South Tahoe electeds favor sales tax to fix roads

By Kathryn Reed

South Lake Tahoe has the opportunity to raise more than $2.5 million a year that would be spent exclusively on roads.

The City Council on Tuesday heard results from a March poll that was conducted by a consulting firm to gauge the likelihood of whether voters would approve a one-half percent sales tax hike. The results show voters are likely to say yes. The council is expected to make a decision in June about whether to place the question on the November ballot.

The state sales tax rate today is 7.25 percent. It is 7.75 percent in South Lake Tahoe. Measure Q passed with 58 percent of the vote in November 2004 to increase the sales tax by one-half cent. Those dollars go to the General Fund.

What is different with the proposed half cent hike is that it would go to a dedicated source – roads. This is why a two-thirds voter approval is needed. There would be no sunset for the tax.

That increase would equate to another 50 cents on every $100 spent on taxable goods. Groceries and health care are not taxed. Locals and tourists, who use the roads, would be paying for their upkeep through the sales tax. It is estimated visitors would pay 75 percent of the tax collected.

If approved, the tax would go into effect 30 to 60 days after the vote. The city could go out to bid in the winter and have a substantive roads project starting in summer 2018.

Ten years ago is when the public works department started the drum beat for a dedicated revenue source for roads. The

council is finally listening.

The horrific conditions of city roads were exposed to an even greater and wider extent this winter. The roads are more like a mountain bike park.

Jim Marino, assistant public works director, told the council "the benefits of a dedicated source are long-term strategic plans and achieving that." In some ways it's a piecemeal approach today, without his department able to make substantive gains.

Marino estimates with a known dollar amount being available every season it would take four years to stabilize the roads. In year six or seven, the paving index should start to increase.

Working with utility companies as they make infrastructure improvements would help leverage city money to get even more work done.

The lodging association supports this tax because it will go just to roads. All the potholes make the area look like a poorer community and gives the city a negative reputation, according to Jerry Bindel. Real estate agent Adele Lucas said bad roads also affect her business.

Former Councilwoman JoAnn Conner questioned how the survey came about. ***Lake Tahoe News*** wrote about it in March. She also believes last fall's vote shows voters don't want a sales tax increase of any kind.

Measure U needed only a simple majority, but lost with only 42.26 percent wanting it. That half cent tax would not have been allocated to anything in particular. However, an advisory measurement showed voters did support roads if the money were to have been dedicated.

Councilwoman Wendy David said it is time for the city and

council in particular to take action and take responsibility for the roads. “I believe this is a case when you don’t go forward with roads, you go backward.”

Consultants from True North said 68 percent of the 353 registered voters who were polled favor the tax hike if used for roads, to fix potholes, and to improve safety for drivers-pedestrians-cyclists.

A concern is that older voters are the ones most likely to show up in November, but they are the ones less likely to support a tax hike. That is something to be addressed in marketing the measure.

The survey also showed a majority support a separate roads management authority to oversee that the money is spent as voters expect it to be.