525, inclusive, RSMo, and to further impose such tax upon sales of domestic utilities as permitted by Section 144.032, RSMo, all subject to voter approval of the proposal to impose such tax;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DEKALB COUNTIES, MISSOURI, AS FOLLOWS:

Section 1. A city sales tax for economic development purposes at the rate of one-half of one percent (1/2 of 1%) on the receipts from all retail sales within the City of Cameron, Clinton and DeKalb Counties, Missouri, is hereby imposed upon all sellers within the City for the privilege of engaging in the business of selling tangible personal property or rendering taxable services at retail to the extent and in the manner provided by Sections 144.010 to 144.525, inclusive, RSMo, and the rules and regulations of the Director of Revenue of the State of Missouri issued pursuant thereto. In accordance with Section 144.032, RSMo, the sales tax shall also be imposed upon all sales of metered water services, electricity, electrical current and natural, artificial or propane gas, wood, coal, or home heating oil for domestic use only. The tax shall not be effective until the terms and provisions of this Ordinance have been complied with.

Section 2. There shall be submitted to the voters of the City of Cameron, Clinton and DeKalb Counties, Missouri, at an election to be held in the City concurrently with the primary election on Tuesday, August 5, 2014, the following question:

QUESTION

"Shall the City of Cameron, Clinton and DeKalb Counties, Missouri, impose a sales tax at a rate one-half of one percent (1/2 of 1%) for economic development purposes, including, but not limited to, adding to and reconstructing the existing swimming pool to provide a new aquatic center, constructing and equipping a new ball field complex, and acquiring and

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developing land for economic development prospects, all to aid in attracting and retaining businesses in the City?"

Yes ⬭
No ⬭

Section 3. The form of Notice of Special Election containing the question of approval of this Ordinance, a copy of which is attached as **Exhibit A** hereto and made a part hereof, is hereby approved. The City Clerk is hereby authorized and directed to notify the County Clerks of Clinton and DeKalb Counties, Missouri, of the passage of this Ordinance no later than 5:00 P.M. on Tuesday, May 27, 2014, and to include in said notification all of the terms and provisions required by Chapter 115, RSMo.

Section 4. If this Ordinance is approved by a majority of the votes cast by the qualified voters voting thereon at said election, the City Clerk shall as soon as possible after the election date (but in any event no later than ten (10) days after the election date) forward to the Director of Revenue of the State of Missouri by United States registered mail or certified mail (1) a certified copy of this Ordinance, including the Notice of Election attached hereto, and (2) a copy of the abstract of votes cast on the question at said election. The city sales tax for economic development purposes and hereby imposed shall then become effective on January 1, 2015, and shall be levied and collected in the manner provided by the Act, by Sections 32.085 and 32.087, RSMo, as amended, and by all other applicable laws, and shall be used for the purposes hereinabove authorized.

Section 5. This Ordinance shall be in full force and effect from and after its passage and approval.

Read and passed on first reading only the 6th day of January 2014.
Read and passed on second reading this 21st day of January 2014.
Read and passed on third reading by roll call this __ day of _____ 2014.

_____
(SEAL) Mayor Dennis M. Clark

ATTEST:

_____
City Clerk/Finance Clerk

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EXHIBIT A

FORM OF NOTICE OF SPECIAL ELECTION

(To be completed by adding precincts and polling places
and to be published pursuant to Section 115.127, RSMo.)

**THE CITY OF CAMERON,
CLINTON AND DEKALB COUNTIES, MISSOURI**

Notice is hereby given to the qualified voters of the City of Cameron, Clinton and DeKalb Counties, Missouri, that the City Council of the City has called a special election to be held in the City concurrently with the primary election on Tuesday, August 5, 2014, commencing at 6:00 A.M. and closing at 7:00 P.M., on the question contained in the following sample ballot:

**OFFICIAL BALLOT
SPECIAL ELECTION
CITY OF CAMERON, CLINTON AND DEKALB COUNTIES, MISSOURI**

TUESDAY, AUGUST 5, 2014

QUESTION

"Shall the City of Cameron, Clinton and DeKalb Counties, Missouri, impose a sales tax at a rate one-half of one percent (1/2 of 1%) for economic development purposes, including, but not limited to, adding to and reconstructing the existing swimming pool to provide a new aquatic center, constructing and equipping a new ball field complex, and acquiring and developing land for economic development prospects, all to aid in attracting and retaining businesses in the City?"

Yes ⬭
No ⬭

INSTRUCTIONS TO VOTERS: If you are in favor of the proposition, punch a hole in the circle opposite "YES." If you are opposed to the proposition, punch a hole in the circle opposite "NO."

The election will be held at the following polling places in the City:

PRECINCT	POLLING PLACE
_____	_____

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_____ _____

DATED: _____, 2014.

_____

County Clerk of _____ County, Missouri

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