

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Adopt Resolution Supporting Dedicated State Funding for City Streets

DATE: March 12, 2015

BACKGROUND

The League of Minnesota Cities (LMC) Board of Directors adopted a resolution demonstrating support for new dedicated state funding for city streets. The resolution, which is aimed at formalizing a directive enacted by the Board in January supports “an omnibus transportation funding bill that provides additional dedicated state funding for city streets including funding that can be used for non-MSA (municipal state aid) city street maintenance, construction and reconstruction.”

More than 700 Minnesota cities with populations below 5,000 are ineligible for dedicated Highway User Tax Distribution Fund dollars, resulting in almost 85 percent of municipal streets being considered ineligible for dedicated Highway User Tax Distribution Fund dollars.

Adoption of this resolution would support dedicated state funding for city streets.

REQUESTED COUNCIL ACTION

Approve a motion adopting the resolution supporting dedicated state funding for city streets.

Attachment(s): Resolution

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2122

**RESOLUTION SUPPORTING DEDICATED STATE FUNDING
FOR CITY STREETS**

WHEREAS, Minnesota contains over 141,000 miles of roadway, and over 22,500 miles— or 16 percent—are owned and maintained by Minnesota’s 852 cities; and

WHEREAS, almost 85 percent of municipal streets are ineligible for dedicated Highway User Tax Distribution Fund dollars; and

WHEREAS, the more than 700 Minnesota cities with populations below 5,000 are ineligible for dedicated Highway User Tax Distribution Fund dollars; and

WHEREAS, city streets are a separate but integral piece of the network of roads supporting movement of people and goods; and

WHEREAS, existing funding mechanisms, such as Municipal State Aid (MSA), property taxes and special assessments, have limited applications, leaving cities under-equipped to address growing needs; and

WHEREAS, city cost participation in state and county highway projects diverts resources from city-owned streets; and

WHEREAS, maintenance costs increase as road systems age, and no city--large or small—is spending enough on roadway capital improvements to maintain a 50-year lifecycle; and

WHEREAS, for every one dollar spent on maintenance, a road authority--and therefore taxpayers--save seven dollars in repairs; and

WHEREAS, cities need greater resources, including an additional dedicated state funding source for transportation, and flexible policies in order to meet growing demands for street improvements and maintenance;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF CANNON FALLS THAT the City of Cannon Falls supports an omnibus transportation funding bill that provides additional dedicated state funding for city streets including funding that can be used for non-MSA city street maintenance, construction and reconstruction.

ADOPTED by the Cannon Falls City Council on this 17th day of March, 2015.

CITY OF CANNON FALLS, MINNESOTA

By: _____
Lyman M. Robinson, Mayor

ATTEST: _____
Ronald S. Johnson, City Administrator