CITY OF PLYMOUTH
AGENDA
Special City Council
Medicine Lake Room
3400 Plymouth Boulevard, Plymouth, MN
July 22, 2025, 6:00 PM

1. CALL TO ORDER

2. TOPICS

2.1 Local Sales Tax Update

1. Presentation
2. Project Analysis - November 2024
3. MN State Statute 297A.99 Local Sales Taxes
4. House research - Steps for Imposing a General Sales Tax
5. Plymouth Local Sales Tax Bill - HF0511
6. University of Minnesota Extension Plymouth Report

2.2 Set future study sessions

1. Calendar

2.3 Closed Meeting as permitted by MN Statute Section 13D.05 Subd. 3(d) to receive a security briefing from Public Safety Director Erik Fadden regarding procedures and plans to protect public buildings and infrastructure, to discuss issues related to security systems, to discuss emergency response procedures, and discuss security deficiencies in or recommendations regarding public services, infrastructure and facilities

3. ADJOURNMENT

Special City Council
July 22, 2025
Agenda Number: 2.1

To: Dave Callister, City Manager

Prepared by: Maria Solano, Deputy City Manager

Reviewed by: Jennifer Tomlinson, Parks and Recreation Director

Item: **Local Sales Tax Update**

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1. Action Requested:

The council is asked to provide feedback on the next steps in pursuing a local sales tax.

2. Background:

The City Council discussed using a local sales tax as an alternative funding source for future regional capital projects on June 25, 2024 and November 26, 2024.

A local sales tax is a sales tax collected within the geographic boundaries of a city or county. Local sales taxes apply to the same items and services as the general state sales tax. Items exempt from regular state sales tax are also exempt from the local option sales tax including many essential items such as groceries, prescription and over-the-counter medications, baby products and clothing. A local option sales tax allows residents and nonresidents to contribute to city projects with a regional benefit. Minnesota Statutes 297A.99, requires cities seeking to impose a new local sales tax, obtain legislative approval through enactment of a special law.

In 2023, a two-year moratorium was placed on new local sales taxes. During that time, a task force was developed to provide recommendations on changes to the current process. New approaches for local sales taxes were introduced during the 2025 legislative session but no bills were passed. The moratorium on local sales taxes expired on May 31, 2025, and cities may submit requests to the legislature during the 2026 legislative session.

The City Council identified potential projects that could be funded through a sales tax at the November 26, 2024, study session. During the 2025 legislative session, Representative Klevorn, authored a bill authorizing the City of Plymouth to impose a local sales and use tax for the Plymouth Ice Center Improvements including a public parking ramp, a permanent fieldhouse structure at the Plymouth Community Center and improvements for regional sports complexes in Plymouth. The bill did not pass.

The next opportunity to request the authority to impose a sales tax is during the 2026 legislative session. Staff recommends moving forward with the same three projects that were introduced during the 2025 legislative session:

- Plymouth Ice Center Improvements ($45-50 million): add a fourth sheet of ice, renovate rink A with additional seating, interior renovations, public parking ramp and roadway relocation.
- Plymouth Community Center Improvements ($40 million): replace the inflated dome with a permanent year-around structure.
- Regional Sports Complex Improvements ($25 million): Four Seasons Playfield (proposed), Parkers Lake Playfield, and Plymouth Creek Playfield.

Staff are working through an operational analysis of the new facilities and will present that information to the council in the fall. In order to gain more clarity around construction costs, staff will issue a request for proposals for architectural services for the Plymouth Community Center Fieldhouse and Plymouth Ice Center Improvements. Once an architect is selected, staff will begin working on plans to get to a schematic design package. This phase of design will result in a comprehensive cost estimate for each of the projects in anticipation of a November 2026 ballot initiative.

Additionally, staff will be working with a public affairs firm to develop a community outreach and engagement plan. The firm will assist the city in developing a communication strategy focused on transparency, accessibility, accuracy and feedback.

3. Budget Impact:

On the regular agenda, council will be asked to authorize up to $1.2 million for project design work on the three projects and to engage with a public affairs firm to develop a communications strategy. The funding will come from surplus funds.

4. Attachments:

1. Project Analysis - November 2024
2. MN State Statute 297A.99 Local Sales Taxes
3. House research - Steps for Imposing a General Sales Tax
4. Plymouth Local Sales Tax Bill - HF0511
5. University of Minnesota Extension Plymouth Report
6. Presentation

City of Plymouth

Memorandum

To: Dave Callister, City Manager
From: Jennifer Tomlinson, Parks and Recreation Director
Date: November 18, 2024

Sales Tax Project Scoping Analysis

Since the City Council met in October to discuss a potential local sales tax and projects that could be funded with such a tax, staff has been working with our lobbyist to understand the current landscape in the legislature regarding this topic. Recently, Senator Ann Rest, Chair of the Senate Tax Committee, released a summary of a bill she intends to introduce early in the 2025 legislative session. The bill (copy attached) outlines a list of specific projects that would be allowed to go straight to a voter referendum without the need to request legislative approval. There is a long road ahead for any local sales tax legislation to be successful given the issue did not get resolved last year and the fact the House is evenly split going into 2025. The senate language being considered includes several provisions for eligible projects:

- Parks that meet only three of the five criteria established by the Parks and Trails Legacy Plan in 2011 (the House's proposal would have required all five), but limit parks to only non-metro communities.
- Trails that meet the criteria established by the legacy plan in 2011.
- Convention centers that are at least 50,000 square feet and not within 15 miles of another convention center (8 miles in the metro).
- Senate version included "Regional Sports Complex" and required approvals from neighboring cities. The House included athletic complexes where regional tournaments are hosted and not within 8 miles of another similar athletic complex.
- Include certain community centers and airports as eligible projects.

With this information, staff completed a scoping analysis for each project that meets the intent of the proposed senate bill. With this refined guidance not all projects that the Council discussed at their study session on October 1, 2024, would be eligible for local sales tax funding. The projects that do not meet the guidance include the performing arts center, playfield renovations, street and trail funding and the economic vitality fund.

City of Plymouth Capital Projects
Potential Local Sales Tax

	Project Name	Council Support	Phase One (2026) Estimated Cost	Phase Two (2030) Estimated Cost	Land Acquisition?	Meets 2024 Bill Draft?	Criteria	Comments	Partners
1	PIC 4th Sheet/Public Parking Ramp	★★★★★★	$ 40,000,000	$ -	No	Yes	Regional Sports Complex	PIC Improvements and Public Parking Ramp	WYHA
2	Economic Vitality Fund	★★★★★★	$ -	$ 20,000,000	?	No	N/A	City Center Parking/Entertainment/Hotel…	Hello! Plymouth
3	PCC Permanent Fieldhouse Structure	★★★★★	$ 45,000,000	$ -	No	Yes	Community/Convention Center	Permanent Fieldhouse Structure	Youth Sports Organizations
4	Regional Sports Complex	★★★★★	$ 25,000,000	$ -	No	Yes	Regional Sports Complex	Multi-Field, Multi-Sport Complex	Youth Sports Organizations
5	Park/Playfield Improvements/Renovations	★★★★	$ -	$ 10,000,000	No	No	N/A	Special Legislation Required	Youth Sports Organizations
6	Aquatics Center	★★★	$ -	$ 40,000,000	Yes	Yes	Community Center	No site available. 2028/2030 referendum?	
7	Streets and Trails Improvements	★★	$ -	$ 20,000,000	No	No	N/A	Special Legislation Required	
			$ 110,000,000	$ 90,000,000					

Total Cost for Phase One and Phase Two* $ 200,000,000

Performing Arts Center	★	Could be included under #3 above	
Pedestrian Bridge over Highway 55		Need MnDOT Approval - Lengthy Process	MnDOT
Jumbotron at Hilde		Equipment, not a sales tax project	

2024 Senate Language in Tax Conference Committee (not adopted)

Parks that meet only three of the five criteria established by the Parks and Trails Legacy Plan in 2011 (the House's proposal would have required all five), but limit parks to only non-metro communities.

Trails that meet the criteria established by the legacy plan in 2011.

Convention centers that are at least 50,000 square feet and not within 15 miles of another convention center (8 miles in the metro).

Senate version included "Regional Sports Complex" and required approvals from neighboring cities. The House included athletic complexes where regional tournaments are hosted and not within 8 miles of another similar athletic complex.

Certain correctional facilities, district courts, and law enforcement centers.

Include certain community centers and airports as eligible projects.

The House included libraries that are part of the Regional Public Library Systems as designated by the regional board, the Senate did not.

* A half cent local sales tax is estimated to generate $9 million annually (2024 numbers), or $232 million over a 20 year with two percent annual inflation factored in.

Memorandum

To: Dave Callister, City Manager
From: Jennifer Tomlinson, Parks and Recreation Director
Date: November 18, 2024

PROJECT: Aquatics Facility

Sales Tax Project Scoping Analysis

Background

The City of Plymouth parks system has no city owned aquatic facilities in its inventory. When Lifetime Fitness and the Plymouth Ice Center were constructed in 1996, the city entered into a long- term agreement (expires in 2036) with Lifetime to allow Plymouth residents to enter the building to access the aquatic facility for a reduced rate. Residents can also use a daily rate to access the entire club. Residents have consistently indicated that this arrangement does not meet their needs.

In 2023, the city was approached by the Wayzata School District to discuss the future of the East Middle School Pool and revisit our agreement at West Middle School. The school district was not programming the East pool due to needed repairs. The city entered into a five-year agreement with the school district to take over programming for an annual payment that covers maintenance and operations of the pool. Parks and Recreation consolidated programming at East and the school district continues to program West. This agreement has been successful in year one. However, the pool is aging and will require significant improvements to keep it running in the future.

In 2023, Parks and Recreation undertook a preliminary exercise to understand the market conditions for an aquatic facility in Plymouth. The results indicated that Plymouth could support an aquatic facility with a regional impact. At the time, we paused any further discussions due to the lack of an identified site, standing up new programs at the East Pool, and capacity issues. Long term planning for the aquatic needs of our community will consider the Lifetime agreement, the near-term outlook for the East pool and future growth and potential in programming.

Project Scope

A market study was conducted to understand if Plymouth is positioned to successfully run an aquatic facility and market absorption possible with the addition of a regional programmatic element. An indoor facility with a six-lane lap pool with zero depth entry, a warm water pool and current channel were accommodated in the design. Preliminary estimates indicate that a 40,000 square foot building would be successful on a four-acre site.

Order of magnitude cost estimate

$36 million not including acquisitions costs.

Construction timeline

2031 to gain more details on the future of the East pool and the Lifetime agreement.

Next steps needed to move forward

Determine details and next steps with the school district and Lifetime on existing agreements.

Refine aquatics program through preliminary concept scoping and cost estimation.

Identify a site.

Partner organization engagement including youth associations, school district for their competitive swimming needs and future planning for growth in city operated aquatic opportunities.

Public engagement including a process that involves open houses and approval by Parks and Recreation Advisory Commission.

Design development and construction documents ready for bidding in the winter of 30/31 for construction beginning in the spring of 2031.

City of Plymouth

Memorandum

To: Dave Callister, City Manager
From: Jennifer Tomlinson, Parks and Recreation Director
Date: November 11, 2024

PROJECT: Four Seasons Site Proposed Regional Sports Complex

Sales Tax Project Scoping Analysis

Background

The Four Seasons site was constructed as a mall in 1978 and contained 117,000 square feet. The site was purchased by Walmart in 2010 for $10.6 million and the mall was shuttered in 2011. Walmart considered developing the site with a 150,000 square foot superstore but never submitted a development application to the city. The City purchased the site from Walmart in 2021 with $6.9 million in transit funds. The city demolished the building in 2022 and graded the site as a temporary measure. To date, the city has invested $7.8 million into the site and has had multiple developers scope redevelopment including multi-family residential, transit and retail. No developer has been able to obtain a successful application due to several factors including extraordinary development costs related to poor soils on the site.

In 2021 the city and the Wayzata School District terminated joint use agreements for approximately 30% of the playfield space in the City of Plymouth. This agreement was originally intended to better serve residents by jointly managing playfield space at schools throughout the city. Since that time, the city has been reviewing opportunities for additional playfield space to handle the increased population growth and better serve our associations and partners providing opportunities for organized sports for residents.

Project Scope

A high-level analysis was completed to determine the number of fields that could be located to address baseball, softball, soccer, and lacrosse needs while maintaining a park and ride location onsite. The centerpiece is a championship synthetic turf baseball field that can accommodate all ages of play. The site also presents opportunities for constructing a rectangle field regional complex that could accommodate five fields to address multiple different sports however no grandstand would be possible onsite with this program.

Order of magnitude cost estimate

$11-16 million not including acquisitions costs.

Construction timeline

Preliminary design in 2027 with construction in 2028

Next steps needed to move forward.

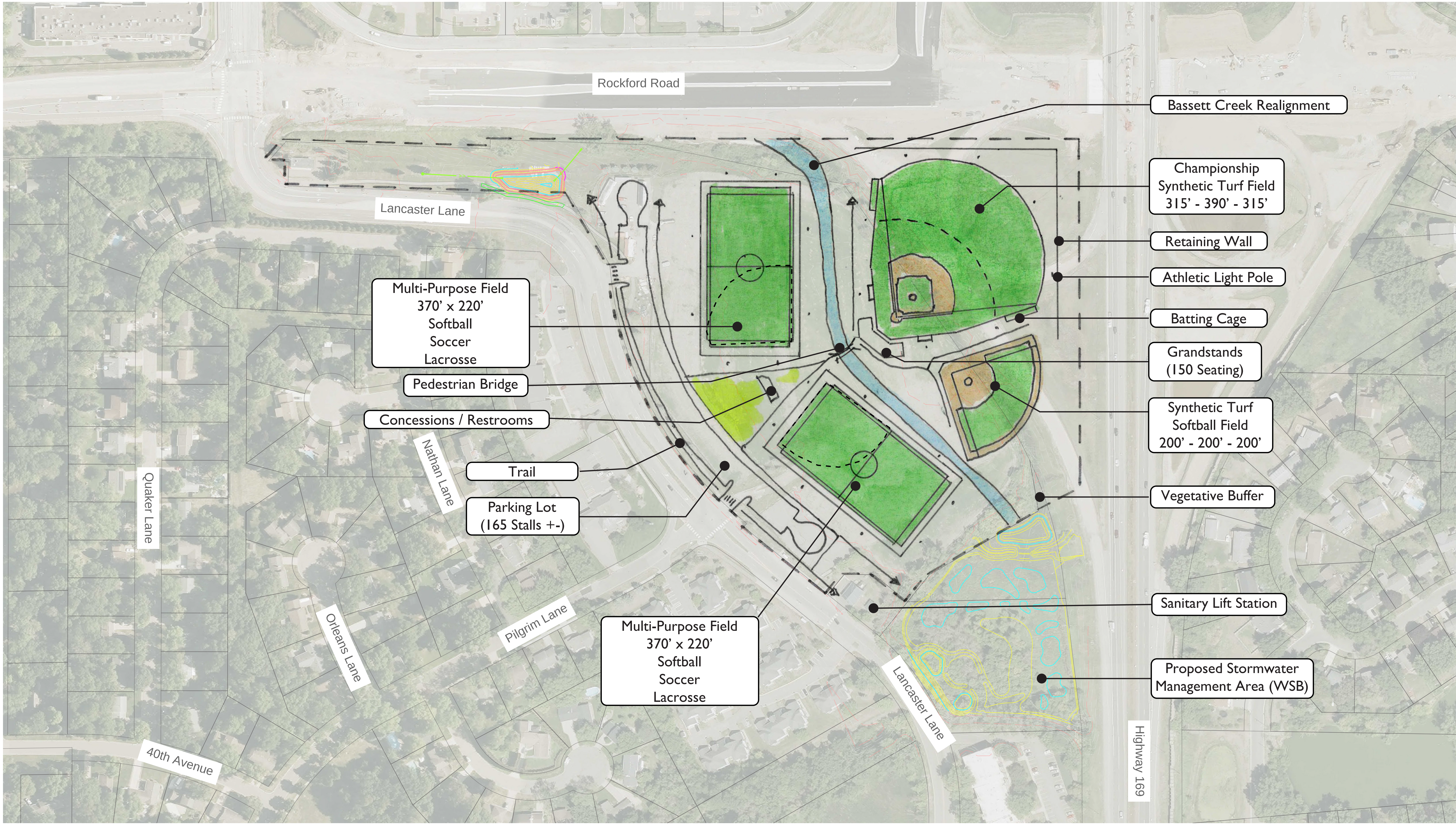
Determine acquisition costs associated with the change of use onsite.

Refine field program through preliminary concept scoping and cost estimation.

Partner organization engagement including youth associations, Fusion Soccer and internal staff to determine the reallocation of playfield use and scheduling.

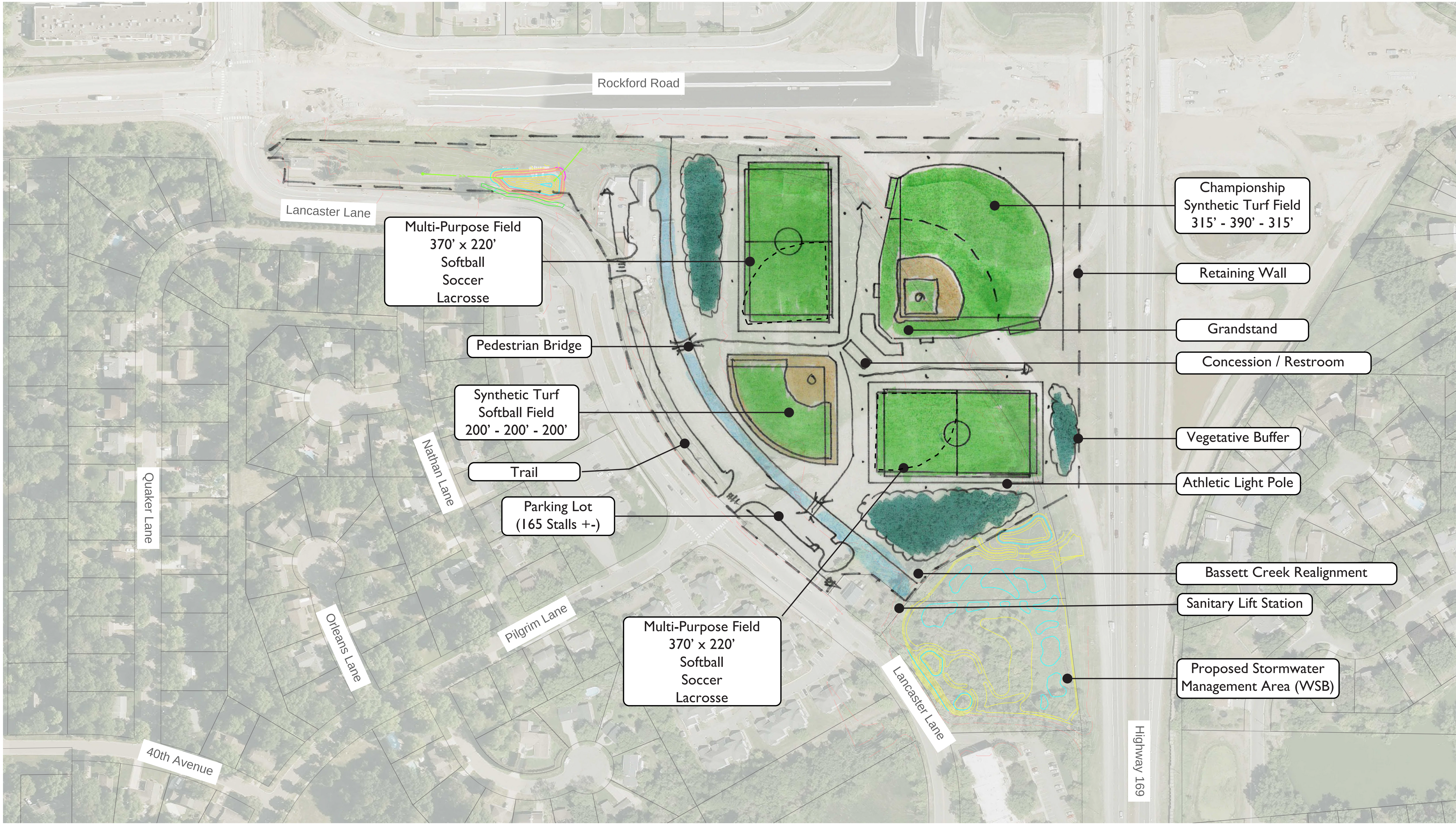
Public engagement including a process that involves open houses and approval by Parks and Recreation Advisory Commission.

Design development and construction documents ready for bidding in the winter of 2027/2028 for construction beginning in the spring of 2028.



Rockford Road
Lancaster Lane
Bassett Creek Realignment
Championship Synthetic Turf Field 315' - 390' - 315'
Retaining Wall
Athletic Light Pole
Batting Cage
Grandstands (150 Seating)
Synthetic Turf Softball Field 200' - 200' - 200'
Multi-Purpose Field 370' x 220' Softball Soccer Lacrosse
Pedestrian Bridge
Concessions / Restrooms
Trail
Parking Lot (165 Stalls +-)
Vegetative Buffer
Sanitary Lift Station
Proposed Stormwater Management Area (WSB)
Multi-Purpose Field 370' x 220' Softball Soccer Lacrosse
Quaker Lane
Nathan Lane
Orleans Lane
Pilgrim Lane
40th Avenue
Lancaster Lane
Highway 169

Concept 2



Concept 3

SCALE IN FEET

City of Plymouth

Memorandum

To: Dave Callister, City Manager
From: Jennifer Tomlinson, Parks and Recreation Director
Date: November 18, 2024

PROJECT: Plymouth Community Center Fieldhouse Permanent Structure and 3rd Gymnasium

Sales Tax Project Scoping Analysis

Background

The Plymouth Community Center, formally known as the Plymouth Creek Center, originally inflated a new fieldhouse dome in 1999. The dome is inflated from November to April, providing an indoor turf field for soccer, lacrosse, baseball, softball, and other activities. Since 1999, the dome has served many local community athletic associations, Parks and Recreation programs and special events. The dome is also a popular destination for indoor walking and jogging during the winter. It is estimated that the number of dome visitors per season is 150,000 people. Field usage averages about 70 hours per week during the busy dome season.

The dome was replaced in 2017 illustrating the shorter lifespan as compared to traditional construction. It also suffered a tear in 2020 that required replacement of a seam on the south panel. The initial capital investment for the dome appears to be a cost-effective option for providing indoor recreational opportunities through the winter months. However, ongoing maintenance costs associated with operating the dome are high and issues include an inefficient heating system, the inability to cool the space, specialized snow removal, twice a year cost ($32,000 x 2) to inflate/deflate the dome, and an inability to fully utilize the field during the hot summer months. The field is rendered unusable during the summer because of the significant increase in temperature that players experience.

Artificial turf has evolved since the last installation and now is designed to have cooling effects, so temperature increases aren't as severe as traditional artificial turf. The turf was replaced in 2002, 2012, and 2015 (warranty). The current dome and turf need replacement by 2027 as they are beyond their useful life.

The Plymouth Community Center was renovated and expanded in 2020 which included two gymnasiums. The expansion of the Plymouth Community Center included infrastructure for a future expansion to build a third gym. Since opening in 2021, the demand for gym programming has grown including open gym programming, Parks and Recreation programs, and rentals.

Project Scope

The City of Plymouth desires to construct a multi-purpose year around athletic facility that may include a third gymnasium to meet the needs of local community athletic associations and growing recreational programming with Parks and Recreation year-round. The proposal includes an innovative design to ensure each space can accommodate multiple different uses. The third gym meets the requirements for a high school basketball court with retractable bleachers for approximately 100 spectators and support spaces for the gym areas and reconfigured lobby area. The field house structure expands programming options with a flooring system able to host turf and hardcourt events with a synthetic sports turf system that is interchangeable, a climbing wall, walking track and support functions in the space.

Order of magnitude cost estimate

$34-37 million for the fieldhouse

$8-10 million for the third gym

Construction timeline

A decision on the fieldhouse is critical as the existing structure is at the end of its useful life. Should a sales tax be successful, this project will be the first project to move forward with design development and construction documents in anticipation of construction in 2027.

Next steps needed to move forward.

Refine field/gym program through preliminary concept scoping and cost estimation.

Partner organization engagement including youth associations, Fusion Soccer and internal staff to determine the impact on scheduling and construction scheduling.

Public engagement including a process that involves open houses and approval by Parks and Recreation Advisory Commission.

Design development and construction documents ready for bidding in the winter of 2026/2027 for construction beginning in the spring of 2027.

Plymouth Fieldhouse

Preliminary Building Program — 20-Nov-2024

Fieldhouse		SF	#	Subtotal SF
Soccer Pitch	Incl track @ grade around perimeter, roll out turf over synthetic sports floor system, basketball ready	76,820	1	76,820
Fieldhouse Sub-Total				***76,820***

Fieldhouse Support Spaces		SF	#	Subtotal SF
Womens Dry Changing		375	1	375
Mens Dry Changing		375	1	375
Womens Restroom		325	1	325
Mens Restroom		325	1	325
All-Gender Restroom		75	1	75
Ref Room(s)		250	1	250
Fieldhouse Support Spaces Sub-Total				***1,725***

Office Space		SF	#	Subtotal SF
Office Suite		2,000	1	2,000
Office Space Sub-Total				***2,000***

Support Spaces		SF	#	Subtotal SF
Lobby/Circulation (2 levels)		5,025	1	5,025
Storage/Janitor		2,000	1	2,000
Support Spaces Sub-Total				***7,025***

SUMMARY				PROGRAM SF
Fieldhouse				78,545
Office Space				2,000
Support Spaces				7,025
Program Sub-Total				***87,570***
Net to Gross Factor		*87,570*	*15%*	***13,136***
TOTAL PROGRAM AREAS				**100,706**

Optional Building Program		SF	#	Subtotal SF
Climbing wall		1,400	1	1,400
Suspended track		19,207	1	19,207
Sub-Total				***20,607***

PLYMOUTH FIELDHOUSE

CONCEPT PLAN - LOWER LEVEL

NOVEMBER 20, 2024 | JLG 24292 |

JLG

DESIGN FOR LIFE

PLYMOUTH FIELDHOUSE

CONCEPT PLAN - UPPER LEVEL

NOVEMBER 20, 2024 | JLG 24292 |

JLG

DESIGN FOR LIFE

- VIEW OF EXISTING COMMUNITY CENTER AND CONCEPT FOR FIELDHOUSE BEYOND

- ELEVATION VIEW OF EXISTING COMMUNITY CENTER AND CONCEPT FOR FIELDHOUSE AT RIGHT

PLYMOUTH FIELDHOUSE

CONCEPT VISUALIZATION

NOVEMBER 20, 2024 | JLG 24292 |

DESIGN FOR LIFE

Plymouth Community Center Gym Addition - Option A

Preliminary Building Program — 20-Nov-2024

Gymnasium		SF	#	Subtotal SF
Gymnasium	1 regulation H.S. basketball court	6,850	1	6,850
Bleacher Zone (Side Line)	retractable bleacher/100 spectators	550	1	-
Extended Track	7 laps = 1 mile	3,025	1	3,025
Viewing / Stretching Area @ Level 2	NEW	500	1	500
Viewing / Stretching Area @ Level 2	RENOVATION/NEW	750	1	750
Gymnasium Sub-Total				***11,125***

Gymnasium Support Spaces		SF	#	Subtotal SF
Womens Dry Changing		350	1	350
Mens Dry Changing		350	1	350
Womens Restroom		250	1	250
Mens Restroom		250	1	250
All-Gender Restroom		75	1	75
Gymnasium Support Spaces Sub-Total				***1,275***

Support Spaces		SF	#	Subtotal SF
Lobby/Circulation/Sitting	NEW	1,900	1	1,900
Lobby/Circulation/Sitting	RENOVATION	750	1	750
Storage	RENOVATION (replaces existing 450sf)	190	1	190
Storage	NEW (replaces existing)	400	1	400
Relocated Backup Generators	Two (2) generators including screening	600	2	-
Support Spaces Sub-Total				***3,240***

SUMMARY				PROGRAM SF
Gymnasium				12,400
Support Spaces				3,240
Program Sub-Total				***15,640***
Net to Gross Factor		*15,640*	*15%*	***2,346***
TOTAL PROGRAM AREAS				**17,986**

Optional Building Program		SF	#	Subtotal SF
Small Conference Room		200	1	200
Sub-Total				***200***

Plymouth Community Center Gym Addition - Option B

Preliminary Building Program — 20-Nov-2024

Gymnasium		SF	#	Subtotal SF
Gymnasium	1 regulation H.S. basketball court	6,950	1	6,950
Viewing / Stretching Area @ Level 2	NEW	255	1	255
Bleacher Zone (Side Line)	retractable bleacher/100 spectators	550	1	-
Gymnasium Sub-Total				***7,205***

Gymnasium Support Spaces		SF	#	Subtotal SF
Womens Dry Changing		350	1	350
Mens Dry Changing		350	1	350
Womens Restroom		250	1	250
Mens Restroom		250	1	250
All-Gender Restroom		80	1	80
Gymnasium Support Spaces Sub-Total				***1,280***

Support Spaces		SF	#	Subtotal SF
Lobby/Circulation/Sitting	NEW	1,900	1	1,900
Lobby/Circulation/Sitting	RENOVATION	545	1	545
Storage	RENOVATION (replaces existing 450sf)	275	1	275
Storage	RENOVATION (replaces existing)	230	1	230
Storage	NEW (replaces existing)	120	1	120
Relocated Backup Generators	Two (2) generators including screening	600	2	-
Support Spaces Sub-Total				***3,070***

SUMMARY				PROGRAM SF
Gymnasium				8,485
Support Spaces				3,070
Program Sub-Total				***11,555***
Net to Gross Factor		*11,555*	*15%*	***1,733***
TOTAL PROGRAM AREAS				**13,288**

Optional Building Program		SF	#	Subtotal SF
Small Conference Room		200	1	200
Sub-Total				***200***

PLYMOUTH COMMUNITY CENTER

GYM ADDITION CONCEPT PLAN | OPTION A - LOWER LEVEL

NOVEMBER 20, 2024 | JLG 24331 |

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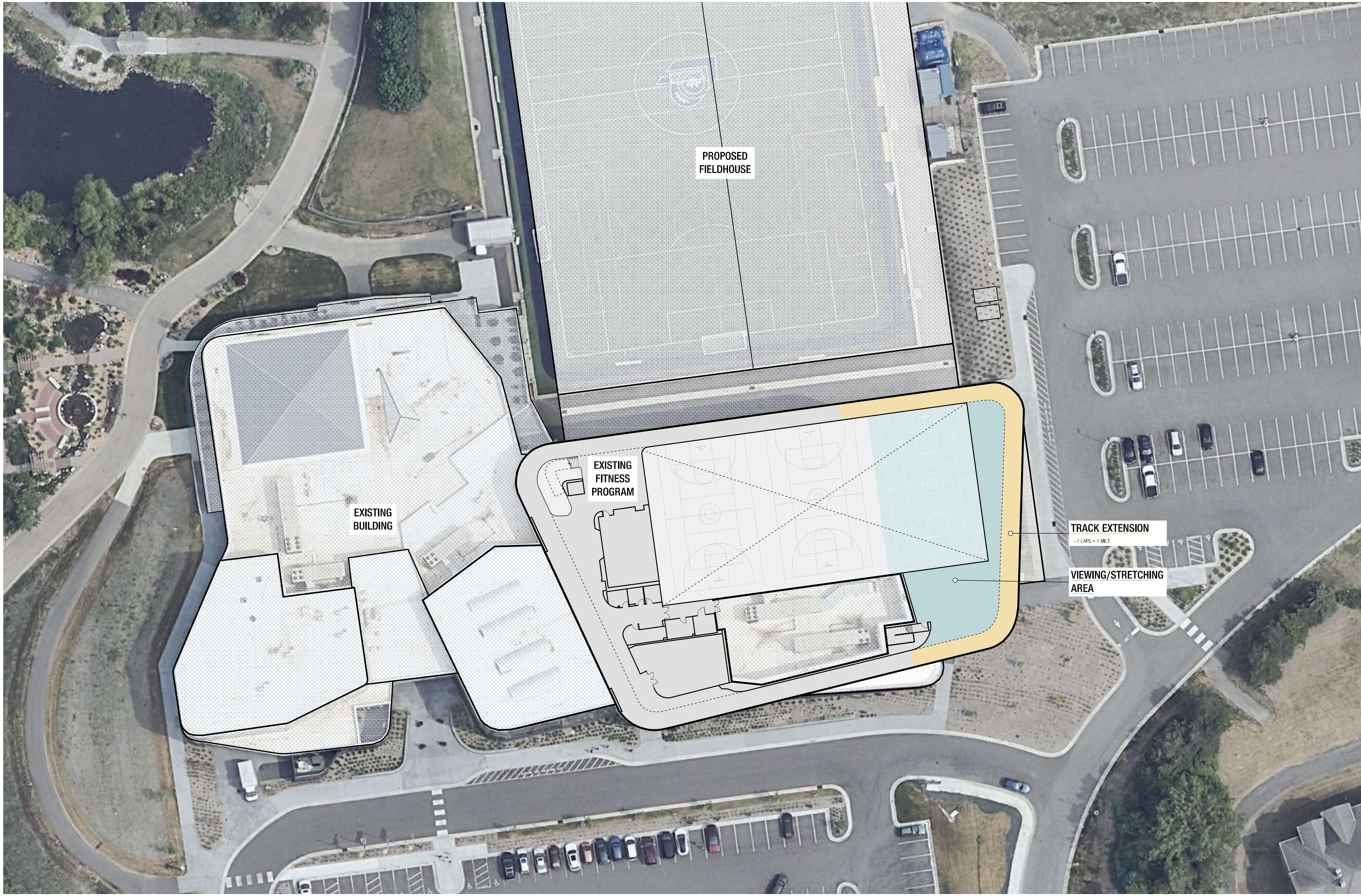
DESIGN FOR LIFE



PLYMOUTH COMMUNITY CENTER

GYM ADDITION CONCEPT PLAN | OPTION A - UPPER LEVEL

NOVEMBER 20, 2024 | JLG 24331 |

0' 20' 40' 80'

JLG
DESIGN FOR LIFE

PLYMOUTH COMMUNITY CENTER

GYM ADDITION CONCEPT PLAN | OPTION B - LOWER LEVEL

NOVEMBER 20, 2024 | JLG 24331 |

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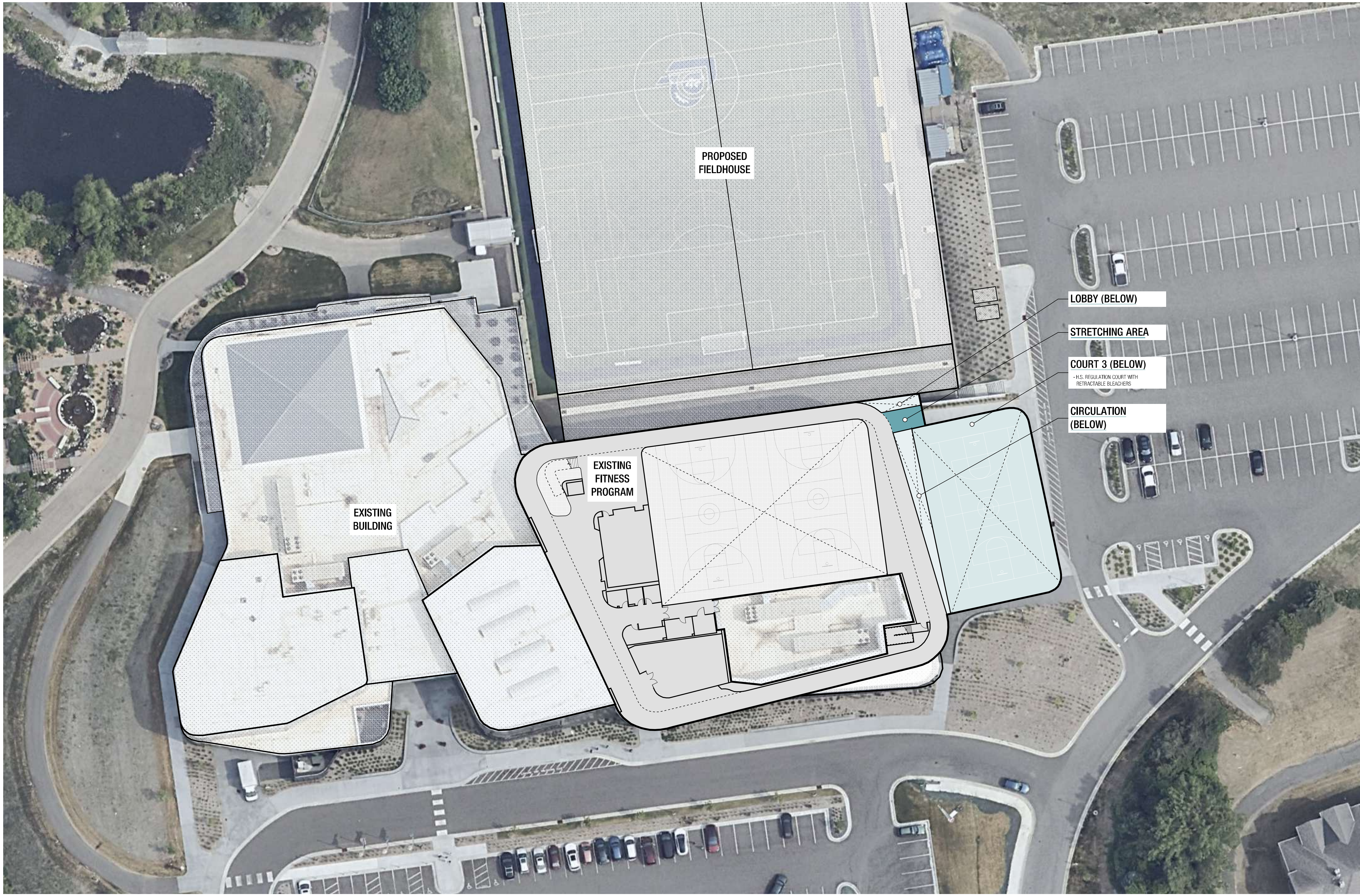
DESIGN FOR LIFE



PLYMOUTH COMMUNITY CENTER

GYM ADDITION CONCEPT PLAN | OPTION B - UPPER LEVEL

NOVEMBER 20, 2024 | JLG 24331 |

JLG
DESIGN FOR LIFE

- EXISTING COMMUNITY CENTER

- VISUALIZATION OF GYMNASIUM ADDITION TO COMMUNITY CENTER

PLYMOUTH COMMUNITY CENTER

GYM ADDITION MASSING STUDY | OPTION B

NOVEMBER 20, 2024 | JLG 24331 |

JLG
DESIGN FOR LIFE

City of Plymouth

Memorandum

To: Dave Callister, City Manager
From: Jennifer Tomlinson, Parks and Recreation Director
Date: November 18, 2024

PROJECT: Plymouth Ice Center Expansion to include 4th sheet of ice

Sales Tax Project Scoping Analysis

Background

The Plymouth Ice Center (PIC) is one of the busiest ice facilities in Minnesota. This facility serves as home ice to Wayzata High School (boys & girls), Providence Academy (boys), and Wayzata Youth Hockey Association, one of the largest programs in the nation. In addition, PIC is also home to numerous regional and state hockey tournaments and events. The facility has hosted the USA National High School Tournament in 2019, 2023 and submitted a bid to host in 2026. PIC also hosted the National Sled Hockey Tournament in 2018. Yearly, almost 600,000 people utilize this facility.

ABOUT THE FACILITY

- Opened in 1997
    - $9 million ($250,000 Mighty Ducks Grant; $25,000 Wayzata High School; $250,000 Wayzata Youth Hockey Association; Bond)
    - 85,000 square feet
    - Olympic Rink & Profession Rink
- Expanded in 2004 (3rd Ice Sheet)
    - $5.3 million ($1,975,000 from Wayzata Youth Hockey & Providence Academy)
    - 35,000 square feet
    - Professional Rink

The addition of a third sheet of ice at PIC was a request from Providence Academy and Wayzata Youth Hockey Association. Both groups financially contributed to the project.

<u>Providence Academy</u> - paid $500,000 towards the project at the time of the bid award and an additional $500,000 within 180 days. The last $250,000 was paid to the City at the completion

of the project. Providence also agreed to buy a minimum of 225 hours of ice time from October 1st to March 31st for the next 15 years. The ice rental minimum was necessary to underwrite construction costs.

Wayzata Youth Hockey Association (WYHA) -paid $175,000 at the time of bid award and an additional $550,000 on December 31st, 2007. As part of the agreement, the City provided WYHA an additional 22–38 hours of ice time each week between October 15 and March 15 on the third sheet of ice. The agreement also stipulated that the City Staff/Council remains in control of all scheduling of the facility.

Training Facility - In 2014, the City Council approved the construction of a 7,500 square foot addition onto the Plymouth Ice Center (PIC). The project was a partnership between Acceleration Minnesota NW (Acceleration), Wayzata Youth Hockey Association (WYHA) and the City of Plymouth. The partnership was established to recoup the capital cost ($1,329,761) of the project in just over ten years. The financial agreement with WYHA guaranteed a contribution covering 40% of the overall project costs. With a total investment of $531,900.

Today the PIC is comprised of 127,500 square feet, (3) Professional Rinks, (2) Meeting Rooms, Concession Stand, and Leased Dryland Training Facility (Leased by MAP/FHIT – Stenerson Sports Foundation)

NEED

Wayzata Youth Hockey Association player registration has grown 8% since the 2011-2012 Season with an average growth of 0.8% which also reflects the pandemic registration numbers. WYHA needs 4,148 hours to support registered players. A single sheet of ice provided 920 hours from October-February. WYHA currently has an agreement with Brooklyn Park and Velocity in Osseo to help supplement the hours they are unable to achieve at PIC and Central Middle School. The association members/residents are being sent to other communities to fulfill their ice time needs where they may not be a priority and might not have that ice available on a consistent basis.

- WYHA Membership: 2024 - 1,237 youth; 2011 – 1,117 youth
- PIC Total Rental Hours: 2024 – 7,635 Hours (3 Sheets), 2011 – 6,523 (3 Sheets), 2000 – 4,995, (2 Sheets).

Project Scope

This project will include the construction of a fourth sheet of ice at the PIC. The site is highly constrained, requiring thoughtful planning for facilities. MAP/FHIT has requested additional space in any expansion of the facility and will contribute financially to the construction costs. The addition of the 4th sheet will include support functions including storage, renovation and enlargement of existing resurfacing room, additional team rooms, streamlining and relocation of support functions, redesign of the concession area and reconfiguration of seating areas based on cost and efficiency. The expansion will require a redesign of 37th Avenue and a parking ramp will be constructed with the project that serves City Center and additional capacity needs of the PIC.

Order of magnitude cost estimate

$40-50 million depending on final configuration.

Construction timeline

Design will begin in 2026 with construction anticipated to start in 2027.

Next steps needed to move forward.

Refine scope with Wayzata Youth Hockey Association and MAP/FHIT to select a preferred option. Negotiate contribution from partner organizations and youth association.

Design development will occur in 2026 with construction planned for 2027.

Plymouth Ice Center Addition

Preliminary Building Program — 20-Nov-2024

Ice Arena*		SF	#	Subtotal SF
*Assume use of existing refrigeration system				
New Ice Sheet - Rink D		17,500	1	17,500
Deck Area		1,800	1	1,800
Seating & Concourse Area	2,000 seat min, double sided, for tournaments	15,400	1	15,400
Refrigeration	enlarged/renovated existing Rink C refrigeration	1,000	1	1,000
Resurfacer Room	2 ice resurfacers for Rinks C & D	1,400	1	1,400
Ice Arena Sub-Total				***37,100***

Ice Arena Locker Facilities		SF	#	Subtotal SF
Team Rooms	lockers for 22 players	500	5	2,500
Team Room Showers	attached to team rooms	200	5	1,000
Coaches Room	12-15 ppl	935	1	935
Coaches All-Gender Showers		85	4	340
Referees Room / Shower	RENOVATED for Rink A	315	1	315
Referees Room	NEW	150	1	150
Referee All-Gender Showers	NEW	85	2	170
Storage	RENOVATED Rink C Resurfacer Rm	650	1	650
Storage	RENOVATED for Rink A	450	1	450
Storage	NEW	275	1	275
Storage	NEW	250	1	250
Locker Facilities Sub-Total				***7,035***

Ice Arena Support and Leased Spaces		SF	#	Subtotal SF
Skate Rental/Sharpening/Storage	80 pairs of skates, connected to operations office	350	1	350
Skate Change	Included in deck area	0	1	-
Retail	Two levels	7,000	1	7,000
MAP Fit	Two levels	20,000	1	20,000
Concessions		450	1	450
Concessions Storage		550	1	550
Dining/Seating/Lounge space	includes multiple areas open to lobby	1,800	1	1,800
Womens Restrooms		400	3	1,200
Mens Restrooms		400	3	1,200
All-Gender Restrooms		75	3	225
Storage		180	1	180
Ice Arena Admin/Support and Public Spaces Sub-Total				***32,955***

Office Space		SF	#	Subtotal SF
Operations Office	connected to skate rental/sharpening	1,000	1	1,000
Office Space Sub-Total				***1,000***

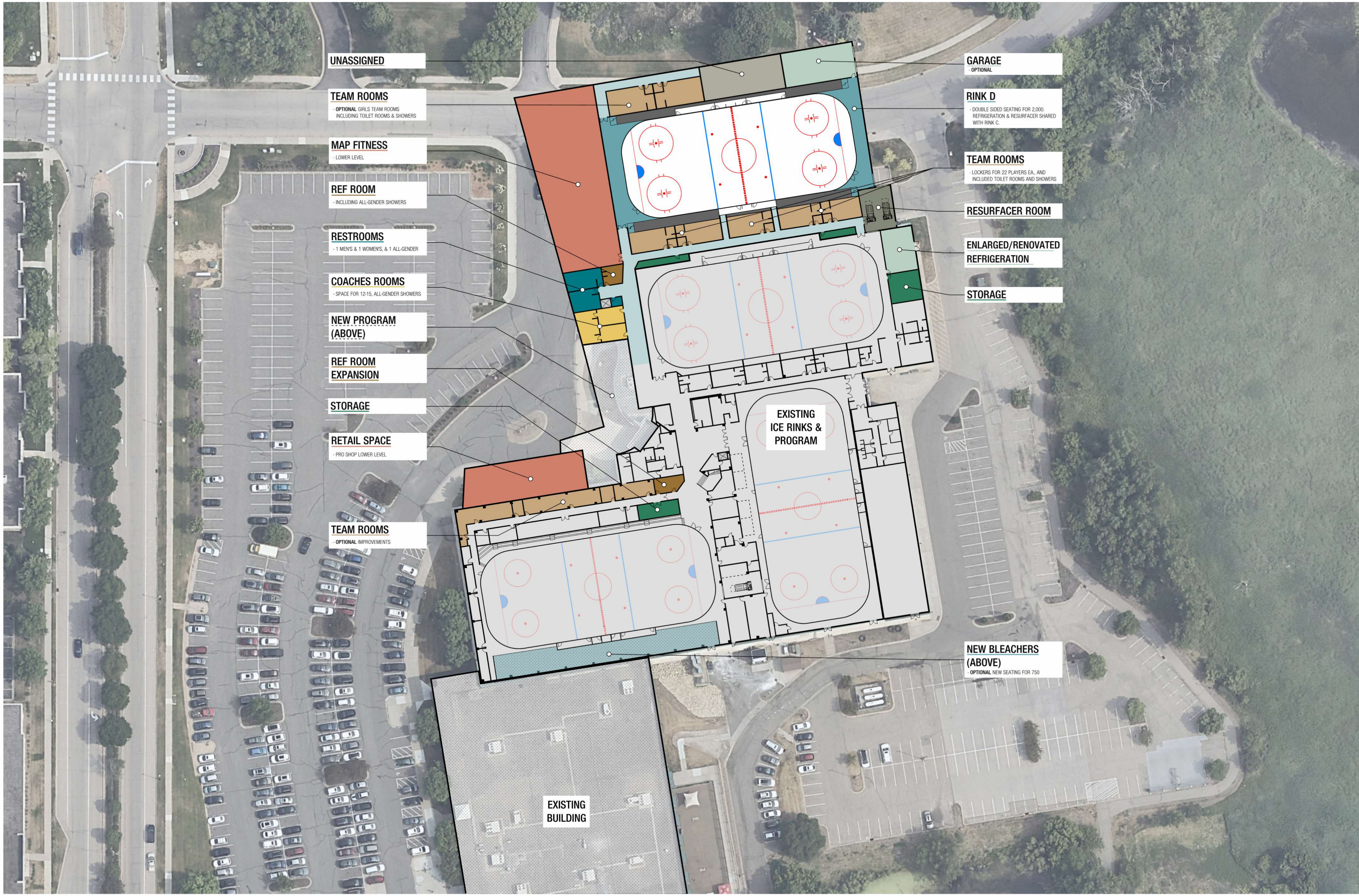
Meeting Space		SF	#	Subtotal SF
Tournament Room	RENOVATED w/ operable partition and views of rinks	1,325	1	1,325
Meeting Space Sub-Total				***1,325***

Support Spaces		SF	#	Subtotal SF
Staff Break Room	incl kitchenette	200	1	200
Staff Restroom		75	1	75
Support Spaces Sub-Total				***275***

SUMMARY				PROGRAM SF
Ice Arena				77,090
Office/Meeting Spaces				2,325
Support Spaces				275
Program Sub-Total				***79,690***
Net to Gross Factor		*79,690*	*15%*	***11,954***
TOTAL PROGRAM AREAS				**91,644**

Optional Building Program	Additive Alternates	SF	#	Subtotal SF
Dedicated Girls Team Room(s)		400	2	800
Dedicated Girls Restrooms/Showers		200	2	400
Garage	Snow plow, tractor, extra resurfacer storage	1,200	1	1,200
Rink A New South Bleachers	approx 750 spectators	3,650	1	-
Rink A Team Room upgrades	Finishes & HVAC	2,350	1	2,350
Optional Sub-Total				***4,750***

Optional Building Program	Deductive alternate	SF	#	Subtotal SF
Rink D North Seating & Concourse	Deduct alternate	9,500	1	9,500



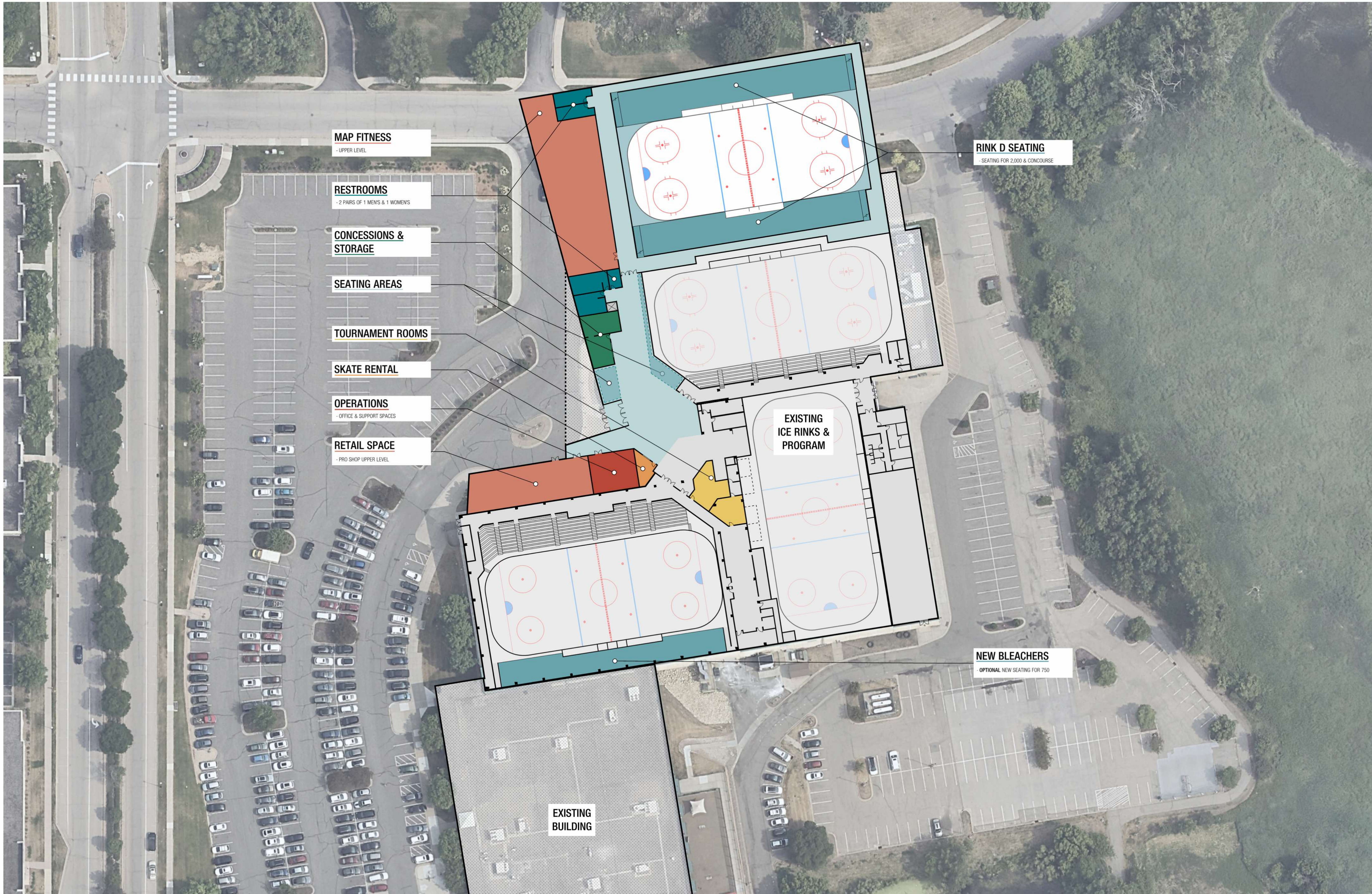
PLYMOUTH ICE CENTER

RINK ADDITION CONCEPT PLAN - LOWER LEVEL

NOVEMBER 20, 2024 | JLG 24330 |

JLG

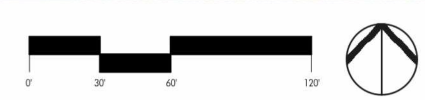
DESIGN FOR LIFE



PLYMOUTH ICE CENTER

RINK ADDITION CONCEPT PLAN - UPPER LEVEL

NOVEMBER 20, 2024 | JLG 24330 | © 2024 JLG ARCHITECTS



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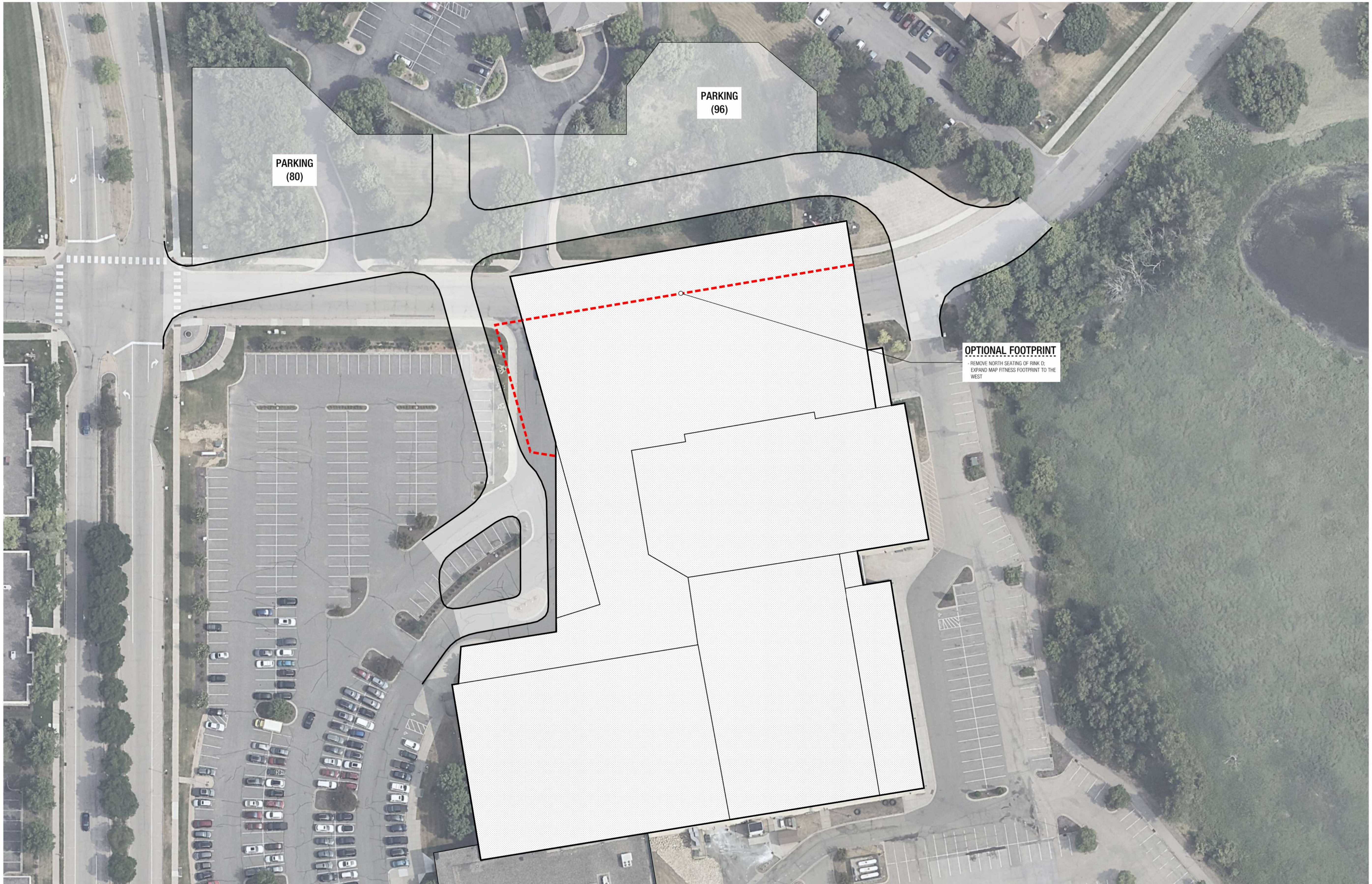
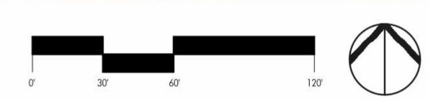


PLYMOUTH ICE CENTER

RINK ADDITION CONCEPT SITE PLAN

NOVEMBER 20, 2024 | JLG 24330 |



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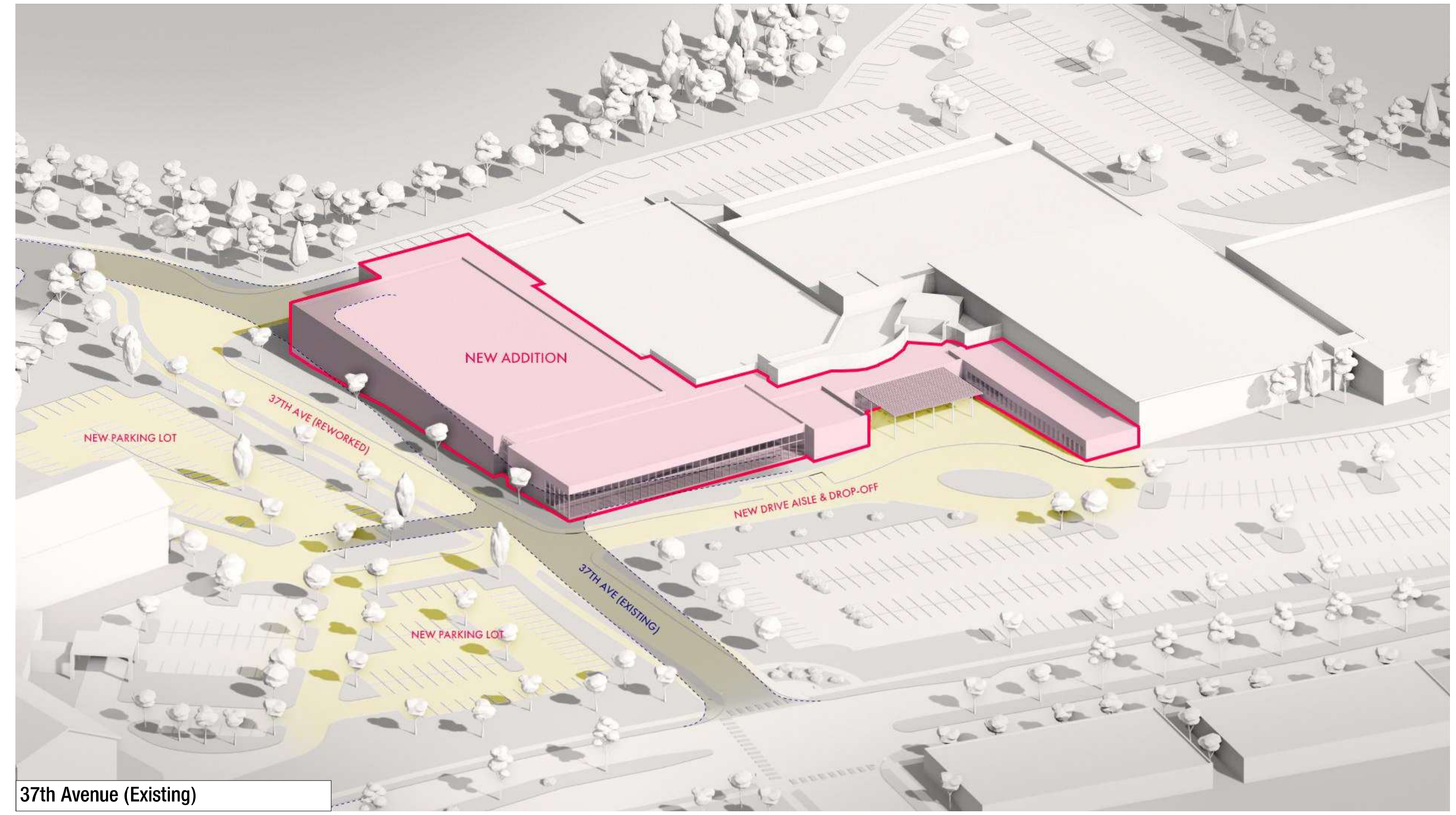
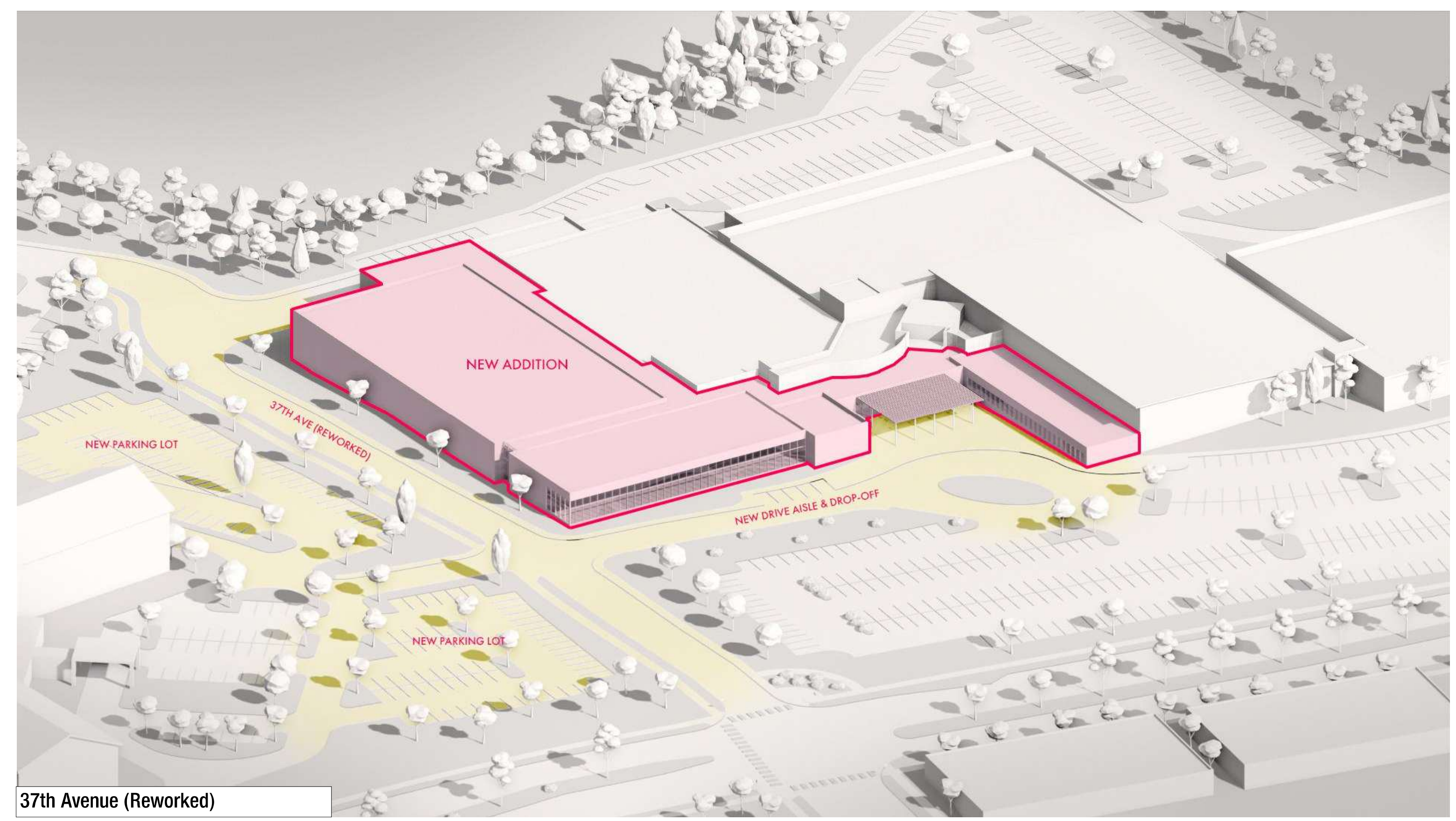


37th Avenue (Existing)



37th Avenue (Reworked)

PLYMOUTH ICE CENTER

RINK ADDITION CONCEPT PLAN - MASSING STUDY & REWORKED 37TH AVENUE

NOVEMBER 20, 2024 | JLG 24330 |

DESIGN FOR LIFE

297A.99 LOCAL SALES TAXES.

Subdivision 1. **Authorization; scope.** (a) A political subdivision of this state may impose a general sales tax (1) under section 297A.9915, (2) under section 297A.992, (3) under section 297A.9925, (4) under section 297A.993, (5) if permitted by special law, or (6) if the political subdivision enacted and imposed the tax before January 1, 1982, and its predecessor provision.

(b) This section governs the imposition of a general sales tax by the political subdivision. The provisions of this section preempt the provisions of any special law:

(1) enacted before June 2, 1997, or

(2) enacted on or after June 2, 1997, that does not explicitly exempt the special law provision from this section's rules by reference.

(c) This section does not apply to or preempt a sales tax on motor vehicles. Beginning July 1, 2019, no political subdivision may impose a special excise tax on motor vehicles unless it is imposed under section 297A.993.

(d) A political subdivision may not advertise or expend funds for the promotion of a referendum to support imposing a local sales tax and may only spend funds related to imposing a local sales tax to:

(1) conduct the referendum;

(2) disseminate information included in the resolution adopted under subdivision 2, but only if the disseminated information includes a list of specific projects and the cost of each individual project;

(3) provide notice of, and conduct public forums at which proponents and opponents on the merits of the referendum are given equal time to express their opinions on the merits of the referendum;

(4) provide facts and data on the impact of the proposed local sales tax on consumer purchases; and

(5) provide facts and data related to the individual programs and projects to be funded with the local sales tax.

Subd. 1a. **Requirements.** Local sales taxes are to be used instead of traditional local revenues only for construction and rehabilitation of capital projects when a clear regional benefit beyond the taxing jurisdiction can be demonstrated. Use of local sales tax revenues for local projects decreases the benefits to taxpayers of the deductibility of local property taxes and the state assistance provided through the property tax refund system and increases the fiscal inequities between similar communities.

Subd. 2. **Local resolution before application for authority.** (a) Before the governing body of a political subdivision requests legislative approval to impose a local sales tax authorized by a special law, it shall adopt a resolution indicating its approval of the tax. The resolution must include the following information:

(1) the proposed tax rate;

(2) a detailed description of no more than five capital projects that will be funded with revenue from the tax;

(3) documentation of the regional significance of each project, including the share of the economic benefit to or use of each project by persons residing, or businesses located, outside of the jurisdiction;

(4) the amount of local sales tax revenue that would be used for each project and the estimated time needed to raise that amount of revenue; and

(5) the total revenue that will be raised for all projects before the tax expires, and the estimated length of time that the tax will be in effect if all proposed projects are funded.

(b) The jurisdiction seeking authority to impose a local sales tax by special law must submit the resolution in paragraph (a) along with underlying documentation indicating how the benefits under paragraph (a), clause (3), were determined, to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes no later than January 31 of the year in which the jurisdiction is seeking a special law authorizing the tax.

(c) The special legislation granting local sales tax authority is not required to allow funding for all projects listed in the resolution with the revenue from the local sales tax, but must not include any projects not contained in the resolution.

(d) For purposes of this section, a "capital project" or "project" means:

(1) a single building or structure including associated infrastructure needed to safely access or use the building or structure;

(2) improvements within a single park or named recreation area; or

(3) a contiguous trail.

Subd. 3. **Legislative authority required before voter approval; requirements for adoption, use, termination.** (a) A political subdivision must receive legislative authority to impose a local sales tax before submitting the tax for approval by voters of the political subdivision. Imposition of a local sales tax is subject to approval by voters of the political subdivision at a general election. The election must be conducted at a general election within the two-year period after the governing body of the political subdivision has received authority to impose the tax. If the authorizing legislation allows the tax to be imposed for more than one project, there must be a separate question approving the use of the tax revenue for each project. Notwithstanding the authorizing legislation, a project that is not approved by the voters may not be funded with the local sales tax revenue and the termination date of the tax set in the authorizing legislation must be reduced proportionately based on the share of that project's cost to the total costs of all projects included in the authorizing legislation.

(b) The proceeds of the tax must be dedicated exclusively to payment of the construction and rehabilitation costs and associated bonding costs related to the specific capital improvement projects that were approved by the voters under paragraph (a).

(c) The tax must terminate after the revenues raised are sufficient to fund the projects approved by the voters under paragraph (a).

(d) After a sales tax imposed by a political subdivision has expired or been terminated, the political subdivision is prohibited from imposing a local sales tax for a period of one year.

(e) Notwithstanding paragraph (a), if a political subdivision received voter approval to seek authority for a local sales tax at the November 6, 2018, general election and is granted authority to impose a local sales tax before January 1, 2021, the tax may be imposed without an additional referendum provided that it meets the requirements of subdivision 2 and the list of specific projects contained in the resolution does not conflict with the projects listed in the approving referendum.

(f) If a tax is terminated because sufficient revenues have been raised, any amount of tax collected under subdivision 9, after sufficient revenues have been raised and before the quarterly termination required under subdivision 12, paragraph (a), that is greater than the average quarterly revenues collected over the immediately preceding 12 calendar months must be retained by the commissioner for deposit in the general fund.

Subd. 3a. **Temporary moratorium.** (a) Notwithstanding subdivisions 1, 2, and 3, until after May 31, 2025, a political subdivision may not engage in any of the following activities in connection with imposing a new local sales and use tax or modifying an existing local sales and use tax:

(1) any activity described in subdivision 1, paragraph (d);

(2) adopt a resolution; or

(3) seek voter approval.

(b) Paragraph (a) does not apply to new local sales and use taxes or modifications to existing local sales and use taxes authorized in May, 2023.

(c) This subdivision expires June 1, 2025.

Subd. 4. **Tax base.** (a) The tax applies to sales taxable under this chapter that occur within the political subdivision.

(b) Taxable goods or services are subject to a political subdivision's sales tax, if they are sourced to the political subdivision pursuant to section 297A.668.

Subd. 5. **Tax rate.** (a) The tax rate is as specified in the special law authorization and as imposed by the political subdivision.

(b) The full political subdivision rate applies to any sales that are taxed at a state rate, and the political subdivision must not have more than one local sales tax rate or more than one local use tax rate. This paragraph does not apply to sales or use taxes imposed on electricity, piped natural or artificial gas, or other heating fuels delivered by the seller, or the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes.

Subd. 6. **Use tax.** A compensating use tax applies, at the same rate as the sales tax, on the use, storage, distribution, or consumption of tangible personal property or taxable services.

Subd. 7. **Exemptions.** (a) All goods or services that are otherwise exempt from taxation under this chapter are exempt from a political subdivision's tax.

(b) All mobile transportation equipment, and parts and accessories attached to or to be attached to the equipment are exempt, if purchased by a holder of a motor carrier direct pay permit under section 297A.90.

Subd. 8. **Credit for other local taxes.** If a person paid sales or use tax to another political subdivision of this state on an item subject to tax under this section, a credit applies against the tax imposed under this section. The credit equals the tax the person paid to the other political subdivision for the item.

Subd. 9. **Enforcement; collection; and administration.** (a) The commissioner of revenue shall collect the taxes subject to this section. The commissioner may collect the tax with the state sales and use tax. All taxes under this section are subject to the same penalties, interest, and enforcement provisions as apply to the state sales and use tax.

(b) A request for a refund of state sales tax paid in excess of the amount of tax legally due includes a request for a refund of the political subdivision taxes paid on the goods or services. The commissioner shall refund to the taxpayer the full amount of the political subdivision taxes paid on exempt sales or use.

(c) A political subdivision shall incur a legal debt to the state for refunds of local sales taxes made by the commissioner after a tax has terminated when the amount of the refunds exceeds the amount of local sales taxes collected for but not remitted to the political subdivision. The commissioner of revenue shall bill the political subdivision for this difference. The commissioner shall deposit the money in the state treasury and credit it to the general fund.

Subd. 10. **Use of zip code in determining location of sale.** The lowest combined tax rate imposed in the zip code area applies if the area includes more than one tax rate in any level of taxing jurisdictions. If a nine-digit zip code designation is not available for a street address or if a seller is unable to determine the nine-digit zip code designation of a purchaser after exercising due diligence to determine the designation, the seller may apply the rate for the five-digit zip code area. For the purposes of this subdivision, there is a rebuttable presumption that a seller has exercised due diligence if the seller has attempted to determine the nine-digit zip code designation by utilizing software approved by the governing board that makes this designation from the street address and the five-digit zip code of the purchaser. Notwithstanding subdivision 13, this subdivision applies to all local sales taxes without regard to the date of authorization. This subdivision does not apply when the purchased product is received by the purchaser at the business location of the seller.

Subd. 11. **Revenues; cost of collection.** The commissioner shall remit the proceeds of the tax, less refunds and a proportionate share of the cost of collection, at least quarterly, to the political subdivision. The commissioner shall deduct from the proceeds remitted an amount that equals

(1) the direct and indirect costs of the department to administer, audit, and collect the political subdivision's tax, plus

(2) the political subdivision's proportionate share of the indirect cost of administering all taxes under this section, plus

(3) the cost of constructing and maintaining a zip code or geo-code database necessary for local sales tax collections under the Streamlined Sales and Use Tax Agreement in section 297A.995.

The initial cost of constructing a database under clause (3) shall be distributed among the cities with a local sales tax based on each city's population. The commissioner shall develop a method for distributing the cost of maintaining the database among the cities with a local sales tax based on the number of boundary changes for each city.

Subd. 12. **Effective dates; notification.** (a) A political subdivision may impose a tax under this section starting only on the first day of a calendar quarter. A political subdivision may repeal a tax under this section stopping only on the last day of a calendar quarter.

(b) The political subdivision shall notify the commissioner of revenue at least 90 days before imposing, changing the rate of, or repealing a tax under this section.

(c) The political subdivision shall change the rate of tax imposed under this section starting only on the first day of a calendar quarter, and only after the commissioner has notified sellers at least 60 days prior to the change.

(d) The political subdivision shall apply the rate change for sales tax imposed under this section to purchases from printed catalogs, wherein the purchaser computed the tax based upon local tax rates published in the catalog, starting only on the first day of a calendar quarter, and only after the commissioner has notified sellers at least 120 days prior to the change.

(e) The political subdivision shall apply local jurisdiction boundary changes to taxes imposed under this section starting only on the first day of a calendar quarter, and only after the commissioner has notified sellers at least 60 days prior to the change.

Subd. 12a. **Notification of use tax.** Any political subdivision imposing a local sales and use tax, which maintains an official website, must display on its main home page a link to a notice that residents and businesses in the political subdivision may owe a local use tax on purchases of goods and services made outside of the political subdivision limits. The notice must provide information, including a link to any relevant Department of Revenue website, on how the taxpayer may get information and forms necessary for calculating and paying the tax. If the political subdivision provides and bills for sewer, water, garbage collection, or other public utility services, the billing statement must also include at least once per year a notice that residents and businesses may owe a local use tax on purchases made outside of the political subdivision limits and provide information on how the taxpayer may get information and forms necessary for calculating and paying the tax.

Subd. 13. **Application.** This section applies to all local sales taxes that were authorized before, on, or after June 2, 1997.

History: *2000 c 418 art 1 s 42; 1Sp2001 c 5 art 12 s 81-83; 2003 c 127 art 1 s 28-30; 2005 c 151 art 7 s 22; 1Sp2005 c 3 art 5 s 22,23; 2006 c 259 art 6 s 30; 2008 c 152 art 4 s 1; 2008 c 366 art 7 s 7; 1Sp2011 c 7 art 4 s 1,2; 2013 c 143 art 8 s 43; 1Sp2019 c 6 art 6 s 1-4; 1Sp2021 c 14 art 8 s 1; 2023 c 37 art 5 s 1; 2023 c 64 art 10 s 1; 2023 c 68 art 3 s 28*

Steps for Imposing a General Local Sales Tax

August 2022

Minnesota Statutes, section 297A.99, requires a political subdivision seeking to either impose a new general local sales tax, or make changes to an existing general local sales tax, to obtain legislative approval through enactment of a special law. This overview explains the steps the political subdivision must take to acquire legislative approval (steps 1 to 3), as well as steps to take once a special law is enacted (steps 4 to 6).[1]

Step 1: Pass a resolution

The governing body of a political subdivision must pass a resolution proposing the tax including the:

- proposed rate;
- detailed description of the projects to be funded (no more than five);[2]
- documentation of the regional significance of each project, including the benefits to nonlocal persons and businesses;
- amount of revenue to be raised for each project;
- estimated amount of time to raise the amount needed for each project; and
- anticipated expiration date for the tax.

Step 2: Submit resolution to legislative committees

The political subdivision must submit the passed resolution and documentation on regional significance of each project to the chairs and ranking minority members of the House and Senate Tax Committees by January 31 of the year it seeks the special law.

Step 3: Obtain legislative approval through an enacted special law

The political subdivision must work with a legislator to draft and sponsor a bill authorizing imposition of a new tax or changes to an existing tax. The bill must then be passed by both the House and Senate and signed into law by the governor.

Step 4: File local approval with the Secretary of State

Once enacted, a special law authorizing a local sales tax is not fully effective until the political subdivision files local approval with the Office of the Secretary of State before the start of the next regular legislative session after the session in which the law is enacted.[3]

[1] Steps 1 to 3 must be taken each year a special law is sought, even if completed in years prior.

[2] In 2021, the legislature limited the types of projects that may be funded using a local sales tax to include: a single building or structure, improvements to a single park or recreational area, or a contiguous trail.

[3] Minn. Stat. § 645.021.

By **Alexandra Haigler,** alexandra.haigler@house.mn

Step 5: Hold a local referendum

Before the political subdivision can impose the newly authorized tax, it must receive approval by a majority of voters within its jurisdiction at a general election held within two years of receiving the tax authority from the legislature. The voters must approve the tax and each project authorized by the special law.

If a political subdivision is authorized to fund multiple projects with the tax, then each project must be separately stated as a question on the ballot. Only projects that are approved by the voters may be funded by the tax. If a project is not approved, then the length of time the tax is to be imposed is reduced to reflect the amount of time needed to raise the revenue to fund only the approved projects.

The political subdivision may not spend money to promote the passage of the tax. It may only spend money to (1) disseminate information from the approved resolution, (2) hold public forums on the issue, (3) provide facts on the proposed projects and the impact of the proposed tax, and (4) conduct the referendum.

Step 6: Issue an ordinance

The political subdivision must pass an ordinance imposing the tax and notify the Department of Revenue at least 90 days before the first day of the calendar quarter during which the tax is to be imposed.

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 511

02/13/2025 Authored by Klevorn, Greene, Falconer, Carroll, Rehm and others
The bill was read for the first time and referred to the Committee on Taxes

A bill for an act

relating to taxes; local sales and use; authorizing the city of Plymouth to impose a local sales and use tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **CITY OF PLYMOUTH; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** (a) Notwithstanding Minnesota Statutes, section 297A.99, subdivision 3a, or 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Plymouth may impose by ordinance a sales and use tax of up to one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

(b) The city of Plymouth must adopt a resolution indicating its approval of the tax by the later of June 30, 2025, or 30 days after enactment of this act. The contents of the resolution must meet the requirements of section 297A.99, subdivision 2, paragraph (a), clauses (1) to (5).

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Plymouth to pay the costs of collecting and administering the tax and paying for the following projects in the city, plus associated costs related to the issuance of bonds used to finance all or part of the following projects:

(1) $45,000,000 for improvements to the Plymouth Ice Center, including construction of the adjacent City Center public parking ramp;

(2) $40,000,000 for improvements to the Plymouth Community Center, including construction of a permanent fieldhouse structure; and

(3) $35,000,000 for construction of and improvements to Plymouth regional sports complexes.

Subd. 3. **Bonding authority.** (a) The city of Plymouth may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision 2 and approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed $120,000,000, plus an amount applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city of Plymouth, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city of Plymouth. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years after the tax is first imposed, or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for projects approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

EFFECTIVE DATE. This section is effective the day after the governing body of the city of Plymouth and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

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EXTENSION CENTER FOR COMMUNITY VITALITY

Local Option Sales Tax Analysis for Plymouth, MN

ESTIMATED CONTRIBUTIONS OF RESIDENTS AND NON-RESIDENTS TO A LOCAL OPTION SALES TAX

Authored by Eric King

REPORT SPONSOR: CITY OF PLYMOUTH, MINNESOTA

Local Option Sales Tax Analysis for Plymouth

ESTIMATED CONTRIBUTIONS OF RESIDENTS AND NON-RESIDENTS TO A LOCAL OPTION SALES TAX

November 2023

Authored by Eric King, Extension Educator, University of Minnesota Extension Department of Community Development

Report Reviewers: Kathryn Leys, Extension Educator, University of Minnesota Extension Department of Community Development

Sponsor:
City of Plymouth

Table of Contents

SUMMARY OF FINDINGS

University of Minnesota Extension conducted a study to estimate the proportion of sales proceeds attributed to both Plymouth residents and non-residents.

Using 2021 sales and use tax data available from the Minnesota Department of Revenue (MN Revenue), Extension estimated that non-residents account for 55.6 percent of taxable sales subject to a local option sales tax (LOST).

In 2021, total taxable sales in Plymouth were $1,415.45 million. MN Revenue analysts estimate that 90.4 percent of taxable sales would be subject to a LOST. With 55.6 percent of sales derived from non-resident spending, Extension estimated that Plymouth residents spent $568.3 million of the total $1,280 million in taxable sales subject to a LOST.

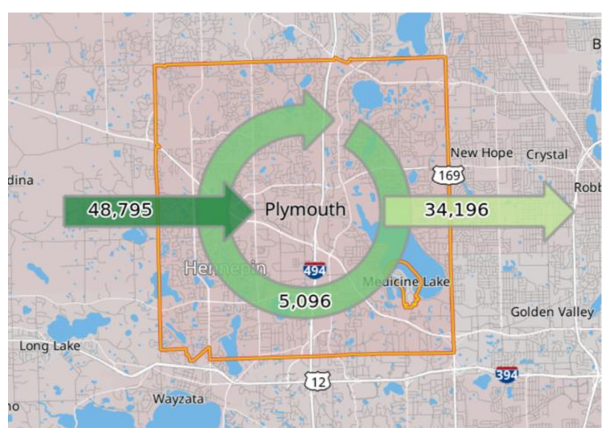
If the tax were in place in 2021, a 0.5 percent local option sales tax would have garnered $6,400,000 million in tax proceeds according to MN Department of Revenue analysts. Plymouth residents would have contributed $2.84 million in taxes, and non-residents would have contributed $3.56 million. Based on these estimates, each Plymouth resident would have paid, on average, an additional $35.00 in sales tax in 2021.

This report is based on a trade area analysis comparing actual taxable sales to potential sales. This is calculated by multiplying the Plymouth population in 2021 (MN Demographic Center) by the Minnesota average per capita sales for each category, and then adjusting for the county's personal income factor. This initial analysis provided an estimate of retail and service purchases made by Plymouth residents. For each merchandise group, the estimates for two types of purchasers—city residents and others—were calculated and adjusted considering the area economy. These adjustments were based on informed estimates and were aimed, in part, at reducing potential overestimates of the sales tax share attributable to non-residents. Assumptions and calculations are included for major retail and service categories so local decision makers can adjust totals if they have more nuanced insight.

Several factors and features of Plymouth's economy helped frame the analysis for the different merchandise categories:

- Residents of nearby communities can easily access Plymouth businesses. For this analysis, cross-hauling has the net effect of increasing non-resident spending as Plymouth is a central shopping hub in the region.
- Plymouth has more workers entering the city for employment than residents who leave for work (Figure 1). In this dynamic, commuters often shop for goods and services near where they work and those commuting into the city purchase in the city.

Figure 1: Plymouth worker in-flow and out-flow



Inflow and outflow of wage earners.

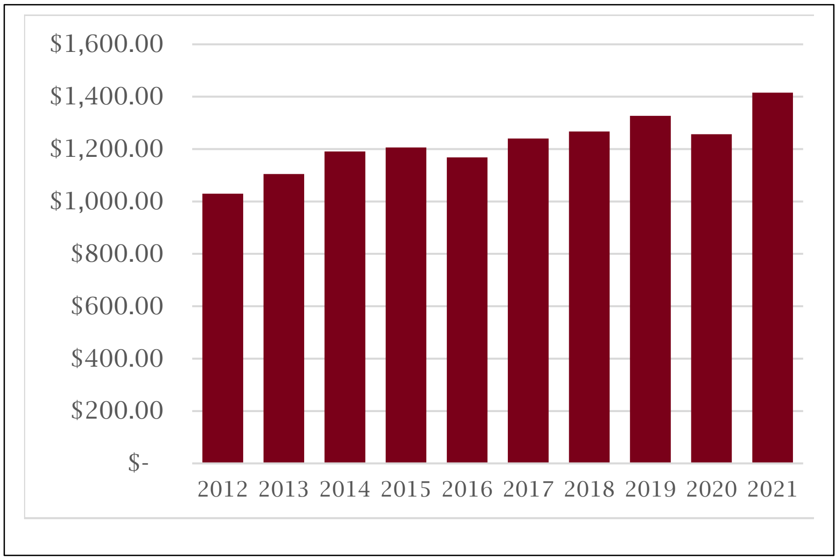
Source: 2021 U.S. Census Bureau On-The-Map

Figure 2 shows the estimated percentage of sales—across all merchandise categories—attributed to both residents and non-residents in 2021. These estimates are based on the adjusted analysis to more accurately reflect the city's economic and consumption circumstances. Based on these findings, Extension estimates city residents represent 44.4 percent of all taxable retail and service sales subject to the tax ($568 million), and the remaining 55.6 percent ($711 million) are attributed to non-residents.

Figure 2: Estimated 2021 Taxable Sales Subject to LOST

	Taxable Sales	Percent of Sales
City residents	$568,320,000	44.4%
Non-residents	$711,680,000	55.6%

Figure 3: Total taxable sales in Plymouth from 2012-2021



Source: Minnesota Department of Revenue

The total taxable sales in the city have been increasing over the past ten years, with 2016 and 2020 diverging slightly from this trend, decreasing slightly but then rebounding the following year (Figure 3). Total sales decreased around $70 million during the pandemic in 2020 before rebounding in 2021. These trends provides some sense of the stability of a LOST going forward.

Extension forecasted taxable sales subject to the local tax for 2022, 2023, 2024 and 2025 using a simple exponential smoothing forecast model that employs a moving weighted average and a 95% confidence interval to provide an upper and lower bound to the estimate (Figures 5 and 6). This model estimates total tax proceeds in 2022 to be between an upper limit of $6.77 million and a lower limit of $5.90 million.

Considering the historic disruption of the pandemic and its uneven effect on business categories, this forecast is an unlikely scenario based only on past trends. National evidence shows that home-focused businesses like food, building materials, furniture, and general merchandise did well through the pandemic, whereas dining, accommodations, and amusement saw record sales decreases. The sharp rebound in sales in 2021 further complicates any forecast.

Figure 5: Forecast for Tax Proceeds based on Past Trends 2012 to 2021

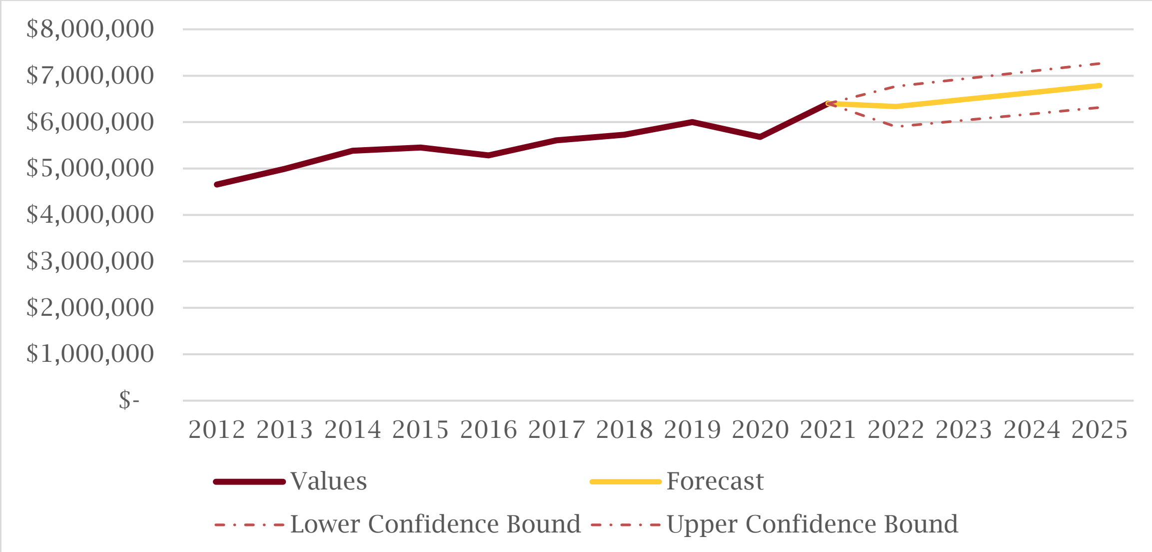


Figure 6: Forecast with Upper and Lower Bound 2022-25

	Forecast	Lower Bound	Upper Bound
2022	$6,335,938	$5,901,496	$6,770,381
2023	$6,486,630	$6,038,712	$6,934,549
2024	$6,637,323	$6,176,218	$7,098,427
2025	$6,788,015	$6,313,991	$7,262,038

Use taxes also affect the tax proceeds from a local option sales tax. Use taxes derive from city businesses purchasing products from out-of-state sources and in other Minnesota locations. Use taxes are often less consistent and more difficult to estimate accurately than sales taxes. In 2021, the city received $3,799,578 in use (not sales) tax proceeds. It would have garnered $281,450 for a LOST at the 0.5 percent rate.

Policymakers must also consider the impacts that a LOST may have on consumer purchasing behavior, particularly whether it will result in a loss of consumer purchases to other jurisdictions. Extension examined records of 11 cities that enacted a local option sales tax between 1999 and 2006 (information available on the Minnesota Department of Revenue website). Records do not indicate a major purchasing change due to the additional sales tax, and most of the jurisdictions have shown continued sales growth (see Appendix A). These communities, however, may not be comparable to Plymouth. All communities included in this analysis are located outside the Twin Cities metro area and may retain more shoppers than communities in the metro area where one can easily switch spending from one jurisdiction to another.

BACKGROUND AND METHODOLOGY

Community economics educators at University of Minnesota Extension provide applied research and education to help community and business partners make better informed decisions. In recent years, Minnesota has adopted laws enabling local governments to enact a local option sales tax. Extension has assisted these administrations in estimating their potential tax proceeds and the portion of taxes paid by local residents.

This report estimates the proportion of tax proceeds generated by Plymouth residents compared to non-residents. The most recently available state sales tax data (2021) from the Minnesota Department of Revenue (MN Revenue) was used.

Trade Area Analysis and Calculations

Extension conducted a trade area analysis of retail and service sales in select merchandise categories, estimating the amount of taxable sales subject to sales taxes made by both local residents and non-residents. Use tax is a much smaller portion of the total collection compared to sales tax proceeds. It is also estimated using a different formula.

Extension calculated potential sales for the city in each merchandise category and compared this calculation to actual taxable sales from the Minnesota Department of Revenue sales tax statistics for the same category. Actual sales greater than potential sales indicate the county attracts sales from outside its boundaries or has sales greater than one would expect from its residents. Extension used the difference between potential and actual sales to set reasonable estimates of spending by residents and non-residents across all categories. These estimates also helped inform adjustments for each category.

Potential sales calculations are based on average statewide spending by merchandise category and the population of the county, then adjusted by the level of income in Plymouth. Specifically, potential sales result from county population, state per capita taxable sales, and the index of income (see sidebar and Appendix B).

The following section details the initial and adjusted trade area calculations for all merchandise categories. The sections labeled “Analysis with Adjustments” lists the final estimate of sales generated by non-residents. A rationale for adjustments and conclusions is also included.

Potential sales estimate the dollar amounts for purchases made by local residents *if* local residents spend as much as the average Minnesota resident.

Potential sales are calculated by the following formula:
(T ÷ PMn) x PO x (YWC ÷YMn) = potential sales

T = Total Minnesota taxable sales for a merchandise category

PMn = 2021 population of Minnesota (5,742,036)

PO = 2021 population of Plymouth (81,184)

YWC = Per capita income of Hennepin County residents ($85,505)

YMn = Per capita income of Minnesota residents ($66,280)

TRADE AREA ANALYSIS BY MERCHANDISE CATEGORY

The following pages provide detailed analysis by merchandise category.

Vehicles and Parts

2.3 percent of total taxable retail and service sales

The **11 businesses** in this retail category include repair parts, snowmobiles, boats, trailers, and recreational vehicles. *Sales of cars and other on-road vehicles are not included in this category since they are subject to a different tax.*

	($Millions)
Actual taxable sales	$20.91
-Potential sales	$66.01
= $ variance	($45.10)
= as % of potential	-68.3%

Unadjusted Trade Area Analysis

Potential taxable sales to residents	$66.01
Surplus	($45.10)
Total	$20.91
Surplus percentage	-215.7%

Analysis with Adjustments

Capture rate of Plymouth residents	30%
Residents' $ share	$19.86
Non-Residents' $ share	$1.05
Total	$20.91
Non-resident share per group	5.0%

Analysis for Vehicles and Parts

Vehicles and Parts account for 2.3 percent of the total taxable retail and service sales. This category includes 11 businesses that deal with repair parts, snowmobiles, boats, trailers, and recreational vehicles. It's important to note that sales of cars and other on-road vehicles are not included in this category. The actual taxable sales for Vehicles and Parts are $20.91 million, while the potential sales are estimated to be $66.01 million. This results in a variance of -$45.10 million, indicating that actual sales are 68.3% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 30%, contributing $19.86 million to the total. Non-residents accounted for $1.05 million. This leads to a non-resident share per group of 5.0%, contributing to a total taxable sales figure of $20.91 million for this category.

Furniture Stores

13.3 percent of total taxable retail and service sales

These **25 businesses** sell furniture, beds, carpeting, window coverings, kitchenware, and wood-burning stoves.

	($Millions)
Actual taxable sales	$123.48
Potential sales	$30.68
= $ variance	$92.80
= as % of potential	302.5%

Unadjusted Trade Area Analysis

Potential sales to residents	$30.68
Surplus	$92.80
Total	$123.48
Non-resident share per group	75.2%

Analysis with Adjustments

Capture rate of Plymouth residents	81%
Residents' $ share	$24.70
Non-Residents' $ share	$98.78
Total	$123.48
Non-resident share per group	80.0%

Analysis for Furniture Stores

Furniture Stores represent 13.3 percent of the total taxable retail and service sales. There are 25 businesses in this category that sell furniture, beds, carpeting, window coverings, kitchenware, and wood-burning stoves. The actual taxable sales for Furniture Stores amount to $123.48 million, while the potential sales are estimated to be $30.68 million. This results in a variance of $92.80 million, indicating that actual sales are 302.5% higher than the potential. Extension estimates that Plymouth residents had a capture rate of 81%, contributing $24.70 million to the total. Non-residents accounted for $98.78 million. This leads to a non-resident share per group of 80.0%, contributing to a total taxable sales figure of $123.48 million for this category.

Electronics and Appliances

0.1 percent of total taxable retail and service sales*

These **16 businesses** primarily include household-type appliances, sewing machines, cameras, computers, and other electronic goods.

	($Millions)
Actual taxable sales	$0.94
-Potential sales	$29.49
= $ variance	($28.54)
= as % of potential	-96.8%

Unadjusted Trade Area Analysis

Potential sales to residents	$29.49
Surplus	($28.54)
Total	$0.94
Non-resident share per group	-3020.3%

Analysis with Adjustments

Capture rate of Plymouth residents	3%
Residents' $ share	$0.90
Non-residents' $ share	$0.05
Total	$0.94
Non-resident share per group	5.0%

Analysis for Electronics and Appliances

Electronics and Appliances represent 0.1 percent of the total taxable retail and service sales. There are 16 businesses in this category that primarily include household-type appliances, sewing machines, cameras, computers, and other electronic goods. The actual taxable sales for Electronics and Appliances amount to $0.94 million, while the potential sales are estimated to be $29.49 million. This results in a variance of -$28.54 million, indicating that actual sales are 96.8% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 3%, contributing $0.90 million to the total. Non-residents accounted for $0.05 million. This leads to a non-resident share per group of 5.0%, contributing to a total taxable sales figure of $0.94 million for this category. The negative surplus suggests that there might be challenges affecting this specific category in Plymouth.

Building Materials

21.3 percent of total taxable retail and service sales*

These **17 businesses** sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden items.

	($Millions)
Actual taxable sales	$197.86
Potential sales	$137.60
= $ variance	$60.25
= as % of potential	43.8%

Unadjusted Trade Area Analysis

Potential sales to residents	$137.60
Surplus	$60.25
Total	$197.86
Non-resident share per group	30.5%

Analysis with Adjustments

Capture rate of Plymouth residents	81%
Residents' $ share	$110.80
Non-residents' $ share	$87.06
Total	$197.86
Non-resident share per group	44.0%

Analysis for Building Materials

Building Materials represent 21.3 percent of the total taxable retail and service sales. There are 17 businesses in this category selling lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden items. The actual taxable sales for Building Materials amount to $197.86 million, while the potential sales are estimated to be $137.60 million. This results in a variance of $60.25 million, indicating that actual sales are 43.8% higher than the potential. Extension estimates that Plymouth residents had a capture rate of 81%, contributing $110.80 million to the total. Non-residents accounted for $87.06 million. This leads to a non-resident share per group of 44.0%, contributing to a total taxable sales figure of $197.86 million for this category. The positive surplus indicates a strong performance in Building Materials in Plymouth.

Food and Groceries

6.2 percent of total taxable retail and service sales

The **35 businesses** in this merchandise group include grocery stores, delis, bakeries, and butcher shops that sell food to be prepared at home. Liquor stores are also included in this group.

	($Millions)
Actual taxable sales	$57.77
- Potential sales	$92.36
= $ variance	($34.59)
= as % of potential	-37.5%

Unadjusted Trade Area Analysis

Potential sales to residents	$92.36
Surplus	($34.59)
Total	$57.77
Non-resident share per group	-59.9%

Analysis with Adjustments

Capture rate of Plymouth residents	58%
Residents' $ share	$53.73
Non-residents' $ share	$4.04
Total	$57.77
Non-resident share per group	7.0%

Analysis for Food and Groceries

Food and Groceries constitute 6.2 percent of the total taxable retail and service sales in Plymouth. There are 35 businesses in this merchandise group, including grocery stores, delis, bakeries, butcher shops, and liquor stores. The actual taxable sales for Food and Groceries amount to $57.77 million, while the potential sales are estimated to be $92.36 million. This results in a variance of -$34.59 million, indicating that actual sales are 37.5% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 58%, contributing $53.73 million to the total. Non-residents accounted for $4.04 million. This leads to a non-resident share per group of 7.0%, contributing to a total taxable sales figure of $57.77 million for this category. The negative surplus indicates a lower-than-potential performance in Food and Groceries in Plymouth.

Health and Personal Items

1.3 percent of total taxable retail and service sales

Stores selling prescription drugs, food supplements, vision supplies, cosmetics, and hearing aids are among the **27 businesses** included in this merchandise group.

	($Millions)
Actual taxable sales	$11.90
Potential sales	$12.38
= $ variance	($0.47)
= as % of potential	-3.8%

Unadjusted Trade Area Analysis

Potential sales to residents	$12.38
Surplus	($0.47)
Total	$11.90
Non-resident share per group	-4.0%

Analysis with Adjustments

Capture rate of Plymouth residents	67%
Residents' $ share	$8.33
Non-residents' $ share	$3.57
Total	$11.90
Non-resident share per group	30.0%

Analysis for Health and Personal Items

Health and Personal Items account for 1.3 percent of the total taxable retail and service sales in Plymouth, involving 27 businesses that sell prescription drugs, food supplements, vision supplies, cosmetics, and hearing aids. The actual taxable sales in this category amount to $11.90 million, with potential sales estimated at $12.38 million. This results in a variance of -$0.47 million, indicating that actual sales are 3.8% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 67%, contributing $8.33 million to the total. Non-residents accounted for $3.57 million, leading to a non-resident share per group of 30.0%. The small negative variance between expected and potential suggests a relatively stable performance in Health and Personal Items in Plymouth.

Gas/Convenience Stores

1.6 percent of total taxable retail and service sales

This merchandise group covers **21 businesses** selling convenience items at a store that also sells fuel.

	($Millions)
Actual taxable sales	$14.81
-Potential sales	$29.51
= $ variance	($14.70)
= as % of potential	-49.8%

Unadjusted Trade Area Analysis

Potential sales to residents	$29.51
Surplus	($14.70)
Total	$14.81
Non-resident share per group	-99.2%

Analysis with Adjustments

Capture rate of Plymouth residents	45%
Residents' $ share	$13.33
Non-residents' $ share	$1.48
Total	$14.81
Non-resident share per group	10.0%

Analysis for Gas/Convenience Stores

Gas/Convenience Stores represent 1.6 percent of the total taxable retail and service sales in Plymouth, involving 21 businesses that sell convenience items at a store that also sells fuel. The actual taxable sales in this category amount to $14.81 million, with potential sales estimated at $29.51 million. This results in a variance of -$14.70 million, indicating that actual sales are 49.8% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 45%, contributing $13.33 million to the total. Non-residents accounted for $1.48 million, leading to a non-resident share per group of 10.0%. The substantial negative variance suggests a notable opportunity for improvement in Gas/Convenience Stores' performance in Plymouth.

Apparel/Clothing

0.8 percent of total taxable retail and service sales

This merchandise group includes **27 businesses** selling new clothing and accessories, jewelry, shoes, bridal items, clocks, and luggage.

	($Millions)
Actual taxable sales	$7.42
Potential sales	$13.56
= $ variance	($6.13)
= as % of potential	-45.2%

Unadjusted Trade Area Analysis

Potential sales to residents	$13.56
Surplus	($6.13)
Total	$7.42
Non-resident share per group	-82.6%

Analysis with Adjustments

Capture rate of Plymouth residents	38%
Residents' $ share	$5.20
Non-residents' $ share	$2.23
Total	$7.42
Non-resident share per group	30.0%

Analysis for Apparel/Clothing

Apparel/Clothing accounts for 0.8 percent of the total taxable retail and service sales in Plymouth, involving 27 businesses that sell new clothing and accessories, jewelry, shoes, bridal items, clocks, and luggage. The actual taxable sales in this category amount to $7.42 million, with potential sales estimated at $13.56 million. This results in a variance of -$6.13 million, indicating that actual sales are 45.2% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 38%, contributing $5.20 million to the total. Non-residents accounted for $2.23 million, leading to a non-resident share per group of 30.0%. The substantial negative variance between potential and expected sales suggests a notable opportunity for improvement in the Apparel/Clothing category's performance in Plymouth.

Leisure Goods

1.5 percent of total taxable retail and service sales

The **29 businesses** in this merchandise group sell sporting goods, books, music, hobby items, fabrics, and toys.

	($Millions)
Actual taxable sales	$13.61
Potential sales	$23.36
= $ variance	($9.75)
= as % of potential	-41.7%

Unadjusted Trade Area Analysis

Potential sales to residents	$23.36
Surplus	($9.75)
Total	$13.61
Non-resident share per group	-71.6%

Analysis with Adjustments

Capture rate of Plymouth residents	48%
Residents' $ share	$11.16
Non-Residents' $ share	$2.45
Total	$13.61
Non-resident share per group	18.0%

Analysis for Leisure Goods

Leisure Goods contribute to 1.5 percent of the total taxable retail and service sales in Plymouth, involving 29 businesses that sell sporting goods, books, music, hobby items, fabrics, and toys. The actual taxable sales in this category amount to $13.61 million, with potential sales estimated at $23.36 million. This results in a variance of -$9.75 million, indicating that actual sales are 41.7% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 48%, contributing $11.16 million to the total. Non-residents accounted for $2.45 million, leading to a non-resident share per group of 18.0%. The substantial negative variance suggests a notable opportunity for improvement in the Leisure Goods category's performance in Plymouth.

General Merchandise Stores

4.7 percent of total taxable retail and service sales*

The **4 businesses** in this category sell general merchandise and are unique because they have the equipment and staff needed to sell a large variety of goods from a single location. This includes department stores, superstores, dollar stores, and variety stores.

	($Millions)
Actual taxable sales	$43.61
potential sales	$123.74
= $ variance	($80.13)
= as % of potential	-64.8%

Unadjusted Trade Area Analysis

Potential sales to residents	$123.74
Surplus	($80.13)
Total	$43.61
Non-resident share per group	-183.8%

Analysis with Adjustments

Capture rate of Plymouth residents	29%
Residents' $ share	$36.19
Non-Residents' $ share	$7.41
Total	$43.61
Non-resident share per group	17.0%

Analysis for General Merchandise Stores

General Merchandise Stores constitute 4.7 percent of the total taxable retail and service sales in Plymouth, involving four businesses that sell general merchandise, including department stores, superstores, dollar stores, and variety stores. The actual taxable sales in this category amount to $43.61 million, with potential sales estimated at $123.74 million. This results in a variance of -$80.13 million, indicating that actual sales are 64.8% lower than the potential. Extension estimates that Plymouth residents had a capture rate of 29%, contributing $36.19 million to the total. Non-residents accounted for $7.41 million, leading to a non-resident share per group of 17.0%. The negative variance indicates a considerable opportunity for improvement in the performance of General Merchandise Stores in Plymouth.

Miscellaneous Retail

10.0 percent of total taxable retail and service sales

100 businesses are part of this group, including florists, used merchandise stores, pet supply stores, and other retailers.

	($Millions)
Actual taxable sales	$92.56
Potential sales	$33.34
= $ variance	$59.23
= as % of potential	177.7%

Unadjusted Trade Area Analysis

Potential sales to residents	$33.34
Surplus	$59.23
Total	$92.56
Non-resident share per group	64.0%

Analysis with Adjustments

Capture rate of Plymouth residents	83%
Residents' $ share	$27.77
Non-residents' $ share	$64.79
Total	$92.56
Non-resident share per group	70.0%

Analysis for Miscellaneous Retail

Miscellaneous Retail constitutes 10.0 percent of the total taxable retail and service sales in Plymouth, involving 100 businesses that encompass florists, used merchandise stores, pet supply stores, and various other retailers. The actual taxable sales in this category amount to $92.56 million, with potential sales estimated at $33.34 million. This results in a variance of $59.23 million, indicating that actual sales are 177.7% higher than the potential. Extension estimates that Plymouth residents had a capture rate of 83%, contributing $27.77 million to the total. Non-residents accounted for $64.79 million, leading to a non-resident share per group of 70.0%. The significant surplus indicates strong performance and potential in the Miscellaneous Retail category in Plymouth.

Amusement and Recreation

2.4 percent of total taxable retail and service sales*

The **27 businesses** in this group include casinos, bowling lanes, water parks, amusement parks, arcades, bingo halls, golf courses, ski slopes, marinas, dance or fitness centers, recreational clubs, ice rinks, swimming pools, roller rinks, etc.

	($Millions)
Actual taxable sales	$21.89
Potential sales	$31.17
= $ variance	($9.28)
= as % of potential	-29.8%

Unadjusted Trade Area Analysis

Potential sales to residents	$31.17
Surplus	($9.28)
Total	$21.89
Non-resident share per group	-42.4%

Analysis with Adjustments

Capture rate of Plymouth residents	46%
Residents' $ share	$14.23
Non-residents' $ share	$7.66
Total	$21.89
Non-resident share per group	35.0%

Analysis for Amusement and Recreation

Amusement and Recreation accounts for 2.4 percent of the total taxable retail and service sales in Plymouth, with 27 businesses offering various recreational activities such as casinos, bowling lanes, water parks, amusement parks, and more. The actual taxable sales in this category amount to $21.89 million, while potential sales are estimated at $31.17 million. This results in a negative variance of -$9.28 million, indicating that actual sales are 29.8% below the potential. Extension estimates that Plymouth residents had a capture rate of 46%, contributing $14.23 million to the total. Non-residents accounted for $7.66 million, leading to a non-resident share per group of 35.0%. The negative variance indicates potential opportunities for improvement in the Amusement and Recreation category in Plymouth.

Accommodations

1.5 percent of total taxable retail and service sales

These **12 businesses** provide lodging or short-term accommodations for travelers, vacationers, and others. Included are hotels, motels, lodges, bed & breakfasts, campgrounds, fraternities, boarding houses, and dormitories.

	($Millions)
Actual taxable sales	$13.76
Potential sales	$22.35
= $ variance	($8.59)
= as % of potential	-38.4%

Unadjusted Trade Area Analysis

Potential sales to residents	$22.35
Surplus	($8.59)
Total	$13.76
Non-resident share per group	-62.4%

Analysis with Adjustments

Capture rate of Plymouth residents	6%
Residents' $ share	$1.38
Non-residents' $ share	$12.38
Total	$13.76
Non-resident share per group	90.0%

Analysis for Accommodations

Logically, a significant percentage of lodging sales are from non-residents visiting the area or staying overnight for business or vacation. As with previous LOST analyses, Extension set the non-resident share at 90 percent of sales to allow for resident spending related to events, facility charges, and 'staycations.' A capture rate of 6 percent of Plymouth resident spending in this category was estimated.

Eating/Drinking Establishments

12.1 percent of total taxable retail and service sales

These **128 businesses** sell food at full-service or limited-service establishments. The group includes cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, and street vendors. It also includes bars, taverns, and nightclubs.

	($Millions)
Actual taxable sales	$112.33
Potential sales	$144.81
= $ variance	($32.48)
= as % of potential	-22.4%

Unadjusted Trade Area Analysis

Potential sales to residents	$144.81
Surplus	($32.48)
Total	$112.33
Non-resident share per group	-28.9%

Analysis with Adjustments

Capture rate of Plymouth residents	47%
Residents' $ share	$67.40
Non-residents' $ share	$44.93
Total	$112.33
Non-resident share per group	40.0%

Analysis for Eating/Drinking Establishments

Eating/Drinking Establishments represent 12.1 percent of the total taxable retail and service sales in Plymouth. There are 128 businesses in this category that sell food at full-service or limited-service establishments. The group includes cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, street vendors, as well as bars, taverns, and nightclubs. The actual taxable sales in the Eating/Drinking Establishments category amount to $112.33 million, while potential sales are estimated at $144.81 million. This results in a negative variance of -$32.48 million, indicating that actual sales are 22.4% below the potential. Extension estimates that Plymouth residents had a capture rate of 47%, contributing $67.40 million to the total. Non-residents accounted for $44.93 million, leading to a non-resident share per group of 40.0%. The negative variance indicates potential opportunities for improvement in the Eating/Drinking Establishments category in Plymouth.

Repair and Maintenance

2.0 percent of total taxable retail and service sales

The **49 businesses** in this group restore machinery, equipment, and other products. The group does not include plumbing or electrical repair services but does encompass auto repair, cameras, televisions, computers, copiers, appliances, lawn mowers, specialized equipment, small engines, furniture, shoes, guns, etc.

	($Millions)
Actual taxable sales	$18.32
Potential sales	$30.69
= $ variance	($12.38)
= as % of potential	-40.3%

Unadjusted Trade Area Analysis

Potential sales to residents	$30.69
Surplus	($12.38)
Total	$18.32
Non-resident share per group	-67.6%

Analysis with Adjustments

Capture rate of Plymouth residents	57%
Residents' $ share	$17.40
Non-residents' $ share	$0.92
Total	$18.32
Non-resident share per group	5.0%

Analysis for Repair and Maintenance

Repair and Maintenance make up 2.0 percent of the total taxable retail and service sales in Plymouth. The 49 businesses in this category specialize in restoring machinery, equipment, and various products. Notably, plumbing or electrical repair services are excluded, but the category does include auto repair, cameras, televisions, computers, copiers, appliances, lawn mowers, specialized equipment, small engines, furniture, shoes, guns, and more. The actual taxable sales in the Repair and Maintenance category amount to $18.32 million, while potential sales are estimated at $30.69 million. This results in a negative variance of -$12.38 million, indicating that actual sales are 40.3% below the potential. Extension estimates that Plymouth residents had a capture rate of 57%, contributing $17.40 million to the total. Non-residents accounted for $0.92 million, leading to a non-resident share per group of 5.0%. The negative variance s indicates potential opportunities for improvement in the Repair and Maintenance category in Plymouth.

Personal Services/Laundry

1.4 percent of total taxable retail and service sales

The **86 businesses** in this merchandise group include barber shops and beauty parlors, death care services, laundry and dry-cleaning services, and a wide range of other personal services, such as pet care (except veterinary), photofinishing, temporary parking, and dating services.

	($Millions)
Actual taxable sales	$12.56
Potential Sales	$14.06
=$ variance	($1.50)
= as % of potential	-10.6%

Unadjusted Trade Area Analysis

Potential sales to residents	$14.06
Surplus	($1.50)
Total	$12.56
Non-resident share per group	-11.9%

Analysis with Adjustments

Capture rate of Plymouth residents	71%
Residents' $ share	$10.05
Non-residents' $ share	$2.51
Total	$12.56
Non-resident share per group	20.0%

Analysis for Personal Services/Laundry

Personal Services/Laundry constitute 1.4 percent of the total taxable retail and service sales in Plymouth. This merchandise group encompasses 86 businesses, including barber shops, beauty parlors, death care services, laundry and dry-cleaning services, and various other personal services like pet care (excluding veterinary services), photofinishing, temporary parking, and dating services. The actual taxable sales in the Personal Services/Laundry category amount to $12.56 million, while potential sales are estimated at $14.06 million. This results in a negative variance of -$1.50 million, indicating that actual sales are 10.6% below the potential. Extension estimates that Plymouth residents had a capture rate of 71%, contributing $10.05 million to the total. Non-residents accounted for $2.51 million, leading to a non-resident share per group of 20.0%. The negative variance indicates potential opportunities for improvement in the Personal Services/Laundry category in Plymouth.

Retail (Non-Store) and Other Services

This section includes taxable sales attributed to North American Industrial Classification System categories 511-813 released by MN Revenue.

	($Millions)
Actual taxable sales	$164.33
% of total taxable retail and service sales in Plymouth	17.7%

Analysis with Adjustments

	($Millions)
Residents' $ share	$103.53
Non-residents' $ share	$60.80
Total	$164.33
Non-resident share per group	37%

Analysis for Retail and Other Services

This group includes non-store retailers (such as direct selling operations), healthcare, waste management, rental/lease services, administrative support, and the performing arts. Some of these categories serve primarily a local market, whereas categories like 541 (professional and technical services) often serve a non-local market. This mix of business types is too diverse to run a trade area analysis for, but Extension estimated an aggregate 37 percent of these sales are to non-resident customers. The categories of sales are shown below:

CATEGORY	TAXABLE SALES	% NON-LOCAL	NON-LOCAL $
454 RETL -NONSTORE RETAILERS	$2,618,098	50%	$1,309,049
511 INFO -PUBLISHING INDUSTRY	$97,914	40%	$39,166
512 INFO -MOVIES, MUSIC IND	$5,974,015	40%	$2,389,606
517 INFO -TELECOMMUNICATIONS	$6,301,397	40%	$2,520,559
518 INFO -DATA PROCESSING	$22,573	30%	$9,029
519 INFO -OTHER SERVICES	$1,902,131	40%	$760,852
522 CREDIT INTERMEDIATION	$219,707	30%	$65,912
523 SECURITIES, COMMODITIES	$35,894	40%	$14,358
524 INSURANCE CARRIERS	$274	40%	$110
531 REAL ESTATE	$388,000	30%	$116,400
532 RENTAL, LEASING SERVICES	$42,932,417	40%	$17,172,967
541 PROF,SCIENTIFIC,TECH SERV	$34,690,605	30%	$10,407,182
561 ADMIN, SUPPORT SERVICES	$64,270,174	40%	$25,708,070
611 EDUCATIONAL SERVICES	$789,689	30%	$236,907
621 HEALTH -AMBULATORY CARE	$3,123,039	30%	$936,912
623 HEALTH -NURSING,HOME CARE	$213,148	20%	$42,630
624 HEALTH -SOCIAL ASSISTANCE	$0	40%	$0
711 PERF ART, SPECTATOR SPRTS	$158,303	20%	$31,661
813 RELIGIOUS,CIVIC,PROF ORGS	$588,328	20%	$117,666
TOTAL	**$164,325,706**	**37%**	**$61,879,032**

Construction, Manufacturing, Utilities, Wholesale Operations, Transportation, and Sales Suppressed for Business Confidentiality

A diverse mix of businesses fall into these non-retail categories, and a portion of sales are within a suppressed or non-disclosed subcategory. These industries and services generate $486.28 million in taxable sales, or 34.4 percent of total taxable sales in Plymouth. A significant portion of this amount would be subject to any new sales taxes, including a local option sales tax.

This category includes utilities that primarily serve a local market and are subject to a local option sales tax. The diversity of firm types included in this category makes it difficult to understand the customer mix of these businesses; however, Extension broke out each known subcategory with an assumption of whether customers paying the taxable sales were non-local:

Category	Taxable Sales	% non-local	$ non-local
CONSTRUCTION	$21,584,858	60%	$12,950,914
MANUFACTURING	$28,005,285	90%	$25,204,756
WHOLESALE	$426,537,051	80%	$341,229,640
UNDESIGNATED/SUPPRESSED	$10,149,119	50%	$5,074,559
Total	$486,276,313	79%	$384,459,871

Extension estimated that, overall, 79 percent of sales are to non-residents. This analysis assumes that some subcategories, such as manufacturing sell primarily (90 percent) to non-resident customers, whereas subcategories like construction split sales between resident and non-resident customers.

Analysis with Adjustments

	($Millions)
Residents' $ share	$102.12
Non-residents $ share	$384.46
Total	$486.28
Non-resident share	79%

APPENDIX A: RESEARCH ON THE EFFECTS OF A LOCAL OPTION SALES TAX

Policymakers are often concerned that enacting a local sales tax will result in a loss of consumer purchases to neighboring communities that have not adopted the tax.

The Minnesota Department of Revenue records the tax collected from a set of Minnesota jurisdictions that have had a local sales or use tax in effect for at least eight years. Most of these cities show continued sales growth. A comparison that includes 11 Minnesota cities adopting a 0.5 percent local option sales tax is offered below (refer to Figures 4, 5, 6, and 7).

Policymakers must determine the best allowable method to raise revenue from a variety of options. One option is raising property taxes, which is not directly related to a household's current income and raises the financial burden of low-income or retired homeowners. Sales taxes raise revenues based on household expenditures, which, in Minnesota, excludes the basic necessities of food and clothing. However, since sales tax raises revenues from non-residents who shop in Plymouth, resident contributions to tax revenues are significantly lower than a tax generated exclusively by local residents, such as a property tax. Policymakers must carefully consider these and other factors before making a decision about enacting a local sales tax.

Figure 4: Taxable retail and service sales by communities that began collecting a local option sales tax from 1999 to 2006

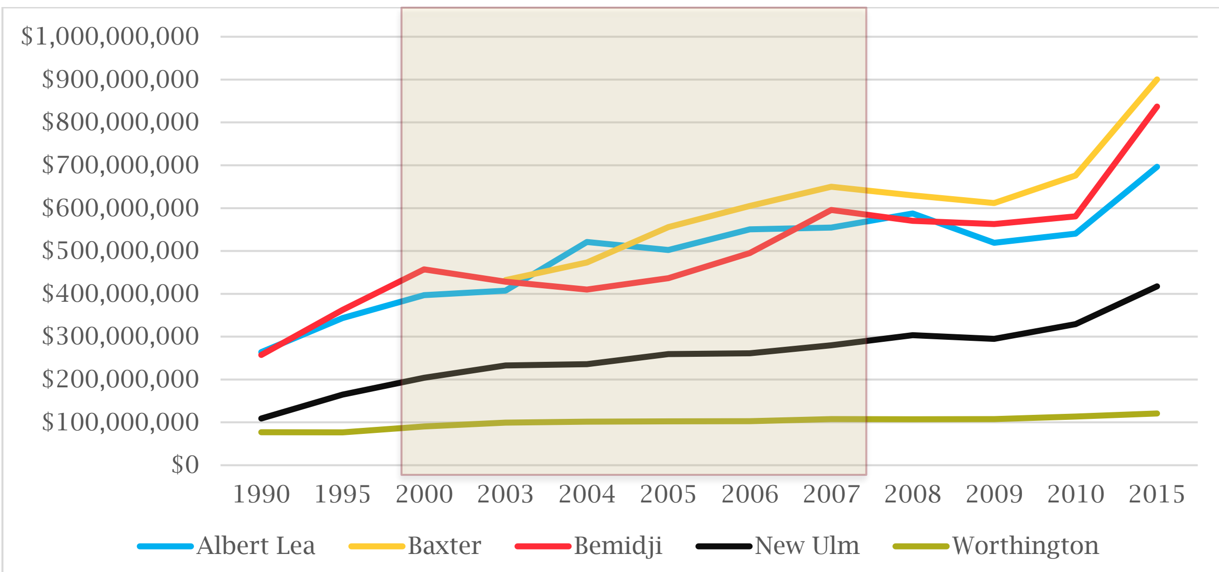


Figure 5: Data table for example communities, taxable retail and service sales (in millions)

Town Name	2015 Population	Year LOST	90	95	00	03	04	05	06	07	08	09	10	15
Albert Lea	18,356	2006	$264	$344	$397	$407	$521	$502	$551	$555	$588	$519	$541	$696
Baxter	8,065	2006				$432	$473	$556	$605	$650	$630	$612	$676	$900
Bemidji	11,917	2005	$257	$362	$457	$428	$410	$437	$495	$596	$570	$563	$581	$837
New Ulm	13,594	1999	$109	$165	$204	$233	$236	$259	$261	$280	$303	$295	$329	$417
Worthington	11,283	2005	$77	$77	$91	$99	$102	$103	$103	$108	$107	$108	$114	$121

Figure 6: Taxable retail and service sales by communities that began collecting a local option sales tax between 2011- 2012

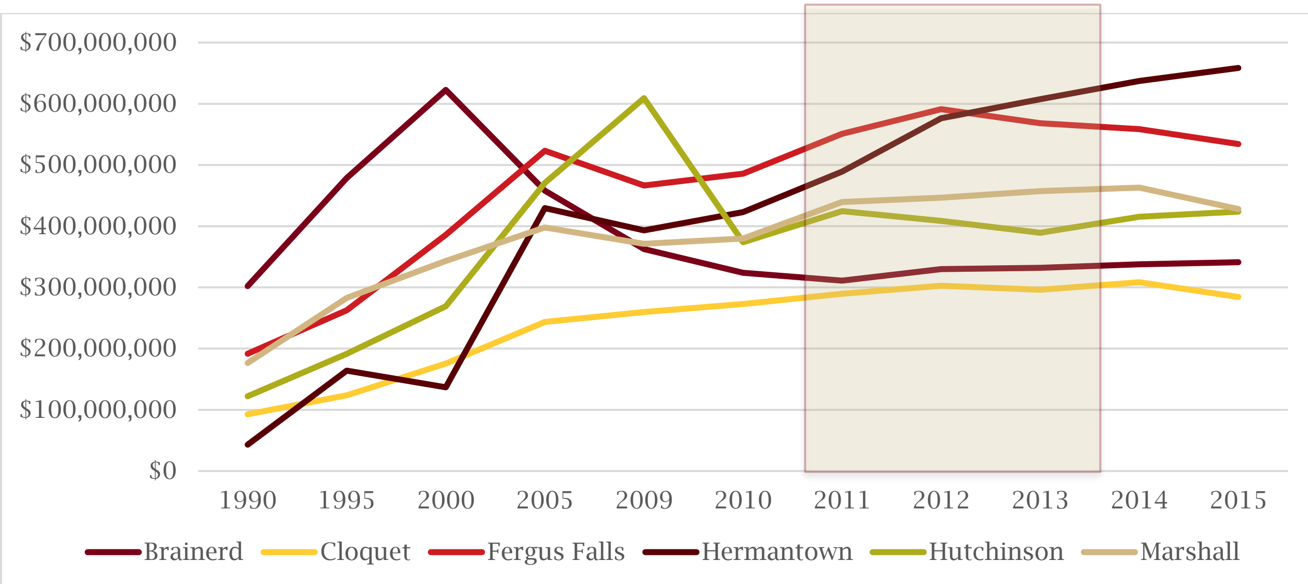


Figure 7: Data table for example communities, taxable retail and service sales (in millions)

Town Name	2015 Pop	Year LOST	90	95	00	05	09	10	11	12	13	14	15
Brainerd	13,178	2011	$302	$479	$623	$458	$362	$324	$311	$330	$332	$338	$341
Cloquet	11,201	2011	$93	$124	$175	$244	$260	$273	$290	$303	$296	$308	$284
Fergus Falls	13,471	2011	$192	$263	$386	$523	$467	$486	$551	$591	$568	$558	$534
Hermantown	7,448	1996 - increase 2012	$43	$164	$137	$430	$393	$423	$489	$576	$607	$637	$659
Hutchinson	13,080	2011	$122	$191	$269	$471	$609	$374	$425	$409	$389	$415	$424
Plymouth	12,735	2011	$176	$283	$343	$398	$371	$380	$440	$447	$457	$463	$428

APPENDIX B: DEFINITIONS OF TERMS

Gross sales
Gross sales include taxable sales and exempt businesses with sales and use tax permits. This is the most inclusive indicator of business activity for reporting jurisdictions, but it can be misleading when used in comparisons. At times, non-taxable commodity items (e.g., gasoline) can have large price variations, creating huge swings in gross sales.

Taxable sales
Taxable sales are sales subject to sales tax. Taxable sales exclude exempt items, items sold for resale, items sold for exempt purposes, and items sold to exempt organizations. For the purpose of this study, taxable sales were the focus of the analysis. For more information on what is taxed in Minnesota, see the "Minnesota Sales and Use Tax Instruction Booklet" available at https://www.revenue.state.mn.us/minnesota-tax-handbooks

Taxable retail and service sales
In this study and other retail trade analyses conducted by University of Minnesota Extension, the term "taxable retail and service sales" refers to the North American Industry Classification System (NAICS) numbers of 441 to 454 (retail) and 511 to 812 (most service industries) released by the Minnesota Department of Revenue for a geographic area.

Current and constant dollar sales
Current dollar (or "nominal dollar") sales are those reported by the state. No adjustment has been made for price inflation. In general, this measure of sales is not satisfactory for comparisons over long periods of time since it does not account for changes in population, inflation, or the state's economy. Constant dollar (or "real dollar") sales reflect changes in price inflation by adjusting current dollar sales according to the Consumer Price Index (CPI). Constant dollar sales indicate the real sales level with respect to a base year. This is a more realistic method of evaluating sales over time than current dollar comparisons, but it still does not take into consideration changes in population or the state's economy.

Number of businesses
The number of sales and use tax permit holders who filed one or more tax returns for the year.

Index of income
This index provides a relative measure of income, calculated by dividing local per capita income by state per capita income. The base is 1.00. For example, a 1.20 index of income indicates that per capita income in the area is 20 percent above the state average.

Potential sales
Potential sales are an estimate of the amount of money spent on retail goods and services by residents of a county or county. It is the product of county population, state per capita sales, and the index of income (based on the county personal per capita income).

Actual sales
For this study, the Minnesota Department of Revenue's 2019 sales data for Plymouth provides the actual sales numbers used.

Variance between actual and potential sales

The variance between actual and expected sales is the difference in sales from the "norm" (i.e., the amount above or below the standard established by the expected sales formula). When actual sales exceed expected sales, the county has a "surplus" of retail sales. When actual sales fall short of expected sales, the county has a retail sales "leakage." Discrepancies between expected and actual sales occur for a variety of reasons. For this study, we use potential sales per merchandise group to create a first-cut estimate of residents' purchase activities.

Cautions

Gross sales

Gross sales are a comprehensive measure of business activity, but it should be noted the numbers in this report are self-reported. Furthermore, gross sales are not audited by the state of Minnesota. It is believed that gross sales figures are generally reliable, but there is the possibility of distortions, especially in smaller cities where misreporting may have occurred.

Misclassification

Holders of sales and use tax permits select the North American Industry Classification System (NAICS) category that best fits their business. All sales reported by a business is attributed to that selected NAICS category. Regardless of who makes this classification, errors are occasionally made. Also, sometimes a business will start out as one type but evolve over time to a considerably different type. Misclassifications can distort sales among business categories, especially in smaller cities. For example, a furniture store that is classified as a general merchandise store will underreport sales in the furniture store category and over-report sales in the general merchandise category.

Suppressed data

The sales data for merchandise categories that have less than four reporting firms are not reported. This is a measure taken by most states to protect the confidentiality of sales tax permit holders. Sales for suppressed retail categories are placed into the miscellaneous retail category (NAICS 999) and included in total sales but not total sales of a typical retail trade analysis. For this report, however, all taxable sales—including NAICS 999—are part of calculating the amount of special taxes collected.

Consolidated reporting

Vendors with more than one location in Minnesota have the option of filing a separate return for each location or filing one consolidated return for all locations. The consolidated return shows sales made, tax due, and location by county, and county for each business. Data for consolidated filers are combined with data for single-location filers to produce the figures in this report. Occasionally, consolidated reports may not be properly deconstructed, and all sales for a company may be reported for one town or county. Whenever misreporting is discovered, the Minnesota Department of Revenue is contacted to clarify the situation.

Local Sales Tax Update

July 22, 2025

City of Plymouth

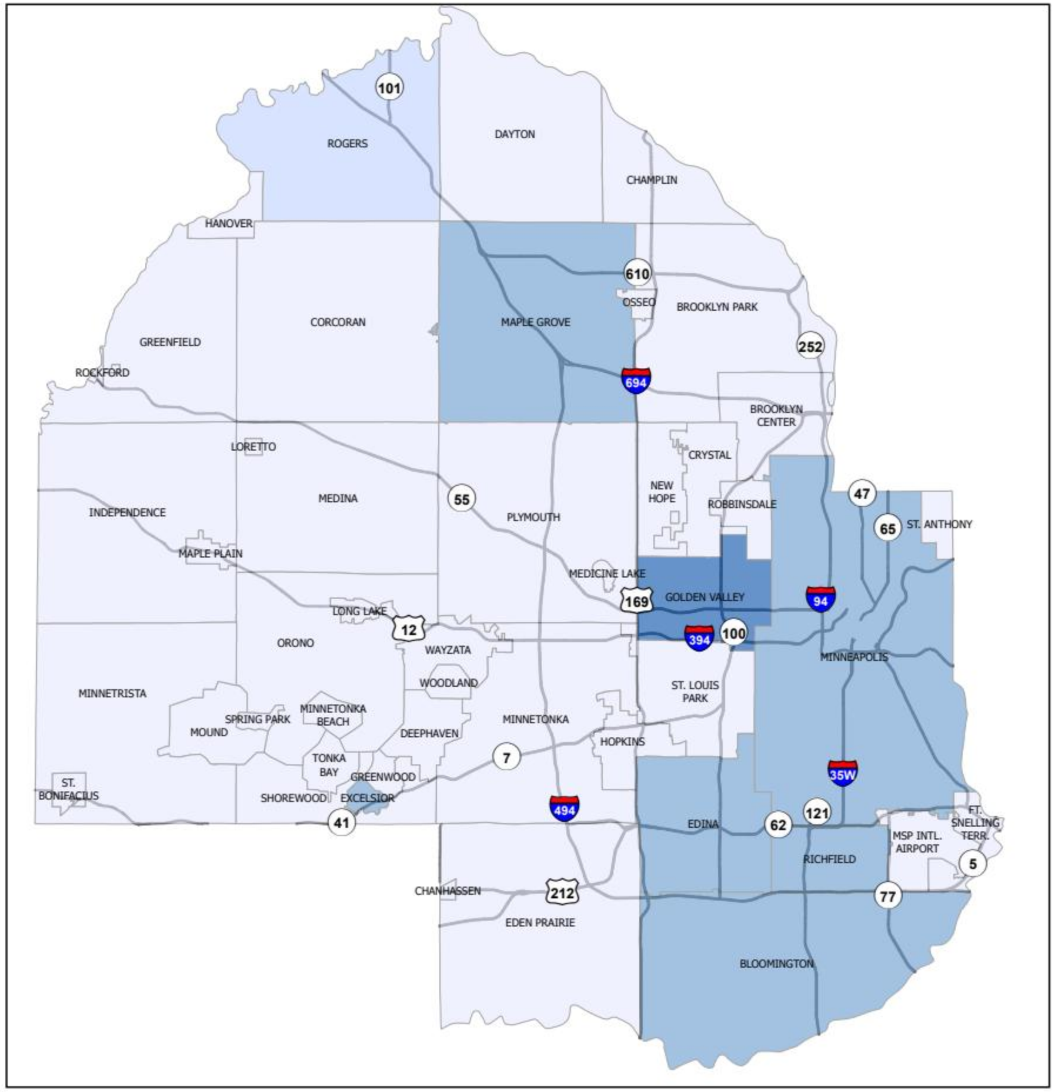
Agenda

- Local Sales Tax
- Legislative Climate
- Process/Timeline
- Projects/Estimated Costs
- Communications Strategy
- Policy Questions

Local Sales Tax

- The State allows local jurisdictions to pursue a local sales tax to finance “regionally significant” capital projects
- Tax is collected within the geographic boundaries of a city
- Costs are shared by residents and non-residents
- Must obtain legislative approval
- Common examples of projects supported by local sales tax include
  - Park and Recreation Facilities
  - Community Centers and Public Libraries
  - Water and Sewer Treatment Facilities
  - Public Safety Buildings
  - Streets, Trails and Parks

Sales Tax Rates



Hennepin County Total Sales Tax Rates

- 8.525%
- 8.775%
- 9.025%
- 9.775%

N

0 5 Miles

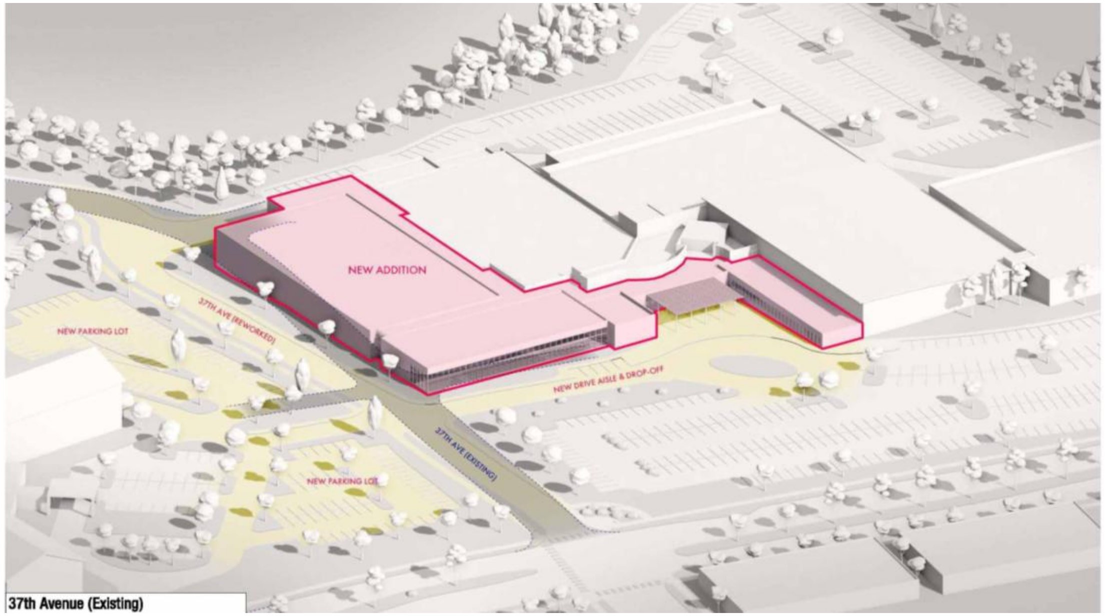
Hennepin w/Local Sales Tax	State Rate	Metro Area Rate	County Transit Rate	County Stadium Rate	Local Tax Rate	Total Sales Tax Rate
Minneapolis	6.875%	1.000%	0.500%	0.150%	0.500%	9.025%
Bloomington	6.875%	1.000%	0.500%	0.150%	0.500%	9.025%
Maple Grove	6.875%	1.000%	0.500%	0.150%	0.500%	9.025%
Edina	6.875%	1.000%	0.500%	0.150%	0.500%	9.025%
Golden Valley	6.875%	1.000%	0.500%	0.150%	1.250%	9.775%
Rogers	6.875%	1.000%	0.500%	0.150%	0.250%	8.775%
Excelsior	6.875%	1.000%	0.500%	0.150%	0.500%	9.025%
Richfield	6.875%	1.000%	0.500%	0.150%	0.500%	9.025%

Legislative Climate

- Two-year moratorium *expired*
- No changes made during the moratorium
- Previous process continues
- Goal is be prepared for 2026 legislative session

Process/Timeline

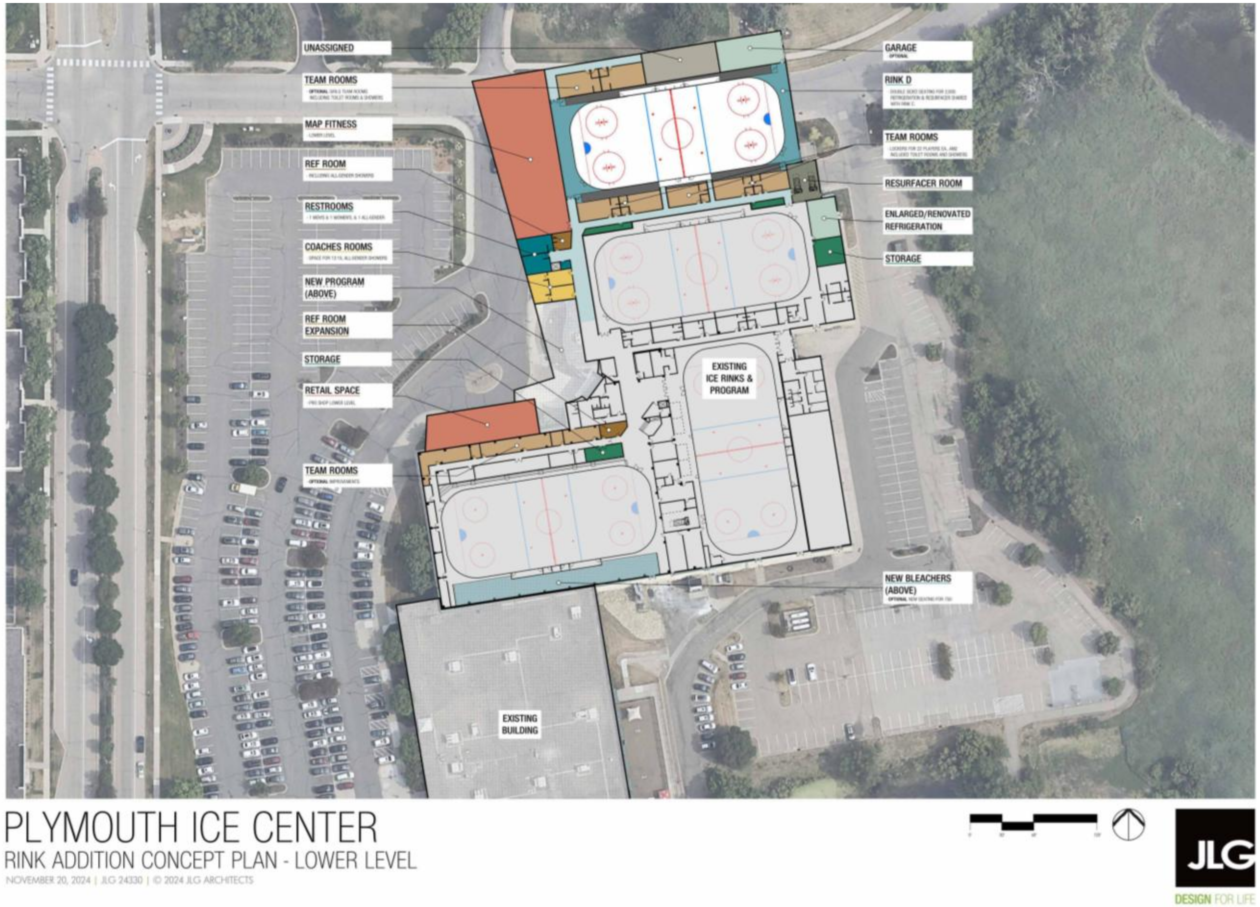
1. City council pass a resolution *December 2025*
2. Submit resolution to legislative committee by *January 31, 2026*
3. Obtain legislative approval through a special law
4. File local approval with the Secretary of State
5. Submit ballot questions *August 11, 2026*
6. Hold a local referendum *November 3, 2026*
7. Issue an Ordinance *November 2026*
8. Pending approval of referendum, design work/bid by *February 2027*
9. Construction in *2027-2029*
10. Playfield construction in *2028-2029*



PIC 4th sheet/parking ramp $40-50 million

Expansion of the Plymouth Ice Center to include;

- a fourth sheet of ice
- renovated Rink A with additional seating
- additional space for long term tenant
- interior renovations
- construction of a parking ramp
- roadway relocation



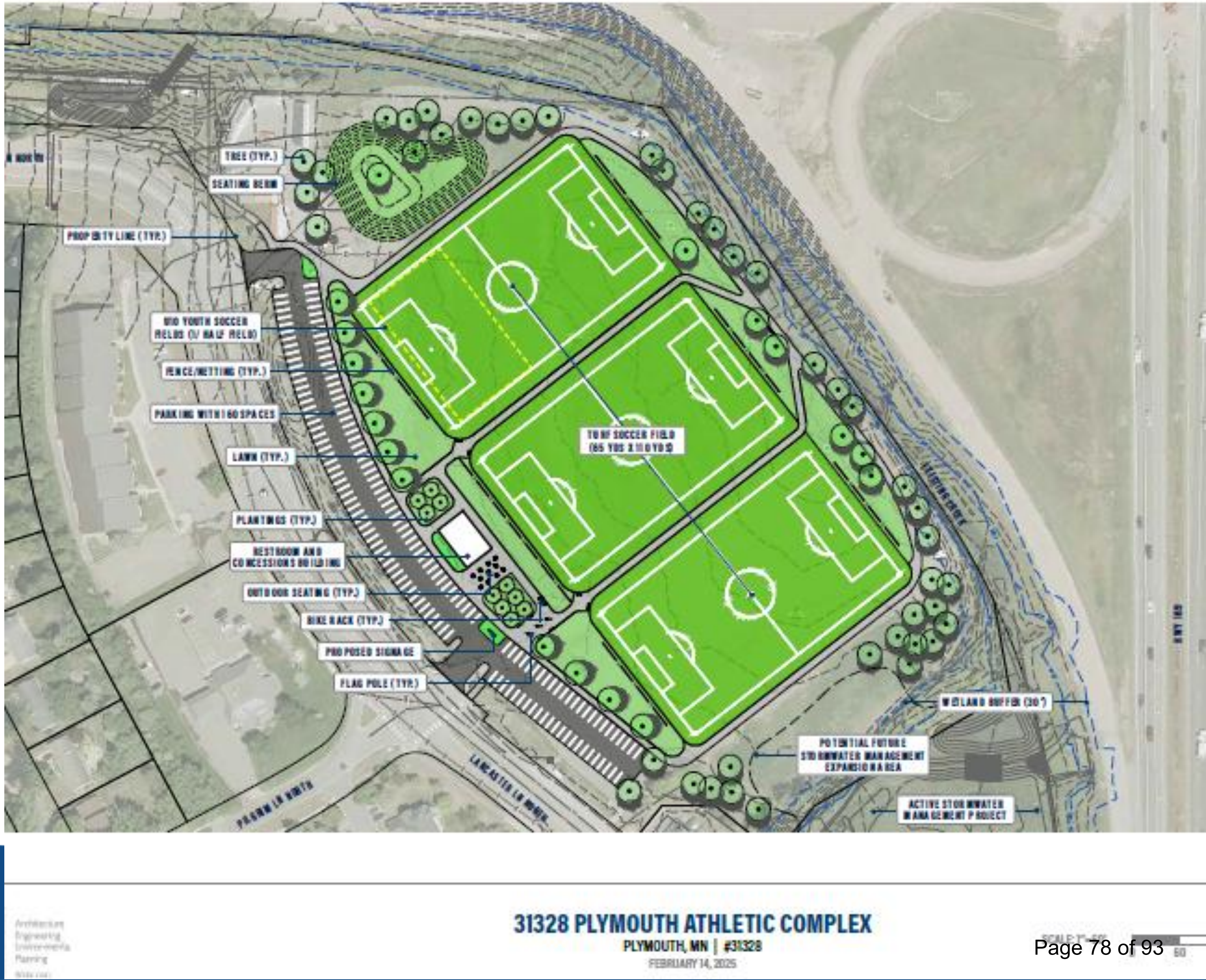
- VIEW OF EXISTING COMMUNITY CENTER AND CONCEPT FOR FIELDHOUS

Permanent Fieldhouse ($40 million)

Regional sports complex redevelopment $8-11 million + acquisition costs

Four Seasons

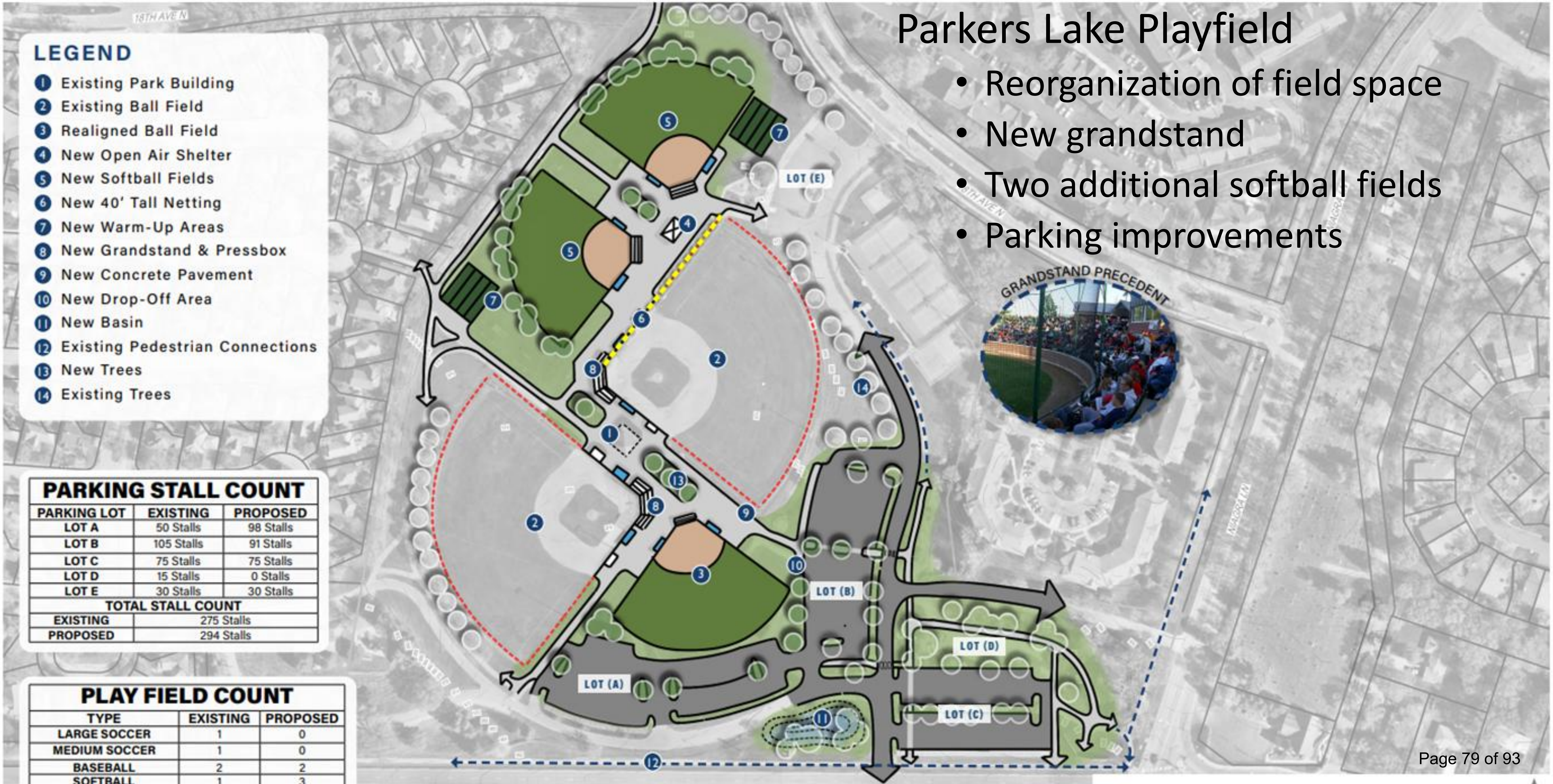
- Three artificial turf fields
- Shared parking lot with transit with 160 spaces, permanent restrooms and concessions
- Active stormwater management
- Acquisition costs include repayment of transit fund for parcel acquisition, site demo and site stabilization



Regional Sports Complex $6-8 million

Parkers Lake Playfield

- Reorganization of field space
- New grandstand
- Two additional softball fields
- Parking improvements



PARKING STALL COUNT

PARKING LOT	EXISTING	PROPOSED
LOT A	50 Stalls	98 Stalls
LOT B	105 Stalls	91 Stalls
LOT C	75 Stalls	75 Stalls
LOT D	15 Stalls	0 Stalls
LOT E	30 Stalls	30 Stalls
TOTAL STALL COUNT		
EXISTING	275 Stalls	
PROPOSED	294 Stalls	

PLAY FIELD COUNT

TYPE	EXISTING	PROPOSED
LARGE SOCCER	1	0
MEDIUM SOCCER	1	0
BASEBALL	2	2
SOFTBALL	1	3

PLYMOUTH CREEK PLAYFIELD PARK **CONCEPT**

$8-11 million

THE ARCHITECTURAL DESIGN PROCESS

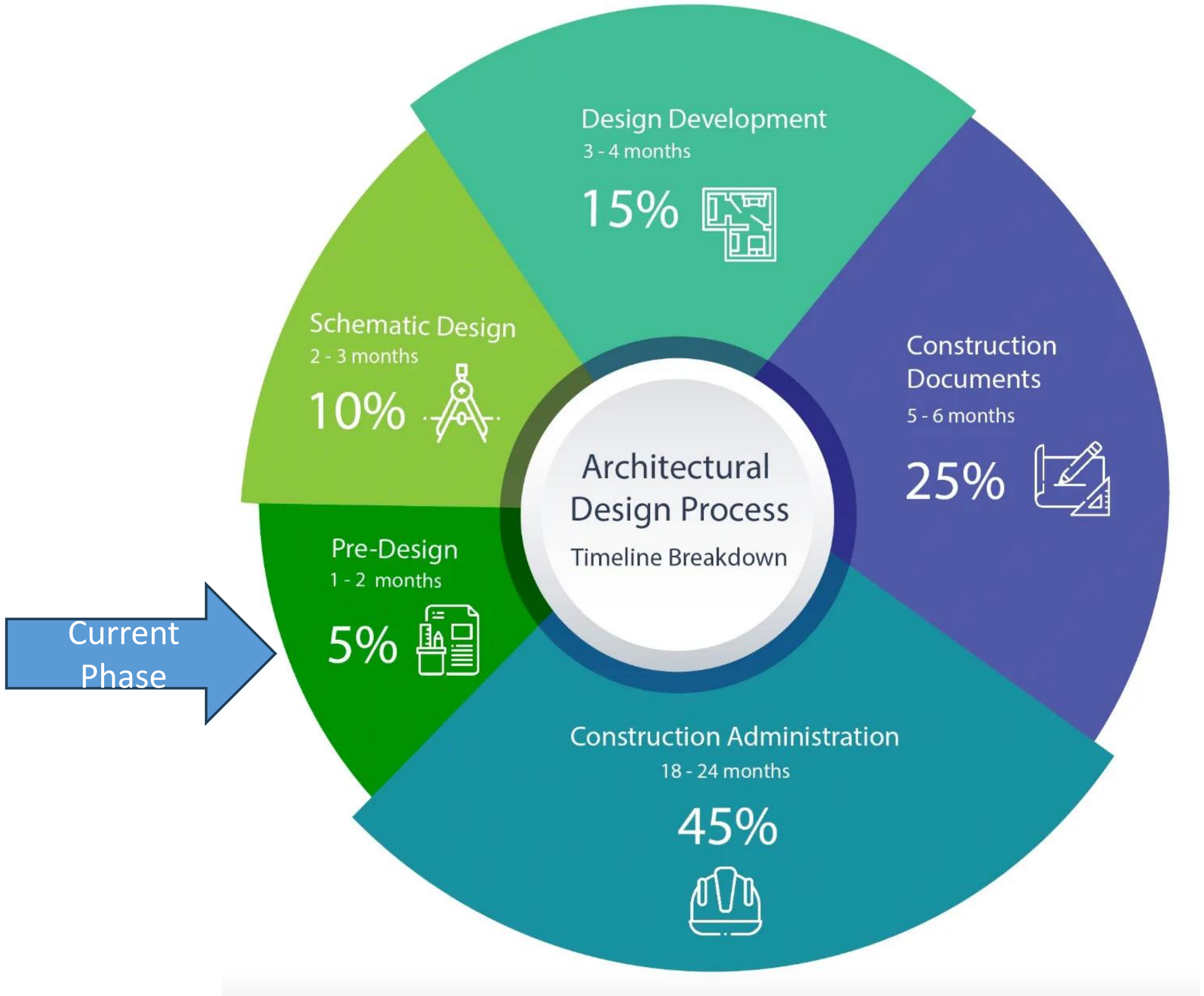
Phase 1: Schematic Design
The firm evaluates the site and zoning laws and develops rough project sketches.

Phase 2: Design Development
The sketches are further developed and details like finish materials are chosen.

Phase 3: Construction Documents
Detailed drawings of the final design are finalized with notes and specifications for contractors.

Phase 4: Bidding
Contractors use the construction documents to bid on the project.

Phase 5: Construction Administration
Building commences and architects collaborate with contractors to ensure the progress aligns with the design.



Communications Strategy

- State law restricts cities' spending of funds to promote the passage of a local sales tax referendum
- Cities may only spend money to:
  - Give residents the information that is contained in the local sales tax resolution, including information on specific projects and costs of those projects.
  - Conduct public forums on the sales tax and projects to be funded, provided that proponents and opponents are given equal time to express their opinions.
  - Provide facts on the proposed projects and the impact of the proposed tax on consumers.
  - Conduct the required referendum.

Public Affairs Firm

- Strategic counsel throughout project development, community engagement and the election process
- Branding/logo design for the project
- Research design and analysis
- Training sessions with city leadership and staff
- Monthly communications work plan

EDINA at PLAY
Braemar Arena Expansion Project

GROWING TOGETHER
Maple Grove Community Center Project

MOVING BLOOMINGTON Forward
creating our shared future

Policy Questions:

1. Would the council like to proceed with pursuing a local sales tax for the following projects:

- Plymouth Ice Center Improvements ($45-50 million): add a fourth sheet of ice, renovate rink A with additional seating, interior renovations, public parking ramp and roadway relocation.
- Plymouth Community Center Improvements ($40 million): replace the inflated dome with a permanent year-around structure.
- Regional Sports Complex Improvements ($25 million): Four Seasons Playfield (proposed), Parkers Lake Playfield, and Plymouth Creek Playfield.

2. If yes, is the council comfortable with allocating up to $1.2 million for planning and predesign and contracting with a public affairs firm for communication strategy?

Questions

City of Plymouth

Special City Council
July 22, 2025
Agenda Number: 2.2

To:	Dave Callister, City Manager
Prepared by:	Jodi Gallup, City Clerk
Reviewed by:	Maria Solano, Deputy City Manager
Item:	**Set future study sessions**

1. Action Requested:

Schedule study sessions and/or add topics as desired. The calendar for the remainder of the year is attached to assist with scheduling.

2. Background:

Pending study session topics (at least three council members have approved the following study items on the list):

- None at this time.

Staff requests for meeting topics and/or changes:

- Receive update from MnDOT on Highway 169 Corridor Study on September 23 at 5 p.m.
- Review tobacco licensing ordinance on October 14 at 5 p.m.
- Conduct city manager performance review in a closed meeting on November 10 at 5 p.m.

3. Budget Impact:

Not applicable.

4. Attachments:

1. Calendar

City of Plymouth

July 2025

SUN	MON	TUES	WED	THUR	FRI	SAT
		1	2	3	4 INDEPENDENCE DAY CITY OFFICES CLOSED	5
6	7	8	9	10	11	12
13	14	15	16 7:00 PM PLANNING COMMISSION MEETING Council Chambers	17	18	19
20	21	22 6:00 PM SPECIAL COUNCIL MEETING Local sales tax timeline and projects Medicine Lake Room CLOSED MEETING Security Update Council Chambers 7:00 PM REGULAR COUNCIL MEETING Council Chambers	23 10:00 AM DESTINATION MARKETING ORGANIZATION ADVISORY BOARD MEETING Council Chambers	24 7:00 PM HOUSING AND REDEVELOPMENT AUTHORITY MEETING Council Chambers	25	26
27	28	29	30	31		

3400 Plymouth Boulevard
Plymouth, MN 55447

OFFICIAL CITY CALENDAR

763-509-5080
plymouthmn.gov

*Per MN Statute 13D.02, members may be attending remotely.

City of Plymouth

August 2025

SUN	MON	TUES	WED	THUR	FRI	SAT
					1	2
3	4	5	6 7:00 PM PLANNING COMMISSION MEETING Council Chambers	7	8	9
10	11 5:00 PM SPECIAL COUNCIL MEETING Wayzata School Board and Plymouth City Council joint meeting Wayzata Public Schools District Service Center	12 5:00 PM SPECIAL COUNCIL MEETING Council policies and listening session Discussion/Yard waste site management Medicine Lake Room 7:00 PM REGULAR COUNCIL MEETING Council Chambers	13 7:00 PM ENVIRONMENTAL QUALITY COMMITTEE MEETING Medicine Lake Room	14	15	16
17	18	19	20 7:00 PM PLANNING COMMISSION MEETING Council Chambers	21	22	23
24 / 31	25	26 5:00 PM SPECIAL COUNCIL MEETING Budget Meeting #1 Medicine Lake Room 7:00 PM REGULAR COUNCIL MEETING Council Chambers	27	28 7:00 PM HOUSING AND REDEVELOPMENT AUTHORITY MEETING Council Chambers	29	30

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City of Plymouth September 2025

SUN	MON	TUES	WED	THUR	FRI	SAT
	1 LABOR DAY CITY OFFICES CLOSED	2	3 7:00 PM PLANNING COMMISSION MEETING Council Chambers	4	5	6
7	8	9 5:00 PM SPECIAL COUNCIL MEETING Budget Meeting #2 Medicine Lake Room 7:00 PM REGULAR COUNCIL MEETING Council Chambers	10 7:00 PM ENVIRONMENTAL QUALITY COMMITTEE MEETING Medicine Lake Room	11 6:00 PM PARK & REC ADVISORY COMMISSION MEETING Council Chambers	12	13
14	15	16	17 7:00 PM PLANNING COMMISSION MEETING Council Chambers	18	19	20
21	22	23 7:00 PM REGULAR COUNCIL MEETING Council Chambers	24	25 7:00 PM HOUSING AND REDEVELOPMENT AUTHORITY MEETING Council Chambers	26	27
28	29	30				

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Plymouth, MN 55447

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City of Plymouth

October 2025

SUN	MON	TUES	WED	THUR	FRI	SAT
			1	2	3	4
5	6	7	8 7:00 PM ENVIRONMENTAL QUALITY COMMITTEE MEETING Council Chambers	9	10	11
12	13	14 7:00 PM REGULAR COUNCIL MEETING Council Chambers	15 7:00 PM PLANNING COMMISSION MEETING Council Chambers	16	17	18
19	20	21	22 10:00 AM DESTINATION MARKETING ORGANIZATION ADVISORY BOARD MEETING Council Chambers	23 7:00 PM HOUSING AND REDEVELOPMENT AUTHORITY MEETING Council Chambers	24	25
26	27	28 5:00 PM SPECIAL COUNCIL MEETING Budget Meeting #3 Medicine Lake Room 7:00 PM REGULAR COUNCIL MEETING Council Chambers	29	30	31	

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Plymouth, MN 55447

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City of Plymouth November 2025

SUN	MON	TUES	WED	THUR	FRI	SAT
						1
2	3	4	5 7:00 PM PLANNING COMMISSION MEETING Council Chambers	6	7	8
9	10 7:00 PM REGULAR COUNCIL MEETING Council Chambers	11 VETERANS DAY CITY OFFICES CLOSED	12 7:00 PM ENVIRONMENTAL QUALITY COMMITTEE MEETING Medicine Lake Room	13 7:00 PM PARK & REC ADVISORY COMMISSION MEETING Council Chambers	14	15
16	17	18	19 7:00 PM PLANNING COMMISSION MEETING Council Chambers	20	21	22
23 / 30	24	25 5:00 PM SPECIAL COUNCIL MEETING Budget Meeting #4 (if needed) Medicine Lake Room 7:00 PM REGULAR COUNCIL MEETING Council Chambers	26	27 THANKSGIVING HOLIDAY CITY OFFICES CLOSED	28 THANKSGIVING HOLIDAY CITY OFFICES CLOSED	29

3400 Plymouth Boulevard
Plymouth, MN 55447

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*Per MN Statute 13D.02, members may be attending remotely.

City of Plymouth December 2025

SUN	MON	TUES	WED	THUR	FRI	SAT
	1	2	3 7:00 PM PLANNING COMMISSION MEETING Council Chambers	4 7:00 PM HOUSING AND REDEVELOPMENT AUTHORITY MEETING Council Chambers	5	6
7	8	9 7:00 PM REGULAR COUNCIL MEETING Council Chambers	10 7:00 PM ENVIRONMENTAL QUALITY COMMITTEE MEETING Council Chambers 7:00 PM CHARTER COMMISSION ANNUAL MEETING Medicine Lake Room	11	12	13
14	15	16	17 7:00 PM PLANNING COMMISSION MEETING Council Chambers	18	19	20
21	22	23	24 CHRISTMAS HOLIDAY CITY OFFICES CLOSED	25 CHRISTMAS HOLIDAY CITY OFFICES CLOSED	26	27
28	29	30	31			

3400 Plymouth Boulevard
Plymouth, MN 55447

OFFICIAL CITY CALENDAR

763-509-5080
plymouthmn.gov

*Per MN Statute 13D.02, members may be attending remotely.

City of Plymouth

Special City Council
July 22, 2025
Agenda Number: 2.3

To:	Dave Callister, City Manager
Prepared by:	Erik Fadden, Public Safety Director
Reviewed by:	
Item:	**Closed Meeting as permitted by MN Statute Section 13D.05 Subd. 3(d) to receive a security briefing from Public Safety Director Erik Fadden regarding procedures and plans to protect public buildings and infrastructure, to discuss issues related to security systems, to discuss emergency response procedures, and discuss security deficiencies in or recommendations regarding public services, infrastructure and facilities**

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1. Action Requested:
Receive a security briefing.

2. Background:
This part of the meeting will be in closed session permitted by MN Statute Section 13D.05 Subd. 3(d). Disclosure of the information discussed would pose a danger to public safety or compromise security procedures or response.

3. Budget Impact:
Not applicable.

4. Attachments: