

City of Little Falls

RESOLUTION 2021-11

RESOLUTION SUPPORTING THE AUTHORITY TO IMPOSE
A LOCAL SALES TAX TO FUND SPECIAL CAPITAL IMPROVEMENTS

WHEREAS, the City of Little wishes to support the authority to impose a local sales tax to fund specific capital improvements that provide 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; and

WHEREAS, the City of Little Falls has engaged community residents and businesses and identified a need to construct a "Community Recreational Facility" that would include a multi-purpose gymnasium with an indoor track, multi-purpose rooms for meeting spaces and educational purposes, and office and storage spaces; moreover, there will be outdoor recreational amenities for aquatic recreation and a master plan to incorporate more facilities in the future if revenue and costs allows; and

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

WHEREAS, funding the project with local sales tax will more closely distribute the costs of the project to be financed through bonds to the users of the facilities; and

WHEREAS, the project is estimated to cost approximately \$17,000,000; and

WHEREAS, the City estimates that a local sales tax of 0.5% would generate over \$17,000,000 over 30 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 of each project is as follows:

for Community Recreational Facility, the City will collect \$17,000,000 over 30 years;

and

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

WHEREAS, Minnesota Statute 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, that the City Council of the City of Little Falls supports the authority to impose a general local sales tax of 0.5% for a period of 30 years to fund a Community Recreational Facility; and

BE IT FURTHER RESOLVED, that upon approval of this resolution, the City of Little Falls 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, 2021; and

BE IT FURTHER RESOLVED, that upon legislative approval and passage of the special law authorizing the tax, the City of Little Falls 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; and

BE IT FURTHER RESOLVED, that the City of Little Falls will put a detailed ballot question(s), which includes separate questions for each project, on a general ballot for local voter approval, within two years of receiving legislative authority; and

BE IT FURTHER RESOLVED, that if one or more ballot questions pass, the City of Little Falls 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; and

BE IT FURTHER RESOLVED, that upon completion of the aforementioned requirements, the local sales tax will commence and run until December 31, 2051, or until a sum sufficient to fund the voter approved project(s), including related debt costs, is raised, whichever comes first.

Passed this 19th day of January, 2021.


Brad Hircock (Jan 27, 2021 07:05 CST)

Brad Hircock, Council President

ATTEST:


Jon Radermacher (Jan 27, 2021 08:16 CST)

Jon Radermacher, City Administrator

Approved this 19th day of January, 2021.


Greg Zylka (Jan 27, 2021 08:32 CST)

Gregory J. Zylka, Mayor





CITY OF LITTLE FALLS COMMUNITY RECREATION FACILITY REGIONAL SIGNIFICANCE

The City of Little Falls wishes to construct a Community Recreational Facility to add needed and desired indoor and outdoor recreational facilities, and multi-purpose spaces to service the future needs of our community and region.

The indoor recreational space would be centered around a gymnasium and indoor track. This will allow for hosting athletic tournaments, school and non-school sponsored activities and events or leagues, and activities for youth and adult recreation.

There is a growing demand to host events in our area. Little Falls is centrally located in the State and has easy access from Highways 10/371 and Highway 27. In addition to the indoor recreational facilities, the site would also include outdoor recreational spaces. This would include aquatic features like a splash pad and may grow into an outdoor aquatic center. Presently Little Falls does not have any outdoor aquatic facilities and we believe these features will have a significant draw throughout the region. We know that athletic tournaments, outdoor recreational facilities, and meeting spaces have significant impact and will attract people to our community.

The facility will also create multi-purpose spaces that will provide for a wide variety of events, including meeting spaces, conferences, small conventions, and trade shows. There are very limited options in Little Falls and regionally for these types of events, (i.e. 150-400 people).

Visitors will stay overnight, shop and eat in Little Falls. In 2017, the City conducted a hotel analysis that demonstrated the current demand for a medium sized hotel (50-60 rooms). This demand will continue to increase with the addition of this facility.

The Community Recreational Facility will serve the residents of Little Falls well and have regional significance as an attraction; provide economic benefits to our existing businesses, and spark redevelopment and new development opportunities.

Finally, childcare shortage is a crisis within our community and the surrounding region. The deficit of available slots in Little Falls is over 200 and the surrounding region is 500. During the past two years, the City has partnered with the Initiative Foundation and have had conversations with people in the childcare industry. In these discussions, it was identified that the biggest struggles to opening new childcare facilities are costs; the ability to finance construction or renovation of a site and pay operating costs, are very difficult in our market. It has been determined that creating a space for childcare



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with a partnership of the operators would help address this shortage. This has a regional impact as part of Little Falls' workforce comes from a surrounding 40-mile radius. I personally know families from other communities that use childcare in Little Falls but live in other communities.

We look forward to discussing our Community Recreational Facility with you further. Please contact me with any questions at (320) 616-5500 or email at jonr@cityoflittlefalls.com.

Respectfully,

A handwritten signature in black ink that reads "Jon Radermacher".

Jon Radermacher (Jan 27, 2021 08:17 CST)

Jon Radermacher
City Administrator