

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – February 11, 2013

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, February 11, 2013, 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, Hellquist, Johnson, Olson, Erickson, Thompson

Staff Present: City Manager John Chatten, City Attorney Alan Felix, City Clerk Kay Murphy
Others Present: Mayana Rice, Bill Batchelder, Justin Kaney, Megan Betters

JPB Funding Formula

The City Council briefly discussed the City's contribution percentage for the Joint Planning Board (JPB). In a memorandum prepared by Mayana Rice, JPB Administrator, she stated that the fees were originally based on four criteria, but not limited to: 1) the relative geographic area occupied by each jurisdiction; 2) the comparative tax capacity of each jurisdiction; 3) the population of each jurisdiction as reported in the annual State Demographer's population estimate; and 4) the current makeup of the JPB membership. It was noted that under the current formula the contribution is: Bemidji Township 19 percent, Northern Township 29 percent, the City 49 percent and the Airport 3 percent.

Councilmembers Thompson and Johnson both agreed that the current funding formula works and did not believe any change was needed.

Erickson asked about the percentage used for in-kind services.

Rice responded that the Development Committee has discussed decreasing the in-kind fees and establishing a different process. Rice further commented that a change in the fees contributed by each LGU will not require a change in the Joint Powers Agreement. The agreement allows for contribution alterations.

Motion by Johnson, seconded by Thompson, recommending that the Council continue with the same funding formula with the City's portion at 49 percent. Motion carried unanimously.

Governor's Sales Tax Proposal

Chatten stated that from a city finance perspective, the sales tax proposal would be good for Bemidji.

Bill Batchelder, Bemidji Woolen Mills, once again asked the council to consider a resolution opposing the expansion of the sales tax to clothing as proposed by Governor Dayton. He stated that it would be devastating to his business as well as main street Bemidji. Batchelder commented it is difficult to compete with cheaper non-American made goods.

After discussion, the Council agreed that it was too early to take a formal position on the Governor's sales tax proposal.

Taproom/Off Sale Brewer Discussion

The Council reviewed the proposed taproom and off-sale brewer ordinance. City Attorney Felix explained that even though Bemidji is a "split liquor" city, it is allowed under state statute.

Justin Kaney, Bemidji Brewing, stated that the proposed ordinance will advance craft beer in Northern Minnesota.

Discussion continued regarding the fees and the consensus of the Council was to set the taproom license fee at \$400 and off-sale malt liquor or small brewer license at \$240. The City Clerk will prepare an ordinance for a first reading at the Council's February 19 meeting.

ADJOURN

There being no further business, motion by Hellquist, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 7:03 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk