

Howell Township

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September 22, 2025

Dear Planning Commission Members,

I was asked to provide insight into what One Billion dollars of investment would look like from the Township point of view. I compared it to the 2024 tax year. The taxing entities listed appear on the Howell Township Summer and Winter Tax bills. One thing to note is the tax revenues for the school columns include a tax abatement. This tax break is PA 198 or more commonly known as an Industrial Facilities Tax abatement. The abatement would have to be approved by the Howell Township Board of Trustees. This tax incentive gives a 50% discount on all millage rates other than the State Education Tax. It can stay in effect for up to 12 years. I included the abated numbers because I believe in a conservative approach to estimating. Taxes collected for the complete 2024 tax year total \$14,336,574. Of which 94% passed through Howell Township to the corresponding taxing entity. If One Billion dollars were invested in the Howell Public Schools district, the abated taxes would equal \$11,918,775 for that investment alone. This would represent an increase of 83% in year-over-year collection. If the investment landed in the Fowlerville Community Schools district, the total abated tax revenue would be \$12,880,725. This would represent a 90% increase in year-over-year collection. The individual percentage increases for each taxing entity are listed in the final column.

Obviously, these are large increases and will help most of the listed taxing entities. The School Operating, however, will not. Every dollar collected and sent to the schools for operating expenses is deducted from the per pupil funding sent by the State of Michigan. So, there is no net advantage for the public schools. The debt millage will help reduce taxes. Each school district is tasked with collecting only what is required to retire the scheduled debt payments. When the taxable value of the investment hits the tax roll, it will lower the debt millage. This is significant because the Howell Schools debt millage makes up 23% of the annual tax bill. The Fowlerville Community Schools debt millage is 35% of the annual tax bill.

Thank you,

A handwritten signature in black ink, appearing to read "Brent J. Kilpela".

Brent J. Kilpela MAAO, MCPPE
Howell Township Assessor