



IMAGE COURTESY CITY OF CABOT

A 120,000-square-foot “sportsplex,” which will feature indoor courts and turf fields for a variety of sports, full concessions, meeting space and more, is just part of what Cabot will be able to accomplish thanks to voters’ willingness to extend the city’s existing sales tax.

Broad sales tax initiative a success for Cabot

By Shelby Fiegel

To create thriving communities with sustainable infrastructure while effectively managing growth, municipal leaders must focus on fiscal management and identify funding sources that best fit their communities’ needs. While there are multiple tools available to fund community and economic development efforts, one of the most common remains the local sales tax initiative. Creating a sales tax devoted to economic development can be a big ask of our citizens, especially if our leaders do not have a plan in place to utilize that funding.

In a local sales tax election in August of 2021, Cabot citizens overwhelmingly approved an initiative to maintain the city’s current sales tax rate and issue \$72 million in bonds for community and economic development projects. Voters approved 10 separate ballot initiatives that included restructuring current bonds and funding infrastructure, public safety and efficiency improvements.

How did Cabot accomplish this win? City leadership focused on the following community and economic development aspects.

Fiscal responsibility

When Cabot leaders began discussing the current and future needs of their city, their first concern was to be good stewards of public funds. They determined that they could meet these needs without a tax increase. Instead, they could extend the existing 1-percent sales and use tax. The city contracted Stephens Inc. to develop a plan to restructure the bonds. Stephens presented

multiple options to city leadership, who then determined which were most necessary for the city to maintain what it had and what it needed to positively position itself for the future.

Transparency

Instead of pitching the extension of the sales tax as a general fund for community and economic development efforts, the city identified 10 specific initiatives that could be funded through the extension: internet infrastructure, streets, drainage, early warning system, animal services, parks and recreation, public health facilities, and police and fire department improvements. Citizens were given the power to determine what would and would not be funded. The city also created a website that included detailed information about each initiative and a way to contact the city with questions.

Marketing

The city focused its marketing efforts on engaging with residents directly, taking a proactive approach when sharing information about the sales tax extension, said Cabot Director of Economic Development Alicia Wilmoth, who served as the main point of contact for the extension. “We focused on delivering a consistent message, providing opportunities for one-on-one engagement and being as transparent as possible. We were in front of residents as often as possible, normally two to three times per week over the course of six weeks leading up to the election.”

Marketing efforts included town hall presentations, presentations at civic and social organizations, development of a website dedicated to the bond extension, physical signage, creation of a brochure, and word of mouth. No PAC (political action committee) was formed to support the extension. All marketing was done by city leaders and a passionate group of citizens who volunteered their time.

Developing a united front

Cabot administration worked in tandem to support the sales tax extension. All department heads participated in community meetings, answered questions about the funding goals and delivered a consistent message to generate excitement. City leaders engaged with both nonprofits and businesses. They were also intentional about connecting with residents from every ward in the city.

Because the city followed this plan of action, Cabot has already begun to see positive outcomes from the passage of the extension. The city has:

- Completed several building and land acquisitions for upcoming projects.
- Allocated \$20 million for broadband, which the city will own.
- Purchased an old Price Cutter building on Main Street that will house a variety of city services, meeting space and the community pantry. This

project will also be a catalyst for downtown revitalization.

- Begun an expansion of its recreational facilities that will further develop Cabot as a sports tourism destination.
- Secured a location for new police and fire training facilities, which will support surrounding communities as well.

“Moving Cabot forward is our top priority,” Mayor Ken Kincade said. “Our administration, the city council and community leaders support our city and want Cabot to be a city that can support itself economically. This bond issue is really an infrastructure plan to make Cabot a top city in the state of Arkansas to live. Investing in ourselves makes private industry want to invest here because they know we are serious about economic development and have skin in the game.”

To learn more about the Cabot bond extension, contact Alicia Wilmoth at awilmoth@cabotar.gov or visit www.cabotbond.com. 🏠



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