

CITY OF FERGUS FALLS, MINNESOTA
RESOLUTION #38-2021

Resolution to support 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 two projects:

1. Aquatics Center
 - a. Bath House
 - b. Two bodies of water
 - c. Lazy River
 - d. Water Slides
 - e. Climbing Wall and other related aquatics amenities

Projected Project Cost \$7,800,000

2. DeLagoon Improvement Project
 - a. Significant improvements to the existing campground, including infrastructure as identified in a City approved Master Plan
 - b. Restroom/Concession facility for the Soccer Complex
 - c. Upgraded Restroom/Concession facility for the softball complex
 - d. Replacement of the Lighting systems on the softball and baseball fields

Projected Project Cost \$5,200,000 and,

WHEREAS, the projects will result in benefits to both the residents and businesses of the City of Fergus Falls and to non-resident visitors and businesses and,

WHEREAS, the projects are estimated to cost approximately \$13,000,000 and,

WHEREAS, the estimates that a local sales tax of .5% would generate \$17,700,000 over 13 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 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 the Aquatics Center: the city will collect \$10,600,000 over eight years

For the DeLagoon improvement project: the city will collect \$7,100,000 over five years

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

WHEREAS, Minnesota 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 .5% for a period of 13 years to fund the aforementioned project(s)
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 a detailed ballot question(s), 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 day 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 December 31, 2036 or until a sum sufficient to fund the voter approved projects, including related debt costs, is raised, whichever comes first.

The above and foregoing resolution was offered at a regular meeting of the City Council held on March 1, 2021 by Council Member Rufer who offered its adoption, was seconded by Council Member Arneson and adopted by the following vote:

AYES: Hagberg, Kvamme, Rufer, Thompson, Arneson, Gustafson

NAYES: Hicks

ABSENT: Fish

Whereupon the above resolution was duly adopted.

ATTEST:



City Administrator

ADOPTED:



Mayor