

REQUEST FOR COUNCIL ACTION

Date: July 11, 2011
Item No.: 15 . a

Department Approval

City Manager Approval

WJ Malinen

Item Description: Consider Request of City of St Paul for Resolution Opposing Imposition of Half-Cent Sales Tax

BACKGROUND

The Minnesota Legislature is considering ways to pay for building a new Vikings stadium. The stadium deal that is being considered is expected to include a half-cent sales tax levied solely in Ramsey County.

Kathy Lantry, President of the Saint Paul City Council, has asked cities in Ramsey County to adopt the attached resolution opposing the half-cent sales tax.

STAFF RECOMMENDATION

Pursuant to Rule #3 of the Rules of Procedure, this item, requested by Councilmember McGehee, is included on this agenda under Councilmember Initiated Future Agenda Items, and will be included on a future agenda for action by the Council.

REQUESTED COUNCIL ACTION

None at this time. Pursuant to Rule #3 of the Rules of Procedure, this item, requested by Councilmember McGehee, is included on this agenda under Councilmember Initiated Future Agenda Items, and will be included on a future agenda for action by the Council.

Prepared by: William J. Malinen, City Manager

Attachments: A: Email from Kathy Lantry, President Saint Paul City Council
B: Resolution
C: Letter to Governor

Margaret Driscoll

From: Margaret Driscoll
Sent: Wednesday, July 06, 2011 4:19 PM
To: Margaret Driscoll
Subject: 15.a Consider Request of City of St Paul for Resolution Opposing Imposition of Half-Cent Sales Tax
Attachments: Sample Letter to Governor and Legislators.doc; Sample Resolution opposing imposition of half cent sales tax

From: Tam McGehee [<mailto:tam@mcgehee.info>]
Sent: Wednesday, July 06, 2011 12:51 PM
To: Margaret Driscoll; Bill Malinen
Subject: 14.a Attachments [FWD: Request from St. Paul City Council President Lantry]

Bill and Margaret,

I had thought this came to the entire council, but I see it may not. I was wondering if we could have a discussion of the attached resolution on the agenda for Monday. The Star Tribune section, "Twin Cities and Region" carries the headline today, "St. Paul balks at stadium tax."

I would like to get a sense of the arguments for and against both the tax and the location of the stadium in Arden Hills. I haven't discussed this with any council members, but I think it is something that may have a very significant impact on Roseville (potentially both positive and negative) and we should begin the process of seeing what some of those impacts may be.

Thank you,

Tammy

----- Original Message -----

Subject: [SPAM] Request from St. Paul City Council President Lantry
From: "Kathy Lantry" <Kathy.Lantry@ci.stpaul.mn.us>
Date: Thu, June 30, 2011 6:27 pm
To: <tam@mcgehee.info>
Cc: "Richard Carlbom" <Richard.Carlbom@ci.stpaul.mn.us>

Dear Council Member McGehee,

As you know, the Governor, along with Legislative leaders, are working diligently to reach a budget deal; at the same time, a deal to build a new Vikings stadium is imminent. The stadium deal is expected to include a half-cent sales tax levied solely in Ramsey County.

The proposed Ramsey County tax to fund a statewide asset is not fair or equitable to our residents and businesses. All counties and cities across Minnesota will benefit from a stadium and should all share the burden of funding it.

The Governor and the Legislature need to develop a fair solution for everyone in Minnesota.

Those about to strike this deal must hear from you before they finalize negotiations. To ensure they get the message that a fair solution is essential, please consider the following:

1. Contact Governor Dayton: 651-296-3391 or mark.dayton@state.mn.us

2. Call or write your State House and Senate Members and Ramsey County Commissioner

Minnesota Senate Legislator Information:

<http://www.senate.mn/members/index.php?ls=#header>

Minnesota House Legislator Information: <http://www.house.leg.state.mn.us/members/hmem.asp>

Ramsey County Commissioner Information: <http://www.co.ramsey.mn.us/cb/index.htm>

3. Ask your City Council to consider the attached resolution
4. Make sure your neighbors and local businesses are engaged

We would appreciate hearing back from you. Please email or call Richard Carlbom from my staff at richard.carlbom@ci.stpaul.mn.us or 651-261-1306 to let us know your city's status in this process or to answer any questions.

Please join me in voicing your opposition to this unfair proposal. Thank you for your time and consideration.

Sincerely,

Kathy Lantry, President
Saint Paul City Council

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**EXTRACT OF MINUTES OF MEETING
OF THE
CITY COUNCIL OF THE CITY OF ROSEVILLE**

* * * * *

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Roseville, County of Ramsey, Minnesota was duly held on the ____ day of July, 2011, at 6:00 p.m.

The following members were present:

and the following were absent: .

Member introduced the following resolution and moved its adoption:

RESOLUTION No.

Opposition to Ramsey County Half-Cent Sales Tax for Viking Stadium

WHEREAS, the Roseville City Council recognizes the social and economic value of the Minnesota Vikings Football team to the State of Minnesota; and,

WHEREAS, to preserve the Minnesota Vikings as a valuable State amenity, the City Council understands the desire to find a solution to the Vikings' stated interest in developing a new stadium; and,

WHEREAS, a proposal has been put forth by the Minnesota Vikings and the Ramsey County Board of Commissioners to construct a new stadium in Arden Hills on the site of the former Twin Cities Army Ammunitions Plant (TCAAP); and,

WHEREAS, to finance the construction of this facility, the Ramsey County Board has proposed the imposition of a half-cent sales tax collected in Ramsey County in an amount sufficient to generate \$350 million; and,

WHEREAS, at a time when our city is facing significant cuts to essential services the City Council asserts that our number one policy priority is funding basic municipal functions, including police, fire, parks and public works which should be provided at a reasonable cost to all taxpayers; and,

WHEREAS, it is unfair and inequitable for the residents and businesses of Roseville to be asked to bear a disproportionate financial burden for the construction of a State and regional amenity, particularly when the benefit to Roseville taxpayers is tangential at best;

46 NOW THEREFORE, BE IT RESOLVED, that the Roseville City Council opposes the
47 imposition of a half-cent sales tax in Ramsey County to support the construction of a
48 Vikings stadium in Arden Hills; and,

49
50 NOW, THEREFORE, BE IT RESOLVED, that the Roseville City Council encourages
51 the Governor, Legislature, Ramsey County Board, Minnesota Vikings and other
52 interested parties to consider options for constructing a stadium that minimize risk to the
53 taxpayers, limit the level of public subsidy (particularly for the host community), and
54 promote a fair, multi-jurisdictional participation for a State-wide amenity.
55

56
57 The motion for the adoption of the foregoing resolution was duly seconded by Member
58

59 , and upon a vote being taken thereon, the following voted in favor thereof:
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61 and the following voted against the same: none.
62

63 WHEREUPON said resolution was declared duly passed and adopted.
64
65

Opposition to Ramsey County Half-Cent Sales Tax for Viking Stadium

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

I, the undersigned, being the duly qualified City Manager of the City of Roseville, County of Ramsey, State of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of said City Council held on the ____ day of July 2011 with the original thereof on file in my office.

WITNESS MY HAND officially as such Manager this day of , 20 .

William J. Malinen, City Manager

(Seal)

LETTER FOR CITY OFFICIALS TO GOVERNOR DAYTON AND LEGISLATORS

July 5, 2011

Governor Mark Dayton
State of Minnesota
120 State Capitol
75 Rev. Dr. Martin Luther King, Jr. Blvd
Saint Paul, MN 55155

Dear Governor Dayton,

On behalf of [CITY], I am writing to encourage you to oppose placing a half-cent sales tax on Ramsey County to build a Minnesota Vikings stadium. While the Vikings may be a statewide asset, the residents and businesses of just one county should not solely bear the burden of financing their new facility.

The City of [CITY] continues to face many challenges similar to that of the State of Minnesota. Revenue continues to decrease as costs continue to rise. The mortgage foreclosure crisis is not over, and unemployment remains high. Adding a half-cent sales tax to businesses and residents to fund a statewide asset is unfair and inequitable.

We encourage you to remain focused on resolving the state's budget challenges; then we may work together as elected leaders to resolve the Vikings stadium issue in a manner that is fair for all of our residents.

Sincerely,

CC: Respective Minnesota House and Senate Members
Ramsey County Board of Commissioners
Minnesota House and Senate Leadership