

## **CITY OF SWARTZ CREEK CITY 20 YEAR STREET PLAN**

In May of 2016, voters in Swartz Creek approved a ballot proposal to support streets in the community. The proposal, enables the city to levy up to 4.22 mills to fund street maintenance and rehabilitation. The following information has been prepared in an effort to address questions that folks might have regarding this levy.

### **Who pays the millage?**

This millage would be paid by all owners of taxable real and personal property located within the city limits. This includes businesses, industries, residences, and vacant land. Properties currently exempt from taxes, such as the schools, churches, and governmental properties would be exempt. This levy does qualify as a tax deduction.

### **What exactly is a millage?**

A millage is a tax on property. One mill is equal to one dollar in taxes for every one-thousand dollars of taxable value.

The levy increases taxes up to \$4.22 for every \$1,000 in taxable value.

### **How much does this millage cost the average residential property owner?**

Based on a home valued at \$70,000 with a taxable value of \$35,000, the millage would add \$147.70 to the yearly property tax bill.

You can calculate your payment if you know the taxable value of your property. This amount can be found on a property tax bill or the assessment notice that is sent out in February. This number can also be given to you by staff at the city offices. You can estimate your taxable value by using half of your market value.

The easiest way to estimate your tax is to divide the taxable value by 1,000 and multiply by 4.22. For example, an \$80,000 house has a taxable value of \$40,000. \$40,000 divided by 1,000 is 40. 40 multiplied by 4.22 is \$168.80 per year.

### **How will the city spend the money?**

The funds will be used to repair, rehabilitate, and reconstruct major and local streets in the city. In addition, a big emphasis is going to be placed on preventative maintenance. Engineers and policy experts call this “asset management” but most of us call it common sense and refer to it as “an ounce of prevention is worth a pound of cure.”

We will be spending money on a mix of fixes that range from preventative maintenance (sealing/crack filling) to reconstruction. Applying the right fix at the right time saves a ton of money in the long run.

### **What is asset management?**

Asset management is the allocation of resources towards preserving and replacing infrastructure in the most efficient manner possible. In practice, it means spending money on preventative maintenance as well as reconstruction. This means that the city might spend

\$100,000 to seal a street that is only 15 years old when a street that is in worse condition waits a few more years before it is rebuilt. This allows a smaller investment to add many years to a street before a larger amount of investment is required. The timing of preventative maintenance is crucial, unlike that of reconstruction, wherein added time does not dramatically change the repair cost.

### **What was the ballot question?**

“Shall the City of Swartz Creek be authorized to levy a millage of up to a maximum of 4.22 mills (\$4.22 Per \$1,000 of taxable value) for twenty (20) years, 2016-2035, inclusive, for the purpose of funding construction and interest costs for the replacement, rehabilitation, repair, and maintenance of public streets and include pavement, sidewalk, curb, gutter, shoulders, and related drainage work within the City of Swartz Creek, the estimated revenues that will be collected during the first year of this millage as authorized and levied to be \$616,000?”

**How will the city guarantee proper use of funds?**

The ballot language is specific and does NOT allow for the expenditure of funds on parking area, trails, and related infrastructure. This is for streets only.

To assure tax payers that this is the case, the monies collected will go into a new, separate fund (Fund 204) that will be used exclusively for direct payments to street project contractors or transferred to state regulated funds for use on community streets (Major Street Fund 202 or Local Street Fund 203).

All three funds are audited annually by an independent third party to ensure compliance. Results will be released to the public in late fall of each year.

**How will the city decide which streets to focus on?**

The plan intends to address every improved street in the city. The city plans to convene a committee annually to consider the 20 year plan, all available revenues, and the observed level of street deterioration. Deciding which streets to repair in any given season will need to be planned one or more years in advance. Why? Because some reconstruction projects require ample preliminary engineering and may cost more than what the levy generates in any single year. This will require years in

which funds are deferred, or saved, to complete larger projects later on. For example, Worcester is the first reconstruction project planned. But at a cost of \$800,000, the city will need to save levy proceeds in 2016 in order to fund the project in 2017.

A plan for repairs follows. This is the street plan as it exists today and may be subject to change. *Note that borrowing can accelerate this program and see to some reconstruction projects sooner!*

**City of Swartz Creek 20 Year Paving Program**

Streets	Repair Type*	Cost
<b>2016-2020</b>		
Worcester	R	\$800,000
Yarmy	P	\$200,000
Parkridge	PM	\$100,000
Abbey	P	\$300,000
Ingalls McLain To Hayes	P	\$300,000
Chesterfield	R	\$650,000
Daval	R	\$700,000
Birchcrest	P	\$300,000
N. Seymour	PM	\$25,000
1st	PM	\$10,000
2nd	PM	\$10,000
3rd	PM	\$10,000
Holland	PM	\$10,000
Hayes	PM	\$10,000
Ford	PM	\$10,000
N. Brady	PM	\$10,000
McLain	PM	\$20,000
Wade	PM	\$20,000
Jennie	PM	\$20,000

Fairchild	P	\$400,000
Elms (creek to n limits)	PM	\$48,000
Morrish (Maple to n limits)	PM	\$130,000
<b>2016-2020 Total</b>		<b>\$4,083,000</b>

<b>2021-2025</b>		
School	P	\$357,500
Chelmsford	R	\$660,000
Oakview	R	\$715,000
Winston	R	\$204,000
Helmsley	R	\$440,000
Cappy Lane	P	\$352,000
Durwood	R	\$990,000
Norbury	R	\$330,000
Bristol Road	PM	\$48,000
<b>2021-2025 Total</b>		<b>\$4,096,500</b>

<b>2026-2030</b>		
Mason	P	\$172,500
Church	P	\$115,000
Frederick	P	\$172,500
Ingalls	P/PM	\$276,000
Chesterfield (west of Seymour)	P	\$172,500
Eton Court	P	\$46,000
Oxford Court	R	\$110,000
Whitney Court	R	\$66,000
Greenleaf	R	\$805,000
Don-Shenk	R	\$575,000
Winshall	R	\$747,500
Fairchild	PM	\$23,000
School	PM	\$23,000
Worcester	PM	\$57,500
Chesterfield	PM	\$23,000
Daval	PM	\$57,500
Chelmsford	PM	\$34,500
Oakview	PM	\$57,500
Helmsley	PM	\$34,500
S. Brady	P	\$86,250
Talmadge Court	P	\$86,250

Raubinger	P	\$230,000
<b>2026-2030 Total</b>		<b>\$3,971,000</b>

<b>2031-2035</b>		
Fortino	R	\$720,000
Civic	R	\$240,000
Grove	R	\$600,000
Maple	R	\$192,000
Crapo	R	\$192,000
Springbrook East	P	\$168,000
Heritage Village	P	\$192,000
Hill	R	\$420,000
Jill Marie	P	\$480,000
Natalie	P	\$96,000
Young	P	\$300,000
Oakview (west of Seymour)	P	\$120,000
Valleyview	P	\$120,000
Oxford Court	PM	\$23,000
N. Seymour	PM	\$30,000
1st	PM	\$12,000
2nd	PM	\$12,000
3rd	PM	\$12,000
Holland	PM	\$12,000
Hayes	PM	\$12,000
Ford	PM	\$12,000
N. Brady	PM	\$12,000
McLain	PM	\$24,000
Wade	PM	\$24,000
<b>2031-2035 Total</b>		<b>\$4,025,000.00</b>
<b>2016-2035 TOTAL</b>		<b>\$16,175,500.00</b>

\*R=Reconstruction  
P=Preservation (resurfacing)  
PM=Preventative Maintenance (crack filling/sealing)