

121 W. Broadway St.  
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# NEWS RELEASE

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FOR IMMEDIATE RELEASE

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## Council paves way for creation of two Special Districts

PROSPER (January 10, 2018) With a unanimous vote at last evening's meeting, the Town Council has authorized the creation of two Special Districts that would, with voter approval, use sales tax receipts to fund enhancements to public safety.

A Special Purpose District Study Committee, composed of Prosper residents, has been researching this issue and made a recommendation urging the Town Council to authorize the two districts. The committee chose to recommend a Crime Control and Prevention District, and a Fire Control, Prevention, and Emergency Medical Services District over five other possibilities, including: a Library District; a Street Maintenance District; a Type B Economic Development District; and a Sports and Community Venue District.

The authorization includes the naming of seven individuals to serve on temporary boards for each of the districts, and charging these volunteer bodies with developing both a development plan for their respective district as well as a proposed two-year budget that would include detailed expenditures for the funds resulting from the sales tax.

Once completed, a call for election would be issued to place the creation of the districts on the May 5 ballot.

The sales and use tax, 8.25 percent on taxable products and services, is split between the state and the Town, with Prosper's share of 2.0 percent further divided between the Economic Development Corporation and .50 percent deposited into the Town's General Fund, designed to provide property tax relief.

With voter approval, the half-cent of the sales and use tax designated for the General Fund would be diverted into a two-way split, funding the proposed districts. Each of the two districts would receive .25 percent of the sales and use taxes.

Studies estimate that Prosper residents are responsible for slightly more than 36 percent of the sales and use tax, meaning that the remaining 64 percent of the funds are contributed by non-residents. The addition of more retail and other commercial establishments in Prosper stands to substantially increase the sales tax receipts for the Town.

Sarah Peterson, a local attorney and member of the Study Committee, says the two districts are needed to help Prosper's Police and Fire Departments as the Town continues its unprecedented growth. "The creation of the two safety districts will help both the Police and Fire Departments respond to the needs that have developed, and will continue to develop, due to all of the business and residential growth in Town," she said.

Former Town Councilmember David Bristol also served on the committee and says voters can feel secure in the knowledge that funds can only be designated for the purposes laid out in the election. "The funding dedicated to each of these districts can only be used for allowed purposes in those districts," he said. "The districts are created for an initial period of five years and can be renewed with voter consent. The committee felt that creating the special districts would allow the two public safety services to grow as the Town grows."

Based on proposed budget projections for the current fiscal year, the two districts would share \$2,055,278 in equal amounts.

Citizens must be registered to vote by April 5 in order to cast a ballot in the May election.

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**ABOUT THE TOWN OF PROSPER** – The Town of Prosper is a fast-growing suburb with small town charm, located 30 miles north of Dallas at the crossroads of U.S. 380, Preston Road and the Dallas North Tollway in Collin and Denton Counties. Prosper sits on 27 square miles and is home to more than 20,000 people. A home-rule municipality, governed by a council-manager form of government, the town has full-time fire and police departments, including its own dispatch service. As the Town grows to its projected build-out population of 70,000 residents, Prosper's vision is to remain a "Place Where Everyone Matters."