



Joint Announcement

Cities of Coos Bay and North Bend

July 24, 2015

City Leaders Propose 5-cent Gas Tax For Streets

After more than a year of study and public discussion, the cities of North Bend and Coos Bay are embarking on a cooperative effort to improve street maintenance in both communities.

The “Save Our Streets” project would create a 5-cent-per-gallon tax on motor fuel sold in either city, with each city’s proceeds dedicated to street maintenance and improvement.

“We think this is the best option for raising the money we need,” said Coos Bay Public Works Director Jim Hossley. “It taxes everyone according to how much gas or diesel you buy – which roughly correlates to how much you drive. So it’s as fair as any tax can be.”

Hossley’s counterpart, North Bend Public Works Director Bob Dillard, noted that a fuel tax lets residents share the cost with tourists, businesses and rural residents who buy gas in town.

“The thinking is, the people who use the city streets should help pay to maintain them,” Dillard said.

City officials calculate that a typical driver, buying 300 gallons of fuel at local stations each year, will pay about \$15 in additional fuel taxes. That works out to \$1.25 a month or about 4 cents per day.

“We think that’s a very reasonable price for decent local streets,” Hossley said.

The proposal arises from the conclusions of a citizen tax force that studied street conditions and suggested several revenue options. Officials in both cities hope the two city councils will place identical ballot measures on the November ballot for voter approval.

Before that happens, however, the cities plan two events to explain the proposal and gather citizen feedback:

- Residents of both cities are invited to an open house from 6 to 8 p.m. Thursday, July 30, at the North Bend Public Library, 1800 Sherman Ave. Officials will explain the need for maintenance and answer questions about Save Our Streets. Among other issues, officials will be prepared to talk about their priority lists for individual street improvements.
- Residents are also invited to participate in an informal survey, aimed at gauging public support for Save Our Streets. The brief survey can be found online at www.surveymonkey.com/s/Y27LG9V. Paper copies are available at both city halls and at public libraries in both cities. The survey will end July 31.

“I hope people will tell us they understand the need for improved street maintenance, and that they don’t mind paying an extra nickel a gallon to support it,” Dillard said. “If they tell us the opposite, I guess we’ll need to reconsider our strategy. But I think people will see the need for this.”

Engineering studies have shown that local streets are deteriorating and will fall into worse condition unless the cities invest in maintenance. Neither city has adequate revenue for street repairs.

The two public works directors noted that each city’s property tax revenue is entirely or mostly devoted to police and fire protection. Although the cities receive a small share of state fuel tax revenue, the local share covers only a fraction of needed maintenance each year.

Officials estimate that the nickel tax on fuel will generate about \$500,000 per year in Coos Bay and \$325,000 per year in North Bend. With fuel tax revenue augmented by recent increases in utility franchise fees, officials in both cities predict they’ll be able to stop the deterioration of city streets.

“I want to emphasize that neither city council has taken action on this,” Hossley said. “We’re going to take it to them next month. At that point, they’ll decide whether to put it on the ballot. If they do, voters will make the final decision.”

Please Help Spread the Word

We would appreciate everyone’s help with promoting our survey. Please share this announcement with your own contacts and post the survey invitation below on social media. Thanks!

Are Your City Streets Worth a Nickel?

North Bend and Coos Bay have inadequate revenue for street maintenance. Repairs have been deferred for decades.

Please answer a short survey at:
www.surveymonkey.com/s/Y27LG9V

