# RESOLUTION NO. 2015-03R
# A RESOLUTION OF IVINS CITY, UTAH, ESTABLISHING THE FORMULA & PROCESS FOR DISTRIBUTING "RAP" TAX REVENUE RECEIVED BY IVINS CITY

**WHEREAS,** on June 4, 2015, the Ivins City Council voted to approve the First Amended Interlocal Cooperation Agreement between Washington County and Municipalities within the County regarding distribution guidelines for distributing a County-wide Recreation, Arts, and Parks ("RAP") tax approved by voters in the 2014 elections; and

**WHEREAS,** in various public meetings of the Ivins City Council from February, 2015 to the present, the City Council has discussed possible formulas and processes for distributing the City's share of RAP tax revenue; and

**WHEREAS,** the Ivins City Council desires to now establish by formal Resolution the formula and process for distributing RAP tax revenue received by Ivins City;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF IVINS CITY, STATE OF UTAH, AS FOLLOWS:**

1. Purpose. Ivins City is host to numerous recreation and artistic events sponsored by both Ivins City and private entities. Ivins City also has a thriving parks and trail system that is in need of expansion to meet the public's demand for such services in a growing community. In order to pay for some of the costs associated with recreation, arts, and parks within Ivins City, the purpose of this Resolution is to provide a structure for the distribution of the RAP tax revenues received by Ivins City and to minimize conflicts between funding requests.

2. Allocation. The Ivins City Council has determined that all RAP tax revenue received by Ivins City shall be divided as follows: the first $5,000 shall be placed into a reserve fund for RAP tax purposes in the future, with the balance divided into thirds – one-third (1/3) distributed to recreation; one-third (1/3) distributed to arts, and one-third (1/3) distributed to parks.

3. Distribution by Agreement. The Ivins City may at any time during the term of the RAP tax determine that certain amounts from the above apportioned shares are to be allocated to a specific entity for a specific purpose. Before entering into such an agreement, however, the City shall receive and consider all of the information required of any other applicant as set forth in paragraph (4) below. If the agreement is not used to obtain a bond, then the agreement shall contain an escape clause where the City can terminate the agreement if the City is not satisfied with the annual accounting or there has been a change in the applicant's status. If the agreement is to be used for obtaining/paying for a bond, then the application process for distributions by agreement shall require, in addition to the basic application requirements for annual applications, at least 3 years of tax returns, at least 3 years of reviewed/audited financial statements, and copies/description of financial policies, including a policy/strategic plan for maintenance/replacement of capital improvements.

4. Application Process. For all RAP tax revenue not distributed by agreement, any person or organization, including the City, requesting funds from RAP tax revenues must complete a Fund

Request in December of each calendar year that the RAP tax revenues exist. Each such Fund Request must set forth a description of the project for which RAP tax funds are requested for that calendar year and the amount of RAP tax funds requested for that year in order to assist the City Council in deciding which projects have the highest priority and should be funded. For persons or organizations other than Ivins City, each Fund Request should also contain:

a. Applicant's name, mailing & physical address, phone number, fax number and email address.

b. Proof of applicant's non-profit status.

c. An attachment showing applicant's other sources of funding for the project for which RAP tax revenue is requested.

d. A statement of how long applicant has been in existence and a financial statement for applicant's prior year of operation.

e. Proposed qualifying expenses to be paid with RAP tax funds.

f. Detailed cost estimates for the proposed project.

g. If applicant has received RAP tax funds within the past three (3) years, an accounting showing how the prior RAP funds were spent.

h. Any other information that is reasonably related to determining how RAP tax funds would be spent by the applicant.

5. Review of Requests for Funds & Awarding of Funds.

a. In January following a calendar year in which RAP tax revenue was received by Ivins City, the Ivins City Council shall meet to determine the recipients for that year's RAP tax funds and the amount to be distributed to each recipient.

b. Due to the limited amount of RAP tax revenue that will be allotted to Ivins City, the funds awarded by the Ivins City Council shall be limited to entities located within Ivins City or which provide significant tax revenue to Ivins City. All other projects outside of Ivins City have the ability to petition Washington County or other cities for funding.

**Effective Date.** This Resolution shall become effective immediately upon passage.

**PASSED AND ADOPTED BY THE IVINS CITY COUNCIL, STATE OF UTAH, ON THE 16TH DAY OF JULY, 2015, BY A UNANIMOUS VOTE. ALL COUNCIL MEMBERS WERE PRESENT AT THE MEETING AND VOTED IN FAVOR.**