

# 2016 CITY OF NOVI CAPITAL IMPROVEMENT PROGRAM (CIP) MILLAGE TUESDAY, AUGUST 2



## BACKGROUND

The Capital Improvement Program (CIP) identifies and plans Capital Improvements greater than \$25,000 for maintaining the assets needed to deliver municipal services to residents and businesses. In the next six years, there are over \$97 million in projects.

The CIP Millage (if passed) will be used for the Capital Improvement Program and other Capital Projects. This millage WILL NOT be used for any operating costs including employee salaries. **The millage would provide \$32 million over the next 10 years.**

## WHAT WILL THE INCREASED MILLAGE MEAN TO RESIDENTS?

If your house is worth \$200,000, you would be paying \$100 a year. What would that money be used for? Here are a few examples:

**Land Acquisition &  
Replace Fire Station #1**  
\$5.5 million

**Update Antiquated Department  
of Public Services Facility**  
\$7 million

**Lakeshore Park Pavilion &  
Activity Center**  
\$3 million

**Fire Department Ladder  
Truck Replacement**  
\$1.8 million

## WHY IS IT PROPOSED?

A dedicated Capital Improvement Millage would allow the City to invest in those improvements that have been identified as necessary and required in the City's long-term planning process. The millage amount reflects those anticipated costs. If it doesn't pass, many of these projects will not have the funds to be actualized.

Michigan's State Primary Election will be held on Tuesday, August 2nd. There will be a question on the ballot regarding the CIP Millage.

To find your local voting precinct, call **248.347.0456** or find it online at **MICHIGAN.GOV/VOTE**.



# BOND VS MILLAGE

## WHAT IS THE DIFFERENCE BETWEEN A BOND & A MILLAGE?

An increased millage would allow the City to “pay as they go” for needed capital improvements and capital projects with \$3.2 million added to a separate fund strictly for CIP each year for the next 10 years. If the City were to issue a bond for \$32 million for the same amount of projects, the City would pay off the bonds over a period of 15 years with interest, making the total cost for the same projects \$40.2 million.

## HOW DOES THIS IMPACT YOU?

MARKET VALUE	TAXABLE VALUE	TAX INCREASE
\$200,000	\$100,000	\$100 per year
\$300,000	\$150,000	\$150 per year
\$400,000	\$200,000	\$200 per year



### CAPITAL IMPROVEMENTS MILLAGE PROPOSAL

“Shall the City of Novi, Michigan, be authorized to levy a new additional millage on taxable property within the City, not to exceed the annual rate of 1.0 mills (\$1.00 per \$1,000 of taxable value) for a period of 10 years, commencing in 2017, for the purpose of funding capital improvements and capital projects, including, but not limited to, parks and facilities, land acquisition, pathways, and apparatus (such as fire trucks, heavy equipment). These funds shall not be used for operations or payroll. The estimated amount of revenue that will be collected by the City in the first year that the millage is authorized and levied is \$3,284,805.”

Yes

No

## QUESTIONS?

All of the Capital Projects can be explored in detail at: [cip.cityofnovi.org](http://cip.cityofnovi.org).

For additional information regarding the proposed CIP Millage, please visit [cityofnovi.org/CIPMillage](http://cityofnovi.org/CIPMillage).

If you have additional questions, please contact:

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