

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – Monday, January 14, 2019

Pursuant to due call and notice, a special work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, January 14, 2019, at 5:30 p.m. in the Conference Room of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Beard, Johnson, Rivera, Erickson, Thompson

Staff Present: City Manager Nate Mathews, City Attorney Al Felix, Finance Director Ron Eischens, Public Works Director/City Engineer Craig Gray, City Clerk Michelle Miller

Mayor Albrecht stated the purpose of the work session was to discuss forming a hospitality tax task force, the community development director position and priorities for legislative action day.

Hospitality Tax

Mathews stated that with the information recently received the capital improvement needs for the Sanford Center, having those costs being paid by property taxes is not an advisable or sustainable course for the City. In 2016-2017, the council discussed the importance and relevance of implementing a hospitality tax to replace the property taxes that currently fund the Sanford Center. Eischens provided an example of a 1% tax using 2016 Sales Tax information which would generate approximately \$560,000 on food and beverage and \$126,000 on lodging. Council can direct what percentage it wants to implement. Albrecht stated that a tax on food and beverage might be easier to attain. Erickson stated if this tax is implemented Erickson believes that this will only prevent further tax increases and not necessarily lower the property tax.

The potential members of this committee includes council members, residential tax payers and business owners. It would also be beneficial to include someone with a marketing background to help with the message to the public. It will also be important to have a unified approach with a positive narrative regarding the Sanford Center. In 2013 the legislature did not support the request because the City did not have support from VisitBemidji and the Chamber. Consensus was to create a hospitality tax committee and direct the manager to provide a recommendation of potential committee members at a future council meeting.

Community Development Director

Mathews provided a proposed job description as well as the proposed organizational chart if this position is approved. Mathews stated that this position will be a conduit for the business development community as well as the building and planning and zoning community. This position will help with the flow of the process for developers for building in the city limits. This person could also help with the housing discussion and race relations. Albrecht feels that the job description could be more refined with a focus on priorities. Eischens stated that council still needs to approve a budget modification to pay for this position.

Motion by Meehlhause, seconded by Rivera to refine the job description and implement the timeline for hiring a community development director. Motion carried.

Legislative Action Day

The CGMC Legislative Action Day is scheduled for January 30 with a strong Bemidji presence schedule. Albrecht wanted to start thinking about what issues members would like to focus on or what legislators they would like to meet with. Mathews stated that he would be willing to call and set up any appointments. Johnson suggested meeting with both Eichorn and Persell and perhaps both tax chairs. Possible topics include the hospitality tax, wells and waste water treatment capacity infrastructure issues. The CGMC will also be releasing an agenda that the City can use. Mathews will work on a possible agenda.

Adjourn

There being no further business, motion by Erickson, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 6:50 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk