



FAQs

Garden City Road Bond Millage Proposal

Frequently Asked Questions

How will this millage work? The City will sell municipal bonds on the open market. The funds received from the sale (loan) will be exclusively used for road repair and replacement. The millage will be levied on tax bills (starting in 2018) and will be used to pay the debt service (loan installment payment) on the bonds. Work on the road would begin in 2018 and continue for at least 5 years or more.

How much will this millage cost me? The City can estimate how much the average homeowner will pay. Each year mills levied will be based on the bonds outstanding and the total taxable value of all the properties in the City. The average home has a taxable value of \$35,915. Based on that value, the yearly levy will average 6.23 mills, or \$224. That comes out to about \$19 a month. Each home is different. You can estimate the average cost for you by multiplying your taxable value by .00623 (mills per thousand). You can find your taxable value on your tax bill, look it up on our website, or call the tax office (734) 793-1610 Monday through Thursday, 9am – 5pm.

What is taxable value?

The taxable value is the value on which property taxes are calculated. It is meant to be about half the market value of your home (as limited by inflation). It can be found on the property tax statement or online.

Which roads will be selected? This will be determined on an annual basis. The City's administrative team will review, with the City's engineers, road conditions and make recommendations to the City Council. The City anticipates that 75% of Garden City roads will be addressed in some way. The proposed program will include a variety of fixes, depending on the current condition. This can range from Crack Sealing (filling cracks with a long lasting rubbery substance) to a full and complete cement replacement (and many options in between).

How do I know the money will only be used for roads? Where have past roads funds been used? The City consistently repairs and replaces roads as funds are available. Recent large road projects include Harrison, Florence, Maplewood, Hubbard, and this year, Craig. You can review the City's independently audited budgets going back many years. Audit reports are also on our website. Gas tax funds (also called Act 51 or Major/Local Streets) are segregated from the operating budget and their restricted use is monitored by the State and others.

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Why not a smaller amount with a smaller millage? That is an option, but ballot questions must be specific amounts. A smaller amount greatly diminishes the amount of roads the City can repair. Borrowing several times (as opposed to 3 times, as proposed) increases the cost of borrowing.

How can we get 75% of our roads done with \$50 million? Not all roads will be totally reconstructed. The proposed program will include a variety of fixes, depending on the current condition. This can range from Crack Sealing (filling cracks with a long lasting rubbery substance) to a full and complete cement replacement (and many options in between).

Does this include sidewalks, water mains, and sewer repair? Minimally, if any. Minor work (like curbs, ramps, sewer grates, etc.) associated with street repairs could possibly use a small amount of the road funds. Major water/sewer work is paid with funds from charges billed to water customers.

Why don't we continue assessing homeowners as in the past? This is the essence of the question before voters. If the City continue as it does now, roads will continue to deteriorate faster than the City can afford to repair them. Further, the special assessments will have to increase as currently they pay for less than 5% of the cost to fix a road.



A Great Place to Call Home!

How long are we going to be paying for the judgment lawsuit? The final levy for the millage passed to pay the lawsuit judgment will be in July 2019.

Where can we get more detail? You can always call the City at (734) 793-1660 Monday through Thursday. There is more information on the City's website (www.gardencitymi.org). A town hall meeting will be held Monday, October 16th at 6pm in the Council Chambers at City Hall. Also, information will be available on GCTV (Channel 12 on Comcast, Channel 18 on WOW, and Channel 99 on U-verse).

Remember! *Voters Rule, Literally!* Don't Forget to Vote Tuesday, November 7th!