



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JOHN D. CHERRY, JR.
LT. GOVERNOR

August 18, 2008

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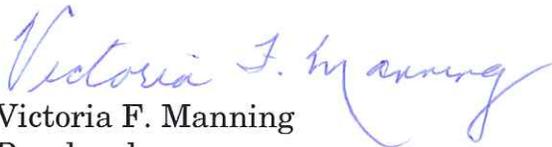
Tonni L. Bartholomew, Clerk
City of Troy
500 West Big Beaver
Troy, Michigan 48084

Dear Ms. Bartholomew:

Re: Proposed City Charter Amendment

This office received your request for approval of a proposed amendment to the Troy City Charter. The proposal was initiated by voter petition. According to your request, the proposed amendment was also sent to the Department of Attorney General for review. Upon receipt of the Attorney General's recommendation, the Governor will make her decision as soon as possible. If you have any questions, please contact me at 517-241-0055

Sincerely yours,


Victoria F. Manning
Paralegal
Office of Legal Counsel

c: George M. Elworth, Assistant Attorney General

STATE OF MICHIGAN
DEPARTMENT OF ATTORNEY GENERAL



MIKE COX
ATTORNEY GENERAL

P.O. Box 30754
LANSING, MICHIGAN 48909

August 21, 2008

Honorable Jennifer M. Granholm
Governor, State of Michigan
The George Romney Building
Lansing, MI 48909

Attention: Kelly G. Keenan
Legal Counsel to the Governor

Dear Governor Granholm:

Re: City of Troy – proposed charter amendment by initiative petition

Section 9.16.5 – adds a section imposing a millage rate levy limitation that “[t]he Council shall not increase the millage rate imposed pursuant to Section 9.16 of this charter above a current rate actually imposed, levied, and collected unless the increased rate shall be first approved by a majority of the City electors voting on the question”

You have referred to this office for examination this proposed charter amendment proposed by initiative petition filed with and verified by the Troy City Clerk.

We have examined the proposed amendment in light of the Home Rule City Act (HRCA), 1909 PA 279, MCL 117.1 et seq, and conclude that the proposed amendment is not consistent with the HRCA because the proposed amendment does not specify, or otherwise set forth how to determine, the “current rate” above which no city property taxes may be levied without a vote of the city electors. Without the specification in the charter amendment of the “current rate” or the method of determining the “current rate” imposed by the amendment at present and for the future, the proposed amendment does not meet the requirement set forth in Section 3(g) of the HRCA for a mandatory charter provision specifying a “tax rate limitation” for the annual levy of property taxes which may be in the range from 0% to 2% of the taxable value of the real and personal property in the city.

It should be noted, nevertheless, that Section 22 of the HRCA provides that all proposed amendments submitted by initiative petition are required to be submitted to the voters of a city for their approval – even if the Governor has declined to approve the charter amendment.

Under Section 21 of the HRCA, the ballot language for a proposed charter amendment is subject to the review of the Attorney General for compliance with the requirements of that section, including impartiality and accuracy. We have reviewed the ballot language as set forth

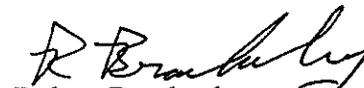
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in the resolution, dated August 11, 2008, of the City Council and approve the ballot language as being in conformity with the requirements of Section 21 of the HRCA provided that the ballot language quote the proposed amendment in full, thereby using the phrase "shall be first approved" as stated in the initiative petition, rather than "shall first be approved" which appears to be a typographical error. However, this approval of the ballot language should not be construed as an indication that the proposed amendment itself is consistent with the requirements of the HRCA.

Very truly yours,



George Elworth
Assistant Attorney General
Finance Division



Robert Brackenbury
Assistant Attorney General
Finance Division

GME: te

Encs.

c w/o enc: Tonni L. Bartholomew, City Clerk
Lori Grigg Bluhm, City Attorney