
	<b>CITY OF TRAVERSE CITY</b> POLICY TITLE:	POLICY NO: CC-057
	<b>TAX MILLAGE ALLOCATION</b>	SUBMITTED BY: City Commission Ad Hoc Committee
	Adopted Date: September 17, 2018 Effective Date: September 17, 2018 Supersedes No: N/A Procedure Reference No: CC-057 Page 1 of 3	APPROVED BY:  HISTORY: Initial Adoption Date: Sept. 17, 2018 Amended Date: Amended Date:

I hereby certify that this Policy was adopted by the City Commission of the City of Traverse City at its Regular Meeting held on September 17, 2018, in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City Michigan.

  
 Benjamin Marentette, MMC, City Clerk

- I. Purpose:  
 Beginning with the Fiscal Year 2018-2019, the City Commission adopted a General Fund millage rate of 12.1167. The purpose of the rate was for the revenue generated from the millage would be allocated between general operations of the City and a program of street/sidewalk improvements. It is the intent of the City Commission whereby the net revenues generated from 11.1167 of the total millage rate be applied toward general operations of the City, which may include street/sidewalk improvements and the net revenues generated from 1.00 of the total millage be applied toward street/sidewalk improvements.
  
- II. Additional Authority  
 Michigan Constitution, Article VII §21 through §26
  - Home Rule City Act (Act 279 of 1909)
  - City Charter for the City of Traverse City, Chapter VII, Chapter VIII
  
- III. Scope/Applies to  
 This policy applies to the City Commission for the City of Traverse City, to the City Manager and the City Treasurer, and to all City Departments responsible for the development of the City's annual budget and Capital Improvement Plan and making recommendations to the City Commission regarding same.
  
- IV. Responsibility  
 The City Manager and City Treasurer are responsible for the implementation of this policy.
  
- V. Definitions/Acronyms

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- ‘Complete Streets Policy’ shall be the Complete Streets Policy adopted October 3, 2011, as may be amended by the City Commission.
- ‘8th Street Project’ shall be the reconstruction of a portion of 8th Street between Boardman and Woodmere Avenues as defined in the final design adopted by the City Commission.
- ‘Sidewalk Project’ shall be the Sidewalk Project as found to be consistent with City Master Plan by the Planning Commission on August 7, 2018 and affirmed by the City Commission on August 20, 2018, as may be amended by the City Commission and the Sidewalk Preservation Project authorized by the City Commission on April 16, 2018.
- ‘Bonds’ shall be the final Bond Debt Service of a fifteen (15) year General Obligation Bond issued for the purpose of completing the Sidewalk Project.

VI. Policy Statement


The City Commission desires to assure the general operations of the City remains intact as well as to provide for a dedicated revenue stream for a street/sidewalk improvements program; providing for complete streets, walkability, healthy living, improved quality of life, and increase property value.

V. Term

The policy will remain in effect until such time as the Sidewalk Project has been completed and/or the bonds for the Sidewalk Project have been redeemed. At that time the 1 mill rate shall sunset, unless the City Commission determines it to be in the best interest of the City to continue a dedicated revenue stream for a street/sidewalk improvements capital program.

VI. Applicable Procedure

Each year the City Commission will consider a millage rate of 12.1167 in order to provide a source of revenue for general operations of the City and for street/sidewalk improvements. In the event the Bonds are approved and said bonds are issued, the City Commission, at a minimum, shall authorize a additional millage rate above 11.1167 necessary to cover the yearly payments. The net revenue from the 1 mill or such levy as authorized, shall be transferred to the Capital Improvement Fund and specifically dedicated for street/sidewalk improvements as authorized by the City Commission in the Capital Improvements Plan.

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It shall be the first priority to allocated, at a minimum, funds equal to the annual payments of the Bonds in order to complete the Sidewalk Project. If bonds are not issued, then funds shall be allocate, at a minimum, equal to the yearly average of payments as if the Bonds had been undertaken, as proposed, to complete the Sidewalk Project. The second priority shall be to provide and allocate funds from the additional millage rate toward completion of the 8th Street Project and thereafter to street improvements as authorized in the Capital Improvements Plan and in compliance with the Complete Streets Policy.

If the Headlee and/or Proposal A provisions require a rollback of the maximum millage rate allowed by the City, such reduction shall apply to the additional millage and not to the 11.1167 millage rate.

- VII. Effective Date  
 This policy shall have immediate effect.