



Legislation Details (With Text)

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Title: RESOLUTION ESTABLISHING AN INTERFUND LOAN NOT TO EXCEED \$2,000,000 TO PARTIALLY FINANCE THE REHABILITATION OF THE MINNESOTA SLIP BRIDGE.

Sponsors:

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Date	Ver.	Action By	Action	Result
12/5/2016	1	City Council	adopted	Pass
12/5/2016	1	Mayor	approved	

RESOLUTION ESTABLISHING AN INTERFUND LOAN NOT TO EXCEED \$2,000,000 TO PARTIALLY FINANCE THE REHABILITATION OF THE MINNESOTA SLIP BRIDGE.

CITY PROPOSAL:

WHEREAS, the MN Slip Bridge is in need of repair and rehabilitation and there is a funding gap estimated at \$2,000,000 to complete the repairs; and

WHEREAS, tourism tax collections are available in the years 2018 through 2021 to finance the \$2,000,000 funding gap; and

WHEREAS, cash reserves exist in the General Fund to temporarily finance the funding gap of \$2,000,000 pending the receipt of tourism tax collections in the years 2018 through 2021.

THEREFORE, be it resolved by the Duluth City Council that an interfund loan in the amount not to exceed \$2,000,000 is approved from Fund 110, General Fund to Fund 450, Capital Improvement Fund to complete the MN Slip Bridge repairs and such interfund loan shall be repaid in four equal annual installments from tourism tax collections in the years 2018 through 2021 without interest from Fund 258, Tourism Tax Fund.

STATEMENT OF PURPOSE: This resolution establishes a temporary interfund loan to partially finance the repair and rehabilitation of the MN Slip Bridge. The estimated cost to complete the repairs is \$3,000,000. Funding will come from tourism tax collections as follows; \$500,000 from existing tourism tax reserves that have not been appropriated for another purpose, \$500,000 from tourism tax collections to be received in 2017 and an additional \$2,000,000 from tourism tax collections to be collected in the years 2018 through 2021.