



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2021-0248

TO: Mayor and City Council Members

FROM: Joe Snyder, Chief Financial Officer, x2534
Ken Elwert, Director of Parks & Natural Resources, x2552

DATE: July 12, 2021

SUBJECT: Parks Millage Re-Purpose / Request to Place on November 2, 2021 Ballot

REQUEST:

City Council is requested to approve placing a proposal on the November 2, 2021 Election Ballot for the re-purposing of the expired Older Persons' Commission (OPC) Building Debt millage towards City Park System Facilities and Operations for a 10-year period beginning in Fiscal Year 2022 through Fiscal Year 2031. This millage re-purposing will not increase the City's overall tax rate from the prior year level.

REASON FOR PURCHASE:

In November of 2000, the voters of the City of Rochester Hills authorized a 20-year bond proposition to fund the land acquisition and construction of the OPC Building. As of April 2021, the OPC Building Debt has been paid off and the debt is retired in full. The final millage amount levied for FY 2021 to pay the final remaining OPC Building Debt principal and interest due was 0.1660 mill.

City Administration recommend that that the expired FY 2021 OPC Building Debt millage amount of 0.1660 mill be re-purposed to be levied for a millage supporting the City's Park System Facilities and Operations for a 10-year period covering FY 2022 through FY 2031. If approved by voters this millage would generate an estimated \$647,962 in tax revenues if levied in full the first year.

Rochester Hills City parks provide over 1,000,000 visits to the great outdoors every year. When compared to similar sized cities nationwide we are in the top tier of usage. On top of that, our 2020 visits increased by 21% with for a total of 1,141,638 annual visits. In 2021 through May we are up about 22% versus 2019. Wear and tear on our parks is increasing due to visit volume.

The City's Park System Facilities are aging and many are in need of upgrades, repairs, and replacements within the next several years. The City's Capital Improvement Plan (CIP) identifies a great variety of proposed Parks projects including existing facility upgrades, replacements, and renovations as well as significant rehabilitations to the Park System's parking lots, HVAC systems, and roofing.

If the Park System Facilities and Operations millage re-purpose ballot language is placed on the November 2, 2021 election ballot and is subsequently approved by City voters, the new Park System Facilities and Operations millage dollars will be deposited in a new and separate Parks Special Revenue Fund. The Parks Special Revenue Fund will transfer available funds out to funds that are incurring the Parks-related expenses, including transfers-out to the Facilities Fund for Park System Facility enhancements.

Administration further requests City Council approval for an appropriation of up to \$25,000 for resident education materials related to the Parks millage re-purpose, primarily to provide for the printing and postage of educational materials mailed to City residents as well as various Social Media efforts.

BUDGET:

Funds are not specifically budgeted for Parks millage re-purpose educational materials. It is anticipated that funding will be available within the General Fund to offset the proposed costs without requesting additional funding.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
General Fund	102.740000	City Council – Operating Supplies	\$0	\$10,000	(\$10,000)
General Fund	102.900000	City Council – Printing & Publishing	\$0	\$15,000	(\$15,000)
		TOTAL	\$0	\$25,000	(\$25,000)

RECOMMENDATION:

City Council is requested to approve placing a proposal on the November 2, 2021 Election Ballot for the re-purposing of the expired Older Persons’ Commission (OPC) Building Debt millage towards City Park System Facilities and Operations for a 10-year period beginning in Fiscal Year 2022 through Fiscal Year 2031. This millage re-purposing will not increase the City’s overall tax rate from the prior year level.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A