

CITY OF NORTHFIELD, MN
CITY COUNCIL RESOLUTION 2020-011 – Option A
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 identified a need for improvements to regional parks and recreation facilities of the city; and

WHEREAS, the City has defined the project to include the following:

The City intends to pay for the capital and administrative costs of the betterment of regional parks, trails and open spaces. The improvements will include capital projects that serve accessibility, aesthetic and functional betterments. The locations include those within the defined Riverfront Corridor betterment as included in the strategic plan including the following: Riverwalk; Bridge Square; Ames Park; Lion’s Riverside Park; Babcock Park; Cannon River Regional Park; Sechler Park and various sports and recreation facilities including facilities at: Spring Creek Park, Sechler Park; Northfield Community Resource Center (FiftyNorth) – or other defined area to serve expanded needs; Memorial Park/Pool/Skateboard Park and Ice Arena roof repairs, refrigeration equipment replacement and related asset preservation. The total maximum estimated cost of these improvements is \$13,000,000.

WHEREAS, the project will result in benefits to both the residents and businesses of the City of Northfield and to non-resident visitors and businesses; and,

WHEREAS, funding the project with a local sales tax will more closely distribute the cost of the project(s) to the users of the facilities; and,

WHEREAS, the project is estimated to cost approximately up to \$13,000,000; and,

WHEREAS, the city estimates that a local sales and use tax of one half of one percent would generate \$13,000,000 plus associated bonding costs and administrative costs over approximately twenty (20) years; and,

WHEREAS, the city has provided documentation of the regional significance of each project, including but not limited to the materials attached hereto as Exhibit A, 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, 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;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The city council supports the authority to impose a general local sales and use tax of one half of one percent (.50%) for a period of approximately twenty years to fund the following project and an amount for the interest on and costs of issuing bonds to finance the following project:

The City intends to pay for the capital and administrative costs of the betterment of regional parks, trails and open spaces. The improvements will include capital projects that serve accessibility, aesthetic and functional betterments. The locations include those within the defined Riverfront Corridor betterment as included in the strategic plan including the following: Riverwalk; Bridge Square; Ames Park; Lion's Riverside Park; Babcock Park; Cannon River Regional Park; Sechler Park and various sports and recreation facilities including facilities at: Spring Creek Park, Sechler Park; Northfield Community Resource Center (FiftyNorth) – or other defined area to serve expanded needs; Memorial Park/Pool/Skateboard Park and Ice Arena roof repairs, refrigeration equipment replacement and related asset preservation. The total maximum estimated cost of these improvements is \$13,000,000.

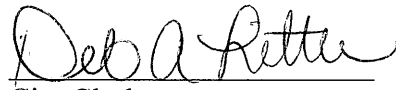
2. The City estimates that a local sales and use tax of one half of one percent would generate up to \$13,000,000 plus associated bonding costs and administrative costs.
3. The City Council hereby finds that Northfield serves as a regional hub for education, government, industry, healthcare services, retail, dining, faith communities, non-profits and more. We are a destination community for visitors recognized for its world-class colleges and historic riverfront downtown. The regional parks, trails and open spaces as well as the sports and recreation facilities identified serve not only Northfield residents but visitors as well. The attached Exhibit A provide further documentation of the regional significance of the project and benefits to non-local persons and businesses.
4. 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.
5. 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.
6. The city will put a detailed ballot question on a general election ballot for local voter approval. This will be done within two years of receiving legislative authority.
7. If the ballot question passes, the city will also pass an ordinance imposing the tax and notify the commissioner of Revenue at least 90 days before the first day of the calendar quarter that the tax will be imposed.
8. Upon completion of the aforementioned requirements, the local sales tax will commence and run for approximately twenty years or until a sum sufficient to fund the capital and administrative costs of the voter approved project, plus amounts sufficient to pay interest on


and the costs of issuing any bonds, is raised, whichever comes first.

9. The Council further finds that it is in the best interest of the health, welfare, and safety of the City and its residents and it is necessary and expedient to the sound financial management of the affairs of the City that the acquisition, construction and betterment of the facilities identified in Section 1 hereof, or any part thereof, be financed in whole or in part by the issuance and sale of the City's general obligation bonds pursuant to Minnesota Statutes, Chapter 475, as amended (the "Bond Act") in one or more series in an aggregate principal amount not to exceed \$13,000,000 plus an amount equal to interest and the costs of the issuance of any bonds (the "Bonds")."

PASSED by the City Council of the City of Northfield on this 21st day of January, 2020.

ATTEST


City Clerk


Mayor

VOTE: Y POWNELL N DELONG Y GRABAU Y NAKASIAN
Y NESS Y PETERSON WHITE Y ZWEIFEL