

RESOLUTION NO. 6-228-19

RESOLUTION ACCEPTING CITY OF TWO HARBORS SALES TAX SPECIAL LAW  
SECTION 8-11, OF CHAPTER 6 OF LAWS OF 2019, FIRST SPECIAL SESSION

WHEREAS, the Minnesota Legislature amended Article 8, Section 45 of Chapter 398, of Laws of 1998 authorizing a sales tax for the City of Two Harbors; Session Laws 2019, First Special Session, Chapter 6, Article 6, Sections 8-11 (“Special Law”); and

WHEREAS, the amendment allows the imposition of a sales tax of an additional one-half percent (0.5%) on sales transactions taxable pursuant to Minnesota Statutes, Chapter 297A, that occur within the City to pay the costs of collecting and administering the tax and to finance the capital and administrative costs of water and sewer infrastructure projects including gravity-fed sewer mains, water mains, drain tile, service lines, street patching, acquiring property, related engineering, and construction expenses; and

WHEREAS, the special law required that a referendum on this issue be submitted to the votes at a special or general election; and

WHEREAS, upon an affirmative vote of the majority of votes cast, the City of Two Harbors is allowed to impose the additional sales tax by ordinance; and

WHEREAS, a referendum question regarding the additional sales tax was part of the general election held on November 6, 2018; and

WHEREAS the referendum question received an affirmative majority of the votes cast by a count of 1162 Yes votes and 499 No votes; and

WHEREAS, Section 34 of the Special Law requires that the City Council pass a resolution outlining each of the specific capital projects that will be funded by the tax and the anticipated revenues to be raised from the tax that will be used for each project; and

WHEREAS, a list of the specific capital projects that will be funded by the tax and anticipated revenues to be raised from the tax to be used for each project is attached hereto as Exhibit A (“Special Projects and Revenues”); and

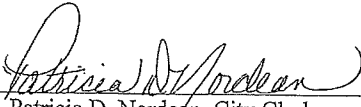
WHEREAS, the special law indicated that it would be effective the day after final enactment, upon compliance with Minnesota Statutes § 645.021, subdivisions 2 and 3, by the City of Two Harbors, and

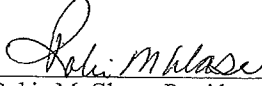
WHEREAS, this Resolution is intended to satisfy the requirements of Section 645.021 of the Minnesota Statutes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Two Harbors, Minnesota as follows:

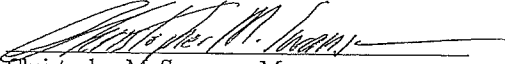
1. The City of Two Harbors accepts the special law, Minn. Laws 2019 First Special Session, Chapter 6, Article 6, Section 8-11, authorizing a City of Two Harbors sales tax and the affirmative results of the referendum in the general election.
2. The City of Two Harbors hereby approves the Specific Projects and Revenues set forth on Exhibit A attached hereto.
3. Authorizes and directs City staff to take the necessary action required by law to implement the additional sales tax as soon as allowed by law.

ADOPTED, this 24<sup>th</sup> day of June A.D., 2019.

ATTEST:   
Patricia D. Nordean, City Clerk

  
Robin M. Glaser, President, City Council

APPROVED, by the Mayor of the City of Two Harbors this 25<sup>th</sup> day of June, 2019.

  
Christopher M. Swanson, Mayor

## EXHIBIT A

The authority granted under subdivision 1, paragraph (b) of the Special Law, expires at the earlier of: (1) 25 years after the tax is first imposed; or (2) when the city council determines that the amount of revenues received from the taxes first equals or exceeds \$30,000,000, plus the additional amount needed to pay the costs related to issuance of bonds under subdivision 4, paragraph (b), including interest on the bonds. Any funds remaining after completion of the project and retirement or redemption of the bonds may be placed in the general fund of the city. The taxes imposed under subdivision 1, paragraph (b), may expire at an earlier time if the city so determines by ordinance.

The specific projects to be funded with this sales tax revenue are:

South Avenue from First Street/Park Road to Waterfront Drive;  
First and Second Avenues from First Street/Park Road to Eighth Street;  
Third and Fourth Avenues from First Street/Park Road to Ninth Street;  
Fifth and Sixth Avenues from Fourth Street to Ninth Street;  
Sixth Avenue from Seventeenth Street to Nineteenth Street;  
Seventh Avenue/Highway 61 From East City Limit Line to West City Limit Line;  
Eighth Avenue from Fourth Street to Tenth Street and from Eleventh Street to West City Limit Line;  
CSAH No. 26/Eleventh Street from Seventh Avenue/Highway 61 to Highway 2;  
Ninth Avenue from Fourth Street to Tenth Street and from Eleventh Street to West City Limit Line;  
Tenth Avenue from Fourth Street to Eleventh Street and from Fifteenth Street to West City Limit Line;  
Eleventh Avenue Parkway/Battaglia Boulevard;  
Hidden Springs Lane;  
Hidden Springs Parkway;  
Harbor Hills Drive;  
Eleventh, Twelfth and Thirteenth Avenues from Fourth Street to Eleventh Street and from Fifteenth Street to Twentieth Street;  
Fourteenth Avenue from Fourth Street to Tenth Street and from Fifteenth Street to West City Limit Line;  
Fifteenth Avenue from Fourth Street to Tenth Street;  
Sixteenth Avenue from Fourth Street to Tenth Street;  
Seventeenth Avenue from Fourth Street to Cul-de-sac and from Fifteenth Street to West City Limit;  
Laura Lane;  
Laura Lane Circle;  
Twentieth Avenue/CSAH No. 26;  
August Omtvedt Drive;  
Marie Avenue;  
Twentieth Avenue from CSAH 27/Fifteenth Street to the West City Limit Line;  
First Street/Park Road from South Avenue to Seventh Avenue/Highway 61;  
Second, Third and Fourth Streets from South Avenue to Fourth Avenue;  
Fourth Street from Fifth Avenue to seventh Avenue and from Highway 2 to North City Limit Line;  
Fifth Street from South Avenue to Fourteenth Avenue;  
Sixth Street from the waterfront to the alley North of Sixteenth Avenue;  
Seventh Street from South Avenue to Thirteenth Avenue; from Fourteenth to Fifteenth Avenue and from Twentieth Avenue to North City Limit Line;  
Eighth Street from First Avenue to Antonich Drive  
Antonich Drive from Sixteenth Avenue to CSAH No. 26;  
Ninth Street from Second Avenue to Seventh Avenue and from Eighth Avenue to Thirteenth Avenue;  
Tenth Street from Seventh Avenue to Eleventh Avenue and from Fourteenth Avenue to Sixteenth Avenue and from CSAH 26 to 24<sup>th</sup> Avenue;  
Thirteenth Street from Seventh Avenue to the alley north of Eighth Avenue;  
Fourteenth Street from Seventh Avenue to the alley north of Eighth Avenue;  
Fifteenth Street from Seventh Avenue to the North City Limit Line (or 20<sup>th</sup> Avenue);  
Sixteenth, Seventeenth and Eighteenth Streets from Seventh Avenue to Fourteenth Avenue;

Seventeenth Street from Sixth Avenue to Seventh Avenue;  
Nineteenth Street from Sixth Avenue to Seventh Avenue and from Seventh Avenue to Fifteenth Street;  
Twentieth Street from Seventh Avenue to the alley north of Seventh Avenue and from Eighth Avenue to the Alley North of Twelfth Avenue;  
Burlington Road;  
Seventh Avenue from Park Road to Highway 61 (New campground access road);  
Eighth Avenue North of Holiday to VFW;  
Lighthouse Point Road;  
Road South of Depot;  
Cemetery Roads;  
Waterfront Drive from 6<sup>th</sup> Street to West City Limit Line;  
Fairgrounds Road;  
Bourgage Road;  
Seventh Avenue from Twentieth Street west to the Electrical Substation;  
East City Limit Line to Burlington Road;  
Gas, Water and Sewer utility lines from the North City Limit Line to the Two Harbors High School;  
and any and all infrastructure lying beneath, adjacent to or near the aforementioned roadways.

The order of these projects will be determined by the City Council with consideration of availability of funds and necessity.