



## TIF & Development Plan

**Effective Date May 27, 2014**

## **I. Purpose of the Development and Tax Increment Financing Plans**

The enabling ordinance, by which the Village Council of the Village of Ortonville created a Downtown Development Authority (DDA) under P.A. 197 of 1976, as amended, is Ordinance No. 32. The ordinance authorizes the creation of the DDA and sets further the district boundaries within which the Authority has jurisdiction.

In compliance with P.A., 197 of 1975, and the enabling Ordinance, the Village Council has appointed a Downtown Development Authority Board as the managing entity for development and financing activities within this district.

It is the purpose of the Development Plan and the Tax Increment Financing Plan to establish a legal basis for the capture and expenditure of tax increment revenues in encouraging private investment in specific development areas through the provision of public improvements.

The Downtown Development Authority Area District, in general, includes the downtown business district of the Village, the intersection of South Street, Ortonville Road (M-15) and Granger Road with surrounding commercial properties. A formal legal description of the district is provided in the appropriate section.

The Development Plan and the Tax Increment Financing Plan are two separate plans as required by Act 197. They are presented here as one document. Common elements are contained in appendices and are referenced in both plans.

The following events make it necessary to amend the Development Plan and Tax Increment Financing Plan:

1. The original Tax Increment Financing Plan is due to expire on December 2016.
2. The Development Plan needs to be updated to reflect projects and organizational structure as described in the Village of Ortonville Master Plan and the Ortonville DDA Strategic Plan.

## II. History of the Downtown Development Authority

The Village of Ortonville established the Downtown Development Authority on May 12, 1986 via Ordinance No. 44, later updated to Ordinance 32. The plan was updated by Ordinance No. 59 on November 28, 1994.

In all of these plans the development area was identified as the entire DDA district. Projects that the DDA has provided funding for over the years include:

- Construction of signs directing traffic to the downtown.
- Preparation of the Ortonville Plan and the Ortonville Master Plan.
- Rehabilitation of the Old Mill property and expansion and landscaping of the grounds.
- Streetscape improvements in the public right of way, including trees, pedestrian lighting, trash receptacles, benches and flower planters.
- Construction and maintenance of new sidewalk.
- Construction and reconstruction of roads.
- Construction of new parking facilities.
- Commercial redevelopment of the post office as a commercial building.
- A comprehensive review of all zoning ordinances which impact development in the downtown area.
- Improvements to Crossman Park including a new pavilion, electricity, landscaping, and maintenance of playground and equipment.
- Heritage Garden and Native Landscape Gardens near Kearsley Creek.
- Streetscape lighting, landscaping, and seasonal decorations.
- Became a National Main Street Community in 2004. Have been nationally accredited for eight years.

### III. Downtown Development Authority Organizational/Administrative/Legislative Structure

Functioning as an independent revitalization arm of the Village of Ortonville, the DDA must fulfill a number of legislated and administrative mandates/expectations in order to ensure effective management implementation. From the parliamentary procedures of its executive board to its informal interactions with the local business community, the DDA and its network of administrators and volunteers must cultivate and sustain a dynamic and receptive organizational structure. Successful Downtown enhancement efforts are founded on partnerships between the public, business, non-profit, and residential stakeholders. By embracing a shared vision, collaborative efforts between DDA leadership and constituents from all sectors will provide a strong and persistent voice needed for revitalization to occur. The following section will highlight the roles and responsibilities of the fundamental network of stakeholders and boards needed to fortify the operations of the DDA.

**Ortonville Village Council:** The Village of Ortonville Village Council is an instrumental partner in the continued success of the DDA. It is imperative that the DDA and Village Council work collectively to ensure that all physical, community, and economic development efforts are integrated into the daily operations and expectations of the Village as a whole. All plans, policies, and projects undertaken by the DDA must be in accordance with Village codes and ordinances. A harmonious relationship between the Village Council and the DDA will provide greater opportunity for partnerships which will undoubtedly lead to greater successes for the DDA and the great community.

#### **Downtown Development Authority Board and Subcommittees:**

1. **Ortonville Downtown Development Authority Board of Directors:** The Ortonville Downtown Development Authority Board of Directors must be the lead entity in spearheading the future physical, community and economic development of the DDA. As the leader of the downtown revitalization, the DDA Board must unite all vested stakeholders and get everyone working toward the same goal by assembling the appropriate human and financial resources of the fundamental organizational structure of the volunteer-driven program. Using the Main Street 4-point system, the workload is divided and clearly delineates

responsibilities, but also builds consensus and cooperation among the various stakeholders.

2. **Design Committee:** The Design Committee enhances the overall character of the Downtown through physical change. An inviting atmosphere, created through attractive window displays, parking a positive visual message about the commercial district and what it has to offer. Design activities also include instilling good maintenance practices in the commercial district, enhancing the physical appearance of the commercial district by rehabilitating historic buildings, encouraging appropriate new construction, developing sensitive design management systems, and long-term planning.
3. **Economic Restructuring Committee:** The Economic Restructuring committee strengthens a community's existing economic assets while expanding and diversifying its economic base. The focal point of the committee should be to sharpen the competitiveness of existing business owners and recruit compatible new businesses and new economic used to build a commercial district that responds to today's consumers' needs. Converting unused or underused commercial space into economically productive property also helps boost the profitability of the district.
4. **Promotions Committee:** There is a necessity to re-establish the downtown as the social core of the community and strengthen the downtown's image. The promotions committee is established to sell the positive image of the commercial district and encourages consumers and investors to live, work, shop, play and invest in the Downtown district. By marketing a district's unique characteristics to residents, investors, business owners and visitors, an effective promotional strategy forges a positive image through advertising, retail promotional activity, special events, and marketing campaigns carried out by local volunteers. These activities improve consumer and investor confidence in the district and encourage commercial activity and investment in the area.
5. **Organization Committee:** The Organization Committee plays a key role in keeping the board, committees, staff, and program-of-work in good shape by attracting people and money to the organization. They do this by raising money for projects & administration from donations & sponsorships; Managing staff & volunteers by recruiting people, supervising them, and rewarding good work; and by promoting the program to downtown interests & the public.

**Full-time DDA Director:** A Full-time DDA Director assists the DDA in the implementation of the Strategic Plan and future development undertakings. This individual is instrumental in the continued physical and economic transformation of the DDA. Primarily, this individual facilitates the implementation of the Strategic Plan. Beyond the Strategic Plan, the DDA Director acts as an ambassador to existing and potential businesses/ investors. As the direct contact person for DDA operations this type of position assists the DDA in unifying all its efforts and establishing a systematic and structured approach to DDA Activities.

## IV. General Development Plan (Overview and Summary)

- To encourage the development of the commercial facilities based upon a realistic determination of market potential.
- To promote the development of a sanitary sewer system within the downtown alleviating existing septic problems and facilitating commercial expansion.
- To encourage the maintenance of historic Village Center commercial structures.
- To create an attractive shopper environment including pedestrian circulation, landscaping, façade improvements and other amenities.
- To minimize conflicts between commercial areas and adjoining incompatible properties through the use of landscape borders and screen walls.
- To improve non-motorized transportation in the Village, connecting outlying areas to the downtown area with pathways on existing Village property and right of ways.
- To improve the system of roads in the Village, encouraging shopping traffic into the downtown and correcting existing hazardous intersections.
- To strengthen the visual and historic image of the downtown through marketing and promotion of the Old Mill historic campus.
- To provide adequate off street parking.
- To coordinate the efforts of area organizations, agencies, interest groups and governmental bodies to leverage the greatest benefit for the development area.

*A number of projects are identified in the plan. Estimated costs reflect project, annual and on-going expenses. Among these projects are public improvements, private development, joint public-private development efforts, and DDA Promotional activities. By category, they are:*

<u>Public Improvements</u> <i>*including ongoing maintenance</i>	<u>Estimated Cost</u>
1. Old Mill Renovations	\$30,000
2. Old Town Hall Renovations	\$60,000
3. CreekSide Linear Park	\$100,000

4. Trail System, Walkability	\$25,000
5. Streetscape Updates	\$25,000
6. South Street Covered Bridge	\$20,000
7. Streetscape Improvements: Lights, Sidewalks, Streets, Landscaping	\$5,000
8. Historic Building Maintenance	\$10,000
9. Walkability Maintenance	\$5,000
10. Sewer & Water (Within DDA District)	\$500,000

<u>DDA Economic Restructuring Activities</u>	<u>Estimated Cost</u>
1. Acquire Prime Retail Property	\$100,000

<u>DDA Design Activities</u>	<u>Estimated Cost</u>
1. Reimbursement Grants for Building Improvements	\$15,000

<u>DDA Promotional Activities</u>	<u>Estimated Cost</u>
1. CreekFest	\$5,000
2. Beets, Beats, and Eats Farmers Market	\$5,000
3. Halloween in the Village	\$5,000
4. Christmas in the Village	\$5,000



<u>DDA Organizational Activities</u>	<u>Estimated Cost</u>
1. Staff, 2 pp	\$48,000
2. General Administrative Costs	\$15,000

## **V. Duration of the Program**

The duration of the tax increment financing plan is being extended for an added twenty one years, from adoption of the proposed changes by the Village Council in May 2014 and ending May 2035. If repayment of any future bonds issued by the Authority has not been completed by 2035, the Development Plan will be automatically extended until the bonds have been retired.

## VILLAGE OF ORTONVILLE

### RESOLUTION OF THE VILLAGE COUNCIL TO APPROVE THE AMENDED TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN

At a meeting of the Village Council of the Village of Ortonville, Michigan, held on May 27, 2014 at 7:00pm, prevailing local time.

**PRESENT:** Waters, Skornicka, Eschmann, Baker, Wills, Peters

**ABSENT:** McClerren (with notice)

**Whereas**, the Village of Ortonville (the "Village") is authorized by the provisions of Act 197, Public Acts of Michigan, 1975, as amended ("Act 197"), to create a Downtown Development Tax Increment Finance Authority; and

**Whereas**, the Village Council of the Village has determined that it is in the best interest of the Village and the Village has duly established the Downtown Development Tax Increment Finance Authority (the "Authority") which exercises its power within the Downtown Tax Increment Finance Authority District (the "District") heretofore designated by the Village Council; and

**Whereas**, Act 197 provides that when the Authority determines that it is necessary to achieve the purposes of said Act, the Authority shall prepare and submit to the Ortonville Village Council a tax increment financing plan which shall include a development plan; and

**Whereas**, the Authority adopted the DDA Tax Increment Finance and Development Plan for the Downtown Development District in 1986 (Downtown); and

**Whereas**, in accordance with the provision of Act 197, the Authority has prepared and submitted to the Village Council for approval amendment to the Downtown Plan; and

**Whereas**, at least 20 days before the public hearing, the Village provided notice to and fully informed the taxing jurisdiction about the fiscal and economic implications of the proposed plan;

**Whereas**, as a result of its review of the fiscal and economic implication, and upon consideration of the views and recommendations of the taxing jurisdiction, the Ortonville Village Council desires to proceed with the adoption of the plan; and

**Whereas**, in accordance with the provisions of Act 197, the Village has determined that there are less than 100 residents within the proposed development area of the Downtown Plan, and there is no requirement to form a development area citizens council; and

**Whereas**, the Village Council has conducted a public hearing May 27, 2014 in connection with the consideration of the proposed Plan Amendment as required by Public Act 197, as amended;

**Public Hearing Opened:** President Wills called the meeting to order at 6:33 p.m.

**Public Hearing Closed:** Motion by Trustee Waters, seconded by Trustee Baker, to adjourn Public Hearing. All in favor, the Motion carried. Meeting adjourned at 7:00 p.m.

**Now Therefore Be It Resolved** that the Village Council of the Village of Ortonville has determined that the amended Downtown Tax Increment Finance and Development Plan meets all of the requirements as specified in Public Act 197, and that the plan constitutes a public purpose under the act;

**Motion** by **Trustee Eschmann**, seconded by **Trustee Waters**, to approve the Amended Tax Increment Financing Plan and Development Plan Resolution, extending the DDA through 2035 – set to expire 2016.

**Roll Call:**

**Ayes:** Waters, Baker, Peters, Skornicka, Eschmann, Wills

**Nays:** None

**Absent:** McClerren (with notice)

The President of the Village of Ortonville, Wayne Wills declared the resolution adopted.