

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 3773

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Version: As introduced

Authors: Liebling and others

Subject: Allows the city of Rochester to issue bonds for the Mayo civic center project to be repaid with the existing lodging and food and beverage taxes

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Overview

The city of Rochester was authorized to impose an extra one percent lodging tax and a one percent food and beverage tax to fund improvements to the Mayo Civic center Complex and related facilities. This bill provides bonding authority without an election for the project and modifies the expiration dates for the two taxes.

Section

- 1 Rochester lodging tax.** The new subdivision 2a allows the city of Rochester to issue up to \$43.5 million in general obligation bonds without an election to fund the Mayo Civic Center complex project. The city is allowed to pledge the 2009 authorized lodging and food and beverage taxes to repay the bonds. The bonds are not included in any debt limitation for the city and any property tax levy needed to repay the bonds is excluded from levy limits. The extra lodging tax still expires when bonds or other obligations issued before December 31, 2014, for the project are paid off. Requires any extra funds related to timing of the lodging tax expiration date to be paid into the city's general fund.
- 2 Expiration of taxing authority.** Requires any extra funds related to timing of the food and beverage tax expiration date to be paid into the city's general fund.