

CITY OF ST. CLOUD, MINNESOTA

RESOLUTION 2020-01-05

Resolution supporting the authority to impose a local sales tax to fund specific capital improvements providing regional benefit, to establish the duration of the tax and the revenue to be raised by the tax, and to authorize the city to issue bonds supported by the sales tax revenue.

WHEREAS, the city has engaged community residents and businesses and identified the following projects:

- Multi-modal transportation and utility improvements: 2nd/3rd Street North from 10th Avenue to TH 15 (hereinafter referred to as Project A)
- Multi-modal transportation and utility improvements: 16th Street South/Traverse Road/22nd Street South from 6th Avenue South to CR 136 (hereinafter referred to as Project B)
- Multi-modal transportation and utility improvements: CR 136/Oak Grove Road/Maine Prairie Road from 33rd Street South to 25th Avenue (hereinafter referred to as Project C)
- Multi-modal transportation and utility improvements: Lincoln Avenue/4th Street SE/7th Street SE (hereinafter referred to as Project D)
- Municipal Athletic Complex (hereinafter referred to as Project E)

WHEREAS, the projects will result in benefits to both the residents and businesses of the city of St. Cloud and to non-resident visitors and businesses; and,

WHEREAS, funding the projects with a local sales tax will more closely distribute the cost of the projects to the users of the facilities and roads; and,

WHEREAS, the projects, including related debt costs are estimated to cost approximately \$146,000,000; and,

WHEREAS, the city estimates that a local sales tax of 0.5% would generate \$146,000,000 over 20 years; and,

WHEREAS, the city has provided documentation of the regional significance of each project, including the share of the economic benefit to or use of each project by persons residing, or businesses located, outside of the jurisdiction; and,

WHEREAS, the estimated local sales tax revenue and estimated time needed to raise that amount of revenue for each project is as follows:

- For Project A: the city will collect \$24,000,000, plus debt related costs over 5 years;
- For Project B: the city will collect \$23,000,000 plus debt related costs over 4.75 years;
- For Project C: the city will collect \$16,500,000 plus debt related costs over 3.5 years;

- For Project D: the city will collect \$21,600,000 plus debt related costs over 4.5 years;
- For Project E: the city will collect \$28,700,000, plus debt related costs over 5.75 years;

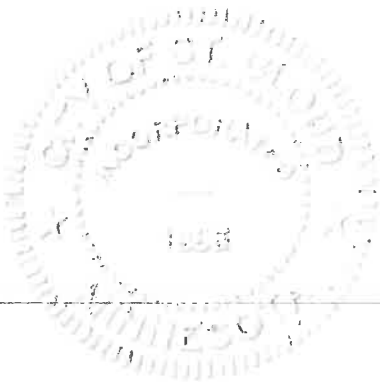
WHEREAS, Minn. Stat. § 297A.99 authorizes the imposition of a general sales tax if permitted by special law of the Minnesota Legislature; and,

WHEREAS, Minn. Stat. § 297A.99 requires the City to pass a resolution authorizing such a local tax and to obtain Legislative approval prior to approval by the local voters to enact the local tax;

THEREFORE, BE IT RESOLVED the following:

1. The city council supports the authority to impose a general local sales tax of 0.5% for a period of 20 years to fund the aforementioned projects;
2. Upon approval of this resolution, the city will submit the adopted resolution and documentation of regional significance to the chairs and ranking minority members of the House and Senate Taxes committees for approval and passage of a special law authorizing the tax, by January 31 of the year that it is seeking the special law.
3. Upon Legislative approval and passage of the special law authorizing the tax, the city will adopt a resolution accepting the new law, which will be filed with a local approval certificate to the Office of the Secretary of State before the following Legislative session.
4. The city will put detailed ballot questions, which includes separate questions for each project, on a general election ballot for local voter approval. This will be done within two years of receiving legislative authority.
5. If one or more ballot questions pass, the city will also pass an ordinance imposing the tax and notify the commissioner of Revenue at least 90 days before the first of the calendar quarter that the tax will be imposed.
6. Upon completion of the aforementioned requirements, the local sales tax will commence and run until March 31, 2041, or until a sum sufficient to fund the voter approved projects, including related debt costs, is raised, whichever comes first.

Adoption by the City Council of the City of St. Cloud on this 27th day of January, 2020.



**STATE OF MINNESOTA
COUNTY OF STEARNS
CITY OF ST. CLOUD**

I Seth N. Kauffman, City Clerk of the City of St. Cloud, Minnesota, do hereby certify, that the above and foregoing is a true and correct copy of
2020-01-05 (Passed-Adopted) by the City Council of the City of St. Cloud, Minnesota.

WITNESS MY HAND AND THE SEAL OF THE CITY OF ST. CLOUD, MINNESOTA. This the 28th day of January 2020

Seth N. Kauffman
City Clerk
City of St. Cloud, MN