

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Work Session – Tuesday, October 15, 2019

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Tuesday, October 15, 2019, at 5:30 p.m. in the Chambers 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, Finance Director Ron Eischens, City Engineer Craig Gray, Community Development Director Steven Jones, City Clerk Michelle Miller

Mayor Albrecht stated the purpose of the work session was to consider special use/sales tax for the 2020 legislative session.

2020 Special Use/Sales Tax Proposal

Eischens presented the information that was discussed by the special use/sales tax committee last winter and spring. Eischens provided information of special taxes implemented by other cities with large entertainment venues; including sales tax, restaurant tax and lodging tax. Council and staff discussed the differences between hospitality and local sales taxes, including time frame, use, process to approve and what it applies to. Under new legislation, cities are required to submit a resolution of support to legislators for approval before going to a referendum. Eischens provided estimated revenue from different tax rates. Council discussed infrastructure priorities of street improvement projects, water treatment and wastewater treatment plant improvements; as well as Sanford Center capital improvement purchases.

Council discussed the following:

- Erickson stressed the importance of maintaining the Event Center, updating technology and to be able to host more conferences.
- Beard stated that he could support a food and beverage tax to support the Sanford Center capital improvement needs and sales tax for the water and wastewater projects. Since a hospitality tax does not require a referendum vote, support from VisitBemidji, the Chamber of Commerce and the Downtown Business Alliance would be essential in obtaining legislative approval.
- Johnson presented a potential opportunity whereby the management company could be a part of the solution regarding the Sanford Center operations deficit. Johnson also suggested seeking sales tax for street improvement projects.

Consensus of council is to pursue a food and beverage tax for Sanford Center Capital Improvement purchases and a sales tax request for public infrastructure which could include streets, water treatment and wastewater treatment plant improvements. Council will meet at a future work session for further discussion.

Adjourn

There being no further business, motion by Meehlhause, seconded by Erickson, to adjourn the meeting. Motion carried. Meeting adjourned at 7:15 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk