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detroitk12.org

September 23, 2024

Dear Partner of Detroit Public Schools Community District (DPSCD),

I wanted to make you aware that DPSCD has a restorative millage on the ballot on November 5, entitled Proposal S.

As a public entity, DPSCD cannot advocate for this millage. We are only allowed to educate voters about what it does. However, this restriction may not apply to you.

It is important to note that Proposal S does not apply to Detroit homeowners, only to commercial properties and non-owner-occupied rentals.

The Headlee Act required Detroit to roll back its non-homestead property millage from 18 mills to 16.5 mills for Detroit businesses due to a cap on increases relative to property value growth. For businesses, that cap is at 5 percent. In Detroit, property values increased by 9 percent last year alone. That means that businesses are only paying 5 of the 9 percent, equaling 16.5 percent. It is important to note that in every other school district throughout the state, businesses are paying 18 mills to their school district.

For DPSCD, this reduction will lead to a loss of approximately \$10 million annually and up to \$225 million over the next decade.

One of the outcomes of the state takeover resulted in the District having legacy debt. Of course, DPSCD is on track to pay it; however, the rollback prevents us from settling this debt sooner. While we have made significant improvements throughout the District, Proposal S will help us pay that debt roughly seven years early, allowing us to focus solely on student and staff investments.

If Detroit voters choose to support Proposal S – <u>which does not increase taxes for Detroit homeowners or renters</u> – DPSCD can continue investing in the progress Detroit needs, at the pace that Detroit families deserve. If Proposal S doesn't pass, nearly a quarter of a billion dollars will be left on the table over the next decade.

It is imperative that Detroit voters are educated about what's at stake in the choice they make in November. Visit detroitk12.org/ProposalEd for additional information.

Sincerely,

Nikolai P. Vitti, Ed.D.

Superintendent

Detroit Public Schools Community District

Students Rise. We all Rise