

City of Minneapolis

Request for Committee Action

To: Committee of the Whole
Date: 3/30/2016
From: City Clerk's Office
Prepared by: Casey Joe Carl
Presented by: Casey Joe Carl, City Clerk – 612-673-2216
File type: Ordinance
Subcategory: Charter

Subject:

Proposed charter amendment: Vote thresholds for issuance of municipal bonds

Description:

Amending the Minneapolis City Charter as recommended by the Charter Commission to revise, clarify, and ensure consistency in vote thresholds required by the Board of Estimate & Taxation related to the issuance of bonds, as set forth in Sections 5.5, 9.3 (a)(6)(B); 9.4(a)(1)(B); and 9.6(d).

Previous Actions:

In 2013, voters approved a comprehensive revision of the City Charter. While that revision streamlined and clarified content, it attempted to avoid substantive changes. Thus, the vote threshold required to issue bonds by the Board of Estimate & Taxation was not updated at that time. The proposed amendment clarifies the intent for a two-thirds affirmative vote independent of the actual number of seats on the Board.

Ward/Address:

Not Applicable

Background/Analysis:

The Board of Estimate & Taxation was established in 1919 by the State Legislature, and included seven members. Under the city charter, the Board of Estimate & Taxation plays a check on the authority of the City to issue debt since an affirmative vote of two-thirds of its membership is required; that is, an affirmative vote of five of its seven members. The exact membership on the Board changed over the years. In 2007, following the merger of the Minneapolis Library with the Hennepin County Library System, membership was reduced to six members. Despite the reduction in seats, the charter was not changed to adjust the required vote threshold. Thus, under the charter, the affirmative vote of five of six members is still required to issue bonds. This is much greater than the two-thirds threshold previously required. The Charter Commission recommends all references be amended to insert the more generic “two-thirds” language.

Financial Review:

No financial impact.

Attachments:

1. Proposed amendments submitted by Charter Commission.