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**City of Duluth Communications Office**

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**SUBJECT: Mayors: Deep LGA Cuts Will Cripple Cities and Stop Economic Recovery**

**BY: Pakou Ly, Public information Coordinator**

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### **Mayors: Deep LGA Cuts Will Cripple Cities and Stop Economic Recovery**

Duluth, MN—Just as Minnesota is starting to rebound from the economic recession, cities warned of an emerging threat that could cripple the state’s largest communities and significantly weaken the state’s economic footing in the coming years.

Saint Paul Mayor Chris Coleman and Cloquet Mayor Bruce Ahlgren joined Duluth’s Mayor Don Ness to discuss the impacts of a House Republican legislative proposal that would strip Minneapolis, St. Paul and Duluth of all of their Local Government Aid funding by 2014.

The chief author of the proposal, House Republican Property Tax Chair Linda Runbeck, of Circle Pines, testified that her legislation that strips LGA from these first class cities is the “beginning of the phase out of LGA.”

“This so-called public policy is a disaster for Minnesota,” said Saint Paul Mayor Chris Coleman. “Not only will businesses and homeowners in Saint Paul face rising taxes and diminished services; it will have a negative affect on economic vitality of the entire state.”

People from throughout Minnesota visit the state’s major cities and expect to be able to drive on their streets and to have safety measures in place while they are there, said Coleman. They also know that the state’s economy depends on Saint Paul, Minneapolis and Duluth doing well, he said.

Bruce Ahlgren, Mayor of Cloquet, also spoke up for the state’s largest cities. “Even though the House Republican legislature protected greater Minnesota cities from deep cuts in LGA, we know that if our major cities don’t do well, the state won’t do well,” Ahlgren said.

Ahlgren was also worried that this could be the first step in cutting LGA for all cities in the state, which, according to him, would be a step back in time. “This program was developed over forty years ago in order to strengthen the whole state, and it accomplished its goal. It doesn’t make sense to start dismantling it in these economically tough times.”

Duluth is now a destination city for many Minnesotans as well as the hub city of the Northeast, according to Mayor Don Ness, but the city would be hard-pressed to handle the influx of people without the help of LGA.

“Not only are Duluth, Saint Paul and Minneapolis host cities to people from throughout the state and the nation,” Ness said, “they are also the economic engines of the state sending over \$790 million in sales and property tax revenue to the state. The state will not keep its competitive edge if its major cities are undermined.”

Large and small, the cities of the state are pretty much united on this issue, according to Ahlgren. “We don’t want the inner cities and Duluth to collapse and we don’t want greater Minnesota to turn into a wasteland,” he said, which is why the mayors joined together to oppose the House proposal.

Media with questions can also contact Glen Fladeboe with the Coalition of Greater Minnesota Cities at  
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