
AGENDA ITEM SUMMARY

Subject: Local Option Sales Tax – Renewal Discussion

Background Summary:

Approximately 10 years ago the City approved the Local Option Sales Tax (LOST). This is a 1% sales tax that was approved for use funding paving projects within the City.

The sales tax was approved by voters with a ten-year sunset. On December 31, 2022 the sale tax will expire, so if we plan to re-approve or “renew” the sales tax we need to start work now to continue the funding source.

We are in the 2nd ten-year LOST and both have been set up to provide funding for streets and roadways. This has been an extremely valuable funding source which has allowed the city to many pavement installation and replacement projects. Without this funding source the city would be relegated to using General Obligation tax dollars and street assessments to conduct what would be much fewer and smaller projects.

What I would like to do is start the discussion on to determine how we want to move forward. LOST can be approved by the voters for any legal public purpose.

There are several steps over the coming months to get this on an upcoming ballot for voter consideration, this is step one.