

Subject City of Rochester; local sales tax modified

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Overview

This bill modifies the local sales tax authorization granted to the city of Rochester in 2023 by prohibiting the city from continuing to collect revenue to fund the sports and recreation complex project. The bill makes corresponding adjustments to the city's bond authority and duration of the sales tax.

Background. In 2023, the city of Rochester was authorized to extend its .50% local sales tax for the following projects: (1) \$50,000,000 for the economic vitality fund; (2) \$50,000,000 for street reconstruction; and (3) \$40,000,000 for construction of a sports and recreation complex.

Summary

Section	Description
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1	City of Rochester; taxes authorized.
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Subd. 3a. Use of revenues. Prohibits the city from collecting revenue from its current local sales tax for the sports and recreation complex project after June 30, 2026. All revenue collected after June 30 must be used for the other two authorized projects.

Subd. 4a. Bonds. Lowers the aggregate amount of bonds the city was authorized to finance the additional projects listed in subdivision 3a.

Subd. 5. Termination of taxes. Requires the tax to terminate after the earlier of 20 years or when the city determines sufficient funds have been raised to pay for the additional projects authorized in subdivision 3a.

Effective the day following final enactment.