

A photograph of the Marshall Aquatics Center, featuring a large outdoor swimming pool with people swimming. In the background, there are water slides, a large building, and several tall light towers under a cloudy sky. The image is dimmed to serve as a background for the text.

Marshall Aquatics Center

FINANCING DISCUSSION

What We Heard – The Good



GREAT INSTITUTIONS



SMALL TOWN FEEL



COLLABORATIVE
GROWTH

Great Institutions

SMSU

Schwan's

Outstanding high school – “community is really dedicated to it”

Reputation of high school athletics

Sports complexes

Number of major employers – several global in reach

Parks – city parks & Camden State Park

Small Town Feel

Quality of life

Friendly, close-knit

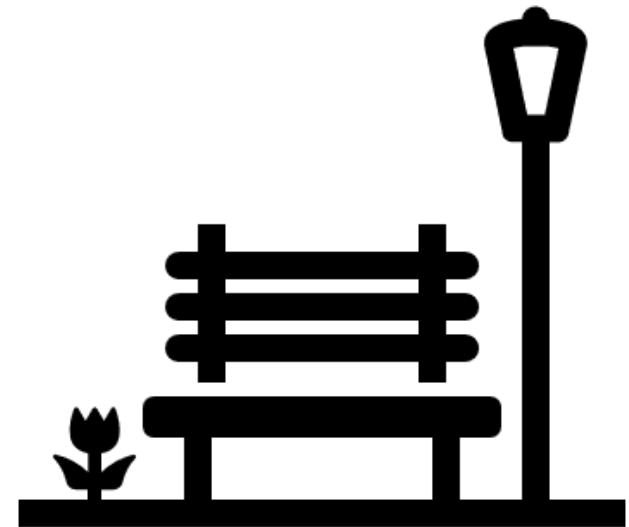
Safe, great place to raise a family

Big enough to serve all your needs

Nice to be out in the prairie, away from the hustle and bustle of the big cities

Parks, streets and neighborhoods are clean and well maintained

The town looks nice – “the city actually plants trees on boulevards”





Collaborative Growth

Community supports small business owners

Marshall tries to stay progressive and looks to the future

We continue to build to make our community better

Forward thinking - actively interested in growth and diversity

Working to make Marshall a great place to live and visit

MISSING

Site Visit

Lake, natural resources
Entertainment
Diversity
Reasons to visit
Activities/amenities for singles
Downtown core
Better dining and retail
Arts/culture (support)
Family entertainment
Hotel
Community Center
Affordable housing

Stakeholders

Retail and dining
Recreation and entertainment
Lake
More employers, job growth
Attracting youth
Stronger economy
Redevelopment
Community Center
Bowling alley
Vision, growth plan
New hotel
Identity

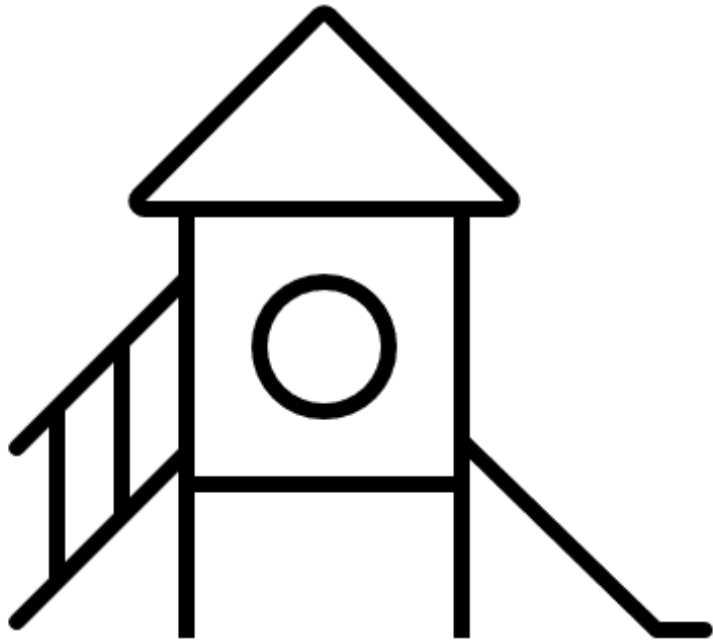
Residents

Better retail*
Reasons to visit
Job growth
Entertainment, nightlife
Better dining
Affordable housing
Recreation options
Vision for growth
Lake
Millennials, young families

Looking Ahead

PARK AND REC
ENHANCEMENTS





Park and Rec Project List

Inclusive Playground

Soccer Fields expansion

Bowling Alley/Indoor Playground

Liberty Park Bandshell Renovation/Upgrade

Indoor Field Turf & Sport Court(s) for Arena

Splash Pad-Stand Alone

Outdoor Campground Site

Senior Center Improvement/Enhancement

YMCA

Hockey Dry Land Facility and Storage/Outdoor Rink

Pickle Ball Courts-Indoor

Park Maintenance Office/Storage

Trail Development and Expansion

Revenue Options

- **General Obligation/Abatement Bonds:** Marshall could issue general obligation bonds for parks and recreation capital projects. Voter approval is required.
- **EDA Lease Revenue Bonds:** Ground lease to EDA, EDA issues bond; City pledges annual appropriation to EDA to pay lease payments equal to bond debt service; Facility and Land leased back to the City who completes improvements; City owns facility upon retirement of debt
- **Property Tax:** Marshall could increase its property tax levy. The City Council could raise the levy through the standard budget process or by seeking voter approval.
- **Sales Tax:** Marshall could seek authority from the state Legislature to impose an additional local sales tax. While nearly 45 (?) percent of the revenue would be expected to come from resident spending, the remaining revenue would be generated by visitors and businesses. There is no limit on the number of years the tax can be in effect, however in most cases, the duration of the tax is determined by the time necessary to generate enough revenue to finance general obligation bonds for a project and will terminate upon raising that amount. State legislative and voter approval is required.

GO Referendum Bonds

PROS

- Vote indicates community support of the Aquatics Center
- Lowest interest rate
- Ease of issuance after election results are canvassed

CONS

- What happens to this amenity if the vote fails?
- Cost and administration
- Time to administer election
- Existing facility-multiple choice question-complicated



GO Abatement Bonds

PROS

- Easy transaction to complete
- Lowest interest rate
- No reverse referendum
- Allows informed vote by elected officials

CONS

- Must create an abatement area large enough to support 100% of principal
- Economic development tool



Lease Revenue Bonds

PROS

- City has an EDA already established and used this tool before
- Low interest rate market environment
- Approved by EDA and City Council
- No abatement area or referendum process

CONS

- Interest rate slightly higher than GO
- Lease transactions require ground lease, facility lease and trustee



Sales Tax

- The state sales tax is 6.875 percent. In 2008, Minnesota voters approved a 25-year constitutional amendment for a sales tax increase of three-eighths of one percent (0.375%) dedicated to protecting water and natural resources, creating parks and trails, and preserving arts and cultural heritage. In addition to the 6.875 percent state tax, the City of Marshall imposes a 0.5 percent 1.5% Marshall Food and Beverage Tax • 0.5% Marshall Sales and Use Tax. The sales and use tax expire at the end of 2028 and the food and beverage tax expires at the end of 2044.
- Annually-the city approximately 1.4 million is generated under the sales and use tax authority.
- New legislation passed in 2019 requires a local government to pass a more detailed resolution outlining and limiting the specific projects to be funded to no more than five and providing more project specific costs, and documentation of a project's regional significance by the end of January in the year in which a local sales tax authority is sought. If Marshall can demonstrate that a park project is regionally significant, the city could seek authority for an additional local sales tax for parks and recreation. A complementary use tax is required in all jurisdictions with a local sales tax.
- While there is no limit on the number of years the tax can be in effect, in most cases, the duration of the sales tax is determined by the time necessary to generate enough revenue to finance general obligation bonds for a project and will terminate upon raising that amount.

General Steps for Seeking Local Sales Tax Authority

In order to impose a local sales tax, a political subdivision must obtain enactment of a special law authorizing it to do so by taking the following steps (in the order listed):

- 1) The governing body of a local government must pass a resolution proposing the tax and including the following: a. the proposed tax rate; b. a detailed description of no more than five capital projects to be funded by the tax; c. documentation of the regional significance of each project including the benefits to nonlocal persons and businesses; d. the amount of revenue to be raised for each project and the estimated time to raise that amount; and e. the total revenue to be raised and anticipated expiration date for the tax.
- 2) The local government must submit the resolution and documentation on regional significance of the project(s) to the chair and ranking minority member of the House and Senate tax committees by January 31 of the year that it is seeking the special law.
- 3) Working with a legislator, the local government must request and get enacted a special law authorizing imposition of the tax.
- 4) The local government must file local approval with the secretary of state before the start of the next regular legislative session after the session in which the enabling law is enacted.
- 5) The local government must receive voter approval at a general election within two years of receiving the local sales tax authority before it can impose the tax. A separate question must be held for each project and only the ones approved by voters may be funded by the sales tax. The authorized revenue to be raised and length of time that the tax is imposed is reduced for any project that is not approved by the voters.
- 6) The local government must pass an ordinance imposing the tax and notify the Commissioner of Revenue at least 90 days before the first day of the calendar quarter on which the tax is to be imposed.

Community Partnership Opportunities

Early this year, discussions on collaboration began with YMCA

- Recreation programming
- Capital needs

American Rescue Plan (ARP)

- 1.5 million slated for City of Marshall
 - To respond to the pandemic or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
 - For premium pay to eligible workers performing essential work (as determined by each recipient government) during the pandemic, providing up to \$13 per hour above regular wages;
 - For the provision of government services to the extent of the reduction in revenue due to the pandemic (relative to revenues collected in the most recent full fiscal year prior to the emergency);
 - To make necessary investments in water, sewer, or broadband infrastructure

Private Donations



Next Steps



COMMUNITY
SURVEY



COMMUNITY
INPUT



FORMALIZE
PLAN



BUILD
SUPPORT

Cultivating **FAITH**

Cultivating **FAMILY**

Cultivating **COMMUNITY**

Cultivating **LEADERSHIP**

Cultivating **MEMORIES**

Cultivating **SPORTSMANSHIP**

Cultivating **CREATIVITY**

Cultivating **ACHIEVEMENT**

Cultivating **TRUST**

Cultivating **BUSINESS**

Cultivating **IMPACT**

CULTIVATING THE BEST IN US

Cultivating **CHARACTER**

Cultivating **IMAGINATIONS**

Cultivating **EXCELLENCE**

Cultivating **DIVERSITY**

Cultivating **RELATIONSHIPS**

Cultivating **INNOVATION**

Cultivating **CONNECTION**

Cultivating **WELLNESS**

Cultivating **GROWTH**

Cultivating **TALENT**

Cultivating **DREAMS**

Cultivating **LEGACY**

Cultivating **POSSIBILITY**

Cultivating **OPPORTUNITY**