



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: May 09, 2022



To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Robert C. Maleszyk, Chief Financial Officer
Mark Adams, Economic Development Manager

Subject: Approval of the Troy Brownfield Redevelopment Authority (TBRA) Proposed Fiscal Year 2022/23 and Three-Year Budget

The Troy Brownfield Redevelopment Authority (TBRA) recommended approval of its proposed 2022/23 and Three-Year Budget at the April 19, 2022 TBRA meeting.

City management recommends that City Council approve the TBRA's proposed 2022/23 and Three-Year Budget.



Brownfield Redevelopment Authority

County of Oakland, State of Michigan

2022/23 through 2024/25 Budget

Introduction

The Brownfield Redevelopment Financing Act, Act 381 of 1996, now recodified and found at MCL 125.2651 et.seq., authorized the City of Troy to create the Troy Brownfield Redevelopment Authority (TBRA), which occurred on January 18, 1999. The purpose of the TBRA is to implement Brownfield Plans, create Brownfield redevelopment zones, promote revitalization, redevelopment and reuse of distressed properties within the City. Furthermore, the TBRA may utilize tax increment financing to assist redevelopment.

The TBRA shall consist of not less than five (5) persons and not more than nine (9) persons who serve for three year terms, and are appointed by the Mayor and approved by City Council.

The three year budget contains five active Brownfield plans as follows: Plan #4 for the TCF Bank Branch; Plan #7 for the Regency at Troy (Ciena Healthcare); Plan #8 for the Somerset Shops; Plan #9 for the Uptown Apartments (formerly Midtown Apts.); and Plan #10 for the Harrison Poolside Troy Apartments.



Brownfield Redevelopment Authority

County of Oakland, State of Michigan

2022/23 through 2024/25
Budget

| | 2021 | 2022 | 2022 | 2023 | 2024 | 2025 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | Budget | Budget | Budget |
| REVENUE | | | | | | |
| Property Taxes-TCF | \$ 3,389 | \$ 3,549 | \$ 3,560 | \$ 9,230 | \$ 9,720 | \$ 10,240 |
| Property Taxes-MJR | 78,629 | 50,304 | 63,370 | - | - | - |
| Property Taxes - Somerset Shops | 13,557 | 19,386 | 18,140 | 17,980 | 20,190 | 22,480 |
| Property Taxes - Regency at Troy | - | - | - | - | - | - |
| Property Taxes - Uptown Apts. | - | 144,850 | 62,920 | 185,510 | 196,210 | 207,340 |
| Property Taxes - Harrison-Troy PS Apts. | - | - | - | - | - | - |
| Interest Income | (4,294) | 500 | 4,000 | 2,000 | 2,500 | 3,000 |
| Total Revenues | 91,281 | 218,589 | 151,990 | 214,720 | 228,620 | 243,060 |
| EXPENDITURES | | | | | | |
| Administrative Expenses | 5,700 | 5,800 | 5,800 | 6,000 | 6,200 | 6,400 |
| Audit Fees | 1,800 | 1,900 | 1,880 | 1,900 | 2,000 | 2,100 |
| Payment to TCF Bank | 3,036 | 3,549 | 3,560 | 9,230 | 9,720 | 10,240 |
| Payment to MJR | - | - | - | - | - | - |
| Payment to Somerset Shops | 13,557 | 19,386 | 18,140 | 17,980 | 20,190 | 22,480 |
| Payment to Regency at Troy | - | - | - | - | - | - |
| Payment to Uptown Apts. | - | 144,850 | 62,920 | 185,510 | 196,210 | 207,340 |
| Payment to Harrison-Troy PS Apts. | - | - | - | - | - | - |
| Other expenditures | - | 300 | 300 | 1,000 | 1,000 | 1,000 |
| TOTAL - EXPENDITURES | 24,093 | 175,785 | 92,600 | 221,620 | 235,320 | 249,560 |
| | | | | | | |
| Change in Fund Balance | 67,188 | 42,804 | 59,390 | (6,900) | (6,700) | (6,500) |
| BEGINNING FUND BALANCE | 697,237 | 764,425 | 764,425 | 807,229 | 800,329 | 793,629 |
| ENDING FUND BALANCE | \$ 764,425 | \$ 807,229 | \$ 823,815 | \$ 800,329 | \$ 793,629 | \$ 787,129 |



Brownfield Redevelopment Authority

County of Oakland, State of Michigan

Tax Capture and Millage 2022/23 through 2024/25

| | 2023 Budget | 2024 Budget | 2025 Budget |
|--|-------------------|-------------------|-------------------|
| <u>TCF Bank (TCF)(BR4)</u> | | | |
| Base Taxable Value | \$ 197,940 | \$ 197,940 | \$ 197,940 |
| Taxable Value | 775,560 | 806,582 | 838,846 |
| Captured Taxable Value | <u>577,620</u> | <u>608,642</u> | <u>640,906</u> |
| TCF Bank Tax Revenues | <u>9,230</u> | <u>9,720</u> | <u>10,240</u> |
| <u>Somerset Shops (SSS)(BR8)</u> | | | |
| Base Taxable Value | \$ 1,843,250 | \$ 1,843,250 | \$ 1,843,250 |
| Taxable Value | 2,735,700 | 2,845,128 | 2,958,933 |
| Captured Taxable Value | <u>892,450</u> | <u>1,001,878</u> | <u>1,115,683</u> |
| Somerset Shops Tax Revenues | <u>17,980</u> | <u>20,190</u> | <u>22,480</u> |
| <u>Regency at Troy (MSC)(BR7)</u> | | | |
| Base Taxable Value | \$ 879,840 | \$ 879,840 | \$ 879,840 |
| Taxable Value | 738,480 | 738,480 | 738,480 |
| Captured Taxable Value | <u>-</u> | <u>-</u> | <u>-</u> |
| MSC Tax Revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>Uptown Apts. (MTA)(BR9)</u> | | | |
| Base Taxable Value | \$ 1,856,750 | \$ 1,856,750 | \$ 1,856,750 |
| Taxable Value | 6,058,630 | 6,300,975 | 6,553,014 |
| Captured Taxable Value | <u>4,201,880</u> | <u>4,444,225</u> | <u>4,696,264</u> |
| MTA Tax Revenues | <u>185,510</u> | <u>196,210</u> | <u>207,340</u> |
| <u>Harrison Troy Poolside Apt (HTA)(BR10)</u> | | | |
| Base Taxable Value | \$ 368,620 | \$ 368,620 | \$ 368,620 |
| Taxable Value | 165,580 | 165,580 | 165,580 |
| Captured Taxable Value | <u>-</u> | <u>-</u> | <u>-</u> |
| HTA Tax Revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Tax Revenues | \$ 212,720 | \$ 226,120 | \$ 240,060 |



Brownfield Redevelopment Authority

County of Oakland, State of Michigan

Tax Capture and Millage 2022/23 through 2024/25

| | 2023 Budget | 2024 Budget | 2025 Budget |
|-------------------------------|----------------|----------------|----------------|
| Millage Rates | | | |
| City Less Debt Service | 9.8966 | 9.8966 | 9.8966 |
| County Operating | 4.0132 | 4.0132 | 4.0132 |
| County Parks | 0.3470 | 0.3470 | 0.3470 |
| H/CL Metro Authority | 0.2089 | 0.2089 | 0.2089 |
| Zoo Authority | 0.0956 | 0.0956 | 0.0956 |
| Art Institute | 0.1897 | 0.1897 | 0.1897 |
| Community College | 1.5057 | 1.5057 | 1.5057 |
| Oakland County Transportation | 0.9765 | 0.9765 | 0.9765 |
| Intermediate School District | 3.2012 | 3.2012 | 3.2012 |
| School Operating - Summer | 9.0000 | 9.0000 | 9.0000 |
| School Operating - Winter | 9.0000 | 9.0000 | 9.0000 |
| State Education Tax (SET) | 6.0000 | 6.0000 | 6.0000 |
| School Debt | 3.6500 | 3.6500 | 3.6500 |
| School Sinking Fund | 0.4000 | 0.4000 | 0.4000 |
| School Supplemental | 3.2443 | 3.2443 | 3.2443 |
| Total | 51.7287 | 51.7287 | 51.7287 |
| | | | |
| Total Mills TCF BR4 | 15.9714 | 15.9714 | 15.9714 |
| Total Mills SSS BR8 | 20.1491 | 20.1491 | 20.1491 |
| Total Mills MSC Reg BR7 | 20.1491 | 20.1491 | 20.1491 |
| Total Mills MTA UPTOWN BR9 | 44.1491 | 44.1491 | 44.1491 |
| Total Mills HTA BR10 | 44.1491 | 44.1491 | 44.1491 |