

CITY OF VERGAS, MINNESOTA

RESOLUTION NO. 2025-016

A RESOLUTION PROPOSING A GENERAL LOCAL SALES TAX TO FUND THE VERGAS PARK IMPROVEMENT PLAN AND DOCUMENTING ECONOMIC BENEFITS TO RESIDENTS, BUSINESSES, AND VISITORS

WHEREAS, the City of Vergas seeks to enhance its public park facilities to improve quality of life, promote economic vitality, and attract visitors; and

WHEREAS, Minnesota Statutes §297A.99 require legislative approval for imposing a general local sales tax and mandate documentation of regional significance and economic benefits; and

WHEREAS, the proposed **Vergas Park Improvement Plan** includes upgrades to playgrounds, trails, picnic shelters, and accessibility features within the city's primary park and recreation area, creating a safe, inclusive, and attractive destination for residents and visitors; and

WHEREAS, the total estimated cost of the Park Improvement Plan is **\$1,200,000**, to be raised within **five (5) years** through a local sales tax; and

WHEREAS, the improvements will provide substantial **economic benefits**, including:

- **Increased Property Values:** Homes near improved parks typically see a 5% or greater increase in value, boosting local property tax revenues.
- **Business Growth:** Enhanced parks attract visitors who spend at local restaurants, retail shops, and lodging establishments, generating additional sales tax revenue and supporting local jobs.
- **Tourism and Regional Draw:** Upgraded facilities will host community events, festivals, and recreational activities, drawing visitors from outside Vergas and contributing to the regional economy.
- **Health and Productivity Benefits:** Parks encourage physical activity, reducing healthcare costs and improving workforce productivity.
- **Environmental Benefits:** Green spaces improve stormwater management and air quality, reducing municipal infrastructure costs. [\[library.we...ervepa.org\]](#), [\[tpl.org\]](#), [\[brec.org\]](#)

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF VERGAS, MINNESOTA:

1. The City proposes a **general local sales tax** at a rate of **0.5%** on applicable retail sales within the city limits, to commence upon legislative approval and voter authorization.
2. The tax shall remain in effect until **\$1,200,000** is raised, estimated to occur within **five (5) years**.

3. All revenues shall be dedicated exclusively to the **Vergas Park Improvement Plan**, as described herein.
4. The City Clerk-Treasurer is directed to submit this resolution and supporting documentation to the Minnesota Legislature by **January 31**, in accordance with statutory requirements.
5. Upon legislative approval, the City shall place the proposed tax and project question(s) on the ballot for voter consideration at the next general election.

Adopted this 18th day of November 2025.

Julie Bruhn, Mayor
City of Vergas

CERTIFICATION

I hereby certify that the above is a true and correct copy of a Resolution duly passed, adopted and approved by the City Council of Vergas on November 18, 2025

Julie Lammers Clerk/Treasurer
City of Vergas