

**City of Hillsdale
Tax Increment Finance Authority (TIFA)
Targeted Development Committee**

**City Hall, Second Floor Conference Room
May 14, 2024
5:30 pm**

I. Consent Agenda

II. Old Business

- A. Ferris Street Parking Lot Improvements
 - i. Update

III. New Business

- A. TIFA Development Plan
 - i. 2025 Update

IV. Committee Members' Comments

V. Public Comment

VI. Adjournment

Next Meeting TBD.

CITY OF HILLSDALE
Tax Increment Finance Authority TIFA
Targeted Development Committee
April 10, 2024

Minutes

I. Call to Order at 3:02 pm

- Members Present: Chris Bahash (Chair), Andrew Gelzer, Tim Dixon
- Other Present: Alan Beeker
- Members Absent: Kevin Conant

II. Consent Agenda

Andrew moved to approve the agenda, Tim seconded, motion passed.

III. Old Business

A. Ferris Street Parking Lot Improvements

Tim moved to adjourn review and discussion until the next Targeted Development Committee meeting. Chris supported, motion passed.

IV. New Business

A. TIFA Development Plan

- Alan told the Committee that the Development plan needed to be updated before the end of 2024. He asked the Committee to be responsible for the revisions.

Chris moved to have the Targeted Development Committee revise the TIFA Development Plan. Tim supported, motion passed.

V. Commissioner Comment

- No Commissioner comment.

VI. Public Comment

- No Public Comment.

VII. Adjournment – Chris moved to adjourn, Tim seconded. Meeting adjourned at 3:12 pm.

RESOLUTION # _____

WHEREAS, the Tax Increment Financing Authority for the City of Hillsdale has presented a proposed Amendment to the Tax Increment Finance Plan and Development Plan for consideration by the Council; and

WHEREAS, a public hearing was conducted on _____, 2024 after notice of such hearing was published in a newspaper of general circulation in the City of Hillsdale not less than 20 nor more than 40 days before the date of the hearing, and

WHEREAS, a second public hearing was conducted on _____, 2024 after notice of such hearing was published in a newspaper of general circulation in the City of Hillsdale not less than 20 nor more than 40 days before the date of the hearing, and

WHEREAS, all taxpayers and taxing jurisdictions in the TIFA District were provided notice of the public hearing by U.S. mail, and

WHEREAS, opportunity was given for interested parties to express their opinion, argue the merits and introduce documentary evidence pertinent to the development plan, and no one having appeared;

NOW. THEREFORE. BE IT RESOLVED that the Council of the City of Hillsdale does hereby determine that the Amendment to the Tax Increment Finance Plan and Development Plan presented to Council by the Authority Board constitutes a public purpose.

BE IT FURTHER RESOLVED that the Amendment to the Tax Increment Finance and Development Plan is hereby approved as presented.

Passed this ____ day of _____, 2024

Ayes ___
Nays ___

Adam Stockford - Mayor

RESOLUTION DECLARED ADOPTED.

Date: _____, 2024

Katy Price – City Clerk

**SEVENTH AMENDMENT TO CITY OF HILLSDALE
TAX INCREMENT FINANCE AND
DEVELOPMENT PLAN**

INTRODUCTION:

This document amends the tax increment financing and development plan which was prepared pursuant to the provisions of Public Act 450 of 1980, as amended. That plan was prepared on May 5, 1986 and was subsequently amended on November 29, 1989, December 23, 1991, March 13, 1997, December 17, 2001, October 20, 2008 and December 21, 2015 for the purpose of establishing a Tax Increment Finance Authority whose Board may perform any of its powers generally under Section 7 of said Act, and capture tax dollars for the purpose of financing improvements in the central business district. The original plan and amendments shall remain in effect with the following changes:

1. Boundaries of the Development Area [Sec. 16 (2)(a) and (b)]:
No change.
2. Location of Streets and Public Facilities [Sec. 16 (2)(c)]:
No change.
3. Description of Improvements [Sec. 16 (2)(d)]:

The following is a list of public improvements which have been completed in the development area and the dates by which such improvements were completed:

Improvement	Completion Date
Develop parking lot in Block 285	12/31/86
Place overhead utilities underground in main alley Block 285	12/31/87
Repair and replace sidewalk, curbs and gutter Block 285	12/31/89
Install period street lighting, street furniture, trash receptacles Block 285	12/31/88
Plant additional street trees Block 285	12/31/89
Repair and replacement of storm sewers in Block 282	12/31/90
Place overhead utilities underground in Block 282	12/31/90
Develop parking lot in Block 282	12/31/91

Repair and replace sidewalk, curbs, and gutters Block 282	12/31/91
Install period street lighting in Block 282	12/31/91
Improvement to alley adjacent to parking lot in Block 282	12/31/92
Plant additional street trees Block 282	12/31/92
Install street furniture, trash receptacles in Block 282	12/31/92
Improvements to street in Block 428, 285, 429 and 301	12/31/93
Repair and replace sidewalk, curb, and gutter Block 428, 285,429 and 301	12/31/93
Install period street lighting in Block 428, 285, 429 and 301	12/31/93
Improvement to storm drainage in Block 428, 285, 429 and 301	12/31/93
Improvement to storm drainage in alley adjacent to parking lot in Block 428	12/31/94
Redevelopment of parking lot in Block 428	12/31/94
Install curb and gutter in alley Block 428	12/31/94
Install street furniture, trash receptacles in Block 428	12/31/94
Relocation of utilities as needed within Block 428	12/31/94
Planting of additional street trees and shrubs in a newly developed greenbelt area in alley R.O.W. and parking lot Block 428	12/31/94
Redevelopment of parking lot in Block 302	12/31/95
Repair and replacement of sidewalk, curb and gutter in Block 302	12/31/95
Placement of overhead utilities underground in Block 429, 301 and 302	12/31/95

Planting of additional street trees and shrubs in parking lot and development of greenbelt area in alley R. O. W. Block 302	12/31/95
Install period street lighting Block 302	12/31/95
Repair or replacement storm sewers in Block 302	12/31/95
Parking lot, plants, curbs, gutters, sidewalks in Block 278	08/31/96
Acquisition of land for parking lot in Block 160	03/31/97
Installation of greenbelt area in Block 160	09/30/97
Install Period street lighting in Block 160	09/30/97
Maintenance of parking lot in Block 281	12/31/06
Demolition of buildings, site work, environmental work, curbs and gutters, relocation of intersection in Block 156	12/31/07
Purchase and demolition of 25 N Broad St.	05/23/19
Purchase of Keefer Hotel and sale to CL Real Estate for development	10/25/15
Purchase and renovation of the Dawn Theater	02/01/22
New Wayfinding signage	2022-2023

Plans for the development area under this amendment shall include maintenance of the projects planned in this amendment as well as the projects listed above.

Improvement	Projected Completion Date
Acquisition/sale/lease of real estate, especially as it pertains to eliminating blight, and occupying vacant and abandoned buildings in the TIFA district.	December 31, 2035

Replacement of curbs, gutters and sidewalks in Blocks as needed.	December 31, 2035
Redesign and Reconstruction of the Ferris Street parking lot including improved access from Ferris St. lot to Broad St.	December 31, 2035
Redesign and Reconstruction of the S. Manning Street/Wilson Hall parking lot	December 31, 2035
Projects to develop a comprehensive plan for the overall design, beautification and infrastructure in the TIFA district.	December 31, 2035
Projects to support efforts for beautification, pedestrian and bicycle accessibility and efficient functioning of the TIFA district	December 31, 2035
Support projects to enable private investment in rehabilitation and redevelopment	December 31, 2035
Support projects that encourage and enable neighborhood revitalization and historic preservation	December 31, 2035
Support incentive programs that encourage business attraction and retention, economic development, and activity	December 31, 2035
Encourage projects that market downtown Hillsdale as a destination for locals and visitors.	December 31, 2035
Support projects to improve appearance and infrastructure along the corridors leading to Hillsdale College and along the railroad and St. Joseph Riverfront.	December 31, 2035

4. Location and Cost of Improvements [(Sec. 16 (2)(e)]:

The proposed improvements will be made in various Blocks throughout the TIFA District and include acquisition/sale/lease of real estate, demolition of buildings, site repair, installation of curbs, gutters, drainage, sidewalks, greenbelts, lighting, landscaping and environmental

work, as well as installation, repair or replacement of alleys, repair or replacement and maintenance of parking lots. The estimated cost for such improvements is \$700,000 and these improvements will be completed on or before December 31, 2035.

5. Construction Planned [Sec. 16 (2)(f)]:
See Item 3 above.

6. Planned Open Space [Sec. 16(2)(g)]:
Not applicable

7. Land to be Sold [Sec. 16 (2)(h)]:
Not applicable

8. Zoning change and changes in streets and utilities [Sec. 16(2)(i)]:
No zoning changes are planned for the development area. A Traffic Calming planned in conjunction with MDOT (Michigan Department of Transportation) will include the vacation of Cook Street. The right to make any changes is hereby retained.

9. Cost of the Development [Sec. 16(2)(j)]:
The improvements planned for the development are anticipated to cost approximately \$700,000 plus an unknown amount for maintenance of previous projects. All of the anticipated cost will be raised through tax increment financing or other methods allowed by the Act.

10. Person to Whom Development will be Sold [Sec. 16(2)(k)]:
It is possible portions of this project may be sold/leased/conveyed to the City or County of Hillsdale as well as private individuals (natural or corporate).

11. Bidding Procedures for Sale or Lease upon Completion [Sec. 16(2)(l)]:
Bidding procedure will be a RFP (Request for Proposal) process as required by the rules and procedures of the Hillsdale TIFA.

12. Persons to be displaced [Sec. 16 (2)(m)]:
None

13. Relocation Plan [Sec. 16 (2)(n)]:
Not applicable

14. Relocation cost [Sec. 16 (2)(o)]:
Not applicable

15. Compliance Plan [Sec. 16 (2)(p)]:
Not applicable

16. Benefits of The Plan [Sec. 13 (1)(a)]:
The investment of public monies and activity of TIFA is reasonably expected to stimulate economic activity leading to revitalization of the TIFA District including the historic

downtown and National Historic District. Encouraging new businesses and business investment is essential to bring about renewed interest in the downtown as the visible key to economic development within the city as a whole.

17. Captured Assessed Value [Sec. 13(1)(b)]:

For the ten years which the development plan is expected to remain in effect, the following assessed values are expected to be captured above the initial assessed value of \$5,160,201:

<u>Year</u>	<u>Amount Captured</u>
2016	\$4,749,711
2017	\$4,807,481
2018	\$4,865,955
2019	\$4,925,140
2020	\$4,985,044
2021	\$5,045,677
2022	\$5,107,048
2023	\$5,169,165
2024	\$5,232,038
2025	\$5,295,675

18. Estimated Tax Increment Revenues [Sec. 13(1)(c)]:

<u>Year</u>	<u>Tax Revenues</u>
2016	\$110,607
2017	\$111,952
2018	\$113,314
2019	\$114,692
2020	\$116,087
2021	\$117,500
2022	\$118,929
2023	\$120,375
2024	\$121,839
2025	\$123,321

19. Tax Increment Procedure [Sec. 13 (1)(d)]:

The tax increment financing procedure is a method by which a local unit of government can capture tax dollars to apply toward a specific public improvement project. The first step in the procedure is to determine the base year for the purpose of establishing the initial assessed value. Once established, any increases in assessments above this assessed value are "captured". The taxes levied on the increases by all taxing jurisdictions have the authority to levy property taxes within the development area are used to finance designated projects. Once the purpose of the plan has been accomplished, the taxing jurisdictions will then tax on the total assessed value. This procedure is already in place inasmuch as this is an amendment to the original plan.

20. Bonded Indebtedness [Sec. 13 (1)(e)]:

It is anticipated at this time that there will be no bond indebtedness incurred. However, the right to use that funding mechanism as needed is hereby retained.

21. Operating and Planning Expenditures [Sec. 13 (1)(f)]:

It is expected that no funds will be spent by the tax increment finance authority on operating and planning. No advances are anticipated.

22. Cost to Be Paid Through Tax Increment Financing [Sec. 13 (1)(g)]:

It is anticipated that tax increment financing will be used to fully fund all projects provided for in this development plan.

23. Duration of the Plan [Sec. 13 (1)(h)]:

It is anticipated that to finance the development noted in 22 above, the plan will remain in effect for ten (10) years from the date of this amendment.

24. Impact on the Taxing Jurisdictions [Sec. 13 (1) (i)]:

The financial impact on the various taxing jurisdictions per year based on projections for 2016 (first year following amendment) is as follows:

Jurisdiction	Amount	As % of Total Taxes	(Total Taxes)
City of Hillsdale	\$75,593	2.53	\$2,254,826.08
Hillsdale County	\$35,015	.39	\$9,642,152.10