



Saint Louis County

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NEWS RELEASE

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St. Louis County Board considers .05 percent sales tax, schedules public hearings

The St. Louis County Board is considering enacting a half percent sales tax to raise revenue that would be dedicated specifically to transportation-related projects, including replacing the worst pavements, rebuilding deficient bridges, stabilizing dusty gravel roads and accelerating safety projects in the County Highway Safety Plan. The proposal would also include a one-time excise tax of \$20 for vehicle purchases, in place of the sales tax. The Transportation Sales Tax would raise an estimated \$10.5 million annually to provide additional funding beyond what the property tax levy can support.

To ensure citizens have sufficient opportunity to share input on this proposed tax, the County Board has scheduled two public hearings. The first will be at a special Board meeting on Tuesday, November 18, beginning at 9:30 a.m. in the County Board room in the Duluth Courthouse. The hearing will continue the following Tuesday, November 25, at 9:50 a.m. when the Board meets in the Hibbing City Council Chambers. Citizens may also contact their commissioners by phone or email. Contact information for each commissioner can be found on the county's website: stlouiscountymn.gov.

St. Louis County is responsible for 3,000 miles of roadway; approximately half are paved, the rest are gravel. Of the county's 1,500 miles of paved roads, nearly a third – 500 miles – are in very poor condition. Meanwhile, County Public Works is also responsible for more than 600 bridges, and approximately 20 percent of those are considered deficient.

A Transportation Sales Tax, which the state legislature in 2013 authorized counties to enact, would help the county address those paved roads with the poorest conditions; replace critical bridge infrastructure; implement cost effective safety improvements; provide off-road trails for bicyclists,

pedestrian and motorized vehicles; support Safe Routes to School; and add funding to the county's Gravel Road Investment Plan (GRIP).

To raise the equivalent amount of money through property taxes would require a 9.26 percent increase in the levy for St. Louis County residents. One of the benefits of implementing a Transportation Sales Tax is the revenue would come from many motorists who live outside the county who travel on our roads but don't pay property taxes here. It's estimated that 30 to 40 percent of the money raised through the sales tax would be generated by non-county residents.

"This is not something we take lightly," said Commissioner Keith Nelson who chairs the Board's Finance Committee. "We understand that any tax is a burden on our citizens. But the deteriorating condition of our roads can't be ignored, and a Transportation Sales Tax is a way to spread the burden to more people who use our roads, rather than just our county residents."

St. Louis County serves more than 200,000 people spread across 7,000 square miles. To learn more, visit stlouiscountymn.gov.

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