



Sales tax for Business Loop district to be discussed by board, sole voter

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COLUMBIA — When the ancient Greeks invented democracy, they weren't anticipating community improvement districts.

The seven-member board of the Business Loop Community Improvement District will decide Monday morning whether to allow a vote on a new half-cent sales tax. If the sales tax goes to a vote, its fate will be in the hands of Jen Henderson, a 23-year-old MU student and the sole registered voter in the district.

At least one board member wants the election to go ahead.

"I think we should try to educate our voter and have her vote. That's just my opinion," said Dave Griggs, president of Dave Griggs' Flooring America.

The decisions Henderson and the board might make could have significant consequences for a major gateway to Columbia. The CID projects the sales tax would bring over \$200,000 into the area each year.

Creating the Business Loop CID

"I've been trying to make this happen for at least 15 years," Griggs said. But in the past, "the economy was much better, the Loop hadn't deteriorated. (We) never got to the point that petitions would do anything."

That changed a few years ago, when several business owners began drawing boundaries and collecting signatures to form a CID.

"Getting all the property owners on board took a lot of time," said Jack Miller, who owns True Media on Business Loop 70. He pointed to the "overwhelming majority" of property owners who supported creating the CID. Griggs said he could remember only one property owner who opposed forming the district.

The value of each commercial property was assessed before the CID was approved by the Columbia City Council in April. The property owners quickly voted to tax their properties in the Loop, an action projected to net about \$50,000 a year.

But for the CID to make its desired impact on Business Loop 70 and to repay the debt the group has accrued, it needs more money.

The half-cent sales tax was discussed prior to the Business Loop CID's formation. Missouri law states that registered voters in community improvement districts can decide whether to impose a sales tax, but because there were no registered voters in the district at the time, the measure would have been decided by property owners.

"Throughout that time period there were no residents, no registered voters on the Business Loop," Miller said.

But when Carrie Gartner, the CID's executive director, prepared for an election to add the sales tax, she learned that there was one registered voter living in the district — Jen Henderson.

"It's the way the law is written," Miller said. "But I don't know if it's fair that a temporary resident makes a decision that a year from now (she) won't be impacted by."

The lone voter

Henderson grew up in Herculaneum, Missouri. Until January 2011, she cared for her mother, who was diagnosed with multiple sclerosis. After her mother died, Henderson dropped her plans to study graphic design and transferred to MU to study health sciences.

She was hired as a night-shift caretaker at the Ellis Fischel Cancer Center. The job came with an apartment at the Wyatt Guest House, 317 Business Loop 70 W, which houses patients and their families. Henderson moved into her apartment in August 2014.

Six months later, in February, she made a routine visit to the Department of Motor Vehicles to renew her driver's license. A DMV employee asked her if she wanted to register to vote. She did, and wrote down the Wyatt Guest House address.

She didn't know her apartment would be within the borders of the Business Loop CID, which was formalized as a legal entity on April 20, 2015.

In July, Gartner met with Henderson to explain Henderson's status as the sole voter. Henderson had some options: She could stay registered to vote, or temporarily unregister and allow property owners to vote and approve the sales tax as planned.

After their first meeting, Henderson said she was willing to unregister. She began to change her mind after visiting Boone County Clerk Wendy Noren's office and seeing the boundaries of the district.

"That was what ignited me," Henderson said. "My first interpretation was, 'I'm the only address that's (in the) Business Loop,' but when I saw how people right next door to me are excluded, I knew the district was drawn on purpose to be that way."

To the CID's proponents, that isn't a problem.

“CIDs are designed for commercial areas to come together and provide services beyond what a city can provide,” Gartner said. “It was completely appropriate to draw boundaries to include (only) commercial properties.”

Gartner added that exclusion of neighborhoods also meant residential properties wouldn't be part of the increased property tax.

“All of the residential areas around here were organized,” said Miller. “They have strong neighborhood organizations. The businesses didn't.”

Residents like Henderson and Pat Kelley, however, want more input about the approval of a sales tax.

“I think everything is wrong about this process,” Kelley, the treasurer of the Ridgeway Neighborhood Association, wrote in an email. “My own feeling is that there has been no neighborhood input nor does there seem likely to be.”

The sales tax

If enacted, a half-cent sales tax would be assessed on purchases made at businesses in the district.

Seven employees and managers at six businesses on Business Loop 70 interviewed by the Missourian on Friday were not familiar with the sales tax.

Brandy Cross, owner of Distant Planet Comics & Collectibles, said she was aware of the proposed tax but wasn't concerned.

“I'm not worried about the impact to business,” she said.

Miller and Gartner both said the sales tax would be equal to or lower than taxes in place in other shopping areas around Columbia.

Henderson said she was concerned about how the tax would affect low-income families. According to the CID's website, almost 40 percent of households in the area have incomes of less than \$25,000 a year. A family of four living on less than \$24,250 a year is considered to be below the federal poverty line, according to the U.S. Department of Health and Human Services.

The tax would mean that for every \$50 spent at Moser's Foods, an extra 25 cents would be added to the bill.

“Every penny counts,” Henderson said.

The pennies also count for the CID. Besides the property tax, the CID has “no other source of revenue,” Gartner said. “It's a legal entity. It will exist.”

Without the sales tax, though, the CID would have to slow down plans to revitalize the area.

The CID's plans

The Five-Year-Plan on the CID's website details the group's ideas for revitalization, including increasing green space and "market research to understand both consumer and investor opportunities."

Cross was direct in her criticism of the Loop's current state. She said Business Loop 70 wasn't safe for pedestrians, especially for people with wheelchairs.

"It's dangerous," she said. "I would be bummed if we couldn't improve it."

Miller called Business Loop 70 "one of the most visible parts of Columbia that is the ugliest part of Columbia."

The first item on the community district's plan is working with the city to remove overhead power lines and replace them with underground lines. In the last week, power lines have started to come down, although the money to do so has come from the city.

The Business Loop CID's board of directors will meet at 11:30 a.m. Monday at Parkade Plaza, 601 Business Loop 70 W, in the Chairman's Room #131.

Henderson said she'll be at Monday's meeting. She plans to live in her Business Loop 70 apartment for another year and a half and said she'll stay in Columbia after she graduates.

"I am fighting for people who have had no voice in this from the beginning," Henderson said. "I'm still in the decision process."

Supervising editor is William Schmitt.