

**To:** Mayor and Councilmembers

**From:** Heidi Nelson, City Administrator

**Date:** July 28, 2022

**Subject:** Local option sales tax ballot language

As council is aware, staff has been working on advancing the financing plan for the Community Center expansion and renovation project. In addition to state bonding, the city is pursuing a local option sales tax to fund the project.

As part of the financing planning process, the city will need a ballot question on the 2022 General Election ballot for residents to vote on whether or not they support the imposition of a sales and use tax to help fund the Community Center project. Staff has been working with Rapp Strategies, bond counsel Taft Law, and City Attorney Justin Templin to draft the ballot language below and a resolution as they relate to the proposed sales and use tax election question.

Staff will be seeking direction during the August 1 work session regarding the proposed ballot language. Formal consideration of the ballot question is scheduled for the August 15 City Council meeting. It should be noted that formal consideration on August 15 will include a resolution that must be adopted and submitted to Hennepin County by August 26 in order to stay on schedule for the November election.

Below is the question that has been drafted for the 2022 General Election ballot.

**CITY QUESTION 1 (MAPLE GROVE)**

**Imposition of Sales and Use Tax**

Shall the City of Maple Grove impose a sales and use tax of one-half of one percent (0.50%) for no more than 20 years or until \$90,000,000 plus an amount equal to interest and the costs of the issuance of any bonds is raised, to finance the renovation and expansion of the Maple Grove Community Center, which may include the following: the addition of a third sheet of ice, walking track, expansion of aquatics facilities and locker rooms, expansion of expo/banquet facilities and space for seniors, new space for the arts and the historical society; and renovation and improvement of, HVAC systems, roofs, and building structures.