

STREET CAPITAL IMPROVEMENT PROGRAM

Please remember to vote "YES" on Issue #17 for better city streets on May 7, 2019.

If you are unable to attend the meeting, information will be posted on our website at

www.unionoh.org

STREET PROGRAM CAPITAL NEEDS

- Streets are one of the most important infrastructure assets in our community.
- Declining, aged streets can create safety hazards and can affect the residential property values of a neighborhood.
- Our city's infrastructure is aging. The first subdivisions in Union were constructed in the 1960's and early 1970's.

The city now has over 34 miles of streets that service its residential neighborhoods and businesses.

CURRENT STREET MAINTENANCE FUNDING

- The current 3 mill Street Levy has been the same rate since 1976.
- The Street Levy is placed on the ballot every 5 years and was last approved by voters in 2016.
- In 2015 Union voters rejected a 1 mill increase in the Street Levy.
- Due to reductions in property tax rates, the current Street Levy's effective tax rate is only 1.99 mills which generates \$258,000 annually for street operations and maintenance.
- Less than 2% of your property tax dollars goes towards the Street Levy. (Approximately \$69 annually for a home valued at \$100,000).

Union's Street Levy does not provide sufficient revenue to maintain or resurface its existing streets.

PROPOSED 1% INCOME TAX INCREASE TO FUND CAPITAL STREET PROGRAM

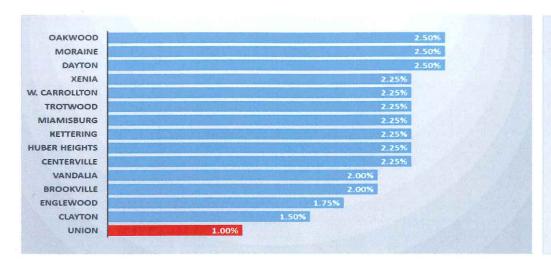
- A 1% increase in the City's Income Tax Rate is needed to provide a dedicated revenue source of \$800,000 annually to fund street resurfacing and maintenance.
- During the first five years of the program 16 miles of streets will be resurfaced. This will
 cover all of the older subdivisions in our city. During the period 2025-2030 the city's newer
 subdivisions will have their streets resurfaced. (See paving schedule on page 5).

The City feels an income tax is a fairer funding method for our residents than property taxes to help pay for street improvements. An income tax is primarity paid by people who work in our city and use our city streets.

COMPARING THE PROPOSED 1% INCOME TAX INCREASE TO A PROPERTY TAX LEVY

 In order to generate the same amount of revenue as the proposed 1% income tax increase an 8 mill property tax levy would be required, costing the owner of a \$100,000 home \$280 per year. (This is for comparison purposes only)

A property tax would affect all residential homeowners and businesses in Union.



TAX RATE IN
MIAMI VALLEY
REGION
MUNICIPAL
TAX RATES

WHO WILL PAY THE 2% (CREDIT) INCOME TAX?

People who work in Union will pay the tax.

- Most of Union's current income tax revenue is collected from people who work in our city.
 Approximately 50% of the income tax revenue comes from the employees of the P&G Distribution Center.
- Most of the People who work at businesses in the City of Union are NON-Residents.
 (By having a lower income tax rate Union is losing valuable dollars to other Cities.)
- Union residents who work in a city with tax rate less than 2% will have to pay the difference in Union.
- Union residents who work in a Township or City that does not have an income tax will pay
 2% to Union.

WHO WILL NOT PAY THE 2% (CREDIT) INCOME TAX?

Union Residents who work in a City with an Income tax of 2% or greater.

Why? Union's income tax allows Full credit for taxes paid where you work.

• If you earn wages in any of the Cities listed below, whose tax rates are 2% or greater, you're not affected by the current or the proposed 1% Income tax increase.

Brookville | Centerville | Dayton | Franklin | Hamilton | Huber Heights | Kettering | Miamisburg Moraine | Oakwood | Piqua | Springfield | Trotwood | Vandalia | West Carrollton | Xenia

- Union residents will <u>not</u> pay income tax on <u>retirement</u>, <u>social security</u>, <u>disability or</u> <u>unemployment income</u>. Interest and dividends are also <u>not</u> taxed.
- Union residents under 18 years of age will not have to pay the income tax.







YOU WILL NOT BE AFFECTED BY THE INCOME TAX INCREASE

ALL OF YOUR TAX DOLLARS GO TO THE CITY WHERE YOU WORK



AND WORK IN UNION

A large portion of Union's Income Tax Revenue comes from people who work in our city and live elsewhere:



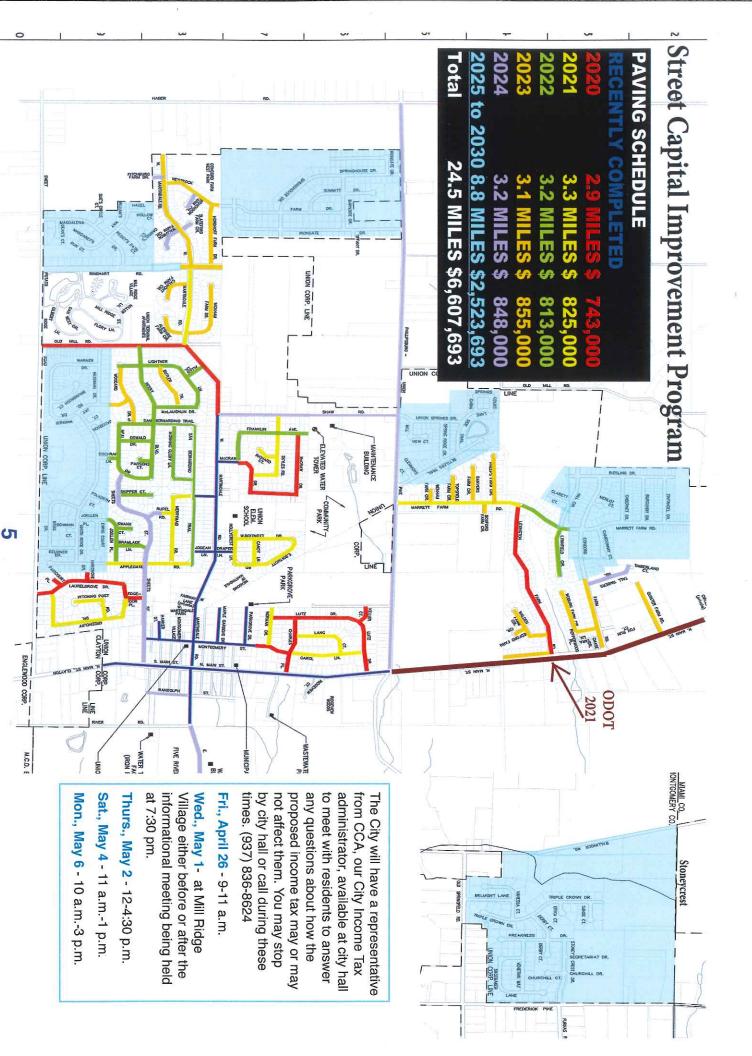
BEFORE 1% TAX INCREASE:

1% to Union | 1.5% to Dayton

AFTER 1% TAX INCREASE:

2% to Union | .5% to Dayton

TOTAL TAX RATE STAYS THE SAME, MORE MONEY COMES TO UNION NOT DAYTON.





832-3902

The City of Union Newsletter

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