

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – November 27, 2017

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, November 27, at 5:30 p.m. in the Council Chambers of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Hellquist, Johnson, Plemel, Erickson and Larson.

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

Others Present: Denise Koenigsberg, Widseth Smith & Nolting and Cathy Marchand, member of the Carnegie Task Force Committee

Albrecht stated that the purpose of the meeting was to get an update on the Carnegie Project and to also discuss talking points regarding the Sanford Family Sports and Wellness Complex.

Carnegie Project Update

Mathews and Felix summarized the Preliminary Report letter from Attorney Bill Burns regarding the use of tax credits for the Carnegie Restoration Project. Due to the Federal tax reform bill proposals currently in the House and Senate, the historic tax credits could be either eliminated or reduced. Therefore, Burns recommends holding off on exploring the federal tax credits for 60 days. Felix stated that this does not prohibit continuing to pursue the state historic tax credits while the Federal tax bills are resolved. Council consensus was for staff to investigate the use of the state tax credits, to discuss the possibility of getting an extension of the State Legacy Grant, and to investigate the suggestion from Burns of converting the grant to a loan.

Koenigsberg stated that they have begun to update the architectural plans and plan review documents so everything could potentially be ready to go out for bid in the spring. She hopes to have those plans updated by December 11. Council discussed the possible timeline regarding the bidding process and construction if the decision is made to complete the project. Council will discuss this project further at a work session in December.

Sanford Family Sports and Wellness Complex

Mathews stated that he organized some points of consideration regarding the Sanford Family Sports and Wellness Complex proposal regarding the use of a hospitality tax for this project. The Mayor reviewed the following talking points with the Council:

- The City of Bemidji supports the stand-alone Sanford Wellness and Aquatics Center.
- Conversations about ice facilities, both the construction of new and the retirement of old, require larger total community conversations including current ice owners/managers such as the School District, Bemidji Community Arena, Bemidji State University, the City, Curling Club, and user groups.
- As stewards of the community's investment and as partners with Bemidji State University Men's and Women's Hockey programs, a second sheet of ice will complete the original plan of the Regional Event Center project and is a priority for the City. This has to be included in the discussion of the creation of additional ice in Bemidji.
- Any local special use tax must include a plan to replace the current use of City property taxes that are defraying the Sanford Center's operational costs, capital costs, and financing costs, and include a plan to construct/operate a second sheet of ice at the Sanford Center.
- Any local special use tax used in a financial proforma should have an objective third party professional study conducted.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 7:05 p.m.

Respectfully submitted,



Michelle R. Miller
Deputy City Clerk