

RESOLUTION OF THE CITY COUNCIL, CITY OF FAYETTEVILLE, NORTH CAROLINA TO SUPPORT LEGISLATIVE ACTION TO DIRECT SHARED ALLOCATIONS OF FOOD AND BEVERAGE TAX PROCEEDS BETWEEN CUMBERLAND COUNTY AND ITS MUNICIPALITIES

WHEREAS, pursuant to the authority contained in Chapter 413 of the 1993 Session Laws, the Cumberland County Board of Commissioners levied a one percent (1%) tax on prepared food and beverages sold within Cumberland County, which is required by that law to be transferred to the Cumberland County Civic Center Commission exclusively for debt service and any other costs of acquiring, constructing, maintaining, operating, marketing and promoting the arena or expanded arena facilities; and

WHEREAS, Cumberland County operates the Crown Complex which commenced operations in October 1997 and features a 10,000 seat coliseum, an Expo center with up to 60,000 square foot, a 9,200 square foot Ballroom, a 2,400 seat performing arts theatre, and an 11,500 square foot arena; and

WHEREAS, all current outstanding debt issued for the construction and renovation of these facilities will be fully retired in December, 2024; and

WHEREAS, Cumberland County exclusively receives proceeds of occupancy taxes and prepared food and beverage taxes on sales within Cumberland County and its municipalities; and

WHEREAS, Cumberland County exclusively receives ABC Mixed Drink Surcharge and Profit Distributions from stores within Cumberland County and its municipalities; and

WHEREAS, the City of Fayetteville is the only municipality of the ten largest in North Carolina that does not receive revenues from shared distributions from one or all of occupancy tax proceeds, prepared food and beverage tax proceeds or ABC mixed drink surcharges and profit distributions; and

WHEREAS, residents of the Fayetteville make up two-thirds of the population of Cumberland County and is home to the majority of commerce for the county as well as the Sandhills region; and

WHEREAS, the City of Fayetteville has made significant investments in a downtown mixed-use stadium and supporting infrastructure to provide a regional entertainment venue to improve the quality of life and promote economic growth in the City, County and larger region; and

NOW THEREFORE, BE IT RESOLVED that the City Council supports legislative action to amend the statute authorizing the levy of the 1% tax on prepared food and beverages sold in Cumberland County to provide for a shared distribution of the proceeds of the tax between the County and its municipalities on a per capita basis in the same manner prescribed for the distribution of sales taxes in NCGS § 105-472 (b) (1).

THEREFORE, BE IT FURTHER RESOLVED that the City Council also requests a share of the ABC Mixed Drink Surcharge & Profit Distributions similar to all peer cities in North Carolina.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, this the ____ day of _____, 2019; such meeting was held in compliance with the Open Meetings Act at which a quorum was present and voting.

By: _____
MITCH COLVIN, MAYOR

ATTEST:

PAMELA J. MEGILL, CITY CLERK