

Subject Waite Park local sales tax authority

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Overview

Allows the city of Waite Park to impose a 0.5 percent local sales tax to fund four projects – a 10th Ave. regional corridor project, regional trail connections, the Southside Regional Park development, and a public safety facility. If all projects are approved by the voters, the city may raise \$47.5 million in total for the four projects plus bond costs, including capitalized interest. The tax will expire at the earlier of (1) 25 years after the tax is first imposed, or (2) when the necessary amounts are raised for the approved projects. This tax is in addition to the existing local sales tax of 0.5 percent imposed in the city as part of the Central Minnesota Cities sales tax.

Summary

Section	Description
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1	City of Waite Park; taxes authorized.
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Subd. 1. Sales and use tax authorization. Allows the city of Waite Park to impose a local sales and use tax of 0.5 percent if approved at a general election within two years of the authority being granted.

Subd. 2. Use of sales tax revenues. Allows the city to use the tax revenues to fund the following projects:

- \$15.5 million for the 10th Avenue regional corridor project;
- \$10 million for regional trails connections to allow the city trail system to connect two existing regional trails – the Lake Wobegon Regional Trail and the Glacial Lakes State Trail;
- \$10 million for development of the Southside Regional Park, including a potential campground to support other city and county recreational amenities; and

Section **Description**

- \$12 million for a public safety facility.

The city must have separate questions on the ballot for each of the three projects and only the ones approved may be financed with the tax.

Subd. 3. Bonding authority. Allows the city to bond for any project listed in subdivision 2 that is approved by the voters. The amount of bonds that may be issued for each project is the amount listed in subdivision 2 plus capitalized interest and an amount needed to cover the costs of issuing the bonds. Issuance of the bonds is not subject to a separate vote and the bonds are not included in any debt or levy limits.

Subd. 4. Termination of the tax. The tax terminates at the earlier of (1) 25 years after it is first imposed, or (2) when revenues are sufficient to pay for the approved projects and any associated bond costs, subject to the requirements that the termination occurs at the start of a calendar quarter. Any excess revenue related to the timing of the termination goes into either the state or city general fund. The city may terminate the tax early by ordinance.



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