



AVON LAKE'S ROADS & CAPITAL IMPROVEMENTS PROGRAM



The City of Avon Lake is proposing a 0.4% municipal income tax increase on the May 5, 2026, ballot.

- If approved, the municipal income tax rate would change from 1.5% to 1.9% for five years.
- The proposal applies to earned income only, not retirement income.
- This proposal is estimated to generate approximately \$6.6 million annually revenue for roads and capital improvements.

How Would the Revenue Be Used?

Revenue generated by the proposed income tax increase would be designated for:

- Road improvements and maintenance
- Stormwater management projects
- Capital equipment needs
- Payments on existing and future capital-related debt

Road projects represent the primary area of need, with additional funding directed toward other long-term capital needs.

What Would This Mean for Taxpayers?

- For a household earning \$100,000 in taxable wages, the proposed increase equals approximately \$400 per year or \$33 per month.
- The income tax applies to earned wages
- The income tax does not apply to:
 - » Social Security income
 - » Pension income
 - » Annuities

Property Tax Change If the Measure Passes

If voters approve the income tax increase:

- The City would eliminate the existing 1.5-mill operating property tax.
- Retired residents will experience an overall decrease in total local taxes.

Why Is the City Considering This Now?

- Avon Lake's municipal income tax rate has remained at 1.5% since 1992.
- The City has maintained services and capital investments using 1992-era tax rates for more than 30 years.
- Avon Lake is now one of the fastest-growing communities in Lorain County.
- Growth has increased demand for services.
- Costs for road improvements have increased over time, and the City's roads and other capital assets are aging. In 2025, the estimated cost to replace one mile of road is approximately \$4.1 million.

Steps the City Has Taken to Reduce Costs

To manage costs and limit the need for new revenue, the City has:

- Reduced operating budgets
- Limited overtime spending
- Initiated steps to reduce healthcare costs
- Pursued grants and other external funding sources

For more information, visit avonlake.org.