



CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY

REGULAR MEETING

WEDNESDAY, NOVEMBER 13, 2019

MAYOR'S OFFICE

7:30 A.M.

MIKE TYMKEW-CHAIRPERSON

REVISED AGENDA

- I. Call To Order (Reminder: turn off cell phones)
- II. Roll Call of the DDA
- III. Approval of Prior Meeting Minutes
 - August 14, 2019 Regular Meeting Minutes
 - September 23, 2019 Study Session Minutes
- IV. Correspondence
- V. Order of Business
 - A. Strategic Plan Update
 - B. Approve 2020 DDA Budget
 - C. Approve 2020 Meeting Dates
 - D. Election of Officers (Chairperson, Vice Chairperson, Secretary, Treasurer)
 - E. Discussion Public Engagement
 - F. Excuse Absent Board Members
 - G. Supporting Downtown Businesses for Small Business Saturday and Holiday Season
 - H. Business Networking Events Sponsored by DDA
- VI. Citizen Comments (Persons addressing the DDA shall limit their comments to no more than 5 minutes. Proper decorum is required.)
- VII. Board Member Comments
- VIII. Adjournment

City Of Albion
 Albion Downtown Development Authority
 Meeting Minutes – August 14, 2019

I. CALL TO ORDER

Chairperson Mike Tymkew called the meeting to order at 7:30 a.m.

II. ROLL CALL

X	Dave Atchison	X	Emily Verbeke
X	Joe Domingo	X	Nidia Wolf
X	Scott Evans	X	Jennifer Yawson
X	Marcola Lawler		
X	Linda LaNoue		
X	Mike Tymkew		

Administration: Haley Snyder, Assistant City Manager/Deputy Clerk/Treasurer

III. Approval of Prior Meeting Minutes

A. June 5, 2019 Special Meeting Minutes

Motion by D Atchison, supported by L LaNoue to approve prior meeting minutes as presented.

(MOTION carried, voice vote)

IV. Correspondence

V. Order of Business

A. 404-414 S. Superior Brownfield Inter-Agency Agreement

Albion Economic Development Corporation President, Amy Deprez provided the DDA Board with the following information regarding the Brownfield Inter-Agency Agreement:

- The Inter-Agency Agreement is the same as the recent Hotel Project.
- ACE Investment will be developing the blighted structures located at 404, 408, and 412 S. Superior Street.
- The outside materials of the structures are beginning to fall off. Hoping to begin the project before winter.
- The Brownfield Plan for the project has been approved by the Brownfield Redevelopment Authority Board (BRAB) and City Council.
- The redevelopment includes all new store fronts with apartments located above the retail spaces. All current tenants will remain in place.

- Total capital investment is estimated at \$2,710,676 of which \$600,450 is currently proposed for Brownfield Reimbursement to the developer. Additionally, \$98,444 will be captured for distribution to the following – State Brownfield Revolving Fund (SBRF) \$31,974, BRA Plan Administrative Fees \$20,924, Local Brownfield Revolving Fund (LBRF) \$20,924, and New Taxes to School/City Debt \$24,622. For a grand total estimated capture of \$698,894.
- Estimated capture is anticipated to start in 2020 and take 22 years.
- The project is requesting 100% of the DDA's incremental revenue to be passed through to the BRA and used for purposes in this Brownfield Plan.
- The 2019 taxable value of the property is \$73,200 which is the initial taxable value for this plan. The estimated final taxable value of \$457,341 should be established in 2020.
- The Albion Brownfield Redevelopment Authority recommends support by the City of Albion DDA of an inter-local agreement for the 404-414 S. Superior Street Project Brownfield Plan.

Questions and Comments were received by Board Members D Atchison, J Domingo, L LaNoue, M Tymkew, N Wolf, and J Yawson.

D Atchison moved, supported by N Wolf to approve the 404-414 S. Superior Street Brownfield Project Inter-Agency Agreement as presented.

Board Member E Verbeke abstained from voting.

(MOTION carried, rollcall vote) (7-1)

B. Strategic Plan – Downtown Survey Update

Leah DuMouchel with Beckett & Raeder provided the following update on the Downtown Survey:

- Impressed with the survey response – received 200 responses.
- Interim Assistant City Manager Haley Snyder and Albion Chamber of Commerce President Eric Worley distributed survey cards to downtown businesses as well as advertised the survey on the City's website, Facebook page, and the PRT Facebook Page.
- The DDA Board reviewed the survey questions and responses.
- Greatest number of responses were received from older residents/individuals.
- Leah recommends trying one more round with the survey to increase the responses from different community residents.
- Draft pages of the strategic plan have been provided to all Board Members. Leah recommends everyone review and provide any and all feedback.
- Two (2) additional meetings will need to be held to discuss TIFA and determine a project priority list before final plan is developed.

Comments were received by Board Members D Atchison, M Lawler, L LaNoue, M Tymkew, E Verbeke, N Wolf, and J Yawson.

M Lawler moved, supported by L LaNoue to hold a study session on Monday, September 23rd to discuss final sections of the strategic plan.

(MOTION carried, voice vote)

C. Establish Sub-Committee to Organize Files in Storage

All old documents pertaining to the DDA have been located in a truck out at the street department. A sub-committee will need to be established to review and organize all documentation.

D Atchison moved, supported by M Lawler to appoint M Tymkew and N Wolf to a sub-committee to review and organize all DDA documentation.

(MOTION carried, voice vote).

D. Excuse Absent Board Members

All members were present.

VI. Citizens Comments (Persons addressing the DDA shall limit their comments to no more than 5 minutes. Proper decorum is required.)

Comments were received by Al Smith.

Board Member Comments:

Comments were received by Board Members L LaNoue, E Verbeke, and N Wolf.

VII. ADJOURNMENT

Motion by M Lawler, supported by S Evans to adjourn the meeting of the DDA.

(MOTION CARRIED, voice vote)

Meeting adjourned at 9:04 a.m.

Recorded by Haley Snyder, City Deputy Clerk/Treasurer

City Of Albion
 Albion Downtown Development Authority
 Study Session Minutes – September 23, 2019

I. CALL TO ORDER

Chairperson Mike Tymkew called the study session to order at 5:04 p.m.

II. ROLL CALL

X	Dave Atchison		X	Nidia Wolf
A	Scott Evans		X	Jennifer Yawson
X	Marcola Lawler			
X	Linda LaNoue			
X	Mike Tymkew			
X	Emily Verbeke			

Administration: Haley Snyder, Assistant City Manager/Deputy Clerk/Treasurer & Tom Mead, Finance Director/Treasurer

III. Order of Business

A. Strategic Plan Discussion

Tom Mead, Finance Director/Treasurer provided the DDA Board with the following information on the DDA district:

- The Downtown District is a geographic, tax paying boundary established by a formal committee.
- The established district can collect two (2) taxes – property and personal.
- The City’s Downtown District contains 406 parcels – 250 real, 156 personal, and 137 inactive.
- When establishing a district, each parcel is given an initial value = base value.
- As developments happen, parcel values should increase.
- The district captures on the difference between the base value and new increased value.
- Values can decline = negative capture.
- For 2019, the City’s Downtown District’s total taxable value - \$9,347,000.00; base value - \$4,872,332.00; total capture - \$4,474,671.00
- New developments are taking place in the Downtown District; however, the DDA has signed Inter-Local Agreements which forgoes the captures for a certain time period.

Questions/Comments were received from Board Members E Verbeke, N Wolf; Amy Deprez, Albion Economic Development Corporation President.

Amy Deprez, Albion Economic Development Corporation President provided the DDA Board with the following information on the Advancing Albion Action Plan:

- Several City plans have been recently updated to establish a path forward for development efforts – 2017 Comprehensive Plan, Economic Development Strategic Plan, Future Land Use, and Zoning Ordinance Re-Write.
- Downtown Development Foundational Projects – Ludington Center, Courtyard Hotel, Bohm Theater, Kids N Stuff, Peabody Building, and Malleable Brewery.
- New Industries/Economic Development opportunities – Medical Marijuana Operations and attraction of diversified job opportunities.
- Pending Downtown Development – 404-414 S. Superior Redevelopment, Big Albion Plan.
- Deal Structuring – equity/cash, community development tools, and bank financing.
- Community Development Tools – Tax Increment Financing – Brownfield Redevelopment (local and state capture & local only); Community Revitalization Program Grants/Loans; Community Development Block Grant.
- Tax Increment Financing eligibility – contaminated, functionally obsolete, blighted, or Targeted Redevelopment Area. Eligible activities include – environmental assessments, environmental remediation, lead & asbestos abatement, demolition, site preparation, and infrastructure improvements.
- Targeted Redevelopment Area (TRA) – 40-500 contiguous parcels located within a QLGU and designated as a TRA by resolution of the governing body and approved by the MSF Board. Five (5) TRA Districts available per year. Considerations for a TRA include – prevailing Brownfield conditions and alleviation of significant brownfield conditions.
- TRA Benefits – tax capture includes project parcels and non-project parcels; flexible reimbursement structuring, and public infrastructure – utility lines, sidewalks, bridge rehab, public spaces, and parking.
- The EDC is currently working with the City to establish a TRA district.

Questions/Comments were received from Board Members M Lawler, L LaNoue, M Tymkew, E Verbeke, N Wolf, and J Yawson.

Leah DuMouchel, Beckett & Raeder, Inc. provided the DDA Board with the following update on the Strategic/Development Plan update:

- Received the following information from the County Assessor – 191 active parcels (96 commercial, 20 residential, 2 industrial, 58 exempt, and 14 other, mostly Land Bank) in the Downtown District.
- Discrepancies between the information received from County Assessor and what was provided from Finance Director/Treasurer. Do not have access to the original records to verify. Planning to meet again with County Assessor and County GIS to narrow down.
- Target Redevelopment Area Boundary – roughly 100 parcels according to current records.
- Non-TRA DDA – 91 parcels according to current records (35 commercial, 20 residential, 31 exempt, and 4 other).
- Leah provided an update on the community engagement survey that was extended/redistributed – 13 additional responses were received. 213 total

participants. Evenly distributed across age; no additional racial diversity gained.

- The DDA Board was provided with a table of DDA's actions and functions. Leah encouraged all members to review the table and provide feedback.
- Next steps – review & provide feedback on action table, Leah will meet with City and DDA Chair to finalize the plan, full board review and approve at next regular meeting (November 13th)

- IV. Citizens Comments (Persons addressing the DDA shall limit their comments to no more than 5 minutes. Proper decorum is required.)

No comments were received.

- V. Board Member Comments:

Comments were received by Board Member L LaNoue.

- VI. ADJOURNMENT

Motion by D Atchison, supported by M Lawler to adjourn the study session of the DDA.

(MOTION CARRIED, voice vote)

Study Session adjourned at 7:04 p.m.

Recorded by Haley Snyder, City Deputy Clerk/Treasurer



Michigan Economic Development Corporation – Project Rising Tide DDA/TIF Plan – Outstanding Items for Resolution

November 13, 2019

1. Preliminary draft review: Through November 22

Commitment: Nidia, Emily, Linda

- a. Schedule a call on that day to discuss?

2. DDA staffing: Through November 27

Commitment (1):

- a. Research grant and other funding opportunities to staff this position for the next 8-10 years
- b. Meet with City Manager and Mayor to follow this issue through the CIP budget process
- c. If no avenue for paid staff is found, develop a detailed action plan which names current board members to each task, along with timeframes
- d. If no avenue for paid staff is found, one Board member must be designated the coordinator and must commit to 10 hours per week
- e. If no avenue for paid staff is found, each Board member must commit to 5 hours of work per week that is coordinated but self-directed

3. Relationship to other TIF programs: Through November 27

Commitment (1):

- a. A local liaison must be identified to stay closely connected to the TRA process if the DDA does not want to be entirely excluded. The connection cannot depend on TRA team outreach and must be prepared to move quickly. It also requires some technical knowledge.
- b. Who has the most detailed knowledge of the Hotel brownfield agreement?

4. Project table: Through December 6

Commitment (1 Board at minimum; 1 City also preferred):

Review of major items here; I need a partner to work through the details with me

Program items

- a. Business hours study and campaign
- b. Story campaign used to establish regular communication framework among members, throughout community, and with stakeholders such as realtors
- c. Property Information Packages and redevelopment map
- d. Develop incentive programs for housing development and façade improvement
- e. "Doorways of development" standing meeting

- f. Business retention and development strategy
- g. Marketing plan partnership

Physical improvements

- h. Lloyd Park and Bournellis Park
- i. Stoffer Plaza
- j. Building facades
- k. Nonmotorized improvements (strategy first; point to findings in DDA plan)
- l. Rear entrances and alleys (strategy?)
- m. Placemaking "nodes" (strategy?)
- n. Downtown housing / mixed use development, including rehab of lofts

5. Citizens Council – now through adoption

Commitment (1):

- a. Appoint ASAP
- b. Meeting Tuesday, December 17 or Wednesday, December 18?
- c. City to select time, reserve venue, and provide notification
- d. Review proposed project list and solicit input

6. Final draft review: December 19-January 3

Commitment: ALL BOARD MEMBERS

- a. Submit final comments by email
- b. Proposed final version to be presented at meeting on January 8

7. Adoption Process

Commitment (1):

- a. Taxing jurisdictions notification
- b. Public review
- c. Public hearing
- d. Council adoption

THE CITY OF ALBION

Amended & Restated Downtown Development Authority
DEVELOPMENT PLAN & TAX INCREMENT FINANCING PLAN

INTRODUCTION

BACKGROUND

Act 197 of the Public Acts of 1975 of the State of Michigan, commonly referred to as the Downtown Development Authority Act, was created in part to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials.

The Act seeks to attack problems of urban decline, strengthen existing areas, and encourage new private developments in the downtown districts of Michigan communities. It seeks to accomplish this goal by providing communities with the necessary legal, monetary, and organizational tools to revitalize downtown districts either through public-initiated projects or in concert with privately motivated development projects. The manner in which downtown development authorities choose to make use of these tools does, of course, depend on the problems and opportunities facing each particular downtown district and the development priorities sought by the community in the revitalization of its business area.

In April of 1988, the City of Albion City Council adopted Ordinance 88-2 that created the Albion Downtown Development Authority (DDA). The Downtown Development Authority District created by this ordinance is illustrated on Map XX, and a copy of this Ordinance is included in Appendix XX. The Authority was given all the powers and duties prescribed for a downtown development authority pursuant to the Act.

DOWNTOWN ALBION

History

As in most communities, Albion's economic engines have defined, and been defined by, its geography and land use. In 1833, Paul Tenney Peabody and his wife, Eleanor, arrived in the area, and they settled near the confluence of the north and south branches of the Kalamazoo River, now known as "The Forks." Today, the annual street festival, the "Festival of Forks," is based on this original settlement, and celebrates the history, diversity, and creativity of Albion. Because of the proximity of the river and the power that it provided, Albion quickly became a mill town for wood and flour. Albion College was founded 1835, one of the first schools in the Midwest to offer education to both men and women, and has now served as a key institution for the City for nearly 200 years.¹ The railroad came through the settlement in 1852, which connected Albion to other

¹ Albion College. "Our History." 2019. <https://www.albion.edu/about-albion/our-history>

cities and enabled further industrial development. Albion officially incorporated as a village in 1855 and as a city in 1885.²

By the late 19th century, Albion's economy had transitioned from mill-based to factory-based. The Albion Malleable Iron Company opened in 1888 and remained in operation until 1967. This company attracted hundreds of people with diverse backgrounds to Albion, including people from Italy, Poland, Holland, and Mexico; as well as a large African American population from the South.³ The declining role of the industrial sector in the overall economy during the mid- late-20th century has consequently had dramatic impacts on the City, its people, and its prosperity. As a "new economy" has taken hold that tilts more toward service and technology than toward production, Albion College has become even more important: Albion today is known as more of a college town with interests in technology and sustainability.⁴

Previous Planning Efforts

The City of Albion has recently engaged in a significant number of planning efforts, and this Development Plan is intended to complement the existing efforts happening in Albion. Below is a summary of plans and strategies that involve downtown Albion. Action items for each of these plans were analyzed to select the tasks most appropriately executed by the Downtown Development Authority for inclusion within the Development Plan.

The "**2017 Comprehensive Plan**" highlights the increasing momentum in the revitalization and development happening in the City of Albion. The Plan identifies partners, especially noting the importance of Albion College and its vested interest in the success of Downtown Albion. The primary goal in this plan relating to the success of the Downtown is Goal #5: Stabilize the downtown, enhance its historic character, and support its economic growth. Strategies to accomplish this goal include using the Michigan Main Street program, continuing existing festivals and community events, supporting more entertainment options and nightlife, attracting new businesses, and supporting historic preservation projects. Other goals and strategies relate to downtown revitalization, some of which include: focusing on green infrastructure and encouraging green development, making changes to the zoning code to support the desire for mixed-use and walkable urban neighborhoods, highlighting existing trails and non-motorized opportunities, and transforming the City's major corridors to connect to the downtown.

The **2017 "Advancing Albion Action Plan"** is a guide to downtown redevelopment and revitalization for the Albion Reinvestment Corporation (ARC). The ARC is a public charity 501(c)(3) organization formed in 2015 to combat community and property deterioration downtown and to coordinate and ignite investments. The Plan identifies recent downtown projects that have provided the anchor for the City's revitalization: the reopening of the historic Bohm Theatre (2015); Albion College's renovation of five storefronts into the college / community space, The Ludington Center (2017); the opening of the Courtyard Marriott Hotel with a historic look in the middle of downtown (2018); the opening of the first brewery in the City, Albion Malleable Brewing Company (2018); and the redevelopment of the Peabody Block Building, a three-story mixed-use development (2019).

The "Advancing Albion Action Plan" outlines the many opportunities that already exist in Albion that the City may build upon to continue revitalizing the downtown. Albion is a very walkable community, and Superior Street in the historic downtown was just renovated. There is an existing organization, the New Albion Impact Group (NAIG), that seeks to find new businesses and

² The City of Albion. "History." 2015. http://www.cityofalbionmi.gov/residents/city_at_a_glance/history.php

³ Ibid.

⁴ The City of Albion. "History." 2015. http://www.cityofalbionmi.gov/residents/city_at_a_glance/history.php

entrepreneurs to fill downtown buildings. For instance, Albion Malleable Brewing Company was NAIG's first investment. Finally, Albion is a prime market for real estate development, with a high demand for multifamily units and single-family housing revitalization. The Plan also identifies four main goals to reach the vision of a thriving Downtown Albion:

1. Redevelop ARC-owned properties to increase density in the downtown through "white boxing" and infill development for residential, retail, restaurant, commercial and cultural uses.
2. Revitalize neighborhoods connecting to downtown to encourage development and walkability.
3. Enhance the gateways to our community through aesthetic improvements.
4. Develop a social plan and strategy that underscores the faith-based and culturally rich community and encourages all citizens to be a part of the revitalization effort and create a community branding strategy that tells the collective redevelopment story and turns the community around through consistent and persistent marketing and promotion.

The 2017 "**Albion Economic Development Strategic Plan**" is a guide for the Albion Economic Development Corporation (AEDC) and its partners for the building momentum of Albion's revitalization. This Plan meets the requirements of the MEDC Redevelopment Ready Communities Program, which opens the door to more funding, technical assistance, and marketing opportunities for the City. Like the "Advancing Albion Action Plan," this Plan identifies the same downtown anchor projects and explains the momentum that these projects have created. This Plan, however, identifies two elements that strongly influence downtown development: 1) there is a large amount of affordable housing in Albion and 2) Albion residents currently seek more "things to do" after 5:00 pm. There are seven goals in total, all based on the "2017 Comprehensive Plan," and three of these goals apply directly to downtown development:

1. (Goal 1) Stabilize the downtown, enhance its historic character, and support its economic growth: strategies include attracting mixed-use development, partnering with ARC, and supporting the DDA in its façade improvement program.
2. (Goal 2) Stabilize the City's major corridors and support their economic growth: strategies include connecting the downtown to Albion College, the I-94 business corridor, Austin Avenue, and the south entrance to the City on M-99.
3. (Goal 7) Make strategic choices to turn Albion into a destination for current and future residents and tourists: strategies include extending or changing business hours later than 5:00 pm and attracting more entertainment, restaurants, and recreation to Albion.

Numerous other City plans and strategies involve Albion's downtown. In 2006, the "**Downtown Market Strategy**" outlined four long-term objects for downtown prosperity:

1. Physically link the downtown and Albion College through redevelopment.
2. Create a compelling destination to pull traffic off I-94 at Eaton Street.
3. Diversify the downtown retail mix and achieve critical mass through aggressive business recruitment.
4. Turn around the community image through aggressive marketing and promotion.

In conjunction with the "Downtown Market Strategy," the 2006 "**Downtown Parking Analysis**" examined parking conditions and expectations within the DDA boundary. The Plan stressed the importance of providing convenient and affordable parking and noted that new development in the Downtown would place a higher demand on parking. In general, the analysis found that Albion experienced problems with parking efficiency, excessive parking standards, and poor communication. The "Downtown Parking Analysis" therefore had three main recommendations:

1. Improve efficiency of available parking (i.e. regulate public parking, improve pedestrian amenities, etc.)
2. Revise parking standards to reflect current conditions (i.e. use national standards instead of what was in the Zoning Ordinance)
3. Improve communication (i.e. signage, striping, etc.)

The “**City of Albion Parks and Recreation Master Plan 2016-2020**” describes ways in which park and recreation facilities could improve Downtown Albion. The Plan suggests incorporating public art in all parks, redesigning Bournellis Park to improve compatibility with the character of Downtown, and updating benches and landscaping at Molder Park. Finally, the “**Capital Improvement Plan FY 2017-2022**” implements the City’s Comprehensive Plan. Almost all 2017 Fiscal Year projects involved the downtown area: watermain replacement, downtown parking lots improvement, street restoration and replacement, and the Albion River Trail expansion.

BASIS FOR THE TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN

The Downtown Development Authority Act provides the legal mechanism for local officials to address the need for economic development in the business district. In Albion, the Downtown Development Authority District, subject of this Development Plan, can be generally described as incorporating commercial properties along Superior, Clinton and Monroe Streets bounded between Ash, Erie, Porter, Center, Cass, Michigan and Vine Streets. The Development Plan (herein referred to as Development Plan No. 4) amends and clarifies the 2001 Development Plan. It calls for the retention of the "Development Area" established in the 1988 Plan as the area designated by the Downtown Development Authority for implementing certain development initiatives and Tax increment financing procedures set forth in the Act.

For purposes of designating a development plan district and for establishing a tax increment financing plan, the Act refers to a "Downtown district" as an area in a business district that is specifically designated by ordinance of the governing body of the municipality for taxing purposes and a "Business district" as an area in the downtown of a municipality that is zoned and used principally for business.

For purposes of financing activities of the Authority within a district, tax increment plans can be established. By definition, a tax increment financing plan seeks to capitalize on and make use of the increased tax base created by economic development within the boundaries of a downtown district. The legal basis or support for the Tax Increment and Development Plans are identified in Act 197 of the Public Acts of 1975, as amended.

THE RELATIONSHIP BETWEEN DEVELOPMENT PLAN NO. 3 AND DEVELOPMENT PLAN NO. 4

Development Plan No. 4 describes in **Section XX, page XX** the Development Area as proposed by the Downtown Development Authority for development of specific projects and expenditure of tax increment revenues. The Development Area comprises all the Downtown Development Authority District. Development Plan No. 4 amends development Plan No. 3, adopted by the City Council in February of 2001.

GENERAL DEVELOPMENT PLAN FOR ALBION

The need for establishing the Development District is founded on the basis that the future success of Albion's current effort to revitalize its commercial area will depend, in large measure, on the readiness and ability of its public corporate entity to initiate public improvements that strengthen the commercial area and to encourage and participate where feasible in the development of new private uses that clearly demonstrate the creation of new jobs, the attraction of new business and the generation of additional tax revenues.

PUBLIC PROCESS

In order to provide an open and inclusive process, diverse members of the Albion community were engaged throughout the project via a district-wide survey and quarterly meetings with the Downtown Development Authority Board. The DDA Board served as a steering committee for the planning process and set the direction of the plan, identified and prioritized projects, and refined the Development and TIF Plan for adoption by the Albion City Council.

DOWNTOWN ALBION SURVEY

In June of 2019, downtown Albion businesses received flyers to post in their windows as well as copies of a short, 9-question, 3-minute “downtown customer” survey. Business owners were also encouraged to send the survey link to their customer email lists to help involve regular customers who may not have visited those stores during the survey time period. During the survey period of June 26-August 7, 213 surveys were received. Survey respondents were evenly distributed across age groups, though there was no additional racial diversity gained when comparing the race and ethnicity of survey respondents to Census data (see Table XX).

TABLE XX: Race and Ethnicity of Survey Respondents compared to Census Data

	Respondents (%)	Census (%)
American Indian / Alaska Native	1	0.3
Asian / Asian American	0.5	1.1
Black / African American	8.5	30
Hispanic or Latino	5	6
Native Hawaiian or Other Pacific Islander	0	0.2
White or Caucasian	84	63
Other	2	0

Source: 2010 Decennial Census

Most respondents visit downtown Albion weekly (43%), though over one-third of respondents reported visiting downtown Albion daily (35%). Over half of survey respondents indicated that they would prefer to get to downtown Albion without a car (walking or biking), though 91% also selected that they prefer to get to downtown Albion via car.

When asked about their experience in downtown Albion, respondents rated wayfinding and walkability the best. Shopping, dining, and entertainment need the most improvement – 17% of respondents indicated that finding what they are shopping for is very difficult. In terms of living downtown, between 26% and 50% of respondents would live downtown, with a loft above a commercial use as the most popular housing type option. 44% of survey takers, however, selected that they would not live downtown.

Figure XX: In Downtown Albion, how easy is it to...?

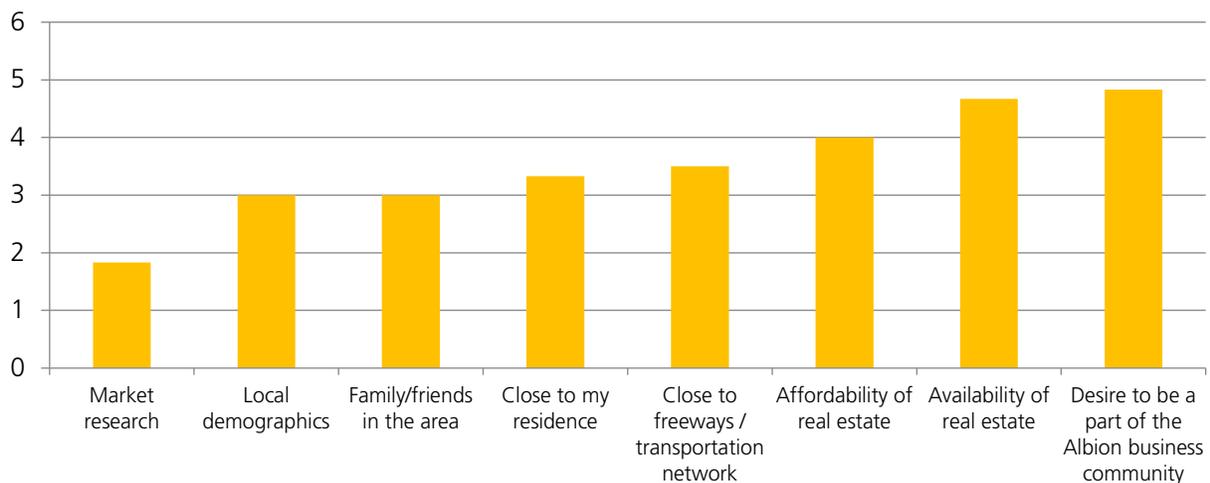


DOWNTOWN BUSINESS OWNER SURVEY

A “local business owner” survey gave business owners an avenue to offer feedback on how the DDA may best serve their needs. All surveys were hosted on the survey platform Survey Monkey, and hard copies were also available in all downtown businesses as well as at City Hall. The survey had a total of 19 questions, and six “local business owners” surveys were completed. Half of the six business owners who completed the survey reside in the City of Albion, and half of these businesses have been in business for longer than 15 years. All respondents plan to retire in Albion. The responding businesses included the following industries: retail trade (2), accommodation or food services (2), finance or insurance (1), and real estate (1).

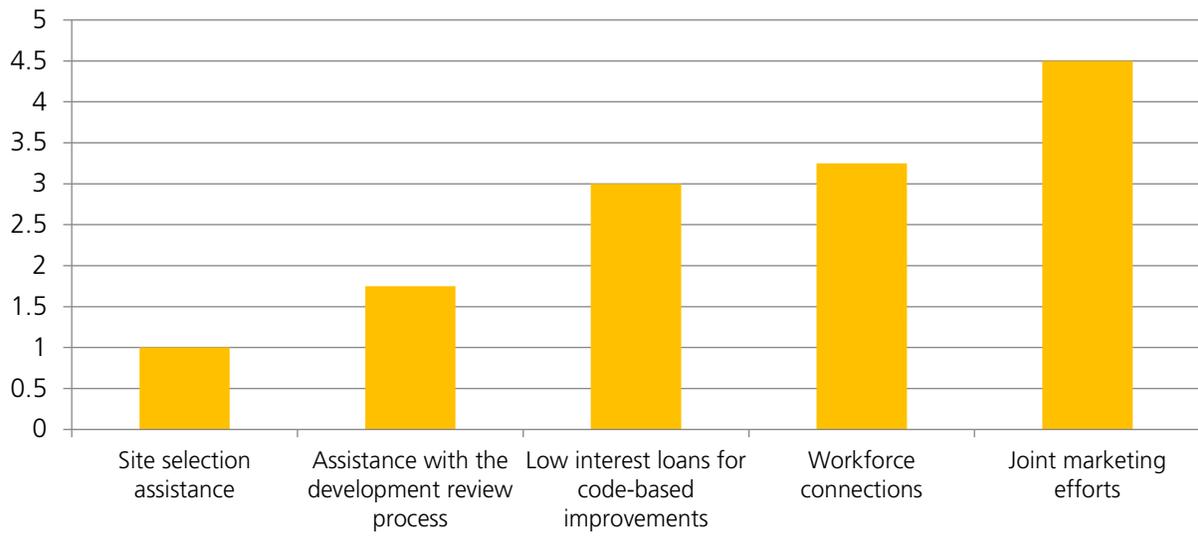
When asked what attracted them to Albion, business owner respondents rated desire to be a part of the Albion business community and availability of real estate as most important, while market research held the least importance. Two-thirds of the responding business owners indicated they almost always have an adequate labor supply, and three businesses indicated interest in connecting with local educational institutions for an internship program. Respondents rated the following four amenities as “very important” for Albion to build and retain an adequate supply of labor: appropriate housing options, housing affordability, variety of employment opportunities, and living-wage jobs.

Figure XX: What attracted you to Albion?



Business owner respondents indicated that joint marketing efforts would be extremely helpful to help their businesses succeed, whereas site selection assistance would have no impact. The City of Albion’s policies, practices, and conditions that best support business success are water infrastructure, electrical supply and cellular service; whereas the policies, practices, and conditions that prevent or slow business are roads, the development review process, and internet service. Almost all respondents (80%) found that both downtown events and unified “downtown”-themed promotional materials would have a high positive impact on businesses.

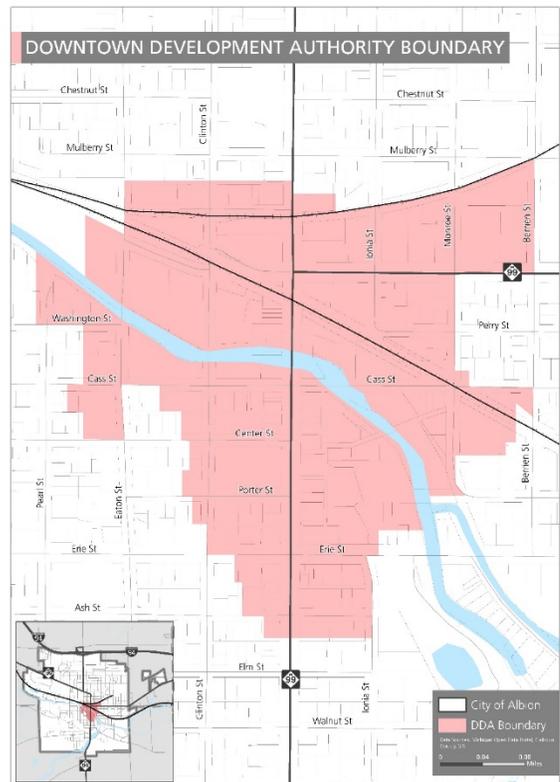
Figure XX: What Could the City Do to Help Your Business Succeed?



DEVELOPMENT PLAN

1. DEVELOPMENT AREA BOUNDARY.

The Development Area boundary is located within the jurisdictional limits of the City of Albion and the City of Albion Downtown Development Authority. The City of Albion established the Downtown Development Authority pursuant to Act 197 of the Public Acts of 1975 through adoption and publication of Ordinance 88-2. The Downtown Development Authority Development Area boundary is illustrated on MAP XX and can be generally described as the commercial properties along Superior, Clinton and Monroe Streets bounded between Ash, Erie, Porter, Center, Cass, Michigan and Vine Streets.



2. LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA; LOCATION, CHARACTER AND EXTENT OF EXISTING PUBLIC AND PRIVATE LAND USES.

STREETS

The City of Albion was developed in the late 19th Century and has a traditional street grid. The recent reconstruction [completion date?] of Superior Street, running through the heart of Downtown Albion, has significantly changed the look and feel of the Downtown. The street is paved with brick, accenting the historic character of the development area, and lined with street trees, planter boxes, and lamp posts. There are wide sidewalks throughout the development area with clearly painted crosswalks at intersections, and there is parallel parking available to motorists on nearly all streets. Superior Street has a total of four lanes with parallel parking on both sides, while other streets primarily have just two lanes.

PUBLIC FACILITIES

Located at the confluence of the north and south branches of the Kalamazoo River, the Kalamazoo River runs through the heart of Downtown Albion. The Porter Street Canoe dock provides recreational access to the river for people who wish to canoe, kayak, or fish. There are walking paths along the river, and the Albion River Trail provides access for pedestrians and cyclists. The City of Albion is located at the intersection of three major statewide and national trails: the North Country National Scenic Trail, the Great Lake-to-Lake Trail, and the Iron Belle Trail.⁵ Additionally, the development area is fully serviced with municipal water, sanitary sewer and storm sewer facilities, as well as electrical and gas services.

PUBLIC AND PRIVATE LAND USES WITHIN THE DEVELOPMENT AREA

Existing land used within the Development Area are a combination of public and private uses. Together, these land uses create a mixed-use and walkable downtown district within more auto-oriented uses along the outer commercial corridors of the district.

Public Land Uses

- Transportation: There are City of Albion, Calhoun County, and State of Michigan rights-of-ways within the Development Area. Additional rights-of-ways include alleys that run behind the retail and office land uses fronting major streets.
- Recreational: The City of Albion owns Lloyd, Bournellis, and Molder Parks; all located within the Development area. Lloyd Park sits on the east side of the river, just across from Superior Street, and provides views of primarily the back sides of Downtown buildings. Bournellis Park sits on the west side of the river in the heart of Downtown at the intersection of Superior and Cass Streets. It provides a shaded seating area overlooking the river. Molder Park sits on the north side of the development area along Superior Street, and it provides a gateway to the downtown area.
- Educational: The Albion Public Library is within the Development Area.

Private Land Uses

- Residential – Residential uses within the DDA District are primarily single-family homes, with some multi-family apartments.

⁵ Albion Economic Development Corporation. "Economic Development Strategic Plan." 2 November 2017. P. 5.

- Commercial – The majority of properties within the Development Area consists of commercial uses, including professional and medical offices, retail and general merchandising, banking, and service.
- Industrial – There are light industrial manufacturing facilities within the Development Area.
- Transportation – The Norfolk and Southern Rail traverses the Development Area on the north side of the Kalamazoo River, and the Albion Train Depot provides access to Amtrak and Greyhound services.
- Recreational – There is a park area owned by Norfolk and Southern.
- Educational – The Woodlands Library Cooperative is within the Development Area.
- Vacant Land – There are a few vacant parcels located within the Development Area.
[INSERT general locations?]

3. LOCATION AND EXTENT OF PROPOSED PUBLIC AND PRIVATE LAND USES

Existing land uses within the Development Area conform to current zoning designations and development patterns outlined in “Future Land Use and Zoning Plan” of the adopted “2017 Comprehensive Plan.” The City of Albion “2017 Comprehensive Plan” is a long-range vision for the City and delineates several land use classifications for the Development Area district including: One- and Two-Family Residential, Multiple-Family Residential and Office, Neighborhood Business, Central Business, Highway Service Business, Central Fringe Business, and Light Industrial.

4. LEGAL DESCRIPTION OF DEVELOPMENT AREA

Beginning at the intersection of the centerline of S. Ionia Street and the centerline of the east-west alley in Block 74 of the Original Plat of the Village (now City) of Albion; thence heading west along said alley to the south line (extended) of Lot 6, Block 75 of the Original Plat; thence north to the centerline of W. Ash Street; thence west to a line 38 feet west of the west line of Lot 9, Block 64 of the Original Plat, thence north to the centerline of the vacated alley in said block; thence west to the east line (extended) of Lot 2 in said block; thence north to the centerline of W. Erie Street; thence west to the centerline of S. Clinton Streets thence north to the south line (extended) of Lot 5, Block 62 of the Original Plat; thence west to the west line of said Lot 5; thence north to the center line of W. Porter Street; thence west to a line 19.42 feet west of the west line of Lot 7., Block 51 of the Original Plat; thence north to the centerline of the alley in said block; thence east to the center of Lot 4 (extended) of Said block; thence north to the centerline of W. Center Street; thence west to the west line (extended) of Lot 8, Block 50 of the Original Plat; thence north to the centerline of the alley In said block; thence west along said alley to the west line extended) of Lot 3 in said block: thence north to the centerline of W. Cass Street; thence west to the intersection of Eaton and W. Cass Streets; thence south along S. Eaton Street to the intersection of S. Eaton and W. Center Streets; thence west to the westline (extended) of Lot 2, Block 93 of Warner and Church's Addition; thence north to the northwest corner of said lot; thence west 33 feet: thence north to the centerline of W. Cass Street; thence east to the west line (extended) of Lot I of Block 97 of Warner and Church's Addition; thence north along said line to the centerline of Washington Street; thence west to the west line of Pearl Street; thence north along said line to the centerline of the Kalamazoo River; thence southeasterly along the centerline of the Kalamazoo River to a Point which is 200 feet west of the west line of N. Eaton Street; thence north to the centerline thence north to centerline of the Conrail spur tracks; thence easterly to the centerline of N. Eaton Street; thence north to the centerline (extended) of the vacated ally in Block 21 of the Original Plat; thence easterly along centerline of said alley to the centerline of N. Clinton Street thence continuing easterly along the centerline of the east-west alley in Block 20 of the Original Plat to the centerline of N. Superior Street; thence south along N. Superior Street to the north line (extended) of Lot 12, Block 19 of the Original Plat; thence east to the east line of Lot 10 of said block thence south to the centerline of the Conrail spur tracks; thence northeasterly along said line to the centerline of N.

Berrien Street; thence south to the intersection of Berrien Street and E. Michigan Avenue; thence west to the intersection of E. Michigan Avenue and Monroe Street; thence south to the centerline (extended) of the vacated alley in Block 39 of the Original Plat; thence east along the centerline of said alley-to the east line (extended) of Lot 10 of said block. Thence south to the centerline of E. Cass Street; thence east to the intersection of E. Cass and Berrien Streets; thence south to the centerline of the Conrail right-of-way; thence northwesterly to a line which is 100 feet west of the west line of S. Berrien Street; thence south to a line approximately 177 feet north of the north line of Porter Street; thence west 32 feet; thence south 41 feet to a line which is 33 feet north of the south line of Lots 1, 2, 3, of Block 53 of the Original Plat; thence west along said line to the centerline of S. Monroe Street; thence southeasterly to the centerline of E. Porter Street; thence west to the centerline of Kalamazoo River; thence southeasterly along said river to a line which is 45.6 feet south of the north line of Lot 24 of the Assessor's Replat of Mill Reserve and-Block 48 of the Original plat"; thence westerly to the northwest corner of Lot 35 of said Plat; thence south 22.4 feet; thence west 36 feet; thence south to the centerline of E. Erie Street; thence west to the intersection of E. Erie and S. Ionia; thence southerly to the place of beginning.

5. EXISTING IMPROVEMENTS IN THE DEVELOPMENT AREA TO BE DEMOLISHED, REPAIRED OR ALTERED AND TIME REQUIRED FOR COMPLETION.

Depending on infrastructure condition and unrelated activities outside the purview of the DDA there may be an occasion when infrastructure previously installed by the DDA, such as sidewalks, may have to be replaced and repaired.

[THIS SECTION IS DEPENDENT ON THE FINALIZED PROJECT LIST]

6. THE LOCATION, EXTENT, CHARACTER AND ESTIMATED COST OF IMPROVEMENTS INCLUDING REHABILITATION FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF TIME REQUIRED FOR COMPLETION.

[THIS SECTION IS DEPENDENT ON THE FINALIZED PROJECT LIST]

Project	Description	Cost*	Priority	Timeline
1				

** All costs are estimates and will change based on the scope of the project, required utilities, and the date of implementation. The City will develop a more detailed list of components of these projects as part of the Capital Improvements Program update.*

7. A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION.

The time schedule for construction of the public improvement program for the Development Area is outlined in Table [XX] based on the DDA’s prioritization of projects and programs. The completion timeframe will vary depending on the form of capital funding. If the DDA elects a pay-as-you-go approach, then the timeframe to complete the projects identified will be spread out over many fiscal years. On the other hand, if the DDA elects to utilize a limited general obligation bond issued through the City, then the timeframe for several projects will be accelerated.

[THIS SECTION IS DEPENDENT ON THE FINALIZED PROJECT LIST]

8. PARTS OF THE DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND CONTEMPLATED USE

In reference to the public improvements outlined, open space within the Development Area will be confined to right-of-ways, pedestrian walks along streetscapes developed as linear parks, and walkways along the Kalamazoo River. Existing park property in the Development Area will remain as open space as well.

9. PORTIONS OF THE DEVELOPMENT AREA WHICH THE AUTHORITY DESIRES TO SELL, DONATE, EXCHANGE OR LEASE TO OR FROM THE MUNICIPALITY AND THE PROPOSED TERMS.

Currently, there are no properties that the Downtown Development Authority owns that it desires to sell, donate, exchange, or lease to or from the City of Albion.

10. DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS AND UTILITIES.

The City amended its Zoning Ordinance in [INSERT].

Below is a list of zoning districts that are with the DDA boundary:

[REVIEW FINAL ADOPTED ZONING]
[BUSINESS OVERLAY DISTRICT MAP??]

11. AN ESTIMATE OF THE COST OF THE DEVELOPMENT, PROPOSED METHOD OF FINANCING AND ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING.

Financing for the public improvement projects outlined in Section 6 would be provided through funds generated by the Tax Increment Financing Plan induced by annual increases in property valuations from natural growth and new construction within the Development Area. In addition, funds may be sought from special assessment districts (SAD's), National Trust for Historic Preservation Planning Grants, Department of Natural Resources (DNR) National Trust Fund Grants, Clean Michigan Initiative (CMI) Recreation Bonds, Michigan Small Cities Community Development Block Grant program funds (only in relation to new infrastructure that is necessary for bringing in industry, etc. that will create new jobs), Michigan Department of Transportation (MDOT) TEA-21 Enhancement monies, the Core Communities Initiative, and the USDA Rural Economic Development Grants.

[THIS SECTION IS DEPENDENT ON THE FINALIZED PROJECT LIST]

- More funding sources?
- Add section about using pay-as-you-go financing vs. bonds?

12. DESIGNATION OF 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 AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN IF THAT INFORMATION IS AVAILABLE TO THE AUTHORITY.

The public improvements undertaken pursuant to this Development Plan will remain in public ownership for the public benefit.

13. THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING, OR CONVEYING OF ALL OR A PORTION OF THE DEVELOPMENT UPON ITS COMPLETION, IF THERE IS NO EXPRESSED 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 TO THOSE PERSONS.

Currently, the DDA has a verbal agreement with the Friends of Mary Sheldon Ismon House, a non-profit corporation, to convey ownership to the Friends group upon achievement of a level of financial stability that will allow them to continue their preservation efforts. All land acquisitions will be according to the procedure of Act 344 of the Michigan Public Acts of 1945, as amended; Act 87 of the Michigan Public Acts of 1980, as amended, and the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended; and the regulations promulgated there under by the U.S. Department of Housing and Urban Development.

Any such sale, lease or exchange shall be conducted by the Downtown Development Authority pursuant to requirement specified in Act 197 of Public Acts of 1975, as amended, with the consent of the City Council. If needed, more detailed procedures will be developed before the transaction, according to applicable City policy and Michigan State Law.

14. ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE DEVELOPMENT AREA AND THEN NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED.

Based on a review of the properties within the DDA District and Development Area and the use of proprietary GIS software Esri Business Analyst, it is estimated that approximately 380 individuals reside within it. This Development Plan does not require the acquisition and clearance of occupied residential property or the displacement of individuals and families within the DDA District and Development Area.

- Citizen Council??

15. A PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE DEVELOPMENT IN ANY NEW HOUSING IN THE DEVELOPMENT AREA.

This Development Plan does not require the acquisition and clearance of occupied residential property or the displacement of individuals and families within the DDA District and Development Area. As a result, a plan for compliance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 is not addressed. If it becomes necessary to displace individuals and address location at some future date, the DDA shall abide by the provisions for relocation outlined in Development Plan No. 1, adopted December 19, 1988, by the City of Albion, and with the requirements of the Federal Uniform Relation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Act 227 of Public Acts of 1972.

16. 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.

This Development Plan does not require the acquisition and clearance of occupied residential property or the displacement of individuals and families within the DDA District and Development Area. As a result, a plan for compliance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 is not addressed. If it becomes necessary to displace individuals and address location at some future date, the DDA shall abide by the provisions for relocation outlined in Development Plan No. 1, adopted December 19, 1988, by the City of Albion, and with the requirements of the Federal Uniform Relation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Act 227 of Public Acts of 1972.

17. A PLAN FOR COMPLIANCE WITH ACT 227 OF THE PUBLIC ACTS OF 1972.

Act 227 of Public Acts is an Act to provide financial assistance; advisory services and reimbursement of certain expenses to persons displaced from real property or deprived of certain right in real

property. This Act requires procedures and policies comparable to the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Because this Development Plan does not require the acquisition and clearance of occupied residential property or the displacement of individuals and families within the DDA District and Development Area, a plan for compliance with Act 227 is not addressed. If it becomes necessary to displace individuals and address location at some future date, the DDA shall abide by the provisions for relocation outlined in Development Plan No. 1, adopted December 19, 1988, by the City of Albion, and with the requirements of the Federal Uniform Relation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Act 227 of Public Acts of 1972.

TAX INCREMENT FINANCING PLAN

1. DEFINITIONS AS USED IN THIS PLAN.

- A. **"Assessed value"** means the assessed value, as equalized, as follows:
 - i. For valuations made before January 1, 1995, the state equalized valuation as determined under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.
 - ii. For valuations made after December 31, 1994, the taxable value as determined under section 27a of the general property tax 15 act, 1893 PA 206, MCL 211.27a.

- B. **"Captured assessed value"** means the amount in any 1 year by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision [X], exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

- C. **"Eligible obligation"** means an obligation issued or incurred by an authority or by a municipality on behalf of an authority before August 19, 1993 and its subsequent refunding by a qualified refunding obligation. Eligible obligation includes an authority's written agreement entered into before August 19, 1993 to pay an obligation issued after August 18, 1993 and before December 31, 1996 by another entity on behalf of the authority. [are these dates different now?]

- D. **"Initial assessed value"** means the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero. For the purpose of determining initial assessed value, property for which a specific local tax is paid in lieu of a property tax shall not be considered to be property that is exempt from taxation. The initial assessed value of property for which a specific local tax was paid in lieu of a property tax shall be determined as provided in subdivision [X]. In the case of a municipality having a population of less than 35,000 which established an authority prior to 1985, created a district or districts, and approved a development plan or tax increment financing plan or amendments to a plan, and which plan or tax increment financing plan or amendments to a plan, and which plan expired by its terms December 31, 1991, the initial assessed value for the purpose of any plan or plan amendment adopted as an extension of the expired plan shall be determined

as if the plan had not expired December 31, 1991. For a development area designated before 1997 in which a renaissance zone has subsequently been designated pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, the initial assessed value of the development area otherwise determined under this subdivision shall be reduced by the amount by which the current assessed value of the development area was reduced in 1997 due to the exemption of property under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, but in no case shall the initial assessed value be less than zero.

- E. **“Obligation”** means a written promise to pay, whether evidenced by a contract, agreement, lease, sublease, bond, or note, or a requirement to pay imposed by law. An obligation does not include a payment required solely because of default upon an obligation, employee salaries, or consideration paid for the use of municipal offices. An obligation does not include those bonds that have been economically defeased by refunding bonds issued under this act. Obligation includes, but is not limited to, the following:
- i. A requirement to pay proceeds derived from ad valorem property taxes or taxes levied in lieu of ad valorem property taxes.
 - ii. A management contract or a contract for professional services.
 - iii. A payment required on a contract, agreement, bond, or note if the requirement to make or assume the payment arose before August 19, 1993.
 - iv. A requirement to pay or reimburse a person for the cost of insurance for, r to maintain, property subject to a lease, land contract, purchase agreement, or other agreement.
 - v. A letter of credit, paying agent, transfer agent, bond registrar, or trustee fee associated with a contract, agreement, bond, or note.
- F. **“Specific local tax”** means a tax levied under 1974 PA 198, MCL 207.551 to 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668, the technology park development act, 1984 PA 385, MCL 207.701 To 207.718, Section 5 of the State Essential Services Assessment Act, 2014 PA 92, MCL 14 211.1055, Section 5 Of The Alternative State Essential Services 15 Assessment Act, 2014 PA 93, MCL 211.1075, and 1953 PA 189, MCL 211.181 to 211.182. The initial assessed value or current assessed value of property subject to a specific local tax shall be the quotient of the specific local tax paid divided by the ad valorem millage rate. However, after 1993, the state tax commission shall prescribe the method for calculating the initial assessed value and current assessed value of property for which a specific local tax was paid in lieu of a property tax.

2. PURPOSE OF THE TAX INCREMENT FINANCING PLAN

The City of Albion’s Downtown Development Area, adopted December 1988, has experienced conditions of property value deterioration detrimental to the City economy and the economic growth of the City. Tax increment financing is a governmental financing program that contributes to economic growth and development by dedicating a portion of the increase in the tax base resulting from economic growth and development to facilities, structures, or improvements within a development area thereby facilitating economic growth and development.

The City of Albion agrees with the following Legislative findings:

- A. That halting property value deterioration and promoting economic growth in the City are essential governmental functions and constitute essential public purposes.

- B. That economic development strengthens the tax base upon which local units of government rely and that government programs to eliminate property value deterioration benefit local units of government and are for the use of the local units of government.

The Authority has determined that a tax increment-financing plan is necessary for the achievement of the purposes of the Downtown Development Authority, as stated under the provisions of Act I 97 Public Acts of Michigan, 1975 as amended (the "Act"). The Tax Increment Financing Plan (the "Plan"), set forth herein shall include a development plan, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, the duration of the program, the impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located and a statement of the portion of the captured assessed value to be used by the Authority.

3. EXPLANATION OF THE TAX INCREMENT PROCEDURE

The theory of tax increment financing holds that investment in necessary capital improvements in a designated area within a municipality will result in greater property tax revenues from that area than would otherwise occur if no special development were undertaken. This section is intended to explain the tax increment procedure.

- A. In order to provide a downtown development authority with the means of financing development proposals, the Act affords the opportunity to undertake tax increment financing of development programs. These programs must be identified in a tax increment financing plan, which has been approved by the governing body of a municipality. Tax increment financing permits the Authority to capture incremental tax revenues attributable to increases in value of real and personal property located within an approved development area. The increases in property value may be attributable to new construction, rehabilitation, remodeling, alterations, additions, or any other factors which cause growth in value.
- B. At the time the ordinance establishing a tax increment financing plan is approved, the sum of the most recently assessed values, as equalized, of those taxable properties located within the development area is established as the "Initial Assessed Value" (the IAV). Property exempt from taxation at the time of determination of the Initial Assessed Value is included as zero. In each subsequent year, the total real and personal property within the district, including abated property on separate rolls, is established as the "Current Assessed Value."
- C. The amount by which the total assessed value exceeds the IAV is the Captured Assessed Value (the "CAV"). During the period in which a tax increment-financing plan is in effect, local taxing jurisdictions continue to receive *ad valorem* taxes based on the IAV. Property taxes paid on a predetermined portion of the CAV in years subsequent to the adoption of tax increment financing plan, however, are payable to an authority for the purposes established in the tax increment financing plan.

4. TAXING JURISDICTION AGREEMENTS

Tax increment revenues for the Downtown Development Authority result from the application of the general tax rates of the incorporated municipalities and all other political subdivisions, which levy taxes in the development area to the captured assessed value. Since the Plan may provide for the use of all of part of the captured tax increment revenue, the DDA may enter into agreements with any of the taxing units to share a portion of the revenue of the District.

The Authority intends to utilize all other captured revenue from the District until the projects addressed in this Plan are completed and until any bonded indebtedness is paid.

5. PROPERTY VALUATIONS AND CAPTURED REVENUE

The property valuation on which incremental tax revenues will be captured is the difference between the Initial Assessed Valuation and the Current Assessed Valuation. The purpose of this section is to set forth the Initial Assessed Valuation, the projected Captured Assessed Valuation and the anticipated increment revenues to be received by the Authority from the local taxing jurisdictions including the City of Albion, Calhoun County, and Kellogg Community College, and any other authorities or special tax districts that may be eligible to levy property taxes within the boundaries of the Downtown Development Authority, herein collectively referred to as the "Local Taxing Jurisdictions."

- A. The Initial Assessed Valuation is established based on the 1988 state equalized valuation on real and personal property on all non-exempt parcels within that portion of the Development Area covered by Development Plan No. 1. The Initial Assessed Valuation of the Authority is \$4,965,636 as set forth below.

INITIAL ASSESSED VALUE

Total Real Property	\$3,234,916
Total Personal Property	\$1,732,720
Total SEV	\$4,965,636

- B. The anticipated Captured Assessed Value is equivalent to the annual total assessed value within the Authority boundaries less the Initial Assessed Value as described above. The CAV then becomes the basis for the property tax levy on which incremental taxes are collected. The CAV is projected based on the state annual historical value increase since the passage of Proposal A in 1994. For projection purposes, the growth factor applied to annual valuation is 2.0%. A more detailed depiction of the Captured Assessed Valuations can be found in Exhibit A.
- C. The Authority will receive that portion of the tax levy of all taxing jurisdictions, except that of schools, paid each year on the Captured Assessed Value of the eligible property included in the Development Area. However, the Authority may receive that portion of the tax levy attributed to schools for the repayment of all "Eligible obligations." The Authority may use the revenues for any legal purpose as is established under the Act including the payment of principal and interest on bonds.
 - Table of Anticipated Captured Assessed Valuation?
 - What is annual taxable growth?
 - Table of Anticipated Captured Revenue?
 - Table of millages?

6. MAXIMUM INDEBTEDNESS

It is anticipated that the maximum amount of indebtedness to be incurred based on 2000 costs will not exceed \$1,500,000 for projects identified in this Plan. A description of the various projects and the actual amounts expected to be financed are as set forth in Table XX of the Development Plan. Revenues captured will be used to accomplish projects in both Development Areas.

7. USE OF CAPTURED REVENUES

Revenues captured through this Tax Increment Plan will be used to finance those improvements and projects outlined in Table XX of the Development Plan. Further, captured revenues can be used to finance current financial obligations of the DDA, to pay for costs incurred by the City / DDA in

implementing both the Development Plan and the Tax Increment Financing Plan, and to pay for costs associated with the administration and operation of the Development and Tax Increment Plan.

- Table of Revenues available for Capital projects?

8. DURATION OF THE PROGRAM

The duration of the Development Plan shall extend through the life of the bond issues or other debt obligations of the Authority, or the final completions of the financing required to accomplish all projects delineated in the Development Plan, or the collection of taxes levied through December of 2049, whichever is earlier.

9. PLAN IMPACT ON LOCAL TAXING JURISDICTIONS

The Authority recognizes that future development in the City's business district will not be likely in the absence of tax increment financing. The Authority also recognizes that enhancement of the value of nearby property will indirectly benefit all local governmental units included in their plan. It is expected that the affected local taxing jurisdictions will not experience a gain in property tax revenues from the Development Area during the duration of the plan and should realize increased property tax revenues thereafter as a result of activities financed by the plan. Such future benefits cannot be accurately quantified at this time.

- Table of Forecasted revenue by source?

10. RELEASE OF CAPTURED REVENUES AFTER COMPLETION OF PLAN

When the Development and Financing Plans have been accomplished, the captured revenue is released, and the local taxing jurisdictions receive all the taxes levied on it from that point on.

11. ASSUMPTIONS OF TAX INCREMENT FINANCING PLAN

The following assumptions were considered in the formulation of the Tax Increment Financing Plan for the Albion Downtown Development Authority:

- A. Real and personal property valuations are based on the 2019 actual State Equalized Value (SEV) and increases by 2% each year. These increases are net of any additions or subtractions due to new construction, property acquisition, relocation, or other factors.
- B. Costs provided for the various DDA projects enumerated in Table XX are estimated costs in 2019 dollars. Final costs are determined after the acceptance of bids at the time of construction. The effects of inflation may also have an undetermined amount of influence on these cost figures.

12. OPERATING AGREEMENT BETWEEN DOWNTOWN DEVELOPMENT AUTHORITY AND LOCAL UNIT OF GOVERNMENT REGARDING USE OF TAX INCREMENT REVENUES.

No interlocal agreements are in place between the Albion DDA and the City of Albion, and none are anticipated over the life of this plan.

13. AGREEMENTS BETWEEN DOWNTOWN DEVELOPMENT AUTHORITY AND OTHER DEVELOPMENT AUTHORITIES.

The Albion Brownfield Redevelopment Authority has been active in recent years and is a current driver of redevelopment in Downtown Albion. The following interlocal agreements have been entered into by the DDA:

- An agreement with the Albion Brownfield Redevelopment Authority pursuant to the brownfield plan completed by Downtown Albion Hotel, LLC and dated December 2, 2015

commits the DDA to reimbursement for eligible activities through approximately the year 2027. [Understand the capture here.](#)

- An agreement with the Albion Brownfield Redevelopment Authority pursuant to the brownfield plan completed by Ace Investment Properties, LLC and dated August 14, 2019 commits the DDA to reimbursement for eligible activities through approximately the year 2041.
- An anticipated agreement with the Albion Redevelopment Authority pursuant to the Targeted Redevelopment Area Plan completed by Alboin Reinvestment Corporation (ARC) and Ace Property Investments, LLC, to be completed by early 2020, commits the DDA to reimbursement for eligible activities through approximately the year 2044. [Add information about infrastructure arrangements](#)

14. RELATIONSHIP OF THE TAX INCREMENT FINANCING PLAN WITH OTHER FUNDING PROGRAMS.

Because a significant portion of the TIF revenues generated by properties located within the downtown have been allocated through interlocal agreement with the Albion Brownfield Redevelopment Authority, other forms of financing will be required to achieve the goals of the Development Plan. These may include:

- Special Assessment Districts (SADs)
- National Trust for Historic Preservation Planning Grants
- Department of Natural Resources (DNR) National Trust Fund Grants
- Clean Michigan Initiative (CMI) Recreation Bonds
- Michigan Small Cities Community Development Block Grant program funds (only in relation to new infrastructure that is necessary for bringing industry, etc. that will create new jobs).
- Michigan Department of Transportation (MDOT) TEA-21 Enhancement Monies
- USDA Rural Economic Development Grants

It is strongly recommended that tax increment financing revenues be used to leverage public funds and private financing in order to implement the planned program.

15. RELATIONSHIP TO COMMUNITY MASTER PLAN

The Development Plan indicates the need to revitalize the business areas of the community and support economic development, which is an integral component of the community's redevelopment program and master plan.

16. SUBMISSION OF AN ANNUAL REPORT

The Recodified Tax Increment Financing Act, 2018 PA 57 ("Act 57") was signed by Gov. Rick Snyder on March 15, 2018. It consolidates the legislative authority to create and operate tax increment authorities into a single statute and repeals the Downtown Development Authority Act (1975 PA 197). Authorities created under Act 197 before Act 57 goes into effect will not be subject to the new legislation, with the exception of new reporting requirements. The initial reporting requirement occurs within 90 days of Act 57's effective date of Jan. 1, 2019, when each authority must send Treasury a copy of, or an email link to, its currently adopted development plan or its currently adopted tax increment finance plan. Act 57 also requires an authority to submit a comprehensive annual report to Treasury and the governing bodies of its related municipality and of each taxing unit levying taxes subject to capture by the authority. Further, the report shall be published in a newspaper of general circulation.

APPENDIX (?)

- Tables in existing plan –
 - Revised Tax Increment Financing Forecast
 - Captured Revenues with adjustment for Overcapture of School Tax revenues
 - DDA Debt
- Summary report of all parcels in DDA – real and personal property – needed?
- Ordinance
- Citizen’s Advisory Committee Meeting Minutes – needed?
- Copies of Acts referenced in Plan – needed?

Calculations as of 10/31/2019

GL NUMBER	DESCRIPTION	2017 ACTIVITY	2018 ACTIVITY	2019 ORIGINAL BUDGET	2019 ACTIVITY THRU 10/31/19	2019 PROJECTED ACTIVITY	2020 REQUESTED BUDGET
Dept 000 - GENERAL							
ESTIMATED REVENUES							
248-000-402.00	CURRENT PROPERTY TAXES	0	72,899	77,500	102,186	117,500	125,000
FOR 2018, 2019 AND 2020, A SIZABLE CAPTURE WILL OCCUR, HOWEVER, MOST OF THIS CAPTURE MUST BE PAID TO THE HOTEL BROWNFIELD AS REQUIRED BY THE INTER-GOVERNMENTAL AGREEMENT BETWEEN THE DDA AND THE BROWNFIELD.							
248-000-441.00	LOCAL COMMUNITY STABILIZATION SHAI	11,511	0	0	0	0	0
248-000-573.00	LOCAL COMMUNITY STABILIZATION STA	0	13,941	15,500	0	0	0
BECAUSE OF THE INCREASE IN TAXABLE VALUE FROM THE HOTEL AND OTHER NEW PROPERTIES DOWNTOWN, THE DDA DOES NOT QUALIFY FOR ANY REIMBURSEMENT FROM LOST PERSONAL PROPERTY TAXES IN 2019.							
248-000-665.00	INTEREST	319	594	400	524	550	600
TOTAL ESTIMATED REVENUES		11,830	87,434	93,400	102,710	118,050	125,600
NET OF REVENUES/APPROPRIATIONS - 000 - GENERAL		11,830	87,434	93,400	102,710	118,050	125,600
Dept 693 - PEABODY BUILDING PROJECT							
ESTIMATED REVENUES							
248-693-502.00	FEDERAL GRANTS	0	828,800	0	0	0	0
248-693-675.00	CONTRIBUTIONS-PRIVATE INDIVIDU	0	657,696	0	0	0	0
TOTAL ESTIMATED REVENUES		0	1,486,496	0	0	0	0
APPROPRIATIONS							
248-693-802.00	CONTRACTUAL SERVICES	0	1,457,696	0	0	0	0
248-693-840.10	ADMINISTRATIVE FEES - REVITALIZE	0	28,800	0	0	0	0
TOTAL APPROPRIATIONS		0	1,486,496	0	0	0	0
NET OF REVENUES/APPROPRIATIONS - 693 - PEABODY BUILDI		0	0	0	0	0	0
Dept 723 - BROWNFIELD REDEVELOPMENT AUTHORITY							
APPROPRIATIONS							
248-723-999.00	TRANSFER OUT	0	75,760	0	0	109,465	115,500
THE TRANSFER OUT REPRESENTS THE AMOUNT OF TAX CAPTURE ON THE BROWNFIELD PROPERTIES (THE HOTEL) THAT MUST BE PAID TO THE BROWNFIELD PER THE INTER-GOVERNMENTAL AGREEMENT. IN THE 2019 ORIGINAL BUDGET IT WAS REPORTED UNDER ACCOUNT NUMBER 248-735-999.00 BELOW. GOING FORWARD, THIS ACCOUNT WILL BE USED.							
TOTAL APPROPRIATIONS		0	75,760	0	0	109,465	115,500
NET OF REVENUES/APPROPRIATIONS - 723 - BROWNFIELD REI		0	(75,760)	0	0	(109,465)	(115,500)
Dept 735 - DDA							
APPROPRIATIONS							
248-735-744.00	POSTAGE	0	0	100	0	75	100
248-735-776.00	MATERIALS AND SUPPLIES	0	93	200	66	200	200
248-735-802.00	CONTRACTUAL SERVICES	35	0	250	0	250	250
248-735-840.00	ADMINISTRATION FEES	2,270	2,361	2,500	2,083	2,500	2,500
2018 - REPRESENTS A 4% INCREASE OVER PRECEEDING YEAR. 2019 - NO INCREASE WILL BE ASSESSED FOR 2019. 2020 - NO INCREASE WILL BE ASSESSED FOR 2020.							
248-735-880.00	COMMUNITY PROMOTIONS	1,401	580	2,500	424	500	1,000
COVERS THE ANNUAL SUMMER CAR SHOW.							
248-735-950.00	INSURANCE AND BONDS	1,269	1,300	1,550	1,185	1,550	1,600
248-735-955.00	MISCELLANEOUS	51	0	50	0	50	50

Calculations as of 10/31/2019

GL NUMBER	DESCRIPTION	2017 ACTIVITY	2018 ACTIVITY	2019 ORIGINAL BUDGET	2019 ACTIVITY THRU 10/31/19	2019 PROJECTED ACTIVITY	2020 REQUESTED BUDGET
Dept 735 - DDA APPROPRIATIONS							
248-735-999.00	TRANSFER OUT	0	0	76,000	0	0	0
THE TRANSFER OUT IN THE 2019 ORIGINAL BUDGET REPRESENTS THE DDA TAX CAPTURE ON THE BROWNFIELD PROPERTIES (THE HOTEL) THAT MUST BE PAID/TRANSFERRED TO THE BROWNFIELD PER THE INTER-GOVERNMENTAL AGREEMENT. GOING FORWARD, THIS WILL BE REPORTED UNDER ACCOUNT 248-723-999.00 ABOVE.							
TOTAL APPROPRIATIONS		5,026	4,334	83,150	3,758	5,125	5,700
NET OF REVENUES/APPROPRIATIONS - 735 - DDA		(5,026)	(4,334)	(83,150)	(3,758)	(5,125)	(5,700)
ESTIMATED REVENUES - FUND 248		11,830	1,573,930	93,400	102,710	118,050	125,600
APPROPRIATIONS - FUND 248		5,026	1,566,590	83,150	3,758	114,590	121,200
NET OF REVENUES/APPROPRIATIONS - FUND 248		6,804	7,340	10,250	98,952	3,460	4,400
BEGINNING FUND BALANCE		47,720	54,525	61,865	61,865	61,865	65,325
ENDING FUND BALANCE		54,524	61,865	72,115	160,817	65,325	69,725

2020 MEETING DATES

PLANNING COMMISSION	COUNCIL CHAMBERS 7:00 P.M. 3rd TUESDAY OF THE MONTH
JANUARY 22, 2020 (Wednesday)	JULY 21, 2020
FEBRUARY 19, 2020 (Wednesday)	AUGUST 18, 2020
MARCH 17, 2020	SEPTEMBER 15, 2020
APRIL 21, 2020	OCTOBER 20, 2020
MAY 19, 2020	NOVEMBER 17, 2020
JUNE 16, 2020	DECEMBER 15, 2020

ZBA	COUNCIL CHAMBERS 5:30 P.M. 2ND TUESDAY OF THE MONTH
JANUARY 14, 2020	JULY 14, 2020
FEBRUARY 11, 2020	AUGUST 11, 2020
MARCH 10, 2020	SEPTEMBER 09, 2020 (Wednesday)
APRIL 14, 2020	OCTOBER 13, 2020
MAY 12, 2020	NOVEMBER 10, 2020
JUNE 09, 2020	DECEMBER 8, 2020

ABA	MAYOR'S OFFICE 8:00 A.M. QUARTERLY MEETINGS-2nd THURSDAY OF THE MONTH
MARCH 12, 2020	MAYOR'S OFFICE-CITY HALL
JUNE 11, 2020	MAYOR'S OFFICE-CITY HALL
SEPTEMBER 10, 2020	MAYOR'S OFFICE-CITY HALL
DECEMBER 10, 2020	**5:00 P.M. MAPLE GROVE COMMUNITY ROOM

DDA	MAYOR'S OFFICE 7:30 A.M. QUARTERLY-2ND WEDNESDAY OF THE MONTH
FEBRUARY 12, 2020	AUGUST 12, 2020
MAY 13, 2020	NOVEMBER 12, 2020 (Thursday)