



Frequently Asked Questions Street Sales Tax

In November 2010, City voters passed a quarter cent sales tax to pay for street maintenance. This tax expires on March 31, 2016. On September 24, 2015, the City will hold a special election to continue the street quarter cent sales tax for an additional five years. A list of all completed projects from the last five years, as well as planned projects for the next five years, accompanies this FAQ sheet.

Why was the street quarter cent sales tax originally implemented?

- Flat or declining property valuations
- Increasing cost of materials
- Declining street conditions
- Declining State revenues

What does the street quarter cent sales tax pay for?

- These funds are used for matching State road maintenance funds.
- Contracted labor (paving, milling, pavement marking)
- Materials (liquid asphalt, aggregate, concrete)

What does the street quarter cent sales tax NOT pay for?

- Sidewalks, trails and walking paths
- City equipment, labor, and fuel
- Engineering costs

Why not use other City funds for street maintenance?

- Currently other City funds are used for Public Safety, Community Development Housing, Parks and Recreation, and other basic services.
- Many City funds are restricted in their use such as public utilities (water, sewer, and stormwater) and economic development.

Why use a sales tax and not a property tax?

- A property tax increase of 8 mills would be needed to generate the equivalent amount as the street quarter cent sales tax.
- Sales tax is a reasonable method as it is only twenty-five cents on a \$100 purchase.
- Everyone (not just residents) pays the sales tax.

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How does the City select streets for improvement?

- The City performs condition surveys periodically that include, addressing surface conditions, visual inspections, and traffic counts. When preparing the street project list, the City considers street type, location and available funding.

How much progress has been made since implementing the street quarter cent sales tax?

- The City completed the original list of projects as planned plus additional projects. (see attached Completed Street Sales Tax Improvements)
- The percent of streets rated satisfactory has increased from 39% to 50% since implementation of the street quarter cent sales tax.
- Currently the City is averaging 10 lane miles of street maintenance per year.
- All of the projects were completed without issuing debt.

What is the cost of delaying repairs?

- Costs double for repairs vs. maintenance
- Protects road base from failing

Why are well-maintained streets important?

- Economic development
- Community pride
- Public safety
- Quality of life

This street quarter cent sales tax enables the City to have a five year street maintenance plan that utilizes existing resources, outside resources, and a prioritized project list to insure ongoing street maintenance.

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