
AGENDA ITEM SUMMARY

Subject: Resolution 127-21 Local Option Sales Tax – Prerequisite Resolution for local option sales tax referendum

Background Summary:

First step in taking official action of getting the local option sales tax on the ballot for vote is to pass a prerequisite resolution for the imposition of the tax for both the Floyd County and Charles City, since we both are seeking to renew the tax and both entities together make up at least 50% of the county population.

Dorsey & Whitney is preparing documents for both the City and the County for us to take action on.

Next step will occur in two weeks when we adopt a resolution stating how we would like the ballot to read, i.e. what we would like to use the LOST funding for.

As we've largely discussed this is to be for street/road maintenance and construction. We can finalize that at the next meeting.

CITY OF CHARLES CITY

RESOLUTION NO. 127-21

Resolution in support of Local Option Sales and Services Tax Election

WHEREAS, Chapter 423B of the Code of Iowa authorizes County Boards of Supervisors to impose a local option sales and services tax (the "Local Option Tax") within incorporated cities and the unincorporated area of counties, following an election at which the registered voters in various jurisdictions vote in favor of such tax; and

WHEREAS, pursuant to Section 423B(4)(b) of the Code of Iowa, the question of imposing a Local Option Tax shall be submitted to eligible registered voters upon receipt by the County Commissioner of Elections of the motion or motions requesting such submission adopted by the governing body or bodies representing at least one half of the population of the County; and

WHEREAS, the City of Charles City, Iowa (the "City") desires to impose a new, one-cent Local Option Tax (the "New Tax"), such tax to take effect on January 1, 2023, or as soon thereafter as is possible; and

WHEREAS, the City intends to submit a motion to the Floyd County Commissioner of Elections requesting that the question of imposing the New Tax in the City be submitted to eligible registered voters, and it is now necessary for the City to consider such a motion;

NOW, THEREFORE, be it moved and resolved by the City Council of the City of Charles City, Iowa, as follows:

Section 1. This City Council hereby expresses its support for the calling of an election in the City on March 1, 2022, or as soon thereafter as is possible on the question of the imposition of the New Tax.

Section 2. The City shall submit this motion and resolution to the Floyd County Commissioner of Elections in satisfaction of the requirements of Section 423B(4)(b) of the Code of Iowa, requesting that the question of imposing a Local Option Tax in the City be submitted to eligible registered voters.

Section 3. All resolutions and orders or parts thereof in conflict with the provisions of this resolution, to the extent of such conflict, are hereby repealed.

Passed and approved October 18, 2021.

Mayor

Attest:

City Clerk