



## CITY COUNCIL AGENDA ITEM

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April 30, 2014

To: The Honorable Mayor and City Council Members

From: Brian Kischnick, City Manager  
Mark F. Miller, Director of Economic and Community Development  
Tom Darling, Director of Financial Services  
Glenn Lapin, Economic Development Specialist

Subject: Approval of the Joint Local Development Finance Authority Troy Subcommittee  
Proposed Fiscal Year 2014/15 Budget

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The Joint Local Development Finance Authority Troy Subcommittee (LDFA) recommended approval of its proposed 2014/15 budget at the April 28, 2014 LDFA meeting. City management recommends that City Council approve the LDFA's proposed 2014/15 budget.

Draft Minutes Joint Local Development Finance Authority Troy Subcommittee  
Annual Meeting of April 28, 2014

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The meeting was called to order at 3:40 p.m. in the Council Boardroom at Troy's City Hall by Chairperson Robin Beltramini.

Members Present: Chairperson Robin Beltramini  
Paul Hoef  
Michael Kidder  
John Sharp  
Irene Spanos (County representative, non-voting)  
Councilperson Ellen Hodorek (alternate)  
Mayor Dane Slater (alternate)

Members Absent: David Shields  
Nickolas Vitale

Officers Absent: Secretary/Treasurer Mark F. Miller

Also Present: Glenn Lapin, Economic Development Specialist  
Lori Bluhm, City Attorney

**ELECTION OF OFFICERS** (Chair, Secretary/Treasurer)

Resolution # LDFA 2014-04-01  
Moved by Slater  
Seconded by Sharp

RESOLVED, that the following be elected:

Chair	Robin Beltramini
Secretary/Treasurer	Mark F. Miller

Yeas: 6  
Nays: 0  
Absent:

**REGULAR MEETING SCHEDULE FOR 2014**

The regular meeting schedule for 2014 was provided for informational purposes.

**APPROVAL OF MINUTES**

Resolution # LDFA 2014-04-02  
Moved by Sharp  
Seconded by Hoef

RESOLVED, that the LDFA approve the minutes of the October 28, 2013 regular meeting.

Yeas: 6  
Nays: 0  
Absent:

**OLD BUSINESS**

None

**NEW BUSINESS**

A. 2014/15 Budget

Glenn Lapin provided an overview of the proposed 2014-2015 budget.

Resolution # LDFA 2014-04-03

Moved by Hoef

Seconded by Kidder

RESOLVED, that the LDFA recommends approval of the 2014/15 Budget to City Council.

Yeas: 6  
Nays: 0  
Absent:

B. Future LDFA/SmartZone Considerations

Glenn Lapin provided an overview of the options available through the State of Michigan to extend the duration of the existing Troy SmartZone beyond its current expiration date of December 31, 2017. Information on a five-year and a fifteen-year extension option was provided. Discussion took place including comments related to the importance of Automation Alley to the City of Troy and State of Michigan and the desire to engage in strategic alliances to extend the duration of the SmartZone, as appropriate.

Resolution #LDFA 2014-04-04

Moved by Sharp

Seconded by Kidder

RESOLVED, that the LDFA authorizes staff to move forward with investigating a five-year extension of the current SmartZone, as appropriate.

Yeas: 6  
Nays: 0  
Absent:

Draft Minutes Joint Local Development Finance Authority Troy Subcommittee  
Annual Meeting of April 28, 2014

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Resolution #LDFA 2014-04-05  
Moved by Sharp  
Seconded by Beltramini

RESOLVED, that the LDFA authorizes staff to investigate, in cooperation with Automation Alley and other potential partners, if the fifteen-year SmartZone extension option is a viable and prudent option. The LDFA would like to review staff recommendations prior to proceeding with an application.

Yeas: 6  
Nays: 0  
Absent:

**BOARD MEMBER COMMENT**

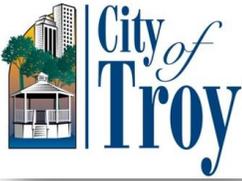
None

**PUBLIC COMMENT**

None

Meeting was adjourned at 4:23 p.m.

**The next scheduled meeting is October 27, 2014 – 3:30 p.m.**



## Local Development Financing Authority

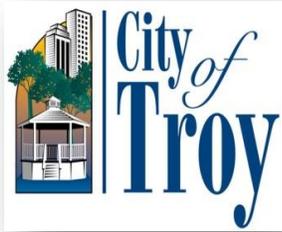
County of Oakland, State of Michigan

### 2014/15 through 2016/17 Budget

	2013 Actual	2014 Estimated	2014 Budget	2015 Budget	2016 Budget	2017 Budget
<b>REVENUE</b>						
Property Taxes	\$ 86,234	\$ 141,790	\$ 131,656	\$ 138,300	\$ 139,000	\$ 141,900
Interest Income	420	500	640	500	500	500
<b>Total Revenues</b>	<b>86,654</b>	<b>142,290</b>	<b>132,296</b>	<b>138,800</b>	<b>139,500</b>	<b>142,400</b>
<b>EXPENDITURES</b>						
Automation Alley - Operations	92,359	60,000	60,000	57,000	61,950	63,690
Infrastructure	-	-	52,662	122,500	55,600	56,760
Tax Tribunals	-	-	-	-	-	-
Administrative Services	50,000	5,000	5,000	5,000	5,000	5,000
Marketing Costs (Membership)	15,000	15,000	15,000	15,000	15,000	15,000
Audit Fees	1,950	1,950	1,950	1,950	1,950	1,950
Other	575	-	575	472	-	-
<b>TOTAL - EXPENDITURES</b>	<b>159,884</b>	<b>81,950</b>	<b>135,187</b>	<b>201,922</b>	<b>139,500</b>	<b>142,400</b>
Change Before Other Financing	(73,230)	60,340	(2,891)	(63,122)	-	-
<b>SURPLUS (USE) OF FUND BALANCE</b>	<b>(73,230)</b>	<b>60,340</b>	<b>(2,891)</b>	<b>(63,122)</b>	<b>-</b>	<b>-</b>
BEGINNING FUND BALANCE	88,012	14,782	14,782	75,122	12,000	12,000
<b>ENDING FUND BALANCE</b>	<b>\$ 14,782</b>	<b>\$ 75,122</b>	<b>\$ 11,891</b>	<b>\$ 12,000</b>	<b>\$ 12,000</b>	<b>\$ 12,000</b>

### Captured Taxable Value

	2014/15 Taxable	2015/16 Taxable	2016/17 Taxable
<b>Industrial Real Property</b>			
Real Base Taxable Value	\$ 13,016,380	\$ 13,016,380	\$ 13,016,380
Real Taxable Value	13,052,800	13,183,328	13,315,161
<b>Industrial Real Captured Value</b>	<b>36,420</b>	<b>166,948</b>	<b>298,781</b>
<b>Commercial Personal Property</b>			
Personal Base Taxable Value	1,431,000	1,431,000	1,431,000
Personal Taxable Value	2,110,680	2,089,573	2,110,469
<b>Commercial Personal Property Captured Value</b>	<b>679,680</b>	<b>658,573</b>	<b>679,469</b>
<b>Industrial Personal Property</b>			
Personal Base Taxable Value	-	-	-
Personal Taxable Value	5,759,915	5,644,717	5,588,270
<b>Commercial Personal Property Captured Value</b>	<b>5,759,915</b>	<b>5,644,717</b>	<b>5,588,270</b>
<b>Total Captured Value</b>	<b>\$ 6,476,015</b>	<b>\$ 6,470,238</b>	<b>\$ 6,566,520</b>
<b>Tax Revenues</b>			
Industrial Real Revenues	\$ 995	\$ 4,562	\$ 8,164
Commercial Personal Revenues	16,321	15,814	16,315
Industrial Personal Revenues	121,028	118,607	117,421
<b>Total Revenues</b>	<b>\$ 138,344</b>	<b>\$ 138,983</b>	<b>\$ 141,900</b>



## *Local Development Financing Authority*

County of Oakland, State of Michigan

2014/15 through 2016/17 Budget

Millage Rates	Oakland County	City Debt	OCPTA	School OP	*1/2 School OP-12	1/2 ISD	Community College	Hold Harmless	Total
<b>Industrial Real</b>	4.64610	9.82000	0.59000	-	9.00000	1.68450	1.58440	-	27.32500
<b>Commercial Personal</b>	4.64610	9.82000	0.59000	3.00000	-	1.68450	1.58440	2.68705	24.01205
<b>Industrial Personal</b>	4.64610	9.82000	0.59000	-	-	1.68450	1.58440	2.68705	21.01205