

RESOLUTION NO. 2019-08-44

**RESOLUTION ACCEPTING CITY OF WORTHINGTON SALES TAX SPECIAL LAW,
SECTION 33 OF CHAPTER 6 LAWS OF 2019, FIRST SPECIAL SESSION**

WHEREAS, the Minnesota Legislature authorized a sales tax for the City of Worthington; Session Laws 2019, First Special Session, Chapter 6, Article 6, Section 33; and

WHEREAS, the authorization allows the imposition of a sales tax of one-half percent (0.5%) on sales transactions taxable pursuant to Minnesota Statutes, Chapter 279A, that occur within the City to pay the costs of collecting and administering the tax and to finance the capital and administrative costs of recreational and quality of life improvements; and

WHEREAS, the sales tax shall be initiated on January 1, 2020; and

WHEREAS, the sales tax shall expire at the earlier of: 15 years after the tax is first imposed (on or about December 31, 2034); or when the City Council determines that the amount of revenues received from the taxes first equals or exceeds \$25,000,000.00, plus the additional amount needed to pay the costs related to issuance of bonds

WHEREAS, the special law required that a referendum on this issue be submitted to the voters at a general election; and

WHEREAS, upon an affirmative vote of the majority of votes cast, the City of Worthington is allowed to impose the sales tax by ordinance; and

WHEREAS, a referendum question regarding the sales tax was part of the general election held on November 6, 2018; and

WHEREAS, the referendum question received an affirmative majority of the votes cast by a count of 2175 Yes votes and 1094 No votes; and

WHEREAS, Section 34 of the Special Law requires that the City Council pass a resolution outlining each of the specific capital projects that will be funded by the tax and the anticipated revenues to be raised from the tax that will be used for each project; and

WHEREAS, a list of the specific capital projects that will be funded by the tax and anticipated revenues raised from the tax to be used for each project is attached hereto as Exhibit A ("Special Projects and Revenues"); and

WHEREAS, the special law indicated that it would be effective the day after final enactment, upon compliance with Minnesota Statutes 645.021, subdivisions 2 and 3 by the City of Worthington; and

WHEREAS, this Resolution is intended to satisfy the requirements of Section 645.021 of Minnesota Statutes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WORTHINGTON, MINNESOTA, AS FOLLOWS:

1. City of Worthington accepts the special law, Minnesota Laws 2019 First Special Session, Chapter 6, Article 6, Section 33, authorizing the City of Worthington sales tax and the affirmative results of the referendum in the general election.
2. The City of Worthington hereby approves the Specific Projects and Revenues set for in Exhibit A attached hereto.
3. Authorizes and directs City staff to take the necessary action required by law to implement the additional sales tax as soon as allowed by law.

APPROVED this 13th day of August, 2019, by the Worthington City Council

CITY OF WORTHINGTON

(SEAL)

By: 
Mike Kuhle, Its Mayor

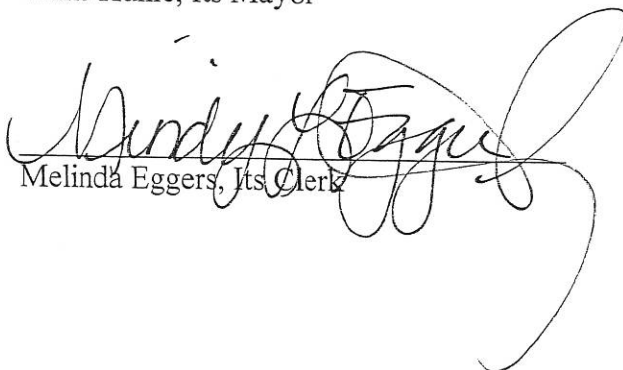

Melinda Eggers, Its Clerk

EXHIBIT A SPECIAL PROJECTS AND REVENUES

The authority granted under Session Laws 2019, First Special Session, Chapter 6, Article 6, Section 33, Subdivision 4 expires at the earlier of: (1) 15 years after the tax is first imposed; or (2) when the City Council determines that the amount of revenues received from the taxes first equals or exceeds \$25,000,000.00, plus the additional amount needed to pay the costs related to issuance of bonds under Subdivision 3, including interests on the bonds. Any funds remaining after completion of the projects and retirement or redemption of the bonds may be placed in the general fund of the City. The taxes imposed under Subdivisions 1 and 2 may expire at an earlier time if the City so determines by ordinance.

Worthington is a regional center and destination for employment, recreation and shopping, drawing visitors from Minnesota, Iowa and South Dakota. The project list was developed to provide amenities and attractions for individuals of all ages, family status and cultures. The specific projects to be funded with the sales tax revenue and estimated budgets include:

1. Improvements to the Aquatic Center (\$5.0 million)
2. Improvements to the Field House (\$3.5 million)
3. Improvements to the Ice Arena (\$2.5 million)
4. Park and Recreation Capital Projects and Improvements (\$7.0 million)
 - a. Expansion and Improvements of Ehlers Park
 - b. Buss Soccer Fields Restrooms
 - c. Slater Park Restrooms and Shelter
 - d. Pleasant Park Tennis Court Re-Surfacing
 - e. Ludlow Park Amphitheater Parking Lot
 - f. Sunset Park Boat Landing Improvements and Fish Cleaning Station
 - g. Centennial Park Shelter
 - h. Centennial Park Walk Bridge Replacement
 - i. Olson Park Walk Bridge Replacement
 - j. Chautauqua Park All Inclusive Playground
 - k. Chautauqua Park Band Shell Renovations
5. Lake Quality Improvements (\$6.0 million)
6. Improvements to the 10th Street Plaza (\$1.0 million)

The order of the projects will be determined by the City Council with consideration of availability of funds, regional significance and necessity.