

Dear Senator Dahms and Representative Swedzinski,

Thank you again for hearing our concerns and issues as we move further into the 2022 legislative session.

As a follow up to our previous letter, the Marshall Chamber Board of Directors met to discuss the new concepts being discussed with the city and the two of you, related to the simple allowance to conduct a referendum to extend our current sales tax to pay for replacement of our soon to be obsolete pool.

We understand that there are some disagreements in the mechanism to pay for the new regional aquatic center. The Marshall City Council, after conducting an extensive community survey, unanimously approved the request to have an extension of the current sales tax with a referendum. Our Board voted to support the same. We believe it is simple, easy to understand, that a referendum would be supported to that end by our citizens and that adding other factors like revenue sharing/redistribution to cities as far as 30 miles away will unnecessarily complicate the issue, jeopardize passage of the referendum and create a new expectation of redistribution of dollars our merchants collect and remit to other cities that may or may not have a purchasing relationship with our city. We'd also like to remind you that cities like Milroy, Ghent, Cottonwood, Russell, Florence, Vesta, Hanley Falls, Wood Lake, Lynd and others do not have a pool or aquatic center and that many of their families have used the current pool for everything from swimming lessons, church groups, birthday parties and general recreation. They will also be using the new regional aquatic center. We do not charge a differential admission price for being from outside of Marshall and view this as a regional attraction as an amenity making southwest Minnesota a great place to live, locate a business, attract new employees, raise a family and move forward.

We live in a free enterprise system that allows shoppers to go to other trade areas if they find the sales tax highly objectionable. To that end, we have not heard objections about our *current* sales tax that will just be extended in this legislation and which you helped pass. Giving sales tax dollars to cities whose shoppers that are also traveling to Watertown, SD, Willmar or Redwood Falls seems to add complications and unneeded additions to the cost of this

project. Redistribution of the sales tax will extend the tax *longer* and we will pay *more interest*. This seems to be going in the opposite direction of other discussions we had when there was consensus to sunset the tax as soon as possible when the project was paid for.

The biggest concern we have is that failure, either in the legislative process or with the referendum will lead to a 12% to 18% property tax increase on our citizens just for this project. There is a large consensus NOT to have that happen.

We understand that the city is committing to use all of their federal funds to help offset the cost of this project and will be looking to do some fundraising, more rebidding and other measures to be as frugal as they can, while offering the amenity of an aquatic center our community needs.

Therefore, our Board of Directors has **unanimously** voted to support the previous resolution that was proposed by the city council and that Senator Dahms has introduced. We have visited with employees, other members of our community and even people *outside of Marshall* and have yet to find any person who is interested in redistribution of revenue that could potentially jeopardize the passage of our referendum, extend the tax longer and add more interest costs.

We respectfully renew our request to pass legislation simply authorizing an extension of our current local option sales tax, subject to a referendum of the citizens of Marshall, with bonds being paid off as soon as possible, so this tax can expire when collections meet the pay off period.

We are also sharing this with the chairs of the tax committees.

Sincerely,

Marshall Area Chamber of Commerce Board of Directors