



**PAYSON CITY
PARKS, ARTS, RECREATION &
CULTURE**

Background:

In 2016, 62% of the Payson City voters approved a 1/10 of 1% (0.1%) increase in the local sales and use tax as a means of enhancing funding for local recreational facilities and cultural organizations within Payson City. Funds are to be distributed as consistent with Utah Code Ann. §59-12-1401, *et.seq.*, as amended, and in conformance with Payson City Ordinances.

Program Purpose:

The purpose of the PARC program is to support recreational facilities and cultural organizations that enrich the overall quality of life for residents throughout Payson City. The Parks, Arts, Recreation & Culture (PARC) Program is committed to enhancing city recreational and cultural facilities and providing fair and equitable access to PARC funding through grant opportunities.

1.0 Policy

Under the PARC program the Payson City Council shall, in a public hearing, annually evaluate the forecasted and/or actual sales and use tax revenues generated by the PARC tax for the Program Purpose; to establish funds available for distribution through grant opportunities. The Payson City Council will also work to increase public awareness of the value of the PARC program.

2.0 Definitions

The following definitions shall be used when referenced hereinafter:

- 2.1 PARC – Park, Arts, Recreation, Culture
- 2.2 Application form – the document(s) specified by the PARC Program of Payson City for use by organizations which request grant funds pursuant to this Policy, including any required attachments and supporting documents.
- 2.3 Compliance Report – record of how grant money was awarded, and how it was spent.
- 2.4 Nonprofit – an organization or corporation that is certificated by the Internal Revenue Service as an organization qualifying under § 501 (c) (3) of the Internal Revenue code.
- 2.5 In-Kind Match – utilizing PARC funding to satisfy the matching portion of federal and/or state grants.
- 2.6 Mini Grants – funds given to a Qualifying Organization.
- 2.7 Qualifying Organization – a cultural organization that has 501 (c)(3) status and maintains a strong presence within Payson City, or a municipal cultural and/or historical council.

3.0 General Guidelines

- 3.1 PARC tax revenue may only be used for non-budgeted capital development and ongoing operations of government owned or operated recreational and cultural facilities, and for the ongoing operations of nonprofit cultural arts organizations.
- 3.2 Recreational facilities are defined as publicly owned or operated parks, playgrounds, golf courses, athletic fields, gymnasiums, swimming pools, trail and bicycle systems, or other facilities used for recreational purposes. Cultural facilities include publicly owned or operated museums, theaters, art centers, music halls, or other cultural or arts facilities. Again, pursuant to Utah State law, government owned or operated facilities are the only facilities eligible for PARC funds.
- 3.3 Funding for this program comes from sales tax revenues that are collected by the State of Utah and distributed to Payson City. Sales tax revenues can be volatile depending on economic activity. To ensure more funds are not disbursed than received for the year, total actual PARC revenues cannot be disbursed for any project and/or grant until said revenues have actually been received by the City.
- 3.4 All groups receiving PARC funding shall acknowledge the funding through signage, markers, programs, etc.

4.0 PARC Funding Decision Process

- 4.1 During regularly scheduled budget hearings (typically May and June of each year), the Payson City Council will make the final decision on what city projects are funded, what grants are allocated, and how the PARC money is spent.

Payson City Council shall organize a PARC Committee consisting of the following:

- Member of the Trails Committee (non-voting)
- City Council Member (non-voting)
- Member of the Parks and Recreation (non-voting)
- Payson City Manager (non-voting)
- Five members of the community

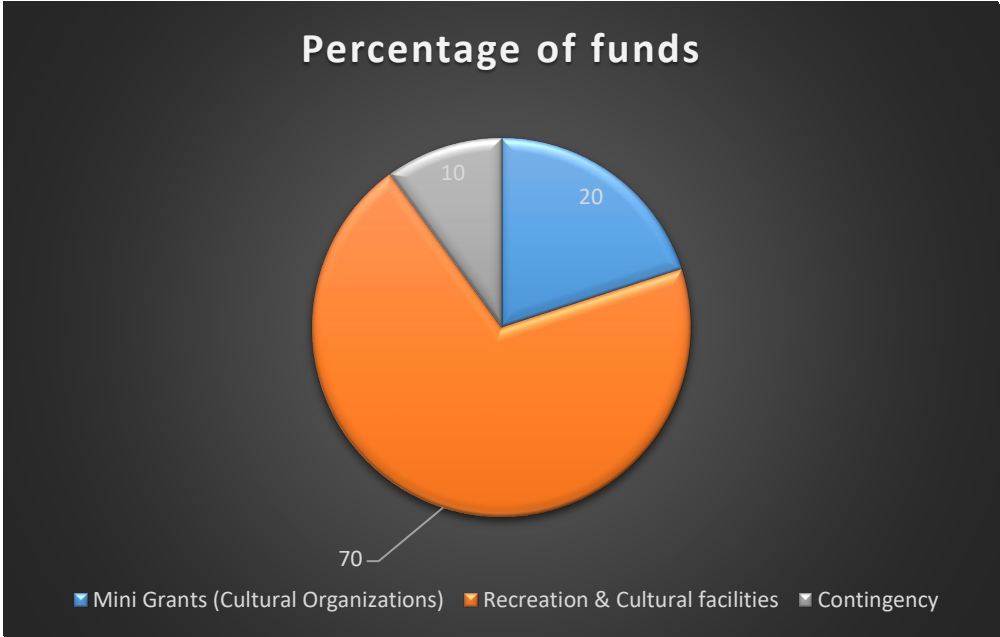
Committee members shall be appointed for two-year terms. The initial appointment of committee members is two members for one-year terms and three members for two-year terms. This will ensure staggered appointments to provide continuity to the committee.

In selecting the PARC Committee members, the City shall place, or cause to be placed, an advertisement in the Payson Chronicle and the Payson City Newsletter mailed with the utility bill indicating the number of committee member positions available. The advertisement shall be advertised in August and allow Payson residents thirty (30) days to apply to be committee members. The Mayor, an assigned council member, and the City Manager shall constitute the interview panel. After the interview process, the Mayor shall present the name or names of potential committee members to the City Council for their advice and consent. The City

Council shall review the applications and determine who should be considered as committee members.

The PARC Committee shall review all proposed projects and all mini grants and provide the City Council with recommendations on projects, needs, suggested funding areas, recommended grants, needed facilities, etc. The City Council will give heavy consideration to the recommendations and make the final determination in distributing the PARC funds.

- 4.2 Recipients of the PARC funds will supply an annual PARC Compliance Report, on a form provided by the City, to the PARC Committee showing an accounting of PARC tax expenditures and uses. The PARC Committee will compile these reports and present them to the City Council during regularly scheduled budget hearings.
- 4.3 As established by the City Council, distribution for PARC tax allocation will be as follows:



Depending upon project costs, needs, and change in priorities the Payson City Council reserves the right to amend the distribution percentages of PARC tax allocation at any time.

5.0 Other Groups Eligible for Funding (Mini Grants)

- 5.1 As noted above, other ‘Cultural Arts Organizations’ may be eligible for funds. Qualifying organizations must have, or commit to have, a significant presence within Payson City and must be a qualifying organization as defined in this policy. Only competitive mini grants are available for Cultural Arts Organizations.
- 5.2 All applications must be received by Payson City by 5:00pm on the second Tuesday in April. Grants will be awarded by the end of June of each year. Distribution of grant funding will not be made until after July 1 of each year and is subject to actual funds accrued by the City.

- 5.3 Grant applicants must complete an application form and then submit the information to the PARC Committee for completeness review. A sample form is attached, which may be modified from time to time. The PARC Committee will evaluate all mini grant applications for eligibility on a broad spectrum of cultural arts disciplines including visual arts, performing arts, literary arts, historic preservation, arts education, etc. The PARC Committee will submit their recommendation for the mini grants to the City Council for consideration.
- 5.4 PARC funds granted to cultural organizations may not be used for capital construction expenses, payments into an endowment fund, expenditures for programs outside of Payson, activities not available to the general public, political lobbying, fundraising expenses related to capital or endowment campaigns, or for other expenses not related to the organization's primary cultural purpose or directly related to or for the direct benefit to the residents of Payson City. Also, the portion of this revenue designated for cultural arts is intended to support nonprofit cultural arts organizations rather than individuals.
- 5.5 PARC grant funding for cultural organizations may not be used for the following expenditures:
 - 5.5.1 Accumulated deficits or debt retirement
 - 5.5.2 Capital improvements
 - 5.5.3 Public Schools and/or school programs or hiring of temporary or permanent staff in any school or school system
 - 5.5.4 Lobbying Expenses
 - 5.5.5 Scholarships, purchase awards or cash prizes
 - 5.5.6 Magazines or newspapers
 - 5.5.7 Broadcasting network or cable communications systems
 - 5.5.8 Performances, events and activities that take place outside of Payson City
 - 5.5.9 Activities intended primarily for fundraising
 - 5.5.10 Recreational, rehabilitative, or therapeutic programs
 - 5.5.11 Social service programs
 - 5.5.12 Fireworks
 - 5.5.13 Rodeos
 - 5.5.14 Non-cultural celebratory events
 - 5.5.15 Activities that are primarily religious in purpose
 - 5.5.16 Cash reserves
 - 5.5.17 Start-up organizations
 - 5.5.18 Private Foundations
- 5.6 Qualifying organizations requesting funds must be a nonprofit entity with 501(c)(3) status at the time of the application deadline, or a municipal cultural and/or historical council.
- 5.7 All qualifying organizations may apply for mini grants once per calendar year. If there are funds available after the initial round of funding, all qualifying organizations may reapply.
- 5.8 A submitted application form must be accurate, complete and all supplemental information included prior to the deadline. Late submissions will not be accepted. It is not the responsibility of the PARC Committee to contact the applicants

- regarding information missing from their application.
- 5.9 By the second Tuesday in April, each qualifying organization must submit a Compliance Report detailing how it expended the funds it received pursuant to these policies and procedures. Award recipients must use the funds before the next application cycle begins. (second Tuesday in April).
 - 5.10 The purpose of the Compliance Report is to account for grant funds distributed to cultural organizations. The report must be submitted by the deadline indicated. Future PARC funding may be withheld due to inadequate, incomplete, or non-submitted Compliance Reports.
 - 5.11 Grant selection is competitive. The Payson City Council will be the final decision and approval authority for all grant applications. In conformance with these policies and guidelines the City Council reserves the right to award all or portions of requested grants, or reject all or portions of any grants. Submittal of a grant application and/or award of grant is not a guarantee of future funding.
 - 5.12 Organizations that have received federal and/or state grant funds may receive matching funds from the PARC program. The amount of the matching funds may be greater than the 20% cap, at the discretion of the committee and the city council. (i.e. If a group is awarded a \$50,000 federal grant, PARC money may be allocated to match said monies).

6.0 Length of Term and Revenue Generated

- 6.1 The length of term for the PARC tax is 10 years. It is anticipated that approximately \$182,000 will be collected each year with a 10-year total of \$1.8 million.
- 6.2 Money will be collected for a 10-year period beginning April 1, 2017. If approved by the citizens of Payson, it may be renewed at that time for an additional 10 years.