



**City Proposal 1 – on November 5, 2019, Election Ballot
Regarding the Brown Bridge Trust Fund
Questions and Answers**

Q1: What is the wording of the proposal that will appear on the November 5, 2019, ballot?

A: Shall the Charter of the City of Traverse City, Section 129, which currently provides that the principal of the Brown Bridge Trust Fund may only be used upon approval of the voters, be amended to allow the City Commission for a period of five years to place that part of the Brown Bridge Trust Fund principal that exceeds twelve million dollars (\$12,000,000) in a separate trust fund to be used for City park capital improvements and/or acquisition of property to be designated and used as City parkland?

Q2: What is the Brown Bridge Trust Fund?

A: The City's Brown Bridge Trust was established to hold revenue from oil and gas exploration rights and royalties located on the 1,300-acre Brown Bridge Quiet Area property 11 miles south of Traverse City. The fund was created by the voters through an amendment to the City Charter in 1978 and the principal balance may only be used when specifically authorized by the city's electorate (the interest on the fund is transferred to the City's General Fund). The fund has been used three times for specific projects: a property purchase on West Bay in 1987, to acquire additional property adjacent to the Brown Bridge Quiet Area in 1994; and in 2014, the voters authorized the use of principal in excess of 12 million dollars to be placed in a separate fund to be used for capital improvements to city parks, provided there were matching funds from outside sources.

Q3: What is the Brown Bridge Quiet Area?

A: The Brown Bridge Quiet Area is a 1,300-acre property located about 11 miles southwest of the city, owned by the city and managed through a contract with the Grand Traverse Conservation District. The city's vision for this area is to restore, preserve and protect the integrity of the natural environment yet allow for managed public use for generations to come. You can learn more about the property at:

www.traversecitymi.gov/brownbridge.asp

Q4: If approved, what will the money be spent on and who will decide what projects will be funded?

A: This proposal provides that any amount of the Brown Bridge Trust Fund that is over 12 million dollars, be placed in a separate trust fund for a period of five years beginning

November 5, 2019, and ending November 4, 2024, to be used for city park capital improvements and/or acquisition of property to be designated and used as City parkland, provided that no single allocation to a City park capital improvement or City parkland acquisition will be in excess of \$250,000.

On June 17, 2019, the City Commission adopted the report of the City Commission subcommittee that developed this proposal. That report provided that if this proposal is approved, the following projects at the Brown Bridge Quiet Area would be funded first because they have already been vetted and assigned priority by the City Commission.

Project description	Estimated cost
Boardman River Recreation Plan	\$10,000
Interpretive & navigational signage	\$10,000
Fish & wildlife habitat improvements	\$55,000
Total	\$75,000

Once the above projects are completed at the Brown Bridge Quiet Area, the following projects, listed in no particular order, would be completed. The projects were recommended by a City Commission subcommittee and ultimately approved by the City Commission. (See attached map):

Park	Project description	Estimated cost
Indian Woods	Playground equipment, hill slide, walkway/path connect to both sides of park and amenities	\$112,000
Jupiter Gardens	Covered seating along TART Trail, defined walking path through park with edible gardens and flowered spaces, H2O filling station	\$23,000
Boon Street	New playground equipment, picnic area, defined entrance and trail into park	\$58,000
Ashton	Replace playground equipment	\$30,000
F&M	New basketball hoops and pad	\$30,000
Arbutus Court	New basketball hoops and pad	\$10,000
Highland	New playground equipment, improve entrance/exit	\$30,000
Total		\$293,000*

*Additional priorities will be established by the City Commission as revenues allow.

Q5: Can the money be used for parks programming?

A: The short answer is no. The money may only be used as outlined in the answer to Q4.

Q6: If this proposal is approved, how much money would be redirected from the Brown Bridge Trust Fund to a separate trust fund to be used for the purposes stated in the proposal?

A: We anticipate approximately \$900,000 over the five-year period, although we cannot provide an exact answer because it depends on the amount of royalties and revenue generated at the Brown Bridge Quiet Area.

Q7: What is the current value of the Brown Bridge Trust Fund?

A: The Brown Bridge Trust Fund principal balance is \$12 million. Revenues from royalties are added to the principal amount on the Brown Bridge Trust Fund as they are received, which grows the principal balance.

Q8: May the City Commission or any other City board or commission campaign in favor of the ballot proposal?

A: No public funds may be used to campaign in favor of the ballot proposal. Individuals serving on official City Boards and commissions, including City Commissioners, may campaign in favor of the ballot proposal, but may not do so in their official capacity as local officials.

Anyone wishing to campaign in favor of or against the proposal and anticipates receiving and spending funds, must establish a Ballot Question Committee with the State of Michigan. Questions should be directed to an analyst with the Michigan Department of State's Bureau of Elections Campaign Finance Division by calling 517-335-0170.

Q9: What happens if this proposal doesn't pass?

A: If this proposal doesn't pass, then the revenues received from oil & gas exploration rights & royalties that accumulate in the Brown Bridge Trust Fund in excess of \$12 million will remain there unless, at a future election, the City's electorate approves of utilizing any portion of the Brown Bridge Trust Fund principal.

