

February 20, 2006

TO: Honorable Mayor and City Council

FROM: John Szerlag, City Manager

RE: Continuation of Public Hearing on Excluding the Proposed Monarch Development from the DDA Boundaries

This is a continuation of the Public Hearing from October 24, 2005. Any final action (amendment to boundaries) cannot take place any earlier than 60 days after the conclusion of a Public Hearing, or in this case, April 28th (Friday) or May 1st (Monday) at a regular Council meeting

Attached is a copy of the PowerPoint presentation I will make regarding the impact of removing the portion of the tax base from the Monarch project, which would currently be within the boundaries of the DDA tax increment financing area. My presentation will focus on the primary issue of the business sector as a donor group relative to paying for municipal services and the residential sector as a consumer group. As well, I have included background information covering issues such as bonding capacity, historic investments, and potential investment opportunities within the DDA.

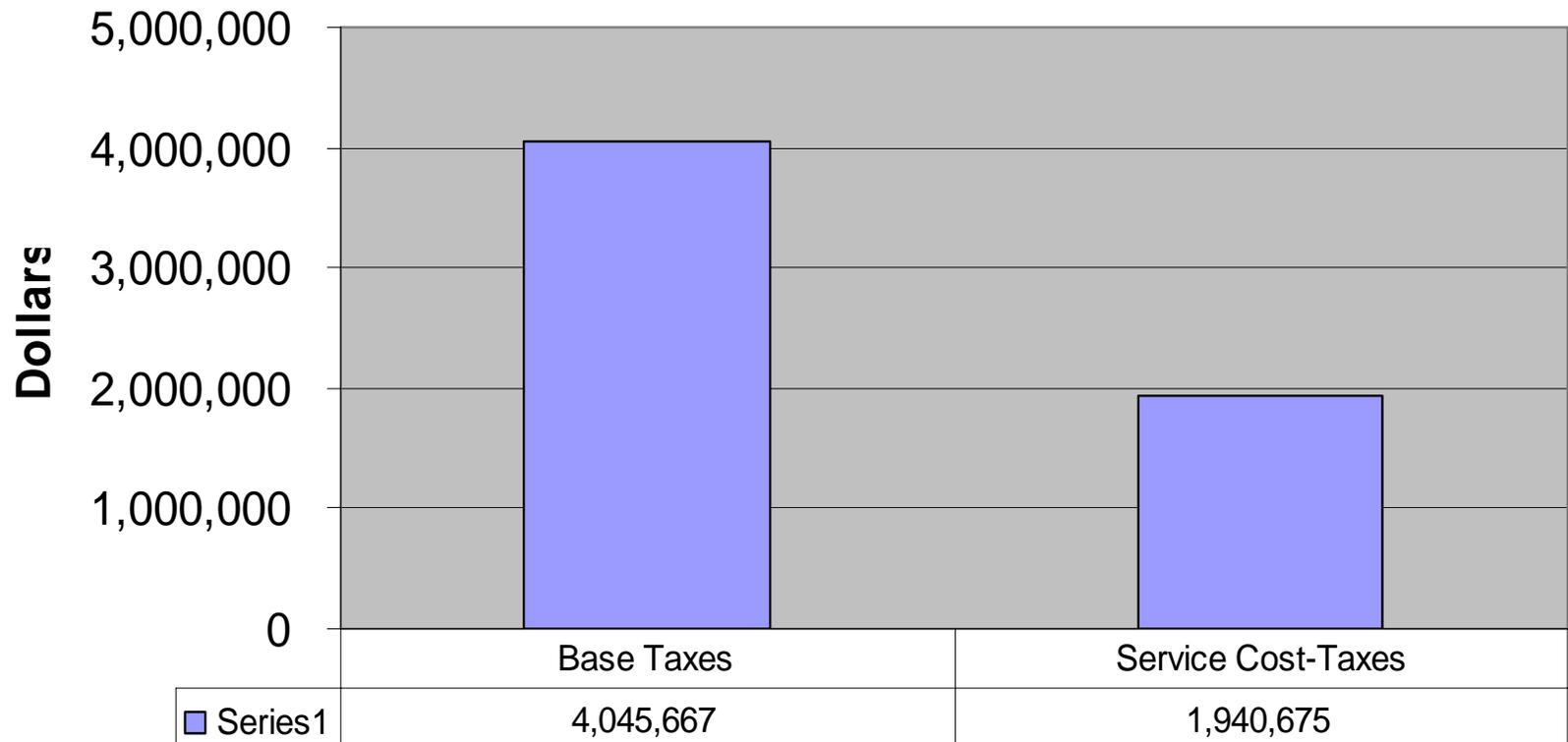
As always, feel free to call should you have any questions.

Cc: Downtown Development Authority
Doug Smith, Real Estate and Development Director
John Lamerato, Assistant City Manager/Finance
Brian Murphy, Assistant City Manager/Services
Nino Licari, City Assessor
Lori Bluhm, City Attorney
John Abraham, Traffic Engineer
Bob Bendzinski



Revenue Vs. Expense Chart

DDA: Base Taxes v. Service Costs



Base & Service Taxes



Commercial Donor / Residential User

Commercial/Industrial class of properties is a 'donor' class of property

- ▼ Summary of all of the data presented shows a Net Deficit in tax dollars paid by the Residential class
 - Residential class of properties consumes \$6,274,919 more dollars of taxes for services than its contribution for the same
- ▼ Summary shows a Net Overage in tax dollars paid by the Commercial / Industrial class
 - Commercial/Industrial class of property pays \$6,274,919 more in taxes than the costs of the services it uses.
 - to offset the usage by the Residential class amounts to \$664,012,593 dollars of Taxable Value ($(\$6,274,919 / 9.45 \text{ mills}) * 1,000$).
 - Commercial/Industrial class is currently \$521,499,630 less in Taxable Value than the Residential class



PUD with High-End Residential – The Future of DDA?



PROPOSED ELEVATION



Debt Service Threshold

TDDA Captured Taxable Value Projections

1/31/2006

	W/O Monarch	W/Monarch	Tax Rate \$15.69	Debt Serv.	% of Taxes
2006-07	239,616,442	239,616,442	\$ 3,759,582	\$ 3,279,000	87.22
	(% of Taxes 87.22)				
2007-08	243,820,371	247,820,371	\$ 3,888,302	\$ 3,281,000	84.38
	(% of Taxes 85.77)				
2008-09	248,262,244	268,762,244	\$ 4,216,880	\$ 3,335,000	79.09
	(% of Taxes 85.62)				
2009-10	252,940,382	293,940,382	\$ 4,611,925	\$ 3,375,000	73.18
	(% of Taxes 85.04)				
2010-11	257,853,243	300,083,243	\$ 4,708,306	\$ 3,369,000	71.55
	(% of Taxes 83.27)				

Assumptions

W/O Monarch - 1.5% increase in real and 3% reduction in personal

W/Monarch - 12/31/06 4,000,000 TV; 12/31/07 20,500,000 TV; 12/31/08
41,000,000 TV

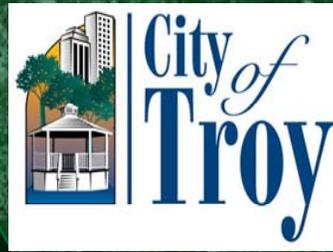
Monarch - \$90,000,000 MV (41,000,000 TDDA TV; 4,000,000 City TV)



Leveraging Additional Funds

Leveraged Taxes from the Monarch Project

Net New Taxable Value	DDA Mills	Net New DDA Taxes	City Only Mills	City Taxes	County Only Mills	Leveraged Taxes
36,308,850	15.6865	\$569,559	9.4500	\$343,119	6.2365	\$226,440



Expires 2018



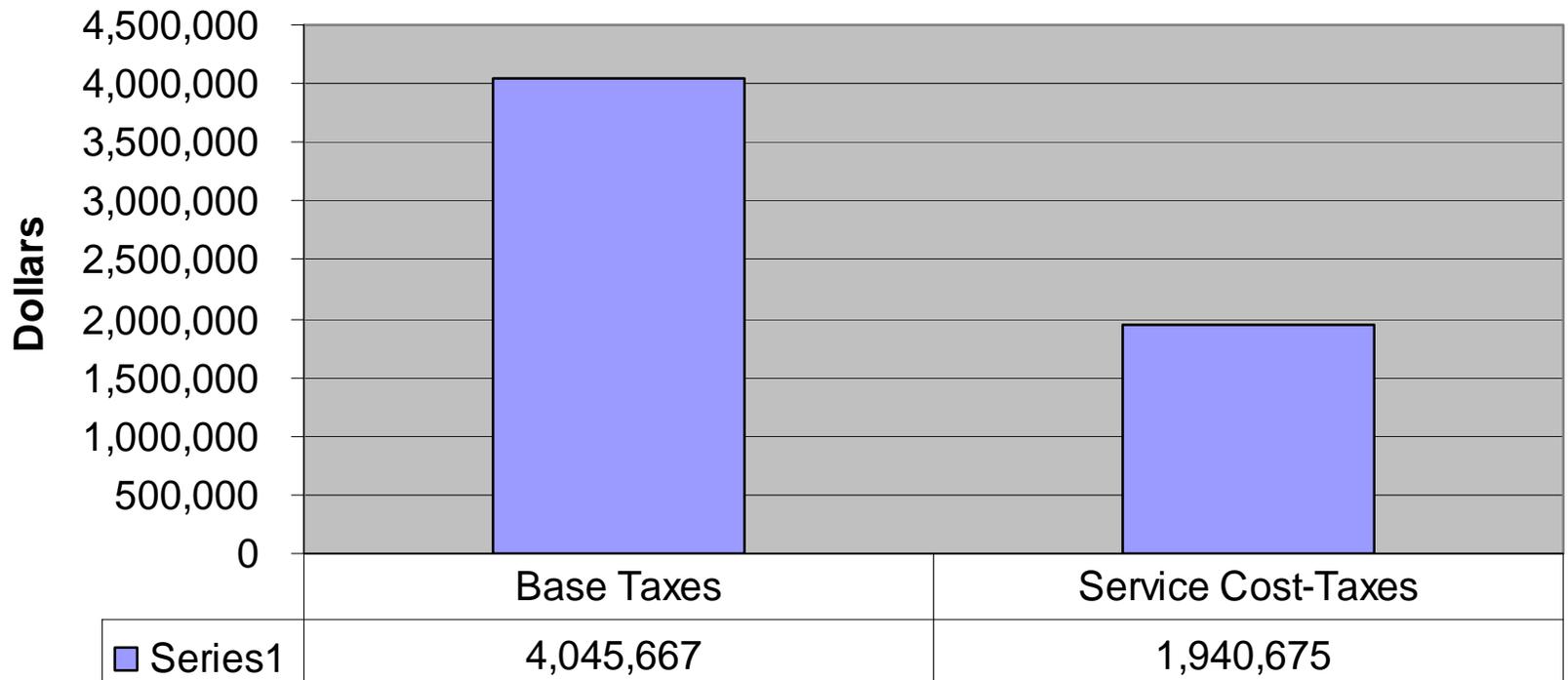
Positive Externalities

- ▼ Increase in property values City-wide as a result of being a destination City
- ▼ Increase in jobs
- ▼ Increase in property maintenance
- ▼ Increase in quality of life for everyone; Community Center gets more than 600,000 visits per year
- ▼ Increase in mobility for all: 70,000+ vehicles per day on Big Beaver
- ▼ Funding of Big Beaver corridor study
- ▼ Value of board of directors



Graph with Monarch

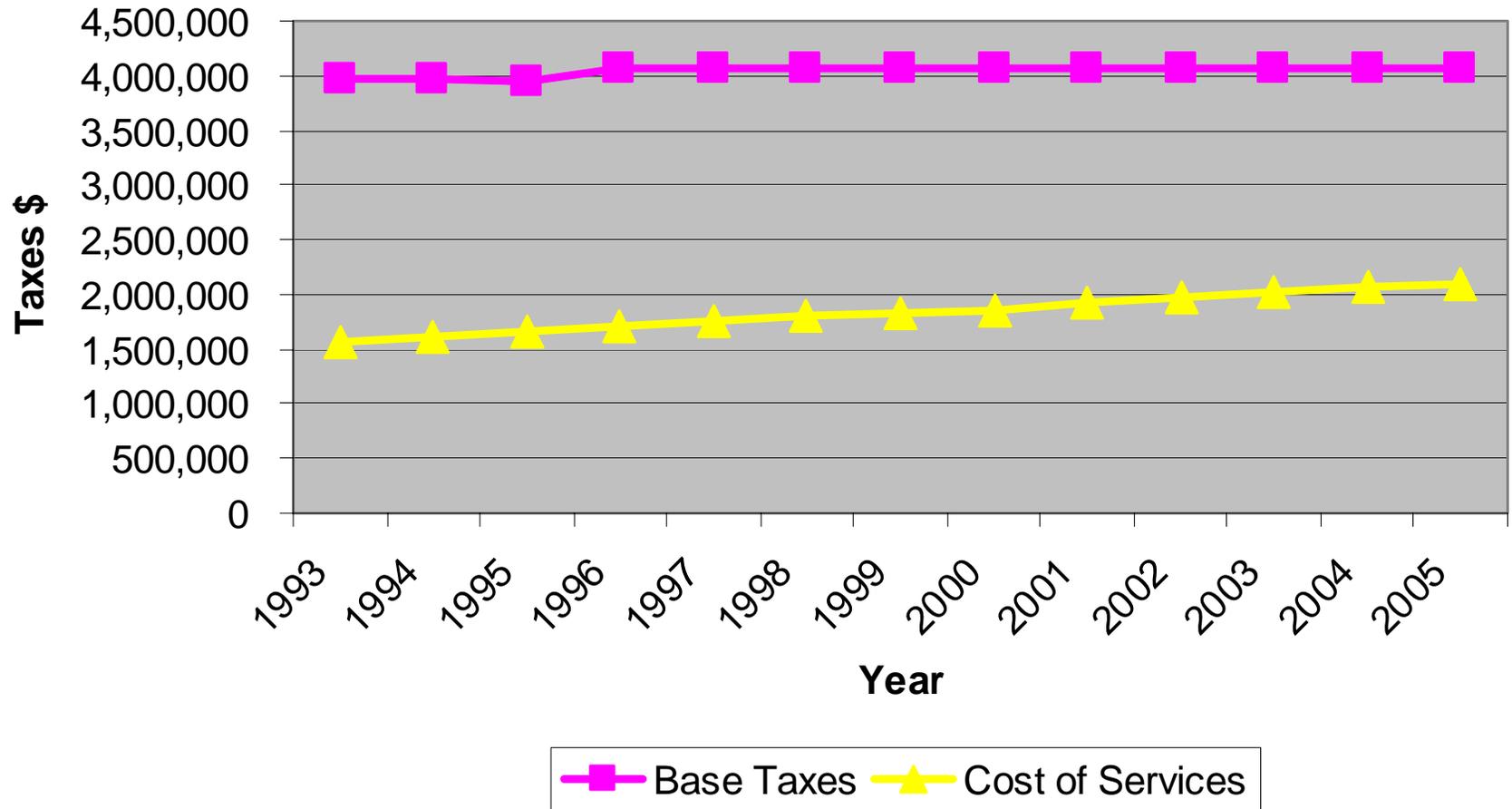
DDA Base Taxes v. Service Costs w/Monarch



Base & Service Taxes



DDA Base Taxes and Cost of Service





Cost

0 000 000

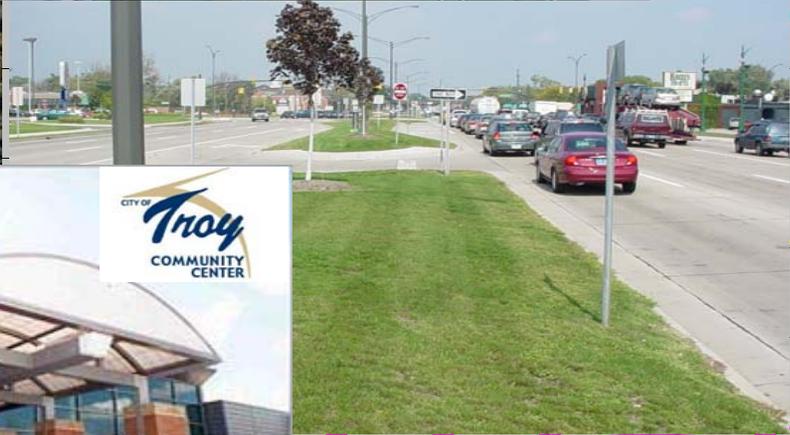
Service

Base Plus City & County Tax

Tax capture for DDA projects

Taxes

4,000,0
3,000,0
2,000,0



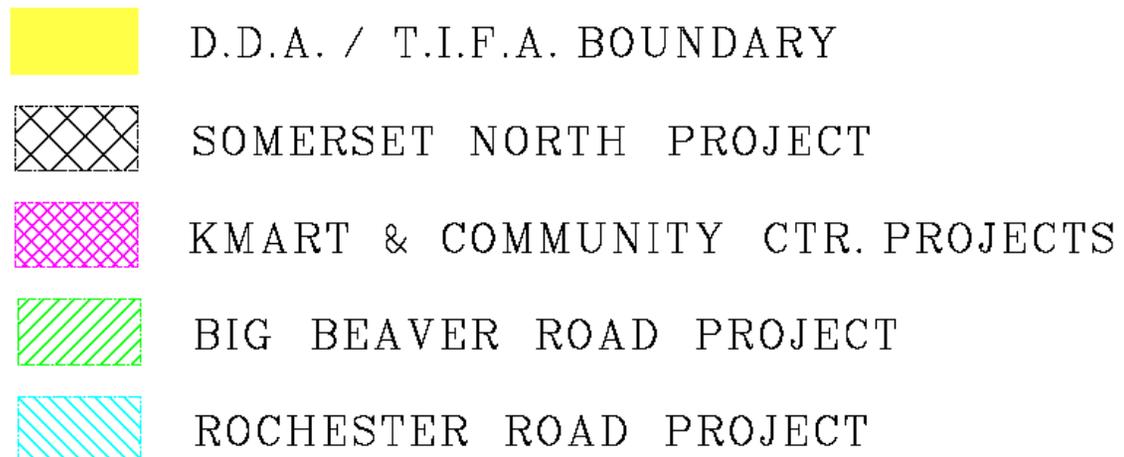
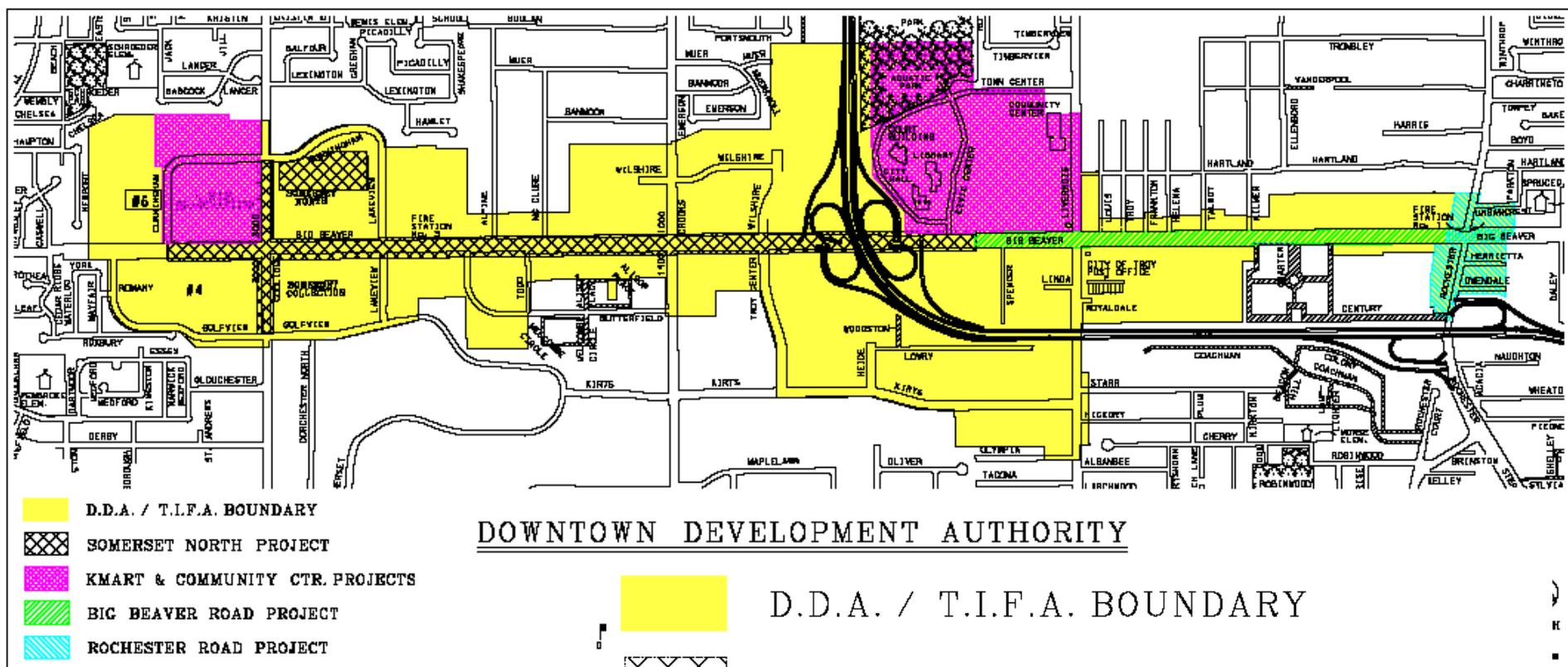
General fund
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district

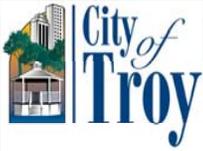
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- Somerset North - \$17.1 M for parking structure (1994)
- Big Beaver Road Improvements - \$ 17.4 M (1994 and 2001)
- Rochester Road Improvements - \$ 2 M (1999)
- Troy Community Center - \$13.7 M (2002)



DDA Historical Projects





For More Information...

- ▼ Doug Smith, *'Information for Council Public Hearing on DDA Boundaries'*, October 19, 2005
- ▼ Robert Bendzinski, *'Impact of Reducing the Boundaries of the Troy Downtown Development Authority'*, October 20, 2005
- ▼ Nino Licari, *'Analysis of Taxes Paid'*, November 22, 2005
- ▼ Brian Murphy, *'Cost for Services, Residential v Commercial'*, October 18, 2005
- ▼ Nino Licari, *'Estimate of Taxes Generated by Proposed Monarch Project'*, July 14, 2005

October 19, 2005

TO: John Szerlag, City Manager

FROM: Doug Smith, Real Estate and Development Director

SUBJECT: AGENDA ITEM - Information for Council Public Hearing on DDA Boundaries

A number of issues were raised at the Monday night, October 17th Joint Council and DDA meeting and at the Wednesday, October 20th DDA meeting. Following is simply a list of the issues that may help Council as they deliberate on considering boundary changes for the DDA.

Purpose:

The underlying purpose of the DDA is simply to accelerate the pace and amount of growth in a principal business district by investing in public infrastructure, the increased tax revenue from the district for a period not to exceed 30 years.

In Troy's case, the Big Beaver Corridor is the primary business district and is critical to attracting companies to Troy even though they end up in the Northfield business district or along Maple and Stephenson Highway.

Authority for DDA:

- The DDA is a creation of Troy's ordinance Number 78, which was adopted on July 12, 1993.
- Troy's ordinance directs you to the state statute (MCL 125.1651 et. Seq.), which was adopted in 1975.
- The state statute grants broad powers to the DDA Board.
- There is a termination provision in Ordinance 78-December 31, 2024 OR upon the retirement of all bonded debt, whichever occurs last.

Ordinance/Determination of Necessity; Purpose:

"An act to provide for the establishment of a downtown development authority; to prescribe its power and duties; to correct and prevent

deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials.” (Troy Ordinance #78)

Powers of the DDA:

MCL 125.1657 – the Board may:

- Prepare an analysis of economic changes in the downtown district.
- Stud the impact of metro growth on the downtown district.
- Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation or reconstruction of a PUBLIC facility, an existing building or a multiple-family dwelling when necessary to aid in the economic growth of the district.
- Plan, propose and implement an improvement to a public facility within the development area for a barrier free design.
- Develop long range plans designed to halt the deterioration of property values in the downtown district & to promote growth of the district – and to take steps to persuade property owners to implement the plans.
- Implement any plan of development in accordance with the purposes of the act and the powers granted by the act.
- Contract for the exercise of powers and performance of duties,
- Acquire land (eminent domain) when reasonably necessary to achieve the purposes of the act.
- Improve land and construct, reconstruct, rehabilitate and restore, preserve, equip, improve, maintain, repair, and operate any building and any appurtenances thereto, within the downtown district (includes multiple family dwellings) for any public or private person or corporation.
- Fix, charge, collect fees, rents, and charges for the use of any building or property under its control and pledge the fees, rents, etc. for payment of revenue bonds issued by the authority.
- Lease any building or property.
- Accept grants and donations of property.
- Acquire and construct public facilities.

Leverage:

The DDA district is permitted to collect tax increment from the County and Community College so the DDA leverages 40% of its total captured taxes for public infrastructure from other than city sources, benefiting the general capital budget of the city.

Membership:

The members are appointed by the Mayor with concurrence by City Council.

When creating the Troy Downtown Development Authority, section 7 of Troy's ordinance required the Mayor to appoint the Board of Directors, subject to Council approval. The 13 Member Board of Directors includes the Mayor and twelve other members, each serving a term of four years. A majority of the Directors are required to have an interest in property located in the Downtown District.

In addition, if the DDA District has 100 or more residents in it, then at least one of the 13 Directors shall be a resident of the DDA district. If and when residences are constructed in the TDAA, then one of the residents would be appointed as a Director of the TDAA, in accordance with the ordinance and also state statute. In addition, the statutory requirement to create a Development Area Citizens Council when there are 100 or more residents in a development area would also need to be satisfied. This Development Area Citizens Council would be a separate entity of up to 9 members who are representative of the development area, and would serve as an advisory body to the City Council and also the TDDA in the adoption of development or tax increment financing plans.

Budget:

The DDA budget is approved annually by the City Council.

Investments:

1994	Somerset North parking deck	\$17.1m ¹	(\$22m) ²
1994	Big Beaver reconstruction Cunningham to I-75	\$ 3.1m	(\$17 m)
1999	Rochester Road expansion – I-75 to Torpey	\$ 5.6m	(\$18.7 m)
2001	Big Beaver I-75 – Rochester Road	\$14.3m	(\$15.9m)
2002	Troy Community Center	\$13.7m	(\$26.5m)

MEGA Local Matches:

2000	Kmart Data Center
2002	Axel Tech
2002	HTC Global

Ongoing: Maintenance of Big Beaver Corridor – Cunningham to I-75

1. DDA contribution
2. Total project cost

Bendzinski & Co.



municipal finance advisors

October 20, 2005

Mr. John Szerlag, City Manager
City of Troy
500 W. Big Beaver Road
Troy, Michigan 48084-5285

RE: Impact of Reducing the Boundaries of the Troy Downtown Development Authority

Dear Mr. Szerlag:

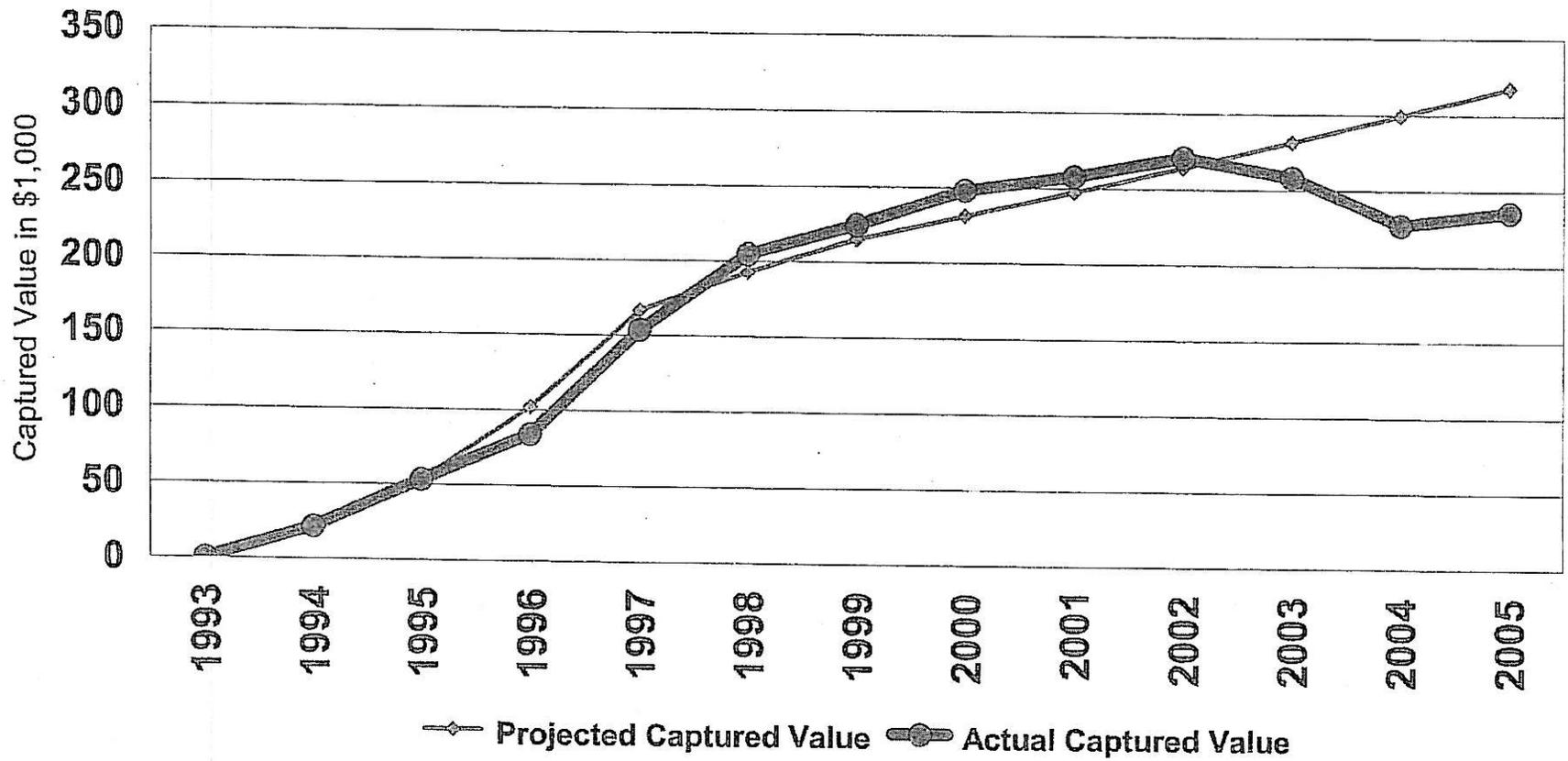
You have asked us to review the financial impact of changing the boundaries of the Troy Downtown Development Authority (the "DDA") by eliminating lots 90 through 93, except the South 42 feet of lots 90 and 92 of Muer's Garden Farms Subdivision in the City of Troy, more commonly known as the proposed Monarch Development.

BACKGROUND

When the City established the DDA and its boundaries by ordinance on July 12, 1993, the State Equalization Valuation of all real and personal property within the District was \$429,278,530. The Downtown Development Authority Act (the "DDA Act") requires that the City and the DDA prepare a Development Plan and Tax Increment Financing Plan (the "Plan") which established the boundaries of a "development area" within which the DDA would exercise its powers. The Plan, amongst other things, **froze the State Equalized Valuation (the "Initial Assessed Valuation") within the development area for the benefit of the various taxing jurisdictions** and made projections of the "growth" in State Equalized Valuation, (later to become Taxable Value with the passage of Proposal A in 1994) within the DDA area. The growth projections were based on the historical growth that had taken place within the DDA district and the expected growth as a result of the development of Somerset North in accordance with a Development Agreement between the DDA, the City and Frankel/Forbes Cohen Associates (the "Development Agreement"). This growth is called "Captured Value". A comparison of the "projected" Captured Value to the "actual growth" in valuations from 1993 through 2005 is set forth in Table 1 on page 2. All of the taxing jurisdictions, **including the City,**

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e-mail • bencomfa@bendzinski.com

Table 1
Actual Vs. Projected Captured Values within the DDA District



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Mr. John Szerlag, City Manager

October 20, 2005

Page 3

continue to levy and collect taxes based on the Initial Assessed Valuation for along as the DDA continues to exist. Those taxes are used by the taxing jurisdictions for general operating and debt purposes, just as all other taxes collected by them.

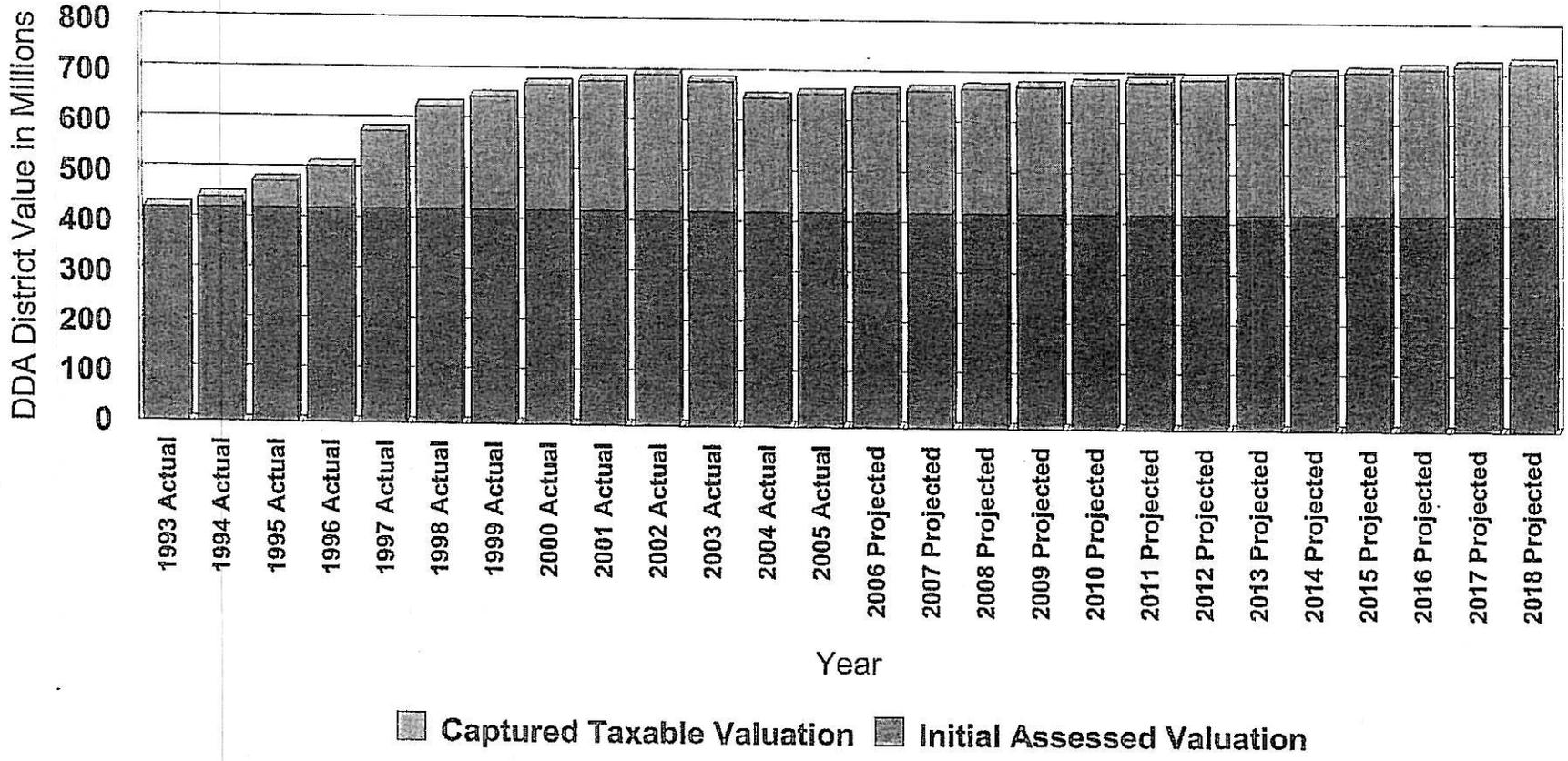
The Authority is only permitted to levy and collect taxes for DDA purposes on the Captured Value over and above the Initial Assessed Valuation. In other words, the taxing jurisdictions are "guaranteed" the Initial Assessed Valuation as "their tax base" within the DDA as long as the DDA continues to exist - NO MATTER WHAT HAPPENS TO THE VALUATIONS WITHIN THE DDA DISTRICT. A comparison of the "Initial Assessed Valuation" for City and the Captured Value for DDA is setforth in Table 2 on page 4. Please note that the City's Initial Assessed Valuation has remained unchanged while the DDA's Captured Value did initially increase and then declined in 2001 as a result of economic factors including vacancies, personal property reduction and unfavorable property tax appeals. **The current ratio of valuations within the DDA District is City 66% - DDA 33%.** In other words the City will receive 66% of the tax revenues (using the 2005 City Tax rate) generated within the DDA district and the DDA receives approximately 33% for the 2005 tax year.

Based upon the above valuations and utilization of the 2005 tax rate for the City the tax revenues generated within the DDA District as are follows:

Governmental Unit	Tax Rates	Initial Assessed Valuation in	Captured Value	Amount
City of Troy	\$9.45	\$429,278,530.00	\$0.00	\$4,056,682.11
Troy DDA	\$9.45	\$0.00	\$235,652,270.00	\$2,226,913.95

As you can see based upon the 2005/06 fiscal years, the City of Troy is receiving approximately twice as much in tax revenues as the DDA.

Table 2
City of Troy DDA Historical and Projected Valuations



A history of taxes collected within the DDA district is setforth on Table 3, page 6.

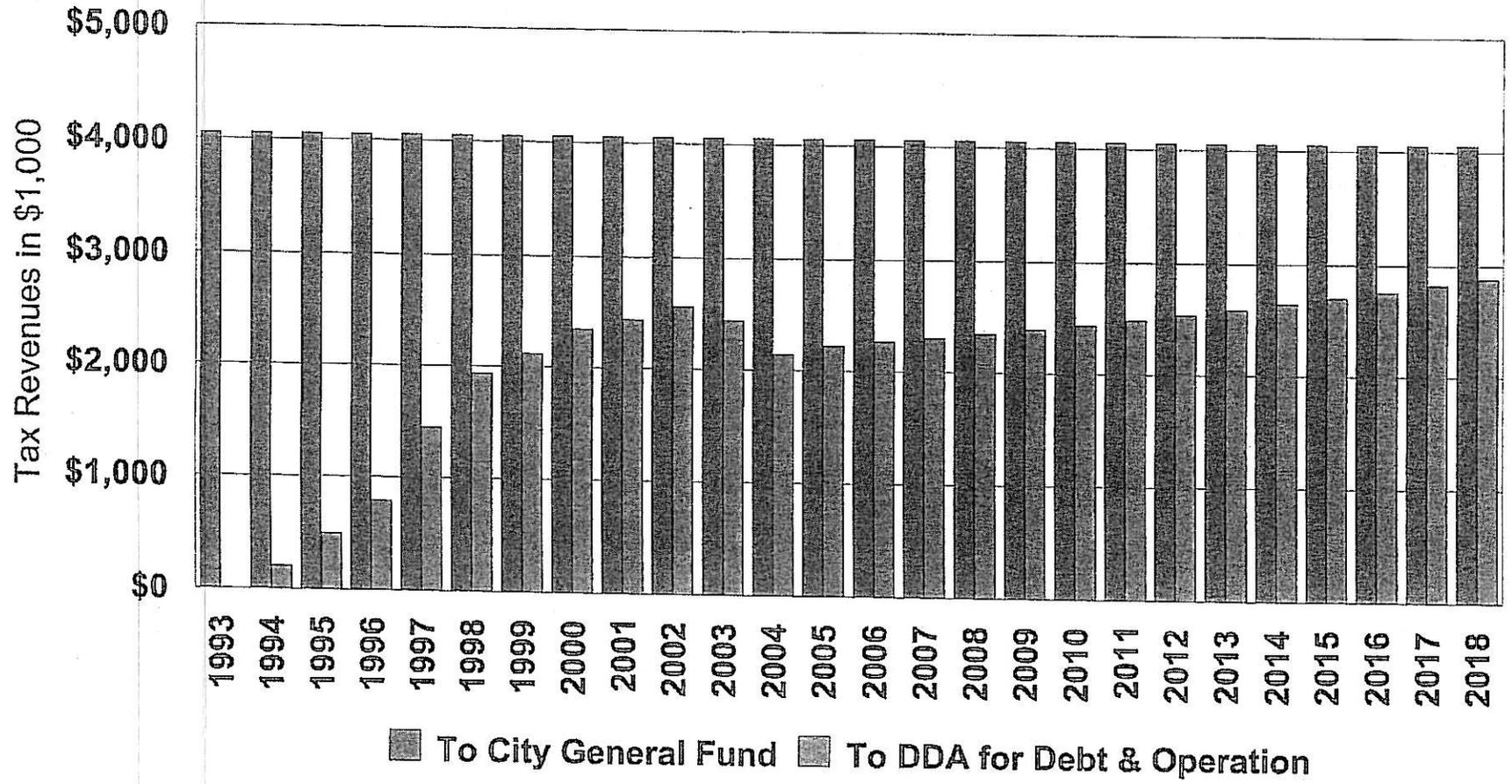
ISSUANCE OF BONDS

When the DDA was formed in 1993, it was formed for the initial expressed purpose of providing a revenue source to the City in order to comply with a Court judgment permitting the developers to build Somerset North despite the fact that they did not have the parking spaces required to provide parking for the proposed Somerset North as required by the City's zoning ordinance, as well as, provide improvements to Big Beaver Road to handle the anticipate increase in traffic. As part of the process to meet the City's obligation, the City agreed to establish the DDA, which it did on July 12, 1993.

The DDA, represented by the City Manager, City Attorney, Assistant City Manager of Finance, Bendzinski & Co and Special Legal Counsel, then entered into negotiations with Developer to come up with the Development Agreement. After long good faith negotiations with the Developer and the signing of the Development Agreement, the DDA entered negotiations with municipal bond insurers, rating agencies and the underwriter to issue DDA Revenue Bonds using **ONLY** the Tax Increment Revenues resulting from the Captured Value within the DDA District for the payment of the debt service obligations of the DDA Revenue Bonds. These negotiations were required because the then City Council was **NOT willing to pledge its full faith and credit** as secondary credit for payment of the bonds. The lack of the City's pledge of credit and the fact that the DDA had not been in existence for, at least 5 years, resulted in numerous agreements and documents having to be negotiated, including but are not limited to, the following:

1. The Development Agreement;
2. A Trust Indenture; and,
3. Insurance Commitment

Table 3
Taxes Collected Within the DDA Districts



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Mr. John Szerlag, City Manager

October 20, 2005

Page 7

In 1995 the DDA issued two Series of DDA Revenue Bonds, which were given ratings of AAA as a result of the purchase of municipal bond insurance. The insurance was secured after long negotiations with the Insurer and the Rating Agencies and based on the credit worthiness of the Developer and other major taxpayers within the Development District. Part of the documentation provided the Rating Agencies and the Insurance Companies included the Development Plan and Tax Increment Financing Plan, as well as the items listed above. Some of the highlights of those documents include:

- The Development Agreement provided and the City and the DDA agreed that the DDA would not change the boundaries of the Development Area so long as the bonds are outstanding.
- In the Trust Indenture, the DDA specifically agreed that it **would not change the boundaries of the District, so long as the bonds are outstanding.** In 2001 the Authority defeased the Series B Bonds and refinanced the Series A Bonds through the issuance of Refunding Bonds. The bondholders based their investment decision on the representations in the DDA Plan, which included a statement that the debt service requirements of the DDA would not be more than 80% of the captured revenues of the DDA, or in other words, the Captured Revenues are "expected" to be 125% of the annual debt service requirements. If you look at the 2005-06 fiscal year budget for the DDA, after deducting the operating expenses of the DDA, the debt service is currently at 113% of the net tax revenues of the DDA. In other words, in stead of having coverage of 125 %, the coverage is only 113%.
- In order to secure bond insurance on the 2002 DDA Revenue Bonds, we had to negotiate with the insurer of the 2001 bonds a change in the coverage factor for all future bonds of the DDA. The bond insurer required a debt service coverage ratio of 140% rather the Plan coverage of 125%.

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Mr. John Szerlag, City Manager

October 20, 2005

Page 8

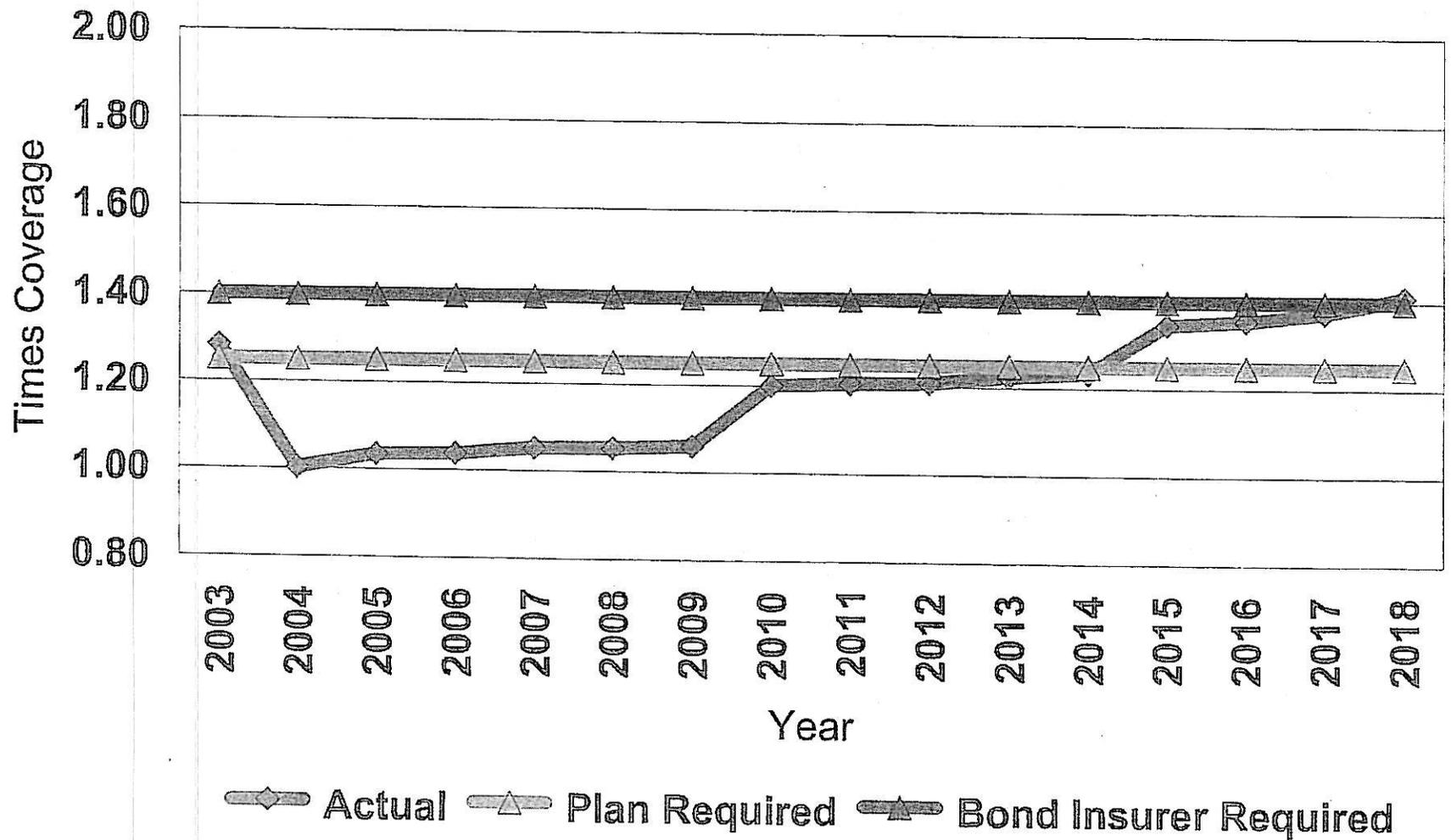
We have prepared Table 4 on page 9 which shows the various coverage requirements made to sell the 1995 bonds, 2001 refunding bonds, the 2002 bonds and the 2003 junior lien bonds.

CONCLUSIONS

While Bond Counsel is of the opinion that many of the original conditions for the issuance of the 1995 DDA Revenue Bonds lapsed with the issuance of the Refunding Bonds, it is our opinion that the City and the DDA have:

- A “**moral obligation**” to bondholders to continue, at a minimum, the boundaries of the DDA in as much as the “refunding bonds” are a continuation of the 1995 bonds ONLY at lower interest rates.
- While we realize that significant factors have affected the Captured Value within the DDA, including vacancies, personal property reductions and unfavorable property tax appeals, it is our opinion that the City and the DDA’s initial projections as to the anticipated growth within the DDA District have not been met, and therefore should not change the boundaries of the district.
- The debt service coverage was based on projections of growth in the Captured Value. The current debt service coverage has not met the requirements of neither the Plan (which was the City’s and the DDA representations based on the then existing law) nor the Insurance Commitments (which was a condition of securing the AAA rating on the 2002 bonds that resulted in a lower interest rates on those bond). By changing the boundaries of the district the City would be acting in bad faith to its bondholders.
- The DDA and the City would, in our opinion, have to make a “Disclosure of a Material Event to all bondholders, Bond Insurer’s and the rating agencies if they would to change the boundaries of the district ”, as required under the DDA’s and the City’s Continuing Disclosure Agreements.

Table 4
Comparison of Actual Debt Service Coverage



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Mr. John Szerlag, City Manager

October 19, 2005

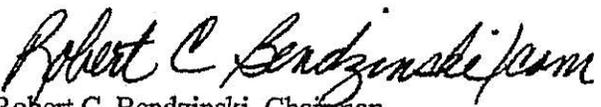
Page 10

- The City and the DDA would most likely face a reduction in the City's outstanding credit rating of AAA and the DDA's outstanding credit rating of AA.

We believe that this provides you with an indication of our concerns about changing the boundaries of the DDA and should you have any questions, or require any additional information, please do not hesitate to call upon us..

Sincerely,

BENDZINSKI & CO.
Municipal Finance Advisors


Robert C. Bendzinski, Chairman

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TO: Members of the Troy Downtown Development Authority
FROM: Lori Grigg Bluhm, City Attorney *LGB*
DATE: February 21, 2006
SUBJECT: Downtown Development Authority Background Information

At the request of the Downtown Development Authority, I prepared a PowerPoint presentation that sets for the powers and limitations of the Troy DDA. Attached please find excerpts of that PowerPoint presentation, which may be helpful in your deliberations about amending the boundaries of the DDA.

Also enclosed please find two letters from our experts at Miller Canfield that were previously submitted to both City Council and the Downtown Development Authority. These items are provided as background information.

As always, if Council has any legal questions about the Downtown Development Authority, please let me know.

TROY DOWNTOWN DEVELOPMENT AUTHORITY

Legal Update- Presented to the Troy
DDA

Authority for DDA

- The DDA is a creation of Troy's ordinance Number 78, which was adopted on July 12, 1993.
- There is a termination provision in Ordinance 78- December 31, 2024 OR upon the retirement of all bonded debt, whichever occurs last.

Determination of Necessity; Purpose

- “The City Council hereby determines that it is necessary for the best interests of the public to create a public body corporate which shall operate to halt property value deterioration, eliminate the causes of that deterioration, increase property tax valuation where possible in the business district of the City and promote economic growth...”

(Section 2, Ordinance 78, City of Troy)

Determination of Necessity; Purpose

- The formation of the DDA was based on declining assessments in the DDA district between 1991 and 1994. The total dollar reduction was approximately 8% of the tax base- and covered approximately 39 assessable properties.

Ordinance's Enumeration of Powers

- Troy's Ordinance specifies that the TDDA "possesses all of the powers necessary to carry out the purposes of its incorporation as provided by this ordinance and Act 197." (MCL 125.1651 et. seq.)
- The TIF plans also grant broad authority for the DDA to implement the development plans.

Statute's Enumeration of Powers

- Employ and fix the compensation of a CEO/Director (non-board member), subject to the approval of City Council.
- Employ and fix the compensation of a treasurer and secretary and to retain legal counsel or other necessary personnel (by-laws encourage the use of appropriate City staff).
- Prepare an analysis of economic changes taking place in the DDA.
- To study and analyze the impact of metropolitan growth upon the DDA.

Statute's Enumeration of Powers

- To upgrade a public facility to meet state mandated barrier free design requirements.
- To make public facility improvements, consistent with a TDDA approved plan, that aids in the economic growth of the DDA, when such plan requires construction of a public facility or multiple family dwelling unit, or the repair, restoration or preservation of existing buildings or property.

Statute's Enumeration of Powers

- Public facility is defined as:
 - Street; Plaza; Pedestrian mall
 - Improvements to any of the above- including street furniture & beautification
 - Park
 - Parking facility
 - Recreational facility
 - Right of Way
 - Structures
 - Waterways, bridges, lakes, ponds, canals
 - Utility lines or pipes

Statute's Enumeration of Powers

- Public Facilities must be designed and dedicated to use by the public generally, or used by a public agency.

Statute's Enumeration of Powers

- To develop long range plans designed to halt the deterioration of property values in the DDA and to promote economic growth in the DDA, and to take steps necessary to persuade individual DDA property owners to implement the plans.
- To implement any plan of development, or enter into any necessary contracts to further the purposes of the Act, as long as the proposed action isn't specifically prohibited.

Statute's Enumeration of Powers

- To purchase or condemn property or acquire licenses or easements in property or to sell or lease property if reasonably necessary to achieve the purposes of the act.
- To improve or equip any building or land in the DDA (including multiple family dwellings) for the use of any person or corporation or public entity.
- To charge for the use of any building or property under DDA control.

Statute's Enumeration of Powers

- To accept grants and donations of property or labor or other things of value from public or private sources.
- To acquire and construct public facilities.
- To make and enter any contracts with consultants or personnel that are necessary to perform its duties or exercise its powers, with approval from Troy City Council.

Statute's Enumeration of Powers

- To borrow money and issue negotiable revenue bonds (either with or without full faith and credit of City- in City's sole discretion)
- If approved by the Troy City Council- to levy an ad valorem tax on the real and personal property in the DDA- limited to two mills.

Statute's Enumeration of Powers

- Through the tax increment financing plan, to collect taxes on the increase in taxable value over the base year (1993) for any DDA properties. The taxes on the amount up to the base amount are distributed to the municipality and other taxing units.

Restrictions for Troy's DDA

- Troy can establish only one authority (post 1985). The boundaries of the DDA must be contiguous.
- Any amendment or alteration to the boundaries of a DDA must be accomplished by the same means used to initially create the DDA. The primary use of the DDA property should be business use.
- If 100 persons reside in the DDA, then one resident of the district shall serve on the DDA Board.

Restrictions for Troy's DDA

- All DDA members serve without compensation.
- All DDA members are required to submit to the constitutional oath of office, and can be removed for cause.
- With the exception of the Mayor, all other DDA board members must not hold an elected office.

Restrictions for Troy's DDA

- DDA activities shall be financed only with donations to the DDA, money borrowed by the DDA, revenues from the sale or lease of land owned by the DDA, proceeds of the tax increment plan, or a special assessment district, or revenue bonds, or any other source approved by Troy City Council. The City of Troy shall not be obligated to finance any of the DDA activities (or to pledge full faith and credit for a bond transaction), unless expressly authorized by City Council.

Restrictions for Troy's DDA

- At least a majority of the DDA directors must have a property interest in the DDA.
- An authority that has completed the purposes for which it was organized shall be dissolved by ordinance of the governing body (as long as there are no outstanding debt obligations). At dissolution, the property and assets of the DDA then belong to the municipality.

Restrictions for Troy's DDA

- The TDDA must annually report to City Council and the State Tax Commission on the status of the Tax Increment Financing accounts.
- The State Tax Commission has the authority to compel enforcement of the act
- City Council approves the budget- which is then adopted by the TDDA

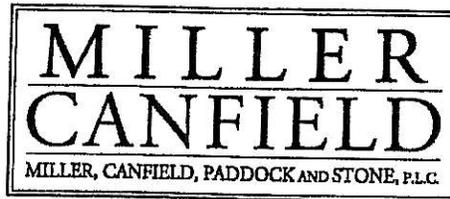
Restrictions for Troy's DDA

- The tax increment revenues shall be expended only pursuant to the approved tax increment financing plan.
 - Under the plan- Marketing and promotional costs may be financed solely from revenues received by the DDA.
 - Business recruitment and retention, and assistance in promoting and conducting events in the DDA

DDA Statutory Limitations

- Expenditures must be for public purposes. The Michigan AG has strongly cautioned against the expenditure of DDA funds for the benefit of private parties.
- All DDA meetings shall comply with the Open Meetings Act, and all documents are subject to the Freedom of Information Act (even e-mails).

Founded in 1852
by Sidney Davy Miller



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October 19, 2005

Lori Grigg Bluhm, Esq.
City Attorney
City of Troy
500 W. Big Beaver
Troy, MI 48084-5285

Re: Downtown Development Authority of the City of Troy

Dear Ms. Bluhm:

You have asked us to address various issues relating to a proposed amendment to the boundaries of the Downtown District of the Downtown Development Authority of the City of Troy (the "DDA"). You have specifically asked us whether the DDA Act, Act 197, Public Acts of Michigan, 1975, as amended ("Act 197"), existing documents relating to the DDA's outstanding bonds and its Development Plan and Tax Increment Financing Plan (the "Plan") prohibit the City of Troy (the "City") and the DDA from amending the boundaries of the DDA District to remove four parcels of property that are currently in the Downtown District and the Development Area.

Background

It is our understanding that the City Council has called a public hearing for October 24, 2005 for the purpose of amending the DDA District boundaries to remove several contiguous parcels of property (the "Property"). The current assessed value of the Property is less than the initial assessed value of the Property when the Plan was originally approved in 1993. The Property is being proposed as the site of a new mixed-use development that is expected to substantially increase the value of the Property when constructed and placed on the tax rolls.

DDA Act Requirements for Amendment to DDA District Boundaries

Section 3 of Act 197 sets forth the requirements for the creation of, and amendments to, the boundaries of a DDA District. MCL 125.1653. Section 3(5) states that the City Council "*may alter or amend the boundaries of the downtown district to include or exclude lands from the downtown district pursuant to the same requirements for adopting the ordinance creating the authority.*" MCL 125.1653(5).

The provisions in Act 197 for creating a DDA, or amending the DDA boundaries, require the City Council to hold a public hearing prior to adopting an ordinance designating the boundaries of the DDA. Notice of the public hearing must be given in the following manners between 20 and 40 days before the date of the hearing: published twice in a newspaper of general circulation in the City, mailed to the property taxpayers of record in the proposed district, mailed by certified mail to the governing body of each taxing jurisdiction that would be subject to capture and posted in at least 20 conspicuous and public places in the proposed district. MCL 125.1653(2). In order to amend the boundaries, the City Council is required to adopt an ordinance designating the boundaries of the DDA District or amending the original ordinance designating the boundaries; however the ordinance cannot be adopted in less than 60 days after the public hearing. MCL 125.1653(3). The procedures for amendment to the boundaries of the DDA downtown district do not require the consent or approval of the DDA Board as part of the amendment process.

As was the case with the initial establishment of the DDA downtown district, the amended boundaries of the DDA District must continue to satisfy the requirements of a "downtown district" under Act 197, which requires it to be "*part of an area in a business district.*" MCL 125.1651(k). A "business district" is defined as "*an area in the downtown of a municipality zoned and used principally for business.*" MCL 125.1651(e).

Alternative Option is Amendment to DDA Development Area Boundaries

Instead of amending the DDA District boundaries, another option by which the City could achieve a similar effect to exclude the future value of the Property from capture would be to amend the boundaries of the Development Area of the DDA to remove the Property, rather than amending the DDA District boundaries. The Development Area is the area designated in the Plan from which the DDA is authorized to capture tax increment revenues. The Development Area does not need to be as large as the DDA District, but property in the Development Area is required to be included

within the Downtown District. Typically, an amendment to a DDA downtown district to remove property from a downtown district would also be accompanied by an amendment to the Plan to make the corresponding change to the development area.

In order to amend the Development Area, the City would follow the procedures set forth in Sections 18 and 19 of Act 197. Section 19 requires amendments to the Plan to be submitted by the DDA to the City Council and approved or rejected by ordinance based on the considerations enumerated in Section 19. MCL 125.1669. Before adopting an ordinance approving or amending the Plan, the City Council is required to hold a public hearing pursuant to Section 18. Notice of the public hearing must be given in the following manners between 20 and 40 days before the date of the hearing: published twice in a newspaper of general circulation in the City, mailed to the property taxpayers of record in the proposed district, mailed by certified mail to the governing body of each taxing jurisdiction that would be subject to capture and posted in at least 20 conspicuous and public places in the proposed district. MCL 124.1668. The procedures for an amendment to the Plan requires the DDA Board to initiate the process by submitting the proposed Plan amendment to the City.

The benefit to the City to a Development Area amendment is that, unlike the procedures for the creation of a DDA District or an amendment to the DDA District boundaries in Section 3 of Act 197, there is no 60 day waiting period after the public hearing before adopting an ordinance amending the Plan and there is no opt out right by other taxing units for a Plan amendment. This provides the City more flexibility on the timing of the ordinance. Furthermore, if the City ever decided to add the Property back into the Development Area of the DDA, it would only be necessary to do another Plan amendment, which would not allow any taxing unit to opt out of capture. However, if the City were to proceed with removing the Property from the DDA District under Section 3, in order to add the Property back into the DDA the City would need to follow the procedures in Section 3 to amend the District boundaries thereby allowing taxing units to opt out of capture. The City would also need to do a Plan Amendment to make the corresponding change to the Development Area boundaries.

Thus, the City could achieve the same result of preventing the capture of tax increment revenues from the Property, but preserving future flexibility and protecting against an opt out by other taxing units, by amending the Development Area boundaries through a Plan amendment pursuant to Section 18 and 19 of Act 197 rather than an amendment to the boundaries of the DDA pursuant to Section 3 of Act 197.

DDA Bond Document Covenants

1995 Bonds

In 1995, the DDA issued two series of bonds to finance infrastructure improvements relating to the development of the Somerset North mall. Our firm served as Bond Counsel to the DDA in connection with the \$10,100,000 1995 Development Bonds, Series A and \$6,955,000 1995 Development Bonds, Series B, which were dated as of June 1, 1995 (together, the "1995 Bonds") and issued pursuant to a Trust Indenture between the DDA and Old Kent Bank, as trustee (the "Trust Indenture"). The 1995 Bonds were payable solely and only from tax increment revenues of the DDA, without the full faith and credit pledge of the City, and were further secured by a reserve fund and a municipal bond insurance policy issued by Asset Guaranty Insurance Company ("Asset Guaranty").

In connection with the issuance of the 1995 Bonds, as required by Asset Guaranty, Section 601(d) of the Trust Indenture contained a covenant by the DDA that "*The Authority shall not amend the Plan to alter the boundaries of the Development Area (as described in the Plan) in a manner that would reduce the tax increment revenues therefrom without the prior written consent of 100% of the Bondholders.*" The Trust Indenture provides that it shall be in effect until final payment of the 1995 Bonds or the defeasance of the 1995 Bonds in accordance with the terms of the Trust Indenture.

The DDA entered into a Development Agreement with Frankel/Forbes-Cohen Associates and the City, dated as of January 25, 1995 (the "Development Agreement") relating to various obligations of the parties in connection with the Somerset North mall and infrastructure development. Section 4.3 of the Development Agreement provides "*The City agrees that it will not cause the TDDA to be dissolved, or the Tax Increment Plan to be amended in any manner that would impair the time of payment or the amount of the Reimbursable Amount as provided under Section 2.2 hereof at any time after the date of this Development Agreement unless and until the Reimbursable Amount has been paid to the extent required hereunder.*" It is our understanding that the Reimbursable Amount, which refers to the DDA's purchase of the parking structure, was paid to the Developer in 1999 and this provision would no longer apply.

2001 Bonds

In 2001, the DDA issued its \$24,000,000 Development and Refunding Bonds, Series 2001 (the "2001 Bonds") for the purpose of providing funds for new projects and

to advance refund all of the outstanding 1995 Bonds, Series A. Our firm did not represent the DDA in connection with the 2001 Bonds, however we have reviewed the resolution authorizing the 2001 Bonds and the Official Statement relating to the 2001 Bonds. The 2001 Bonds are payable solely and only from tax increment revenues of the DDA, without the full faith and credit pledge of the City, and are further secured by a reserve fund and a municipal bond insurance policy issued by MBIA Insurance Corporation ("MBIA"). The resolution authorizing the 2001 Bonds indicates that one of the purposes of the 2001 Bonds is to advance refund all of the outstanding 1995 Bonds, Series A, while simultaneously defeasing all of the outstanding 1995 Bonds, Series B, and *"to provide for the defeasance and termination of the security pledged with respect to the Prior Bonds including the lien of the Indenture and the Prior Resolutions."*

The resolution authorizing the 2001 Bonds contains a limitation on the issuance of additional bonds which allows additional bonds of the DDA pledging tax increment revenues of equal standing and priority of lien with the 2001 Bonds so long as the tax increment revenues for the last preceding audited fiscal year of the DDA is at least 1.4 times the maximum annual debt service on any outstanding senior lien bonds.

According to the transcript documents relating to the 2001 Bonds, all of the 1995 Bonds have been legally defeased and the Trust Indenture relating to the 1995 Bonds is no longer in effect. The DDA did not enter into a new trust indenture in connection with the 2001 bonds, and in our review of the resolution authorizing the 2001 Bonds and description of the documents in the Official Statement relating to the 2001 Bonds, we did not find any covenants of the DDA relating to amendments of the Development Area or DDA District. Thus, the covenant promising not to alter the boundaries of the DDA in the Trust Indenture is no longer in effect.

2002 Bonds

In 2002, the DDA issued its \$9,700,000 Community Center Facilities Bonds, Series 2002 (the "2002 Bonds") for the purpose of providing funds for the Community Center of the City. Our firm did not represent the DDA in connection with the 2002 Bonds, however we have reviewed the resolution authorizing the 2002 Bonds and the Official Statement relating to the 2002 Bonds. The 2002 Bonds are senior lien bonds of equal standing with the 2001 Bonds, payable solely and only from tax increment revenues of the DDA, without the full faith and credit pledge of the City, and are further secured by a reserve fund and a municipal bond insurance policy issued by MBIA. In our review of the resolution authorizing the 2002 Bonds we did not find any covenants of the DDA relating to amendments of the Development Area or DDA District.

2003 Bonds

In 2003, the DDA issued its \$4,025,000 Community Center Facility Junior Lien Bonds, Series 2003 (the "2003 Bonds") for the purpose of providing funds for the Community Center of the City and related infrastructure. Our firm did not represent the DDA in connection with the 2003 Bonds, however we have reviewed the resolution authorizing the 2003 Bonds and the Official Statement relating to the 2003 Bonds. The 2003 Bonds are junior lien bonds, junior in standing to the lien of the 2001 Bonds and 2002 Bonds, payable solely and only from tax increment revenues of the DDA, without the full faith and credit pledge of the City, and are further secured by a reserve fund. In our review of the resolution authorizing the 2003 Bonds we did not find any covenants of the DDA relating to amendments of the Development Area or DDA District.

Summary of Bond Document Covenants

Based on our review of the documents relating to the issuance of bonds by the DDA, there are no existing covenants of the DDA or the City which limit the ability of the DDA or the City to amend the boundaries of the DDA District or the DDA Development Area. The Trust Indenture relating to the 1995 Bonds contained limitations on the amendment to the boundaries of the Development Area, but that document is no longer in effect. The documents relating to the issuance of the 2001 Bonds, 2002 Bonds and 2003 Bonds (together, the "Outstanding Bonds") are still in effect. The existing documents relating to the Outstanding Bonds contain limitations on the ability of the DDA to issue additional debt of equal standing and priority of lien with the existing 2001 Bonds and 2002 Bonds. However, such additional bonds tests do not limit the ability to take actions impacting the tax increment revenues such as amending the DDA District or Development Area.

We have been informed by the City's financial advisor and Finance Department that the current tax increment revenues of the DDA are substantially less than the projected tax increment revenues which were included in the Official Statements for the outstanding bonds. This is due to a variety of factors resulting in less growth in the Development Area of the DDA than originally projected. Since each series of the outstanding Bonds are payable solely from the tax increment revenues of the DDA and a reserve fund, holders of the outstanding Bonds and MBIA, as the insurer of the 2001 Bonds and 2002 Bonds, may be sensitive to any actions taken by the DDA or City that negatively impact the tax increment revenues of the DDA. Since we were not involved with the issuance of the Outstanding Bonds, we do not know what statements were made to the Bondholders or MBIA regarding amendments to DDA District boundaries or

Lori Grigg Bluhm, Esq.

-7-

October 19, 2005

Development Area boundaries. We do not know what documents were provided to MBIA or the subject of any conversations between the City, DDA and MBIA regarding potential future changes to the DDA District. In the event of a shortfall of tax increment revenues to pay debt service on the Outstanding Bonds or other substantial diminution of tax increment revenues due to actions of the City or DDA, it is possible that holders of the Outstanding Bonds or MBIA might challenge actions by the City or DDA which impair their security. Since the Outstanding Bonds are payable solely from tax increment revenues, without the City's general fund as backup security, MBIA and the holders of the Outstanding Bonds may be negatively affected if the actions of the City result in a shortfall of tax increment revenues to pay debt service on the Outstanding Bonds. We understand that the City has requested its financial advisor to review the financial impact of the proposed boundary change. We have not reviewed the tax increment revenue projections and therefore no opinion is expressed by us as to the financial impact of the proposed boundary changes.

Conclusion

Under Act 197, the City Council is authorized to amend the boundaries of the DDA District. The procedures relating to the amendment of boundaries requires a public hearing by the City Council and a waiting period of at least 60 days after the public hearing before the ordinance amending the boundaries can be adopted. The City could achieve the same result of preventing the capture of tax increment revenues from the Property, but preserve future flexibility and protect against an opt out by other taxing units by amending the Development Area boundaries through an amendment to the Plan rather than an amendment to the boundaries of the DDA.

Based on our review of the documents relating to the bonds issued by the DDA, there are no express prohibitions against the City and DDA amending the Plan or the boundaries of the DDA which are currently in effect. The covenants of the DDA and City in the Development Agreement and Trust Indenture prohibiting Plan amendments or boundary changes, which were made around the time of the issuance of the 1995 Bonds, are no longer effective. However, since the Outstanding Bonds are payable solely and only from tax increment revenues, in the event of a shortfall of tax increment revenues to pay debt service on the Outstanding Bonds or other substantial diminution of tax increment revenues due to actions taken by the City or DDA, it is possible that holders of the Outstanding Bonds or MBIA might challenge actions by the City or DDA which results in an inability to be paid from tax increment revenues as an impairment of their security. We understand that the City has requested its financial advisor to review the tax

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Lori Grigg Bluhm, Esq.

-8-

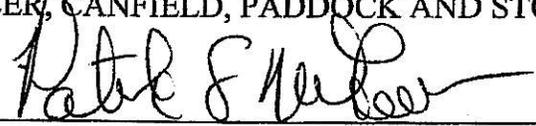
October 19, 2005

increment revenue projections of the DDA and no opinion is expressed by us as to the financial impact of the proposed boundary changes.

We would be happy to discuss this matter with you further at your convenience. If you have any further questions, please give me a call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

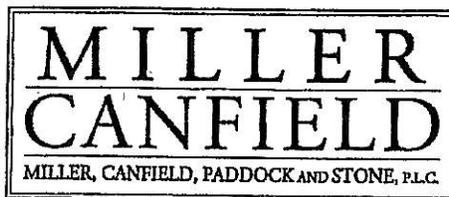
By: 

Patrick F. McGow

cc: John Szerlag, City Manager
John Lamerato, Assistant City Manager
Joel Piell, Esq.
Robert C. Bendzinski

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Founded in 1852
by Sidney Davy Miller



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October 20, 2005

Lori Grigg Bluhm, Esq.
City Attorney
City of Troy
500 W. Big Beaver
Troy, MI 48084-5285

Re: Downtown Development Authority of the City of Troy Questions

Dear Ms. Bluhm:

You have asked us to address various questions which arose at the October 17th City Council meeting relating to the Downtown Development Authority of the City of Troy (the "DDA").

Question 1: Can the DDA be expanded to include the Maple Road corridor and/or the Stephenson Road corridor? If so, what is the process for doing so?

As we discussed in our opinion dated October 19, 2005 regarding the DDA, the City Council has the authority to amend the boundaries of the DDA pursuant to the requirements of the DDA Act, Act 197, Public Acts of Michigan, 1975, as amended ("Act 197"). Section 3(5) states that the City Council "*may alter or amend the boundaries of the downtown district to include or exclude lands from the downtown district pursuant to the same requirements for adopting the ordinance creating the authority.*" MCL 125.1653(5).

In order to expand the DDA boundaries, the City Council must determine that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation in its business district and promote economic growth through the expansion of the DDA district. The expansion area must satisfy the requirements of Act 197 to be included in a DDA downtown district as was the case with the initial establishment of the DDA downtown district.

The City Council would need to determine that the new area to be added is part of the City's "downtown district" and satisfies the requirements of a "downtown district" under Act 197, which requires it to be "*part of an area in a business district*." MCL 125.1651(k). A "business district" is defined as "*an area in the downtown of a municipality zoned and used principally for business*." MCL 125.1651(e). Thus, a majority of the property to be added must be both zoned for business and used for business (i.e. commercial, industrial, etc.) as opposed to residential property.

In addition, Section 3(1) of Act 197 implies that property value deterioration must exist within the proposed DDA district in order for that City to include the territory as part of the DDA district. Although there has been no judicial determination that property value deterioration is a condition precedent to the formation of a DDA and if so the required extent of such property value determination, the Attorney General of Michigan has opined in the instance of the creation of a Tax Increment Finance Authority which is formed pursuant to Act 450 of the Public Acts of 1980, as amended, that a Tax Increment Finance Authority may not be incorporated unless there is (1) an actual decline in property tax valuation and (2) that a significant number of parcels or property in the area of the municipality must be found to be declining in property value in order to warrant the establishment of an Authority. OAG 6335, dated January 16, 1986. By OAG 6558, dated January 18, 1989, the Attorney General's office extended this reasoning to the creation of a DDA pursuant to Act 197. Neither opinion of the Attorney General speaks to the number of parcels or the percentage of parcels within a district that must be found to have property value deterioration, but the opinions do indicate that one or two parcels will not suffice and that the number of parcels in their totality must be significant.

Finally, there can only be one DDA district in the City under current law. Any additions to the DDA must be contiguous with the existing DDA district boundaries. So, in order to add the Maple Road corridor and/or the Stephenson Road corridor it would be necessary to connect those additions with the existing DDA district boundaries along Big Beaver Road.

We have not had the opportunity to review the details of a proposed addition to the DDA boundaries along Maple Road or Stephenson Road to determine whether the proposed addition satisfies the above requirements for inclusion as part of the DDA district. It would be necessary to review assessment records relating to property valuation as well as the appropriate zoning and use maps to determine whether the proposed additions satisfies the requirements of a business district.

The procedures for amending the DDA boundaries require the City Council to hold a public hearing prior to adopting an ordinance designating the boundaries of the DDA. Notice of the public hearing must be given in the following manners between 20 and 40 days before the date of the hearing: published twice in a newspaper of general circulation in the City, mailed to the property taxpayers of record in the proposed district, mailed by certified mail to the governing body of each taxing jurisdiction that would be subject to capture and posted in at least 20 conspicuous and public places in the proposed district. MCL 125.1653(2). In order to amend the boundaries, the City Council is required to adopt an ordinance designating the boundaries of the DDA District or amending the original ordinance-designating the boundaries; however the ordinance cannot be adopted in less than 60 days after the public hearing. MCL 125.1653(3).

Question 2: Since the City of Troy has not pledged its credit for payment on the outstanding DDA bonds, what happens if the DDA is not able to make the bond payments on its own accord? Are assets of the DDA at risk?

The resolutions relating to the Outstanding DDA Bonds (as described in our October 19, 2005 opinion) indicate that the Outstanding DDA Bonds are secured solely by the collection of tax increment revenues and all moneys in the Bond Funds of the DDA for repayment of the Outstanding DDA Bonds and the Reserve Funds relating to each series of the Outstanding DDA Bonds, and all investment income derived from moneys in such funds. The resolutions also provide that the Outstanding DDA Bonds are not a general obligation of the DDA or the City and shall never constitute or give rise to a charge against the general credit of the DDA or the general credit or taxing powers of the City.

If the annual tax increment revenues are not sufficient to pay principal and interest on all of the Outstanding DDA Bonds, the DDA would be required to apply the tax increment revenues captured in previous years which are in its Bond Fund or other funds and accounts. The first priority is to pay the 2001 Bonds and 2002 Bonds which are senior in standing to the 2003 Bonds. If there are insufficient tax increment revenues to pay debt service, the DDA would be required to draw on funds in the Reserve Fund for the series of Bonds which has a shortfall, which would be the Series 2003 Bonds. It should also be noted that the DDA has the authority to levy an ad valorem property tax on all taxable property in the DDA District. Act 197 authorizes the DDA to levy a tax of up to 2 mills with the approval of City Council.

Technically, the only assets of the DDA pledged for payment of the Outstanding DDA Bonds are the tax increment revenues and moneys derived from tax increment

revenues in the various funds and accounts of the DDA. The DDA has not pledged any other property or assets as security for the Outstanding DDA Bonds. There is no mortgage or lien on the infrastructure improvements or Community Center financed with the Outstanding DDA Bonds.

If the DDA exhausts all available funds in the Reserve Fund for the 2003 Bonds and cannot pay the principal and interest, then it is possible the holders of the 2003 Bonds would initiate a lawsuit against the DDA (and possibly the City). Since there is no judicial precedent, it is unclear what remedial actions a judge would order in the event of a default by the DDA on payment on the Outstanding DDA Bonds, although it is unlikely that infrastructure improvements or buildings would be seized on behalf of bondholders.

Question 3: Is there a way to "bill back" or otherwise provide money to the City's general fund if it is determined that the DDA is a burden to the tax base?

The DDA cannot generally pay money to the City's general fund if it is determined to be a burden to the tax base. The DDA is only permitted to use tax increment revenues to pay for improvements and activities which are described in the DDA's Development Plan and Tax Increment Financing Plan and authorized under Act 197. Act 197 does permit the City to charge the DDA for administrative items such as costs of handling funds and audits. MCL 125.1678.

Question 4: How will the DDA be required to modify its current board structure if the Monarch project is added to the DDA in order to accommodate the residential representatives? Will the addition of a resident to the DDA Board require an amendment to the Development Plans?

Section 4(1) of Act 197 sets forth the requirements for the composition of the DDA Board which includes a requirement that "*Not less than 1 of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it.*" MCL 125.1654(1). It is our understanding that the DDA Board currently is made up of 13 members, which is the maximum permitted by Act 197. Thus, once it is determined that there are 100 or more residents within the DDA District, the Mayor should appoint (with the approval of the City Council) a resident of the DDA District to the next open seat or vacancy on the DDA Board.

It should not be necessary to amend the Development Plan and Tax Increment Financing Plan of the DDA in order to appoint a new Board member who is a resident of the downtown district.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Lori Grigg Bluhm, Esq.

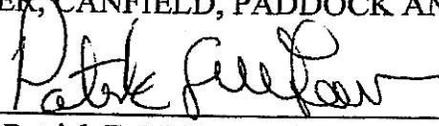
-5-

October 20, 2005

We would be happy to discuss this matter with you further at your convenience. If you have any further questions, please give me a call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: 

Patrick F. McGow

cc: John Szerlag, City Manager
John Lamerato, Assistant City Manager
Joel Piell, Esq.
Robert C. Bendzinski

DELIB:2670604.1\091096-00012

July 14, 2005

To: John Szerlag, City Manager
 From: John Lamerato, Assistant City Manager - Finance/Administration
 Doug Smith, Director of Real Estate and Development
 Nino Licari, City Assessor
 Re: Agenda Item - Report and Communication
 Estimate of Taxes Generated by Proposed Monarch Project

Council has requested an estimate of taxes that might be generated by the proposed Monarch High-Rise condominium and retail project on the north side of Big Beaver, between Alpine and McClure.

The estimate is for City and/or DDA taxes, and makes assumptions based on project costs of \$90,000,000 from the developer. These costs cannot be verified at this time. Additionally, an estimated \$2,000,000 of Personal Property may be expected at the site.

The tax revenue estimate below will detail estimated total City taxes from the project, if it were removed from the current DDA boundaries, and total DDA taxes based on a \$46,000,000 Taxable Value (TV).

Total CITY Tax Revenue Calculation - Project Removed from DDA		
Total TV	City Mills	Total City Taxes
\$46,000,000	9.4500	\$434,700
Current TV	City Mills	Current Taxes
\$589,500	9.4500	\$5,571
Net TV	City Mills	Net New City Taxes
\$45,410,500	9.4500	\$429,129

As is DDA/City Tax Revenue Calculation		
*Total TV DDA	DDA Mills	DDA Taxes
\$37,310,500	15.6865	\$585,271
Current DDA Captured TV	DDA Mills	Current DDA Taxes
\$1,001,650	15.6865	\$15,712
Total TV DDA	DDA Mills	DDA Taxes
\$36,308,850	15.6865	\$569,559
Townhouses (not DDA)	City Mills	City Taxes
\$8,100,000	9.4500	\$76,545

DDA/City Tax Revenue Calculation - Podium Bldg Removed from DDA		
*Total TV DDA	DDA Mills	DDA Taxes
\$22,874,575	15.6865	\$358,822
Current DDA Captured TV	DDA Mills	Current DDA Taxes
\$1,001,650	15.6865	\$15,712
Total TV DDA	DDA Mills	DDA Taxes
\$21,872,925	15.6865	\$343,110
Townhouses (not DDA)	City Mills	City Taxes
\$8,100,000	9.4500	\$76,545
Podium Bldg (not DDA)	City Mills	City Taxes
\$13,434,275	9.4500	\$126,954

Assessment Year - 2005

**Analysis of
Taxes Paid
And
City Services Used**

**A Comparison of the Residential and
Commercial/Industrial Classes**

**Submitted by: Leger A. (Nino) Licari, City Assessor
11/22/05**

Assessment Year – 2005

Analysis of Taxes Paid and City Services Used

A Comparison of the Residential and Commercial/Industrial Classes

In order to determine how each class of property consumes, or uses, City services, and the proportionate share of the costs of those services to each class of property, a detailed analysis of the Assessment and Tax Rolls is necessary.

Certain assumptions must be made to make a usable analysis of this data. These assumptions will be explained as they are made. In all instances, any assumption made will be conservative in nature, and no favoritism will be shown to either class of property.

As this comparison is based upon City services, and the direct cost of these services to property owners in the City of Troy, only City taxes will be used as the cost basis. All other revenues that make up the total City budget cannot be directly linked to individual properties, and as such are not used (revenue sharing, sales and use taxes, grants, Federal highway monies, etc.).

All data used for this analysis is from the 2005 calendar year. The exception is the projected budgeted amounts, which have a fiscal year from July 1, 2005, through June 30, 2006.

The data being analyzed is summarized on ten (10) charts in this report. Source data is listed at the bottom of each chart, where pertinent.

Chart #1 – Detail of Taxes Paid

The first chart details the City taxes paid by Class of Property in four (4) categories: Overall, by Acreage, by Square Feet of Building Area, and by Parcel count.

As shown, the current Taxable Value and Taxes Paid is detailed by a 54.95% ratio of Residential to the 45.05% Commercial/Industrial Class (*variously labeled Commercial/Industrial, Comm/Ind, and C/I on the charts*).

There are 19,881.14 acres of land in the City of Troy. 74.25%, or 14,762.08 acres of this land has a Residential use. 25.75%, or 5,119.06 acres are used for Commercial/Industrial use. Taxes per acre are equal to \$1,852 for Residential, and \$4,378 for Commercial/Industrial.

There are 107,415,847 square feet of improved structures in the City of Troy. The percentage split for the two classes is very close, with 49.27% (52,923,461 square feet) being Residential, and 50.73% (54,492,386 square feet) being Commercial/Industrial.

There are 34,501 parcels of Property in the City of Troy. 77.90% of them, or 26,876, are Residential in nature. 22.10%, or 7,625 of the parcels are Commercial/Industrial. Of the 7,625 Commercial/Industrial parcels 1,917 are Real Property parcels, and 5,708 are Personal Property.

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

Chart #1				
Detail of Taxes Paid - Overall, by Acres, by Square Feet & by Parcel Count				
Description	2005 Value	%	City Taxes	Ratio to Each
Residential Taxable Value	2,892,925,590	54.95	27,338,147	1.22 : 1.00
Comm/Ind Taxable Value	2,371,425,960	45.05	22,405,975	.8196 : 1.00
Total Taxable Value	5,264,351,550	100.00	49,748,122	
<i>Source: 2005 Starting Warrant</i>				
Description	2005 Acres	%	Taxes/Acre	Ratio to Each
Residential Acres	14,762.08	74.25	1,852	.4230 : 1.00
Comm/Ind Acres	5,119.06	25.75	4,378	2.36 : 1.00
Total Acres	19,881.14	100.00	2,502	
<i>Source: City of Troy Planning Department</i>				
Description	2005 Sq Ft	%	Taxes/SqFt	Ratio to Each
Residential Square Footage	52,923,461	49.27	0.5166	1.26 : 1.00
Comm/Ind Square Footage	54,492,386	50.73	0.4112	.8000 : 1.00
Total Square Footage	107,415,847	100.00	0.4631	
<i>Source: City of Troy Assessment Records</i>				
Description	2005 Count	%	Taxes/Parcel	Ratio to Each
Residential Parcels	26,876	77.90	1,017	.3462 : 1.00
Comm/Ind Parcels (+ 5,708 Pers)	7,625	22.10	2,938	2.89 : 1.00
Total Parcels	34,501	100.00	1,442	
<i>Source: City of Troy Assessment Records</i>				

Chart #1

Roadways

There are 325.04 miles of public roads in the City of Troy. Of this mileage, 269.27 miles are considered Local Roads, and 55.77 miles are considered Major Roads.

**** Assumption: While the concentration of Commercial/Industrial property does necessitate the need for additional width on some of the Major Roads, Residential property owners must still be able to traverse the area. Therefore, a division of the use and benefit is necessary.*

Census data estimates that 120,000 people work in the city of Troy, and 85,000 people live here. Of the 120,000 that work here, 8,000 are also residents of the City. This translates into a ratio of 56.85% of the working population (112,000) using the major roads, and 43.12% of the Residents (85,000) using the major roads.

Using the above calculation, 293.33 miles of roadway are considered Residential (90.24%), and 24.06 miles of roadway are considered Commercial/Industrial (9.76%).

Impervious Surfaces

It is necessary to determine the amount of impervious surfaces in the City of Troy to be able to draw some conclusions concerning the Drains necessary to handle water runoff created by these surfaces.

Residential impervious surfaces are comprised of the roofs, driveways, local roads, the Residential portion of major roads, and the pro-rata portion of the sidewalks in the City of Troy.

(There are 500 miles of sidewalks in the City. A four (4) foot width was used to calculate the square footage, and the same ratio of local to major roads was used to determine the area assignments by class).

The Residential class has 100,7288,715 square feet of impervious surfaces, which is 40.91% of the total area of imperviousness.

****Assumption: Churches, schools, and other exempt properties are not included in this calculation, as no data is kept on them in the Assessment records. These properties are considered Residential by zoning and use, and would tend to move this ratio more towards a 50/50 mix. This would trend the Drain service issue towards a Residential benefit.*

The Commercial/Industrial class of property has 145,487,683 square feet of impervious surfaces, or 59.09% of the total area. This is comprised of roofs, paving, the C/I portion of major roads, and the pro-rata share of the sidewalk area.

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

Chart #2 Roadways and Impervious Surfaces			
Description	Count	%	Ratio to Each
Work in City	120,000		
Work/Live in City	8,000		
Net Work in City	112,000	56.85	
Live in City	85,000	43.12	
Total Road Use	197,000	100.00	
Description	Miles	%	Ratio to Each
Local Roads	269.27		
Major Roads	55.77		
Total Roads	325.04	100.00	
Residential Local Roads	269.27		
Res. Major Roads (2 lanes)	24.06		
Total Residential Roads	293.33	90.24	
C/I Major Roads (2 lanes)	31.71	9.76	
Total Roads	325.04	100.00	
<i>Source: City of Troy Engineering Department</i>			
Impervious Surface Area			
Description	Square Feet	%	Ratio to Each
Residential Colonial Roofs	13,230,865		
Residential Other Roofs	26,461,731		
Residential Driveways	14,513,040		
Local Roads	31,278,403		
Sidewalks	9,653,952		
Major Roads (2 Lanes)	5,590,724		
Total Residential Surfaces	100,728,715	40.91	.69237 : 1.00
Comm/Ind Roofs	31,202,014		
Comm/Ind Paving	106,013,859		
Sidewalks	906,048		
Major Roads (2 Lanes)	7,365,762		
Total Comm/Ind Surfaces	145,487,683	59.09	1.44 : 1.00
Total All Surfaces	246,216,398	100.00	
<i>Source: City of Troy Assessment Records, Engineering Department, DPW</i>			
<i>Chart #2</i>			

Chart #3 – Detail of City Tax Levies by Type

The City millage rate is comprised of levies for Operating, Capital projects, Refuse, and Debt service.

All of these various millages follow the 54.95% Residential, 45.05% Commercial/Industrial pro-ration determined by the 2005 Taxable Values on the City Assessment and Tax rolls.

Chart #4 – Police and Fire Service

The Police Service ratio is determined by excluding traffic stops, as a Residential or Commercial/Industrial stop cannot be broken out of the reports. Of the 24,538 calls for service, 13,300 were Residential calls (54.20%) and 11,238 calls were of a Commercial/Industrial nature (45.8%). This pro-ration is very close to the actual taxes paid, of 54.95% and 45.05%, respectively.

Of the 296 Fire calls for service reported, 229 were to Residential properties (77.36%) and 67 were to Commercial/Industrial properties (22.64%).

Chart #5 – Detail of All Tax Levies

As an informational item, Chart #5 details all of the taxes levied and collected by the City of Troy. The detail shows that the City Taxes account for approximately 24.73% of a property's total taxes. (*This percentage would be slightly lower for a Non-Homestead property, and slightly higher for a Principal Residence*).

County Taxes account for 11.90% of a tax bill. County School Taxes are an additional 11.54%. The total levy for County taxes is then 23.44%.

Local School Taxes are 51.84% of the tax bill. Local School taxes and County School taxes account for 63.38% of total taxes.

Chart #6 – Detail of Budgeted Tax Levies by Department

Departmental budgets are not solely funded by taxes. Since this analysis is of the cost of services by taxes paid, budgeted amounts are corrected to the tax contribution only. All other revenue sources are removed.

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

**Chart #3
Detail of City Tax Levies by Type**

Description	Taxes	%	Ratio to Each
Res Operating Taxes	18,804,016	54.95	1.22 : 1.00
Comm/Ind Operating Taxes	15,414,269	45.05	.8198 : 1.00
Total Operating Taxes	34,218,285	100.00	
<i>Source: 2005 Starting Warrant and LT-1</i>			
Description	Taxes	%	Ratio to Each
Res Capital Taxes	4,686,539	54.95	1.22 : 1.00
Comm/Ind Capital Taxes	3,841,710	45.05	.8198 : 1.00
Total Capital Taxes	8,528,249	100.00	
<i>Source: 2005 Starting Warrant and LT-1</i>			
Description	Taxes	%	Ratio to Each
Residential Refuse Taxes	2,401,128	54.95	1.22 : 1.00
Comm/Ind Refuse Taxes	1,968,284	45.05	.8198 : 1.00
Total Refuse Taxes	4,369,412	100.00	
<i>Source: 2005 Starting Warrant and LT-1</i>			
Description	Taxes	%	Ratio to Each
Res Debt Taxes	1,446,463	54.95	1.22 : 1.00
Comm/Ind Debt Taxes	1,185,713	45.05	.8198 : 1.00
Total Debt Taxes	2,632,176	100.00	
<i>Source: 2005 Starting Warrant and LT-1</i>			
<i>Chart #3</i>			

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

Chart #4			
Detail of Police/Fire Service			
Description		% of Calls	Ratio to Each
Residential Police Service	13,300	54.20	1.18 : 1.00
Comm/Ind Police Service	11,238	45.80	.845 : 1.00
Total Police Service (Structure)	24,538	100.00	
<i>Source: City of Troy Police Department</i>			
Description		% of Calls	Ratio to Each
Residential Fire Runs	229	77.36	3.42 : 1.00
Comm/Ind Fire Runs	67	22.64	.2929 : 1.00
Total Fire Runs	296	100.00	
<i>Source: City of Troy Fire Department</i>			
<i>Chart #4</i>			

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

Chart #5 Detail of All Tax Levies				
Description		%	%	%
City Taxes	45,503,676			
From DDA Base	4,056,682			
From TBRA Base	51,236			
From SmartZone Base	136,528			
Total City Taxes	49,748,122	22.58	City Tax Total	
DDA Taxes	3,695,145	1.68	24.73	
Brownfield Taxes	810,756	0.37		
SmartZone Taxes	212,602	0.10		
Oakland County Taxes	23,086,284	10.48	County Tax Total	
Transportation Taxes	3,127,508	1.42	11.90	
Intermediate School Taxes	17,571,141	7.97	County School Total	
Community College Taxes	7,872,820	3.57	11.54	
State Education Taxes	31,586,109	14.33	Local School Total	
School Operating Taxes	45,362,851	20.59	51.84	
School Debt Taxes	21,790,454	9.89		All School Total
School Supplemental Taxes	15,490,050	7.03		63.38
Total Taxes	220,353,842	100.00		
<i>Source: 2005 Starting Warrant</i>				
<i>Chart #5</i>				

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

Chart #6 Detail of Budgeted Tax Levies by Department General Fund				
\$60,100,000, of which \$34,377,200 is Tax Revenue (.572 Multiplier)				
Description	Budget	Multiplier	From Taxes	% of Total
Police	22,600,000	0.572	12,927,200	37.60
Parks & Rec	8,500,000	0.572	4,862,000	14.14
Streets & Drains	5,300,000	0.572	3,031,600	8.82
Library/Museum	5,000,000	0.572	2,860,000	8.32
Finance	4,700,000	0.572	2,688,400	7.82
Fire	4,100,000	0.572	2,345,200	6.82
Engineering	3,000,000	0.572	1,716,000	4.99
General Government	2,700,000	0.572	1,544,400	4.49
Building Department	2,100,000	0.572	1,201,200	3.49
Council/Executive	2,100,000	0.572	1,201,200	3.49
Total General Fund	60,100,000		34,377,200	100.00
<i>Source: City of Troy 2005 - 2006 Annual Budget</i>				
Capital Fund				
\$24,079,330, of which \$8,019,000 is Tax Revenue (.333 Multiplier)				
Description	Budget	Multiplier	From Taxes	% of Total
Police	316,010	0.333	1,051,231	11.73
Fire	487,000	0.333	162,171	1.81
DPW general & 4 Add'l	540,000	0.333	179,820	2.01
Major Roads	7,760,000	0.333	2,584,080	28.83
Local Roads	2,813,000	0.333	936,729	10.45
Sidewalks	1,000,000	0.333	333,000	3.71
Drains	2,270,920	0.333	756,216	8.44
Parks & Rec general & 2 Add'l	937,400	0.333	312,154	3.48
Park Development	1,501,000	0.333	499,833	5.58
Subdivision Improvement	2,000,000	0.333	666,000	7.43
Library/Museum	543,000	0.333	180,819	2.02
General Administration	3,911,000	0.333	1,302,363	14.53
Total Capital Fund	24,079,330		8,964,416	100.00
<i>Source: City of Troy 2005 - 2006 Annual Budget</i>				
Refuse Fund				
\$4,525,650 ALL of which is Tax Revenue (No Multiplier)				
Description	Budget	Multiplier	From Taxes	% of Total
Refuse	4,525,650	1.00	4,525,650	100.00
<i>Source: City of Troy 2005 - 2006 Annual Budget</i>				
Debt Fund				
\$2,819,530, of which \$2,475,000 is Tax Revenue (.877806 Multiplier)				
Description	Budget	Multiplier	From Taxes	% of Total
Proposal A - Streets	788,640	0.877806	692,273	27.97
Proposal B - Public Safety	1,316,720	0.877806	1,155,825	46.70
Proposal C - Recreational	714,170	0.877806	626,902	25.33
Total Debt Fund	2,819,530		2,475,000	100.00
<i>Source: City of Troy 2005 - 2006 Annual Budget</i>				
Chart #6				

Chart #7 – Summary of Taxes Budgeted to Departments by Property Class

Using the Taxes per Department from Chart #6, and ratios of Residential to Commercial/Industrial use established from Charts # 1 – 5, Departmental Budgeted amounts from taxes are pro-rated to the user of the service by class of property.

The Police ratio is established at 54.2% to 45.8%, Residential to Commercial/Industrial.

The General Government tax pro-ration follows the actual taxes paid as established by the 2005 Taxable Values for these properties.

**** Assumption: Per the Financial Services Director, the cost of General Government is the same to all properties. No one class requires any more General Government service than another.*

The DPW account is made up of the eight (8) separate budget lines listed. The overall ratio for the DPW account is 60.56% Residential and 39.44% Commercial/Industrial.

The DPW breakdown for Residential to Commercial/Industrial is 90.24% to 9.76% for roadways based on usage previously established. Drains are divided 40.91% to 59.09% based on impervious surfaces by class. Capital costs are set at 54.95% to 45.05% as these items are a direct calculation from the ratio of taxes paid by class at the headquarters. Major roads Capital funds are at the 43.12% to 56.85% ratio established by use, as are the Local roads Capital funds, Sidewalk Capital funds, and Drains Capital funds. Major Street Debt funds are also assigned in the same ratio as established by use.

Parks and Recreation has many activities and services that are paid for directly by the users. The measurement of services used compared to taxes paid does not account for any self supporting services. The usage per class estimate for Parks and Recreation is 79% Residential property and 21% Commercial/Industrial.

The Refuse account is used 100% by the Residential class. While the Commercial/Industrial Real and Personal Property parcels pay a Refuse millage and tax, there is no use, nor benefit to the properties.

As previously noted, the Fire Department taxes would be split on the 77.36% Residential to 22.64% Commercial/Industrial pro-ration.

Per the Library Director, there are 50,000 library card holders in the City of Troy. Non-residents card holders (people who work in the City, but do not live here) have 142 library cards. This is 2.8 tenths of 1% of the total library cards. The tax split for the Library is then 99.72% Residential to .28% Commercial/Industrial.

The Subdivision Improvement account is used 100% by the Residential class of properties.

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

**Chart #7
Summary of Taxes Budgeted to Departments by Property Class
(Page 1 of 2)**

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Police (General)	12,927,200	54.2 / 45.8	7,006,542	5,920,658
Police (Capital)	1,051,231	54.2 / 45.8	569,767	481,464
Police (Debt 1/2)	577,913	54.2 / 45.8	313,229	264,684
Police	14,556,344	54.2 / 45.8	7,889,538	6,666,806

Description (Fund)	Taxes	Use	Residential	Comm/Ind
General Admin (General)	1,544,400	54.95 / 45.05	848,648	695,752
Council/Exec (General)	1,201,200	54.95 / 45.05	660,059	541,141
Finance (General)	2,688,400	54.95 / 45.05	1,477,276	1,211,124
Engineering (General)	1,716,000	54.95 / 45.05	942,942	773,058
Building Dept (General)	1,201,200	54.95 / 45.05	660,059	541,141
General Admin (Capital)	1,302,363	54.95 / 45.05	715,649	586,714
General Government	9,653,563	54.95 / 45.05	5,304,633	4,348,930

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Streets (General)	2,022,077	90.24 / 9.76	1,824,722	197,355
Drains (General)	1,009,523	40.91 / 59.09	412,996	596,527
DPW (Capital)	179,820	54.95 / 45.05	98,811	81,009
Major Roads (Capital)	2,584,080	43.12 / 56.85	1,114,255	1,469,825
Local Roads (Capital)	936,729	100.0 / 0	936,729	0
Sidewalks (Capital)	333,000	43.12 / 56.85	143,590	189,410
Drains (Capital)	756,216	43.12 / 56.85	326,080	430,136
Streets (Debt) Major	692,273	43.12 / 56.85	298,508	393,765
DPW	8,513,718	60.56 / 39.44	5,155,691	3,358,027

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Parks & Rec (General)	4,862,000	79 / 21	3,840,980	1,021,020
Parks & Rec (Capital)	811,987	79 / 21	641,470	170,517
Parks & Rec (Debt)	626,902	79 / 21	495,253	131,649
Parks & Recreation	6,300,889	79 / 21	4,977,703	1,323,186

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Refuse (Refuse)	4,525,650	100.0 / 0	4,525,650	0
Refuse	4,525,650	100.0 / 0	4,525,650	0

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Fire (General)	2,345,200	77.36 / 22.64	1,814,247	530,953
Fire (Capital)	162,171	77.36 / 22.64	125,455	36,716
Fire (Debt 1/2)	577,913	77.36 / 22.64	447,074	130,839
Fire	3,085,284	77.36 / 22.64	2,386,776	698,508

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Library/Museum (General)	2,860,000	99.72 / .28	2,851,992	8,008
Library/Museum (Capital)	180,819	99.72 / .28	180,313	506
Library/Museum	3,040,819	99.72 / .28	3,032,305	8,514

50,000 cardholders, 142 issued to people working in the City

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

**Chart #7
Summary of Taxes Budgeted to Departments
(Page 2 of 2)**

Description (Fund)	Taxes	Use	Residential	Comm/Ind
Subdivision Improvement (Cap'l)	666,000	100.0 / 0	666,000	0
Subdivision Improvement	666,000	100.0 / 0	666,000	0
<i>Chart #7 (page 2 of 2)</i>				

Chart #7
Summary of Taxes Budgeted to Departments by Property Class

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Equals 20.3% of Police Times % of Total			
					13.4% Total	22.7% Total	25.2% Total	17.5% Total
					2.72% Cost	4.61% Cost	5.12% Cost	3.55% Cost
					Acres	Sq Ft	Parcels	Taxes
Police (General)	12,927,200	54.2 / 45.8	7,006,542	5,920,658	161,042	272,942	303,138	210,183
Police (Capital)	1,051,231	54.2 / 45.8	569,767	481,464	13,096	22,195	24,651	17,092
Police (Debt 1/2)	577,913	54.2 / 45.8	313,229	264,684	7,199	12,202	13,552	9,396
Police	14,556,344	54.2 / 45.8	7,889,538	6,666,806				

Description (Fund)	Taxes	Use	Residential	Comm/Ind	13.4% Total	22.7% Total	25.2% Total	17.5% Total
					Acres	Sq Ft	Parcels	Taxes
General Admin (General)	1,544,400	54.95 / 45.05	848,648	695,752	93,231	157,936	175,330	121,757
Council/Exec (General)	1,201,200	54.95 / 45.05	660,059	541,141	72,513	122,839	136,368	94,700
Finance (General)	2,688,400	54.95 / 45.05	1,477,276	1,211,124	162,291	274,925	305,203	211,947
Engineering (General)	1,716,000	54.95 / 45.05	942,942	773,058	103,590	175,484	194,811	135,285
Building Dept (General)	1,201,200	54.95 / 45.05	660,059	541,141	72,513	122,839	136,368	94,700
General Admin (Capital)	1,302,363	54.95 / 45.05	715,649	586,714	78,620	133,184	147,852	102,675
General Government	9,653,563	54.95 / 45.05	5,304,633	4,348,930				

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Acres	Sq Ft	Parcels	Taxes
Streets (General)	2,022,077	90.24 / 9.76	1,824,722	197,355	26,446	44,800	49,733	34,537
Drains (General)	1,009,523	40.91 / 59.09	412,996	596,527	79,935	135,412	150,325	104,392
DPW (Capital)	179,820	54.95 / 45.05	98,811	81,009	10,855	18,389	20,414	14,177
Major Roads (Capital)	2,584,080	43.12 / 56.85	1,114,255	1,469,825	196,957	333,650	370,396	257,219
Local Roads (Capital)	936,729	100.0 / 0	936,729	0	0	0	0	0
Sidewalks (Capital)	333,000	43.12 / 56.85	143,590	189,410	25,381	42,996	47,731	33,147
Drains (Capital)	756,216	43.12 / 56.85	326,080	430,136	57,638	97,641	108,394	75,274
Streets (Debt) Major	692,273	43.12 / 56.85	298,508	393,765	52,765	89,385	99,229	68,909
DPW	8,513,718	60.56 / 39.44	5,155,691	3,358,027				

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Acres	Sq Ft	Parcels	Taxes
Parks & Rec (General)	4,862,000	79 / 21	3,840,980	1,021,020	136,817	231,772	257,297	178,679
Parks & Rec (Capital)	811,987	79 / 21	641,470	170,517	22,849	38,707	42,970	29,840
Parks & Rec (Debt)	626,902	79 / 21	495,253	131,649	17,641	29,884	33,176	23,039
Parks & Recreation	6,300,889	79 / 21	4,977,703	1,323,186				

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Acres	Sq Ft	Parcels	Taxes
Refuse (Refuse)	4,525,650	100.0 / 0	4,525,650	0	0	0	0	0
Refuse	4,525,650	100.0 / 0	4,525,650	0	0	0	0	0

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Acres	Sq Ft	Parcels	Taxes
Fire (General)	2,345,200	77.36 / 22.64	1,814,247	530,953	71,148	120,526	133,800	92,917
Fire (Capital)	162,171	77.36 / 22.64	125,455	36,716	4,920	8,335	9,252	6,425
Fire (Debt 1/2)	577,913	77.36 / 22.64	447,074	130,839	17,532	29,700	32,971	22,897
Fire	3,085,284	77.36 / 22.64	2,386,776	698,508				

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Acres	Sq Ft	Parcels	Taxes
Library/Museum (General)	2,860,000	99.72 / .28	2,851,992	8,008	1,073	1,818	2,018	1,401
Library/Museum (Capital)	180,819	99.72 / .28	180,313	506	68	115	128	89
Library/Museum	3,040,819	99.72 / .28	3,032,305	8,514				

Description (Fund)	Taxes	Use	Residential	Comm/Ind	Acres	Sq Ft	Parcels	Taxes
Sub Improvement (Cap'l)	666,000	100.0 / 0	666,000	0	0	0	0	0
Sub Improvement	666,000	100.0 / 0	666,000	0	0	0	0	0

Acres	Sq Ft	Parcels	Taxes
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DDA Total of: 1,486,117 2,517,676 2,795,106 1,940,675

Total DDA Taxes from Base: 4,045,667 4,045,667 4,045,667 4,045,667

Acres	Sq Ft	Parcels	Taxes
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Net Difference in Taxes Paid and Service Cost: 2,559,550 1,527,991 1,250,561 2,104,992

Chart #8 – Detail of Costs and Net Benefit by Department

By comparing the actual taxes budgeted to the Departments with the pro-rata user of those tax dollar benefits, Chart #8 details the net benefit to the Residential and Commercial/Industrial property classes in four (4) categories: total taxes, cost and benefit per acre, cost and benefit per square foot of building area, and cost and benefit per parcel count.

Chart #9 – Summary of Net Benefit by Class

The summary of all of the data presented shows a Net Deficit in tax dollars paid by the Residential class by all departments except Police, and of course, General Administration, toward the cost of services it consumes.

In simple terms, the Residential class of properties consumes \$6,274,919 more dollars of taxes for services than its contribution for the same. This equates to a deficit of \$333 toward the cost of service per acre of land, a deficit of \$0.09 toward the cost of service per square foot of building, and a deficit of \$199 toward the cost of service per parcel.

The summary shows a Net Overage in tax dollars paid by the Commercial/Industrial class by all departments except Police, and again, General Administration, toward the cost of services it consumes.

The Commercial/Industrial class of property pays \$6,274,919 more in taxes than the costs of the services it uses. This equates to added payments of \$1,114 per acre of land, an additional payment of \$0.14 per square foot of building area, and an additional \$822 paid per parcel for services.

In other terms, the \$6,274,919 dollars of additional taxes paid by the Commercial/Industrial class to offset the usage by the Residential class amounts to \$664,012,593 dollars of Taxable Value ($(\$6,274,919 / 9.45 \text{ mills}) * 1,000$). The Commercial/Industrial class is currently \$521,499,630 less in Taxable Value than the Residential class.

The majority of the use to payment ratios will not change significantly than as they currently exist. As the tax ratio equalizes between Residential and Commercial/Industrial, or tips towards a Commercial/Industrial majority, the Residential class will pay even less of a portion of its costs of services compared to its usage.

This analysis demonstrates that the Commercial/Industrial class of properties is a 'donor' class of property. It pays more in taxes than the services it requires

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

**Chart #8
Detail of Costs and Net Benefit by Department
(Page 1 of 2)**

POLICE	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
Police TOTAL	14,556,344	100.00	14,556,344	732	0.14	447
Taxes - Residential	7,998,711	54.95		542	0.15	298
Benefit - Residential	7,889,538	54.20		534	0.15	294
Net Benefit - Residential	(109,173)			(8)	0.00	(4)
Taxes - Comm/Ind	6,557,633	45.05		1,281	0.12	860
Benefit - Comm/Ind	6,666,806	45.80		1,302	0.12	874
Net Benefit - Comm/Ind	109,173			21	0.00	14
GENERAL ADMINISTRATION						
GENERAL ADMINISTRATION	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
General Admin. TOTAL	9,653,563	100.00	9,653,563	486	0.09	296
Taxes - Residential	5,304,633	54.95		359	0.10	197
Benefit - Residential	5,304,633	54.95		359	0.10	197
Net Benefit - Residential	0			0	0.00	0
Taxes - Comm/Ind	4,348,930	45.05		850	0.08	570
Benefit - Comm/Ind	4,348,930	45.05		850	0.08	570
Net Benefit - Comm/Ind	0			0	0.00	0
DPW						
DPW	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
DPW TOTAL	8,513,718	100.00	8,513,718	428	0.08	261
Taxes - Residential	4,678,288	54.95		317	0.09	174
Benefit - Residential	5,155,691	60.56		349	0.10	192
Net Benefit - Residential	477,103			32	0.01	18
Taxes - Comm/Ind	3,835,430	45.05		749	0.07	503
Benefit - Comm/Ind	3,358,027	39.44		717	0.06	440
Net Benefit - Comm/Ind	(477,403)			(32)	(0.01)	(63)
PARKS & RECREATION						
PARKS & RECREATION	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
Parks & Rec TOTAL	6,300,889	100.00	6,300,889	317	0.12	193
Taxes - Residential	3,462,339	54.95		235	0.07	129
Benefit - Residential	4,977,703	79.00		337	0.09	185
Net Benefit - Residential	1,515,364			102	0.02	56
Taxes - Comm/Ind	2,838,550	45.05		555	0.05	372
Benefit - Comm/Ind	1,323,186	21.00		258	0.02	174
Net Benefit - Comm/Ind	(1,515,364)			(297)	(0.03)	(198)

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

**Chart #8
Detail of Net Benefit by Department
(Page 2 of 2)**

REFUSE	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
Refuse TOTAL	4,525,650	100.00	4,525,650	228	0.04	139
Taxes - Residential	2,486,845	54.95		168	0.05	93
Benefit - Residential	4,525,650	100.00		228	0.04	139
Net Benefit - Residential	2,038,805			60	0.01	46
Taxes - Comm/Ind	2,038,805	45.05		398	0.04	267
Benefit - Comm/Ind	0	0.00		0	0.00	0
Net Benefit - Comm/Ind	(2,038,805)			(398)	(0.04)	(267)
FIRE						
FIRE	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
Fire TOTAL	3,085,284	100.00	3,085,284	155	0.03	95
Taxes - Residential	1,695,364	54.95		115	0.03	63
Benefit - Residential	2,386,776	77.36		162	0.05	89
Net Benefit - Residential	691,412			47	0.02	26
Taxes - Comm/Ind	1,389,920	45.05		272	0.03	182
Benefit - Comm/Ind	698,508	22.64		136	0.01	92
Net Benefit - Comm/Ind	(691,412)			(136)	(0.02)	(90)
LIBRARY/MUSEUM						
LIBRARY/MUSEUM	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
Library/Museum TOTAL	3,040,819	100.00	3,040,819	153	0.03	93
Taxes - Residential	1,670,930	54.95		113	0.03	62
Benefit - Residential	3,032,305	99.72		205	0.06	113
Net Benefit - Residential	1,361,375			92	0.03	51
Taxes - Comm/Ind	1,369,889	45.05		268	0.03	180
Benefit - Comm/Ind	8,514	0.28		2	0.00	1
Net Benefit - Comm/Ind	(1,361,375)			(266)	(0.03)	(179)
SUBDIVISION IMPROVEMENT						
SUBDIVISION IMPROVEMENT	Taxes	Use %	Cost	Cost/Ben. Per Acre	Cost/Ben. Sq Ft	Cost/Ben. Parcel
Sub. Imp. TOTAL	666,000	100.00	666,000	33	0.01	20
Taxes - Residential	365,967	54.95		25	0.01	14
Benefit - Residential	666,000	100.00		33	0.01	20
Net Benefit - Residential	300,033			8	0.00	6
Taxes - Comm/Ind	300,033	45.05		6	0.01	39
Benefit - Comm/Ind	0	0.00		0	0.00	0
Net Benefit - Comm/Ind	(300,033)			(6)	(0.01)	(39)
<i>Chart #8 (page 2 of 2)</i>						

**City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class**

**Chart #9
Summary of Net Benefit by Class**

Chart #9 Summary of Net Benefit by Class						
NET BENEFIT - RESIDENTIAL	Taxes			Benefit Per Acre	Benefit Sq Ft	Benefit Parcel
Police	(109,173)			(8)	0.00	(4)
General Administration	0			0	0.00	0
DPW	477,103			32	0.01	18
Parks & Recreation	1,515,364			102	0.02	56
Refuse	2,038,805			60	0.01	46
Fire	691,412			47	0.02	26
Library/Museum	1,361,375			92	0.03	51
Subdivision Improvement	300,033			8	0.00	6
Total Net Benefit Res'l	6,274,919			333	0.09	199
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NET BENEFIT - COMM/IND	Taxes			Benefit Per Acre	Benefit Sq Ft	Benefit Parcel
Police	109,173			21	0.00	14
General Administration	0			0	0.00	0
DPW	(477,103)			(32)	(0.01)	(63)
Parks & Recreation	(1,515,364)			(297)	(0.03)	(198)
Refuse	(2,038,805)			(398)	(0.04)	(267)
Fire	(691,412)			(136)	(0.02)	(90)
Library/Museum	(1,361,375)			(266)	(0.03)	(179)
Subdivision Improvement	(300,033)			(6)	(0.01)	(39)
Total Net Benefit Comm/Ind	(6,274,919)			(1,114)	(0.14)	(822)
<i>Chart #9</i>						

City of Troy - Assessing Department
Detail and Analysis of Assessment/Tax Roll by Class

Chart #10						
Comparison of Millage Rates by Percent of Residential Property Assessment						
Unit of Government	Millage Rate	Total Commercial/ Industrial	C/I % of Total	Residential Real	Residential % of Total	Total Assessed Value
Auburn Hills	10.7902	2,022,452,080	81.63	455,193,045	18.37	2,477,645,125
Birmingham	15.0719	628,062,965	23.65	2,027,378,240	76.35	2,655,441,205
Bloomfield Hills	8.3000	216,725,300	19.98	867,837,350	80.02	1,084,562,650
Bloomfield Twp	10.9545	371,213,750	8.52	3,987,677,690	91.48	4,358,891,440
Farmington Hills	11.1077	1,540,099,480	32.57	3,187,827,470	67.43	4,727,926,950
Madison Heights	17.2970	713,018,560	51.51	671,080,850	48.49	1,384,099,410
Novi	10.5416	1,310,301,130	36.59	2,270,250,250	63.41	3,580,551,380
Rochester Hills	9.6681	921,726,640	22.97	3,090,629,810	77.03	4,012,356,450
Royal Oak	11.7816	661,629,560	23.04	2,209,896,130	76.96	2,871,525,690
Southfield	16.3428	2,303,962,950	54.36	1,934,412,027	45.64	4,238,374,977
Troy	9.4500	2,866,337,870	49.77	2,892,925,590	50.23	5,759,263,460
Waterford Twp	10.2910	696,296,848	22.02	2,465,227,902	77.98	3,161,524,750
West Bloomfield Twp	9.0619	475,885,820	10.39	4,102,197,380	89.61	4,578,083,200
(source data: 2005 Oakland County Apportionment Report)						
<i>Chart #10</i>						

CERTIFICATION BY ASSESSING OFFICER AUTHENTICATING TAX ROLL

Sec 211.41 CL of 1979, as amended

State of Michigan)
)ss
 County of Oakland)
 I HEREBY CERTIFY that the foregoing and annexed is the Tax Roll of the **CITY OF TROY**
 in the county aforesaid for the year 2005, with my warrant thereunto to annexed and that the aggregate amount of taxes spread upon the said tax roll is as follows:

TAXABLE-REAL	4,760,853,880	0	1,010,620	0	4,761,864,500
TAXABLE-Homestead*	2,735,604,909	0	1,074,150		2,736,679,059
TAXABLE-Non-Homestead	2,026,248,971		(83,530)		2,025,165,441
TAXABLE-Personal	503,497,670	0	(215,900)	0	503,281,770
TAXABLE-Homestead*	0	0	0	0	0
TAXABLE-Non-Homestead	503,497,670		(215,900)		503,281,770
TAXABLE-Total Homestead*	2,735,604,909	0	1,074,150	#VALUE!	#VALUE!
TAXABLE-Total Non-Homestead	2,526,746,841	#VALUE!	(279,430)	#VALUE!	#VALUE!
TAXABLE-Total on Tax Roll	5,264,351,550	#VALUE!	794,720	#VALUE!	#VALUE!

ITEMS OF TAX COUNTY	CERTIFIED TAX RATE	WARRANT		MTT/STC/ASSESS CORR		JULY BOARD		DECEMBER BOARD		AMENDED TOTAL	
		TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE
OPERATING	4.1900	4,968,959,732	20,619,941.27	#VALUE!	#VALUE!	734,630	3,078.09	#VALUE!	#VALUE!	#VALUE!	#VALUE!
PARKS & REC.	0.2415	4,968,959,732	1,200,003.77	#VALUE!	#VALUE!	734,630	177.41	#VALUE!	#VALUE!	#VALUE!	#VALUE!
H.C.M.A.	0.2146	4,968,959,732	1,066,338.75	#VALUE!	#VALUE!	734,630	157.65	#VALUE!	#VALUE!	#VALUE!	#VALUE!
CITY/TWP											
OPERATING	6.5000	4,968,959,732	32,298,238.25	#VALUE!	#VALUE!	734,630	4,775.09	#VALUE!	#VALUE!	#VALUE!	#VALUE!
REFUSE	0.8300	4,968,959,732	4,124,236.57	#VALUE!	#VALUE!	734,630	609.74	#VALUE!	#VALUE!	#VALUE!	#VALUE!
OCPTA	0.5950	5,256,316,710	3,127,505.44	#VALUE!	#VALUE!	794,720	472.85	#VALUE!	#VALUE!	#VALUE!	#VALUE!
CAPITAL	1.6200	4,968,959,732	8,046,714.78	#VALUE!	#VALUE!	734,630	1,190.10	#VALUE!	#VALUE!	#VALUE!	#VALUE!
DEBT	0.5000	4,976,994,572	2,488,497.28	#VALUE!	#VALUE!	734,630	367.31	#VALUE!	#VALUE!	#VALUE!	#VALUE!
BRA CAPTURED 035H	15.6805	22,840,383	358,148.62		0.00	120,920	1,899.06	#VALUE!	#VALUE!	#VALUE!	#VALUE!
BRA CAPTURED 036N	15.6805	28,864,325	452,607.04		0.00	(104,220)	(1,634.22)	#VALUE!	#VALUE!	#VALUE!	#VALUE!
DDA CAPTURED 265H	15.6805	66,670	1,045.41		0.00		0.00		0.00	66,670	1,045.41
DDA CAPTURED 265N	15.6805	235,565,900	3,694,100.00		#VALUE!	(76,790)	(1,204.10)	#VALUE!	#VALUE!	#VALUE!	#VALUE!
SZ CAPTURED 266H	17.4600		0.00		0.00		0.00		0.00		0.00
SZ CAPTURED 268N	26.4600	8,034,840	212,601.86		0.00		0.00		0.00	8,034,840	212,601.86
STATE EDUCATION TAX											
STATE OF MICHIGAN	6.0000	5,264,351,550	31,566,109.30		#VALUE!	794,720	4,786.32	#VALUE!	#VALUE!	#VALUE!	#VALUE!
SCHOOL											
TOTAL 010 AVONDALE		232,942,770									
H*	1.3203	204,322,080	269,766.44		0.00	53,480	70.80		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	28,620,690	515,172.42		#VALUE!	(11,420)	(205.58)		#VALUE!	#VALUE!	#VALUE!
DEBT H*	7.5999	204,322,080	1,552,623.05		0.00	53,480	406.36		#VALUE!	#VALUE!	#VALUE!
DEBT NH	7.5999	28,620,690	217,485.78		#VALUE!	(11,420)	(88.77)		#VALUE!	#VALUE!	#VALUE!
TOTAL 030 BIRMINGHAM		140,005,020									
H*	8.9502	112,329,650	1,005,372.83		0.00	134,810	1,206.57		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	27,675,370	498,156.66		#VALUE!	(134,810)	(2,426.58)		#VALUE!	#VALUE!	#VALUE!
DEBT H*	3.2600	112,329,650	366,194.65		0.00	134,810	439.48		#VALUE!	#VALUE!	#VALUE!
DEBT NH	3.2600	27,675,370	90,221.70		#VALUE!	(134,810)	(439.48)		#VALUE!	#VALUE!	#VALUE!
TOTAL 035 Troy Brownfield		56,912,680									
H*	8.9502	23,926,200	214,144.27		0.00	120,920	1,082.25		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	32,986,480	593,756.84		0.00	(104,220)	(1,675.96)		#VALUE!	#VALUE!	#VALUE!
DEBT H*	3.2600	23,926,200	77,999.41		0.00	120,920	394.19		#VALUE!	#VALUE!	#VALUE!
DEBT NH	3.2600	32,986,480	107,535.92		0.00	(104,220)	(339.75)		#VALUE!	#VALUE!	#VALUE!
TOTAL 040 BLOOMFIELD HILLS		73,280,470									
H*	8.1155	66,756,270	541,841.66		0.00	(140,360)	(1,139.09)		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	6,514,200	117,255.60		0.00	140,360	2,526.46		0.00	6,654,580	119,782.09
DEBT H*	2.1578	68,766,270	144,058.25		0.00	(140,360)	(302.86)		#VALUE!	#VALUE!	#VALUE!
DEBT NH	2.1578	6,514,200	14,056.34		0.00	140,360	302.86		0.00	6,654,580	14,359.20
TOTAL 160 LAMPHERE		124,926,520									

11/9/2005

ITEMS OF TAX	CERTIFIED TAX RATE	WARRANT		MTT/STC/ASSESS CORR		JULY BOARD		DECEMBER BOARD		AMENDED TOTAL	
		TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE	TAXABLE VALUE	TAXES DUE
H*	14.5000		0.00		0.00		0.00		0.00		0.00
NH	18.0000	124,928,520	2,248,677.96		#VALUE!		0.00		#VALUE!	#VALUE!	#VALUE!
DEBT H*	3.8993		0.00		0.00		0.00		#VALUE!	0.00	0.00
DEBT NH	3.8993	124,928,520	487,125.97		#VALUE!		0.00		#VALUE!	#VALUE!	#VALUE!
TOTAL 230 ROYAL OAK			72,057,720								
H*	3.5030	20,682,150	72,449.57		0.00	78,670	275.58		0.00	20,760,820	72,725.15
NH	17.8061	51,375,570	914,798.53		#VALUE!	(78,670)	(1,400.80)		0.00	#VALUE!	#VALUE!
DEBT H*	2.5100	20,682,150	51,912.19		0.00	78,670	197.46		0.00	20,760,820	52,109.65
DEBT NH	2.5100	51,375,570	128,952.68		#VALUE!	(78,670)	(197.46)		0.00	#VALUE!	#VALUE!
TOTAL 260 TROY		3,470,479,070									
H*	5.7387	2,115,451,159	12,139,939.56		0.00	395,180	2,267.81		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	1,355,024,911	24,390,448.39		#VALUE!	238,780	4,298.04		#VALUE!	#VALUE!	#VALUE!
DEBT H*	4.1300	2,115,451,159	8,736,813.29		0.00	395,180	1,632.09		#VALUE!	#VALUE!	#VALUE!
DEBT NH	4.1300	1,355,024,911	5,598,252.88		#VALUE!	238,780	986.16		#VALUE!	#VALUE!	#VALUE!
TOTAL 262 TROY TRANSFER		52,053,310									
H*	5.7387	44,715,380	256,808.03		0.00	85,170	373.99		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	7,337,950	132,083.10		0.00	(69,500)	(1,251.00)		#VALUE!	#VALUE!	#VALUE!
DEBT H*	4.1300	44,715,380	184,674.43		0.00	85,170	289.15		#VALUE!	#VALUE!	#VALUE!
DEBT NH	4.1300	7,337,950	30,305.73		0.00	(69,500)	(287.03)		#VALUE!	#VALUE!	#VALUE!
DUE WARREN (H*)	0.0853	44,715,380	3,814.22		0.00	85,170	5.55		#VALUE!	#VALUE!	#VALUE!
DUE WARREN (NH)	0.0853	7,337,950	625.92		0.00	(69,500)	(5.92)		#VALUE!	#VALUE!	#VALUE!
TOTAL 265 TROY DDA		664,930,800									
H*	5.7387	185,070	1,062.06		0.00		0.00		0.00	185,070	1,062.06
NH	18.0000	664,745,730	11,965,423.14		#VALUE!	(76,790)	(1,382.22)		#VALUE!	#VALUE!	#VALUE!
DEBT H*	4.1300	185,070	764.33		0.00		0.00		0.00	185,070	764.33
DEBT NH	4.1300	664,745,730	2,745,399.86		#VALUE!	(76,790)	(317.14)		#VALUE!	#VALUE!	#VALUE!
TOTAL 268 TROY SmartZone		14,447,380									
H*	5.7387		0.00		0.00		0.00		0.00		0.00
NH	18.0000	14,447,380	260,052.84		0.00		0.00		0.00	14,447,380	260,052.84
NH NON-CAPTURE	9.0000	8,034,840	72,313.56				#VALUE!			#VALUE!	#VALUE!
DEBT H*	4.1300		0.00		0.00		0.00		0.00		0.00
DEBT NH	4.1300	22,482,220	92,851.56		0.00	#VALUE!	#VALUE!		0.00	#VALUE!	#VALUE!
TOTAL 750 WARREN		354,283,970									
H*	6.7186	147,228,970	988,864.66		0.00	368,280	2,460.15		#VALUE!	#VALUE!	#VALUE!
NH	18.0000	207,057,000	3,727,026.00		#VALUE!	(183,160)	(3,296.88)		#VALUE!	#VALUE!	#VALUE!
DEBT H*	3.2764	147,228,970	482,374.44		0.00	368,280	1,200.07		#VALUE!	#VALUE!	#VALUE!
DEBT NH	3.2764	207,057,000	676,401.55		#VALUE!	(183,160)	(600.10)		#VALUE!	#VALUE!	#VALUE!
INTERMEDIATE											
MACOMB	2.9430	354,283,970	1,042,657.72		#VALUE!	183,120	538.82		#VALUE!	#VALUE!	#VALUE!
OAKLAND	3.3690	4,902,032,740	16,514,948.30		#VALUE!	811,600	2,080.48		#VALUE!	#VALUE!	#VALUE!
OAKLAND SZ NON-CAPTURE	1.68450	8,034,840	13,534.68				#VALUE!			#VALUE!	#VALUE!
COLLEGE											
OAKLAND	1.5844	4,968,959,732	7,872,819.79		#VALUE!	734,690	1,183.94		#VALUE!	#VALUE!	#VALUE!
TOTAL GENERAL TAXES SPREAD			217,638,719.25		#VALUE!		#VALUE!		#VALUE!		#VALUE!
ADMINISTRATIVE FEE FOR 2004 LEVY			1,678,905.97		#VALUE!		#VALUE!		#VALUE!		#VALUE!
COUNTY DRAINS/LK LEVELS (includes @LARGE)			0.00		0.00		0.00		0.00		0.00
COUNTY SPECIAL ASSESSMENTS			0.00		0.00		0.00		0.00		0.00
CITY/TOWNSHIP SPECIAL ASSESSMENTS 05/16/05			490,872.02		0.00		0.00		0.00		490,872.02
EXCESS OF ROLL			0.00		0.00		0.00		0.00		0.00
PROPERTY TRANSFER AFFIDAVIT FINE			0.00		0.00		0.00		0.00		0.00
STATE TAX COMMISSION INCREASES (see attached)			0.00		0.00		0.00		0.00		0.00
TOTAL OF TAX ROLL			219,808,497.24		#VALUE!		#VALUE!		#VALUE!		#VALUE!

DATED _____

2/5/2005 SIGNED _____

ASSESSOR OF THE CITY OF TROY

11/9/2005

LT-1 ANNUAL REPORT OF TAXES 2005 CITY of TROY, Oakland County, Michigan

Assessed Value	Fctr	Equalized	Taxable	ITEMS of TAX	RATE	Taxable	Code	Total Levies
Real Agricultural	0	0	0	COUNTY TAX LEVY				
Real Commercial	1,758,262,320	1.00	1,758,262,320	General	2.8000	5,264,351,550	1	14,740,184.34
Real Industrial	604,577,880	1.00	604,577,880	Parks & Rec	0.2415	5,264,351,550	2	1,271,340.89
Real Residential	3,659,736,460	1.00	3,659,736,460	Huron Clinton Authority	0.2146	5,264,351,550	2	1,129,729.84
Real Timber Cutover	0	0	0	Debt Service	1.3900		1	
Real Developmental	0	0	0	Oakland Count Public Trans Auth	0.5950	5,264,351,550	2	3,132,289.17
Total Real Property	6,022,576,660	1.00	6,022,576,660	Total County Levy	5.2411	5,264,351,550	2	27,590,992.90
Personal Property	503,497,670	1.00	503,497,670	1. TOTAL County TAX LEVY	5.2411	5,264,351,550	2	27,590,992.90
TOTAL	6,526,074,330	1.00	6,526,074,330	City, General Tax	6.5000	5,264,351,550	1	34,218,285.07
Homestead			2,711,678,709	Drains	0.5000	5,264,351,550	1	2,632,175.77
Non-Homestead			2,552,672,841	Refuse	0.8300	5,264,351,550	1	4,369,411.78
				Capital	1.6200	5,264,351,550	1	8,528,249.51
				2. TOTAL CITY TAX LEVY	9.4500	5,264,351,550	1	49,748,122.14

SCHOOL TAXES by DISTRICT	TAXABLE VALUE		STATE All (Taxes)	SCHL Rate	OP. NON (Taxes)	*** Extra Voted Taxes and Debt Service ***			BONDED DEBT - All	
	(dollars)	Rate				Supp'<18 Hmstd Rate	Supp'>18 All Rate (Taxes)	Enhanc't All Rate (Taxes)	Rate	(Taxes)
010 AVON Total	232,942,770	6.00	1,397,656.62							
010 Hmstd	204,322,080	6.00	1,225,932.48			1.3203	269,766.44		7.5989	1,552,623.05
010 Non	28,620,690	6.00	171,724.14	18.0000	515,172.42				7.5989	217,485.76
030 BIRM Total	140,005,020	6.00	840,030.12							
030 Hmstd	112,329,650	6.00	673,977.90			8.9502	1,005,372.83		3.2600	366,194.65
030 Non	27,675,370	6.00	166,052.22	18.0000	498,156.66				3.2600	90,221.70
035 Troy BRA Total	56,912,680	6.00	341,476.08							
035 Hmstd	23,926,200	6.00	143,557.20			8.9502	214,144.27		3.2600	77,999.41
035 Non	32,986,480	6.00	197,918.88	18.0000	593,756.64				3.2600	107,535.92
040 BLOOM Total	73,280,470	6.00	439,682.82							
040 Hmstd	66,766,270	6.00	400,597.62			8.1155	541,841.66		2.1578	144,068.25
040 Non	6,514,200	6.00	39,085.20	18.0000	117,255.60				2.1578	14,056.34
160 LAMPH Total	124,926,520	6.00	749,559.12							
160 Hmstd	0	6.00	0.00			14.5000	0.00		3.8993	0.00
160 Non	124,926,520	6.00	749,559.12	18.0000	2,248,677.36				3.8993	487,125.97
230 ROYOAK Total	72,057,720	6.00	432,346.32							
230 Hmstd	20,682,150	6.00	124,092.90			3.5030	72,449.57		2.5100	51,912.19
230 Non	51,375,570	6.00	308,253.42	17.8061	914,798.53				2.5100	128,952.68
260 TROY Total	3,470,476,070	6.00	20,822,856.42							
260 Hmstd	2,115,451,159	6.00	12,692,706.95			5.7387	12,139,939.56		4.1300	8,736,813.28
260 Non	1,355,024,911	6.00	8,130,149.46	18.0000	24,390,448.39				4.1300	5,596,252.88
262 W/TROY Total	52,053,310	6.00	312,319.86							
262 Hmstd	44,715,360	6.00	268,292.16			5.7387	256,608.03		4.2153	188,488.65
262 Non	7,337,950	6.00	44,027.70	18.0000	132,083.10				4.2153	30,931.66
265 TROYDDA Total	664,930,800	6.00	3,989,584.80							
265 Hmstd	185,070	6.00	1,110.42			5.7387	1,062.06		4.1300	764.33
265 Non	664,745,730	6.00	3,988,474.38	18.0000	11,965,423.14				4.1300	2,745,399.86
268 TROYSmartZoneTotal	22,482,220	6.00	134,893.32							
268 Hmstd	0	6.00	0.00			5.7387	0.00		4.1300	0.00
268 Non	22,482,220	6.00	134,893.32	18.0000	404,679.96				4.1300	92,851.56
750 WARR Total	354,283,970	6.00	2,125,703.82							
750 Hmstd	147,226,970	6.00	883,361.82			6.7166	988,864.66		3.2764	482,374.44
750 Non	207,057,000	6.00	1,242,342.00	18.0000	3,727,026.00				3.2764	678,401.55
INTERMTE SCHOOLS										
Oakland	4,910,032,740			0.2003	983,479.55	3.1687	15,558,420.74			
Macomb	354,283,970			0.2023	71,671.64	2.7407	970,986.07			
COMMUNITY COLLEGE										
Oakland	4,968,959,732			1.5844	7,872,819.79					
3. TOTAL SCHL LEVY	5,264,351,550									139,831,468.09

TOTAL GENERAL TAXES (Lines 1, 2 (Plus DDA, Plus Trans), and 3) 217,170,583.13
SPECIAL TAXES (Authorized to be Spread on Tax Roll, per Attached Resolution) 490,878.02
TOTAL TAXES 217,661,461.15

2005 Assessment Roll Summary

Percent Changes by Class

Assessed Value Percent Change		Taxable Value Percent Change	
	%		%
Residential (all)	4.95	Residential (all)	5.62
Residential	3.95	Residential	4.46
Condo	21.66	Condo	24.08
Commercial	3.27	Commercial	3.04
Industrial	0.02	Industrial	1.59
Personal	(6.08)	Personal	(6.08)
 Overall A/V	 2.98		 3.33

Percent of Total Roll (Taxable Value)

	%		%
Commercial	26.02	Real	90.44
Industrial	9.46	Personal	9.56
Residential	54.95		
Personal	9.56		
 Total	 100.00	 Total	 100.00

Parcel Count (35,033) Breakdown

Real Property		Personal Property	
Commercial	947	Commercial	4,451
Commercial Vacant	121		
Commercial Improved	748		
Apartment Vacant	3		
Apartment Improved	64		
Utility	11		
Industrial	970	Industrial	1,238
Industrial Vacant	105		
Industrial Improved	865		
Residential	26,876	Utility	19
Residential Vacant	721		
Residential Improved	23,133		
Condo Vacant	134	Deletes	532
Condo Improved	2,368		
Exempt	520		
 Total Real	 28,793	 Total Personal	 6,240

Averages

	Sale Price	Market Value	Assessed Value	Taxable Value
Residential 1,118 sales @ 328,955,217	294,235	292,464	146,232	115,627
Condo 362 sales @ 83,280,469	230,057	198,866	99,433	84,273

**2005 Assessment Roll Summary
Ratio of Taxable Value to Market Value**

Total Market Value (including Personal Property)	13,052,148,660
Total Taxable Value (including Personal Property)	5,264,351,550

Ratio of T/V to M/V (including Personal Property) %	40.33
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Total Market Value (No Personal Property)	12,045,153,320
Total Taxable Value (No Personal Property)	4,760,853,880

Ratio of T/V to M/V (No Personal Property) %	39.53
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By Type (No Personal Property)		Market Value	Taxable Value	Ratio
Commercial		3,516,524,640	1,369,954,040	38.96
Industrial		1,209,155,760	497,974,250	41.18
Residential		7,319,472,920	2,892,925,590	39.52

DDA Statistics

	Base	05 T/V	05 Capture
Real	342,342,400	531,379,920	189,037,520
Personal	86,936,130	133,550,880	46,614,750
Total	429,278,530	664,930,800	235,652,270

Troy Brownfield (TBRA) Statistics

	Base	05 T/V	05 Capture
Real	5,421,830	52,659,750	47,451,778
Personal	0	4,252,930	4,252,930
Total	5,421,830	56,912,680	51,704,708

Troy Smart Zone (SZ) Statistics

	Base	05 T/V	05 Capture
Real	13,016,380	16,372,300	3,355,920
Personal	1,431,000	6,109,920	4,678,920
Total	14,447,380	22,482,220	8,034,840

Top Ten Taxpayers

Rank	Name	05 A/V	05 T/V	Activity	Parcels
1	Frankel Forbes Cohen	70,368,000	62,372,530	Somerset N & S	3
2	Nykel Management	85,129,670	56,361,080	Somerset Apt's	24
3	Liberty Property Trust	64,960,520	43,507,780	Office Leasing	26
4	Kmart	40,167,780	39,103,450	Retail & CorpHQ	7
5	Detroit Edison	33,890,730	33,882,660	Utility	16
6	Kelly Services & Properties	42,089,530	33,786,950	Corp HQ & Temps	11
7	888 W Big Beaver Assoc	33,373,440	32,532,870	Office Leasing	2
8	Rigg's & Co (Columbia Cntr)	38,103,890	28,079,400	Office Leasing	3
9	Oakland Mall LLC	36,076,900	28,047,750	Retail	8
10	Standard Federal	31,371,350	27,759,750	Banking/Corp HQ	5

**2005/06 ALL FUNDS COMBINED SUMMARY
OF REVENUES, EXPENDITURES AND FUND BALANCE**

DESCRIPTION	ENTERPRISE	INTERNAL SERVICE	TOTAL ALL FUNDS
<u>REVENUE</u>			
Taxes	\$ -	\$ -	\$ 48,954,190
Licenses & Permits	-	-	2,012,500
Federal Grants	-	-	522,320
State Grants	-	-	12,982,000
Contributions - Local	-	-	707,000
Charges for Service	28,606,750	3,758,450	38,651,000
Fines and Forfeits	-	-	995,000
Interest and Rents	882,300	3,802,300	6,704,900
Other Revenue	-	4,936,000	6,415,780
REVENUE	\$ 29,489,050	\$ 12,496,750	\$ 117,944,690
<u>EXPENDITURES</u>			
Personal Service Control	\$ 3,984,510	\$ 8,060,350	\$ 53,786,260
Supplies	854,140	1,112,150	5,121,130
Other Services/Charges	20,507,720	3,440,540	43,961,250
Capital Outlay	9,139,000	1,421,300	32,062,710
Debt Service	755,520	-	4,157,190
EXPENDITURES	\$ 35,240,890	\$ 14,034,340	\$ 139,088,540
<u>OTHER FINANCING SOURCES</u>			
Operating Transfer In	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES	\$ -	\$ -	\$ -
<u>OTHER FINANCING USES</u>			
Operating Transfer Out	\$ -	\$ -	\$ -
OTHER FINANCING USES	\$ -	\$ -	\$ -
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ -	\$ -	\$ 71,660
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 42,485,699
ENDING FUND BALANCE	\$ -	\$ -	\$ 42,557,359

Note: Enterprise and Internal Service Funds report on the accrual basis, therefore retained earnings are not shown in the budget. The Annual Audit shows the retained earnings amount.

**2005/06 ALL FUNDS COMBINED SUMMARY
OF REVENUES, EXPENDITURES AND FUND BALANCE**

DESCRIPTION	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
				SPECIAL ASSESSMENT
REVENUE				
Taxes	\$ 34,351,690	\$ 4,108,500	\$ 2,475,000	\$ 8,019,000
Licenses & Permits	2,012,500	-	-	-
Federal Grants	32,320	185,000	-	305,000
State Grants	6,658,000	5,275,000	-	1,049,000
Contributions - Local	135,000	-	-	572,000
Charges for Service	5,969,200	149,600	-	167,000
Fines and Forfeits	995,000	-	-	-
Interest and Rents	1,110,300	160,000	100,000	650,000
Other Revenue	479,780	-	-	1,000,000
REVENUE	\$ 51,743,790	\$ 9,878,100	\$ 2,575,000	\$ 11,762,000
EXPENDITURES				
Personal Service Control	\$ 41,545,880	\$ 195,520	\$ -	\$ -
Supplies	3,131,430	23,410	-	-
Other Services/Charges	15,272,680	4,678,160	62,150	-
Capital Outlay	17,000	-	-	21,485,410
Debt Service	-	-	3,084,920	316,750
EXPENDITURES	\$ 59,966,990	\$ 4,897,090	\$ 3,147,070	\$ 21,802,160
OTHER FINANCING SOURCES				
Operating Transfer In	\$ 8,333,200	\$ 581,770	\$ 3,391,600	\$ 13,373,160
OTHER FINANCING SOURCES	\$ 8,333,200	\$ 581,770	\$ 3,391,600	\$ 13,373,160
OTHER FINANCING USES				
Operating Transfer Out	\$ 110,000	\$ 5,491,120	\$ 2,819,530	\$ 3,333,000
OTHER FINANCING USES	\$ 110,000	\$ 5,491,120	\$ 2,819,530	\$ 3,333,000
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 71,660	\$ -	\$ -
Beginning Fund Balance	\$ 18,390,285	\$ 5,522,040	\$ 4,215,338	\$ 14,358,036
ENDING FUND BALANCE	\$ 18,390,285	\$ 5,593,700	\$ 4,215,338	\$ 14,358,036

**GENERAL DEBT SERVICE FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
REVENUE				
Taxes	\$ 3,512,091	\$ 2,444,380	\$ 2,390,000	\$ 2,475,000
Interest and Rents	240,690	90,000	170,000	100,000
Operating Transfer In	-	298,800	949,690	306,680
Other Revenue	265,133	-	-	-
REVENUE	\$ 4,017,914	\$ 2,833,180	\$ 3,509,690	\$ 2,881,680
EXPENDITURES				
Other Services/Charges	\$ 39,730	\$ 40,920	\$ 60,920	\$ 62,150
Debt Service	8,703,519	1,780	-	-
Operating Transfer Out	5,461,488	2,790,480	3,448,770	2,819,530
EXPENDITURES	\$ 14,204,737	\$ 2,833,180	\$ 3,509,690	\$ 2,881,680
Revenue Over (Under) Expenditures	\$ (10,186,823)	\$ -	\$ -	\$ -

Capital Projects Funds

**1995 MTF DEBT SERVICE FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
REVENUE				
Operating Transfer In	\$ 2,048,080	\$ -	\$ -	\$ -
REVENUE	\$ 2,048,080	\$ -	\$ -	\$ -
EXPENDITURES				
Debt Service	\$ 2,048,080	\$ -	\$ -	\$ -
EXPENDITURES	\$ 2,048,080	\$ -	\$ -	\$ -
Revenue Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -

**2000 MTF DEBT SERVICE FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
<u>REVENUE</u>				
Operating Transfer In	\$ 1,693,250	\$ 247,740	\$ 247,740	\$ 265,390
REVENUE	\$ 1,693,250	\$ 247,740	\$ 247,740	\$ 265,390
<u>EXPENDITURES</u>				
Debt Service	\$ 228,713	\$ 247,740	\$ 247,740	\$ 265,390
EXPENDITURES	\$ 228,713	\$ 247,740	\$ 247,740	\$ 265,390
Revenue Over (Under) Expenditures	\$ 1,464,537	\$ -	\$ -	\$ -

**PROP. A BOND DEBT SERVICE FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
<u>REVENUE</u>				
Operating Transfer In	\$ 763,313	\$ 776,090	\$ 776,170	\$ 788,640
REVENUE	\$ 763,313	\$ 776,090	\$ 776,170	\$ 788,640
<u>EXPENDITURES</u>				
Debt Service	\$ 763,313	\$ 776,090	\$ 776,170	\$ 788,640
EXPENDITURES	\$ 763,313	\$ 776,090	\$ 776,170	\$ 788,640
Revenue Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -

**CAPITAL FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
<u>REVENUE</u>				
Taxes	\$ 7,586,118	\$ 9,142,000	\$ 8,938,000	\$ 8,019,000
Federal Grants	1,965	1,730	-	305,000
State Grants	1,644,881	3,237,770	4,267,750	1,049,000
Contributions - Local	1,371,444	-	-	572,000
Charges for Service	1,611,639	130,000	140,000	167,000
Interest and Rents	339,025	504,200	325,000	400,000
Other Revenue	680,280	539,000	-	800,000
Operating Transfer In	14,608,910	14,738,780	21,388,850	12,767,330
REVENUE	\$27,844,262	\$28,293,480	\$35,059,600	\$ 24,079,330
<u>EXPENDITURES</u>				
ATTORNEY				
Capital Outlay	\$ -	\$ -	\$ -	\$ 20,000
HUMAN RESOURCES				
Capital Outlay	-	-	-	30,000
PURCHASING				
Capital Outlay	-	7,500	20,000	-
TREASURER				
Capital Outlay	9,827	10,000	5,000	10,000
INFORMATION TECHNOLOGY				
Capital Outlay	93,214	502,135	1,213,270	600,000
CITY HALL				
Capital Outlay	245,115	345,000	487,250	450,000
Operating Transfer Out	4,583,152	3,100,000	3,100,000	2,333,000
CATV - COMMUNITY AFFAIRS				
Capital Outlay	-	50,000	120,000	60,000
DISTRICT COURT				
Capital Outlay	2,140	144,000	144,000	168,000
POLICE ADMINISTRATION				
Capital Outlay	33,545	137,000	146,480	9,000
POLICE UNIFORM PATROL				
Capital Outlay	27,340	125,000	125,360	41,310

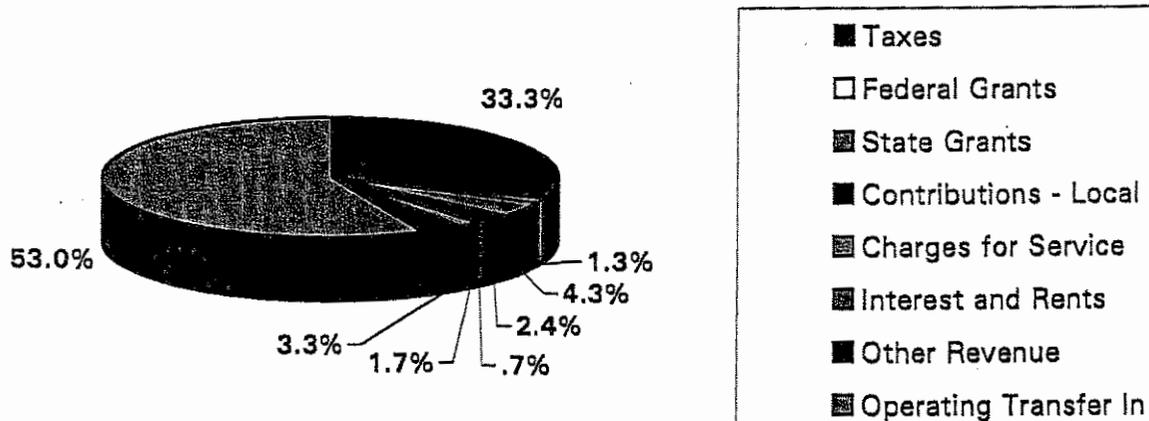
**CAPITAL FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
POLICE COMMUNICATIONS				
Capital Outlay	\$ 123,242	\$ 256,500	\$ 402,880	\$ 265,700
FIRE VEHICLES				
Capital Outlay	-	394,000	400,000	400,000
FIRE COMMUNICATIONS				
Capital Outlay	37,248	-	-	-
FIRE BUILDINGS & REPAIR				
Capital Outlay	13,050	47,420	47,500	87,000
BUILDING INSPECTION				
Capital Outlay	56,212	20,000	20,000	20,000
GENERAL ENGINEERING				
Capital Outlay	21,604	12,000	42,520	-
STREET LIGHTING				
Capital Outlay	2,030	20,000	20,000	20,000
PUBLIC WORKS ADMINISTRATION				
Capital Outlay	100,270	418,000	525,780	540,000
MAJOR ROADS				
Capital Outlay	7,341,332	8,613,740	15,252,370	7,760,000
LOCAL ROADS				
Capital Outlay	1,370,589	1,692,000	3,904,480	2,813,000
SIDEWALKS				
Capital Outlay	493,538	1,172,210	1,350,570	1,000,000
DRAINS				
Capital Outlay	549,523	1,401,000	1,601,760	2,010,000
Debt Service	94,979	261,490	261,890	260,920
DRAINS	\$ 644,502	\$ 1,662,490	\$ 1,863,650	\$ 2,270,920
TRAFFIC SIGNALS				
Capital Outlay	88,363	200,000	311,640	200,000
PARKS & RECREATION				
SECTION 1 DEVELOPMENT				
Other Services/Charges	20,948	25,000	-	-
Capital Outlay	1,839,603	440,000	385,500	-
SECTION 1 DEVELOPMENT	\$ 1,860,551	\$ 465,000	\$ 385,500	\$ -

**CAPITAL FUND
REVENUE AND EXPENDITURES**

DESCRIPTION	2003 ACTUAL	2004 PROJECTED	2004 BUDGET	2005 BUDGET
PARKS & RECREATION ADMINISTRATION				
Capital Outlay	\$ 100,576	\$ 91,000	\$ 570,930	\$ 190,000
COMMUNITY CENTER				
Capital Outlay	24,623	502,000	556,000	137,400
MUNICIPAL GROUNDS				
Capital Outlay	25,731	110,000	222,320	610,000
PARK DEVELOPMENT				
Capital Outlay	392,499	354,000	963,700	1,501,000
SUBDIVISION IMPROVEMENTS				
Capital Outlay	-	2,000,000	2,000,000	2,000,000
LIBRARY				
Capital Outlay	213,622	381,390	381,390	25,000
MUSEUM				
Capital Outlay	1,460,743	328,320	477,010	518,000
EXPENDITURES	\$ 19,364,658	\$ 23,160,705	\$ 35,059,600	\$ 24,079,330
REVENUE OVER(UNDER) EXPEND.	\$ 8,479,604	\$ 5,132,775	\$ -	\$ -

CAPITAL FUND REVENUE



Sum of Count		
Establishment_type	Establishment Description	Total
1000	Residential Dwelling	11500
1000 Total		11500
1100	Parking Lot/Structure	2833
1100 Total		2833
3000	Gas Station	177
3000 Total		177
4000	Convenience Store	68
4000 Total		68
4200	Liquor Store	84
4200 Total		84
5200	Bank/Savings & Loan	312
5200 Total		312
6300	Industrial/Factory	199
6300 Total		199
7000	Office (Not medical)	370
7000 Total		370
7200	Drug Store/Doctor's Office	314
7200 Total		314
8000	Other Commercial	4448
8000 Total		4448
8120	Department/Discount Store	1278
8120 Total		1278
8163	Specialty Store (jewelry, fur)	266
8163 Total		266
8177	Hotel/Motel	236
8177 Total		236
8620	Supermarket/Grocery	152
8620 Total		152
8640	Restaurant/Fast Food	473
8640 Total		473
8660	Bar/Night Club	16
8660 Total		16
8710	Rental/Mini Storage	5
8710 Total		5
8800	Commercial Other	7
8800 Total		7
9000	Government/Public	1133
9000 Total		1133
9510	School	485
9510 Total		485
9550	College	20
9550 Total		20
9600	Government General	9
9600 Total		9
9800	Church/Synagogue/Temple	153
9800 Total		153
Grand Total		24538

POLICE

13,300 RES 54.20%
 11,238 C/I 45.80%
 24,538 TOT 100.00%

**City of Troy - Fire Department
Incident Report**

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0002298	08/31/2003 10:02:00	100	110	Fixed use recreation places, other
0002085	08/03/2004 00:37:46	160	110	Fixed use recreation places, other
0002694	10/09/2003 19:05:22	142	124	Playground
0002169	08/10/2004 22:07:40	154	124	Playground
0002181	08/26/2005 01:02:16	160	124	Playground
0002593	09/26/2004 13:18:44	131	131	Church, mosque, synagogue, temple, chapel
0001940	08/01/2005 18:10:04	111	131	Church, mosque, synagogue, temple, chapel
0001045	04/22/2003 19:53:23	100	134	Funeral parlor
0001339	05/26/2003 03:32:25	111	142	Clubhouse
0001531	06/14/2003 18:46:16	111	142	Clubhouse
0000403	02/16/2003 06:37:40	111	161	Restaurant or cafeteria
0002566	09/26/2003 08:00:53	113	161	Restaurant or cafeteria
0003341	12/17/2003 21:02:01	150	161	Restaurant or cafeteria
0000234	01/25/2004 06:20:56	111	161	Restaurant or cafeteria
0000571	02/28/2004 22:56:38	118	161	Restaurant or cafeteria
0001139	04/28/2004 05:37:34	111	161	Restaurant or cafeteria
0001152	04/29/2004 02:16:27	142	161	Restaurant or cafeteria
0001186	05/03/2004 10:45:00	113	161	Restaurant or cafeteria
0001353	05/19/2004 05:24:53	100	161	Restaurant or cafeteria
0001838	07/09/2004 10:36:57	113	161	Restaurant or cafeteria
0000005	01/01/2005 23:12:26	111	161	Restaurant or cafeteria
0000909	04/15/2005 15:17:46	140	161	Restaurant or cafeteria
0001195	05/17/2005 00:06:55	111	161	Restaurant or cafeteria
0001245	05/21/2005 08:59:06	111	161	Restaurant or cafeteria
0001787	07/15/2005 03:23:35	113	161	Restaurant or cafeteria
0002719	10/15/2005 19:53:22	116	161	Restaurant or cafeteria
0000935	04/11/2003 11:08:09	113	400	Residential, other
0001795	07/16/2003 22:37:18	120	400	Residential, other
0002655	10/05/2003 16:08:00	100	400	Residential, other
0000211	01/22/2004 14:23:45	113	400	Residential, other
0002191	08/13/2004 01:36:21	151	400	Residential, other
0003220	12/13/2004 18:44:46	121	400	Residential, other
0000008	01/02/2003 19:37:42	111	419	1 or 2 family dwelling
0000109	01/18/2003 03:19:32	131	419	1 or 2 family dwelling
0000109	01/18/2003 03:19:32	130	419	1 or 2 family dwelling
0000109	01/18/2003 03:19:32	111	419	1 or 2 family dwelling
0000134	01/20/2003 21:35:01	111	419	1 or 2 family dwelling
0000246	01/30/2003 20:03:15	118	419	1 or 2 family dwelling
0000278	02/03/2003 20:21:10	113	419	1 or 2 family dwelling
0000313	02/06/2003 14:47:47	113	419	1 or 2 family dwelling
0000334	02/08/2003 13:48:25	111	419	1 or 2 family dwelling
0000336	02/08/2003 21:36:37	110	419	1 or 2 family dwelling
0000343	02/10/2003 02:51:50	118	419	1 or 2 family dwelling
0000361	02/11/2003 14:24:36	113	419	1 or 2 family dwelling
0000395	02/14/2003 23:15:45	111	419	1 or 2 family dwelling
0000434	02/19/2003 19:03:21	131	419	1 or 2 family dwelling
0000480	02/24/2003 21:42:57	111	419	1 or 2 family dwelling
0000493	02/25/2003 15:47:20	111	419	1 or 2 family dwelling
0000566	03/04/2003 08:48:23	111	419	1 or 2 family dwelling

**City of Troy - Fire Department
Incident Report**

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0000637	03/13/2003 10:41:26	113	419	1 or 2 family dwelling
0000651	03/15/2003 10:52:25	113	419	1 or 2 family dwelling
0000709	03/20/2003 21:40:45	130	419	1 or 2 family dwelling
0000709	03/20/2003 21:40:45	111	419	1 or 2 family dwelling
0000863	04/04/2003 10:30:05	113	419	1 or 2 family dwelling
0000880	04/05/2003 05:53:43	111	419	1 or 2 family dwelling
0000880	04/05/2003 05:53:43	100	419	1 or 2 family dwelling
0000888	04/06/2003 13:25:22	113	419	1 or 2 family dwelling
0000909	04/08/2003 15:47:00	100	419	1 or 2 family dwelling
0000911	04/09/2003 02:43:02	111	419	1 or 2 family dwelling
0000920	04/09/2003 12:45:23	111	419	1 or 2 family dwelling
0000942	04/11/2003 21:45:54	110	419	1 or 2 family dwelling
0000950	04/13/2003 05:03:09	111	419	1 or 2 family dwelling
0000952	04/13/2003 10:44:49	142	419	1 or 2 family dwelling
0001001	04/18/2003 03:29:20	164	419	1 or 2 family dwelling
0001096	04/27/2003 09:14:07	113	419	1 or 2 family dwelling
0001123	04/29/2003 22:51:54	110	419	1 or 2 family dwelling
0001149	05/02/2003 17:05:36	113	419	1 or 2 family dwelling
0001150	05/02/2003 20:07:39	162	419	1 or 2 family dwelling
0001411	05/31/2003 22:48:12	111	419	1 or 2 family dwelling
0001433	06/04/2003 08:13:00	164	419	1 or 2 family dwelling
0001458	06/05/2003 13:58:44	113	419	1 or 2 family dwelling
0001463	06/05/2003 22:58:15	113	419	1 or 2 family dwelling
0001507	06/12/2003 02:05:08	111	419	1 or 2 family dwelling
0001514	06/12/2003 10:44:08	113	419	1 or 2 family dwelling
0001529	06/14/2003 16:35:11	151	419	1 or 2 family dwelling
0001538	06/16/2003 10:00:47	113	419	1 or 2 family dwelling
0001574	06/19/2003 18:09:36	100	419	1 or 2 family dwelling
0001584	06/20/2003 19:21:38	111	419	1 or 2 family dwelling
0001585	06/21/2003 10:23:32	113	419	1 or 2 family dwelling
0001660	06/28/2003 12:39:06	113	419	1 or 2 family dwelling
0001664	06/29/2003 23:03:55	111	419	1 or 2 family dwelling
0001764	07/11/2003 18:29:08	118	419	1 or 2 family dwelling
0001817	07/18/2003 12:35:22	111	419	1 or 2 family dwelling
0001940	07/30/2003 05:24:51	111	419	1 or 2 family dwelling
0002033	08/08/2003 17:42:57	118	419	1 or 2 family dwelling
0002146	08/16/2003 12:26:57	111	419	1 or 2 family dwelling
0002153	08/17/2003 12:54:08	113	419	1 or 2 family dwelling
0002172	08/18/2003 18:51:31	113	419	1 or 2 family dwelling
0002210	08/25/2003 00:01:00	110	419	1 or 2 family dwelling
0002348	09/08/2003 15:10:28	100	419	1 or 2 family dwelling
0002364	09/09/2003 19:18:12	111	419	1 or 2 family dwelling
0002521	09/22/2003 14:00:42	160	419	1 or 2 family dwelling
0002706	10/10/2003 18:21:58	111	419	1 or 2 family dwelling
0002714	10/11/2003 17:41:08	113	419	1 or 2 family dwelling
0002743	10/14/2003 22:32:00	160	419	1 or 2 family dwelling
0002776	10/18/2003 20:00:12	113	419	1 or 2 family dwelling
0002889	10/30/2003 11:20:01	113	419	1 or 2 family dwelling
0002935	10/31/2003 21:28:00	164	419	1 or 2 family dwelling

**City of Troy - Fire Department
Incident Report**

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0002936	10/31/2003 21:28:00	164	419	1 or 2 family dwelling
0002968	11/06/2003 15:59:15	111	419	1 or 2 family dwelling
0002995	11/08/2003 14:10:31	113	419	1 or 2 family dwelling
0003210	12/02/2003 04:16:17	110	419	1 or 2 family dwelling
0003263	12/08/2003 19:47:35	118	419	1 or 2 family dwelling
0003413	12/28/2003 19:47:17	113	419	1 or 2 family dwelling
0000013	01/05/2004 05:28:01	131	419	1 or 2 family dwelling
0000172	01/20/2004 02:12:08	111	419	1 or 2 family dwelling
0000183	01/20/2004 12:13:52	113	419	1 or 2 family dwelling
0000388	02/09/2004 12:47:24	111	419	1 or 2 family dwelling
0000555	02/26/2004 17:56:07	118	419	1 or 2 family dwelling
0000569	02/28/2004 20:43:29	111	419	1 or 2 family dwelling
0000690	03/11/2004 13:45:29	114	419	1 or 2 family dwelling
0000693	03/11/2004 18:57:04	160	419	1 or 2 family dwelling
0000848	03/27/2004 23:47:43	111	419	1 or 2 family dwelling
0000994	04/12/2004 12:16:25	113	419	1 or 2 family dwelling
0001064	04/19/2004 12:03:13	142	419	1 or 2 family dwelling
0001113	04/23/2004 22:21:09	110	419	1 or 2 family dwelling
0001191	05/03/2004 23:07:57	111	419	1 or 2 family dwelling
0001194	05/04/2004 10:08:32	113	419	1 or 2 family dwelling
0001262	05/11/2004 10:52:09	112	419	1 or 2 family dwelling
0001325	05/16/2004 16:45:11	111	419	1 or 2 family dwelling
0001329	05/17/2004 05:32:05	160	419	1 or 2 family dwelling
0001359	05/19/2004 17:04:32	113	419	1 or 2 family dwelling
0001512	06/04/2004 10:04:19	114	419	1 or 2 family dwelling
0001562	06/09/2004 21:24:32	111	419	1 or 2 family dwelling
0001611	06/14/2004 18:55:18	111	419	1 or 2 family dwelling
0001847	07/09/2004 19:05:33	142	419	1 or 2 family dwelling
0001858	07/11/2004 21:56:36	110	419	1 or 2 family dwelling
0001878	07/13/2004 14:52:15	111	419	1 or 2 family dwelling
0001880	07/14/2004 00:12:20	100	419	1 or 2 family dwelling
0002002	07/25/2004 12:46:29	151	419	1 or 2 family dwelling
0002102	08/03/2004 20:08:45	111	419	1 or 2 family dwelling
0002231	08/18/2004 13:22:46	112	419	1 or 2 family dwelling
0002329	08/28/2004 15:38:17	113	419	1 or 2 family dwelling
0002363	09/01/2004 17:13:22	151	419	1 or 2 family dwelling
0002519	09/17/2004 18:36:57	114	419	1 or 2 family dwelling
0002536	09/20/2004 00:01:00	111	419	1 or 2 family dwelling
0002565	09/22/2004 14:04:36	111	419	1 or 2 family dwelling
0002581	09/23/2004 21:54:17	111	419	1 or 2 family dwelling
0002752	10/16/2004 00:54:15	162	419	1 or 2 family dwelling
0002825	10/22/2004 17:32:30	111	419	1 or 2 family dwelling
0002852	10/28/2004 18:31:47	151	419	1 or 2 family dwelling
0002903	11/02/2004 18:49:06	111	419	1 or 2 family dwelling
0002920	11/04/2004 17:39:18	113	419	1 or 2 family dwelling
0002994	11/13/2004 11:16:45	143	419	1 or 2 family dwelling
0003079	11/25/2004 17:59:10	113	419	1 or 2 family dwelling
0003178	12/08/2004 22:48:41	110	419	1 or 2 family dwelling
0003211	12/12/2004 12:07:00	111	419	1 or 2 family dwelling

**City of Troy - Fire Department
Incident Report**

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0003257	12/16/2004 12:38:45	111	419	1 or 2 family dwelling
0003354	12/25/2004 09:34:23	111	419	1 or 2 family dwelling
0003415	12/31/2004 21:52:31	111	419	1 or 2 family dwelling
0000014	01/04/2005 03:13:09	114	419	1 or 2 family dwelling
0000049	01/07/2005 23:16:11	121	419	1 or 2 family dwelling
0000094	01/14/2005 15:03:15	111	419	1 or 2 family dwelling
0000105	01/15/2005 16:05:20	113	419	1 or 2 family dwelling
0000110	01/16/2005 23:32:34	121	419	1 or 2 family dwelling
0000175	01/22/2005 21:04:27	111	419	1 or 2 family dwelling
0000195	01/24/2005 20:27:14	111	419	1 or 2 family dwelling
0000209	01/25/2005 20:03:49	114	419	1 or 2 family dwelling
0000303	02/03/2005 11:10:06	131	419	1 or 2 family dwelling
0000306	02/03/2005 12:50:46	113	419	1 or 2 family dwelling
0000401	02/15/2005 21:33:18	111	419	1 or 2 family dwelling
0000433	02/18/2005 11:19:15	111	419	1 or 2 family dwelling
0000441	02/20/2005 08:35:59	111	419	1 or 2 family dwelling
0000465	02/22/2005 12:24:26	111	419	1 or 2 family dwelling
0000564	03/04/2005 20:15:05	111	419	1 or 2 family dwelling
0000635	03/11/2005 18:34:59	111	419	1 or 2 family dwelling
0000662	03/15/2005 16:38:51	111	419	1 or 2 family dwelling
0000725	03/21/2005 20:00:00	111	419	1 or 2 family dwelling
0000720	03/22/2005 16:46:43	150	419	1 or 2 family dwelling
0000819	04/03/2005 17:10:34	111	419	1 or 2 family dwelling
0000832	04/05/2005 11:26:00	118	419	1 or 2 family dwelling
0000869	04/09/2005 23:49:06	111	419	1 or 2 family dwelling
0000872	04/10/2005 12:01:00	151	419	1 or 2 family dwelling
0000875	04/11/2005 00:01:00	111	419	1 or 2 family dwelling
0000879	04/11/2005 13:49:00	151	419	1 or 2 family dwelling
0000886	04/12/2005 11:40:00	151	419	1 or 2 family dwelling
0000917	04/16/2005 15:33:09	142	419	1 or 2 family dwelling
0000957	04/20/2005 13:52:19	162	419	1 or 2 family dwelling
0001040	04/28/2005 20:20:46	111	419	1 or 2 family dwelling
0001041	04/28/2005 20:52:29	110	419	1 or 2 family dwelling
0001046	04/29/2005 21:48:17	118	419	1 or 2 family dwelling
0001093	05/05/2005 20:22:18	111	419	1 or 2 family dwelling
0001164	05/12/2005 20:52:54	142	419	1 or 2 family dwelling
0001283	05/24/2005 20:58:40	111	419	1 or 2 family dwelling
0001453	06/10/2005 20:35:32	162	419	1 or 2 family dwelling
0001454	06/11/2005 03:08:54	110	419	1 or 2 family dwelling
0001677	07/02/2005 18:20:00	151	419	1 or 2 family dwelling
0001685	07/04/2005 18:45:42	111	419	1 or 2 family dwelling
0001716	07/07/2005 14:30:00	113	419	1 or 2 family dwelling
0001739	07/10/2005 10:25:21	113	419	1 or 2 family dwelling
0001749	07/11/2005 13:28:32	111	419	1 or 2 family dwelling
0001777	07/14/2005 08:10:56	100	419	1 or 2 family dwelling
0001941	08/01/2005 21:34:30	111	419	1 or 2 family dwelling
0001994	08/07/2005 22:18:52	113	419	1 or 2 family dwelling
0002034	08/10/2005 16:45:00	116	419	1 or 2 family dwelling
0002131	08/19/2005 19:15:50	111	419	1 or 2 family dwelling

**City of Troy - Fire Department
Incident Report**

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0002180	08/26/2005 00:53:05	141	419	1 or 2 family dwelling
0002230	08/29/2005 00:12:07	151	419	1 or 2 family dwelling
0002231	08/29/2005 23:01:56	131	419	1 or 2 family dwelling
0002237	08/30/2005 11:19:49	142	419	1 or 2 family dwelling
0002273	09/02/2005 20:36:38	100	419	1 or 2 family dwelling
0002283	09/05/2005 15:01:00	110	419	1 or 2 family dwelling
0002339	09/11/2005 16:23:03	111	419	1 or 2 family dwelling
0002414	09/19/2005 14:52:48	110	419	1 or 2 family dwelling
0002650	10/08/2005 13:03:02	111	419	1 or 2 family dwelling
0002652	10/09/2005 02:59:15	111	419	1 or 2 family dwelling
0002653	10/09/2005 08:36:02	110	419	1 or 2 family dwelling
0002672	10/11/2005 11:44:04	118	419	1 or 2 family dwelling
0000720	03/22/2003 13:31:07	111	429	Multifamily dwellings
0001054	04/23/2003 11:27:51	113	429	Multifamily dwellings
0001137	05/01/2003 22:03:59	111	429	Multifamily dwellings
0001415	06/02/2003 01:21:03	113	429	Multifamily dwellings
0001539	06/16/2003 10:33:34	113	429	Multifamily dwellings
0001720	07/05/2003 20:08:56	113	429	Multifamily dwellings
0001821	07/19/2003 15:37:37	113	429	Multifamily dwellings
0001881	07/25/2003 13:14:13	118	429	Multifamily dwellings
0001881	07/25/2003 13:14:13	154	429	Multifamily dwellings
0002398	09/13/2003 06:19:35	111	429	Multifamily dwellings
0002499	09/20/2003 11:18:57	113	429	Multifamily dwellings
0002523	09/22/2003 14:36:08	113	429	Multifamily dwellings
0002705	10/10/2003 16:56:19	113	429	Multifamily dwellings
0002793	10/21/2003 15:27:37	111	429	Multifamily dwellings
0003074	11/15/2003 14:20:39	111	429	Multifamily dwellings
0003319	12/16/2003 08:22:49	113	429	Multifamily dwellings
0000346	02/05/2004 01:24:31	113	429	Multifamily dwellings
0000389	02/09/2004 00:02:00	111	429	Multifamily dwellings
0000511	02/23/2004 18:29:07	113	429	Multifamily dwellings
0000524	02/24/2004 20:26:02	113	429	Multifamily dwellings
0000570	02/28/2004 22:56:16	110	429	Multifamily dwellings
0001196	05/04/2004 13:35:57	113	429	Multifamily dwellings
0001209	05/05/2004 15:00:25	111	429	Multifamily dwellings
0001278	05/12/2004 15:38:03	111	429	Multifamily dwellings
0001433	05/25/2004 21:07:48	113	429	Multifamily dwellings
0001833	06/25/2004 00:01:00	160	429	Multifamily dwellings
0001785	07/01/2004 15:07:24	111	429	Multifamily dwellings
0001786	07/01/2004 18:11:18	111	429	Multifamily dwellings
0001951	07/20/2004 18:26:22	113	429	Multifamily dwellings
0001969	07/21/2004 18:32:09	111	429	Multifamily dwellings
0002146	08/08/2004 22:47:14	111	429	Multifamily dwellings
0002202	08/14/2004 18:59:54	151	429	Multifamily dwellings
0002566	09/22/2004 16:54:29	111	429	Multifamily dwellings
0003285	12/19/2004 08:41:32	111	429	Multifamily dwellings
0000196	01/24/2005 22:02:46	111	429	Multifamily dwellings
0000383	02/13/2005 21:37:56	111	429	Multifamily dwellings
0000794	03/31/2005 17:50:25	154	429	Multifamily dwellings

**City of Troy - Fire Department
Incident Report**

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0000987	04/23/2005 03:36:03	111	429	Multifamily dwellings
0001185	05/15/2005 19:44:14	113	429	Multifamily dwellings
0001190	05/16/2005 09:03:33	110	429	Multifamily dwellings
0001875	07/25/2005 20:47:45	113	429	Multifamily dwellings
0001986	08/05/2005 21:46:11	113	429	Multifamily dwellings
0002141	08/20/2005 20:12:05	113	429	Multifamily dwellings
0002281	09/04/2005 19:49:14	154	429	Multifamily dwellings
0002460	09/22/2005 13:39:36	111	429	Multifamily dwellings
0002528	09/28/2005 12:32:32	113	429	Multifamily dwellings
0002666	10/10/2005 17:33:58	113	429	Multifamily dwellings
0001806	07/17/2003 15:49:04	110	439	Boarding/rooming house, residential hotels
0002154	08/17/2003 14:38:26	130	449	Hotel/motel, commercial
0001525	06/04/2004 18:18:00	111	500	Mercantile, business, other
0001652	06/18/2004 17:25:16	100	500	Mercantile, business, other
0001331	05/29/2005 03:52:59	118	511	Convenience store
0001730	07/09/2005 09:02:32	111	511	Convenience store
0001296	05/19/2003 22:11:47	113	519	Food and beverage sales, grocery store
0003395	12/29/2004 15:20:46	111	519	Food and beverage sales, grocery store
0001282	05/17/2003 09:17:03	100	529	Textile, wearing apparel sales
0002361	09/09/2003 16:23:53	100	529	Textile, wearing apparel sales
0001585	06/23/2005 19:09:37	111	529	Textile, wearing apparel sales
0000790	03/28/2003 18:43:54	142	549	Specialty shop
0003251	12/07/2003 16:14:16	162	549	Specialty shop
0001335	05/17/2004 13:13:39	100	549	Specialty shop
0000995	04/12/2004 12:41:58	111	557	Personal service, including barber & beauty shops
0003306	12/13/2003 02:53:51	162	571	Service station, gas station
0001191	05/16/2005 09:23:22	131	571	Service station, gas station
0001330	05/29/2005 02:39:41	131	571	Service station, gas station
0002071	08/13/2003 18:57:45	130	579	Motor vehicle or boat sales, services, repair
0000979	04/21/2005 20:39:30	111	580	General retail, other
0002142	08/20/2005 21:09:38	154	580	General retail, other
0002251	08/28/2003 13:08:16	131	592	Bank
0001025	04/15/2004 18:33:25	142	592	Bank
0002318	09/08/2005 10:04:51	113	592	Bank
0000433	02/19/2003 15:04:02	131	599	Business office
0000595	03/07/2003 17:24:16	111	599	Business office
0000961	04/14/2003 11:50:46	142	599	Business office
0001557	06/17/2003 19:02:42	118	599	Business office
0001654	06/27/2003 10:54:32	142	599	Business office
0002378	09/11/2003 11:45:15	113	599	Business office
0003131	11/20/2003 21:50:32	154	599	Business office
0000273	01/28/2004 10:56:52	111	599	Business office
0000343	02/04/2004 19:18:13	131	599	Business office
0000415	02/11/2004 19:05:15	111	599	Business office
0001052	04/19/2004 02:29:47	142	599	Business office
0001079	04/20/2004 16:22:12	117	599	Business office
0002382	09/02/2004 19:40:20	117	599	Business office
0002406	09/07/2004 10:42:27	131	599	Business office
0002616	09/29/2004 11:48:22	131	599	Business office

City of Troy - Fire Department
Incident Report

<u>Incident Number</u>	<u>Alarm Date</u>	<u>Incident Type</u>	<u>Property Use</u>	<u>Property Use Description</u>
0001423	06/08/2005 12:37:25	100	599	Business office
0001587	06/24/2005 23:07:35	111	599	Business office



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JAY B. RISING
STATE TREASURER

December 21, 2005

Leger Licari, Assessor
City of Troy, Oakland County
500 West Big Beaver
Troy, MI 48084

Dear Mr. Licari:

We have received your letter requesting a formal response from the State Tax Commission on if the City's Downtown Development Authority (DDA) can properly capture taxes within its entire geographical boundary or whether the capturing of taxes is limited to those areas that are under construction. You mention in your letter that the City has sought the opinion of outside counsel and the City Attorney, who have both reviewed and approved the DDA's procedures and implementation. As a result of the legal advice already obtained, it is unclear why you are seeking an additional and "formal" response from the STC.

We would suggest that your legal counsel is in the best position to answer these questions. Especially given the fact that the STC is not privy to a review of the entire DDA documents. However, we can offer that if the City Manager or City Council still believes they need another legal opinion, we can ask the Attorney General to give us informal advice on this issue. I do need to advise you that receipt of that informal advice could take several months as the AG for the STC is currently involved in some critical legal cases and in the rendering of advice on several important issues for the STC.

Sincerely,

Kelli Sobel, Executive Secretary
State Tax Commission

John Szerlag

From: Nino A Licari
Sent: Monday, December 05, 2005 7:46 AM
To: John Szerlag
Cc: John M Lamerato; Brian P Murphy; Douglas J Smith; Mary F Redden
Subject: FW: Questions on Troy's DDA

John,

This is the response from the State Tax Commission to the questions we posed concerning the DDA.

Nino Licari
Assessor, City of Troy
(248) 524-3305
www.ci.troy.mi.us

-----Original Message-----

From: Dianne Wright [mailto:WrightD3@michigan.gov]
Sent: Friday, December 02, 2005 4:48 PM
To: Nino A Licari
Subject: Re: Questions on Troy's DDA

Dear Mr. Licari,

You have asked if it is or isn't a proper capture of taxes for a project which involves the capture of taxes collected within a District, to be used to pay for a project described in the development plan, and located entirely within the boundaries of that same District. I refer to the Frequently Asked Questions adopted by the State Tax Commission, specifically:

Can a DDA or TIFA plan spend revenue outside of its development area?

Answer:

According to state law, the plan may spend revenue only for projects described in the development plan and/or tax increment financing plan, and the projects must be allowable under the law. The revenue must be spent for the benefit of the development area. Revenue of one plan may not be used to pay an obligation or expense of another plan. The State Tax Commission's policy is that revenue must also be spent on improvements or properties located in the plan's development area. The State Tax Commission will enforce this policy on a prospective basis as of April 14, 1998, but not retroactively. After April 14, 1998, a plan may not start any new projects outside of that plan's development area. The State Tax Commission may waive this requirement for certain infrastructure improvements made in the development plan that must extend outside the development area's boundaries. Note: LDFA's are not included here because section 12(2) of the Local Development Financing Act (P.A. 281) has specific provisions regarding restrictions on the use of tax increment revenue.

<http://www.michigan.gov/treasury/0,1607,7-121-3218---F,00.html>

Please see the attached link for the Department of Treasury Frequently Asked Questions Website.

If I can be of further assistance, please feel free to call me at 517-373-2408.

Sincerely,

Dianne Wright, Manager
Tax Exemptions Section

>>> "Nino A Licari" <LicariLA@ci.troy.mi.us> 12/2/2005 10:55 AM >>>
Diane Wright
State Tax Commission

Diane,

We have a citizen making repeated claims that our DDA is improperly collecting taxes outside of a development project area. The original project is entirely within the DDA

district boundaries (it was a widening of the main road and some intersections, along with the building of a parking deck). I have attached the pertinent pages of the plan, along with a map that distinguishes the difference between the DDA District (which we are capturing taxes from), and the construction area that we are using the funds to pay for. Would it be possible for you to review this information and let me know if this is or isn't a proper capture of taxes for this project.

Thank you for your time!

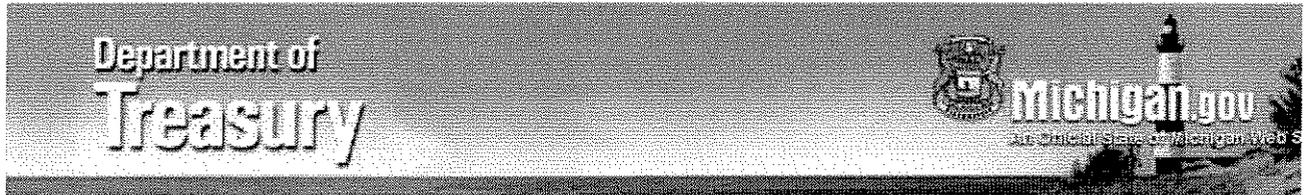
<<DDA Plan1 STC 12.02.05.pdf>>

Nino Licari

Assessor, City of Troy

(248) 524-3305

www.ci.troy.mi.us



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< Back to Tax Increment Financing Page

Frequently Asked Questions _____

Tax Increment Financing

What is the difference between an authority district and a plan?

Answer:

First – The local unit establishes an **authority** (DDA, LDFA, TIFA) with a specific geographic **district**, and appoints an authority board.

Then – The board writes a **development plan** (and usually a **tax increment financing plan** to fund it) for a specific geographic area within the district area. There can be more than one plan area in an authority district, but plans may not overlap. (Overlap information does **not** apply to Brownfields and certified technology parks.) The development plan and TIF plan must be adopted by the local unit before the plans are valid.

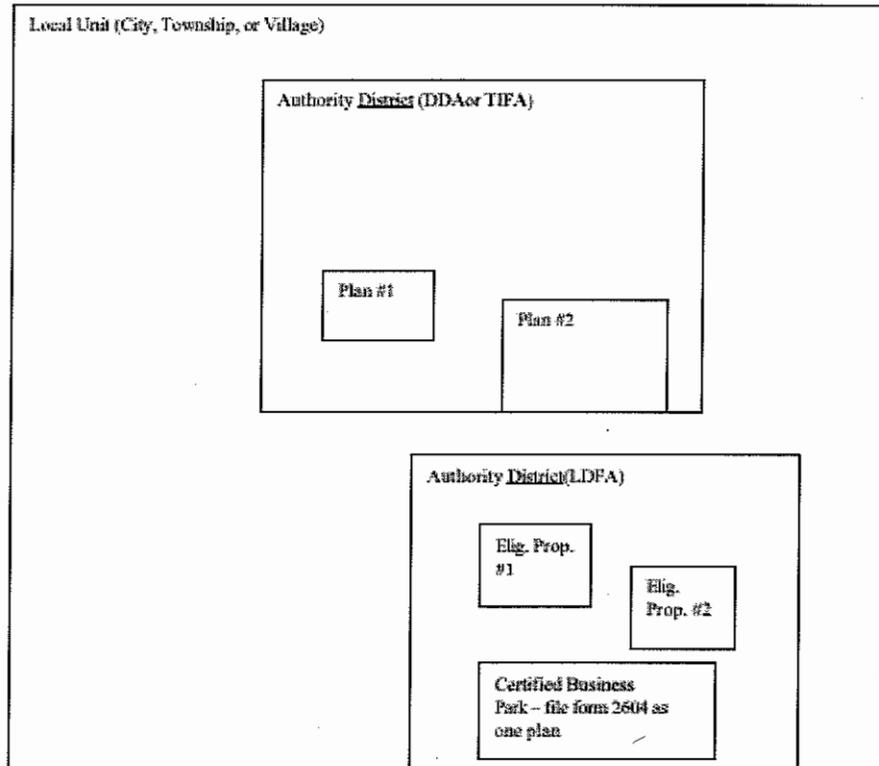
DDA mills are levied within the **district** boundaries.

DDAs and TIFAs capture property taxes within the **plan** boundaries. LDFAs capture within each eligible property, or within a certified business park (formerly called a "certified industrial park"), or certified technology park.

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