



2021 Development Plan and Tax Increment Financing Plan

Downtown Development Authority, City of Tecumseh, Michigan

ADOPTED DECEMBER 6, 2021



2021 Development Plan and Tax Increment Financing Plan

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Downtown Development Authority (DDA)
City of Tecumseh
Lenawee County, Michigan

Recommended by the Downtown Development Authority (DDA): July 8, 2021
Adopted by the Tecumseh City Council: December 6, 2021

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Acknowledgements

The participation and cooperation of residents, members of the business community, community stakeholders, and agency leaders in preparation of the Tecumseh 2021 Downtown Development and Tax Increment Financing (TIF) Plan is greatly appreciated. We send a sincere “thank you” to everyone who participated in its development.

In particular, we acknowledge the efforts of:

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This Development and TIF Plan contains the information required by Sections 125.4214 and 125.4217 of Public Act 57 of 2018, the Recodified Tax Increment Financing Act.

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Introduction

Purpose of the Plan

The purpose of this Development Plan and Tax Increment Financing (TIF) Plan is to provide for the acquisition, construction, and financing of the necessary street, sidewalk, lighting, streetscaping, parking, leisure, recreational, and other facilities in Tecumseh’s Downtown District. The 2021 Development Plan and TIF Plan are anticipated to carry out the objectives of the Downtown Development Authority (DDA) so as to prevent any deterioration of the Downtown District while promoting economic growth, which is to the benefit of all taxing jurisdictions located within and benefitted by the Downtown District.

Public Act 197 of 1975, the Downtown Development Authority Act, has been one of the most successful tools to facilitate reinvestment and the boom in popularity of downtowns. With over 40 years of success, hundreds of DDAs in Michigan have been established to revive declining downtowns. While Public Act 57 of 2018 replaced the DDA Act, the entity, along with its powers and duties, remains. All the powers and duties are given by P.A. 57 of 2018 and are excerpted below:

An ACT to provide for the recodification and establishment of certain tax increment finance authorities; to prescribe the powers and duties of the authorities; to correct and prevent deterioration in residential, commercial, and industrial areas and certain other areas; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas; to promote residential and economic growth; to create certain boards; to prescribe the powers and duties of certain boards; to authorize the issuance of bonds and other evidences of indebtedness; to levy certain taxes; to authorize the use of tax increment financing; to prescribe powers and duties of certain state officials; to provide for rule promulgation; to provide for enforcement of this act; and to repeal acts and parts of acts.

The DDA wishes to attract and stimulate additional investment in the development area as well as maintain and nurture existing businesses and partnerships. As such, this Plan includes marketing, economic development, organizational, and planning and design projects to stimulate investment in the District.

As required by P.A. 57 of 2018, the Tecumseh Downtown Development Authority has prepared this Development and Tax Increment Financing Plan to guide the continued development of the Downtown District. It is the purpose of this Development and TIF Plan to establish the legal basis and procedure for the capture and expenditure of tax increment revenues in accordance with P.A. 57 of 2018, for the purpose of stimulating and encouraging private investment.

Overview of Tecumseh's DDA

The City of Tecumseh's Downtown Development Authority (DDA) was established in August 1981. Around that time, the City of Tecumseh DDA and City Council adopted the 1984 DDA and Tax Increment Financing (TIF) Plan, which outlines the goals, objectives, and specific projects designed to enhance the Downtown within both short-term and long-term schedules.

The TIF component of the 1984 Plan identifies the amount of tax capture revenue projected over a 30-year time span for properties located within the designated DDA Boundary. TIF revenue can be expended on projects located within a specified boundary, known as the Development Area.

The 1984 DDA and TIF Plan describes the Development Area Boundary as centering around Chicago Boulevard, including one block south to Pottawatamie Street and one block north to Logan Street. The western boundary was Pearl Street, and the eastern boundary was Ottawa Street.

After several years, the DDA updated the DDA and TIF Plan, which was adopted in May 1992. Most notably, this updated Plan describes the expansion of the DDA Boundary and the Development Area Boundary, which are still utilized and recognized today.

In general, the Development Area includes the city's Downtown Core and immediately-adjacent areas. More specifically, the DDA's designated Development Area includes lots on both the north side and south side of Chicago Boulevard, from just west of Pearl Street to just east of Wyandotte Street. The northernmost boundary of the Development Area stretches to Bidwell Street, and the southernmost boundary reaches to Pottawatamie Street.

Since the organization of the DDA in 1981, the City of Tecumseh's DDA consists of up to 12 members, including the Mayor, Tecumseh residents, and at least 7 members having interest in property located within the downtown district.

Over the last 30 years, Tecumseh's DDA has achieved noteworthy and substantial success in marketing Downtown Tecumseh as a regional destination for all residents and visitors to enjoy.

A Brief History of Tecumseh

Located in the northeast portion of Lenawee County, Michigan, the City of Tecumseh has made a name for itself as a popular regional destination for thousands of visitors each year. The City is well-suited for tourism from nearby larger cities such as Ann Arbor, Michigan and Toledo, Ohio, for a unique experience of a historic small-town setting and traditional architecture.

In general, Lenawee County is situated on the southeast side of Michigan, bordering the state of Ohio. Lenawee County is located approximately 35 miles northwest of the City of Toledo, Ohio, and approximately 75 miles southwest of the City of Detroit. The County was established in 1822 from a portion of Monroe County.

The initial boundaries for the City of Tecumseh were drawn in approximately 1822 when the County was founded. Tecumseh became the county's first settled area in May of 1824, where it remained as the Lenawee County seat until 1837.

The City of Tecumseh also has several unique aspects in its history, being the site of the first house built in Lenawee County, the burial site of General Custer's horse, and home to the most millionaires per capita of any city in the United States (for a period of time).

Further, it should also be noted the city's connection to Native American culture and heritage. The city is named after the Shawnee Chief Tecumseh, who is among one of the most celebrated Native American leaders in history for his career as a warrior chief.

Today, Tecumseh boasts a prevalent historic presence in the region, with detailed historic building facades, the historic depot (originally known as the Tecumseh Junction Depot constructed in the 1800s), historic homes, a historical museum, and other notable structures. The City has 11 sites registered with the National Register of Historic Places.

• VISION STATEMENT •

*A place filled with our friends
and neighbors, who have decided
to craft a life inside the walls
of historic buildings in the
heart of the City.*

DDA Goals and Objectives

Goals are general in nature and are statements of ideals. Goals represent the values and environment that the community views as important to protect. Objectives, in contrast, are more specific and are intended to provide a strategy for achieving the goals.

Together, the goals and objectives provide the foundation for the DDA's Development Plan and framework for implementation.

01

Goal: Building Place. Utilize the DDA resources to plan, design, and construct innovative places in Downtown Tecumseh that beautify, complement, enhance, and preserve its robust historical architectural charm.

Objectives:

- **Development Assistance:** Advance programs and partnerships that foster redevelopment of underperforming sites, adaptive reuse of significant structures, and strategic upgrades to contributing resources within downtown and surrounding neighborhoods.
- **Streetscape Improvements:** Work to update, reimagine, and reinvest in the Chicago corridor and Evans corridor streetscapes through a series of strategic improvements and larger partnerships to evaluate and fund district-wide reconstruction efforts.
- **Mobility Improvements:** Invest in new mobility infrastructure, bike system improvements, and pedestrian enhancements that connect Tecumseh residents to downtown and other City resources, like parks, cultural institutions, and businesses.

02

Goal: Building Community. Foster community-wide efforts that promote Downtown Tecumseh as a regional landmark for significant community events and cultural institutions.

Objectives:

- **Amenities and Culture:** Foster the growing spirit of Tecumseh's cultural heritage through support of the arts, creation of public space, and sponsorship of public events.
- **Diversity, Equity, and Inclusion:** Ensure the downtown community welcomes all people and promotes the spirit of diversity through elevating young voices and creating opportunities for people of all races, abilities, and cultures to visit, live, and start businesses in Tecumseh.
- **Public Programming:** Ensure that public infrastructure and utilities are provided to support community growth through both parks system needs assessments and event resources, like stages, shelters, bathrooms, power, and storage for movable equipment in the downtown area.

03

Goal: Building Organization. Work with City, private, and nonprofit organizations that do business in and around downtown to assess capacity needs and partner to ensure sustainable growth.

Objectives:

- **Youth Programming:** Recognize the value of Tecumseh's next generation through continued partnership with youth organizations to implement and further develop downtown programs.
- **Technical Assistance:** Continue to provide businesses and community members with technical assistance to build capacity and resources available to Tecumseh businesses and residents.

04

Goal: Building Business. Encourage the highest and best use of property and tenant spaces in Downtown Tecumseh through coordinated development processes, business assistance programs, and strategic acquisition and redevelopment partnership.

Objectives:

- **Business Assistance:** Provide resources and guidance to businesses on how best to interact with the public realm to ensure consistency, equity, and uniformity in the district.
- **Business Attraction:** Continue to develop and deploy economic development, marketing, and regional outreach strategies to secure Tecumseh's spot as the premier Lenawee County downtown for prospective businesses to site and grow an entrepreneurial vision.



Development Plan

Designation of Boundaries of the Development Area

Reference to P.A. 57 of 2018: Section 125.4217(2)(a)

A Development Area encapsulates the area, within the Downtown District established by the DDA, for proposed future development that will be guided by a development plan and financed through tax increment financing.

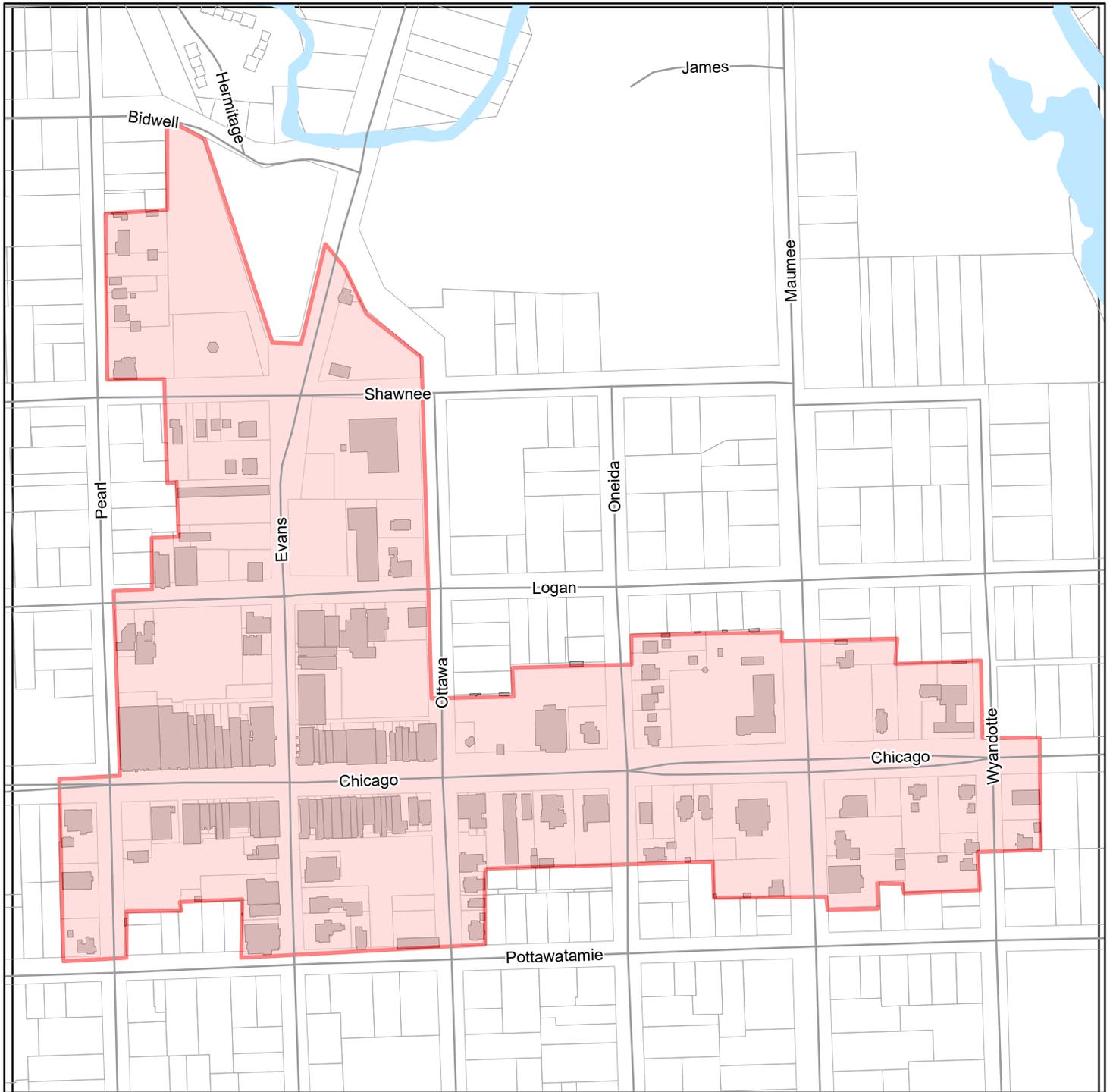
Tecumseh's Development Area generally includes the City's Downtown Core and immediately adjacent areas. More specifically, the DDA's designated Development Area includes lots on both the north side and south side of Chicago Boulevard, from just west of Pearl Street to just east of Wyandotte Street. The northernmost boundary of the Development Area stretches to Bidwell Street, and the southernmost boundary reaches to Pottawatamie Street.

Map 1: Development Area on the following page shows the boundaries of the DDA District.

Legal Description of the Development Area

Reference to P.A. 57 of 2018: Section 125.4217(2)(b)

The legal description of the Development Area boundary is contained in Appendix A, as provided by the City of Tecumseh.



DDA Boundary

City of Tecumseh, Michigan

April 1, 2021

LEGEND

-  Building Footprints
-  DDA Boundary
-  Bodies of Water



Basemap Source: Michigan Center for Geographic Information, v. 17a. Data Source: County of Tecumseh 2020. McKenna 2021.

Location and Extent of Existing Streets and Other Public Facilities Within the Development Area; And the Location, Character and Extent of Existing Public and Private Land Uses

Reference to P.A. 57 of 2018: Section 125.4217(2)(b)

Existing land uses in the Development Area are shown on Map 2: Existing Land Use, and are classified based on City, County, and Google Earth data.

The Existing Land Uses within the DDA Boundary are largely commercial in nature, with a variety of retail, entertainment, and restaurant establishments in mixed-use buildings. Further, within the DDA Boundary, there is a notable amount of public/semi-public land uses encompassing downtown parking lots, City Hall, the post office, and other municipal buildings. Lastly, the DDA Boundary encompasses residential land uses as well as office and recreation land uses as well.

Within the DDA Boundary, a breakdown of the existing land uses is included in the table below.

Table 1: Existing Land Uses Within the Development Area

Existing Land Use Type	Approx. Percentage of Development Area
Residential (single-family homes)	20.9%
Commercial (includes single-use retail, restaurant, and office buildings)	24.5%
Mixed-Use (includes buildings in Downtown Core with ground floor retail and upper floor residential units of office)	11.7%
Industrial	1.0%
Public/Semi-Public (includes City buildings, parking lots, other government buildings, and parks)	41.1%
Vacant Lot	0.9%

RESIDENTIAL USES

Residential uses are categorized by three (3) different housing typologies:

- Single Family Residential:** This classification includes parcels with one-family, detached homes.
- Two Family Residential:** This classification includes improved single land parcels with attached, single family structures. These are typically single-family homes that have been converted into rental units and are randomly located within single family neighborhoods.
- Multiple Family Housing:** Multiple family uses consist primarily of apartment buildings, however, there are several areas in the community where single-family homes have been transformed into multiple family units.

COMMERCIAL USES

Tecumseh's Development Area is home to a variety of commercial businesses that can be subclassified into multiple commercial uses.

1. **Single-Use Retail:** This classification includes all retail businesses within the Development Area in which retail is the only dedicated use located on the site. Primarily, the single-use retail classification includes single-story retail businesses located on the immediate fringes of the Downtown Core.
2. **Single-Use Restaurant/Entertainment:** This classification within the commercial designation includes sites in which a bar or restaurant is the sole dedicated use on site.
3. **Single-Use Office:** Also located primarily on the fringes of the Downtown Core, the single-use office classification includes all single-story buildings in which an office is the sole land use located on the site.

MIXED-USES

Tecumseh's Development Area also includes a variety of mixed-use development located primarily within the Downtown Core. The mixed-use land uses greatly contribute to the Development Area's downtown historic charm and context. For the purposes of this analysis, the mixed-use classification is subclassified into several different types of mixed-uses:

1. **Mixed-Use Retail:** This subclassification includes all the sites within the Development Area, particularly within the Downtown Core, that include ground floor retail businesses with upper floor residential dwelling units or offices. Most of the sites classified as mixed-use fall within this subclassification.
2. **Mixed-Use Office:** Within the Development Area, several sites are subclassified as mixed-use office. These lots are located within the Downtown Core and include businesses with ground floor office space with upper floor residential dwelling units.
3. **Mixed-Use Restaurant/Entertainment:** Lastly, the Development Area consists of mixed-use developments with ground floor bars or restaurants and upper floor residential dwelling units or office space. This land use subclassification is primarily located within the Downtown Core, on both the north and south sides of Chicago Boulevard.

INDUSTRIAL USES

This classification includes all improved parcels used for industrial activities. The only site included in this designation is located on the north side of Logan Street, just west of Ottawa Street. However, it should be noted that the site is currently zoned B-2, Downtown Edge. As such, it is possible that the industrial property may change land uses throughout the duration of this Plan.

PUBLIC/SEMI-PUBLIC USES

Public and semi-public land uses include government and municipal buildings and facilities such as the Tecumseh City Hall, Tecumseh Public Library, Tecumseh Area Museum, and the post office. Additionally, the Public/Semi-Public designation includes City-owned parking lots located within the Development Area. Lastly, this existing land use designation encompasses parkland and outdoor recreation uses such as the Hotrum Promenade Park. It should also be noted that the Public/Semi-Public classification includes the existing rail corridor on the east side of Evans Street.

VACANT LAND

Vacant land includes all parcels which have no apparent use at the time of the survey or are undeveloped. Currently, the Development Area has two vacant lots, the first located at the southeast corner of Chicago Boulevard and Pearl Street, and the second located on the south side of Chicago Boulevard, just east of Maumee Street.

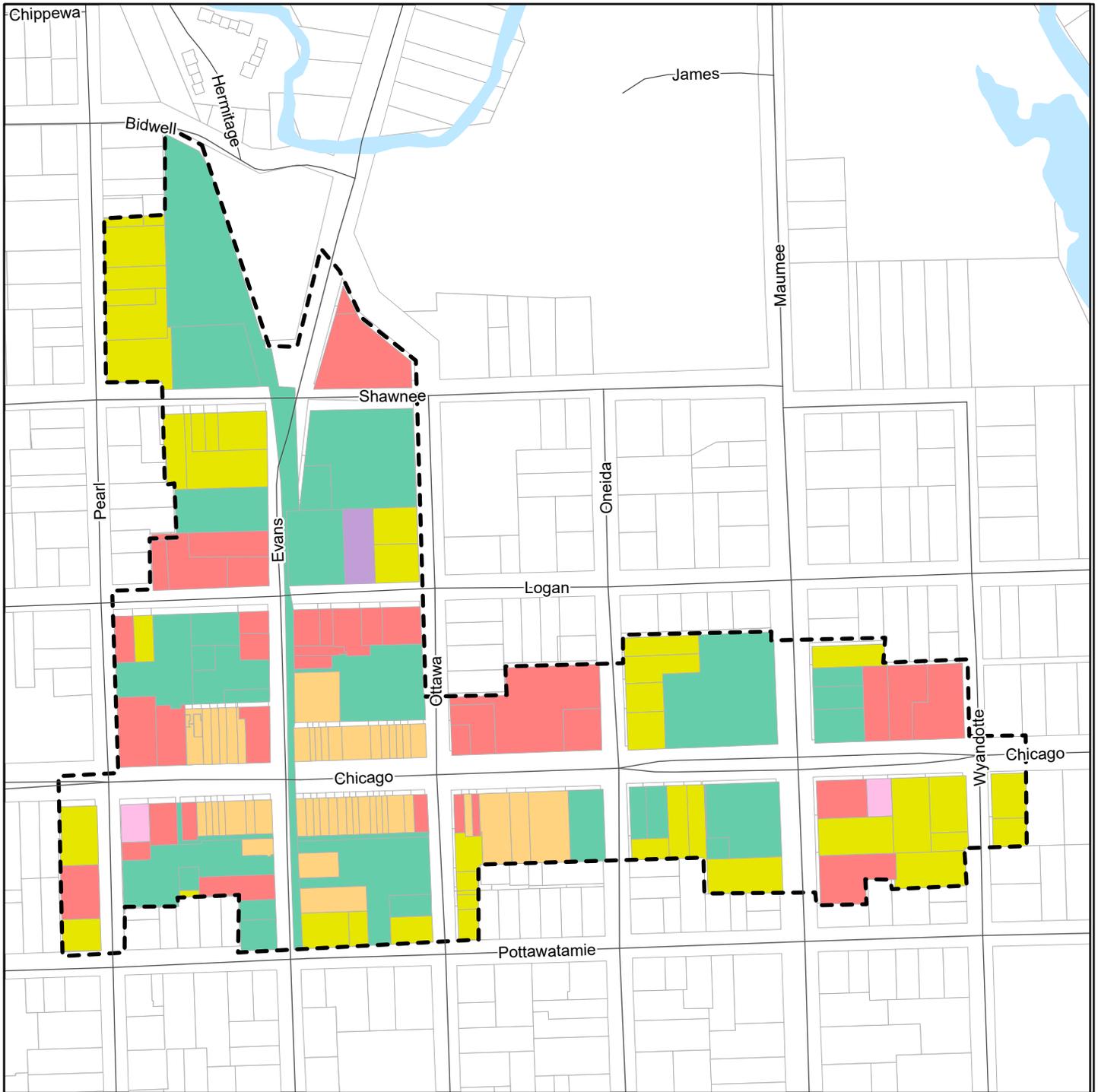
Streets and Other Public Facilities

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(B)

There are a few parcels dedicated to the railroad rights-of-way within the Development Area, in addition to street rights-of-way, alleys, or easements.

Public streets within the Development Area include portions of the following:

- Shawnee Street
- Bidwell Street
- North Evans Street
- South Evans Street
- West Logan Street
- East Logan Street
- North Ottawa Street
- South Ottawa Street
- West Chicago Boulevard
- East Chicago Boulevard
- North Oneida Street
- South Oneida Street
- North Maumee Street
- South Maumee Street
- North Pearl Street
- South Pearl Street
- West Pottawatamie Street
- South Wyandotte Street



Existing Land Use

City of Tecumseh, Michigan

April 1, 2021

LEGEND

- Residential
- Commercial / Office
- Mixed-Use
- Industrial
- Public / Semi-Public
- Vacant Lot
- Bodies of Water
- DDA Boundary



Basemap Source: Michigan Center for Geographic Information, v. 17a. Data Source: County of Tecumseh 2020. McKenna 2021.



Location and Extent of Proposed Public and Private Land Uses

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(B)

Proposed land uses for the Development Area are generally consistent with those in the City Comprehensive Plan. Mixed-use developments, entertainment opportunities, public spaces, and contemporary upgrades to make the downtown a more desirable, walkable, and attractive district are envisioned. It is the intent of this Plan that all potential land use changes are contingent upon agreement between the property owner, DDA, City of Tecumseh, and the Tecumseh Planning Commission. Redevelopment must also be considered within the context of the City's Comprehensive Plan and zoning regulations to further the DDA's adopted goals.

Existing Improvements in the Development Area to be Demolished, Repaired or Altered, and Time Required for Completion

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(C)

The implementation projects detailed in Table 2 are anticipated to be accomplished over the next 20 years and further the priorities of the DDA.

Table 2 identifies many possible public improvement projects. The DDA may assist with renovation, alteration, and repair of existing public improvements such as public roads and utility facilities within the Development Area boundaries; assistance with construction of public infrastructure, utilities, and drainage improvements; landscaping, lighting, sidewalks, open space, and streetscape enhancements; installation of public art; construction of new improvements, such as the addition of sidewalks and bike paths; repair/upgrading and installation of street lights; and public transportation facilities. Improvements will be located throughout the Development Area, along the road corridors, at the focal intersections and gateways, or on publicly owned or controlled sites.

The full extent of demolition, repair, or alternation of existing improvements is not yet known since design plans have not been completed for the various projects. Demolition, repair, construction, enhancement, and/or replacement of existing infrastructure is likely as part of the various projects, including sidewalks, curbing, pavement, above- and below-ground utilities, decorative walls, fencing, and others. Replacement of landscaping, public signs, lighting, and other projects may require demolition, removal, repair, or alteration to the existing conditions. Further, redevelopment of privately owned sites may be assisted, on a case-by-case basis, consistent with the priorities and procedures in this Plan, and only as permitted under PA 57 of 2018.

The projects listed in Table 2 below have been identified as a result of a robust public engagement process that includes:

- Strategic working session with the DDA Board and City Staff;
- Online survey administered to the public; and
- Roundtable discussions with Development Area stakeholders.

Location, Extent, Character, and Estimated Cost of Improvements and Stages of Construction Planned

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(E)

The Tecumseh DDA plans a variety of projects over the next 20 years that will help make the downtown district into a more special and distinctive place, such as improving public infrastructure, enhancing streetscapes, and placing special emphasis on public gathering spaces and other amenities, as well as implementing projects that more directly lead to new private business investment and tax base increase.

The location, extent, character, and estimated cost of the improvements, including rehabilitation, contemplated for the Development Area and an estimate of the time required for completion are listed in Table 2: Planned Projects within the Development Area. Generally, the projects described in Table 2 will be undertaken over a period of one (1) to 20 years and are proposed to remain flexible to permit the DDA to respond to private interest when said interest is expressed and as funding and land opportunities become available. The sequence of timing for implementing the recommendations of this Plan are also flexible to allow the DDA to take advantage of funding and other opportunities which may arise.

As anticipated, the implementation projects in Table 2 are grouped into the following three (3) phases:

- Phase 1: 2022 – 2026
- Phase 2: 2027 – 2031
- Phase 3: 2032 – 2041

This phasing is based on several factors, including input from the DDA Board members, expected timing of tax increment revenues, opportunities to promote jobs and economic development, the availability of other related investments and funding, the relative speed with which various projects are likely to be accomplished, and potential collaboration and partnerships, along with the benefits and value of each to the community. It should be noted that while each project is assigned a phase and estimated timing for budget and planning purposes, the projects in Phase 1 may be expedited in Phase 1, may continue into Phases 2 or 3, or may not begin until Phase 2 or 3, and those in Phase 2 or 3 may begin sooner. Overall, the projects within each phase are not mutually exclusive to one phase or another.

Cost estimates for projects in Table 2 are very preliminary as the extent of these projects is not yet known, construction/engineering drawings have not been completed, and therefore costs are presented as general budget estimates or with costs to be determined and in current 2021 dollars. Actual costs may increase or decrease based on changes, opportunities to maximize return, or factors that are unknown today. Specific plans and refined cost estimates will be completed and approved prior to the initiation of each project.

Funding will be obtained from a variety of sources. The amount of tax increment revenue generated will increase as property values increase due to development and reinvestment. Important outside funding sources may include federal and state grants (which may include but are not limited to CDBG, MDOT, Michigan Economic Development Corporation, Michigan State Housing Development Authority); private donations; City funds; and additional sources consistent with PA 57 of 2018, to be determined. The DDA intends to leverage its TIF dollars with other funding sources to the maximum extent practicable to achieve its goals.

Table 2: Planned Projects Within the Development Area

Goal	Objective	Project Name	Brief Project Description	Estimated Cost
Phase 1: 2022 – 2026				
Building Community	Amenities and Culture	Event or Gathering Space	<ul style="list-style-type: none"> Determine a property or outdoor space within short walking distance of downtown to hold public events. Acquire the property or space to plan outdoor gatherings. Evaluate existing parks and programming to determine community needs in the downtown area. Plan for and establish a new public park or programming for existing parks, potentially at Lenawee Fuels site or other candidate sites. Create a welcoming and attractive gathering space for public events. 	\$1,600,000
		Public Art	<ul style="list-style-type: none"> Partner with local artists or schools to engage in public art displays such as large murals on open-facing walls, social walls, painted electrical boxes, street furniture, and more. Utilize public art in wall breaks such as the installation located between Muk’s and Galaxi Salon on Evans Street. 	\$15,000
		Public Events	<ul style="list-style-type: none"> Plan and host more seasonal outdoor events to take place in the Development Area (including winter events and activities). 	\$25,000
	Public Programming	Public Restrooms	<ul style="list-style-type: none"> Evaluate needs and construct or lease public restroom(s) in strategic locations within the Development Area. 	\$250,000
	Wayfinding Signage	Streetscape Improvements	<ul style="list-style-type: none"> Hire a marketing or graphic design team to develop branding specific to Downtown Tecumseh. Determine the areas best suited for wayfinding signage locations, such as near parking lots, the Farmers Market, municipal buildings, and elsewhere. Implement downtown wayfinding signage 	\$300,000
Building Places	Development Assistance	Vacant Lot Development	<ul style="list-style-type: none"> Determine the highest and best use for the vacant lot located on the northeast corner of Evans Street and Logan Street. Acquire the property and develop for a mix of uses, including potentially a larger gathering space with part of the site marketed for sale to a developer. 	\$400,000
	Streetscape Improvements	Enhanced Landscaping	<ul style="list-style-type: none"> Develop a maintenance plan and schedule for planter boxes, parking lot landscaping, and street trees. Routinely trim and maintain the street trees so patrons can see store names and building facades. 	\$15,000
	Streetscape Improvements	Chicago Corridor Streetscape	<ul style="list-style-type: none"> Continue local and regional partnerships to implement the “road diet” for Chicago Boulevard. Enhance and update the Chicago Corridor streetscape (decorative lamp posts, banners, hanging baskets, fencing, landscaping, bike lanes, on-street parking, etc.). 	\$1,000,000
	Mobility Improvements	Bike Racks	<ul style="list-style-type: none"> Strategically purchase and locate multiple bike racks in the city to promote bikeability. Select multiple locations surrounding Hotrum Promenade Park and consider about 1-2 bike racks on every block on both sides of the street. 	\$20,000

Goal	Objective	Project Name	Brief Project Description	Estimated Cost
Phase 1: 2022 – 2026				
Building Places	Development Assistance	Façade Improvement Program (\$15,000/year)	<ul style="list-style-type: none"> Develop a set checklist and guidelines for the administration of the DDA's façade improvement program. Administer the façade improvement program and streamline the application review process. 	\$60,000
Building Business	Business Assistance	Outdoor Dining	<ul style="list-style-type: none"> Determine applicable locations for outdoor dining areas. Assist restaurant owners in purchasing outdoor dining equipment. 	\$60,000
Building Organizations	Youth Programming	Youth Engagement Program	<ul style="list-style-type: none"> Nurture partnerships with Tecumseh schools and/or Lenawee Youth Council to determine youth-oriented projects, programs, and events to hold downtown. Develop and implement youth-oriented projects, programs, or events to increase entertainment opportunities for youth and teens. 	\$15,000
All		Other projects consistent with this Plan	<ul style="list-style-type: none"> TBD 	TBD
Total Phase 1 Project Costs:				\$3,760,000

Goal	Objective	Project Name	Brief Project Description	Estimated Cost
Phase 2: 2027 – 2031				
Building Community	Streetscape Improvements	Evans Corridor	<ul style="list-style-type: none"> Design and facilitate reconstruction of the South and North Evans corridor streetscape to incorporate the railway, landscaping, and pedestrian elements. 	\$6,000,000
	Streetscape Improvements	Downtown Gateways	<ul style="list-style-type: none"> Determine the best locations for downtown gateways, such as City owned properties, near high volume intersections, in front of popular destinations, etc. Develop roadside signage indicating entry into the historic downtown. Develop decorative gateways to transition motorists from M-50 into downtown. 	\$15,000
	Mobility Improvements	Non-Motorized Transportation	<ul style="list-style-type: none"> Determine bike routes that are best suited for new infrastructure to connect to a larger citywide or regional bike network. Improve pedestrian access, mobility, and safety with the downtown. Begin by completing a walkability audit to identify unsafe intersections or road segments. Plan for all modes of transportation in downtown (multi-modal crossings, bike parking, maintain sidewalks, etc.). 	\$100,000
	Development Assistance	Façade Improvement Program (\$15,000/year)	<ul style="list-style-type: none"> Continue to offer a program for building façade improvements. 	\$60,000
All		Other projects consistent with this Plan	TBD	TBD
Total Phase 2 Project Costs:				\$6,175,000

Goal	Objective	Project Name	Brief Project Description	Estimated Cost
Phase 3: 2032 – 2041				
Building Community	Amenities and Culture	History/Visual Trail	<ul style="list-style-type: none"> • Develop a walking history trail with key historic locations within the Development Area in partnership with the Tecumseh Historical Society. • Provide walking audio equipment for users to learn more about Tecumseh's history and historical buildings. 	\$300,000
	Development Assistance	Rear Building Facades	<ul style="list-style-type: none"> • Permit and assist property owners in funding façade improvements to upgrade of building rears within the Development Area. 	\$150,000
	Development Assistance	Façade Improvement Program (\$15,000/year)	<ul style="list-style-type: none"> • Continue to offer a program for building façade improvements. 	\$150,000
	Mobility Improvements	Future Mobility	<ul style="list-style-type: none"> • Define specific locations within the Development Area for ridesharing loading. • Designate identified locations for ridesharing purposes. • Define strategic locations for electric vehicle charging stations. • Purchase charging stations for electric vehicles. 	\$200,000
All		Other Projects Consistent with this Plan	<ul style="list-style-type: none"> • TBD 	TBD
Total Phase 3 Project Costs:				\$800,000

Goal	Objective	Project Name	Brief Project Description	Estimated Cost
Ongoing: 2022 – 2041				
Building Community	Diversity, Equity, and Inclusion	New Businesses	<ul style="list-style-type: none"> Create and administer programs to incentivize young entrepreneurs and a diversity of business owners. 	\$50,000
	Amenities and Culture	Cultural Amenities	<ul style="list-style-type: none"> Cultivate a stronger cultural presence in downtown by implementing and encouraging art galleries, local theatre productions, artisan events, a downtown movie theatre, and more. 	\$300,000
	Diversity, Equity, and Inclusion	Inclusive Development	<ul style="list-style-type: none"> Attract new development proposals to address universal design by utilizing principles such as walkability, welcoming facades, ADA compliance, and flexibility of uses. 	\$10,000
Building Places	Development Assistance	Strategic Land Acquisitions	<ul style="list-style-type: none"> Determine space(s) and/or lot(s) within the Development Area best suited for City acquisition. Acquire the identified space(s) and/or lot(s). 	\$300,000
	Mobility Improvements	Public Road/ Infrastructure Improvements	<ul style="list-style-type: none"> Provide assistance for improvements to public roads, utilities, and other infrastructure to further the goals of this Development Plan. 	\$5,000,000
	Mobility Improvements	Pedestrian Connections	<ul style="list-style-type: none"> Ensure that the entire Development Area is well-connected by sidewalks and protected pedestrian crossings. Identify any gaps in the sidewalk network. Ensure surrounding neighborhoods are connected to downtown via sidewalks. 	\$1,000,000
	Mobility Improvements	Walkable Amenities	<ul style="list-style-type: none"> As the Development Area gains population over time, consideration should be given to the everyday needs of residents living there, such as corner stores, grocery stores, medical offices, and other necessary amenities. 	\$100,000
Building Business	Business Attraction	Business Retention/ Attraction	<ul style="list-style-type: none"> Community business outreach initiatives, including recruitment and retention activities. 	\$500,000
	Business Attraction	Marketing Programs	<ul style="list-style-type: none"> Promote and advertise the downtown to encourage revitalization and attract businesses, customers, and residents. 	\$300,000
Building Organizations	Technical Assistance	Professional, Technical, Administrative and Management Assistance	<ul style="list-style-type: none"> Ongoing professional assistance costs incurred in accomplishing the projects listed in this Development Plan, as well as annual support for DDA operations. 	\$1,000,000
All		Other projects consistent with this Plan	<ul style="list-style-type: none"> TBD 	TBD
Total Estimated Cost of Improvements/Projects, 2022 - 2041				\$19,295,000

Footnotes to Table 1:

- Costs estimated for the projects are preliminary and are budget guides only; specific plans and refined cost estimates for Development Area improvements will be completed upon initiation of each project. Funding is expected to come from a combination of sources to be evaluated and optimized by the DDA, including but not limited to grants, loans, TIF revenues, donations, etc. Expenditures will not exceed available funds. Estimates consider design, construction, and associated costs.
- Other projects that arise and are consistent with the objectives and priorities of the DDA – as outlined in this Plan – may be funded in accordance with the financing methods described in the Tax Increment Financing Plan.

Project Descriptions

The following public improvements, activities, and projects are proposed for implementation in the City of Tecumseh Development Plan and TIF Plan through 2041, the life of this Plan. Please note that not every project listed in Table 2 above is described in detail below.

PHASE 1: 2022 – 2026

The following priority projects are proposed to be implemented over the next five years.

Event or Gathering Space. Hosting additional public events during all seasons, creating a stronger cultural presence in Downtown Tecumseh, and incorporating more opportunities for outdoor recreation or public art displays are prominent goals for the City of Tecumseh DDA. During the first 5 years of this Plan, potential properties within the DDA Boundary will be evaluated to determine the location of and outdoor event or gathering space. The potential property or location for the outdoor event or gathering space will be situated within close proximity to the Downtown Core to encourage pedestrian activity and access to downtown businesses and will consist of an inclusive and welcoming design.

Public Restrooms. Throughout Phase 1 of this Plan, constructing public restrooms for downtown patrons to utilize is a priority project. Optimal locations for public restrooms will be evaluated and determined to begin project implementation.

Vacant Lot Development. The highest and best use for the currently vacant property located at the northeast corner of Evans Street and Logan Street will be determined, and the DDA may subsequently acquire the property to develop for mixed uses, including a potentially larger gathering or event space with a portion of the site marketed for sale to a developer.

Chicago Corridor Streetscape. The Michigan Department of Transportation (MDOT) has jurisdiction of the Chicago Corridor. Current conditions include a 4-lane roadway with on-street parking. Over the last several years, MDOT and the City of Tecumseh have been working to implement a “road diet” for the Chicago Corridor to narrow the existing roadways and create space for other alternative transportation users. During the implementation of the Chicago Corridor road diet project, streetscape updates such as lamp posts, banners, fencing, hanging baskets, and other elements will be taken into consideration to simultaneously coordinate streetscape projects.

Outdoor Dining. The DDA may work alongside downtown business owners to evaluate, plan, and implement outdoor seating and dining opportunities. The DDA may utilize its financial resources to assist with the purchasing of outdoor seating and dining equipment (including winterized/winterizing equipment).

Economic Development Staff. The DDA may assist the City of Tecumseh Economic Development Department to hire a staff member to assist with DDA project and program administration activities. Some of the duties of the staff person may include administration of the façade improvement program, downtown property development and marketing assistance, implementation of the project listed in this Plan, and more.

Youth Engagement Program. To engage youth and solicit their input, the DDA may work alongside the Lenawee Youth Council or establish a partnership with Tecumseh Public Schools to continue to plan and support youth engagement efforts within Downtown Tecumseh. Youth engagement efforts may include youth-oriented festivals or events, recreation opportunities, cultural amenities, and others.

Façade Improvement Program. The façade improvement program will continue to encourage owners, developers, and tenants to upgrade their properties, thus adding to the overall value of the area. The DDA may offer small loans or forgivable grants for the architectural design of building façades and for the construction of such improvements, subject to design guidelines and criteria to be adopted by the DDA. Additional activities that could be considered under such a program include parking lot enhancements, replacement of nonconforming signs, and other exterior improvements that impact the public, consistent with the requirements of PA 57 of 2018.

PHASE 2: 2027 – 2031

The projects anticipated for Phase 2 all focus on improving the business climate for the City, public amenities, appearance, and tax base to spur reinvestment in Tecumseh.

Public Park. Throughout the duration of Phase 2 of this Plan, the DDA may evaluate the existing park system within the Development Area and determine the need for new public park facilities and park programming. A new public park may be acquired and established at the former Lenawee Fuels Site, or another area.

Evans Corridor. In order to continue and create a seamless streetscape throughout the DDA Boundary, the Evans Street Corridor can be enhanced by means of improving safety on the railroad tracks and enhancing landscaping and the pedestrian environment. The DDA may assist these streetscape enhancement efforts throughout Phase 2.

Non-Motorized Transportation. The DDA may engage in the repair, replacement, and construction of sidewalks, crosswalks, multi-use pathways, bicycle infrastructure, and ADA improvements for improved access, mobility, and safety throughout the district and to create a pedestrian friendly community. Assistance with new sidewalks, multi-use pathways, and other non-motorized elements may all be needed in conjunction with the enhancements of the streetscape within the Development Area. This project is a longer-term opportunity and will be pursued primarily during Phase 3. Elements of non-motorized improvements may include, but are not limited to:

- Acquisition of property, rights-of-way, and easements.
- Removal of plant material, bituminous material, sidewalk, and curb and gutter, and filling, grading, and site preparation.
- Installation of curb, gutter, sidewalks, and other paving.
- Construction of non-motorized, multi-use pathways and bike lanes.
- Landscape improvements and site amenities including, but not limited to grass, trees, other plantings, and other decorative items.
- Installation of pedestrian amenities such as benches, trash receptacles, lighting, signage, banners, tree grates, bike racks, bike repair stations, trail heads, etc.
- Acquisition of equipment and improvements for those with disabilities.
- Engineering, architectural, legal, and other professional fees.
- Any other items that are necessary or incidental to the items listed above or that the DDA Board determines to be desirable in connection with this project.

Wayfinding Signage. The DDA may hire a marketing firm to develop a design and branding specific to Downtown Tecumseh. The updated design and branding materials can be used to develop wayfinding signage to guide visitors to downtown businesses, parking areas, parks and trails, municipal offices, and other popular destinations. Defining specific locations for wayfinding signage will be determined.

Façade Improvement Program. Continue efforts from Phase 1.

PHASE 3: 2032 – 2041

The following long-term projects are intended to continue reinvestment into Chicago Boulevard and Evans Street and financially recover from previous phases. However, any of these projects may begin earlier based upon opportunities to partner, strategic timing, availability of funding, or other such determination by the DDA.

Rear Building Facades. The DDA may assist downtown property owners in the improvement and beautification of rear building faces to ensure safety and consistent architecture throughout the Development Area. This may include recladding, updated windows or other infrastructure, signage, dumpster enclosures, and more.

Future Mobility. Over time, the DDA may assess the need for implementing additional opportunities for mobility throughout the Development Area. Future mobility may include ridesharing loading areas and electric vehicle charging stations.

Façade Improvement Program. Continue efforts from Phase 2.

ONGOING: 2021 – 2041

The following projects are anticipated to continue throughout the life of this Plan, as funding permits.

Business Retention/Attraction. The DDA may engage in community business outreach to stimulate new economic investment, create an expanded tax base, provide public improvement incentives to attract desirable new business and investment, and retain existing businesses.

A business recruitment and retention program may involve actions such as hiring staff or consultant(s) to assist, adopting standards for public/private partnerships, identifying financial, infrastructure, and other possible incentives, and specifying the criteria for those incentives. A focus will be to ensure that the incentives are only those necessary to make the targeted private investment happen, and to maximize the public return on investment.

One business retention activity the DDA may implement early on is to provide the City with assistance in reviewing procedures to encourage business investment in the Development Area. This will involve a review of current policies for zoning, permitting, and regulatory needs. The intent is to provide the City with assistance in implementing Redevelopment Ready Communities (RRC) user-friendly policies (to the extent not already instituted) to encourage investment. This process will include clarifying application procedures, consolidating approvals, and implementing other efficiencies to simplify and expedite the development process.

Cultural Amenities. Throughout the duration of this Plan, the DDA may partner with local artists, production companies, and other cultural groups to enhance opportunities for cultural amenities within Downtown Tecumseh. Cultural amenities can include art galleries, local theatre, a downtown movie theater, artisan events, and more. The DDA may work to assist in funding cultural events as well as new culturally-related businesses.

Public Road/Infrastructure Improvements. The DDA may partner with and assist the City and other jurisdictions with authority on the planning, design, construction, repair, or replacement of roads, alleys, other public rights-of-way, and other public infrastructure. This may include the realignment, modification, or improvement of utilities (i.e., water and sewer, storm sewers, and stormwater management facilities) and other improvements that the DDA may determine as necessary to further the goals of this Development Plan and maintain the values of properties in the Development Area.

Public road and infrastructure improvements may include, but are not limited to:

- Acquisition of land, rights-of-way, and easements.
- Studying existing infrastructure.
- Grading, erosion control, drainage, and site preparation.
- Installation of the roadbed and paving.
- Installation of new utility mains and lines, lift stations, and associated infrastructure.
- Related energy management and efficiency improvements.
- Improvements for advanced traffic management and autonomous driving.
- Installation of road lighting, signage, traffic signals, and control devices.
- Vacating and closing streets, alleys, and rights-of-way, removal of the street, remediation and landscaping, the construction of access roads, and the elimination of curb cuts.
- Engineering, architectural, legal, and other professional fees.
- Any other items that are necessary or incidental to the items listed above or that the DDA determines to be desirable in connection with this project.

Marketing Programs. Promotion and advertising for Downtown Tecumseh is a means of promoting revitalization and attracting businesses, residents, and customers. The DDA may engage in marketing and public relations efforts to reinforce that Downtown Tecumseh is a great place to do business.

Maintaining Downtown Tecumseh's strong online presence and marketing collateral such as professionally prepared brochure(s), targeted advertising, marketing of special events, promotion of available business sites and real estate marketing, property tours, use of site consultants, and promotion of the general assets of the Development Area are all elements of a robust marketing program. Collaborative efforts may be pursued with adjacent communities.

Professional, Technical, Administrative, and Management Assistance. The DDA may fund the ongoing professional, technical, administrative, and management costs incurred in accomplishing the purposes and undertaking the projects listed in this Development Plan. Costs may include professional fees for consultants, planning, legal, engineering, and architect fees, administrative and staff support, supplies, materials, postage, dues, newspaper publications, and similar as permitted under PA 57 of 2018.

There are also various management activities necessary to support ongoing DDA operations, including preparation of annual reports, twice-a-year public informational meetings, website postings, and similar as required by PA 57 of 2018. This may include the facilitation of an annual project prioritization system to guide the DDA's implementation efforts. Such a prioritization system would be based on factors such as the increased tax base created, funding and partnerships available, benefits accruing to multiple properties, significant parcels or locations affected, ability to maintain the improvement, blight reduction, timing of elements, and other factors.

Parts of the Development Area to be Left as Open Space and Contemplated Future Use

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(F)

Various park and open space projects will be undertaken pursuant to the DDA's established listing of Planned Projects within the Development Area. These improvements are designed to enhance the walkability and livability of Downtown Tecumseh, thereby supporting property values within the community. They also support the business environment by strengthening the downtown market.

Portions of the Development Area Which the Authority Desires to Sell, Donate, Exchange, or Lease to or from the Municipality and the Proposed Terms

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(G)

The DDA owns no portion of the Development Area at this time. Further, the DDA has no plans to sell, donate, exchange, or lease to or from the City any land or building in the Development Area. If opportunities arise consistent with the goals and purposes of this Plan, land and/or building purchases may be considered and terms would be determined at that time.

Additional right-of-way and/or easements may be required to accomplish the planned streetscape, connections, utilities, and other public improvements. While it is not the intent of the DDA to purchase either right-of-way or easements since considerable benefits will accrue to the abutting parcels from the public improvements, purchase may be required. Any road right-of-way acquired will be transferred to the road agency with jurisdiction.

Desired Zoning, Streets, Intersections, and Utility Changes

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(H)

No zoning changes are currently proposed as part of this Plan. Zoning changes on parcels in the Development Area will be coordinated between the DDA, the Planning Commission, and the City Council according to state enabling acts and the adopted procedures of the City. Any change will occur in a manner that ensures appropriate future land uses within the district.

An Estimate of the Cost of the Development, Proposed Method of Financing, and Ability of the Authority to Arrange the Financing

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(I)

During the 20-year term of this Development Plan and TIF Plan, the estimated cost of the public improvements to be undertaken by the DDA is approximately **\$19,295,000**. These costs include the cost of associated administration, engineering, planning, and design.

It is anticipated that the proposed projects will be paid for in part with tax increment revenues generated by annual increases in property valuations from economic growth and new construction within the Development Area, in accordance with this Development and TIF Plan. It is expected that the tax increment revenues may have to be supplemented with developer contributions, grant dollars, donations, and other funds as may become available. Projects will not be initiated until such time as sufficient funds have been identified and secured to pay for the project or debt service for project financing. Matching funds, contributions from other funding entities, grants, donations, bonding, special assessments, and other sources available to the DDA pursuant to PA 57 of 2018 may be utilized, consistent with the goals and objectives of this Plan.

It is anticipated that most projects will be financed on a “pay-as-you-go” basis using funds on-hand or accumulated

from prior years' captures. However, the DDA may determine that there is a need to sell bonds, obtain loan funds or grants, or receive contributions from any of the other sources permitted under PA 57 of 2018, to facilitate completion of one or more of the improvement projects. Per PA 57 of 2018, City Council approval is required for bonding and other financings.

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

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(J)

All public improvement projects undertaken as part of this plan will remain in public ownership for the public benefit. The DDA may participate in and/or facilitate a purchase of other land for use or redevelopment in accordance with the City Master Plan and the goals of this Development Plan. The Authority may convey any such property to another entity, yet unknown. Further, the Authority may consider other property acquisition, lease, or sale, as appropriate, in furtherance of the goals of this Plan. The person or persons to whom such property may be leased or conveyed is unknown at this time.

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

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(k)

In the event the DDA purchases, receives a donation of, or otherwise comes to own property in the Development Area, it will conform with any bidding or land disposition process adopted by the City or, in the absence of such procedures, the DDA will adopt suitable procedures to govern the management and disposition of property in conformance with all applicable federal, state, and local regulations. The DDA currently has no express or implied agreement between the DDA and any persons, natural or corporate, that all or a portion of the development area will be leased, sold, or conveyed to those persons.

Estimate of the Number of Persons Residing in the Development Area

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(L)

It is estimated that approximately 334 people reside within the Development Area. No families or individuals are planned to be displaced and no occupied residences are designated for acquisition and clearance by this Plan. Since more than 100 people reside in the Development Area, the City Council has appointed a Development Area Citizens Council (DACC) as required by the DDA Act. The DACC has met and will review and make its recommendation on this Plan as required by law.

Plan for Establishing Priority for the Relocation of Persons Displaced and Provision for Costs of Relocation of Displaced Persons

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(M)

Not applicable. The DDA does not intend to acquire any residential property in conjunction with this Plan. Any residential properties that are redeveloped under this Plan are intended to be acquired by the private sector for private development and ownership. However, in the future, if the condemnation of property is necessary to meet the objectives of this Plan and would result in persons being displaced, the DDA will submit to the City Council an acquisition and relocation plan, consistent with the Standards and Provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. As dictated by that Act, provision for the costs of relocation of displaced persons, including financial assistance and reimbursement of expenses, will be made.

Compliance with Act 227 of the Public Acts of 1972, Sections 213.321 - 213.332 of the Michigan Compiled Laws

REFERENCE TO P.A. 57 OF 2018: SECTION 125.4217(2)(O)

The DDA does not intend to condemn property in conjunction with this plan. However, in the future, if the condemnation of property is necessary to meet the objectives of this plan, the DDA will submit to the City Council a plan and will comply with Act No. 227 of the Public Acts of 1972, as amended, Sections 213.321 to 213.332 of the Michigan Compiled Laws.



Tax Increment Financing Plan

Introduction

The TIF Plan includes the preceding Development Plan, along with 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 DDA.

Explanation of the Tax Increment Procedure

REFERENCE TO PA 57 OF 2018: SECTION 125.4214(1)

As provided in Public Act 57 of 2018, tax increment financing is a tool that can be used to assist redevelopment within a DDA Development Area. Tax increment financing is the process of expending new property tax dollars for improvements that generally benefit the parcels that pay the taxes. Tax dollars generated from new private property developments and from improvements to existing private property within a designated Development Area are “captured” and utilized by the DDA to finance public improvements within that Development Area, which supports and encourages continued private investment.

To utilize tax increment financing, the DDA must prepare and adopt a Development Plan and a Tax Increment Financing Plan. Both plans are submitted to the City Council and are subject to public hearing, and City Council must approve the plans by ordinance. The plans specify the initial assessed value, estimate the captured assessed value, and provide for the expenditure of the funds. These plans may be amended in the future to reflect changes desired by the DDA, subject to approval by Council. All amendments must follow the procedures of PA 57 of 2018.

Captured assessed value is defined in PA 57 of 2018 as the amount, in any one year, by which the current assessed value of the Development Area exceeds the initial assessed value. Initial assessed value is defined as 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 (TIF) Plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the ordinance is adopted. Tax increment revenue is generated when the current assessed value of all properties within a Development Area in each year subsequent to the adoption of the TIF Plan exceeds the initial assessed value of those properties.

Such funds transmitted to the DDA are termed “tax increment revenues.” Tax increment revenues are the amount of ad valorem and specific local taxes attributable to the application of the levy of all taxing jurisdictions other than the state education tax, local or intermediate school districts, and several other entities specifically exempted under PA 57 of 2018, upon the captured assessed value of real and personal property in the Development Area.

Initial Assessed Value and Applicable Millage

REFERENCE TO PA 57 OF 2018: SECTION 125.4214(1)

The initial assessed value under this 2021 Plan is established as the total taxable value for all real and personal property in the Development Area as of December 31, 1992. The initial assessed value of the Development Area is \$4,840,380.

The applicable tax levy for tax increment purposes in the Development Area will be the total millage levied by the eligible taxing jurisdictions, excluding millages levied for debt. A list of the taxing jurisdictions and the current millage subject to capture (rates per \$1,000 of taxable value) is shown below in Table 3, and totals 21.9468 mills.

Table 3: Applicable Millage Summary

Taxing Jurisdiction	Projected Captured Millage Rate
City of Tecumseh	14.2700
Lenawee County (Includes County Dept. on Aging and Medical Care)	6.3396
Tecumseh District Library	1.3372
TOTAL APPLICABLE MILLAGE	21.9468

Source: City of Tecumseh, 2021

Estimate of Tax Increment Revenues

REFERENCE TO PA 157 OF 2018: SECTION 125.4214(1)

Under this TIF Plan, the tax levy on the entire captured assessed valuation is planned to be utilized by the DDA. The tax increment revenues will be expended in the manner set forth in this Plan. Estimates of the projected growth in taxable value and projected captured revenue for the duration of this Plan are in Table 4. Both real and personal property assessments are included in the taxable value projections.

The projected annual growth in taxable value is estimated at the Assessor's estimated taxable value for FY 2021-22, and thereafter at 2% increase per year. Over the life of this 20-year Plan, the total tax increment revenue captured is estimated at \$4,732,107.

The actual tax increment revenue to be transmitted to the DDA will likely vary from the estimates herein based upon the actual tax levies of the taxing jurisdictions and the actual taxable value in the Development Area over the duration of the Plan. Additional increases in the assessed valuation for the Development Area and resultant tax increment revenues may occur from other new construction, expansion, rehabilitation, appreciation of property values, or other factors. Such increases are beyond those projected in this Plan, but if increases occur, the tax increment revenues will be spent according to this Plan to accelerate the implementation of the public improvement program. It is the intention of the DDA to use the entire captured assessed value in the Development Area for the purposes defined in the Development Plan and period hereinafter set forth, and to not exclude assessed value growth in property resulting solely from inflation.

Estimated Impact on Taxing Jurisdictions

REFERENCE TO PA 157 OF 2018: SECTION 125.4214(1)

The maximum effect of this Plan on the taxing jurisdictions in which the Development Area is located is the taxable value upon which taxes are now levied and will remain constant over the life of the Plan. If private development occurs and values increase as anticipated in this Plan, potential taxes captured from each taxing jurisdiction over the duration of the Plan are estimated in Table 5. It is anticipated that the public improvements proposed for the Development Area in this Plan and the private improvements they induce will provide long-term stability and growth in the Development Area and the city as a whole. This will benefit all taxing jurisdictions. Benefits will result from increases in property values surrounding the Development Area, increased property values in the Development Area at the time the TIF Plan is completed, and from increases in property values throughout the entire community which are, to some degree, dependent upon the well-being of the downtown district for stability and growth. All taxing jurisdictions will benefit substantially from a tax base that has been enhanced as a result of the public improvement program.

Table 4: Future Capture Projections

Tax Day	Fiscal Year	Total TIF Millage	Total Taxable Value	Total Captured Value	Total Tax Increment Revenue
Base Year	1991-1992		\$4,840,380		
12/31/2020	2021-22	21.9468	\$12,858,378	\$8,017,998	\$175,969
12/31/2021	2022-23	21.9468	\$13,115,546	\$8,275,166	\$181,613
12/31/2022	2023-24	21.9468	\$13,377,856	\$8,537,476	\$187,370
12/31/2023	2024-25	21.9468	\$13,645,414	\$8,805,034	\$193,242
12/31/2024	2025-26	21.9468	\$13,918,322	\$9,077,942	\$199,232
12/31/2025	2026-27	21.9468	\$14,196,688	\$9,356,308	\$205,341
12/31/2026	2027-28	21.9468	\$14,480,622	\$9,640,242	\$211,572
12/31/2027	2028-29	21.9468	\$14,770,235	\$9,929,855	\$217,929
12/31/2028	2029-30	21.9468	\$15,065,639	\$10,225,259	\$224,412
12/31/2029	2030-31	21.9468	\$15,366,952	\$10,526,572	\$231,025
12/31/2030	2031-32	21.9468	\$15,674,291	\$10,833,911	\$237,770
12/31/2031	2032-33	21.9468	\$15,987,777	\$11,147,397	\$244,650
12/31/2032	2033-34	21.9468	\$16,307,532	\$11,467,152	\$251,667
12/31/2033	2034-35	21.9468	\$16,633,683	\$11,793,303	\$258,825
12/31/2034	2035-36	21.9468	\$16,966,357	\$12,125,977	\$266,126
12/31/2035	2036-37	21.9468	\$17,305,684	\$12,465,304	\$273,574
12/31/2036	2037-38	21.9468	\$17,651,798	\$12,811,418	\$281,170
12/31/2037	2038-39	21.9468	\$18,004,833	\$13,164,453	\$288,918
12/31/2038	2039-40	21.9468	\$18,364,930	\$13,524,550	\$296,821
12/31/2039	2040-41	21.9468	\$18,732,229	\$13,891,849	\$304,882
Total TIF Revenue Projected for the 20-Year Development Plan:					\$4,732,107

Source: City of Tecumseh, McKenna, January 2021

Footnotes to Table 3:

- a. Tax increment projected using combined real and personal property values and current millage rates.
- b. 1991 DDA base year per Tecumseh DDA 2019 Annual Report and first year estimated taxable value per City Assessor, 1/25/21.
- c. Annual change in taxable values estimated as follows: FY 2021-22 is estimated; and thereafter represents a 2% increase per year.

Table 5: Estimated Capture by Taxing Jurisdiction

Tax Day	Fiscal Year	Total TIF Millage	Total Taxable Value	Total Captured Value	City of Tecumseh	Lenawee County	District Library	Total Tax Increment Revenue
Base Year 12/30/1991	1991-1992		\$4,840,380		14.2700	6.3396	1.3372	
12/31/2020	2021-22	21.9468	\$12,858,378	\$8,017,998	\$114,417	\$50,831	\$10,722	\$175,969
12/31/2021	2022-23	21.9468	\$13,115,545.56	\$8,275,166	\$118,087	\$52,461	\$11,066	\$181,613
12/31/2022	2023-24	21.9468	\$13,377,856.47	\$8,537,476	\$121,830	\$54,124	\$11,416	\$187,370
12/31/2023	2024-25	21.9468	\$13,645,413.60	\$8,805,034	\$125,648	\$55,820	\$11,774	\$193,242
12/31/2024	2025-26	21.9468	\$13,918,321.87	\$9,077,942	\$129,542	\$57,551	\$12,139	\$199,232
12/31/2025	2026-27	21.9468	\$14,196,688.31	\$9,356,308	\$133,515	\$59,315	\$12,511	\$205,341
12/31/2026	2027-28	21.9468	\$14,480,622.08	\$9,640,242	\$137,566	\$61,115	\$12,891	\$211,572
12/31/2027	2028-29	21.9468	\$14,770,234.52	\$9,929,855	\$141,699	\$62,951	\$13,278	\$217,929
12/31/2028	2029-30	21.9468	\$15,065,639.21	\$10,225,259	\$145,914	\$64,824	\$13,673	\$224,412
12/31/2029	2030-31	21.9468	\$15,366,951.99	\$10,526,572	\$150,214	\$66,734	\$14,076	\$231,025
12/31/2030	2031-32	21.9468	\$15,674,291.03	\$10,833,911	\$154,600	\$68,683	\$14,487	\$237,770
12/31/2031	2032-33	21.9468	\$15,987,776.85	\$11,147,397	\$159,073	\$70,670	\$14,906	\$244,650
12/31/2032	2033-34	21.9468	\$16,307,532.39	\$11,467,152	\$163,636	\$72,697	\$15,334	\$251,667
12/31/2033	2034-35	21.9468	\$16,633,683.04	\$11,793,303	\$168,290	\$74,765	\$15,770	\$258,825
12/31/2034	2035-36	21.9468	\$16,966,356.70	\$12,125,977	\$173,038	\$76,874	\$16,215	\$266,126
12/31/2035	2036-37	21.9468	\$17,305,683.83	\$12,465,304	\$177,880	\$79,025	\$16,669	\$273,574
12/31/2036	2037-38	21.9468	\$17,651,797.51	\$12,811,418	\$182,819	\$81,219	\$17,131	\$281,170
12/31/2037	2038-39	21.9468	\$18,004,833.46	\$13,164,453	\$187,857	\$83,457	\$17,604	\$288,918
12/31/2038	2039-40	21.9468	\$18,364,930.13	\$13,524,550	\$192,995	\$85,740	\$18,085	\$296,821
12/31/2039	2040-41	21.9468	\$18,732,228.73	\$13,891,849	\$198,237	\$88,069	\$18,576	\$304,882
Total TIF Revenue Projected for the 20-Year Development Plan:					\$3,076,857	\$1,366,927	\$288,323	\$4,732,107

Source: City of Tecumseh, McKenna, January 2021

Footnotes to Table 4:

- a. Tax increment projected using combined real and personal property values and current millage rates.
- b. 1992 DDA base year per Tecumseh DDA 2019 Annual Report and first year estimated taxable value per City Assessor, 1/25/21.
- c. Annual change in taxable values estimated at the same rates as Table 3.

Expenditure of Tax Increment Revenues

REFERENCE TO PA 157 OF 2018: SECTION 125.4214 (1)

The program and schedule for the expenditure of tax increment revenues to accomplish the proposed public improvements for the Development Area are outlined in Table 1 of the Development Plan. As described elsewhere, the cost estimates in Table 1 are approximations and are very preliminary. These cost estimates are based solely upon concepts and have not been developed from construction drawings. Specific plans and refined cost estimates for the Development Area improvements will be completed upon initiation of each project.

As can be seen from the projections, the amount of TIF revenues will be very limited until such time as one or more of the larger redevelopments occur. Leveraging of funds will be very important for success. It is intended that outside grants and other sources of funding will be pursued, as permitted under PA 57 of 2018. Other private funds, in kind contributions, public-private partnerships, and non-tax increment sources will also be considered to maximize the success of this Development and TIF Plan.

Any additional tax increment revenues beyond those projected in this Plan will:

- be used to further the implementation of the public improvement program, projects, priorities, and objectives of this Plan;
- be used to expedite any debt service to the extent possible; or
- be returned, pro-rata, to the taxing units as provided by law.

If the tax increment revenues are less than projected, the DDA may choose to:

- Collect and hold the captured revenues until a sufficient amount is available to implement specific public improvements;
- Implement public improvement projects based upon the ability to match existing funds with expenditures, while seeking out additional funding sources; or
- Amend the development plan and/or tax increment financing plan to allow for alternative projects and funding.

The DDA shall annually review its proposed increment expenditures and revenues to prioritize the use of any additional funds, or to reduce expenditures if necessary. Other projects that arise and are consistent with the objectives and priorities of the Plan may also be funded in accordance with the financing methods described in this Plan.

Duration of the Program

REFERENCE TO PA 157 OF 2018: SECTION 125.4214(1)

DDA Authority maintenance and administration may utilize a reasonable portion of the annual TIF revenues. Additionally, architectural and rehabilitation assistance for façades, blight improvements to commercial buildings, signs, and interior landscaping may be funded by a portion of annual TIF revenues.

TIF revenues may be used on an as-needed basis for development projects that cannot yet be estimated for budgeting purposes, such as parcel assemblage and the acquisition of blighted parcels. Other examples of as-needed projects include right-of-way acquisition for greenways/non-motorized improvements, marketing, public/private opportunities, or other similar projects.

Annually and in accordance with Public Act 57 of 2018, the DDA shall submit to the City Council and the State Tax Commission a report on the status of the tax increment financing account. The report shall be published annually in the official city newspaper, or other paper, as available.

Maximum Amount of Bonded Indebtedness

REFERENCE TO PA 57 OF 2018: SECTION 125.4214(1)

The DDA has no bonded indebtedness. Most of the DDA's proposed improvements are planned to be implemented on a "pay-as-you-go" basis as tax increment revenues are transmitted to the DDA, or as may be accumulated over more than one year and held in reserve to allocate for projects. However, bonded indebtedness may be undertaken if the DDA determines, subject to City Council approval, that it would be advantageous to completing all or portions of the improvement program.

Alternatively, or in combination with bond proceeds, with the approval of City Council, the DDA may borrow funds from other sources as permitted under PA 57 of 2018. Loans from other sources may be used, depending upon the favorability of terms, availability of other funds, and suitability for the size and type of project involved.

The maximum amount of bonded indebtedness to be incurred under this TIF Plan is subject to City Council approval, if this issue arises. Bonds issued under this TIF Plan may be issued in any form authorized under PA 57 of 2018.



Appendices

Appendix A: Legal Description

Lots 10 through 14, inclusive, Block 1, Assessors Plat of Henry L. Hewitt's Addition to the City of Tecumseh, and also, Lots 1 and 3 through 32, inclusive, Block 6, Henry L. Hewitt's Addition to the City of Tecumseh, and also, Lots 1 through 16, inclusive, and the North 72 feet of Lot 17, Block 7 of Henry L. Hewitt's Addition to the City of Tecumseh, and also Lots 22 through 32, inclusive, of Block 7 of Henry L. Hewitt's Addition to the City of Tecumseh, and also, Lots 109, 111, and the West 80 feet of Lots 110 and 112 and Lots 113 through 174, inclusive, and Lot 177 of Assessor's Plat Number 2 of the City of Tecumseh, and also, Lots 57 through 60, inclusive, the South 112 feet of Lot 61, and Lots 62, 63 and the South 132 feet of Lot 64 of the Original Plat of the City of Tecumseh. All situated in Lenawee County, Michigan.

Lots 15, 16, 1 & 2 on Block 1, Assessor's Plat of Henry L. Hewitt's Addition; Lots 52, 51, 50, 49, 48, 47, that piece or parcel of land described as commencing on the East line of the Northeast corner of Lot 43 South 1° 2' West 514 feet; thence North 89° 52' East 192 feet; thence South 12° 48' East 105.5 feet; thence South 89° 25' East 14.63 feet; thence North 0° 46' East 538.7 feet thence North 60° 25' West 290.6 feet to the place of beginning, Lots 53, 54, 135 and 136 of Assessor's Plat No. 1; All that piece or parcel of land described as commencing at the Northeast corner of Lot 110 North 0° 22' East 260.8 feet; thence North 89° 53' West 276.5 feet; thence South 8° 42' West 266.55 feet; thence South 89° 53' East 316.1 feet to the place of beginning, Lots 109, 110 and the East 1/2 of Lot 112 of Assessor's Plat No. 2; Lots 15, 16, 1, 4, 5, South 1/2 of Lot 6 on the Original Plat; Lots 221 and 222 on Assessor's Plat No. 2; North 1/2 of Lot 26, North 1/2 of the East 94 feet of Lot 25, the North 113 of the West five feet of Lot 25, the North 1/2 of Lots 24, 23, the North 1/2 of Lots 22 and 21, Lots 18, 17, 2, 3, 28, 27 and 56 on the Original Plat; Lots 175 and 176 of Assessor's Plat No. 2 and Lots 1, 18, 17, 16 and 15 on Block 8 of Assessor's Plat of Henry L. Hewitt's Addition, Also Lot 2 on Block 6, Assessor's Plat of Henry L. Hewitt's Addition and the South 112 feet of Lot 61 on the Original Plat. All situated in Lenawee County, Michigan.

Appendix B: List of Parcels within the Downtown Development Area

The following real properties, as of February 2021, are located within the City of Tecumseh DDA Development Area and are eligible for TIF capture:

XT0-000-0571-00	XT0-305-1620-00	XT0-482-6190-00	XT0-901-2110-00	XT0-000-0032-00	XT0-480-8150-00
XT0-000-0572-00	XT0-305-1630-00	XT0-482-6191-00	XT0-901-2180-00	XT0-000-0033-00	XT0-480-8160-00
XT0-000-0573-00	XT0-305-1631-00	XT0-901-0060-00	XT0-901-2250-00	XT0-000-0041-00	XT0-901-0110-00
XT0-000-0574-00	XT0-305-1730-00	XT0-901-0070-00	XT0-901-2270-00	XT0-000-0042-00	XT0-901-0470-00
XT0-000-0581-00	XT0-305-1771-00	XT0-901-0080-00	XT0-901-2290-00	XT0-000-0043-00	XT0-901-1130-00
XT0-000-0582-00	XT0-305-1772-00	XT0-901-0170-00	XT0-901-2310-00	XT0-000-0045-00	XT0-901-2580-00
XT0-000-0590-00	XT0-480-1101-00	XT0-901-0210-00	XT0-901-2390-00	XT0-000-0051-00	XT0-901-3400-00
XT0-000-0601-00	XT0-480-1102-00	XT0-901-0230-00	XT0-901-2550-00	XT0-000-0061-00	XT0-901-3750-00
XT0-000-0613-00	XT0-480-1120-00	XT0-901-0310-00	XT0-901-2560-00	XT0-000-0151-00	XT0-901-3992-00
XT0-000-0621-00	XT0-480-1140-00	XT0-901-0350-00	XT0-901-2610-00	XT0-000-0152-00	XT0-901-4561-00
XT0-000-0632-00	XT0-480-1150-00	XT0-901-0380-00	XT0-901-2820-00	XT0-000-0171-00	XT0-901-4700-00
XT0-000-0641-00	XT0-480-6010-00	XT0-901-0400-00	XT0-901-2970-00	XT0-000-0172-00	XT0-901-4748-00
XT0-305-1090-00	XT0-480-6030-00	XT0-901-0410-00	XT0-901-3980-00	XT0-000-0181-00	
XT0-305-1102-00	XT0-480-6040-00	XT0-901-0450-00	XT0-901-4233-00	XT0-000-0182-00	
XT0-305-1130-00	XT0-480-6051-00	XT0-901-0460-00	XT0-901-4248-00	XT0-000-0183-00	
XT0-305-1140-00	XT0-480-6060-00	XT0-901-0500-00	XT0-901-4249-00	XT0-000-0223-00	
XT0-305-1161-00	XT0-480-6090-00	XT0-901-0560-00	XT0-901-4407-00	XT0-000-0231-00	
XT0-305-1162-00	XT0-480-6120-00	XT0-901-0580-00	XT0-901-4412-00	XT0-000-0252-00	
XT0-305-1163-00	XT0-480-6130-00	XT0-901-0620-00	XT0-901-4419-00	XT0-000-0271-00	
XT0-305-1170-00	XT0-480-6140-00	XT0-901-0630-00	XT0-901-4479-00	XT0-000-0272-00	
XT0-305-1180-00	XT0-480-6160-00	XT0-901-0640-00	XT0-901-4487-00	XT0-000-0280-00	
XT0-305-1211-00	XT0-480-6180-00	XT0-901-0660-00	XT0-901-4527-00	XT0-000-0561-00	
XT0-305-1330-00	XT0-480-6181-00	XT0-901-0710-00	XT0-901-4549-00	XT0-000-0562-00	
XT0-305-1340-00	XT0-480-6190-00	XT0-901-0720-00	XT0-901-4554-00	XT0-000-0563-00	
XT0-305-1350-00	XT0-480-6191-00	XT0-901-0730-00	XT0-901-4576-00	XT0-128-4900-00	
XT0-305-1360-00	XT0-480-6200-00	XT0-901-0750-00	XT0-901-4618-00	XT0-300-0462-00	
XT0-305-1370-00	XT0-480-6220-00	XT0-901-0830-00	XT0-901-4651-00	XT0-300-0470-00	
XT0-305-1390-00	XT0-480-6240-00	XT0-901-0840-00	XT0-901-4669-00	XT0-300-0481-00	
XT0-305-1420-00	XT0-480-6250-00	XT0-901-0880-00	XT0-901-4674-00	XT0-300-0501-00	
XT0-305-1430-00	XT0-480-6280-00	XT0-901-0920-00	XT0-901-4686-00	XT0-300-0502-00	
XT0-305-1440-00	XT0-480-6320-00	XT0-901-0990-00	XT0-901-4687-00	XT0-300-0520-00	
XT0-305-1450-00	XT0-480-7010-00	XT0-901-1010-00	XT0-901-4731-00	XT0-300-0530-00	
XT0-305-1460-00	XT0-480-7030-00	XT0-901-1030-00	XT0-901-4734-00	XT0-300-1350-00	
XT0-305-1470-00	XT0-480-7040-00	XT0-901-1110-00	XT0-901-4749-00	XT0-300-1360-00	
XT0-305-1480-00	XT0-480-7060-00	XT0-901-1200-00	XT0-901-4758-00	XT0-305-1085-00	
XT0-305-1490-00	XT0-480-7070-00	XT0-901-1270-00	XT0-901-4763-00	XT0-305-1086-00	
XT0-305-1500-00	XT0-480-7080-00	XT0-901-1330-00	XT0-901-4848-00	XT0-305-1101-00	
XT0-305-1510-00	XT0-480-7090-00	XT0-901-1400-00	XT0-901-4852-00	XT0-305-1121-00	
XT0-305-1520-00	XT0-480-7100-00	XT0-901-1520-00	XT0-901-4855-00	XT0-305-1750-00	
XT0-305-1530-00	XT0-480-7110-00	XT0-901-1600-00	XT0-901-4872-00	XT0-305-1760-00	
XT0-305-1540-00	XT0-480-7130-00	XT0-901-1620-00	XT0-901-4873-00	XT0-305-2211-00	
XT0-305-1550-00	XT0-480-7140-00	XT0-901-1680-00	XT0-901-4875-00	XT0-305-2221-00	
XT0-305-1560-00	XT0-480-7171-00	XT0-901-1720-00	XT0-901-4910-00	XT0-480-1011-00	
XT0-305-1570-00	XT0-480-7230-00	XT0-901-1770-00	XT0-901-4915-00	XT0-480-1012-00	
XT0-305-1580-00	XT0-480-7240-00	XT0-901-1820-00	XT0-996-0783-12	XT0-480-1013-00	
XT0-305-1590-00	XT0-480-7290-00	XT0-901-1840-00	XT0-000-0021-00	XT0-480-1020-00	
XT0-305-1600-00	XT0-480-7320-00	XT0-901-1870-00	XT0-000-0022-00	XT0-480-6020-00	
XT0-305-1610-00	XT0-482-6180-00	XT0-901-2080-00	XT0-000-0031-00	XT0-480-8010-00	

Appendix C: Adoption Documents



COPY

City of Tecumseh
CITY COUNCIL

Ordinance O-14-21

AN ORDINANCE to amend Chapter 22. - Community Development, Article II. - Downtown Development Authority of the City of Tecumseh municipal code.

Ordinance #14-21 - Community Development / Downtown Development Authority

THE CITY OF TECUMSEH ORDAINS:

SECTION 1. AMENDMENT

Amendment to:

Secs. 22-1—22-30. Reserved.

ARTICLE II. DOWNTOWN DEVELOPMENT AUTHORITY²

DIVISION 1. GENERALLY

Sec. 22-31. Title.

This article shall be known and cited as the downtown development authority ordinance.

Sec. 22-32. Definitions.

The terms used in this article shall have the same meaning as given to them in Part 2 of Act 57, as amended, or as provided in this section unless the context clearly indicates to the contrary.

As used in this article:

Act 57 means Part 2 of Public Act No. 57 of 2018 (MCL 125.4201 - MCL 125.4230).

Authority means the City of Tecumseh Downtown Development Authority as created by this article.

Board or board of trustees means the board of trustees of the authority, the governing body of the authority.

Chief executive officer means the mayor of the city.

Downtown district means the downtown district designated by this article.

Sec. 22-33. Determination of necessity.

The city council determines that it is necessary, and has so expressed its determination in the passage of a resolution of intent to form a downtown development authority, for the best interests of the city to halt property value deterioration and increase property tax valuation where possible in the central business district of the city; to eliminate the causes for that economic and physical deterioration; and to promote economic growth and development by establishing a downtown development authority pursuant to Act 57.

Sec. 22-34. Creation of authority.

There is created pursuant to Act 57 a downtown development authority for the city. The authority shall be a public body corporate and shall be known and exercise its powers under the title of "Tecumseh Downtown Development Authority." The authority may adopt a seal, may sue and be sued in any court of law in this state and shall possess all of the powers necessary to carry out the purpose of its incorporation as provided by this article and Act 57. The enumeration of a power in this article or in Act 57 shall not be construed as a limitation upon the general powers of the authority.

State law reference(s)—Similar provisions, MCL 125.4202.

Sec. 22-35. Description of downtown district.

The downtown district in which the authority shall exercise its powers as provided by Act 57 shall consist of the following described territory in the city, subject to such changes as may be made pursuant to this article and Act 57: an area in the city within the boundaries described as follows:

Lots 10 through 14, inclusive, block 1, Assessor's Plat of Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 1 and 3 through lot 32, inclusive, block 6, Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 1 through 16, inclusive, and the north 72 feet of lot 17, block 7 of Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 22 through 32, inclusive, of block 7 of Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 109, 111, and the west 80 feet of lots 110 and 112 and lots 113 through 174, inclusive, and lot 177 of Assessor's Plat No. 2 of the City of Tecumseh, and also, lots 57 through 60, inclusive, and lots 62, 63 and the south 132 feet of lot 64 of the Original Plat of the City of Tecumseh, all situated in Lenawee County, Michigan.

Lots 15, 16, 1 and 2 on block 1, Assessor's Plat of Henry L. Hewitt's Addition; lots 52, 51, 50, 49, 48, 47, that piece or parcel of land described as commencing on the east line of the northeast corner of lot 44 south 1 degree 2 minutes west 514 feet; thence north 89 degrees 52 minutes east 192 feet; thence south 12 degrees 48 minutes east 105.5 feet; thence south 89 degrees 25 minutes east 14.63 feet; thence north 0 degrees 46 minutes east 538.7 feet; thence north 60 degrees 25 minutes west 290.6 feet to the place of beginning, lots 53, 54, 135 and 136 of Assessor's Plat No. 1; all that piece or parcel of land described as commencing at the northeast corner of lot 110 north 0 degrees 22 minutes east 260.8 feet; thence north 89 degrees 53 minutes west 276.5 feet; thence south 8 degrees 42 minutes west 266.55 feet; thence south 89 degrees 53 minutes east 316.1 feet to the place of beginning, lots 109, 110 and the E½ of lot 112 of Assessor's Plat No. 2; lots 15, 16, 1, 4, 5, S½ of lot 6 on the Original Plat; lots 221 and 222 on Assessor's Plat No. 2; N½ of lot 26, N½ of the east 94 feet of lot 25, the N ⅓ of the west five feet of lot 25, the N ⅓ of lots 24, 23, the N½ of lots 22 and 21, lots 18, 17, 2, 3, 28, 27 and 56 on the Original Plat; lots 175 and 176 of Assessor's Plat No. 2 and lots 1, 18, 17, 16, and 15 on block 8 of Assessor's Plat of Henry L. Hewitt's Addition; also lot 2 on block 6, Assessor's Plat of Henry L. Hewitt's Addition and the south 112 feet of lot 61 on the Original Plat, all situated in Lenawee County, Michigan.

Sec. 22-36. Board of trustees.

(a) The authority shall be under the supervision and control of a board consisting of the chief executive officer of the city and not less than 8 or more than 12 members. Members shall be appointed by the chief executive officer of the city, subject to approval by the city council. Not less than a majority of the members shall be persons having an interest in property located in the downtown district. Not less than one of the members shall be a resident of the downtown district if the downtown district has 100 or more persons residing within it. A member shall serve a term of four years. Terms shall be staggered. A member shall hold office until the member's successor is appointed. An appointment to fill a vacancy shall be made by the chief executive

officer of the city for the unexpired term only. Members of the board shall serve without compensation but shall be reimbursed for actual and necessary expenses. The chairperson of the board shall be elected by the board.

(b) Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

(c) The business which the board may perform shall be conducted at a public meeting of the board held in compliance with the open meetings act, Public Act No. 267 of 1976 (MCL 15.261 et seq.). Public notice of the time, date and place of the meeting shall be given in the manner required by Public Act No. 267 of 1976 (MCL 15.261 et seq.). The board shall adopt rules consistent with Public Act No. 267 of 1976 (MCL 15.261 et seq.) governing its procedure and the holding of regular meetings, subject to the approval of the city council. Special meetings may be held if called in the manner provided in the rules of the board.

(d) Pursuant to notice and after having been given an opportunity to be heard, a member of the board may be removed for cause by the city council. Removal of a member is subject to review by the circuit court.

(e) All expense items of the authority shall be publicized monthly, and the financial records shall always be open to the public.

(f) In addition to the items and records prescribed in subsection (e) of this section, a writing prepared, owned, used, in the possession of or retained by the board in the performance of an official function shall be made available to the public in compliance with the freedom of information act, Public Act No. 442 of 1976 (MCL 15.231 et seq.).

Cross reference(s)—Boards, commissions and authorities, § 2-31 et seq.

State law reference(s)—Similar provisions, MCL 125.4204.

Sec. 22-37. Powers of the authority.

Except as specifically otherwise provided in this article, the authority shall have all powers provided by law subject to the limitations imposed by law and in this article. The authority shall have the power to levy ad valorem taxes on the real and tangible personal property not exempt by law and as finally equalized in the downtown district at the rate of not more than two mills each year if the city council annually approves the levy by the authority.

State law reference(s)—Powers of downtown development authority board, MCL 125.4207; downtown development authority, taxing power, MCL 125.4212.

Sec. 22-38. Director; bond.

If a director is ever employed as authorized by section 205 of Act 57, they shall post a bond in the penal sum as may be required by the board of trustees at the time of appointment and shall be in conformance with section 5 of Act 57.

State law reference(s)—Downtown development authority, director, bond, MCL 125.4205.

Sec. 22-39. Bylaws.

The board of trustees shall adopt rules and regulations governing its procedures and the holding of regular meetings subject to the approval of the city council. Such rules of operation shall be governed by Public Act No. 267 of 1976 (MCL 15.261 et seq.) and Public Act No. 442 of 1976 (MCL 15.231 et seq.).

Sec. 22-40. Fiscal year; adoption of budget.

(a) The fiscal year of the authority shall begin on July 1 of each year and end on June 30 of the following year, or such other fiscal year as may be adopted by the city.

(b) The board shall annually prepare a budget and shall submit it to the council on the same date that the proposed budget for the city is required by the Charter to be submitted to the council. The board shall not finally adopt a budget for any fiscal year until the budget has been approved by the city council. The board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the ordinance authorizing the revenue bonds.

(c) The authority shall submit financial reports to the city council as requested by the city council. The authority shall be audited annually by the same independent auditors auditing the city, and copies of the audit report shall be filed with the council.

Charter reference(s)—*Budget procedures, § 8.2.*

State law reference(s)—*Downtown development authority, budget, MCL 125.4228.*

Secs. 22-41—22-60. Reserved.

DIVISION 2. TAX INCREMENT FINANCING PLAN3

Sec. 22-61. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning: *Base year assessment roll* means the base year assessment roll caused by the city to be prepared in accordance with section 22-64.

Captured assessed value means the amount in any one year by which the current assessed value as finally equalized of all taxable property in the development district exceeds the initial assessed value.

Development area means the area described in section 22-63.

Development plan means the "Development Plan No. 3 and Tax Increment Financing Plan No. 3," dated July 8, 2021 as transmitted to the city by the downtown development authority for public hearing and confirmed by this division, copies of which are on file in the office of the city clerk.

State law reference(s)—*Downtown development authority, development plan, MCL 125.4217 et seq.*

Downtown development authority means the City of Tecumseh Downtown Development Authority.

Initial assessed value—1984 downtown district means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the development area at the time of adoption of this division, being the values of the assessment roll equalized in May of 1984 for properties within the downtown district as established by division 1 of this article and this division.

Initial assessed value—1991 downtown district means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the development area at the time of adoption of the ordinance from which this division derives, being the values of the assessment roll equalized in May 1992 for properties within the expanded downtown district as established by Ordinance No. 3-91, section 22-35.

Project fund means the downtown development authority tax increment project fund established pursuant to section 22-66.

Taxing jurisdiction means each unit of government levying an ad valorem property tax on property in the development area.

Cross reference(s)—Definitions generally, § 1-2.

Sec. 22-62. Approval and adoption of development plan and tax increment financing plan.

The Development Plan and Tax Increment Financing Plan were approved by the Tecumseh City Council at its November 1, 2021 regular meeting, following the requisite Public Hearing at its October 4, 2021 regular meeting and recommendation by the Downtown Development Authority Board at its July 8, 2021 regular meeting.

Development Plan No. 3 and Tax Increment Financing Plan No. 3 are hereby adopted by this ordinance. The duration of the plan shall be 30 years from the effective date of the ordinance from which this section is derived, except as it may be extended or reduced by subsequent amendment of the plan and this division. A copy of the plan and all amendments to the plan shall be maintained on file in the city clerk's office and cross-indexed to this division.

Sec. 22-63. Boundaries of development area.

The boundaries of the development area include the downtown development districts created in section 22-31 as described as follows:

Lots 10 through 14, inclusive, block 1, Assessor's Plat of Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 1 and 3 through 32, inclusive, block 6, Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 1 through 16, inclusive, and the north 72 feet of lot 17, block 7 of Henry L. Hewitt's Addition to the City of Tecumseh, and also lots 22 through 32, inclusive, of block 7 of Henry L. Hewitt's Addition to the City of Tecumseh, and also, lots 109, 111, and the west 80 feet of lots 110 and 112 and lots 113 through 174, inclusive, and lot 177 of Assessor's Plat No. 2 of the City of Tecumseh, and also, lots 57 through 60, inclusive, the south 112 feet of lot 61, and lots 62, 63 and the south 132 feet of lot 64 of the Original Plat of the City of Tecumseh, all situated in Lenawee County, Michigan.

Lots 15, 16, 1 and 2 on block 1, Assessor's Plat of Henry L. Hewitt's Addition; lots 52, 51, 50, 49, 48, 47, that piece or parcel of land described as commencing on the east line of the northeast corner of lot 43 south 1 degree 2 minutes west 514 feet; thence north 89 degrees 52 minutes east 192 feet; thence south 12 degrees 48 minutes east 105.5 feet; thence south 89 degrees 25 minutes east 14.63 feet; thence north 0 degrees 46 minutes east 538.7 feet; thence north 60 degrees 25 minutes west 290.6 feet to the place of beginning, lots 53, 54, 135 and 136 of Assessor's Plat No. 1; all that piece or parcel of land described as commencing at the northeast corner of lot 110 north 0 degrees 22 minutes east 260.8 feet; thence north 89 degrees 53 minutes west 276.5 feet; thence south 8 degrees 42 minutes west 266.55 feet; thence south 89 degrees 53 minutes east 316.1 feet to the place of beginning, lots 109, 110 and the E½ of lot 112 of Assessor's Plat No. 2; lots 15, 16, 1, 4, 5, S½ of lot 6 on the Original Plat; lots 221 and 222 on Assessor's Plat No. 2; N½ of lot 26, N½ of the east 94 feet of lot 25, the N ½ of the west five feet of lot 25, the N½ of lots 24, 23, the N½ of lots 22 and 21, lots 18, 17, 2, 3, 28, 27 and 56 on the Original Plat; lots 175 and 176 of Assessor's Plat No. 2 and lots 1, 18, 17, 16 and 15 on block 8 of Assessor's Plat of Henry L. Hewitt's Addition; also lot 2 on block 6, Assessor's Plat of Henry L. Hewitt's Addition and the south 112 feet of lot 61 on the Original Plat, all situated in Lenawee County, Michigan.

Sec. 22-64. Preparation of base year assessment roll.

(a) Prior to the fourth Monday of May, the city shall cause the initial base year assessment roll to be prepared for those properties included in the 1991 downtown district expansion. The initial base year assessment roll shall list each taxing jurisdiction in which the development area is located, the initial assessed value of the development area on the effective date of the ordinance from which this section derives and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property within the development area. Properties located in the downtown district created in 1984, and included in the 1984 development plan and tax increment plan, shall retain their initial base assessment roll as established by this division.

(b) Copies of the initial base year assessment roll shall be transmitted to the city treasurer, county treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this division and the tax increment financing plan contained in the development plan approved by this division.

Sec. 22-65. Preparation of annual base year assessment roll.

Each year within 15 days following the final equalization of property in the development area, the city shall cause to be prepared an updated base year assessment roll. The updated base year assessment roll shall show the information required in the initial base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual base year assessment roll shall be transmitted by the city to the same persons as the initial base year assessment roll, together with a notice that it has been prepared in accordance with this division.

Sec. 22-66. Establishment of project fund.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a depository bank account in a bank approved by the city treasurer, to be designated the tax increment project fund. All moneys received by the downtown development authority pursuant to the development plan shall be deposited in the project fund. All moneys in that fund and earnings on the fund shall be used only in accordance with the development plan.

Sec. 22-67. Payment of tax increments to downtown development authority.

Pursuant to sections 214 and 215 of Act 57, the city and county treasurers shall, as ad valorem taxes are collected on the property in the development area, pay that proportion of the taxes, except for penalties and collection fees, that the captured assessed values bears to the initial assessed value to the treasurer of the downtown development authority for deposit in the project fund. The payments shall be made on the dates on which the city and county treasurers are required to remit taxes to each of the taxing jurisdictions.

Sec. 22-68. Use of moneys in the project fund.

The money credited to the project fund and on hand in the fund from time to time shall annually be used in the following manner and following order of priority:

(1) To pay into the debt retirement fund for all outstanding series of bonds issued pursuant to this plan, an amount equal to the interest and principal coming due (in the case of principal whether by maturity or mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.

(2) To establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan, an amount equal to one-fifth the largest combined annual principal and interest payments due on bonds issued pursuant to this plan until the amount to the credit of the reserve account is equal to the largest combined annual principal and interest requirements on bonds issued pursuant to this plan.

Any amounts to the credit of the reserve account at the beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.

(3) To pay the administrative and operating costs of the downtown development authority and the city for the development area, including planning and promotion, to the extent provided in the annual budget of the downtown development authority.

(4) To pay, the extent determined desirable by the downtown development authority and approved by the city, the cost of completing the remaining public improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

(5) To pay the cost of any additional improvements to the development that are determined necessary by the downtown development authority and approved by the city council.

(6) To reimburse the city for funds advanced to acquire property, clear land, make preliminary plans, and improvements necessary for the development of the development area in accordance with this plan.

Any tax increment receipts in excess of those needed under subsections (1)—(6) of this section shall revert to the taxing jurisdiction or used for future development activities within the development area, as defined in the development plan or as expanded to include all or parts of the downtown development district pursuant to amendment or modification of the development plan pursuant to applicable provisions of Act 57 and other laws.

Sec. 22-69. Annual reports and website.

(a) Subject to subsection Section 910 of Act 57, the authority shall maintain a website or utilize the existing website of the city that is operated and regularly maintained with access to authority records and documents, including all of the following:

(1) Minutes of all board meetings.

(2) Annual budget, including encumbered and unencumbered fund balances.

(3) Annual audits.

(4) Currently adopted development plan, if not included in a tax increment financing plan.

(5) Currently adopted tax increment finance plan, if currently capturing tax increment revenues.

(6) Current authority staff contact information.

(7) A listing of current contracts with a description of those contracts and other documents related to management of the authority and services provided to the authority.

(8) An updated annual synopsis of activities of the authority.

(b) Subject to subsection Section 911 of Act 57, annually, on a form and in the manner prescribed by the Michigan department of treasury, the authority shall submit to the city council, the governing body of a taxing unit levying taxes subject to capture by the authority, and the department of treasury a report on the status of the tax increment financing account. The report shall include all of the following:

(1) The name of the authority.

(2) The date the authority was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.

(3) The date the authority began capturing tax increment revenues.

(4) The current base year taxable value of the tax increment financing district.

(5) The unencumbered fund balance for the immediately preceding fiscal year.

(6) The encumbered fund balance for the immediately preceding fiscal year.

(7) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.

(8) The amount in any bond reserve account.

(9) The amount and purpose of expenditures from the account.

(10) The amount of principal and interest on any outstanding bonded indebtedness.

- (11) The initial assessed value of the development area or authority district by property tax classification.
- (12) The captured assessed value retained by the authority by property tax classification.
- (13) The tax increment revenues received for the immediately preceding fiscal year.
- (14) Whether the authority amended its development plan or its tax increment financing plan within the immediately preceding fiscal year and if the authority amended either plan, a link to the current development plan or tax increment financing plan that was amended.
- (15) Any additional information the city council or the department of treasury considers necessary.

SECTION 2. SAVING PROVISION

All provisions of Chapter 22 and all Sections therein of the municipal code of the City of Tecumseh not amended by this ordinance shall continue in full force and effect.

SECTION 3. SEVERABILITY

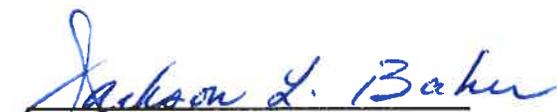
If any section, subsection, subparagraph, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance.

SECTION 4. REPEAL

All ordinances or parts of ordinances in conflict with this Ordinance are repealed.

SECTION 5. EFFECTIVE DATE

This ordinance shall become effective ten (10) days after publication.



Jackson Baker
Mayor



Tonya A. Miller
City of Tecumseh Clerk

CERTIFICATE OF CITY CLERK

This is to certify that this resolution was duly adopted at the meeting of the City Council on **Dec 6, 2021**.

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance Amendment duly adopted by the City Council of the City of Tecumseh, at a meeting held on the **Dec 6, 2021**.

Motion for adoption by: Naugle

Supported by: Riddle



I further certify that the following City Council Members voted as follows for the adoption of the Ordinance Amendment:

AYES See, Wimble, Baker, Harmon, Naugle, Radant, Riddle

NAYS None

ABSENT None



Tonya A. Miller
Tecumseh City Clerk

CERTIFICATE OF POSTING AND PUBLICATION

I, Tonya A. Miller, the City Clerk of the City of Tecumseh do hereby certify that on December 6, 2021, the foregoing Ordinance Amendment was posted in the office of the Clerk and on the City of Tecumseh's website as authorized. In addition, the Notice of Adoption was published in the Tecumseh Herald on December 9, 2021.



Tonya A. Miller
Tecumseh City Clerk

Appendix D: Citations

Tecumseh. 1984. *Downtown Development and Tax Increment Financing Plan*, JLH Associates: Revitalization and Planning Specialists.