

Four Lakes Task Force

Gladwin and Midland Counties' Delegated Authority
of the Four Lakes Special Assessment District

April 19, 2021 Information Meeting

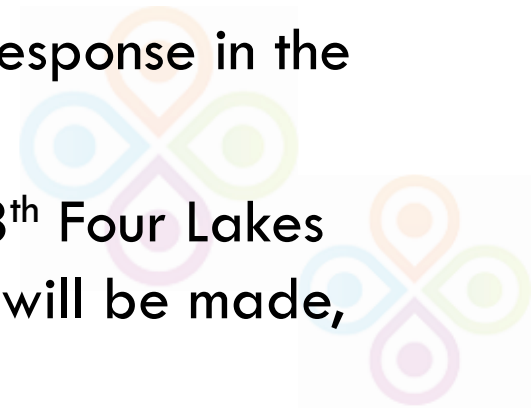


Four Lakes Task Force

Virtual FLTF Communication Meeting

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- This meeting is being held virtually in accordance with State of Michigan social distancing requirements related to COVID-19 as set forth by Gov. Whitmer
- If you have questions, please send them to info@fourlakesforce.org and if there is time we will answer them at the end of the meeting or with an email response in the coming days
- Note: this is one in a series of meetings being held before the May 13th Four Lakes Task Force Board meeting. It is an informational meeting, no decisions will be made, and a Board quorum is not present





AGENDA

- ❑ Introduction and Welcome – Dave Kepler, FLTF
- ❑ Progress Update – Dave Kepler
- ❑ Updated Assessment Methodology – Warren Miller, Spicer
- ❑ Updated Assessment Numbers – Kayla Stryker, FLTF
- ❑ Environmental Restoration Plan – Ron Hansen, Spicer
- ❑ Summary – Dave Kepler



PROGRESS UPDATE

Dave Kepler, President
Four Lakes Task Force

Updated Planning Level Costs** - \$215 Million

Secord ↑	Smallwood ↑	Edenville ↓	Sanford ↓
<i>\$25 million</i>	<i>\$18 million</i>	<i>\$121 million</i>	<i>\$51 million</i>
2024	2024	2026	2025

- Major elements that change the estimates:
 - + Flood level prediction and modeling requires greater spillway capacity
 - Using embankment failures for auxiliary spillway
 - Reduced coffer dam capacity
 - + 25% contingency included

**Designs were reviewed in March: See FLTF website for the summary report

Progress: Recovery to be completed by Spring 2022

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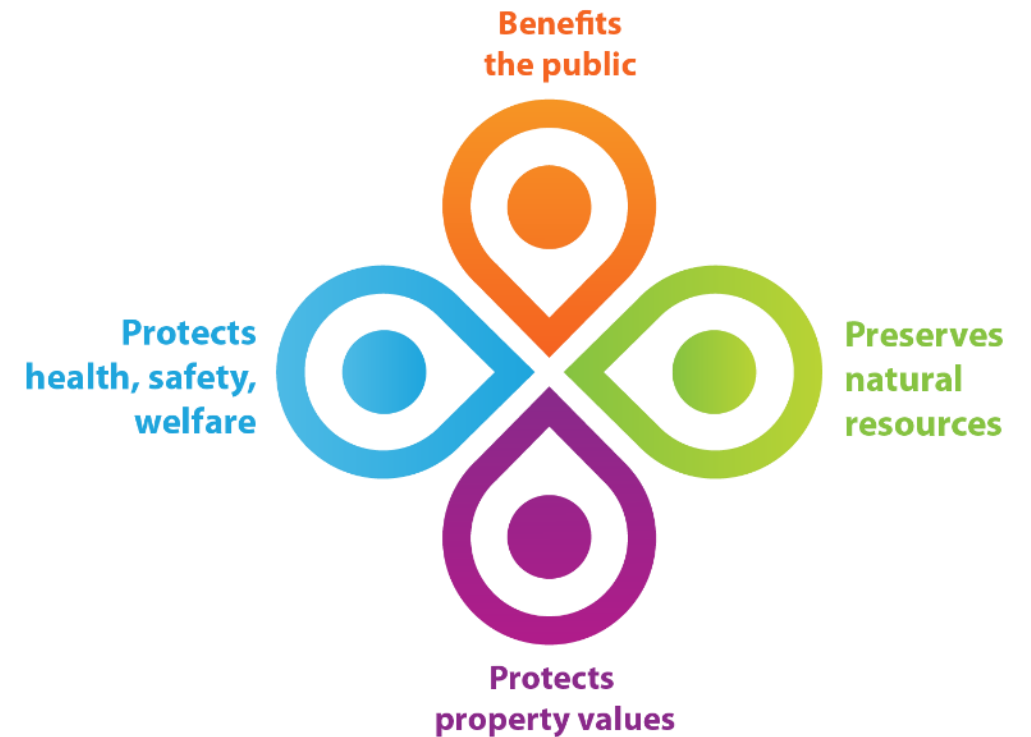
June 2020	May 2021
\$250 to \$400 million planning estimate	\$250 to \$300 million estimate
Uncertainty on financing	Up to 40 years, USDA financing approved
2022-2026	2023-2026
Property owned and operated by Boyce Hydro	Property acquired by Midland and Gladwin counties, and operated by FLTF
No state or federal funds committed funds	\$17.5 million from state \$30+ million from federal (NRCS matching grants) \$5 million private contributions
Debris and erosion was uncontrolled	\$37 million of work in 2021 being undertaken 78 projects on Sanford/Wixom
All Four Dams were unstable	<ul style="list-style-type: none"> • Smallwood and Secord dams repaired and stabilized • Edenville-Tobacco stabilized, Sanford debris removed • Edenville Tobacco and Sanford will have 200-year flood protection



Four Lakes Restoration Plan

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- The most benefit to the public
 - Re-creating our PURE MICHIGAN promise
- Preserves the natural resources of the state
 - Environmental impact management of construction
 - Threatened and endangered species
 - Water quality
- Protects the value of property around the lake
 - Keeping the lakes affordable for property owners
 - Restore the lake levels
- Protects the public health, safety, and welfare
 - Flood design and Dam safety
 - Regional economics



Four Lakes Restoration Plan

Safety Lakes Local Economy Value Preservation Recreation Natural Resources Environment

The Lake Communities' Choice and Challenge

REMOVING THE DAMS would require a decades-long program to manage public safety while removing the dams, with all the necessary permits, and an environmental restoration program, all costing ~\$125 million with no funding source.

There is NO ONE championing this effort:

OR

RESTORING THE LAKES best protects the public health, safety, and welfare; best preserves the natural resources of the state; and best preserves and protects the value of property around the lake.

The Counties and FLTF have an obligation to restore the lakes:

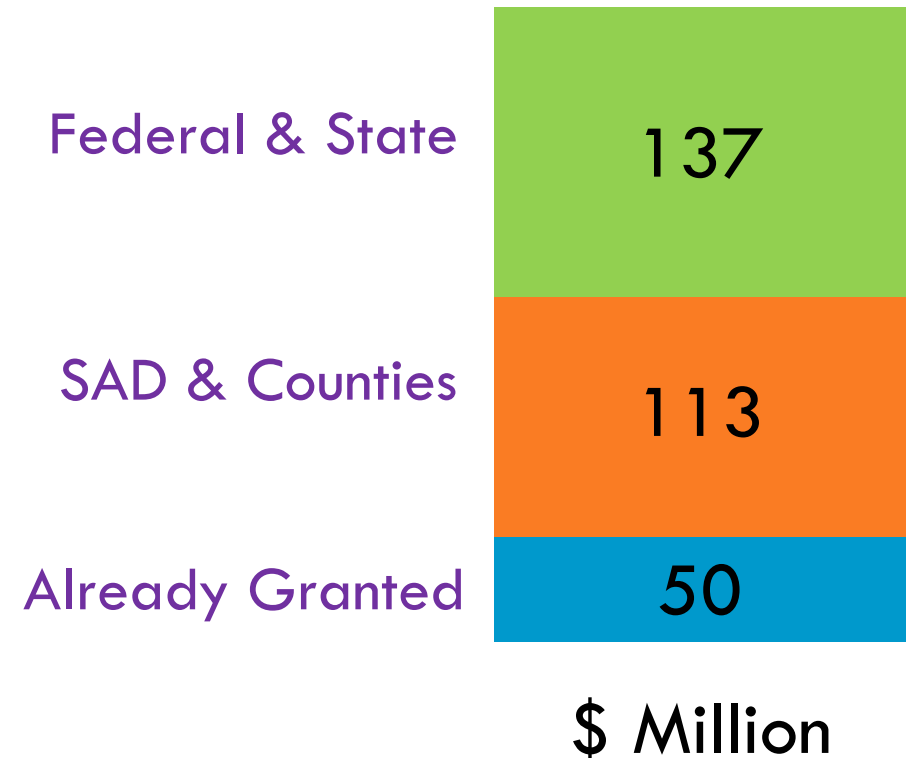
THE CHALLENGE IS TO MAKE THE ASSESSMENT WORK FOR AS MANY PEOPLE AS POSSIBLE

For the Restoration Plan to Work for Everyone

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1. The State, counties and community need to be aligned on the plan
2. We need to **advocate and receive** commitments over the next 2 years for state and federal funds
3. Get the **assessment benefits** right on the Four Lakes Special Assessment District
4. Help **people** that are unable to pay

Funding Needed by Source To reach \$300 Million





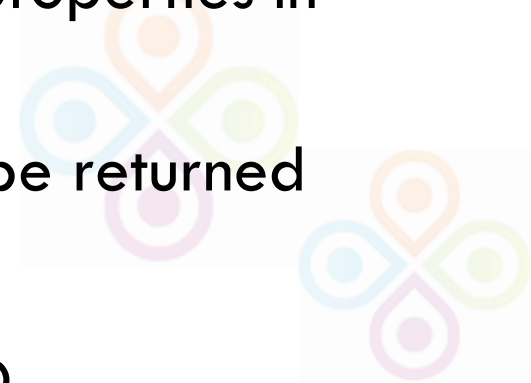
ASSESSMENT & BENEFIT UPDATES

Warren Miller
Spicer Group

Type of Assessments Planned for Four Lakes

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- 3-year Transition Operational Assessment
 - ▣ No more than \$200 for a <300 ft. lake front property, \$50 for backlot
 - ▣ Transition to operate and administer the system by assessing properties in Special Assessment District
 - ▣ If in the unlikely event a lake is not restored: the funds would be returned
- Post-2023 Assessments
 - ▣ An operational assessment to be revisited for everyone in SAD
 - ▣ 4 assessments for capital improvement financing to bring up lakes for property owners



Current Benefit Factors – Operations Assessment

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- Current Benefit Factors
 - ▣ Base (0 or 1)
 - ▣ Frontage (1 to 2)
 - ▣ Headwater (0.5, 0.75 or 1)
 - ▣ Backlot (0.25, but under review)
 - ▣ Derived (under review)
 - ▣ Public Lands/Access (under review)
- Typical Parcel Definition = total factor is 1

Preliminary Statistics

- ▣ 8,457 parcels within SAD
- ▣ 7,288 assessable parcels (Base = 1)
 - **78% properties have a total factor of 1**
 - 5% total factor of 0.25
 - 17% total other

Frontage Factor x **Other Factors** x \$ = **Tentative Assessment**

Total Factor

Receiving Input from Landowners

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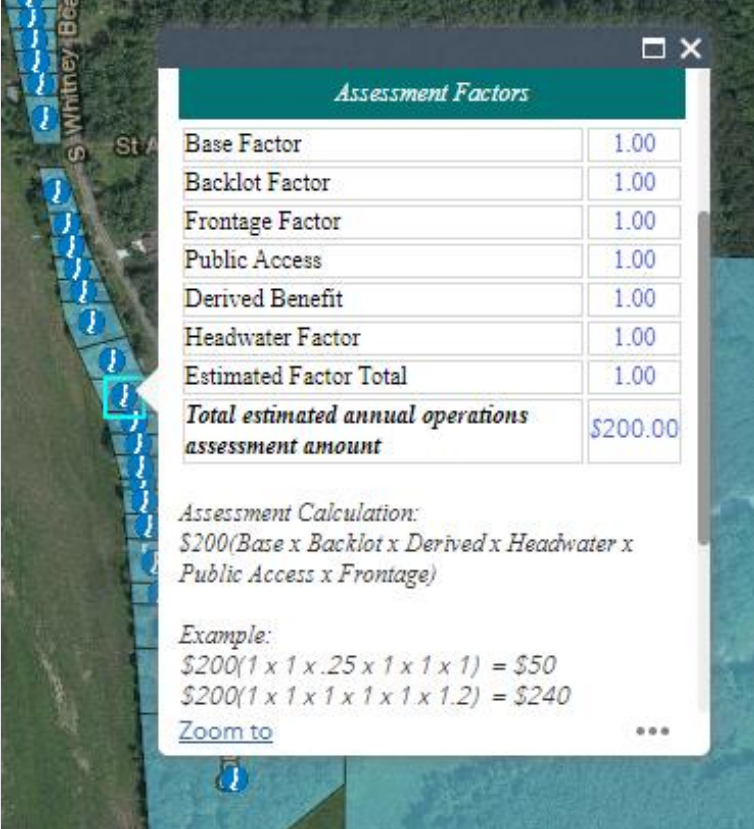
- Held March 2nd, 2021 – SAD informational meeting
- Receiving comments from landowners and adjusting
 - ▣ Headwater areas
 - Further reviewing areas in upper limits of lakes & tributary rivers
 - ▣ Very narrow lots
 - ▣ Adjacent parcels
 - Reviewing parcels on an individual basis and assigning 0, when appropriate
 - ▣ Back lot access
 - Reviewing backlot access types and assessing benefit, as all Backlots are not equal



Assessment Timing

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- 2021 Operations Assessment hearings before July
 - ▣ Notifications will be mailed to all in SAD
- Capital Assessment hearings post 2023
 - ▣ 4 hearings, each to reflect total cost to be assessed per lake
 - ▣ Please refer to the FLTF SAD website map to review your parcel and potential benefit factors: **four-lakes-taskforce-mi.com**



The screenshot shows a web application interface. On the left, an aerial map displays a lake with a blue assessment overlay along its shoreline. A street labeled 'S Whitney Beach St' is visible. A pop-up window titled 'Assessment Factors' is overlaid on the map. The window contains a table with the following data:

Assessment Factors	
Base Factor	1.00
Backlot Factor	1.00
Frontage Factor	1.00
Public Access	1.00
Derived Benefit	1.00
Headwater Factor	1.00
Estimated Factor Total	1.00
Total estimated annual operations assessment amount	\$200.00

Below the table, the text reads: 'Assessment Calculation: \$200(Base x Backlot x Derived x Headwater x Public Access x Frontage)'. An example calculation is provided: 'Example: \$200(1 x 1 x .25 x 1 x 1 x 1) = \$50' and '\$200(1 x 1 x 1 x 1 x 1 x 1.2) = \$240'. A 'Zoom to' link and a three-dot menu icon are also visible.

How you can help FLTF and Yourself

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- Review your property and its benefit
- If you:
 - ▣ Feel you have no benefits or reduced benefits contact FLTF
 - ▣ Have a question about how your benefit was calculated
 - ▣ Own more than one property lot
 - ▣ Feel your entire neighborhood is incorrect



If you have issues/questions, **please** provide comment to FLTF:
info@fourlakestaskforce.org



UPDATED ASSESSMENT NUMBERS

Kayla Stryker
Four Lakes Task Force

Data Behind New Post 2023 Assessment Estimates

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- Cost estimates decreased for Edenville and Sanford, slightly increased for Secord and Smallwood
- Facts impacting costs:
 - ▣ Lower engineering and design costs
 - ▣ 40-year financing
 - ▣ Higher flood design
- As we have refined the assessment roll and identified more parcels that are unassessable or adjacent to another parcel, we decreased the number of assessable parcels
- U.S.D.A. financing interest rate has increased (from 2% to 2.25%)

Sensitivities

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Major Sensitivities





- GEI estimate range
- Environmental costs
- State and federal funding
- Flood study outcomes

Other Sensitivities

- Operating costs
- Interest rates
- Changes to assessable parcels
- County participation

Post 2023 Assessment Estimates

PLANNING LEVEL ASSESSMENTS – No State or Federal Funding

	Secord	Smallwood	Edenville	Sanford
Total Property Assessment Amount	\$11,353	\$26,570	\$43,159	\$40,482
Annual Assessment Front lot >300ft (1)	\$505 	\$1,086 	\$1,720 	\$1,637 
Backlot parcel (.25)	\$126	\$272	\$430	\$409

Achieving an Affordable Assessment)

FUNDS NEEDED TO ACHIEVE BELOW \$500/YEAR ASSESSMENT

Secord

Smallwood

Edenville

Sanford

\$317,000

\$10 million

\$90 million

\$37 million

FUNDS NEEDED TO ACHIEVE BELOW \$1,000/YEAR ASSESSMENT

\$0

\$1.6 million

\$53 million

\$21 million

PSC Survey

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- ❑ Final report will be published on May 10
- ❑ Surveys are in, we are awaiting the final report from PSC
- ❑ Total sent: 6,545
- ❑ Total replies: 3,244
- ❑ Percent response rate: 49.3%
- ❑ We will discuss the PSC report in detail at the May 13th public meeting



PUBLIC SECTOR
CONSULTANTS





ENVIRONMENTAL RESTORATION PLANNING

Ron Hansen
Spicer Group

Environmental Restoration Plan

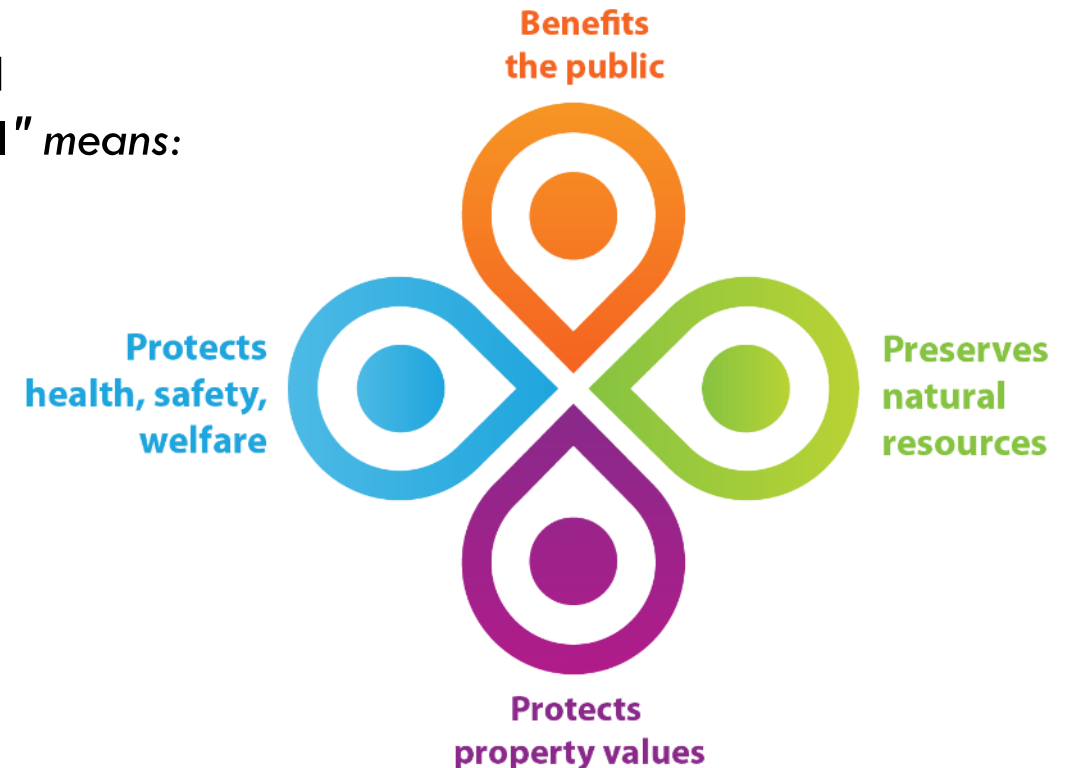
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FOUR LAKES PLAN - PREMISE

Under Part 307, Inland Lakes of the Natural Resources and Environmental Protection Act, the definition of “normal level” means:

The level or levels of the water of an inland lake that provide:

- The most benefit to the public
- That best protect the public health, safety and welfare
- That best preserve the natural resources of the state
- Best preserve and protect the value of property around the lake



Safety 💧 Lakes 💧 Local Economy 💧 Value Preservation 💧 Recreation 💧 Natural Resources 💧 Environment

STABILIZE ● ENHANCE ● PROTECT ● MAINTAIN

Natural Resources and Environment Planning

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- Critical erosion stabilization
- Debris Management
- Maintaining bottomlands for the restoration of lake
- Enhancing lake bottom and ecosystem for the future
- Current natural resources
- Threatened and Endangered Species
- Cultural Recourses

FLTF is coordinating with EGLE, DNR, USFWS, NRCS and others to:

- Create a final plan to restore the ecosystem and protect and enhance natural resources
- Identify funding sources

Expect final planning efforts to be completed in fall 2022



Four Lakes Ecosystem Restoration Plan

Lake Transition Plan

- ❑ Shoreline stabilization
- ❑ Debris management
- ❑ Habitat creation
- ❑ Spawning
- ❑ Wetland rehydration
- ❑ Managing invasive species

Vegetation Management Plan

- ❑ Interim measures to control vegetation in best interest of restoring lake
- ❑ Measures for controlling invasive species

Environmental Permitting

- ❑ Mitigation for impacts of construction footprint
 - Wetlands
 - Floodplains
 - Streams and lakes
 - T/E species
 - Cultural resources



SUMMARY

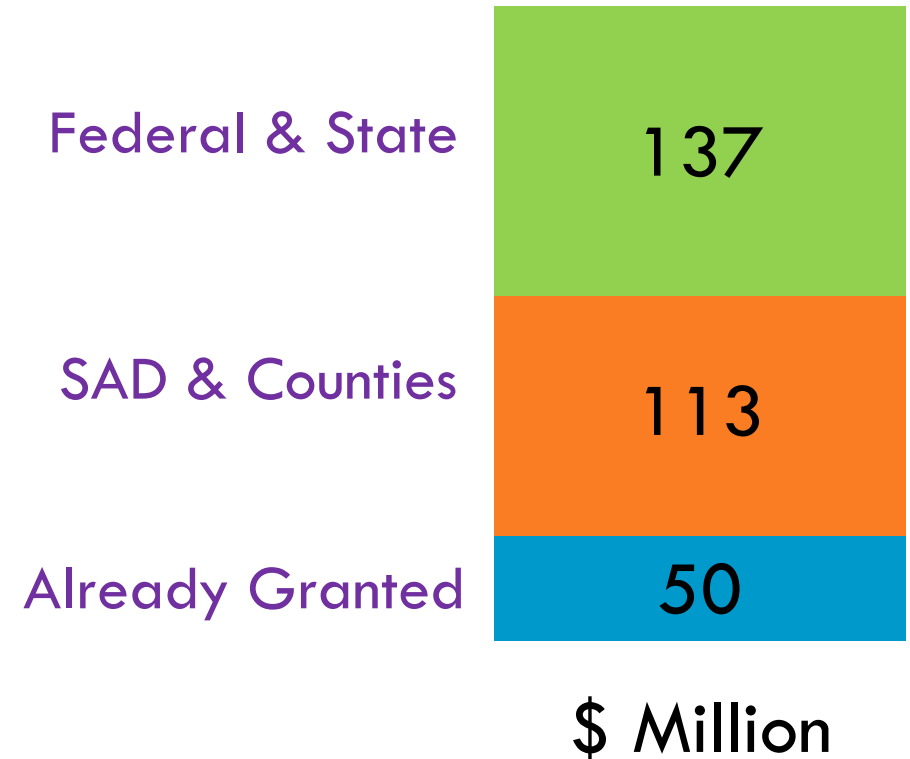
Dave Kepler
Four Lakes Task Force

For the Restoration Plan to Work for Everyone

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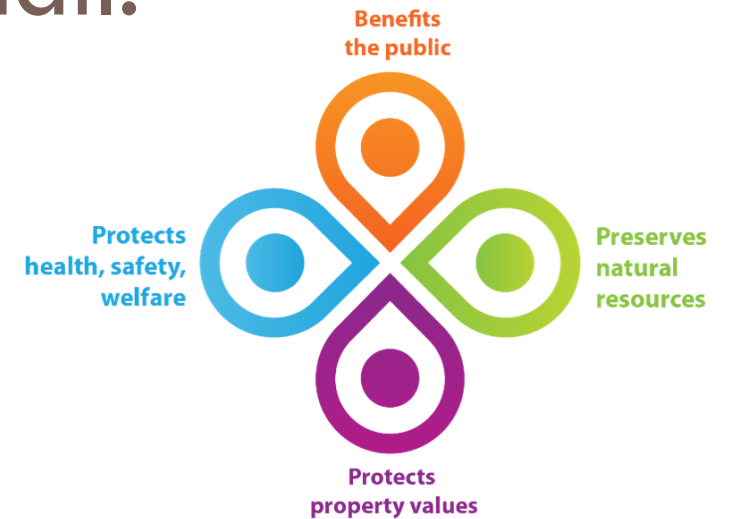
Funding Needed by Source To reach \$300 Million



The Four Lakes Restoration Plan

- The Four Lakes Restoration Plan is both feasible and obtainable
 - ▣ The alternative is decades of dispute, with no source of funding planned, placing the public safety at risk, and significant clean up, and long-term change in the Economic Future.
- The majority of people want the lakes back, and the counties cannot afford to pay for all the plan, nor are prepared to remove the dams.
- The voice of the community needs to move towards the advocacy of the plan and the need for state and federal funding

Please submit your questions via email:
info@fourlakestaskforce.org



The Four Lakes Restoration Plan