

CITY OF NORTHFIELD, MN  
CITY COUNCIL RESOLUTION 2026-015  
SUPPORTING THE AUTHORITY TO IMPOSE A LOCAL SALES TAX TO FUND SPECIFIC  
CAPITAL IMPROVEMENTS PROVIDING REGIONAL BENEFIT, TO ESTABLISH THE  
DURATION OF THE TAX AND THE REVENUE TO BE RAISED BY THE TAX, AND TO  
AUTHORIZE THE CITY TO ISSUE BONDS SUPPORTED BY SALES TAX REVENUE.

- WHEREAS, the City of Northfield is a growing regional hub for education, tourism, government, industry, healthcare services, retail, dining, faith communities, nonprofits, arts and culture, historical resources, parks, and libraries; and
- WHEREAS, the community is home to two highly regarded post-secondary institutions with a combined enrollment of 5,000 students from the region, around the country, and around the world; and
- WHEREAS, the community is a growing regional center in the south metro, as evidenced by the following:
- Home to the Defeat of Jesse James Days annual celebration which draws an estimated 200,000 people to historic downtown in September, and which commemorates a significant historical event;
  - Home to over 35 parks and open spaces totaling over 400 acres, pedestrian and bicycle paths, an arena, and outdoor pool managed by the City of Northfield alongside amenities offered by the colleges such as the St. Olaf Natural Lands and Carleton College's Cowling Arboretum;
  - Offers year-round cultural activities and performances through the Public Library, Northfield Arts Guild, Fifty North, Carleton and St. Olaf Colleges, and other community cultural leaders; and
  - Home to industry leaders such as Post Consumer Brands, Aurora Pharmaceuticals, Northfield Hospital and Clinics and many others;
- WHEREAS, the City Council has identified three capital improvement projects of regional significance that will benefit residents of the City and surrounding areas, and seeks legislative authority to impose a local option sales tax of 0.50% to finance these projects; and
- WHEREAS, the proposed projects, anticipated costs, estimated local sales tax revenues, and estimated time needed to raise the revenues are as follows:
1. The City intends to pay for the capital costs of the acquisition and betterment of the Northfield Public Library interior and exterior safety, sustainability, and accessibility improvements plus cost of issuance and interest expense to ensure the longevity of the library's building and site and its role as a regional asset, community facility, and anchor to Northfield's historic downtown. The improvements include erosion control, replacing stairs and ramps, mitigating storm water, increasing outdoor community space, accessible route to the meeting room and patio, replacing turf with native plants, adding shaded gathering spaces and natural play areas, and replacing invasive plants.

The total maximum estimated cost of these improvements is \$2,800,000 plus cost of issuance and interest expense supported by a sales and use tax over 20-years; and

2. The City intends to pay for the capital cost of acquisition and betterment of necessary updates and repairs to the Northfield Community Resource Center plus cost of issuance and interest expense. The Northfield Community Resource Center is a vital regional hub for active older adults and home to multiple regional and countywide nonprofit human service providers. The necessary improvements include HVAC and mechanicals, energy investments, bathroom upgrades, and updates to the pool and locker rooms. The total maximum estimated cost of these improvements is \$2,800,000 plus cost of issuance and interest expense supported by a sales and use tax over 20-years years; and
3. The City intends to pay for the capital cost of acquisition and betterment of Northfield's interconnected Riverfront Parks plus cost of issuance and interest expense. These improvements will include capital projects that serve accessibility, river access, connecting trails networks, bathroom improvements, park amenities, along with aesthetic and functional betterments. The total maximum estimated cost of these improvements is \$7,500,000 plus cost of issuance and interest expense with supported by a sales and use tax over 20-years; and

WHEREAS, the City estimates that a local sales and use tax of one half of one percent would generate up to \$18,500,000 over 20 years; and

WHEREAS, the City estimates that the local sales and use tax would generate cash and a "par" bond (debt) funding of \$11.4 million with sales taxes to repay the principal and interest payments on the bonds;

WHEREAS, the City has provided documentation within Exhibit A of the regional significance of the identified projects, including the share of the economic benefit to or use of each project by people residing, or businesses located, outside of the jurisdiction; and

WHEREAS, Minn. Stat. § 297A.99 authorizes the imposition of a general sales tax if permitted by special law of the Minnesota Legislature; and,

WHEREAS, Minn. Stat. § 297A.99 requires the City to pass a resolution authorizing such a local tax and to obtain Legislative approval prior to approval by the local voters to enact the local tax; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The City Council supports a new imposition of a 0.5% local sales tax for up to 20 years to fund the listed projects.
2. Upon approval, the Council will submit this resolution and related documentation to Chairs and Ranking Minority Members of the House and Senate Taxes Committees by January 31.
3. Upon legislative authorization, the Council will adopt a resolution accepting the law and file a local approval certificate with the Secretary of State.

4. The Council will place detailed ballot questions before voters within two years of legislative authority.
5. Upon successful referendum, the Council will adopt an ordinance imposing the tax and notify the Minnesota Department of Revenue at least 90 days before the first calendar quarter in which the tax will be collected.
6. The local sales tax will commence and continue until the revenue obligation is satisfied or as otherwise provided.
7. These projects are hereby incorporated into the City's prioritized legislative policy.

PASSED by the City Council of the City of Northfield on this 20<sup>th</sup> day of January, 2026.

ATTEST

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

VOTE:   \_\_\_ ZWEIFEL   \_\_\_ BEUMER   \_\_\_ DAHLEN \_\_\_ HOLMES  
          \_\_\_ NESS   \_\_\_ PETERSON WHITE \_\_\_ SOKUP

## **EXHIBIT A – ECONOMIC BENEFIT**

*[Documentation of how each project will provide an economic benefit to residents, businesses, and visitors from outside the jurisdiction]*