

Hiawatha voters to face sales tax issue in Nov

**(KNZA)--Hiawatha voters will decide in November if a one-quarter percent city-wide sales tax earmarked for economic development purposes should continue.**

**The Hiawatha City Commission Monday evening adopted a resolution placing the issue on the November 6th general election ballot.**

**The sales tax is currently set to expire March 31st, 2020.**

**If approved by voters, the sales tax would continue an additional 15 years until March 31st, 2035.**

**Mayor Steffen Shamburg says proceeds from the sales tax are currently being used to pay off bonds that were issued for the Crosswind Industries and Hemisphere GPS projects. Those bonds run through 2026.**

**Without the sales tax revenue, Shamburg says as much as a 5 to 10 mill property tax levy increase would be needed for debt service on the bonds.**

**If approved by voters, he says revenue from the sales tax would continued to be used to pay off the bonds and for other economic development purposes.**

**Shamburg said town hall meetings will be needed to inform residents about the sales tax issue.**