

Zimbra

Illegal Tax Captures in TBRA budgets

From : Victor Lenivov <v_lenivov@yahoo.com>

Tue, May 31, 2011 10:23 AM

Subject : Illegal Tax Captures in TBRA budgets 12 attachments**To :** Robin Beltramini <rbeltram@wideopenwest.com>, Wade Fleming <wade.fleming@proforma.com>, Martin Howrylak <MartinHowrylak@Yahoo.com>, Mary Kerwin <marykerwin5@hotmail.com>, Maureen McGinnis <mmcginnis@dmcginnis.com>, Louise Schilling <louise.schilling@troymi.gov>, Dane Slater <djlkslater@aol.com>**Cc :** Tonni Bartholomew <clerk@troymi.gov>, Lori Grigg Bluhm <bluhmlg@troymi.gov>, John Lameratto <lameratojm@troymi.gov>, Nino Licari <licarila@troymi.gov>, Mark Miller <millermf@troymi.gov>, John Szerlag <j.szerlag@troymi.gov>

City Council and Mayor,

I saw a replay of the city council meeting when management responded to the legal issues I raised concerning the Troy Brownfield Redevelopment Authority's proposed 2011-2012 budget. I am disappointed at both managements response and lack of oversight from the majority of the city council members. Upon further review of the current budget and the proposed budget, another violation of both State Law and the Resolution creating the TBRA stood out: "The collection of K-12 school taxes."

If you recall my previous email, I cited this violation as a past issue I raised and successfully corrected. But like the little boy who got caught stealing cookies out of the cookie jar, after putting the cookie he got caught stealing back, he waited and when the mother was gone, he stole another cookie and planned on coming back for more later. Well that is what this City manager is doing with the TBRA budgets, both the current one and the proposed one. Five of you were on city council when I raised this issue before and you should have Full recall of the emails that were sent between me and city staff [you were cc'd if not directly sent to you]. If you don't, I am sure that the city manger can get copies and provide them for you. You can also inform the two new members what transpired. I know that Mayor Pro Tem Kerwin is up to speed on this as she was appreciative of correcting this illegal capture of school taxes and the money being returned to the appropriate school district. I am being intentionally vague as to the details so that you can get management to provide you with ALL the details of what occurred. As the well qualified professionals you keep saying they are, I am sure they will live up to your expectations and produce ALL the information including the emails.

However I will provide you with some specifics that you can make your determination. I have provided attachments concerning these points.

1). When the Troy Brownfield Redevelopment Authority was created, it was PROHIBITED from collecting K-12 school taxes. [Resolution #99-21 Point 9.(c)]

2). In order to capture K-12 school taxes, a work plan has to be submitted to the appropriate state department for approval and be approved. No such work plan was produced and/or approved for the TCF Bank Brownfield Plan #4. [MCL 125.2665]

3). The Reimbursement agreement between the TBRA and TCF Bank. It specifically states "not including school taxes" in points 8 & 14 and points 15 & 18 more than clarifies that total reimbursement would not include school taxes. Note the Tax Rate used in Exhibit B. It does not include school taxes. [Attached is the copy from our agenda packet].

Hopefully you can resolve this issue expeditiously and prevent the reoccurrence of this in the future. Unfortunately, my dealings with both city council and city management means that these violations of the law will be back in the very near future. Hopefully it will be not necessary for me to pursue this further but I will not be holding my breath and will followup as needed.

The soon to be former TBRA member,

Victor Lenivov

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My blog ==> <http://vicsview.wordpress.com/>



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