

To: Members  
 Dunwoody City Council

From: J. Jay Vinicki  
 Assistant City Manager

Re: SPLOST Discussion

Date: August 14, 2023

**Action**

To receive feedback on proposed uses of Special Purpose Sales Tax Options (SPLOST) II funding.

**Summary/Details**

The county's first SPLOST (Special Purpose Local Option Sales Tax) is set to renew on the November ballot. This funding can only be used for capital construction and not for city operations. The previous budget for the SPLOST that expires in April 2024 was as follows:

	<b>SPLOST I</b>	
<b>Transportation</b>	36,787,543	83.63%
<b>Public Safety</b>	6,000,000	13.64%
<b>Repairs</b>	1,200,000	2.73%
<b>Total</b>	<b>43,987,543</b>	

SPLOST II now allows the full range of capital projects for the city whereas the previous SPLOST only allowed transportation, public safety, and very limited capital repairs. In neither SPLOST are operations allowed to be funded.

Based upon feedback from City Council at the July 12 meeting, staff has prepared three separate options for further discussion. Summaries:

**Option 1:** Take the current distribution amongst three categories and prorates them amongst the new higher figures. This is not recommended because new categories are eligible.

**Option 2:** Adds two new categories: First, a category for funding to assist the DeKalb Community Service Board in either expanding or building a mental health facility or similar type facility. Second, a category for acquisition and development of parks, recreational, or greenspace areas. The new categories have small amounts of funding so that those projects are eligible. One drawback is that this funding must be spent on these areas, at minimum. At present time, the mental health facility is not guaranteed to get county funding. To add these new categories, transportation and repairs are slightly reduced.

**Option 3:** This option takes Option 2 and removes the mental health aspect since funding from the county is not guaranteed. If, later, some equivalent contribution is asked for,

using General Fund funding for capital could be considered. In this case the amount for parks is taken only from repairs which are now covered by General Fund funding.

	SPLOST I		Option 1		Option 2		Option 3	
<b>Transportation</b>	36,787,543	83.63%	44,826,630	83.63%	43,952,932	82.00%	44,826,630	83.63%
<b>Public Safety</b>	6,000,000	13.64%	7,311,195	13.64%	7,311,195	13.64%	7,311,195	13.64%
<b>Men Health/Com Facility</b>	-	0.00%	-	0.00%	900,499	1.68%	-	0.00%
<b>Parks/Greenspace</b>	-	0.00%	-	0.00%	900,499	1.68%	927,300	1.73%
<b>Repairs</b>	1,200,000	2.73%	1,463,311	2.73%	536,011	1.00%	536,011	1.00%
<b>Total</b>	<b>43,987,543</b>	<b>100.00%</b>	<b>53,601,136</b>	<b>100.00%</b>	<b>53,601,136</b>	<b>100.00%</b>	<b>53,601,136</b>	<b>100.00%</b>

**Recommendation**

Receive feedback on proposed uses of Special Purpose Sales Tax Options (SPLOST) II funding for development of a resolution to be voted on by City Council at a future meeting. This meeting may happen on August 28, 2023; however, there may be a need for a special called meeting for approval based upon county timelines.



#9.

# *City of* **Dunwoody** *Georgia*

## SPLOST Discussion

August 14, 2023

# Background

- The county passed its very first SPLOST (Special Purpose Local Option Sales Tax) in November 2017.
- Unlike the previous HOST (Homestead Option Sales Tax), this tax is to be used exclusively for capital construction by the cities and county.
- The tax began in April 2018 and is set to expire in March 2024.
- A countywide referendum will be on the ballot in November 2023 to levy a new penny (or as some say continue the current one) starting in April 2024.
- City Council had initial discussion on June 12 and this is a follow-up based on that feedback.

# The Original Budget

- Transportation improvement projects including, but not limited to, Infrastructure Preservation (road resurfacing, replacement and rehabilitation of bridges and drainage systems); Pedestrian and Bicycle Path Improvements (addition of sidewalks, streetscapes, bike lanes, and multi-use trails); Congestion Relief (intersection improvements, road widenings, traffic management, and signal upgrades); Safety and Operational Improvements (addition/extension of turn lanes, elimination of sight distance problems and other safety concerns, as well as widened lanes and shoulders) \$36,787,543
- Public Safety Facilities and Related Capital Equipment \$6,000,000
- Repairs of Capital Outlay Projects \$1,200,000

	<b>SPLOST I</b>	
<b>Transportation</b>	36,787,543	83.63%
<b>Public Safety</b>	6,000,000	13.64%
<b>Mental Health/Com Fac</b>	-	0.00%
<b>Parks/Greenspace</b>	-	0.00%
<b>Repairs</b>	1,200,000	2.73%
<b>Total</b>	<b>43,987,543</b>	<b>100.00%</b>

*SPLOST I would not allow capital construction from mental health, community facilities, parks, or greenspace.*



# Big Boy SPLOST

The main change from “Baby SPLOST” to “Big Boy SPLOST” was removing the restrictions where it was limited to transportation and public safety (with a small part being allowed for repair now being expanded.)

There are lots of “lists” out there of what can be changed, but a great deal of new categories really don’t apply to Dunwoody. Some additions include:

- Airports;
- Cultural; recreation; and historic facilities;
- Courthouse; administrative buildings; civic centers; correctional facilities; libraries; solid waste facilities;
- Stormwater; water & sewer;
- Retiring general obligation debt;
- Voting equipment; and
- Hospitals.

# Options for SPLOST II

	SPLOST I		Option 1		Option 2		Option 3	
Transportation	36,787,543	83.63%	44,826,630	83.63%	43,952,932	82.00%	44,826,630	83.63%
Public Safety	6,000,000	13.64%	7,311,195	13.64%	7,311,195	13.64%	7,311,195	13.64%
Men Health/Com Facility	-	0.00%	-	0.00%	900,499	1.68%	-	0.00%
Parks/Greenspace	-	0.00%	-	0.00%	900,499	1.68%	927,300	1.73%
Repairs	1,200,000	2.73%	1,463,311	2.73%	536,011	1.00%	536,011	1.00%
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- *Transportation improvement projects including, but not limited to, Infrastructure Preservation (road resurfacing, replacement and rehabilitation of bridges and drainage systems); Pedestrian and Bicycle Path Improvements (addition of sidewalks, streetscapes, bike lanes, and multi-use trails); Congestion Relief (intersection improvements, road widenings, traffic management, and signal upgrades); Safety and Operational Improvements (addition/extension of turn lanes, elimination of sight distance problems and other safety concerns, as well as widened lanes and shoulders);*
- **Construction of mental health, medical, or community facilities either independently; in association with DeKalb County; or through a regional authority or other permissible entity;**
- **Construction, acquisition, or development of parks, greenspace, and/or recreational areas.**
- *Public Safety Facilities and Related Capital Equipment;*
- *Repairs of Capital Outlay Projects.*