

This is a letter to the taxpayers of the City of Houghton.

I love reading old newspapers when I find one. In a 1970's Mining Gazette there was a quote that went something like: "Don't expect the government to open its wallet without you first opening yours." This quote stuck with me.

The last year has seen a lot of talk about the big parking deck – with more to come. The bottom line is the City and the taxpayers have paid a legacy cost for the deck over its life so far; pretty much since the year it was built. To build it the City got a grant money, bonded (borrowed money), and did a special tax assessment on the businesses downtown. It wasn't "free" when we built it. If you read the old newspaper articles it was pretty clear that within a few years of it opening, the City taxpayers had to subsidize the deck. That is; the taxpayers' money made the payments on it. That's not to say the deck was a bad decision. The deck did have a hand in keeping downtown Houghton alive through the mall craze and all of the other shopping options which have arisen over the decades. Houghton is better off today because of it, but it has cost us something too.

The big parking deck has been a part of our downtown as long as many of us can remember. It is now 43 years old. It was not built to last forever. About 7 years ago the Houghton taxpayers invested well over \$1 million on work to extend its useful life for 10 years or so. We're 7 years into what was thought of as that "10-year fix"; which means it is going to need more work soon. One estimate done after it was visually inspected in 2020 showed that there's over \$1.5 million of work needed just to the coating, railings and stairtower; and that does not include concrete work or structural work. The question is if we, as a community, are willing (and able) to make that kind of investment again.

There's been a lot of talk about what we should do. Should we just keep putting money into it? Do we really want an ugly parking deck (come on, it isn't very nice to look at, is it?) on what is an otherwise a pretty nice waterfront? Maybe we could replace it, but where does the money come from? Does anyone like the fact that it is kind of a dark, scary cave down there? Is it fair to expect all the Houghton taxpayers to foot the bill again?

The City found a solution that would relieve the average taxpayer of that burden and spur some economic development downtown. It would have been the biggest project in a long time. We had a draft plan in hand to start to work with and a willing investor who wanted to invest in Houghton and build parking along with their project, but that opportunity is gone now. That's a long story full of rumors, campaigns, Facebook crusades, and so on; too long of a story for now and besides, it is in the past.

In any event we are kind of back to square one. We have an old parking deck that is nearing the end of its intended design life and we, as a community, are going to need to make some hard decisions about what we are willing to do. Whatever that ultimate solution is going to be, we're going to have to get there together. We're going to need input. That means you; the Houghton taxpayer.

So, should we keep it? We can, but that means we're going to have to make some tough choices. The deck is old and it is going to take a lot of money to fix it so it lasts us long enough so we can fix it again; which means more money again someday. We're talking about a lot of money every year. If we're going to come up with the money, we either have to use money we already have or we have to get more money.

If we are going to use money we already have; that's your tax money. That also means we're all going to have to go without someplace else. We'll have to again spend some of your tax money on the deck instead of the fire department, sidewalks, paving the streets, better parks, and so on. It is that simple.

If we are going to get more money, where does it come from? Nobody wants to pay more taxes. We could borrow it, but we still have to pay it back. Some people say: "just go get a grant". We wish we could. We've looked. That kind of grant just is not out there. What about parking fees and tickets? Sure, we charge for parking permits and write a ticket here and there, but that doesn't generate nearly enough income in a year to pay for that level of work. Most of that money goes to plowing, patrolling, and minor repairs to all of the City's parking lots and decks.

Earlier I mentioned the taxpayers paid for most of the last round of work on the deck. To clarify, the City had to use General Fund money. Our General Fund gets most of its money from the property taxes we pay. We had to use part of the property taxes you and I pay to cover the cost of that badly needed, and very expensive, repair work on the deck.

If you look at those years when we had to use your tax money; how much was it? Well, I did the math. If you are that Houghton taxpayer who owns a house worth \$100,000, you pay about \$750 in City property taxes (in addition to what you pay to the county, schools, library, etc.) and about \$120 of that went to the deck every year. What about that \$250,000 house? You paid about \$1,875 in City taxes and about \$300 of it every year went to pay toward the work on the deck. Somebody who owns a few houses or apartments? Just say they own \$1.5 million worth of property, which isn't a stretch. You paid about \$11,250 in City taxes and we had to take \$1,800 off the top and put it toward fixing the deck.

We could take it down and put up a new one, right? Yes, but that also takes a lot of money. Up front, it would be a lot more than fixing it. We're talking numbers approaching \$10 million. Could we get a grant? Maybe, but we've been looking for more than a decade for some grant program that would help with a new deck and there's been nothing we can find to help us with our problem. Even if we eventually find a program, they usually need a match for the grant and that would mean we'd still have to come up with millions of dollars.

We could just take it down, couldn't we? We could. That would certainly end the taxpayer liability of an aging deck and the cost of fixing it. We would still have a really big parking lot down there, but it'd just be on the ground. That is going to cost a lot of money too, but it would be a one-time thing and less than fixing it year after year in the long run. What about all those doors that lead on to the deck now? We don't want to leave those downtown businesses hanging, literally. We'd have to figure out how to make that work for them too.

There's a lot to say on this subject. There's a lot to be heard on it too. We need to hear from you; the residents and taxpayers in Houghton. Sometime in the near future we're going to put out a call for your opinions and ideas. Please take the time to voice your opinion. It's your money.

Unless we can find someone else willing to pay for it as part of a development, this is going to cost us something. Your elected City officials and employees work hard to be good stewards of your tax dollars. I dare say the City has done a great job for decades, we have a community we can be proud of, but we're at a unique moment in time when it comes to the deck. Make your voice heard. Call me. Write an email. Talk to a Councilperson or Planning Commissioners.

Eric Waara
City Manager and Taxpayer