

**Resolution 22-\_\_\_**

City of Grand Rapids

State of Minnesota

WHEREAS, Local Government Aid (LGA) is an essential aid program to Minnesota cities, helping to restrain local property taxes; and,

WHEREAS, LGA helps cities pay for critical needs and services such as public safety, street maintenance & repairs, libraries, parks and trails, economic development and housing; and,

WHEREAS, the LGA formula is reviewed and updated approximately every ten years after the completion of the decennial census; and,

WHEREAS, organizations representing cities have worked together to produce a formula update that they agree on; and,

WHEREAS, the LGA formula proposal included in SF 3971/HF 4064 provides a much needed update to the formula to better reflect city needs and changes in our communities since the last major revision to the formula in 2013; and

WHEREAS, the cost of providing city services continues to rise due to a significant increase in inflation; from 2009 to 2022, inflation has grown 41%, while LGA has only grown by 18%; and,

WHEREAS, the share of the state general fund spent on LGA has decreased to just 2.12%; and,

WHEREAS a \$90 million increase to the LGA appropriation is essential to fund the formula and is modest compared to the \$9.3 billion state budget surplus; and,

WHEREAS, in 2022, LGA reduced residential property taxes by \$186 per \$100k of home value and is the most effective way for the State to reduce local property taxes.

BE IT RESOLVED that the City Council of Grand Rapids, Minnesota urges through this Resolution to its lawmakers that the state pass the LGA formula proposal and to increase the LGA appropriation by \$90 million; and,

BE IT FURTHER RESOLVED that this resolution be transmitted to Representative Spencer Igo, Senator Justin Eichorn, Speaker of the House Melissa Hortman, Senate Majority Leader Jeremy Miller, House Minority Leader Kurt Daudt, Senate Minority Leader Melissa López Franzen, and Governor Tim Walz.

Adopted: \_\_\_\_\_

Attest: \_\_\_\_\_