

RESOLUTION NO. 2020-15 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 OF EDINA TO ISSUE BONDS SUPPORTED BY THE SALES TAX REVENUE

WHEREAS, the City of Edina has engaged the business community around the possibility of a local option sales tax. Staff sent letters to thousands of businesses and hosted three large-group meetings and many individual staff meetings.

WHEREAS, the City Council identified four projects;

1. Fred Richards Park Master Plan (\$17.7M)

Fred Richards Park is being created from the former Fred Richards Golf Course, which closed in 2014. The 43-acre site, almost double the size of Centennial Lakes Park, will become a multi-use park for a variety of activities year-round. This site is connected regionally by the Nine Mile Creek Regional Trail Corridor, built in partnership with Nine Mile Creek Watershed District and Three Rivers Park District, which bisects the site. Fred Richards Park will subtly divide into sections, providing different experiences for people and nature. The vision includes features and amenities envisioned for the site to meet current and anticipated park and recreational demands. The Master Plan adopted July 2017, includes:

Central Green – (\$9.9M) Nature Bank – (\$1. 9M) Great Lawn and Loop Area (\$5.9M)

Regionally, this community asset is directly connected via the Nine Mile and Three Rivers Park District Trail to Minnetonka, Hopkins and Richfield. The park is also connected to the Minneapolis Grand Rounds, Nokomis-Minnesota River Regional Trail, Minnesota River Bluffs Regional Trail, Cedar Lake LRT Regional Trail and Lake Minnetonka LRT Regional Trail. The park is adjacent to the Pentagon Park office project, home to numerous business organizations and employees.

2. Braemar Park Master Plan including Braemar Arena complex (\$20.9M)

At 500 acres, Braemar Park is the largest recreational space in the City of Edina. It is home to Braemar Golf Course, Braemar Golf Dome, Braemar Arena, Braemar Sports Dome and Field, and Courtney Fields. Improvements to the park includes improving the connectivity of trail systems, access, and wayfinding to park amenities and facilities; providing separated use trail systems to accommodate walkers, mountain bikers and cross-country skiers; identifying new site improvements and recreational amenities to enhance existing facilities; developing and improving the quality of natural resources in the park; incorporating sustainable site improvements to promote land water resources; and investing in facility infrastructure are goals of the masterplan.

Masterplan adopted January 2018, includes:

Master Plan – (\$8.1M) Arena Complex Infrastructure – (\$12.8M)

Home to Edina High School, the Edina Youth Associations and the Braemar City of Lakes Figure Skating Club, regionally, this community asset draws recreational visitors from the entire Metro area, Greater Minnesota, Wisconsin, Illinois, Iowa and Canada. These park and recreation amenities are available for use by residents, business community members and school programs.

3. Weber Woods Park and Storm Water Facilities (\$2M)

At just over 14 acres, Weber Woods was jointly purchased by the City of Edina and the City of St. Louis Park in 2016. The site is located adjacent to and between Weber Field Park in Edina and Minikahda Vista Park in St. Louis Park. Over 9 acres of the site is located within the City of Edina and its intended use is restricted to park, recreation, open space or storm water management. In 2019, The Edina City Council approved a flood reduction task force, to address the impacts of storm water throughout the city and Weber Woods was a focus area as it is adjacent to St. Louis Park and the City of Minneapolis. By developing park amenities at this location, the residents, businesses and visitors of Edina, St. Louis Park and Minneapolis would be served by these offerings.

4. Municipal State Aid Street Reconstruction (Projects total \$39.2M)

MSA street reconstruction is an eligible use of LOST funding. Staff projects little to no growth in the Highway Users Tax Distribution Fund, from which MSA funding originates. Without an increase in funding, the pace and scope of these projects will slow. Engineering staff identifies approximately 28 miles of future MSA street reconstruction projects estimated at \$56M. LOST Funds could cover approximately \$39.2M, with the remaining \$16.8M covered by existing MSA Funds.

WHEREAS, the project(s) will result in benefits to both the residents and businesses of the city of Edina and to non-resident visitors and businesses; and,

WHEREAS, funding the project(s) 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(s) are estimated to cost approximately \$79,800,000; and,

WHEREAS, the city estimates that a local sales tax of 0.5 percent would generate \$4,000,000 annually 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 Fred Richards Park Master Plan: The city will collect \$17,700,000 over 20 years.
- For Braemar Park Master Plan including Braemar Arena complex: The city will collect \$20,900,000 over 20 years.
- For Weber Woods Park: The city will collect \$2,000,000 over 20 years.

For Municipal State Aid Street Reconstruction: The city will collect \$39,200,000 over 20 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;

NOW, THEREFORE, BE IT RESOLVED THAT

- 1. The city council supports the authority to impose a general local sales tax of 0.5 percent for a period of 20 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 twenty (20) years or until a sum sufficient to fund the voter approved project(s), including related debt costs, is raised, whichever comes first.

Passed and adopted this 22nd day of January, 2020.

Attest:
Sharon Allison, City Clerk

Mary Brindle, Acting Mayor

STATE OF MINNESOTA)

STATE OF MINNESOTA)
COUNTY OF HENNEPIN) SS
CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its Regular Meeting of January 22, 2020, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this 2200 day of

City Clerk