

VEVAY TOWNSHIP  
DOWNTOWN DEVELOPMENT  
PLAN  
AND TAX INCREMENT  
FINANCE PLAN

adopted - 1990

Vevay Township Trustees  
Michigan

VEVAY TOWNSHIP

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## INTRODUCTION

Living, livelihood and leisure are the attributes a community must possess. These characteristics dictate the viability of a community's economic and community development. Each of these attributes is interwoven into the other, if one aspect begins to falter then the community as a whole suffers. As a means of protecting a community's integrity, a plan of action must be introduced.

A Development Plan outlines how a community can address its economic development potentials and needs. This Comprehensive Economic Development Plan of action promotes a program to provide public services while expanding the tax base, to create jobs for the unemployed, underemployed and youth, and to coordinate land use, zoning and future development.

Economic development is the process of bringing together essential resources to successfully attract and retain economic base facilities while controlling the allocation of local resources. A successful economic development program at any level of government ensures long-term stability for a community. Local government has the opportunity to prosper, to improve community facilities, and to create hometown pride and goodwill through the Development Plan process.

Economic development decisions made during the planning process are not just limited to those of the elected officials but also those of the citizens which are effected or interested in this development. Since development decisions could have major impacts on the entire community, it is important to carefully evaluate the program's goals and objectives to assure that the community will be benefited by these actions. A development strategy begins with the creation or identification of employment centers in commercial, industrial, tourism and/or service sectors. Despite the differences in their products, each of these employment centers can bring dollars into a community. As the economic base is established, other services (e.g. recreation) will be implemented by local citizens.

A five step process is needed before an economic development program can be implemented. These steps include the following:

- \* Establish community support
- \* Build a formal organization
- \* Collect detailed community facts
- \* Establish an economic expansion program
- \* Undertake promotional efforts

Each step represents one portion of the economic development framework. Steps may take place independently or in combinations. Completion of a development program requires that the framework be strong, supported and realistic.

## BASIS FOR DEVELOPMENT AUTHORITY

In 1970, the City of Mason, Alaiendon and Vevay Township developed a Comprehensive Development Plan. The Comprehensive Development Plan is a schematic illustration of how an area should strive to meet the desires of a region. The Plan identified areas proposed for commercial, industrial and residential land uses. Vevay Township has been working to follow the Plan via the zoning and other land use controls. A new Plan is being prepared for the Township by the Planning Commission. Their ideas have been studied and mapped. The two Plans are similar in nature as to the economic development concept for this Development Plan. In 1970, the economic growth area was conceptualized to be commercial, industrial and residential. The new Plan likewise has conceptualized a concentrated business center with the shopping center, light and heavy industry, airport and office airpark as well as residential developments. During the last 18 years, very little development has commenced outside of the heavy industry, some commercial, airport and municipal center. In the last year, new efforts have been made to expand the development of the business district into an economic growth area.

On December 21, 1988, the Vevay Township Board of Trustees, after Public Hearing, adopted Ordinance Number 24. This Ordinance created an Authority under P.A. 197 of 1975 to undertake planning, and implementation of the economic growth area. The development district is based upon the Comprehensive Plans, the zoning ordinance and desires of the citizens of the Township.

The Downtown Development Authority Act is one of Michigan's more frequently used development laws. The purpose of this summary is to discuss some of the more important aspects of this law.

### Who May Create An Authority?

Public Act 197 authorizes any City, Village or Township to create a Downtown Development Authority in its downtown business district. To date, nearly 200 municipalities have created Authorities under the Act. A few municipalities have two Authorities, but 1987 legislation now prohibits the creation of more than one Authority.

### Procedure for Creating an Authority

To create a Downtown Development Authority the local governing body must make a series of findings. According to the Act, the governing body must determine that "it is necessary. . . to halt property value deterioration and increase property tax valuation. . . , to eliminate the causes of that deterioration and to promote economic growth". An Attorney General's opinion

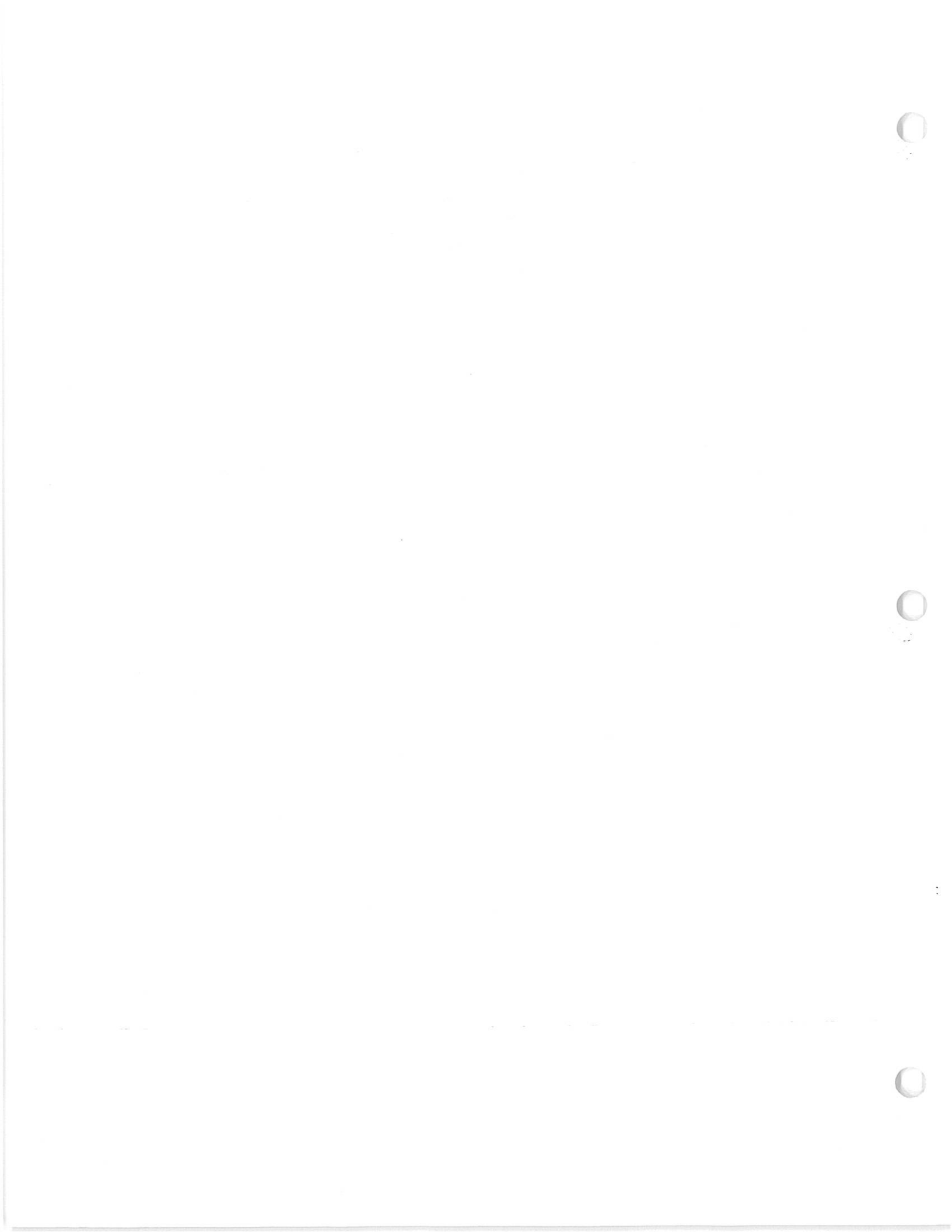
on these findings stated that a Tax Increment Financing Authority should primarily be created in areas where property values were declining. Act 197 also identifies the other reasons for the creation of an Authority such as working to increase tax valuation. General Law townships operate from one mill of tax. As cost of services increase and demand for more services are made by Township residences, a method to increase tax valuation other than normal increased assessment are necessary. The Township, in 1988 alone, increased the same valuations by as much as 9.0 percent. This was a very large increase compared to other communities.

Another reason for the creation of the Authority is to eliminate causes of that deterioration. At meetings of the Township, many property owners advised the Board of the need for infrastructure to develop the land. The previous owners of the Sycamore Creek Industrial Park area were not able to develop because of the shortages. The Schultz Snyder & Steele Company tried to sell the industrial plant but, because of the pump and haul requirements of the sewer system, they were not able to do so. The Airport Authority has long tried to develop the Airpark but has not been able to because sewers were not available.

The last criteria to develop a Tax Increment Finance Authority is to promote economic growth of Michigan. The Legislature adopted the Statute to get units of government to diversify from auto-related industry as well as to help downtowns to create diversification in jobs and job types. In 1970, the Mason-Vevay-Alaiedon Comprehensive Plan called for this area to be a center of commerce and industry. The creators of the Plan identified the tremendous potential for this area because of the location, soils and modes of transportation. The Vevay Economic Growth Center is best exemplified as a business district because the area has a Freeway and other primary roads, railroad facilities, and an airport. These facilities extend to business methods to import goods, raw materials and services to the citizens. Simultaneously, the exporting of finished products can take place very easily.

#### **What Are Declining Property Values?**

The issue of declining property values has been one of the most controversial issues in establishing a Downtown Development Authority. The failure of a municipality to make such a finding or their error in doing so has been an issue in several court cases. The Attorney General's opinion cited above states that the aggregate value of the district does not have to be declining. All that is required, the opinion states, is for property values to be declining on a significant number of parcels. The opinion concludes by defining "significant" as "more than one or two". The Township Board determined that major deterioration in land values was taking place. Land values have decreased for the last 3 to 5 years on over 10 parcels of land of approximately 369 acres. These parcels have sub-standard



buildings, and no infrastructure or services. The amount of decreased value has been from 8 to 10 percent per year amounting to 30 to 50 percent in State Equalized Value. Due to this problem, most businesses could not sell land for the highest and best use. The Mason Development Group went out of business and sold the Mason Industrial Park to a developer who is now developing the Sycamore Creek Industrial Park.

#### **What Is a Business District?**

Use of the Act is limited to business districts. Unfortunately, the definitions in the Act are very vague and circular. "Business district" is defined by the Act "as an area in the downtown. . .", while "downtown" is defined as "an area in a business district".

Because of the imperfect wording in the Act, there has been some variation in what is considered a business district. The great majority of Downtown Development Authority districts have been established in existing older commercial areas or central business districts. The Act has also been used to assist in the revitalization of strip commercial areas and shopping malls. A few have been established in substantially undeveloped areas.

There are at least two Attorney General's opinions bearing on the question of defining a business district. A 1983 opinion stated that a municipality may not attach a noncontiguous, unimproved parcel to a downtown development district by connecting the parcel by means of street rights-of-way. In this case, the area proposed for redevelopment was located a mile from the downtown business district. The Attorney General reaffirmed this decision in a 1987 opinion.

#### **What May be Included in a Downtown Business District?**

Although overwhelming practice has been to use the Act in downtown commercial areas, it is not unusual for other land uses to be involved in the Authority district. Nor are such uses inconsistent with the Act. "Business district" is defined as an area "zoned and used principally for business". The word "principally" is the key. The Act does not use the word "exclusively". As a result, the inclusion of industrial parcels and residences in the Downtown Development Authority District is permissible.

#### **The Authority Board**

A Downtown Development Authority is under the supervision control of a board appointed by the Chief Executive Officer of the municipality. The act requires that the Board be composed of at least 8 and not more than 12 members. The Chief Executive Officer is required by law to be a member, but affiliations of the other Board members are determined by the Ordinance establishing the Authority. Membership typically consists of



community and civic group leaders, ministers, local business people, bankers and others interested in the business district.

### Powers of the Board

A Downtown Development Authority Board has broad powers. These include analysis of economic changes taking place in the business district; long-range planning for the downtown area; land acquisition and improvement; building construction, improvement, rehabilitation, maintenance and operation; and acquisition and construction of public facilities.

Downtown Development Authorities have undertaken a wide variety of projects. Private development assisted by Downtown Development Authorities has included office buildings, hotels, shopping centers, and a theme park. One Michigan city acquired and rehabilitated a vacant downtown industrial building which was sold to a developer and now houses specialty shops. Public facilities financed by Downtown Development Authorities include water and sewer lines, parking lots, streets, street lighting, convention centers, parks and marinas.

Although the Authority Board does not have the authority to condemn property, this Authority may be used by the municipality for the benefit of the Authority. Property taken in such a way may be transferred to the Authority for purposes of a project. A plan for relocating people or businesses located in the development area must be included in the Authority's Development Plan.

### Financing Powers

A Downtown Development Authority has several options for financing projects. These include tax increment financing; revenue bonds; a special property tax levy in the downtown area; revenues from property, buildings or facilities owned by the Authority; special assessments; donations from local organizations, foundations and other sources; and money from grants and other sources approved by the governing body of the municipality.

Tax increment financing is probably the most frequently used tool by Downtown Development Authorities. Tax increment financing involves the capture of increased property taxes resulting from development to pay for the public facilities and other activities required for development. The Authority Board kicks off the tax increment procedure by preparing a Development Plan and a Tax Increment Financing Plan. The Tax Increment Plan establishes a base value for the tax increment District, or project area, from which captured taxes are calculated.

The base value of the tax increment District, or "initial assessed value", has been the subject of some confusion among development officials. The "initial assessed value" of

development area in the Downtown Development Authority Act is the assessed value of the District for the year in which the Plan is adopted.

Tax increment finance bonds secured by future captured revenues are a popular means of financing projects. Many projects are also financed via a pay-as-you-go basis where public facilities are built as soon as sufficient captured increments become available. Projects are also financed with bank loans secured by property owned by the Authority. Increased property tax revenues from the project are used to repay the loan.

The Act permits an Authority, with the approval of the local governing body, to levy an advalorem tax on downtown area property. The tax rate is limited to 2 mills, except in municipalities having a population of 1,000,000 or more, where the rate is limited to 1 mill. The Legislature amended the Act in 1984 to allow revenue from the tax, which had previously been restricted to operation, to be used for any lawful purpose of the Authority. This expansion may be more symbolic than real in most communities, however. A 2 mill levy doesn't generate large amounts of revenue in the typical downtown.

#### Relations with Local Governing Body

Relations with the local governing body are an important aspect of making a downtown revitalization program work. Although the Downtown Development Authority prepares Development and Tax Increment Financing Plans, it is the governing body which actually adopts them. Also, several important powers of the Authority; such as the levy of a property tax, condemnation, and use of special assessment revenues; require local governing body approval.

#### Conclusion

The Vevay Township Board of Trustees has reviewed the laws to foster economic growth within their business district. After public hearings and meetings, Public Act 197 of 1975 has been determined as the adoptive statutory tool. A Development Authority has been created and commissioned to prepare this document for adoption to control the growth of the area.

These efforts to channel growth by fostering cooperation between local government, business, industry and residents are intended to preserve and even improve the quality of life in Vevay Township

Tax increment financing (TIF) is a tool used by local governments to finance redevelopment while increasing future fiscal capacity through a stronger tax base. Tax increment financing is not a tax increase. A District that is designated for TIF is allowed to have its tax base frozen at the rate in effect immediately, before development. Any amount over that

base which occurs because of development, natural appreciation or anticipated development, goes into a special fund which is used to retire any debt incurred in financing development. Tax increment financing is viewed as a "self-help" tool for localities because it relies on local property tax revenues and is administered and monitored entirely by local government officials.



## SCOPE AND PURPOSE

In 1975, the people of the State of Michigan enacted Public Act 197 (the Downtown Development Authority Act) for municipalities; i.e. Cities, Villages or Townships. Act 197 allows a local unit of government to establish a legal organization with responsibility for planning economic development and determining the allocation of resources required to implement identified objectives.

Vevay Township officials have determined that in the best interests of the public, measures should be taken to promote economic growth and to increase property tax valuation as a means of cost containment. Therefore, the purpose of this report is to provide the plan of action necessary to bring about economic stability for a designated area in the Township.

Vevay Township is facing an influx of metropolitan growth pressures which, at the present, are not covered by current adopted programs. No formal plan has been adopted to direct development into the Township's designated areas for such growth. Since the Township is absent an incorporated area, it is important to retain and renew the most central business area. That central business area is known as the Kipp and Hull Road area.

This document is the Development Plan and Tax Increment Financing Plan for a district located in Vevay Township. It will serve as the Township's guide for future growth and development.

## LEGAL DESCRIPTION

That part of the west 1/2 Section 10, T2N, R1W, lying south of Highway M-36 and west of Dexter trail.

Also

That part of Section 15, T2N, R1W described as: Commencing at north 1/4 corner of said Section 15, north 89 degrees 30' 59" west 173.2 feet to point of beginning; thence south 32 degrees 01' 11 east 130.08 feet; thence south 32 degrees 01' 27" east 1216.79 feet; thence north 89 degrees 30' 59" west 2097.51 feet; thence south 0 degrees 13' 22" east 1510.81 feet; thence north 89 degrees 38' 32" west 306.66 feet; thence south 0 degrees 17' 26" east 2649.33 feet; thence north 89 degrees 35' 47" west 800 feet to the southwest corner of said Section 15; thence north 0 degrees 17' 26" west 2648.69 feet to west 1/4 corner of said Section 15; thence north 0 degrees 13' 47" west 2649.43 feet to the northwest corner of said Section; thence south 89 degrees 30' 59" east along north line of Section 15 to point of beginning.

Also

The east 1/2 of Section 16, T2N, R1W except the south 1716.825 feet thereof. Also that part of the northwest 1/4 of said Section 16 lying east of railroad. Also that part of the northeast 1/4 of the southwest 1/4 of Section 16 lying east of railroad and the North 661 feet of said northeast 1/4 of southwest 1/4 lying west of railroad. Also the northwest 1/4 of the southwest 1/4 of Section 16. Also the north 10 acres of the southwest 1/4 of the southwest 1/4 of Section 16.

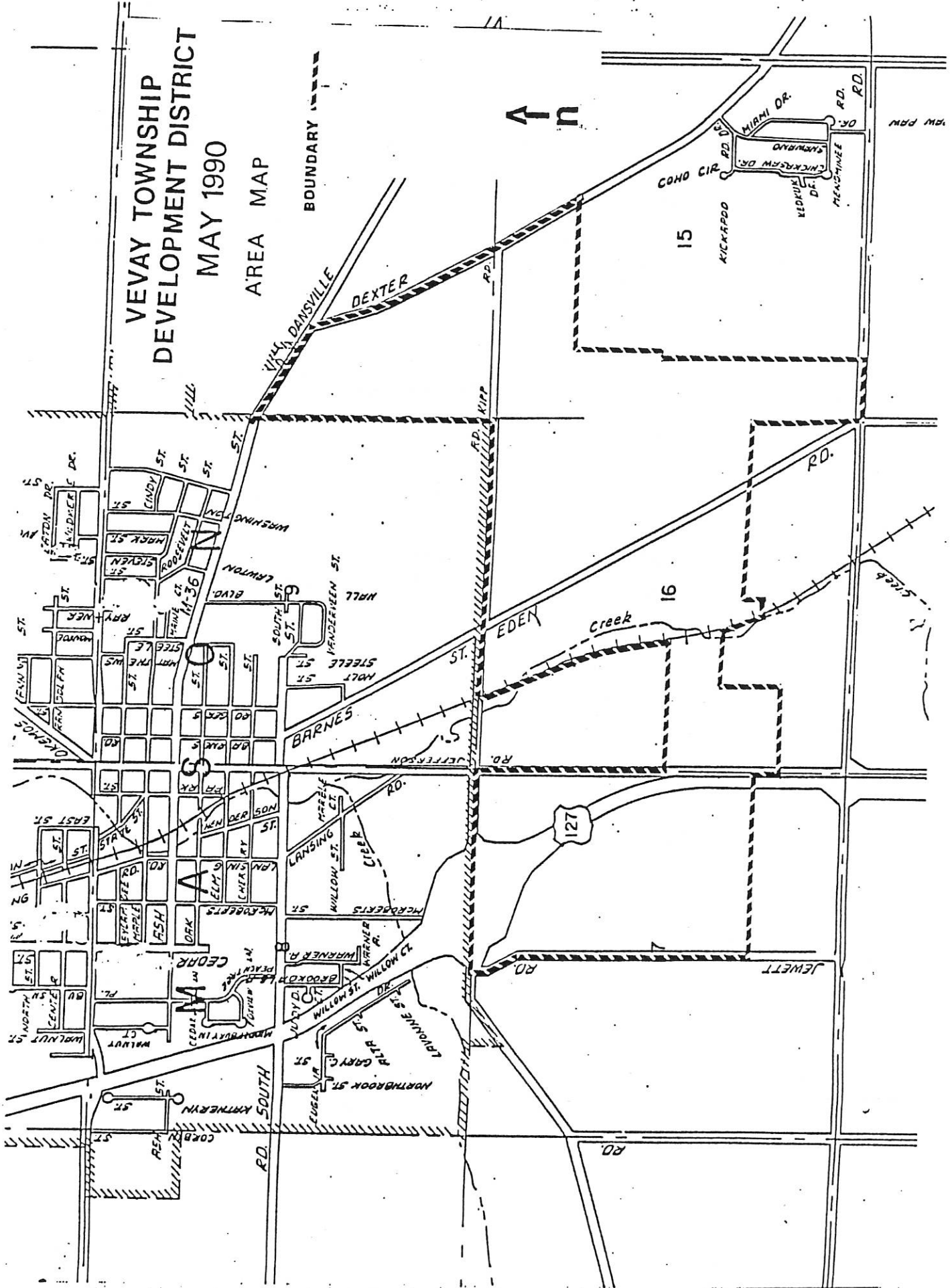
Also

The northeast 1/4 of Section 17 and the north 1/2 of the southeast 1/4 of Section 17, T2N, R1W. Also that part of the north 3/4 of the west 1/2 of said Section 17 lying east of the west right-of-way line of Jewett Road.

### A General Description

Further defined, the development area is bordered on the north by Kipp Road and M-36 and east City limit of Mason. On the east side is Dexter Trail. South boundary is Mason-Jewett Airport, Tomlinson Road and Municipal Center. On the west is Jewett Road.

VEVAY TOWNSHIP  
DEVELOPMENT DISTRICT  
MAY 1990  
AREA MAP



The Plan addresses business revitalization, commercial and industrial development, and infra-structure needs.

The Plan should show location and extent of existing streets and other public facilities within the development area and shall designate the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses and shall include a legal description of the development area.

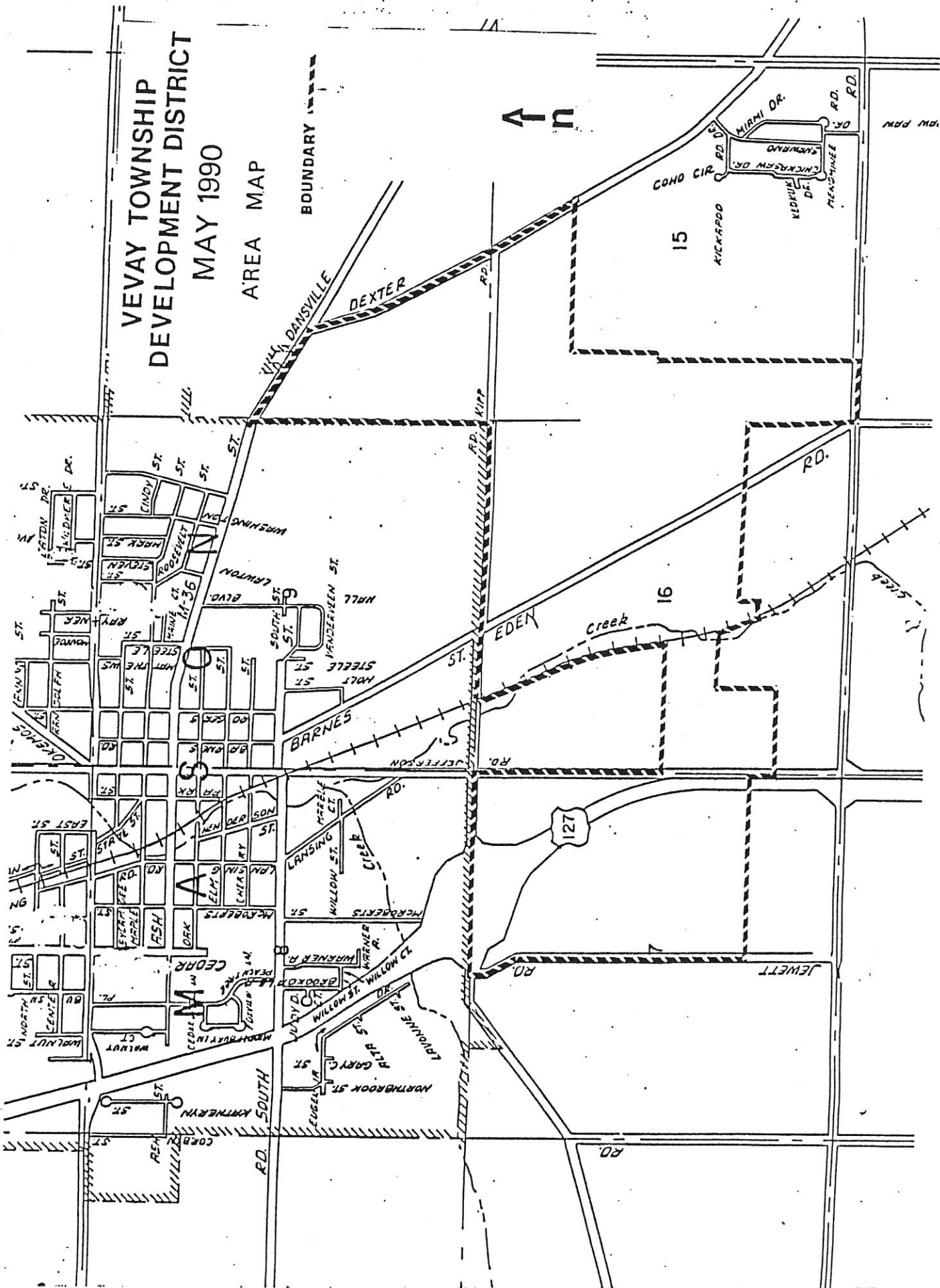
#### INFRASTRUCTURE SURVEY

1. Streets see attached Map 1
2. Other public Township Hall  
Township Park  
see attached Map 1
3. Land uses existing - see attached Map 3  
proposed - see attached Map 4

VEVAY TOWNSHIP  
DEVELOPMENT DISTRICT  
MAY 1990  
AREA MAP



BOUNDARY



The Plan addresses business revitalization, commercial and industrial development, and infra-structure needs.

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#### INFRASTRUCTURE SURVEY

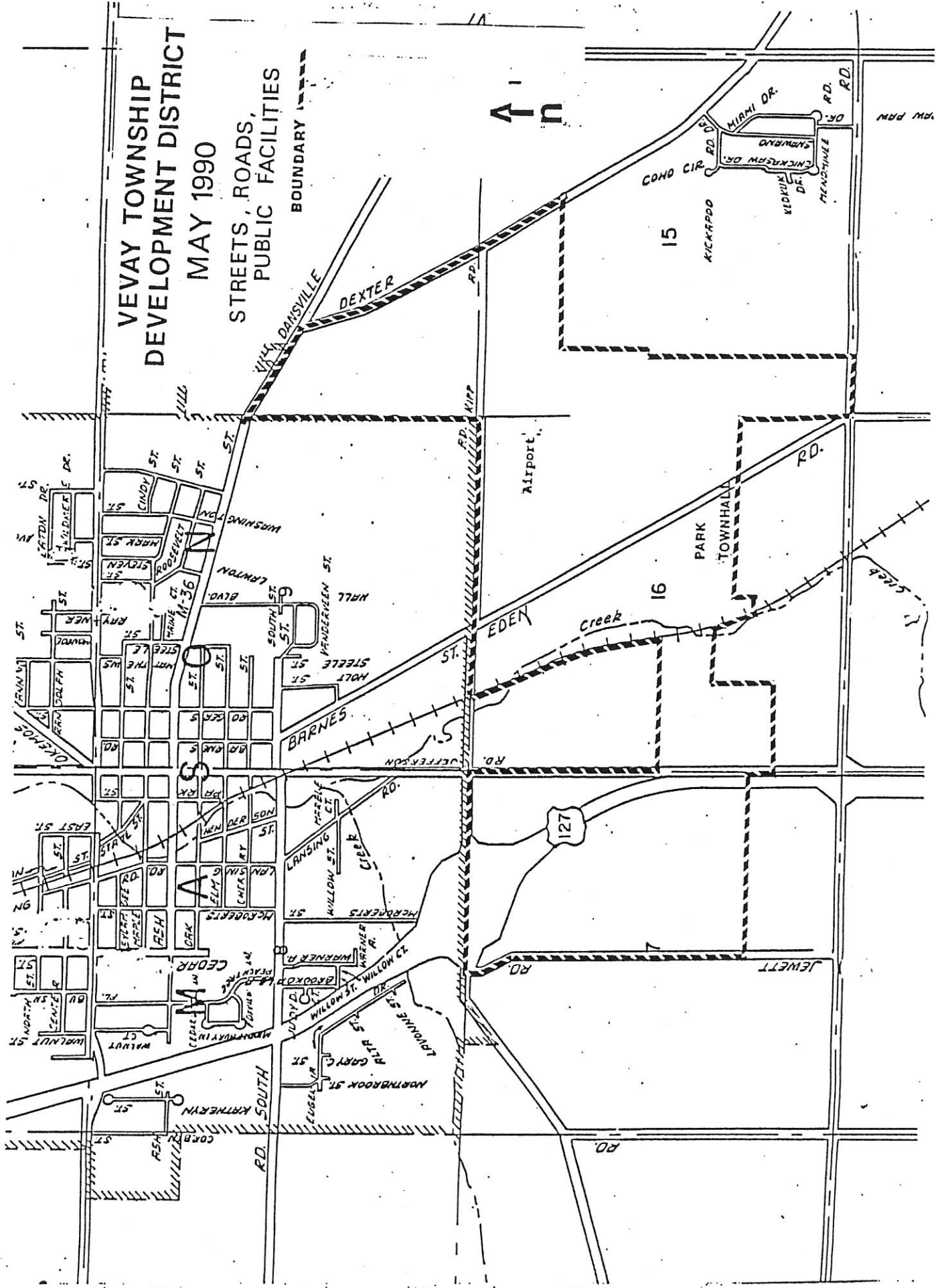
1. Streets see attached Map 1
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Township Park  
see attached Map 1
3. Land uses existing - see attached Map 3  
proposed - see attached Map 4

VEVAY TOWNSHIP  
DEVELOPMENT DISTRICT

MAY 1990

STREETS, ROADS,  
PUBLIC FACILITIES

BOUNDARY



## CURRENT ZONING MAP

### Zoning

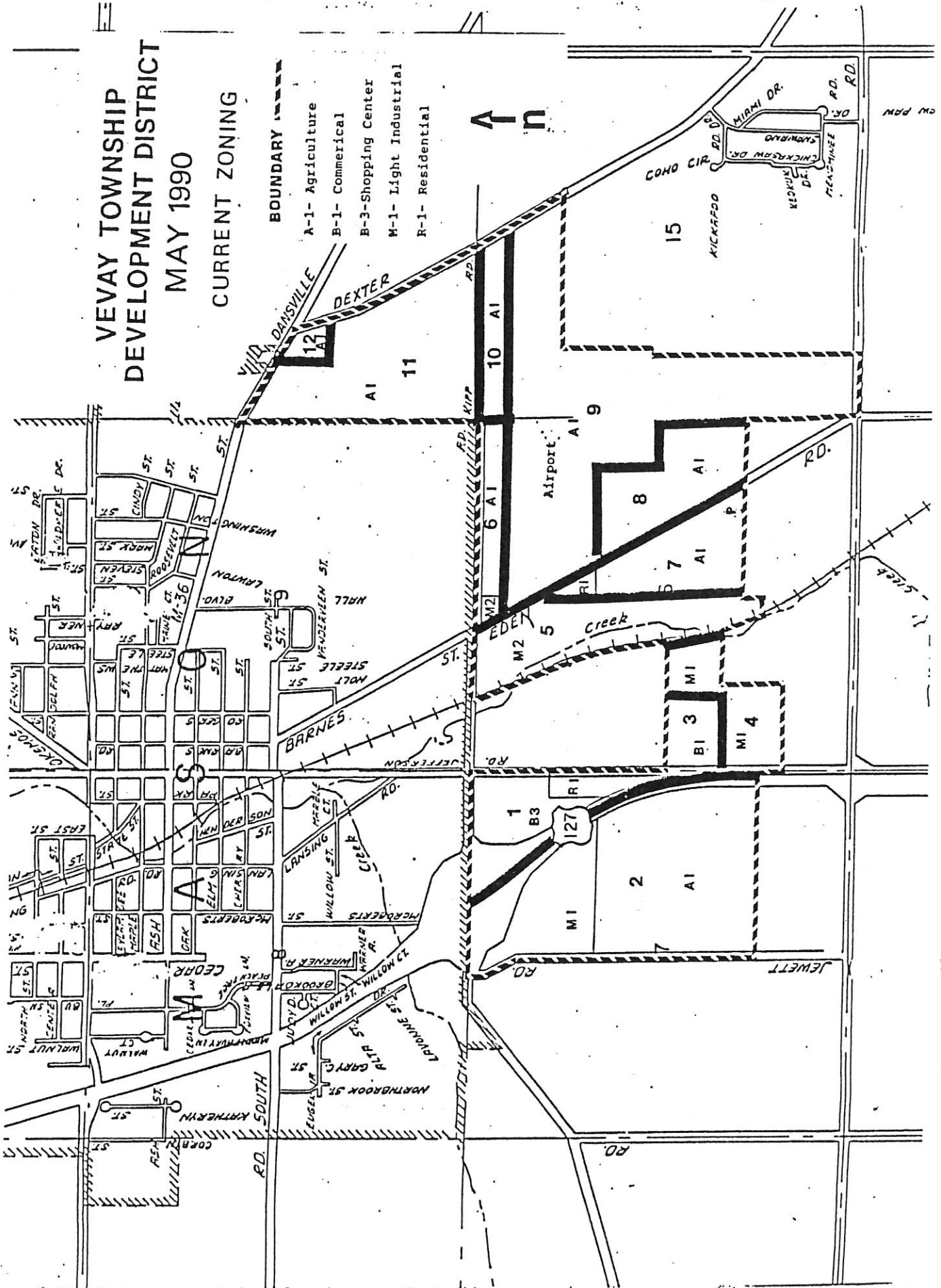
Vevay Township has a zoning ordinance in place (adopted in 1985) and an active Planning Commission. The Township's Comprehensive Plan was adopted in 1970 and is somewhat dated. The Commission is in the process of revising that Plan to carry forward the planning activity of the Township into the next century. Map 3 indicates the current zoning for the District.



# VEVAY TOWNSHIP DEVELOPMENT DISTRICT MAY 1990

## CURRENT ZONING

- BOUNDARY**
- A-1- Agriculture
  - B-1- Commerical
  - B-3- Shopping Center
  - M-1- Light Industrial
  - R-1- Residential



## Existing Land Use

After the development district was adopted, an existing land use map was developed. (See Map 4) The existing land uses reveal a multi-purpose community with open space, a commercial shopping center, municipal center and park, a strip residential area, isolated industrial areas, airport and agricultural uses. Less than 50% of the District is still used for agricultural purposes.

A physical limitation was identified during the analysis of the land use - to be a water recharge area within the district's boundaries.

Generally, the existing land uses in the District conform with the Township's existing Comprehensive Development Plan of 1970. The fast growth since 1986 has accelerated some land uses but appears to be in balance with the zoning and Planning Commission's overall growth plan.

As part of the development planning process, the Authority has evaluated the existing land uses and correlated them with the existing zoning. This process has revealed potential areas that should be developed to meet current zoned purposes.

Implementation of an Economic Development Plan should accelerate a planned growth process. The Authority and Planning Commission are assisting each other in this overall planning program.

## Strategy

The Vevay Development Authority has established a creative partnership among local public agencies, private enterprise, and citizens. The partnership is a result of encouragement by the Township board for all interested individuals in Vevay to become involved. Further encouragement was expressed through public opinion.

The preparation of a Development Plan is just that unless provisions are made to encourage implementation. Therefore, this section of the plan addresses future land use needs, identify projects and their costs, and develop time frames for implementation.

## Future Land Use

Land has value and can be divided into living, livelihood and leisure uses. Future land use conceptualizes on the relationship of current land uses to the projected requirement of land. Utilization becomes a key factor in determining future land use.

VEVAY TOWNSHIP  
DEVELOPMENT DISTRICT  
MAY 1990

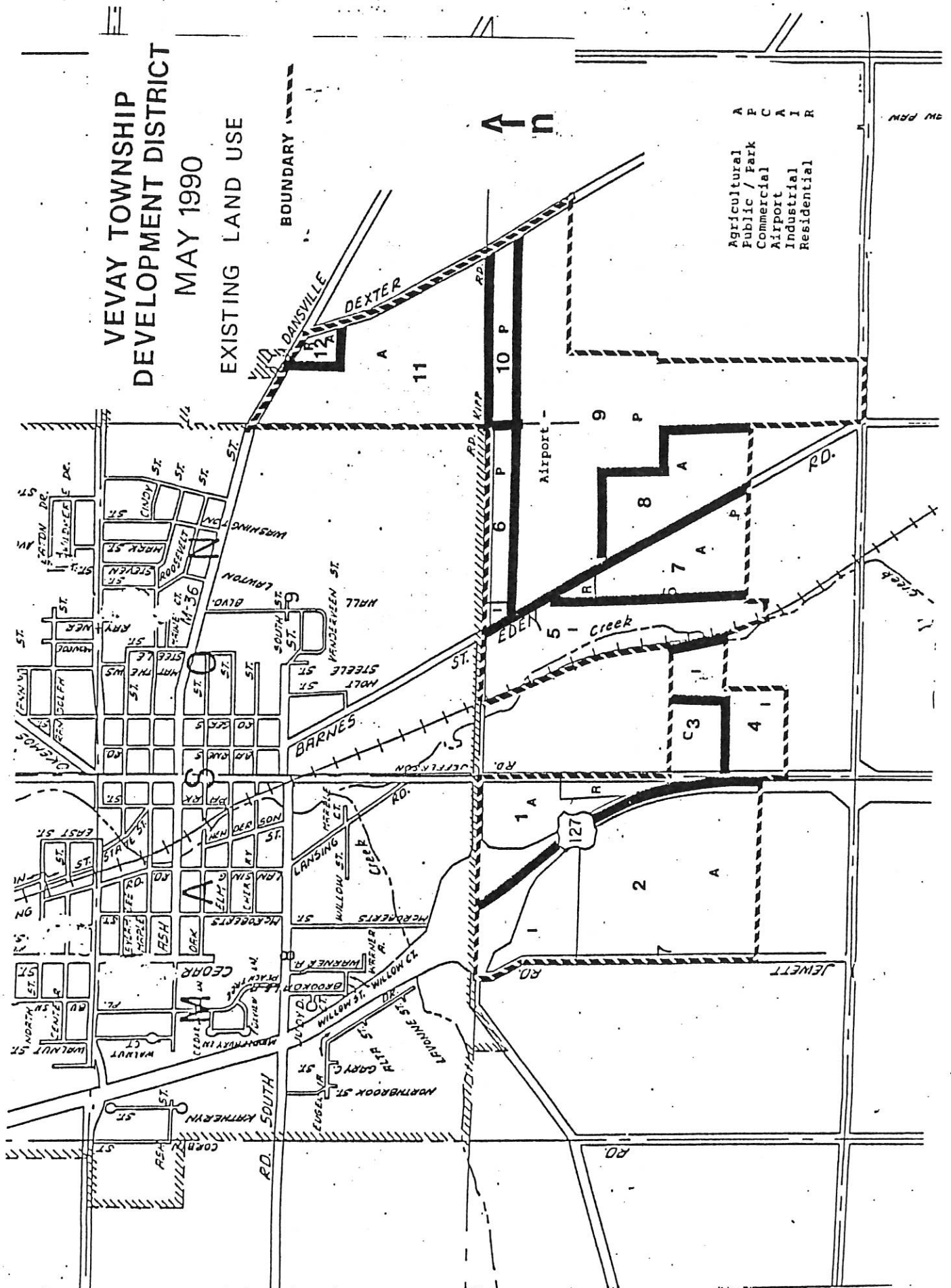
EXISTING LAND USE

BOUNDARY



- A Agricultural
- P Public / Park
- C Commercial
- A Airport
- I Industrial
- R Residential

9W PRM



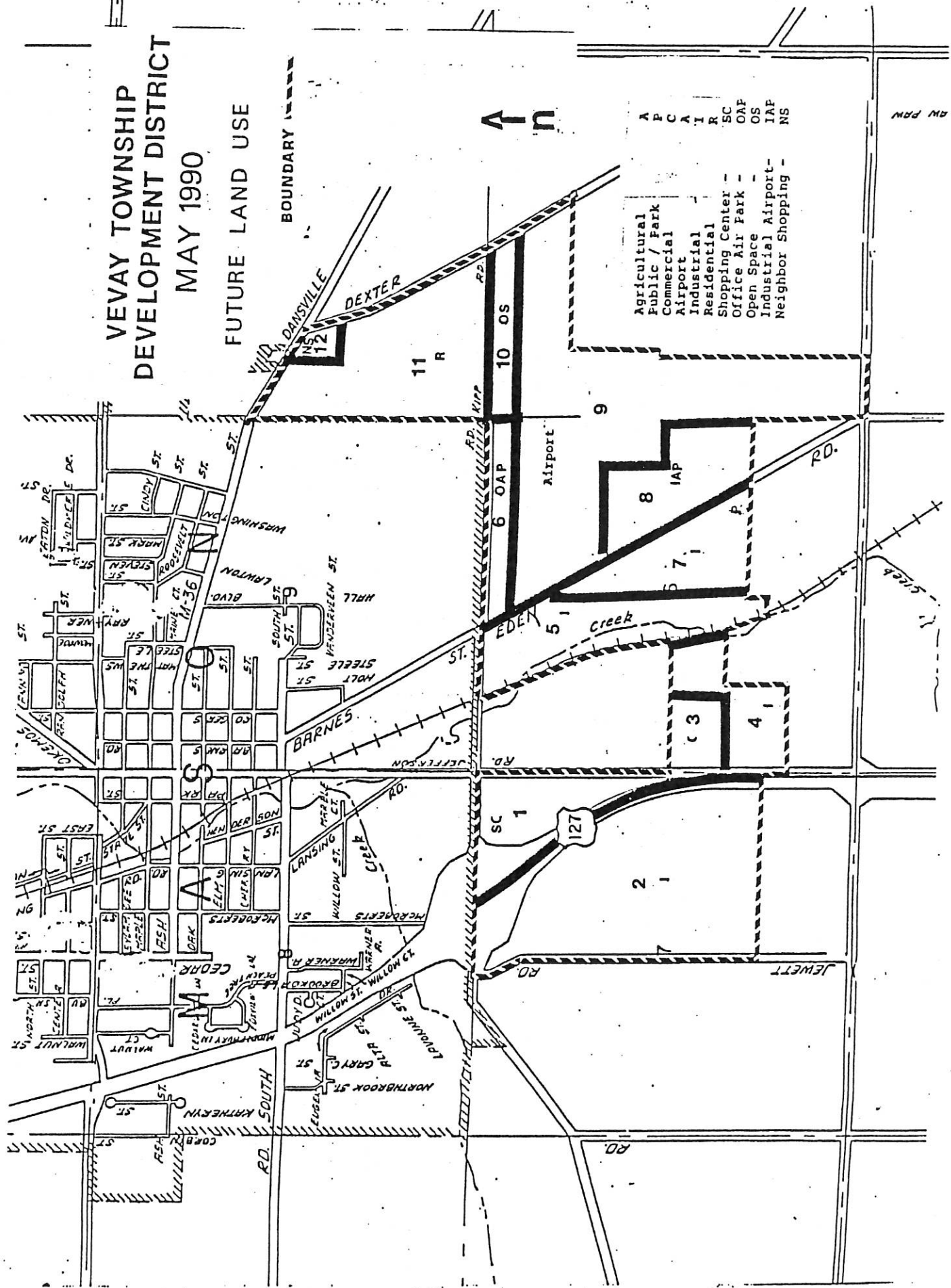
The future land use requirements needed to implement a Development Plan are outlined on the attached Map 5. The future land uses include:

1. shopping center and office facilities
2. light industrial park
3. commercial center
4. light industrial
5. heavy industrial
6. office airpark
7. light industrial
8. airpark - industrial
9. airport
10. open space
11. residential
12. neighborhood shopping

# VEVAY TOWNSHIP DEVELOPMENT DISTRICT MAY 1990

FUTURE LAND USE

BOUNDARY



- A Agricultural
- P Public / Park
- C Commercial
- A Airport
- I Industrial
- R Residential
- SC Shopping Center
- OS Office Air Park
- OAP Open Space
- IAP Industrial Airport
- NS Neighbor Shopping

## GOALS & OBJECTIVES

An economic development goal represents a broad, general statement of achievement that usually cannot be obtained. A goal also depicts an effort or focus that a local community considers as a challenge.

Objectives are implementation tools formulated to achieve an end result. Objectives must be utilized in a collective manner so as to maximize an end result.

The Vevay Development Authority has adopted an overall goal and established 16 objectives. These objectives were derived from information obtained by internal discussion, public opinion and present economic conditions.

The focus of the objectives is to promote economic growth through employment, education and infrastructure development.

### Goals

To increase the tax base of Vevay Township Development Authority's District while maintaining those qualities which make Vevay a desirable place to live.

### Objectives

1. To provide for the development of the downtown area of Vevay Township, a legal municipal entity in Michigan, as a service center for its citizens via shopping, tax base, and jobs.
2. To improve employment opportunities for the citizens of the Township/District through the promotion of industrial growth and development of adequate commercial space.
3. To ensure that the environment and quality of life of residents is protected while development takes place in the Township.
4. To encourage full development of Sycamore Creek Industrial Park.
5. To promote the full development of the shopping center.
6. To provide for financing and total infrastructure system within District.
7. To encourage development within the District, north of Kipp Road for residential and commercial.
8. To work toward total development of the Mason-Jewett Airport.

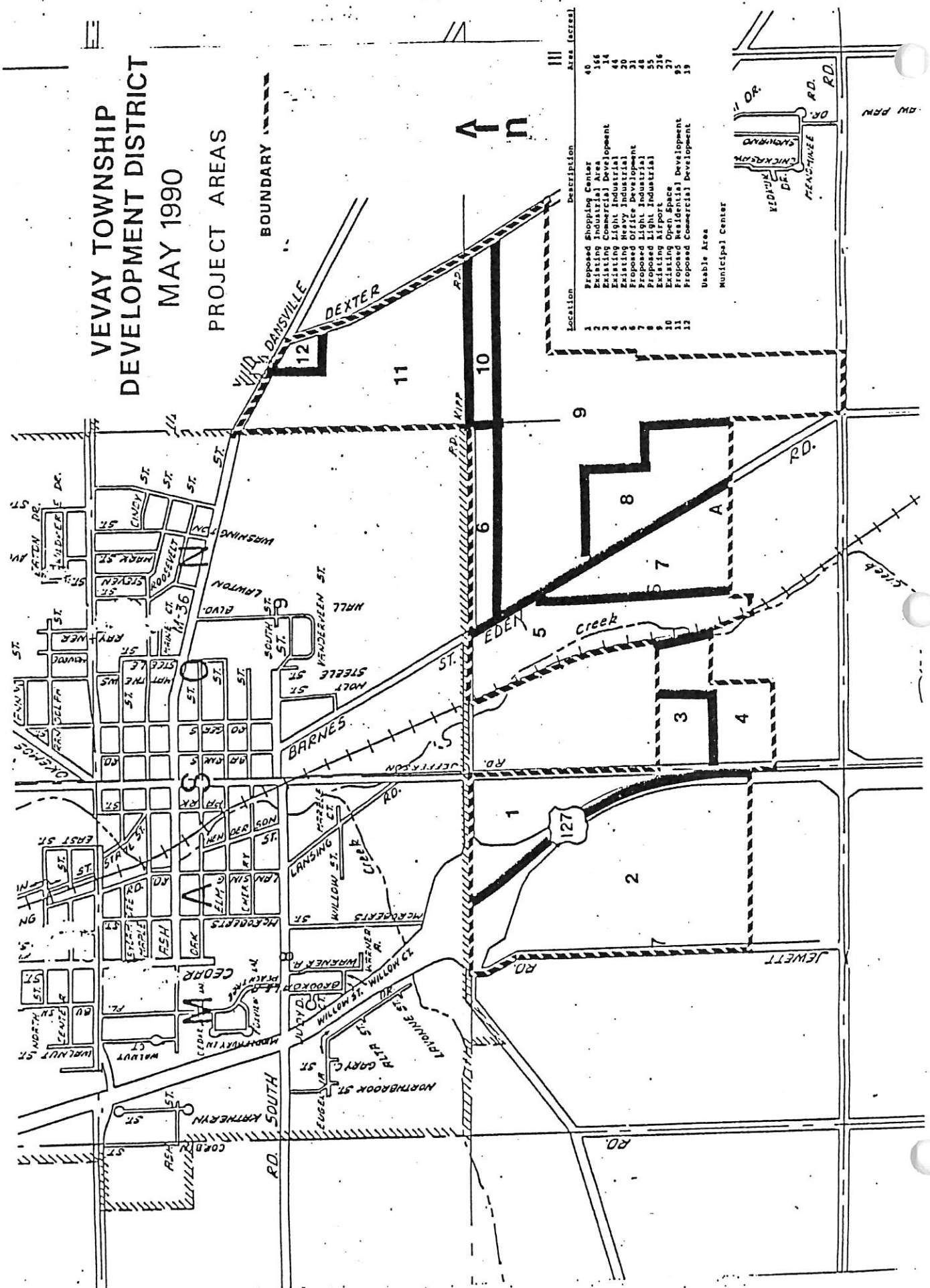
9. To promote the development of commercial and light industry within the Eden corridor.
10. To retain the use of all rail systems available to business and industry located in the Township.
11. To promote the development of the airpark for office and light industrial development.
12. To provide for infrastructure on the west side of US-127.
13. To assist existing commercial, and industry to grow and develop to their total potential.
14. To develop a promotional and marketing program to implement the desired land uses.



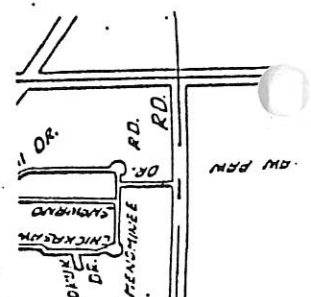
# VEVAY TOWNSHIP DEVELOPMENT DISTRICT MAY 1990

PROJECT AREAS

BOUNDARY



Location	Description	Area (acres)
1	Proposed Shopping Center	40
2	Existing Industrial Area	166
3	Existing Commercial Area	14
4	Existing Light Industrial	44
5	Existing Heavy Industrial	30
6	Proposed Office Development	21
7	Proposed Office Development	21
8	Proposed Light Industrial	55
9	Proposed Light Industrial	216
10	Existing Airport	27
11	Existing Open Space	95
12	Proposed Residential Development	27
	Proposed Commercial Development	19
	Usable Area	
	Municipal Center	





## Project Areas

As a direct result of goal setting and objective strategy formulation, a series of development projects have been recommended. The projects address the needs identified by the Authority that will contribute to the increase in tax base, reduction of unemployment and underemployment, and enhancement of business opportunities and residential livability conditions within the District. See attached Map 10. (Projects listed are not in priority order)

### **PROJECT #1**

Location - Site #1 - a new shopping center of 167,750 sq. ft. of buildings.

Description - Site of 36 acres is located on south side of Kipp Road, west of Hull Road and east of US-127. Land is zoned for shopping center. The center will house stores, theater offices, hotel/motel, fast food and restaurant. Site needs all infrastructure constructed. Estimated 400 new jobs to be created.

Estimated Cost of Development - \$8,000,000 - 1990

Estimated Start of Development Time - 1990 to 1992

Potential Relocation - 7 residential

### **PROJECT #2 - LIGHT INDUSTRIAL AREA**

Location - Site #2 - light industrial area

Description - A 166 acre light industrial area on Kipp and Jewett Roads. The area project is to contain 16 sites for industrial buildings. Existing industries are Morrison Equipment, Morrison Development Company, and the Michigan State Highway Garage. The balance of the site is a greenfield and will need total development of infrastructure. Estimated 800 new jobs could be created.

Estimated Cost of Development  
Other development = 12,000,000

Estimated Start of Development Time - 1992 to 2002

Potential Relocation - none

**PROJECT #3 - WICKES/SCHULTZ SNYDER & STEELE  
COMMERCIAL AND OFFICE CENTER**

Location - Site #3

Description - The project is located on east side of Hull Road adjacent to US-127 Freeway. The project area existing buildings of commercial and industrial uses. No infrastructure is at the site. A pump and haul process is needed by industry to handle sewer problems. Land is available for expansion or new development with 40 new jobs.

Estimated Cost of Development

one building at 50,000 sq. ft. @  
\$30 per sq. ft. = \$1,500,000

to be constructed in 1991  
equipment = 500,000

Total = \$2,000,000

Estimated Start of Development Time - 1992

Potential Relocation - none

**PROJECT #4 - HOWELL AND SCHULTZ SNYDER & STEELE  
LIGHT INDUSTRIAL AREA**

Location - Site #4 - located on the east side of Hull Road adjacent to US-127.

Description - The 29 acres light industrial area presently has one 8,500 sq. ft. building which anticipates future expansion. There are 4 sites for sale for industrial buildings (26 acres available). These sites could have a building of 20,000 sq. ft. each if proper infrastructure was available. Total existing employment is 15 with an increase of 120 jobs.

Estimated Cost of Development

4 buildings @ 20,000 sq. ft. = 80,000 sq. ft.  
@ \$30 per sq. ft. = \$2,400,000

equipment = 500,000

Total = \$2,900,000

Estimated Start of Development Time - 1990 to 1994

Potential Relocation - none

**PROJECT #5 - CAPITOL HEAVY INDUSTRIAL AREA**

Location - Site #5

Description - Located south of Kipp Road and west of Eden Road. The area is zoned heavy industrial. Presently the site is primarily used for asphalt plant and major trucking. Future use of this land could be used for industrial development. Part of this area may be used for the sewer treatment facility.

Estimated Cost of Development  
new industrial plant = \$20,000,000

Estimated Start of Development Time - 1990 to 1995

Potential Relocation - none

**PROJECT #6 - JEWETT OFFICE AIRPARK**

Location - Site #6

Description - The site is vacant land south of Kipp Road. The development of this area in cooperation with the Capital City Airport Authority can be a prime office park as it would relate to the airport. There presently does not exist in central Michigan an airport. There are 28 acres of land available for construction of 165,000 sq. ft. of offices. Site has no infrastructure.

Estimated Cost of Development  
28 acres @ 2 1/2 acres per site = 11 buildings  
11 buildings 15,000 sq. ft. each = 165,000 sq. ft.  
@ \$50 per sq. ft. = \$8,250,000

Estimated Start of Development Time - 1990 to 2000

Potential Relocation - one industrial/commercial

**PROJECT #7 - HAYHOE LIGHT INDUSTRIAL PARK**

Location - Site #7

Description - The area has been identified for the development of a light industrial development of about 48 acres. The Township Hall and Community Park is located in that area. With industrial sites of 5 acres each and exclusion of land for roads, this project could be utilized by 7 to 10 industries.

Estimated Cost of Development

5 parcels with 20,000 sq. ft. of building =  
100,000 sq. ft. of building  
@ \$30 per sq. ft. = \$3,000,000

Estimated Start of Development Time - 1990 to 1995

Potential Relocations - 2 residential

**PROJECT #8 - THE INDUSTRIAL AIRPARK**

Location - Site #8

Description - In developing the airport and the office airpark, an area needs to be identified as the industrial airpark. The site is located on Eden Road west of Airport. There is a demand for buildings for manufacturing and warehouse distribution in conjunction with the 3,500 ft. runway. These 55 acres less road and taxiways could develop 10 sites of 5 acres each.

Estimated Cost of Development -

10 sites with 20,000 sq.ft. buildings = 200,000 sq.ft.  
@ \$30 per sq. ft. = \$6,000,000

Estimated Start of Development Time - 1995 to 2000

Potential Relocation - none

**PROJECT #9 - MASON JEWETT AIRPORT**

Location - Site #9

Description - This is a fully instrumented airfield with a 3,500 ft. runway. The airfield has a terminal and a number of hangers. The airfield is projected to be expanded in 1991 with a new north-south runway. No economic expansion is projected on the airport proper on Kipp Road at this time outside of the office park and/or 10 hangers for small planes.

Estimated Cost of Development

10 hangers at 10,000 sq. ft. each  
@ \$20 sq. ft. = \$200,000

Estimated Start of Development Time - 1991 to 1994

Potential Relocation - none

PROJECT #10 - OPEN SPACE AREA

Location - Site #10 - no development

PROJECT #11 - DEXTER TRAIL RESIDENTIAL AREA

Location - Site #11

Description - The site is located north of Kipp Road and west of Dexter Trail. The total site is 135 acres of which 20 percent would be used for roads and open space leaving 96 acres of buildable space residential and 19 acres for #12 commercial area. With residential development of 2 to 12 units per acre, the total development could be 300 units.

Estimated Cost of Development  
Residential Development = \$19,200,000

Development Time - 1995 to 2008

Potential Relocation - none

PROJECT #12 - M-36 COMMERCIAL AREA

Location - Site #12

Description - A neighborhood service area is needed to furnish goods and services on the major arteries in this part of the Township and the new housing development. The number of families to be served will be about 1,000. The intersection of these primary roads (Dexter Trail and M-36) has been proposed since the 1970 Development Plan. The parcel is about 19 acres. One could project a shopping area of 60,000 sq. ft. to be developed including 5 to 15 stores.

Cost of Development  
60,000 sq. ft. @ \$60 per sq. ft. = \$3,600,000

Development Time - 1995 to 2000

Potential Relocation - 1 residential

## PROJECT AREAS

The following development projects are necessary improvements needed to implement this Development Plan and the Tax Increment Financing. The projects are divided into three sections:

- A. Project areas and necessary support facilities.
- B. New infrastructure to support district growth.
- C. Repair and alteration to existing systems.

The project developments identify demands on the system. The new infrastructure and alterations of existing system will need to meet those demands on a phase development schedule. Construction is estimated to begin approximately three months after initial implementation of this plan.

SECTION A

<u>AREA</u>	<u>COSTS</u>	<u>METHOD OF FINANCING</u>
<u>Area 1</u>		
Shopping Center	8,000,000	EDC private/Taxable
Sewer		grant/TIF/LDFA
Water & tower		grant/TIF/private/LDFA
Roads - Jefferson		grant/TIF/private
Site work demolition	200,000	TIF/private
relocation (7)	105,000	TIF
Storm Sewer		
Utilities		
<u>Area 2</u>		
Buildings	12,000,000	Private/TIF/ Tax Exempt Bonds
Sewer	140,000	grant/private/TIF
Water	100,000	grant/private/TIF
Road	200,000	grant/private/TIF
Site work/demolition	40,000	grant/private/TIF
Relocation	- 0 -	grant/TIF
kail road	- 0 -	private/MDOT
Storm Sewer	40,000	grant/private/TIF
<u>Area 3</u>		
Buildings	2,000,000	private
Sewer	20,000	FMHA/TIF
Water	20,000	FMHA/TIF
Road	-0-	---
Site work demolition	50,000	private/TIF
Relocation	-0-	---
Storm sewer	20,000	private/TIF
<u>Area 4</u>		
Building	2,900,000	private/EDC Bonds /SBA Loan
Sewer	35,000	private/TIF/grant
Water	30,000	private/TIF/grant
Road	125,000	private/TIF/grant
Site work/demolition	10,000	private/TIF/grant
Relocation	-0-	private/TIF/grant
Storm Sewer	20,000	private/TIF/grant
Electric, gas, telephone	11,000	private/TIF

Area 5

Building	20,000,000	private/bonding/ SBA Loan
Sewer	40,000	TIF/grant/private
Water	30,000	TIF/grant/private
Road	100,000	private/TIF/grant
Site work/demolition	70,000	private/TIF
Relocation	-0-	---
Storm sewer	20,000	private/TIF/grant

Area 6

Building	8,250,000	private/Bonds/Loan/ CRAA
Sewer	---	---
Water	---	---
Road	---	---
Site work/demolition	---	---
Relocation (1)	20,000	private/TIF/CRAA
Storm sewer	20,000	TIF/GRANT
	50,000	private/TIF/CRAA

Area 7

Building	3,000,000	SBA-504
Sewer	70,000	Capitol Access Func
Water	50,000	
Road	100,000	
Site work/demolition	20,000	
Relocation (2)	30,000	grant/TIF
Storm sewer	20,000	

Area 8

Building	6,000,000	SBA/private/Bonds
Sewer	70,000	Capitol Access Funds/TIF
Water	50,000	TIF/grant/private
Roads	100,000	TIF/grant/private
Site work/demolition	20,000	private/TIF
Relocation (0)	-0-	grant/TIF
Storm sewer	20,000	grant/TIF

Area 9

Buildings	200,000	private/CRAA
Runway development	750,000	TIF/private/grant/CRAA
Sewer	40,000	TIF/grant/CRAA
Water	40,000	TIF/grant/CRAA
Roads	-0-	TIF/grant/CRAA
Site work/demolition	50,000	TIF/grant/CRAA
Relocation (0)	-0-	---
Storm sewer	100,000	TIF/grant/CRAA



Area 10

No Development

Area 11

Residential (Multi and Single Family)		
Buildings	19,000,000	FMHA/private/TIF
Sewer	included	
Water	included	
Roads	250,000	FMHA/private/TIF
Site work/demolition	100,000	FMHA/private/TIF
Relocation (0)	-0-	
Storm sewer	included	

Area 12

Buildings	3,600,000	private/SBA Loan
Sewer	included	
Water	included	
Road (intersection)	80,000	Primary Road Funds/TIF
Site work/demolition	50,000	TIF/private
Relocation (1)	15,000	TIF/private
Storm sewer	30,000	TIF/private

## SECTION B - NEW INFRASTRUCTURE PROJECTS

The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

### Water System

Phase I	1989 to 1991
Phase II	1992 to 1994
Phase III	1995 to 2000
Phase IV	1992 to 2002

### Sewer System

Phase I	1989 to 1991
Phase II	1992 to 1994
Phase III	1995 to 2000
Phase IV	1992 to 2002

### Storm Sewer System

To be developed as above phases are developed and engineer as needed.

### Roads

Phase I	1990 to 1991
Phase II	1992 to 2002
Phase III	1994 to 2000
Phase IV	1992 to 2002

## WATER SYSTEM COST ESTIMATE

### Phase 1 - Immediate Construction 1990 to 1991

1	500,000 gallon elevated storage tank, shared	\$375,000
2	300 gpm well with well house and auxiliary power, shared	175,000
	12" watermain well to tower	190,000

### Phase 2 - 1992 to 1994

	Eden & Tomlinson Road water main loop	\$588,938
	West Kipp Road water well and filtration plant	406,250
	12" diameter watermain (west well to Kipp Road)	102,812
	Jack and bore freeway	38,500

### Phase 3 - 1992 to 2002

	9,600 L.F. 12" diameter watermain on Kipp Road-Dexter Trail loop @ \$30 L.F.	\$481,000
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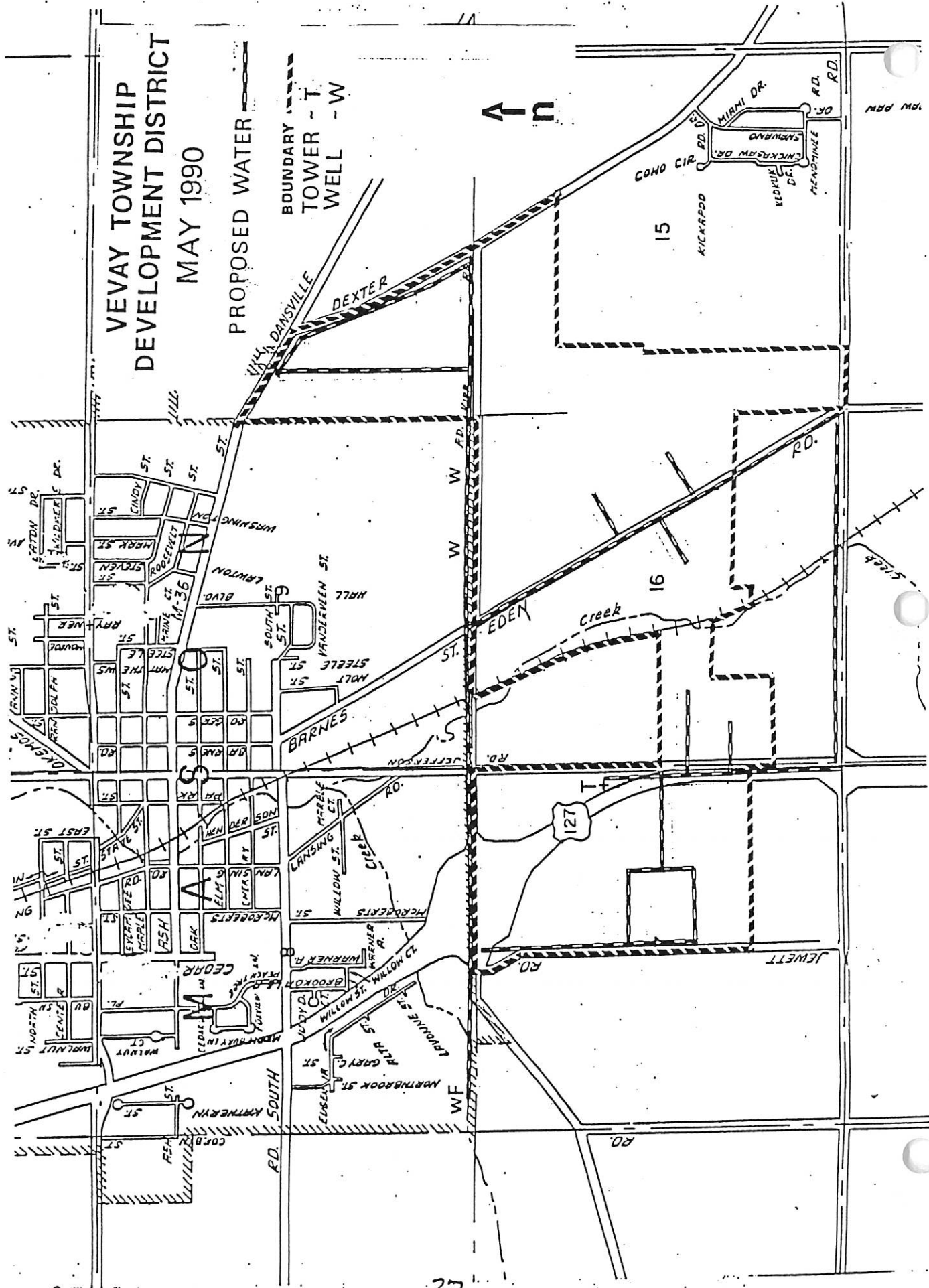
### Phase 4 - 1992 to 2002

	7,260 L.F. 12" diameter watermain on West Jewett Road @ \$30 L.F.	\$217,800
	Jack and bore US-127	75,000
	1,400 L.F. 12" diameter watermain @ \$30 L.F.	42,000
	Engineering, Financial & Contingencies - 25%	<u>95,418</u>
	Total	\$477,093

VEVAY TOWNSHIP  
DEVELOPMENT DISTRICT  
MAY 1990

PROPOSED WATER

BOUNDARY  
TOWER - T  
WELL - W



## SANITARY SYSTEM COST ESTIMATE

### Phase I

1,600 L.F.	10" diameter Sanitary Sewer outside industrial park @ 30 L.F. Industrial Park Road to Howell Property	\$48,000
1	Railroad - (drill under)	20,000
4	Standard Manholes @ \$1,500 each	<u>6,000</u>
	Subtotal	\$74,000
	Engineering, Financial, Contingencies at 25%	<u>18,500</u>
	Total	\$92,500

### Phase II

#### Eden Road area

2,000 L.F.	10" diameter sanitary sewer @ \$30 L.F. and	
2,000 L.F.	12" diameter sanitary sewer @ \$35 L.F.	\$302,000
	Engineering, Financial & Contingencies - 25%	<u>75,500</u>
	Total	\$377,500

Phase III

Dexter Trail Housing & Commercial area

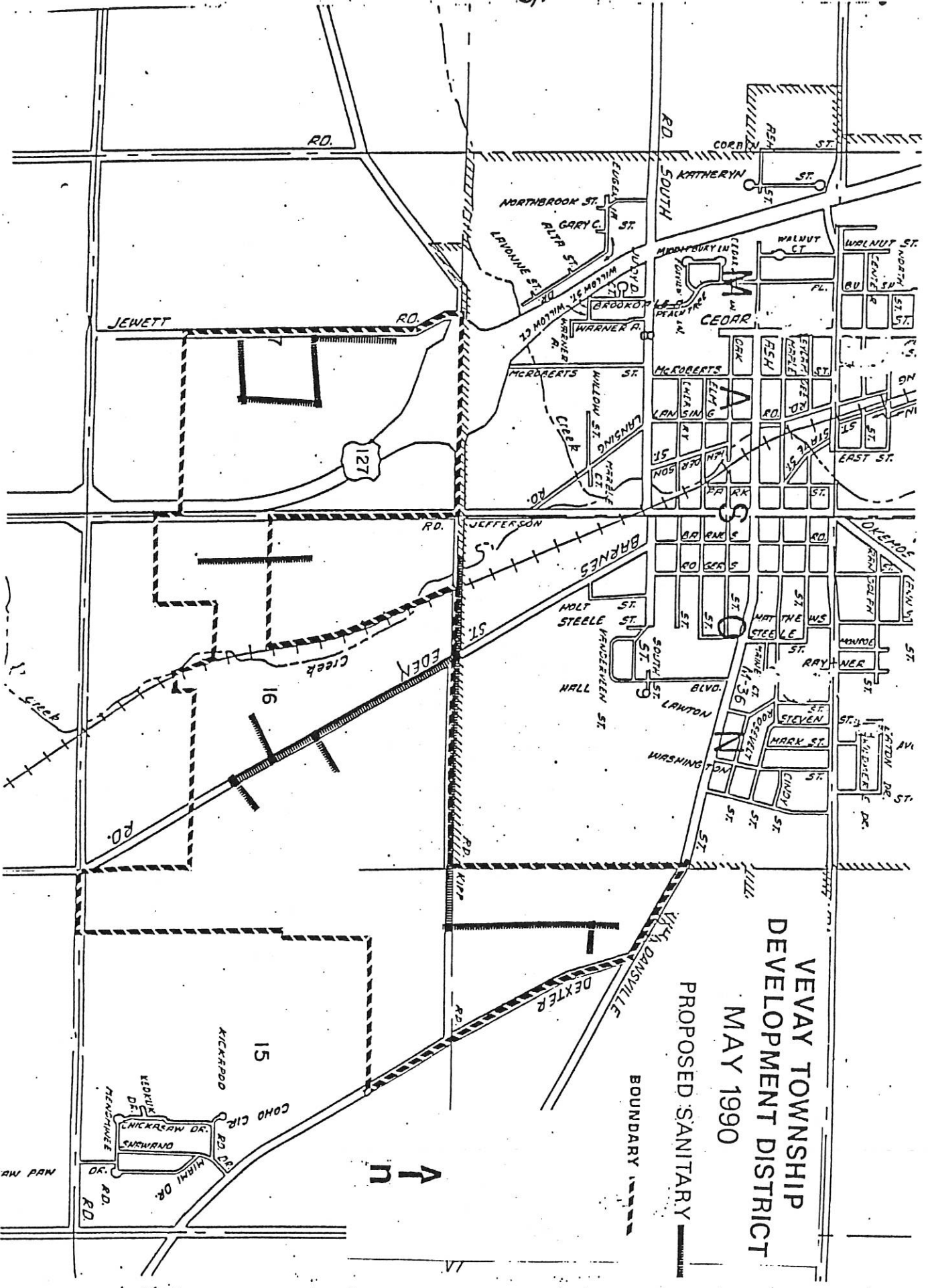
2,000 L.F.	10" diameter sanitary sewer @ \$30 L.F. and	
4,500 L.F.	12" diameter sanitary sewer @ \$35 L.F.	\$254,500
	Engineering, Financial & Contingencies - 25%	<u>63,625</u>
		318,125
	Expansion of sewer plant (share with Mason)	<u>\$2,500,000</u>
	Total	\$2,818,125

Phase IV

Jewett Road area

4,400 L.F.	8" sanitary sewer @ \$28 L.F.	\$123,200
5	Manholes @ \$1,500 each	<u>22,500</u>
	Subtotal	145,700
	Engineering, Financial & Contingencies - 25%	<u>36,425</u>
	Total	\$181,425

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VEVAY TOWNSHIP  
DEVELOPMENT DISTRICT  
MAY 1990

PROPOSED SANITARY

BOUNDARY



MAP 8



## ROAD COST ESTIMATES

### Phase I

Kipp Road - share	\$ 29,625
Hull Road - share	53,225
Jefferson Street (RR to Kipp)	400,000

### Phase II

Hull Road widening (Industrial Park to Val's Road) 1,200 L.F. @ \$125/L.F.	\$150,000
Val's Road new construction 400 L.F. @ \$100/L.F.	400,000
Eden Road and Industrial Park Road 2,300 L.F. @ \$100/L.F.	<u>230,000</u>
Subtotal	\$420,000
Engineering, Financial & Contingencies - 25%	<u>105,000</u>
Total	\$525,000

### Phase III

New Road - Area 12 3,100 L.F. @ \$100/L.F.	\$310,000
M-36 and Dexter Trail Intersection	50,000
Engineering, Financial & Contingencies - 25%	<u>90,000</u>
Total	\$450,000

Phase IV

Jewett Road widening

1,000 L.F. @ \$125/L.F. \$125,000

New Road

3,600 L.F. @ \$125/L.F. 450,000

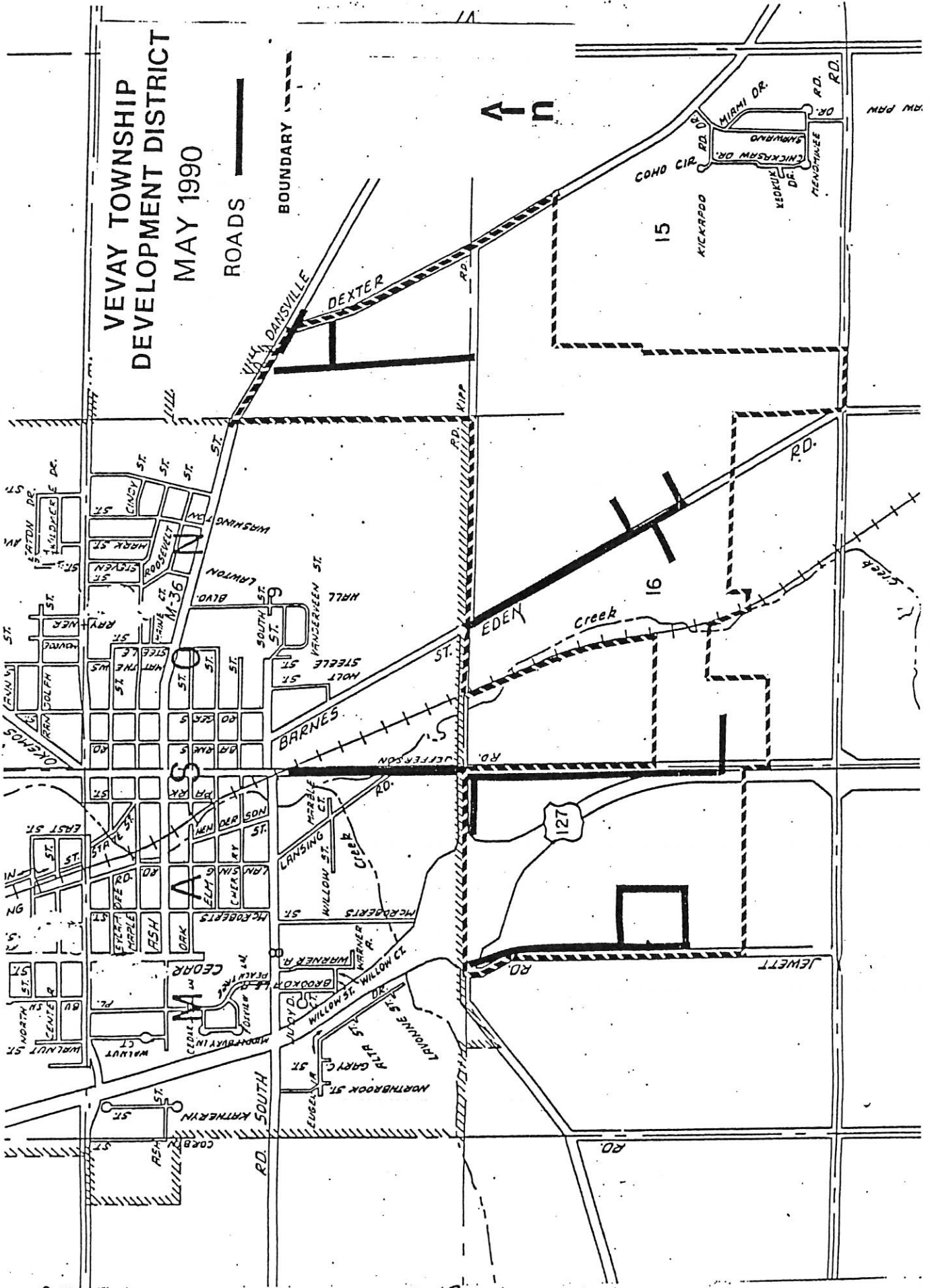
Engineering, Financial &  
Contingencies - 25% 143,750

Total \$718,750

# VEVAY TOWNSHIP DEVELOPMENT DISTRICT MAY 1990

ROADS

BOUNDARY



SECTION C - INFRASTRUCTURE PROJECTS-DEMOLITION-REPAIR-ALTERATION

A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

<u>Project</u>		<u>Estimated Time</u>
Kipp Road	May 1, 1989	September 29, 1989
Hull Road	May 1, 1990	September 29, 1990
Interchange of Dexter Trail and M-36 (Dansville Rd.)	Spring, 1995	Fall, 1995

	EXPENSES			WATER SYSTEM			REVENUES					
	COST	ENGINEER.	FINANCE	CONTIN- GENCIES	TOTAL	LDFA	PRIVATE	CDBG	RAIL- ROAD	MDOT	VEVAY DDA	TOTAL
I-1991												
	304000	45600	15200	15200	380000	175000					375000	740000
						175000					175000	
						190000					190000	
II-1992	650000	97500	32500	32500	588938						588938	
						406250					406250	
	164500	24675	8225	8225	205675	102812					102812	
	60000	9000	3000	3000	75000	38500					38500	
III-1994	384800		96200		481000						481000	770875
												481000
IV-1992	381675		95410		477093						477093	477093

NEW: 2834593

RENOVA-  
TIONS: - 0 -

SECTION C - INFRASTRUCTURE PROJECTS-DEMOLITION-REPAIR-ALTERATION

A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

<u>Project</u>		<u>Estimated Time</u>
Kipp Road	May 1, 1989	September 29, 1989
Hull Road	May 1, 1990	September 29, 1990
Interchange of Dexter Trail and M-36 (Dansville Rd.)	Spring, 1995	Fall, 1995

	EXPENSES			WATER		SYSTEM					REVENUES					
	COST	ENGINEER.	FINANCE	CONFIN- GENCIES	TOTAL	LDFA	PRIVATE	CDBG	RAIL- ROAD	MDOT	VEVAY DDA	TOTAL				
I-1991																
	304000	45600	15200	15200	380000	190000					190000					
II-1992	650000	97500	32500	32500	588938						588938					
	164500	24675	8225	8225	205675	406250					406250					
	60000	9000	3000	3000	75000	38500					38500					
III-1994	384800		96200		481000						481000					
	381675		95410		477093						477093					

NEW: 2834593

RENOVA-TIONS: - 0 -



	EXPENSES			SANITARY		SEWER				REVENUES			TOTAL
	COST	ENGINEER.	FINANCE	CONTIN- GENCIES	TOTAL	LDFA	PRIVATE	CDBG	RAIL- ROAD	MDOT	VEVAY DDA		
I-1990	74,000		92,500								92,500		92,500
12" sanitary to Schultz & Howell													
II-1991	302,000		75,500		377,500						377,500		377,500
12" sewer, Eden Road													
III-1994	254,500		63,625		318,125						318,125		318,125
12" sewer for Housing and Commercial													
					5,000,000	2,500,000					2,500,000		2,818,125
Sewer plant expansion													
IV-1992	145,700		36,425		181,425						181,425		181,425
8" sewer in Jewett Road area													

NEW: 3,469,550  
RENOVA-  
TIONS: - 0 -

ROADS

REVENUES

EXPENSES

	EXPENSES		REVENUES					TOTAL		
	COST	ENGINEER FINANCE	CONTIN- GENCIES	LFDA	PRIVATE	CDBG	RAIL ROAD		MDOT	VEVAY DDA
I-1990 Kipp Road, widen Freeway to Hull	132,425	23,575	156,000		29,625			106,950	29,625	
Hull Rd. widen Kipp to end of Ind. Park	283,065	50,935	334,000		53,225			227,500	53,225	
Jefferson (R.R. to Kipp) Widening			480,000		80,000				400,000	482,850
Hull Road I-1991 (Ind. Park to Val's Street)	150,000	37,500	187,500						187,500	
Val's Street	40,000	10,000	50,000						50,000	
Eden Road to Ind. Roads	230,000	57,500	287,500						287,500	525,000
I-1994 Hsng. & Comm. Road incl. M56/Dexter Trail intersection	360,000	90,000	450,000						450,000	450,000
Jewett, widening I-1992 (Kipp to Ind. Park) New Ind. Park	125,000	31,250	156,250							
	450,000	112,500	562,500						562,500	718,750

NEW: 1,062,500

RENOVA-  
TION: 1,114,100

ROAD ALTERATIONS

Project #1 - HULL ROAD, Kipp Road south 2,655 feet

Existing road = 20' bituminous  
 Proposed road = 48' F-F of C4 C & G  
                   3" bituminous resurfacing  
                   11" full depth bituminous, 12 1/2 ft. L & R

Item #3 Bituminous Pavement:

$$\frac{3'' \times 110\#/\text{in.}/\text{s.yd} \times 20' \times 2,655}{2000 \quad 9} \times \$30/\text{ton} = \$ 29,205$$

$$\frac{11'' \times 110}{21000} \times \frac{25 \times 2655}{9} \times \$29/\text{ton} = 129,395$$

C & G:

$$2 \times 2655' \times \$7.50/\text{sf} = 39,825$$

Machine Grading:

$$2 \times 2655 \times \$1/\text{ft} = \underline{5,310}$$

Subtotal \$203,735

$$\text{Engr. \& Contingencies, 25\%} = \underline{50,935}$$

Item #3 Total \$255,000

$$\text{Item \#9 Drainage: 25\% of Item \#3} = \$64,000$$

$$\text{Item \#11 Maintaining Traffic:} = \$10,000$$

$$\text{Item \#12 Fast Dry Paint} = \$ 1,000$$

$$\text{Item \#13 Restoration} = \underline{\$ 4,000}$$

Total Items #3, 9, 11, 12 & 13 \$334,000

$$\$334,000/2,655' = \$125.80/\text{ln.ft.}$$

Project #2 - KIPP ROAD, HULL Road west 1,250 ft.  
to NB 127 on-off ramps

Existing road = 22' bituminous  
Proposed road = 48' F-F of C4 C & G  
3" bituminous resurfacing  
11" full depth bituminous, 1 1/2' Lt & Rt

Item #3 Bituminous Pavement:

$$\frac{3 \times 110}{2000} \times \frac{22 \times 1250'}{9} \times \$30 = \$ 15,125$$

$$\frac{11 \times 110}{2000} \times \frac{23 \times 1250}{9} \times \$29 = 56,050$$

Machine Grading: 2 x 1,250 x \$1.00 = 2,500

C & G: 2 x 1,250 x \$7.50 = 18,750

Subtotal \$ 92,425

Engrg. & Contingencies, 25% = 23,575

Item #3 Total \$116,000

Item #9 Drainage: 25% of Item #3 = \$ 29,000

Item #11 Maintaining Traffic = \$ 7,200

Item #12 Fast Dry Paint = \$ 800

Item #13 Restoration = \$ 3,000

Total Items #3, 9, 11, 12 & 13 = \$156,000

\$156,000/1,250' = \$124.80/ln.ft.

Project #3 - Repair Interchange M-36 and Dexter Trail

Estimate Cost \$ 50,000

A description of any parts of the development area to be left as open space and the use contemplated for the space.

Project area #10 is to remain as open space.

A description of any portions of the development area which the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

This section is not applicable.

A description of desired zoning changes and changes in streets, street levels, intersection, and utilities.

Zoning changes by Project area

	FROM	TO
AREA 1	SINGLE FAMILY AGR.A-1	SHOPPING CENTER B-3
AREA 2	<del>NO CHANGE</del> A-1	M-1 Light Industrial
AREA 3	NO CHANGE	- -
AREA 4	NO CHANGE	- -
AREA 5	NO CHANGE	- -
AREA 6	AGR A-1	B-2 HIGHWAY SERVICE
AREA 7	AGR A-1	M-1 LIGHT INDUSTRIAL
AREA 8	AGR A-1	M-1 LIGHT INDUSTRIAL
AREA 9	NO CHANGE	NO CHANGE
AREA 10	NO CHANGE	NO CHANGE
AREA 11	AGR A-1	R-M-1 MULTI FAMILY
AREA 12	AGR A-1	B-1 BUSINESS

See Page 45 to 46 for street changes.

CHANGES IN STREETS

The primary street system changes include the widening of Kipp and Hull roads to accomodate industrial and commercial traffic. The other secondary roads within each of the development areas have not been designed at this time. Generally the street levels will not change. The intersection of Dexter Trail and M-36 should be designed to meet traffic demands of the shopping area and new housing development.

Please refer to a previous section for utility development. The telephone, gas and electrical services are already awardable to the many development areas.

Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner or for whose benefit the project is being undertaken if that information is available to the Authority.

This section is not applicable.

The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the Authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.

This section is not applicable.

Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the Authority, a Development Plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the number of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

Number of people in development area	<u>25</u>
Number of families to be displaced	<u>10</u>
Number of individuals to be displaced	<u>0</u>
Number of businesses to be displaced	<u>1</u>

Census Survey Data

1. Income median income of Vevay Township \$25,670
2. The racial composition of families is Caucasian (white)  
- 100%
3. Statistical description of housing supply in community
  - A. Single family 860  
Duplex 2  
Multi-family --
  - B. Projected units under construction
    - . 300 units of apartments - Mason
    - . 26 housing units for building permits
  - C. Housing information for community
    - . owner occupied 881
    - . renter occupied 76
    - . annual rate of turnover 1%
    - . range of rents \$60 to \$650
    - . average sale price \$59,105
    - . estimate of housing demand in community 4%
    - . available public and private housing 2%  
for displaced people 2%



A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

All relocated families will be given the right to move their existing housing to anew site, or

when housing is built in the development area, displaced families will be given a priority to purchase or rent housing units.

Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, being Public Law 91-646, 42 U.S.C. Sections 4601, et seq.

When the Vevay Downtown Development Authority purchased a residential or commercial/industrial facility relocation assistance in the provision of payment as per the Federal Uniform Relocation Laws and Real Property Acquisition Polices Act of 1970 being Public Law 91-646, 42 U.S.C. Sections 4601, et seq. will be utilized.

A loan for compliance with Act No. 227 of the Public Acts of 1972, being Sections 213.321 to 213.332 of the Michigan Compiled Laws.

All State relocation requirements of Act 227 of Public Acts of 1972 will be implemented if the Vevay Downtown Development Authority purchases property in the Development District.

Other material which the Authority, local public agency, or governing body deems pertinent.

T A X    I N C R E M E N T

F I N A N C E

P L A N

An estimate of the cost of the development, a statement of the proposed method of financing the development and the ability of the authority to arrange the financing.

## TABLE OF CONTENTS

- A - 3 Types of Projects and Costs
- B - Method of Financing
- C - Impact on Jurisdiction - New Development
- D - S.E.V. (decreased value)
- E - Projected Growth as per Plan
- F - Total Taxes from Total Development
- G - S.E.V. Received from Phase I Projects
- H - Revenue from TIF for Kent Feeds, Michigan Culvert, Shopping Center and Normal Growth
- I - Phase I Development Costs
- J - Bond Cost for \$3,350,000 Infrastructure
- K - Phase I Project Financing

### Total Development Cost is:

. Project Areas	\$ 89,460,000
. New Public Improvements	7,366,643
. Alterations/Repairs	<u>1,114,100</u>
	\$ 97,940,743

PROJECT AREAS

(see Development Plan for details)

Area 1	\$ 8,305,000
Area 2	12,520,000
Area 3	2,110,000
Area 4	3,131,000
Area 5	20,200,000
Area 6	8,340,000
Area 7	3,290,000
Area 8	6,260,000
Area 9	1,180,000
Area 10	-0-
Area 11	19,350,000
Area 12	<u>3,775,000</u>
	\$ 89,460,000

## NEW PUBLIC IMPROVEMENTS

### Phase I

Water System	\$	740,000	
Sewer System		92,500	
Roads		<u>482,850</u>	
			\$ 1,315,350

### Phase II

Water System	\$	770,875	
Sewer System		377,500	
Roads		<u>525,000</u>	
			\$ 1,673,375

### Phase III

Water System	\$	481,000	
Sewer System		2,818,125	
Roads		<u>450,000</u>	
			\$ 3,749,125

### Phase IV

Water System	\$	477,093	
Sewer System		181,428	
Roads		<u>718,750</u>	
			\$ <u>1,377,271</u>
		<b>Total</b>	\$ 8,115,171

## ALTERATIONS TO EXISTING PUBLIC FACILITIES

### Phase I\*

Project 1 - Hull Road	\$ 334,000
Project 2 - Kipp Road	156,000
Jefferson Street widening (RR to Kipp)	400,000

### Phase II

Hull Road (Industrial Park to Val's Street)	187,500
Eden Road to Industrial Park	267,500

### Phase III

Intersection of M-36/Dexter Trail	50,000
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### Phase IV

Jewett Road widening	<u>156,250</u>
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Total	\$1,581,250
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### \* Note

Phase I total is	\$490,000
less Grant from Michigan Department of Transportation	<u>344,500</u>
Phase I Bonding	\$166,500

## PROJECT FINANCING

Following project identification and cost estimating, the Development Authority must determine how to finance the projects. Utilization of local, state and federal financing programs can accomplish this task. Joint private/public partnerships are encouraged also to offset high cost items. The outline below discusses possible funding sources.

### Local:

- \* General Revenue Fund
- \* Bonding authority of local Economic Development Corporation
- \* Bonding authority of Township
- \* Tax Increment Financing (TIF). This type of fiscal inducement requires that major private investment must take place inside a designated TIF District. The assessed value of an expansion is captured and applied to project costs. The revenue would include all taxes collected on the new project. The tax increment can be realized by normal growth in the tax base, or construction of new tax base. The TIF Program can also be used to pay the debt retirement for Special Assessment Districts.
- \* Local Developers
- \* Private property owners
- \* Airport Authority

### State:

The State has the Michigan Strategic Fund that has available loans or grants for economic development. The State has community bonding assistance for infrastructure development.

### Federal:

Small Cities Community Development Block Grants - This is a competitive program administered by the State using U.S. Department of Housing and Urban Development (HUD) funds. Awards are made by grants to the community. These funds can be loaned to firms which must repay the community. The funds can then be recycled into other community development projects. Grants for infrastructure are available. Also, the U. S. Department of Commerce EDA has grants available.

Small Business Administration - Loans are available for working capital and fixed assets.



**A statement of the proposed method of financing the Development.**

The projects proposed in this Plan will be financed with revenue captured under the Tax Increment Financing procedure; utilization of Federal and State programs, and developers. The area can be developed through a system of Special Assessment Districts that can be supported with funds of the Tax Increment Financing Program. The Basis for Development Section contains an explanation of the TIF procedure. In 1988, the assessed value of real and personal property within the TIF District totaled \$1,283,000. In subsequent years, this total assessed value will grow as a result of new development and improvements to existing properties. This increase in assessed value is referred to as the captured assessed value. The revenues captured under the Tax Increment Finance procedure are equal to any tax increases and new developments which have increased valuation from the 1986 tax rates of all taxing units.

In 1988, the total tax levy on property within the TIF District was 57.75 mills.

Initially, funding for projects will be from current income. For purposes of implementing projects in the TIF Plan, it may in the future be necessary and economically feasible to borrow or issue bonds to be repaid by TIF revenues. These bonds will need to be secured by full faith and credit of either the Township or a Special Assessment District. The bonding can also be accomplished through the offices of the Ingham County Drain Commissioner.

The portion of captured assessed value intended to be used by the Authority shall be 100% of the captured assessed value. This percentage is subject only to any future agreements with school boards to share a portion of the assessed value.

**Estimated impact of Tax Increment Financing on taxing jurisdictions in which this District is located.**

As stated previously, under the Tax Increment Financing procedure, the annual TIF revenue generated in a given year is calculated by multiplying the captured assessed value by the total millage levied by all taxing jurisdictions. Since Tax Increment Financing generates revenue only on any increase or captured assessed value above the 1988 established State Equalized Value (SEV), each taxing jurisdiction will continue to levy taxes against the existing 1988 SEV of \$1,283,000 for property located in the District. The current millage rate is 57.75 mills. The 1988 SEV will be used by taxing authorities for the life of this Plan. Any increase in SEV will result in revenues to the Vevay TIF and not to the taxing jurisdictions in the Development area. Only the growth in tax base--(the captured

assessed value) in the Development area is used to finance the Development Plan. The taxing units will continue to receive the full tax levy on the tax base in existence at the adoption of this Plan. In addition, any taxes generated by the captured assessed value beyond the amount required by the Development Plan are returned each year in the taxing units. The justification of the Tax Increment Financing Procedure is based on the expectation that all/or a portion of the captured assessed value which is created would not have occurred without the stimulation of the public improvements involved in the Plan's implementation. Thus, the short-term investment made by the taxing units in foregoing part of the initial growth in tax revenues is repaid by the long-term growth in the area's commercial and industrial tax base.

A final point: the duration of this Plan is limited to the implementation of the goal and objectives or the Township Board's decision dissolution of the Authority.

PARCELS & SEV

1988  
VEVAY DEVELOPMENT AREA

Date: 2-21-90

Description #	Acreage	SEV				
		1989	1988	1987	1986	1985
10-301-004 *	62.65	34000	37800	38600	39400	41500
10-351-001 *	20.0	6800	3800	6900	7000	7400
10-351-002 *	71.05	49900	55400	56500	57700	60700
15-100-003	47.55			Airport		
15-100-001	59.10			Airport		
15-300-002	48.65			Airport		
16-100-004	20.0	3600	3500	3500	3400	3400
16-100-005	3.23	52200	50200	50200	49500	49500
16-100-003	3.12	19800	19000	19000	18700	18700
16-100-009	3.35	101600	97700	97700	96300	96300
16-100-010	59.24	91300	87800	87800	86500	86500
16-200-005	2.7	30500	28800	28400	27400	27400
16-200-006	1.7	48700	46000	41100	41100	41100
16-200-007 *	58.68	16100	17900	18300	21300	22400
16-300-010	9.86	206100	198200	198200	195300	195300
16-300-011	20.35	615500	591800	591800	583100	583100
16-300-016	2.89	62900	60500	60500		
16-300-017 *	26.11	21000	23300	23800	25800	27200
16-400-005 *	39.66	27000	30000	30600	31200	38000
16-400-006	7.88			Vevay		
17-200-004	108.77			Airport		
17-200-015	1.0	32800	31000	30600	30600	31000

Description #	Acreage	SEV				
		1989	1988	1987	1986	1985
17-200-014	.61	27800	26300	25900	25900	25900
17-200-013	.61	30400	27200	26800	26800	26800
17-200-021	1.53	23600	22300	22000	20400	20400
17-200-024 *	25.81	13400	14900	15200	24500	25800
17-200-005	8.01	156100	150100	150100	147900	147900
17-200-006	.95	106900	102800	102800	101300	101300
17-200-018	13.44			M.D.O.T.		
17-200-026 *	29.51	36700	40800	41600	42400	44600
17-200-008 *	40.0	15900	17700	18100	18500	19500
17-200-017	1.01	4500	4300	4300	4200	4200
17-200-023	.83	24500	23200	22900	22900	22900
17-400-005						
17-400-006 *	71.7	24400	27100	27700	28300	29800

\* Parcels of land that have experienced property value deterioration during last 4 years.

Parcels 10  
Acres 447.19 blighted

Average percent of deterioration per year for these parcels are as follows:

1986 - 5.0% decrease  
1987 - 2.4% decrease  
1988 - 2.0% decrease  
1989 - 9.0% decrease  
1990 - 11.0% decrease

29.5% total reduction in value:

Base year \$1,883,300

Projected Growth in SEV, with Ingham County SEV increase for 1990 of 7.3% and Weway Township estimated increase of 4%.  
 existing SEV (inflation increases) \$1,883,300  
 Weway Township SEV \$75,332

Project	Year	Market Value	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
1 Shopping Center	1991	8,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
2 Area 4	1991		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
3 Area 7	1991		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
4 Area 6	1991		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
5 Area 2	1992		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
6 Area 8	1995		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
7 Area 11	1995		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
8 Area 12	1996		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000

Total SEV Value \$4,825,332  
 Taxes collected \$289,520  
 date and time 04/26/90  
 printed out on Sideways 12:36:08 PH

PHASE I DEVELOPMENT COST  
1990-1991

Kipp Rd.	\$ 29,625
Hull Rd.	53,225
So. Jefferson	400,000
Hull-Val's St. to Ind. Park	187,500
12" Sanitary to Howell property	92,500
12" Sanitary, Eden Rd.	318,125
Water tower	375,000
2 wells/Houses	175,000
12 main tower to wells	190,000
	<u>\$ 1,820,975</u>
Total Bond Issue	\$ 1,820,975