

**TO: Honorable Mayor and City Council**

**FROM: City Administrator Ron Johnson**

**SUBJECT: Adopt Resolution Supporting Dedicated State Funding for City Streets**

**DATE: May 12, 2017**

**BACKGROUND**

The League of Minnesota Cities (LMC) Board of Directors adopted a resolution that 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 2280**

**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 853 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 May 16, 2017.

CITY OF CANNON FALLS, MINNESOTA

By: \_\_\_\_\_  
Lyman M. Robinson, Mayor

ATTEST: \_\_\_\_\_  
Ronald S. Johnson, City Administrator