ORDINANCE NO. 2026-19

AN ORDINANCE AMENDING CITY CHARTER SECTIONS 7.14, 7.15, AND 7.16 RELATING TO PERMANENT IMPROVEMENT REVOLVING FUNDS, TAX ANTICIPATION CERTIFICATES, AND EMERGENCY DEBT CERTIFICATES

The City Council of the City of Bloomington, Minnesota does hereby ordain:

Section 1. That Chapter 7, Section 7.14, of the City Charter is amended by deleting those words struck through and contained in brackets [ ] and by adding those words that are underlined, to read as follows:

§ 7.14 ESTABLISH AND OPERATE A PERMANENT IMPROVEMENT REVOLVING FUND.

The council can, by a vote of <u>at least</u> five (5) of its members, establish by ordinance, a permanent improvement revolving fund for the purpose of financing public improvements, and can, by the same vote, authorize the issuance of general obligation bonds for the establishment and operation of the fund, or for increases in monies required for the operation of the fund. Expenditures can be made from the permanent improvement revolving fund only (1) for an improvement, the obligation for which is payable wholly or partially from the proceeds of special assessments levied or to be levied upon property specially benefited by the improvement, provided an ad valorem tax is levied, or other monies pledged for that portion of the expenditure not specially assessed or (2) for any public convenience from which revenue is or can be derived, provided, that the full faith and credit of the city is pledged to replace any deficiencies in such revenues or (3) for any other public improvement for which the issuance of general obligation bonds of the city is authorized, either by statute or this charter; provided that all requirements for the issuance of the general obligation bonds are complied with and the full faith and credit of the city are pledged to repay the expenditures to the permanent improvement revolving fund according to the laws authorizing the issuance of general obligation bonds. <u>The council may, by a vote of at least four (4) of its members, adopt a resolution to award the sale of a general obligation permanent improvement revolving fund bond.</u>

Section 2. That Chapter 7, Section 7.15, of the City Charter is amended by deleting those words struck through and contained in brackets [ ] and by adding those words that are underlined, to read as follows:

§ 7.15 TAX ANTICIPATION CERTIFICATES.

At any time after January 1, following the making of an annual tax levy, the council can issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund not yet collected. The total amount of certificates issued against any fund for any year with interest until maturity cannot exceed 90 percent of the total current taxes for the fund uncollected at the time of issuance. The certificates can be issued on terms and conditions the council decides and can bear interest at no more than the legal rate, but they must become due and payable not later than the first day of April of the year following their issuance. The proceeds of the tax levied for the fund against which tax anticipation certificates are issued and the full faith and credit of the city must be irrevocably pledged for the redemption of the certificates in the order of their issuance against the fund. The council may, by a vote of at least five (5) of its members, adopt an ordinance to authorize the issuance of a general obligation tax anticipation certificate. The council may, by a vote of at least four (4) of its members, adopt a resolution to award the sale of a general obligation tax anticipation certificate.

Section 3. That Chapter 7, Section 7.16, of the City Charter is amended by deleting those words struck through and contained in brackets [ ] and by adding those words that are underlined, to read as follows:

§ 7.16 EMERGENCY DEBT CERTIFICATES.

If in any year the receipts from taxes or other sources are insufficient for the ordinary expenses of the city because of any unforeseen cause, or any calamity or other public emergency that subjects the city to extraordinary expenditures, the council can by ordinance issue and sell on terms and in the manner as the council determines emergency debt certificates for not to exceed two years and to bear interest at not more than the legal rate. The council must levy a tax sufficient to pay principal and interest on the certificates with the margin required by law. At least five (5) members of the council must approve the ordinance authorizing an issue of the emergency debt certificates stating the nature of the emergency. It can be passed as an emergency ordinance. The council may, by a vote of at least four (4) of its members, adopt a resolution to award the sale of an emergency debt certificate.

Section 4. Effective Date. This Ordinance shall be effective 90 days after publication.

Passed and adopted this 1st day of June, 2026.

DocuSigned by:
Tim Busse
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Mayor

ATTEST:
Signed by:
Priyanka Rai
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DocuSigned by:
Melissa J. Manderschied
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City Attorney

STATE OF MINNESOTA

COUNTY OF HENNEPIN

CITY OF BLOOMINGTON

The undersigned duly qualified and acting City Clerk of the City of Bloomington hereby certifies that attached hereto is a true and correct copy of the original Ordinance No. 2026-19 An Ordinance Amending City Charter Sections 7.14, 7.15, and 7.16 Relating to Permanent Improvement Revolving Funds, Tax Anticipation Certificates, and Emergency Debt Certificates. Ordinance No. 2026-19 was duly passed by the City Council of the City of Bloomington on June 1, 2026. This is on file in the Office of the City Clerk of the City of Bloomington, Minnesota.

Jamy Hanson

Jamy Hanson, City Clerk

Dated this 4th day of June, 2026.

ORDINANCE NO. 2026-19

AN ORDINANCE AMENDING CITY CHARTER SECTIONS 7.14, 7.15, AND 7.16 RELATING TO PERMANENT IMPROVEMENT REVOLVING FUNDS, TAX ANTICIPATION CERTIFICATES, AND EMERGENCY DEBT CERTIFICATES

The City Council of the City of Bloomington, Minnesota does hereby ordain:

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The council can, by a vote of at least five (5) of its members, establish by ordinance, a permanent improvement revolving fund for the purpose of financing public improvements, and can, by the same vote, authorize the issuance of general obligation bonds for the establishment and operation of the fund, or for increases in monies required for the operation of the fund. Expenditures can be made from the permanent improvement revolving fund only (1) for an improvement, the obligation for which is payable wholly or partially from the proceeds of special assessments levied or to be levied upon property specially benefited by the improvement, provided an ad valorem tax is levied, or other monies pledged for that portion of the expenditure not specially assessed or (2) for any public convenience from which revenue is or can be derived, provided, that the full faith and credit of the city is pledged to replace any deficiencies in such revenues or (3) for any other public improvement for which the issuance of general obligation bonds of the city is authorized, either by statute or this charter; provided that all requirements for the issuance of the general obligation bonds are complied with and the full faith and credit of the city are pledged to repay the expenditures to the permanent improvement revolving fund according to the laws authorizing the issuance of general obligation bonds. The council may, by a vote of at least four (4) of its members, adopt a resolution to award the sale of a general obligation permanent improvement revolving fund bond.

Section 2. That Chapter 7, Section 7.15, of the City Charter is amended by deleting those words struck through and contained in brackets [ ] and by adding those words that are underlined, to read as follows:

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Office of the Minnesota
Secretary of State, Steve Simon