



Legislation Text

File #: 19-0527R, **Version:** 1

RESOLUTION AUTHORIZING ENTERING INTO A SERVICE CONTRACT WITH THE GREATER DOWNTOWN COUNCIL TO PROVIDE SERVICES TO IMPLEMENT THE DOWNTOWN WATERFRONT SPECIAL SERVICE DISTRICT.

CITY PROPOSAL:

BE IT RESOLVED, that by the city council of the city of Duluth, Minnesota, as follows:

Section 1. PURPOSE AND AUTHORIZATION

1.01. Under and pursuant to the provisions of Minn. Stat. §§ 428A.01 - 428A.101 (the "Act"), the city is authorized to adopt an ordinance establishing a Special Service District and a resolution establishing service charges within the District. The council, by Ordinance No. 9688, established the Downtown Waterfront Special Service District and by Resolution No. 04-0595R, imposed service charges to fund special services to be rendered within that Special Service District.

1.02. The council has also, by Ordinance File No. 19-037, adopted on August 26, 2019, (the "2019 Ordinance") reestablished with expanded boundaries the Downtown Waterfront Special Service District from January 1, 2020, through December 31, 2024, and also has, by Resolution Number 19-0526, adopted on August 26, 2019 (the "2019 Resolution"), assessed new service charges.

1.03. The 2019 Ordinance attaches and incorporates, and the 2019 Resolution incorporates by reference, an Operating Plan for Duluth's Downtown Waterfront District dated June 2019 ("Operating Plan") developed by a steering committee composed of a broad range of people representing property owners, business leaders, the city, and others with a direct stake in enhanced business and economic development conditions in the Downtown Waterfront. The Operating Plan sets forth the special services to be provided, the particular area of the city to be included within the District's boundaries, the amount and manner of imposing service charges, and the manner in which the special services will be implemented. The Operating Plan specifically anticipates that the special services will be implemented pursuant to a service contract between the city and the Greater Downtown Council ("GDC").

A service contract has been prepared for this purpose.

Section 2. APPROVAL AND AUTHORIZATION.

2.01. The council hereby approves and authorizes entering into the service contract attached hereto as Exhibit A with the GDC in the amount of \$220,000 per year for a period of 5 years, from 2020 through 2024, payable from Fund 258 (Tourism Taxes)-030 (Finance)-5436-10 (Tourism Tax Allocation Business Improvement District), including payment of all service charges collected from the District in an amount anticipated to be \$405,746 for the year 2020 with a 3% increase in the following 4 years, payable from Fund 110 (General Fund)-700 (Transfers and Other Functions)-1411 (Business Improvement District)-5441 (Other Services and Charges)

STATEMENT OF PURPOSE: This Resolution approves entering into a service contract with the Greater Downtown Council for the purpose of implementing the special services described in the Downtown Waterfront Special Service District Ordinance and Operating Plan.