

Old Village Tax Increment Finance Authority (TIF)

Committee of the Whole (COW)

October 3, 2022

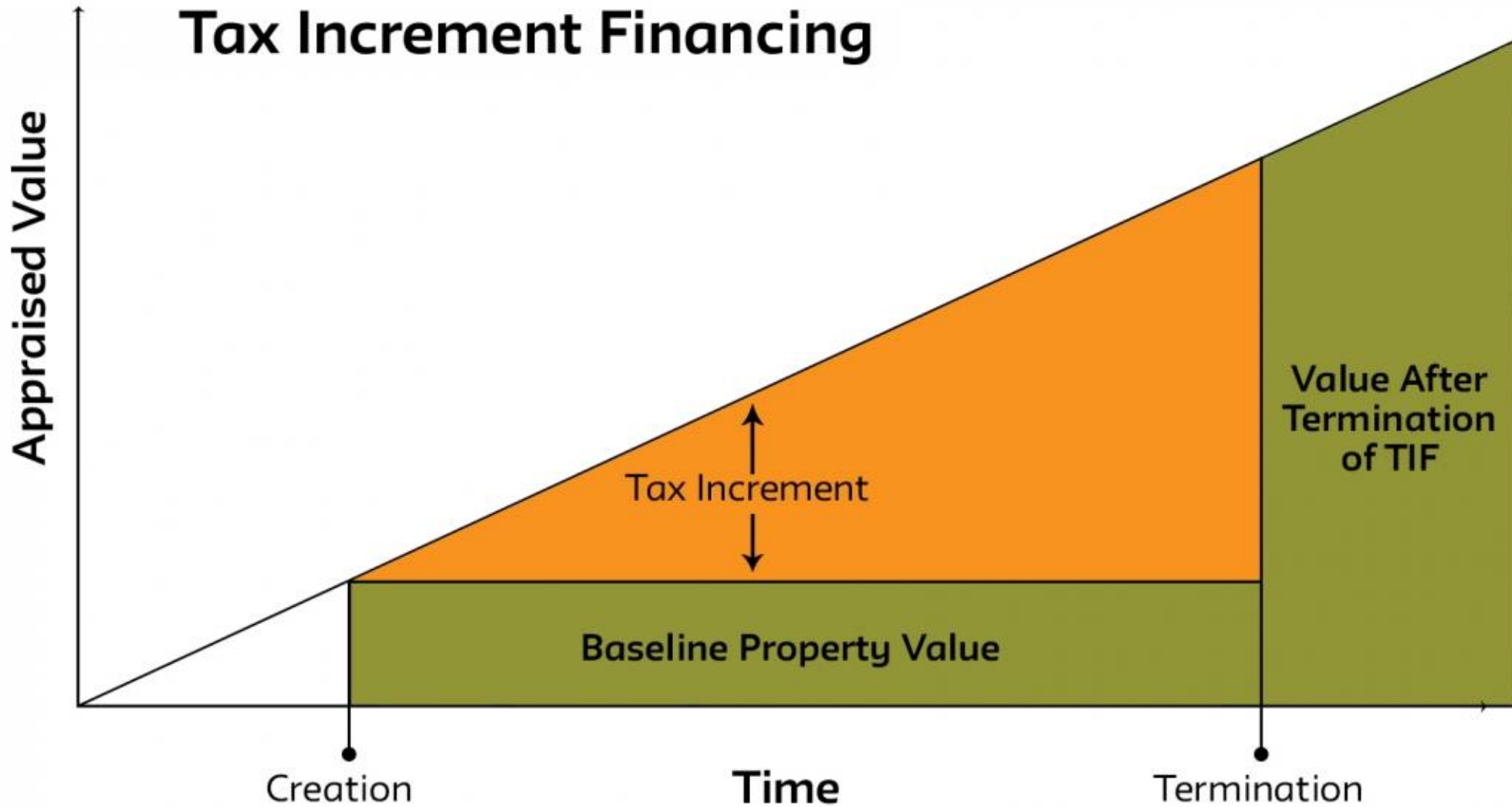
What is a Tax Increment Finance Authority?

Public Act 57 of 2018 Recodified Tax
Increment Finance Authority Act

Designated geographic area where an
increase in the tax base (over the year the TIF
began) resulting from economic growth and
development is reinvested in that area

Multiple TIFs permitted (limited to one
Downtown Development Authority)

Tax Increment Financing



Source: Planning Tank. *Tax Increment Financing (TIF) | Public Financing | Types of TIF*. <https://planningtank.com/finance/tax-increment-financing-tif-types-tif> (accessed 2018).

Do We Have TIFs in the City?

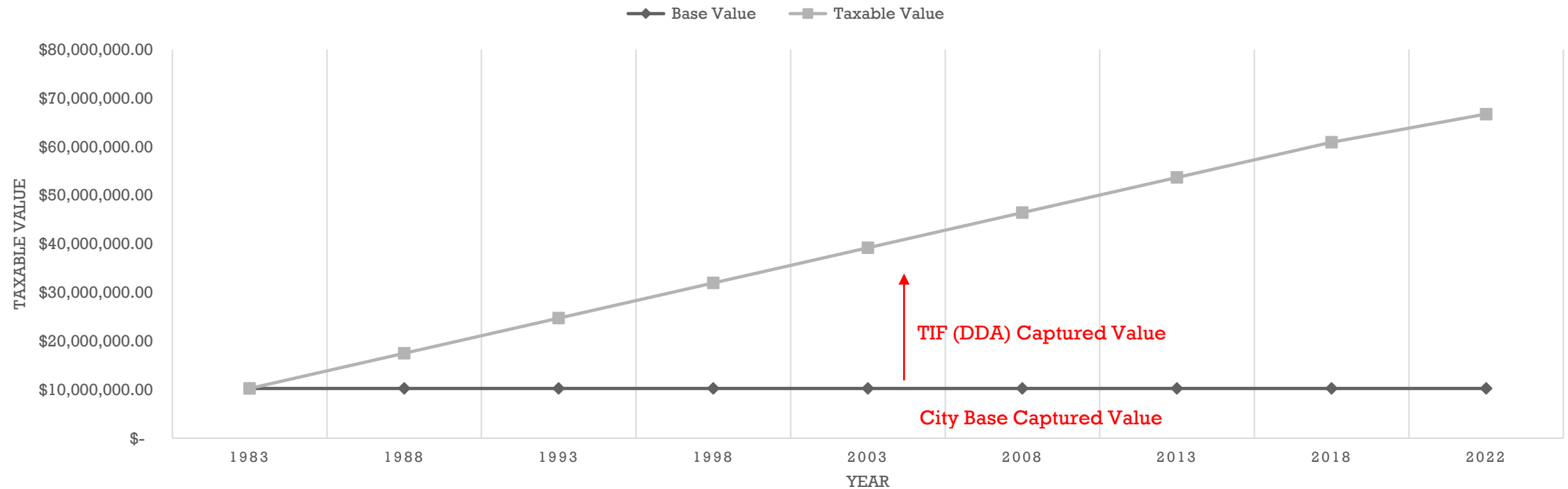
- City of Plymouth Downtown Development Authority (DDA) (1983- to pay for the Central Parking Deck)
- Renewed DDA TIF in 2008 through 2033
 - Parking improvements/management
 - Streetscape
 - Promotion of economic growth (marketing, events etc.)
- Pulte Brownfield (tax capture area Pulte property)
- Starkweather School Brownfield (Starkweather School tax capture area)

Downtown Development Authority Boundaries



Downtown Development Authority

DDA TAXABLE VALUE 1983-PRESENT
REVENUE = (TAXABLE VALUE/1000)*CAPTURED MILLAGE RATE



Old Village Development Authority

- Mid 1990s (1995) through early 2000s (2003)
- **NOT** a Tax Increment Finance Authority
- 1990 Census designated this area as low/moderate income
- 2000 Census **DID NOT** designate this area as low/moderate income
- Low/moderate income areas qualify for Community Development Block Grant Funding (CDBG) to complete area improvements including:
 - Original streetlighting project
 - Public greenspace improvements at the park located adjacent to the fire station in Old Village
 - Benches, plantings, other smaller beautification projects

What TIF Options Do We Have?



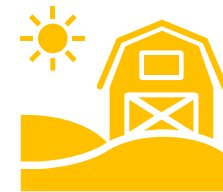
Neighborhood Improvement Authority

Fund residential and economic growth activities in a residential neighborhood



Corridor Improvement Authority

Assist communities with funding improvements in commercial corridors outside of their primary downtown area (where a DDA may be located)



Local Development Finance Authorities

Designed to promote economic growth and job creation

Used in Michigan to support companies in manufacturing, agriculture, and technology

What Goes into a Tax Increment Finance District Plan?

Designation of
boundaries

Street/infrastructure,
zoning and land use
details

Improvements to be
undertaken in the area

Project/construction
timeframe

Designation of areas to
be "open space"

Description of
intended real estate
(lease, sell, buy)
activities

Description of
intended zoning/land
use changes

Cost estimates for
projects with funding
plan (TIF, bond, special
assessment etc.)

Legal/Fiscal
compliance plan

Metrics and schedule
to evaluate
effectiveness

Other materials as
required by governing
body

How do you “Start” a Tax Increment Finance District?

City Commission determines that it is necessary for the best interest of the public to reinvest in a commercial area to promote economic growth

Commission declares, by resolution, its intention to create and operate a TIF District

Public hearing notices published (twice) not less than 20 days and not more than 40 days prior to public hearing taking place

Mail notice of public hearing to taxpayers in proposed district and other taxing jurisdictions (Schoolcraft College, Wayne County, DIA, Zoo, etc.) via certified mail not less than 20 days in advance of the public hearing

How do you “Start” a Tax Increment Finance District (cont.)

Post notice of public hearing in 20 public places in the proposed development area

After public hearing other taxing jurisdictions may “opt out” from having their taxes captured

If, after required 60-day waiting period after the public hearing the commission intends to establish the district, they shall do so via resolution

File with Secretary of State

Potential Old Village TIF District Boundaries

- Commercially focused as required by statute
- Approximately 2 blocks wide and 5 blocks long
- Frontage on Starkweather (major collector) and Mill St. (minor arterial)
- Zoning: Mixed Use (MU) and Local Business (B-1)
- Alignment with Old Village Sub Area Plan in Master Plan
- Proximate to new development



Potential Goals of Old Village TIF

- Potential Goals
 - Expand the tax base for the district and the city
 - Enhance the visual and physical aspects of the district while preserving its unique character
 - Provide direction for the desired land use and development within the district
 - Improve the overall business climate of the district and facilitate economic growth
 - Create and expand business and employment opportunities

Potential TIF Funded Projects

- Streetscape Improvements
 - Including maintenance and upkeep (flower watering, snow/ice removal etc.)
- Enhance multi-modal opportunities
- Public art
- Beautification
- Wayfinding signage
- Benches
- Twinkle lights
- Special events
- Infrastructure maintenance and improvements

Questions
