



Legislation Text

File #: 19-0528R, **Version:** 1

RESOLUTION AUTHORIZING ENTERING INTO A MEMORANDUM OF UNDERSTANDING WITH THE GREATER DOWNTOWN COUNCIL SETTING FORTH THE ESTABLISHED LEVEL OF SERVICES FOR 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 Special Service 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 the Special Service District.

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

1.04. Minn. Stat. § 428A.01, subd. 3, provides that "special services" may not include a service that is ordinarily provided throughout the city from general fund revenues of the city unless an increased level of the service is provided in the Special Service District. In addition, Minn. Stat. § 428A.03, subd. 1, provides that service charges may not be imposed to finance a special service if the service is ordinarily provided by the city from its general fund revenues unless the service is provided in the district at an increased level.

1.05. A Memorandum of Understanding has been prepared to establish the existing level of city services being provided within the District and to obtain city's agreement not to decrease the level of services being provided in the District except to the extent that a similar decrease in services is being imposed throughout the city.

Section 2. APPROVAL AND AUTHORIZATION.

2.01. The council hereby approves and authorizes entering into the Memorandum of Understanding attached hereto as Exhibit A with the Greater Downtown Council.

STATEMENT OF PURPOSE: This resolution approves entering into a Memorandum of Understanding with the Greater Downtown Council for the purpose of establishing the existing level of city services being provided within the District and to obtain city's agreement not to decrease the level of services being provided in the District except to the extent that a similar decrease in services is being imposed throughout the city.