

SAD Policy Review for Gravel Roads

Considerations for Initiating Policy Review

After reading the various commentaries about a SAD policy for paving gravel roads, the following points are presented for consideration by the committee as we embark on this SAD policy review.

Overview: Why is it important to develop a SAD policy for the City of Rochester Hills? Several points come to mind as good reasons for the development and implementation of a sound SAD policy:

- The SAD Policy debate has been going on for many years (20+), and every time there is renewed activity a moratorium is imposed to study the issue or shut it down.
- Many residents living on gravel roads based their decision to vote for or against the road mileages based on expressed assurances that some portion of those tax dollars would support a city share for paving gravel roads.
- The actual demand for paving versus improved maintenance has never been assessed, thus the City really has no basis for judging the potential demand for resources.
- The aging and growth of our City has put increased stress on all roads, including gravel. As with all infrastructures, it is important to assess and implement the best practices to maintain and improve all of our roads.
- The health impact of road dust has been well documented and is a quality of life issue.
- The City of Rochester Hills has the resources to make appropriate improvements.

Primary Objectives: In formulating any policy it is useful to first consider the primary objectives. The following objectives are offered for consideration:

1. **Assess Demand for Services & Resources:** Assessing the potential demand for services and resources is a primary first step in setting a policy that will *equitably allocate City resources*. Consider for example that there may be more demand for improved maintenance and the retention of better gravel roads than for the paving of these roads. This would have a major impact on capital requirements and setting policy.
2. **Establish Equitable Sharing of Resources:** Once any local street is dedicated to the City, it becomes a city responsibility for its maintenance or replacement. Therefore, this becomes a shared community use of tax dollars. Consider the proposition that every resident is entitled to a ratable share of available resources to maintain or replace their road based on some common metric such as dollars per lineal foot. It becomes the City's responsibility to assess the best practices for maintaining or replacing these roads; to prioritize these services, and to allocate an equal amount of resources. The incremental cost of replacing a given length of road in excess of the ratable share would become the residents share of the cost.
3. **Assess Financial Alternatives:** As with all financial decision making, there are options as to use of current resources (fund balances) or payment over time through use of debt (bond issues). The ability to leverage a revenue stream (future tax dollars) can generate significantly more funds to tackle a large project up front rather than to piecemeal the effort over many years.

I offer the above as a starting point for discussing this important policy decision. Of course there are many points of view and details that need to be considered, and I look forward to working with everyone to achieve a SAD Policy recommendation that serves the needs and resources of our city.