

Sylvan Lake

What will be our legacy?

Master Plan Projects and Funding



Items to Review

- Louis Schimmel's Report to City Council
- Project Inventory
- Master Plan Survey
- City Hall
- Community Center
- Funding Requirements
- Funding Options
- Closing, Questions, Straw Poll Survey and Comments

City of Sylvan Lake

Review of operations by Louis H. Schimmel

Who is Louis Schimmel

- Lou Schimmel is the Director of Municipal Finance for the Mackinac Center in the area of Public Policy. He is also an entrepreneur and was the emergency financial manager appointed by the state of Michigan to bail out Hamtramck and Ecorse. He now works with distressed communities and provides fiscal analysis for other Mackinac Center projects as needed.
- At the request of City Council he offered to review the management and financial status of the City of Sylvan Lake.

City of Sylvan Lake

Review of operations by Louis H. Schimmel

Fire and EMS

- The City has the ideal arrangement for fire suppression, by way of its firefighting contract with West Bloomfield Township.
- It is important that the City continues to communicate and work closely with West Bloomfield Township to maintain minimal cost increases.

Police Department

- The labor contract between the City and the Police Officers Local Union is acceptable.
- The city is using a combination of full time and part time officers. This arrangement allows the city to minimize cost of the department.

Various City Recreation Fees

- I believe that city parks benefit everyone, even if not physically used by a homeowner. Few would argue that their home value is not enhanced by the presence of city parks.
- I am recommending that the City Council consider eliminating the following user fees: Park Registration, Beach Tag, Boat Registration.
- A voted city tax rate increase of .18 mill will raise enough money to replace the loss of \$16,250 resulting from the elimination of the above fees.

City of Sylvan Lake

Review of operations by Louis H. Schimmel

General Fund Balance

- The City has a higher than normal General Fund Balance.
- A portion of the General Fund Balance could be used for one-time capital improvement project.

City Owned Property

- The City does not own any excess property, buildings, vehicles or other assets that could or should be sold.

Department of Public Works

- In most cities this is an area where great savings can be realized through privatization of services. Because the City already uses private contractors for trash pickup, water and sewer repairs, storm water management, street repairs, park maintenance and other DPW services the city is already receiving the benefits of using outside contractors. Additionally, the two DPW employees on the City's payroll at present cost no more than what an outside contractor would charge.

Building Department and Ordinance Enforcement

- Building departments are time consuming operations. The City appears to be doing an excellent job of using both full-time and part-time personnel to perform the necessary functions of the department. Ordinance enforcement also is being performed at a minimal cost.

City of Sylvan Lake

Review of operations by Louis H. Schimmel

Assessing and Board of Review

- The City contracts with Oakland County Equalization for assessing, which is cost effective, and the best way for small cities to perform assessing services. The City's local Board of Review is also cost effective and properly managed.


Competing with Private Enterprise and TIF Districts

- The first problem with creating such districts is that another governing board is created within the city, which more often than not ends up having a different agenda than that of the City Council.
- A second problem is that tax revenues that would normally go into the city's general fund are now siphoned off and sent to the TIF District.

City Management

- It is Lou Schimmel's opinion that the City is financially strong, well managed by our City Manager John Martin, and operating efficiently.

Unfunded and Under Funded Project Inventory

- Maintain rails to trails.
 - Seawall repair.
 - Improve City Hall.
 - Securing restrooms at Ferndale Park.
 - Plant trees.
 - Improved maintenance of parks.
- 

Unfunded Project Inventory

- Replace basketball court.
- Barrier at the end of Pontiac drive.
- Repair or replace the Community Center.
- Provide bathrooms at Community Center Park.
- Repairing the tennis courts is funded in next years budget.

Master Plan Survey

Question - Would you be willing to support a millage or bond to provide for or improve any of the following services in Sylvan Lake?

Item	Yes	No	Satisfied
Fire Protection	79	100	155
Public Water	74	125	133
Sanitary Sewer	76	124	129
Streetlights	87	131	119
City Hall	97	123	113
Bike Paths/Sidewalks	99	122	111
Library Facilities	67	169	91
Community Center	180	116	36
Storm Water Drainage	73	133	119
Recreational Facilities	110	135	86
Recycling	87	135	110
Road Improvement	56	135	137
Emergency Medical Services	88	109	132

Community Center Master Plan Survey

Question	New	Renovation	Other	None
Would you like a new Community Center building, renovation of the existing community center building, or none of the above?	131	167	35	27
Question	Park	City Hall		
Would you like it to be located at Community Center Park or City Hall?	247	26		
Question	Yes	No		
If new or renovated are you willing to support a millage increase?	195	148		

City Hall



City Hall Needs

- Additional space for a conference room.
- Provide a separate entrance and exit for police business.
- Updating the building will include reworking the existing floor plan.
- Prevent direct access into offices by creating a reception desk.
- The building has not had a major make over in many years.

The Community Center



A Brief History

- The Community Center sits on the former Detroit Free Press Fresh Air Camp. It was a campground for under privileged children.
- When the Fresh Air Camp was disbanded in 1962, the campground was deeded to the city, which later developed some of the old buildings into the current Community Center.
- Numerous updates have been performed on the Community Center since 1962. The most recent update took place around 1990.
- In 2002 a group of volunteers began to research the possible renovation or construction of a new Community Center.
- After many hours of meetings and brain storming sessions a plan for a new Community Center was forwarded to the city. A millage to fund it was voted on in August of 2003. The proposal was not approved.
- In 2003 a group of volunteers continued working on a plan to allow the Community Center to be reopened, renovated or rebuilt.
- During 2003 the building was closed due to a negative air test.

More History

- In 2004 a plan to renovate the building with additional funding concerns was forwarded to City Council and the City Planning Commission.
- In early 2005 the Planning Commission recommended that City Council forward the renovation proposal to the voters.
- Due to the potential structural and environmental issues with the building City Council could not unanimously support the renovation plan forwarded in 2005.
- In late 2005 City Council, in an attempt to resolve their impasse, agreed to solicit volunteers to provide an independent assessment of the building. Three were chosen. Two were building contractors and one was a business owner. They evaluated repairing portions of the building so that it could be immediately reopened, total renovation of the building and building a new building. In April 2006 the contractors recommended constructing a new building if city residents are willing to fund it.
- At the April 2006 City Council study session all City Council members indicated that they could support a plan for a new Community Center provided other funding issues are addressed at the same time.

Community Center Independent Study Findings

- The independent study group consisted of Rob Galacz and his partner John Harte, commercial builders, Rob is a Sylvan Lake resident and partner in G H Contractors, Jim Cassar is a residential and commercial builder, he is a West Bloomfield resident and owner of Cassar Construction and Russell Meskin, Sylvan Lake Resident and business owner.
- They evaluated reentering the existing building, totally renovating the existing building and building a new building.
- Due the extensive amount of work required to perform a complete renovation of the building the contractors independent of each other indicated that there is no significant savings to renovate, if the renovation is compared with a similar new building.
- For budget purposes the contactors recommended using \$120 to \$180 per square foot for building a new or totally renovated building.

Community Center Uses

- Voting Venue-The facility must be ADA compliant.
- A facility that citizens can use and have pride in.
- City Meetings-Hosts City Council meetings, Planning Commission Meetings, committee meetings, volunteer meetings, volunteer activities.
- Estimated number of events or meetings the facility hosts per year; 110.
- Community Events-Ice Cream Social, Home and Garden Tour, Shake On the Lake, the Garden Club, and the Sylvan Lake fun run to mention a few.

Independent Study Findings

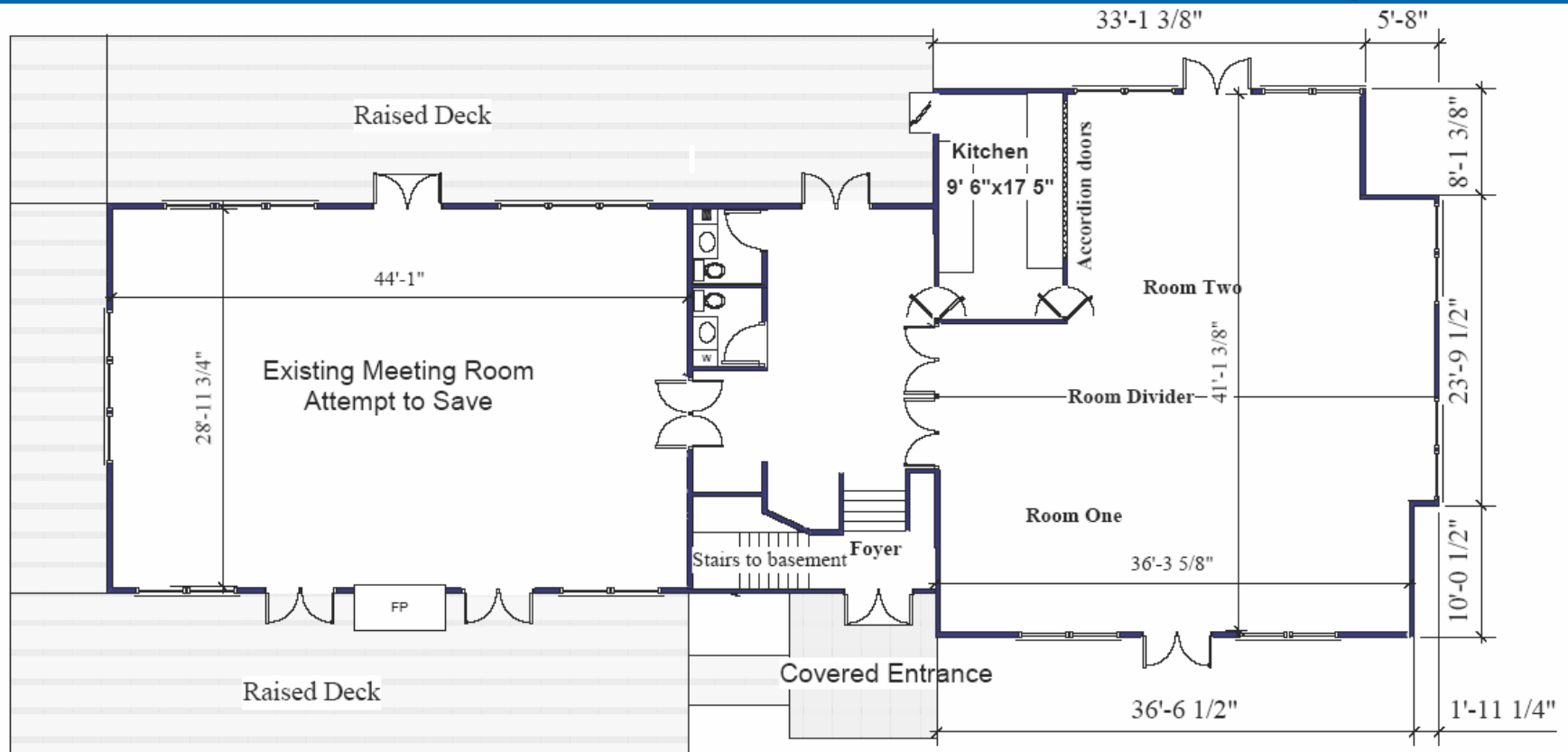
Re-enter Existing Building

- Reentering the existing building was evaluated. The following is a list of items the contractors determined need to be addressed before re-entering the building.
- Items that should be done
 - Demolish the North structure due to numerous structural and environmental issues.
 - Install new trusses and roof over the foyer for safety reasons.
 - Fill in lower level door to prevent water infiltration.
 - Remove and install new shingles over the meeting room.
 - Repair chimney.
 - Grade and infill around building.
 - Electrical work.
 - Repair floor joists for safety reasons.
 - Add sub-floor to main room for safety reasons.
 - Install new furnace and ductwork.
 - Remove siding and install vinyl siding.
 - Air conditioning.
 - Install handicap ramp.
 - ADA compliant unisex bathroom.
 - Vinyl tile in foyer.
 - ADA compliant door system.
 - Install new sink.
- Both contractors independent of each other suggested that the community's monies would be better spent on a new building rather than trying to re-enter the existing building. The estimated cost of re-entering the building is \$107,000.

Community Center Park Options

- Repair and renovate the current usable building.
- Total renovation of the entire Community Center.
- Raze building and build a new Community Center.

Renovate Current Building



Sylvan Lake Community Center
Renovation on Existing Footprint
3,350 sq. ft.

Estimated Cost \$560,000

Renovate Entire Building

➤ Positives

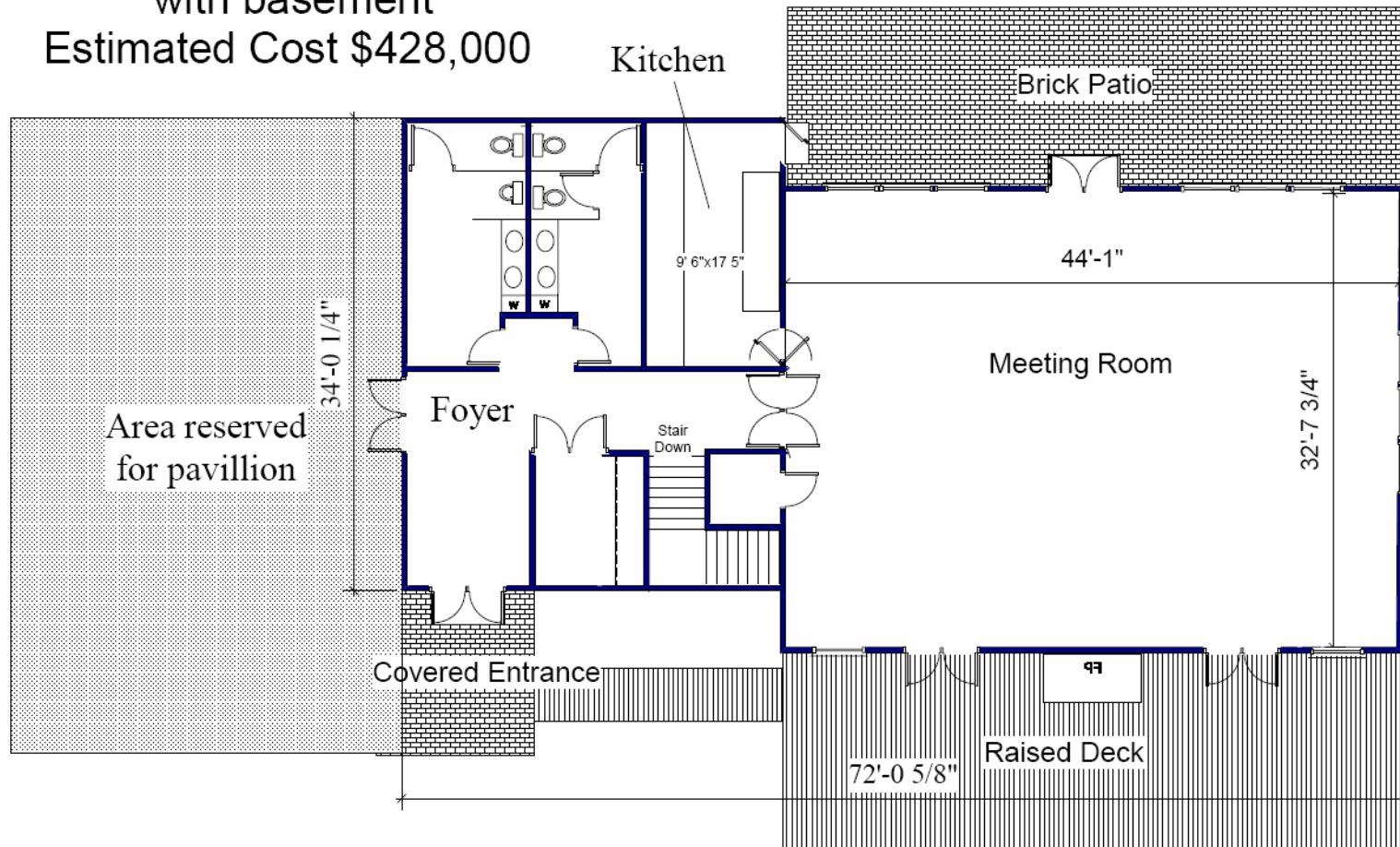
- Saves building.
- Provides two separate meeting rooms.
- Provides food preparation area
- The building is all on one level after renovation.

➤ Negatives

- Unanticipated problems uncovered in a renovation could add additional costs.
- Basement is storage only.

New Community Center

New Community Center
1st Floor 2,377 sq. ft.
with basement
Estimated Cost \$428,000



New Building

➤ Positives

- The structure is new.
- Design can provide for future expansion.
- Increases the size of the main meeting room.
- Provides for food preparation area.
- Stone from the existing fireplace will be reused in the new building.
- Pewabic tile from the existing fireplace will be reused in the new building.
- A pavilion can be added that allows viewing the tennis, bocce ball, basketball and volleyball courts in addition to the lake views. This can be built either immediately or in the future.

➤ Negatives

- The remaining buildings from the Detroit Fresh Air Camp will no longer exist.

Capital Improvements



Funding for Capital Improvements

Funding for facilities

- Build a new or renovated Community Center building.
Estimated cost range \$107,000 to \$560,000
- Build new basketball court
Estimated cost \$ 16,000
- Improve and expand and City Hall by up to 1,000 sq. ft.
Estimated cost \$180,000
- Architectural and engineering services \$ 35,000

- **Estimated total for all projects is \$650,000 if a new building is constructed at Community Center Park.**

- **Estimated total for all projects is \$791,000 if a renovated building is constructed at Community Center Park.**

Annual Funding for Maintenance

Funding for ongoing operation and maintenance of the parks

- Replacement and maintenance of seawalls.
Estimated cost \$ 5,000 annually
- Maintenance for Community Center
Estimated cost \$ 4,000 annually
1% of the value of the building
- Heating and cooling
Estimated cost \$ 3,000 annually
Estimated at \$1.08 per sq. ft. annually
- Replace money that will be lost if the purchase of beach tags is no longer required. \$16,500 annually
- Additional money for ongoing services \$10,000 annually
- Additional money would be used for:
Ongoing maintenance of parks
Security of bathrooms
Maintenance of other existing buildings
Rails to trails
Plant trees
- Estimated additional annual funds required per year \$38,500 annually

Additional Funding Concerns

- Pontiac school millage.
- Fire and rescue services.
- Water and sewer fees.
- Police protection.
- Absorption of West Bloomfield millage to transfer school districts if permitted. Potentially 8 mills.
- Possible reduced state funding.

Funding Options



Funding Options

- **Millage**

Fund a bond for capital improvements and approve a millage to fund the ongoing operation of the parks and maintenance of facilities.

- **Fees**

Increase fees or the sources of fees in the city.

- **Assess Property Equally.**

There may be legal issues with this option.

Funding Options

- **Sell City Property**

This proposition requires a super majority of the voters to approve the sale of land. It requires 3/5th of the voters to vote yes.

- **Rental of the Community Center**

In previous years when the facility was rented to citizens rental fees generated approximately \$10,000 per year.

Other cities have chosen to build facilities that are self sustaining. This is accomplished by opening up the facility to anyone that is willing to pay rental or user fees.

City Council Recommendation

- City Council recommends that the citizens of Sylvan Lake approve funding a cost effective long term plan that addresses City Hall, the Community Center and recreational facilities.
- Based on our current discussions the funds for these would be generated from a millage.
- Why a millage? Assessing the city equally is potentially illegal.
- A millage is tax deductible an assessment is not.

Millage Proposals

Item	Millage Required	Bond or Loan Amount
Community Center 20 years	.368	\$479,000
City Hall 20 years	.140	\$180,000
Annual Funding	.385	\$ 38,500
Total if all are implemented	.893	\$671,000

A .368 millage to fund a 20 year bond or loan for the construction of a New Community Center and basketball court at Community Center Park.

A .140 millage to fund a 20 year bond or loan for the expansion of City Hall.

A millage of .385 to fund the ongoing operation of parks, pay park taxes and provide monies dedicated to the maintenance of City Hall and the proposed Community Center.

Monthly Cost Per Home

Estimated Payments

Monthly cost per household for each amount based on property taxable value

	Annual	Community Center	City Hall	Monthly Total
Taxable Value	\$38,500	\$479,000	\$180,000	
\$75,000	\$2.41	\$2.30	\$0.86	\$4.71
\$100,000	\$3.21	\$3.07	\$1.15	\$6.28
\$125,000	\$4.01	\$3.84	\$1.44	\$7.85
\$150,000	\$4.81	\$4.60	\$1.73	\$9.42
\$175,000	\$5.61	\$5.37	\$2.02	\$10.98
\$200,000	\$6.42	\$6.14	\$2.31	\$12.55
\$225,000	\$7.22	\$6.90	\$2.59	\$14.12
\$250,000	\$8.02	\$7.67	\$2.88	\$15.69
\$275,000	\$8.82	\$8.44	\$3.17	\$17.26
\$300,000	\$9.63	\$9.21	\$3.46	\$18.83
\$325,000	\$10.43	\$9.97	\$3.75	\$20.40
\$350,000	\$11.23	\$10.74	\$4.04	\$21.97
\$375,000	\$12.03	\$11.51	\$4.32	\$23.54

Thank you for your time, consideration and attention.

Enjoy the prettiest little city in Michigan

Citizens of Sylvan Lake, what will be our legacy?

Our legacy as citizens of Sylvan Lake will be what we leave for future generations. What we leave will determine our future property values.

