CITY OF BURNSVILLE
SPECIAL WORKSESSION MINUTES
APRIL 24, 2006
6:00 P.M.

Council Present:	*D. Gustafson, E. Kautz, and L. Workman*
Council Absent:	*C. Crichton, T. Daly*
Staff Present:	*C. Ebeling, T. Omdal, T. Hansen, M. Brooks,*
Others Present:	*J. Gessner, J. Nichols*

The meeting was called to order at 6:20 p.m. by Mayor Kautz.

ITEM 1. LOCAL OPTION SALES TAX

Tammy Omdal, Deputy City Manager/CFO, reviewed summary information on local sales tax:

- Local general sales taxes allowed.
- Other Minnesota cities with a local general sales tax.
- Projected annual revenue collected from varied percentage tax.
    - 0.25% - $2.5M collected annually.
    - 0.50% - $4.9M collected annually.
    - 1.00% - $9.8M collected annually.
- Projected debt supported.
    - 0.25% - $30M bond.
    - 0.50% - $60M bond.
    - 1.00% - $120M bond.
- Estimated tax from residents versus non-residents.
    - Information not currently available.
- Purchases affected by a local general sales tax.
- Taxable and exempt purchases.
- Allowable uses.
- Steps required.

Council discussed possibility of changes in current Statutes to lift referendum requirements. Council consensus to consider a more comprehensive scope when considering local general sales tax. Councilmember Workman requested staff to seek out more information regarding projected non-resident tax collected.

Council directed staff to move forward with conducting additional research and exploring options for local general sales tax. Staff requested general direction in regards to which projects may be funded. Council consensus available agreed that the following projects should be considered while researching local general sales tax, but agreed that the Council should reconsider this list of possible projects with the full Council:

- Performing Arts Center
- Interchange 13/5
- Youth Facility Expansion
- Broadband Project
- CSAH 32 / CSAH 5 Connector Phase II
- Interchange 118th Street / I-35W (alternate)

The meeting was adjourned at 6:58 p.m.

Respectfully submitted,

_____
Macheal Brooks, Deputy City Clerk

Approved by the City Council of the City of Burnsville this 1st day of May 2006.

_____
Elizabeth B. Kautz, Mayor