IMPROVING FENTON’S INFRASTRUCTURE

Charter Amendment Proposal No. 1 and Road Millage Increase
Charter Amendment No. 1

Section 11.1 of the Fenton City Charter permits the City, upon voter approval, to levy taxes exceeding 13 mills but not greater than 20 mills on real and personal property. Currently, the Charter does not allow any such tax to be levied for more than 3 years. The City Council desires to amend Section 11.1 of the Charter to allow voter approved millages solely for road and street improvements to be levied for up to 10 years.

Shall the amendment as proposed be adopted?
Why Charter Amendment Proposal No. 1?

• Performing the necessary street improvements in 3 years is not possible.

• Asking for a new millage every 3 years is not practical. It could lead to an incomplete road program.

• Extending the time allows the City an opportunity to create a long-term street improvement program.

• If Charter Amendment Proposal No. 1 is defeated, the Road Millage Increase Proposal will not be adopted even if it is approved by the voters.
Road Millage Increase

(NO: ADOPTION OF THIS ROAD MILLAGE INCREASE PROPOSAL IS CONDITIONED UPON THE ADOPTION AT THIS ELECTION OF CHARTER AMENDMENT PROPOSAL NO. 1)

Shall the City of Fenton impose an increase of 5 mills ($5.00 per $1,000 of taxable value) of the taxable value on all taxable property within the City and levy it for ten (10) years, 2019 through 2028 inclusive, for the sole and exclusive purpose of improving roads and streets within the City, which will raise an estimated $2.05 million in the first year, of which a portion will be distributed to the City of Fenton Downtown Development Authority and Local Development Refinance Authority?
Why is the City of Fenton placing the Road Millage Increase Proposal on the ballot?

• Funding received through Act 51 is not enough for right-of-way maintenance and street improvements. Right-of-way maintenance costs continue to increase!

• Grant funding from the State of Michigan is for Major Streets only. There are no grant funds available for Local Streets.

• A road millage will allow the City of Fenton to raise the necessary funds to improve our current roads.

• It’s up to the voters to decide.
Road Maintenance Program

• The City has developed a road maintenance program for making the needed repairs to our street system, utilizing the information that has been collected on the condition of every public street utilizing the PASER system for condition evaluation.

• The system has been mapped and each street segment designated in a color that relates to its condition.

  Red = Poor  Green = Fair  Blue = Good  Orange = Gravel
2018 PASER ROAD RATINGS

- Good (PASER 8 - 10)
- Fair (PASER 5 - 7)
- Poor (PASER 1 - 4)
- Gravel
Spending Level vs. Improvement

• The previous chart shows we would need to spend about $1,000,000 a year over 10 years on street improvements for our overall street system to stay at the level it currently is. After 10 years our overall street surface rating would be the same as when we started.

• Spending any less may extend the length of time before the streets fall into complete disrepair, however, it does not do anything to improve the overall street ratings. It only keeps the streets a little better a little longer than the “do nothing” approach! It really does nothing to improve the overall street system.
Spending Level vs. Improvement

• If the City were to spend $2,000,000 a year for 10 years a significant improvement to the overall street system rating would be seen.

• These improvements are everything from minor repairs on streets rated as **Good**, surface treatments on streets rated as **Fair**, and surface treatments to total reconstructions on streets rated as **Poor**.

• Streets in need of underground infrastructure improvements could receive a variety of necessary repairs, depending on the extra work.
CITY OF FENTON
10-YEAR STREET IMPROVEMENT PLAN
FIRST 5 YEARS – IMPROVEMENT PLAN
SECOND 5 YEARS – IMPROVEMENT PLAN

Road Maintenance Program
Overall Map
Years 6 - 10

Fenton Road Projects
Years 6 - 10
- Green: Local Maintenance
- Blue: Local Reconstruction
- Red: Major Maintenance
- Orange: Major Reconstruction
- Gray: Road
Where will the City come up with $2,000,000 a year to make the needed improvements?

• A city wide millage of 5-mills ($5 per $1,000 of taxable value) would bring in approximately $2,050,000.
  • Since some of this millage money is captured from the DDA area and the LDFA area, state law says it needs to be returned to them for their street repairs. This will leave us with $1,600,000 for our local roads.

• The State of Michigan is estimating sending the City an additional $540,000 every year starting in 2021.
My Cost (Taxable Value)

Where do I find the taxable value for my property?

- You can look on your yearly Notice of Assessment statement that was mailed in February.
- You can look on your latest property tax bill.
- You can find it via the City’s website (www.cityoffenton.org).
- When you find your taxable value **multiply by 5 and then divide by 1000** to find out how much 5-mills will cost you. (Or you can **multiply by 0.005** to get the same results.)
- For example, $46,000 (the average taxable value for the city) is $230. [$46,000 x .005 = $230]
Special Assess each street - Property owners only pay for their street

Pros: Only pay for your street.

Cons: Assessment is based on street frontage per parcel affected.

• Some streets would cost more than others so some property owners will pay more than others.

• Some streets are considered Major Streets and there are other funds that can be sought to pay to fix their streets.

• Several Major Streets have already been fixed, those people would not pay anything.