

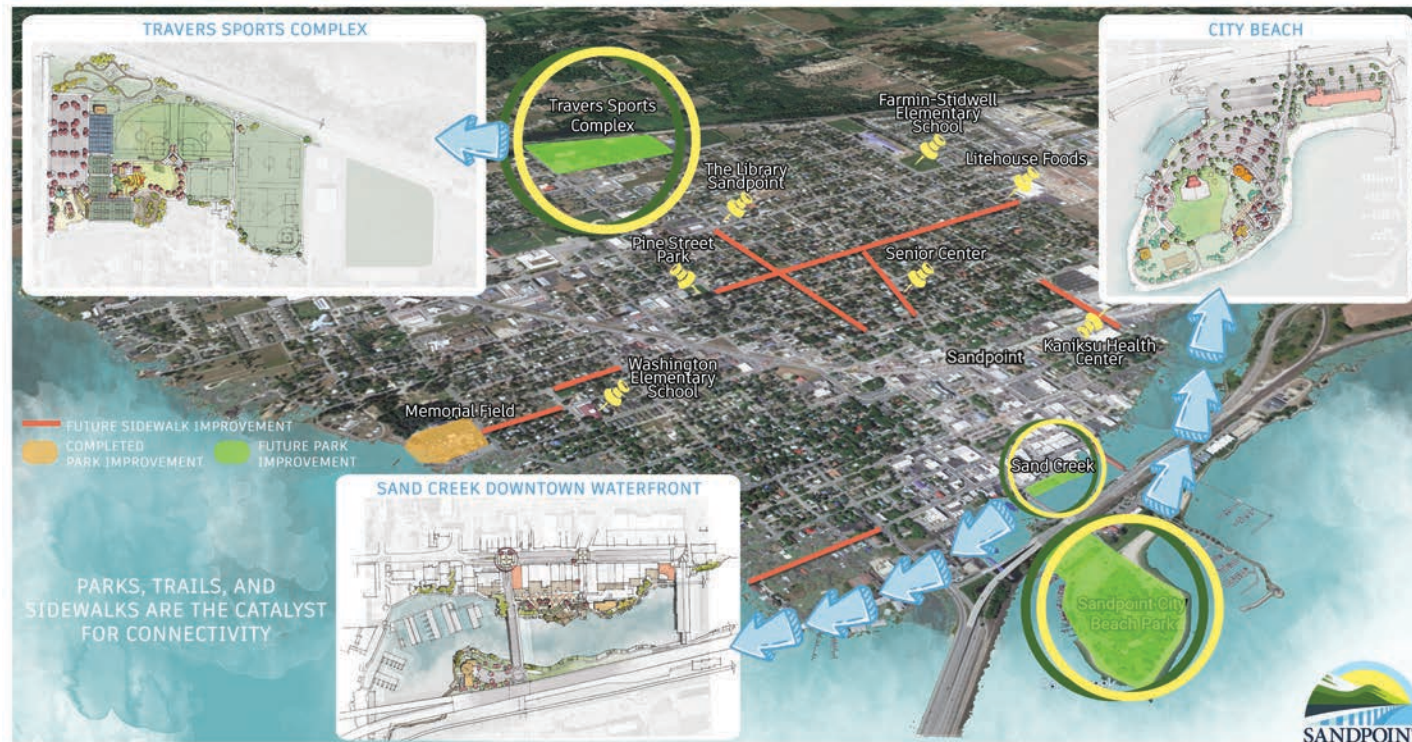
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Sandpoint voters asked to consider 1% local option tax on Nov. 2 ballot



By Zach Hagadone
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In addition to local government offices, Sandpoint voters will also be asked to weigh in Tuesday, Nov. 2 on whether they support a 1% resort city local option sales tax. City Council members voted Sept. 8 to put the measure on the ballot. Meanwhile, city officials hosted a series of workshops in early October to familiarize residents with the scope and intent of the LOT.

The ballot language voters will see at the polls on Nov. 2 reads:

Question: Shall the City of Sandpoint, Bonner County, Idaho, adopt an ordinance providing for imposition and collection, for a period of seven (7) years from its effective date, January 1, 2022, and ending December 31, 2028, of certain non-property taxes as follows:

A 1% sales tax on all sales except occupancy sales subject to taxation under Chapter 36 of Title 63, Idaho Code. Exact revenue from this proposed tax is unknown. Revenue from the tax will be used to fund the following projects to completion as prioritized.

The anticipated revenue for the 1% sales tax will be used in the following manner:

For design and construction of the site plan concepts in the 2020 Sandpoint Parks and Recreation Master Plan, including, but not limited to (in no priority order):

(a) City Beach;

(b) Downtown Waterfront;
(c) Travers/Centennial/Great Northern (Sports Complex); and

To purchase property for open space, parks and recreation; and

To support implementation of the City's Pedestrian Priority Sidewalk Network as identified in the adopted 2021 Multimodal Transportation Plan in the amount of \$200,000 per year for a total of \$1,400,000; and

Direct costs to collect and enforce the tax.

Voters will be asked to answer either "in favor" or "against."

Sandpoint residents voted in 2016 to approve a five-year 1% LOT to fund reconstruction work at War Memorial Field, with that revenue source sunseting in December 2020. The proposed seven-year LOT on the ballot in 2021 has been estimated by city officials to raise upwards of \$12 million by the time it expires in 2028.

Proponents of the proposed LOT point out that such funding mechanisms are only available to "resort cities" with a population under 10,000. Sandpoint's population in the 2020 census came in just under that figure, suggesting that it is unlikely given current growth trends that it will be available to the city by the next census in 2030.

Those in favor of the LOT have also argued that large capital projects such as the parks facilities and pedestrian network outlined in the ballot language carry hefty price tags requiring a multitude of funding sources, including grants in need of

matching funds that could be secured via the 1% tax. At the same time, those amenities and infrastructure are heavily used by both residents and visitors, though the cost of their maintenance is borne entirely by the former. The LOT, supporters say, is a way to ensure that non-residents contribute to paying a share of that expense.

Opponents of the proposed LOT argue that the city already has established sources of funding for parks and open spaces and so the 1% tax is an unnecessary burden on consumers and private sector providers of a variety of services. Those against the measure have also questioned whether parks and open spaces should even be a priority for LOT revenue, suggesting that funds raised by such a vehicle could — and should — go to other infrastructure needs, including affordable and workforce housing.

According to a recent survey conducted by the city of Sandpoint, of 265 respondents 57.7% said they supported a new resort city LOT to fund completion of park site plans, while 30% said "no" and 11.3% said they needed more information to make a decision. Among those who responded to the survey, 58.1% identified themselves as registered voters inside Sandpoint city limits, while 41.9% said they were not.

Find the survey at opentownhall.com/portals/287/Issue_11069. To see official ballot examples, visit Bonner County Elections at bonnercountyid.gov/departments/elections.