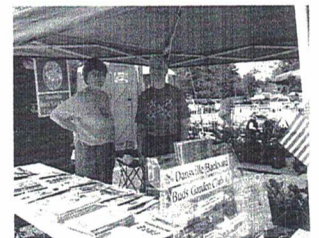




DANSVILLE, MICHIGAN
Downtown Development Plan and
Tax Increment Financing Plan
As Amended, 2010



This plan was developed by the community of Dansville with the Village of Dansville Downtown Development Authority and adopted by the Village of Dansville in 2010.

Acknowledgements

This amended plan is the result of a cooperative effort by the Downtown Development Authority of Dansville, Michigan, citizens, property owners, and businesses in the Village of Dansville and adjacent Ingham Township, the Ingham County Economic Development Corporation, and the Dansville Village Council. The Plan as amended in April, 1994 was reviewed and revised to identify some accomplishments achieved under this Plan, to reflect current circumstances, and to project our community's plans for economic and community development supported by tax increment captures in the Village of Dansville Downtown Development District.

The planning process and document were developed during 2009- 2010 with the assistance of Susan M. C. Pigg, a Michigan State University Extension Educator working for the Ingham County Economic Development Corporation.

Mission of the Dansville Downtown Development Authority

Our mission is to encourage a better quality of life in Dansville by facilitating and overseeing the improvements to our downtown development district that will attract, retain, and create businesses and quality jobs and income for our residents.

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INTRODUCTION

This document is the Development Plan and Tax Increment Finance Plan for the Village of Dansville as amended by the Dansville Downtown Development Authority (DDDA) and approved by the Village Council. This plan amends the Village of Dansville Downtown Development District Plan and Tax Increment Finance Plan originally dated November 1982 and amended in 1993 and 2003. This 2009 amended plan is the result of efforts by the Dansville DDA and Dansville Village Council with the participation of Ingham Township and interested citizens. It has been produced with the assistance of the Ingham County Economic Development Corporation (ICEDC) staff.

Following a public forum hosted by the Ingham County Department of Development to establish community input on the direction for development, the DDDA and the ICEDC met with local business owners, various engineering and design firms and interested members of the community. In addition, the committee conducted a survey to confirm public input and qualify the community for special federal project funding.

This amended development plan outlines desired goals and objectives, the boundaries of the development area, the area as it currently exists, development activities undertaken to-date, the overall development plan and strategy, the projects within the plan, their estimated costs, methods of financing, time frame for completion of all required activities, as well as other requirements from Act 197 of 1975 (as amended) the Downtown Development Authority Act.

This plan also amends the existing Tax Increment Finance Plan (TIF), also required under Act 197. The TIF Plan describes the use of tax increment financing and provides the specific details of the financial impact of the proposed development financing.

A PLAN FOR FUTURE DEVELOPMENT AND REDEVELOPMENT

This amended development plan represents the next phase of Dansville's program for revitalizing the community. This plan remains not only a requirement of Act 197, but a guide for planning and implementing development activities into the future. This plan will be changed as projects are completed, problems arise, or opportunities present themselves as this amended plan itself represents. However, no change will be implemented without appropriate public input and the review and consent of the Village Council.

COMMUNITY DESCRIPTION AND DEMOGRAPHICS

The Village of Dansville is located within the southeast quadrant of Ingham County, approximately 20 miles southeast of the City of Lansing, Michigan's capital. The village of Dansville is also located about 9 miles east of the County seat, Mason and is centered in the Township of Ingham.

Dansville has retained the character of a small rural village and the village is a traditional hub of central Ingham County's agricultural and rural populations. The Village has developed around the intersection of Mason Street (M-36) and Jackson Street (also Williamston Road) with a commercial district concentrated at this intersection. Additional commercial establishments extend along M-36 east and west and the Village has a small but well served industrial development area off of Williamston Road on the south edge of the Village. Residential areas begin within one block in all direction of the central corners district with a core of older single family homes. Over the past 15 years, there has been new housing construction in the Village, primarily in a subdivision in the Southwest quadrant. The density of housing thins out from the

center of the village and the edges of the Village exhibit rural-agricultural features with portions of land within the Village limits under cultivation. The surrounding township is completely rural-agricultural with no notable commercial or industrial businesses other than agricultural.

The Village of Dansville has an estimated population of 440 with about 3% more of the population female according to the US Census. The median household income was estimated at \$48,214 and the per capita income was about \$17,000 per year in 2000. The population has increased slightly over the past ten years. Over 88% of the of the community's adults (aged 25 years or more) have a high school diploma and over 10% of the village's adults have a college degree or higher. In 2000, just less than 5% of the village population was living below the poverty level. That is estimated to be considerably higher now due to the overall decline in Michigan's economy.

The following information is provided from the 2000 US Census, the 2002 Agricultural Census, and other federal and state sponsored data sources.

Population: 429 (2000 Census) 440 (2007 Census estimated) 21 people reported being a race other than white. 47.8% Male, 52.2% Female; Median Age 32.3 years, about 34% under 20 years and almost 10% over 60 years.

Households: The Village has 142 households, with 111 being families. Almost half (47.9%) have children under 18. About twelve percent are female headed households. The average household size is 2.98.

Housing structures: Per the 2000 census, 6 of the housing units in the village were vacant. The rental vacancy rate was 0, and only one house was considered seasonal or vacation housing. Almost 10% of the housing units were renter-occupied.

Farming: Dansville village is set in the geographic center of Ingham Township, a rural agricultural area. Per the Michigan Agriculture Census, there were 1,018 farms in Ingham County with 185,291 acres in farming. The average size of an Ingham county farm was 182 acres in 2002, down from 205 acres average in 1997. The average age of a farmer in Ingham County is 55.6 years, higher than the state average of 54.2 years. The average market value of Ingham County farm products sold in 2002 was \$51,346,000.

Farmland: According to the 2006 Michigan Land Values and Leasing Rates by E. Wittenberg and S. Harsh at MSU, non-tiled field cropland averaged about \$2,474 per acre in this area of Michigan. The average land values for a tiled field crop would be \$2,674 and \$3,336 for irrigated land.

Income: The median household income in 1999 was \$48,214 compared to the US average \$41,994. The families below the poverty level was 4.3% compared to the US average of 9.2%.

Health: The leading cause of death in Ingham County is Heart Disease followed by Cancer, Stroke, Chronic lower respiratory diseases and Alzheimer's disease. Unlike Ingham County, on average nationally more people die of pneumonia than Alzheimer's.

Education: 88% of the population over 25 years had a high school diploma. 10% had a bachelors degree or higher. There are a lot of civilian veterans, 13.4% of the Dansville population.

DOWNTOWN DEVELOPMENT PLAN BACKGROUND

In 1982 the Village of Dansville first approved the creation of a Downtown Development Authority with a Tax Increment Finance District. They adopted a Development Plan at that time and have reviewed and revised it a number of times since. The last full revision and update to the Plan was completed in 1997. The original development plan utilized a Socio-Economic General Information survey to gather residential and commercial data as well as assess exterior and structural building conditions. This process identified several problems including a declining population, aging housing stock, deteriorating sanitary sewers posing potential ground water contamination, and vacant and deteriorating commercial buildings in the four corner downtown area. The goal of the original plan was "to create a community that provides the necessities of a high quality of life." To achieve this goal the plan developed the following original objectives:

1. Construction of a sanitary sewer system
2. Development of a commercial-retail center
3. Establishment of better police protection and expanded fire protection
4. Provision of recreational facilities for all age groups
5. Creation of jobs
7. Development of safe and sanitary housing
9. Attraction of medical services
10. Improvement of existing and provision of additional streets and sidewalks
11. Development of training programs for unemployed and under-skilled residents
12. Maintenance of Dansville's Historical small town atmosphere
13. Achievement of Dansville's goal with a minimal disruption to the community and with the cooperation of property owners who would be affected

To achieve these goals under the original plan, the Village established an industrial park to attract industry that would create jobs and income for local residents and would increase the tax base. With the Plan as leverage, Dansville secured a \$1,000,000 Urban Development Action Grant (UDAG) which was used to help fund construction of a municipal sewer system and to make several loans to local businesses for business development and expansion. Their successful Plan activities have also allowed the Village to secure grants from the Michigan Department of Natural Resources (MDNR) to construct and then upgrade a Village Park, funding from the Michigan State Housing Development Authority (MSHDA) and Farmers Home (FMHA) to rehabilitate housing, and a Community Development Block Grant (CDBG), that, together with UDAG funds assisted the location of a new employer in the industrial park.

In 1993, ten years later, the Village reviewed its plan accomplishments and, with the goal of moving ahead with their community's development, invited residents to participate in a strategy session to establish a new list of priorities including:

1. Revival of the central village area, including new businesses, a gas station and convenience store, and rehabilitation of the existing historic buildings in the 4-corners area.
2. Improve fire protection by installing a Water Tower
3. Continue to improve the Village Park to meet the needs of area youth and families
4. Enlarge/improve community buildings (Fire Station, Community Hall, and Library)
5. Attract new industry to create jobs in the community

Ten years later, in 2003, the Village Council again established a committee to work with the Dansville Downtown Development Authority, interested community organizations, and residents to prepare a revised set of objectives and projects to achieve the goals of the original development plan. The Committee commissioned an Opinion and Household Income Survey in

order to determine community wide feelings on development priorities. The results of the 2003 Committee's review were detailed in a report with recommended objectives and activities. The Downtown Development Tax Increment Finance Plan was amended based on that report and subsequent discussions between the Village Council, DDA, downtown business owners, and interested citizens.

SUMMARY OF PLAN ACCOMPLISHMENTS 1982-2008

The Village of Dansville DDA has implemented infrastructure projects critical to economic development that were financed under this Plan since its inception and has accomplished many of the goals it set out in its 1982 and 1993 Plans. These include, but are not limited to:

- Construction of a sanitary sewer system (1984) then subsequent improvements and expansions including new and backup generators to improve security and quality of operations;
- Improvements and expansion of the village public water systems including a new water tower and distribution system to support expanding residential, commercial, and industrial development;
- Improvements and expansions to the communications infrastructure in the village including increased broadband internet accessibility and speed as well as cellular tower service;
- Attraction of business and industry to the commercial area, the M-36 corridor, and to sites in the industrial development area;
- Development of the Commercial area through the attraction and retention of businesses; as well as Improvements to existing streets and sidewalks and installation of new streets and sidewalks throughout the village;
- Maintenance of the Village's historic and community atmosphere through streetscape improvements in the commercial area including curb, gutter, benches, streetlights, and sidewalk improvements;
- Increased and improved parking in the downtown retail area;
- Development of a manufacturing business (Industrial Park) area with road improvements, water and sewer infrastructure along with expansion and addition of 6 acres and three new parcels for development in the Industrial Park;
- Improvements and preservation of the Community Hall as a community gathering place;
- A new fire station was sited near the industrial park at Jackson and Johnson Streets. This new station replaced space in the Township Hall which is now used by the Food bank in a central location to provide assistance to the community residents. The new fire station location safety to both the firemen and motorists by allowing greater visibility, less traffic, and direct access to the area in which most of the runs are located
- Small and new business support including business loans, a regional green business initiative, and employer retention, expansion, and attraction activities.

The Village of Dansville Downtown Development Authority working closely with the Village of Dansville and area property owners, has sought and secured financial support for these activities through the Tax Increment Financing outlined in the DDA District TIF Plans as well as through grants from the State of Michigan, an Urban Development Action Grant (UDAG), and a grant from the US Department of Agriculture. They have also participated in County-wide projects implemented by the Ingham County Economic Development Corporation including US EPA grants for brownfields redevelopment and for business retention and small business development assistance.

PLAN UPDATED AND REVISED ACTIONS 2010 AND FORWARD

The Village worked with Ingham Township in 2009 to create and update a regional land use master plan that addresses areas in the village as well as throughout Ingham Township. The Village is currently developing revised zoning ordinances to reflect those master plans. The Village and Township have cooperated to assure that their master land use plans, Downtown Development Plans, and other community efforts are aligned and coordinated to ensure an improved quality of life with seamless economic and community development efforts. The review and updating of area land use plans has inspired the DDDA to reconsider their Plans and issue this updated Development District Tax Increment Finance Plan. The description of proposed general land uses in the Village, including its Downtown District, as well as development strategies for land use to be achieved over the next 10 years are in the Land Use Master Plan and are reflected in the DDA Plan as well.

This Plan document addresses the Village of Dansville's development plans for its Downtown Development District and Tax Increment Finance Area which, as show in the map in Appendix A, are geographically the same. The activities identified in this Plan concurrently address two types of economic development areas: 1) The Downtown Commercial and Community Center and 2) the Tax Increment Finance District. As shown in Figure 1, the Development District and TIF Plan areas both conform to the boundaries of the Village.

The existing and proposed Land Uses in the Development District and Village are shown in the Village's recently updated Land Use Master Plans. The Village is largely residential with a commercial hub at the main intersection of Mason and Jackson Streets and a business park/industrial development area located on Johnson Street. Property becomes less densely populated as you move from the Village center towards the periphery. Some property along the edge of the Village proper but within the Village limits is still in cultivation.

It is unlikely that any major plan for residential development or downtown revitalization is possible today without the installation and maintenance of a municipal water system. As such, a water system will be constructed to serve the four corner downtown district, the school, and the new residential development. Additional water mains serving the industrial park and existing residential areas will be constructed as demand and funds allow.

INDUSTRIAL DEVELOPMENT AREA OF THE DDA DISTRICT

The south side of town is designated for industrial and light manufacturing business development. It currently hosts five light industry firms, a cellular communications tower, the municipal water tower, and is alongside the village sewage lagoons. The area currently offers approximately five acres in two additional sites that is available for development. There is also one underutilized industrial building that could be available for sale or lease.

COMMUNITY CENTER AND COMMERCIAL AREA OF THE DDA DISTRICT

Dansville has a long and proud heritage that must be preserved. Given that, it is recommended that a commission or committee form to research and record significant events and notable locations in our community for preservation, reconstruction if needed, and to identify and describe them for future visitors and residents. This would create and improve our self image, provide tools for local tourism and encourage new business development with an improved sense of the community's historic value.

The DDDA proposes to implement activities to attract business locations and investment. They will create and distribute brochures, property profiles, and web-based

descriptions of the available development areas as well as the incentives and supports offered by the Village to encourage business locations and expansions.

The Village strives to continue revitalization of its four corners area at the intersection of M36 and Williamston Road with small retail, commercial, and some office development. They wish to encourage and support façade and structure improvements that support the community's historic feel without limiting modern and improved shopping and community services. Specific infrastructure improvements in the public rights of way in this area will assure that the village appearance is enhanced while the aging infrastructure including water, sewer, electric, gas, and internet connectivity and quality are improved for the downtown retail/commercial area. Projects will include the removal of some dilapidated and obsolete structures, including an abandoned home and outbuildings. This reduces the safety hazards in the area and dramatically improves the appearance and quality of the commercial area. Streetscape improvements including addition of streetlights, curb and gutter, and pavement improvements extending north and south from the intersection of M-36 and Jackson Street will build upon the completed streetscape of the M-36 corridor as well as complete the continuity of the downtown commercial area. Signage will be improved to improve patronage of district area businesses and services.

The downtown still contains partially used buildings that offer retail or commercial development potential. It also includes some dilapidated buildings that need significant improvements or many need to be removed to accommodate a healthy business climate. A retail discount store, a small grocery store, a restaurant/bar, a gas station/convenience store, and pizza and sandwich delivery shop are located within the four corners area of downtown. The Village Hall and adjacent social services assistance center are located less than a block away, next to the village hall and community center. Public parking is available next to the Hall. Privately owned parking is also available behind the stores on M36 and around establishments on Jackson Street. A Post office is located on Jackson Street less than a block from the main Village intersection. A branch of the Capital Area District Libraries is also located in this area.

The existing Village Hall offers a central village location for public meetings and its Community room is available to community groups and residents to use for gatherings and events. The ongoing maintenance and improvements to this community gathering spaces are important to enhancing and supporting the downtown business and economic climate.

Recreational and event areas are important to creating a community, a place, where business locates, grows, and prospers. The existing park located on the west side of town near the school will be developed to include bathrooms, a volleyball court, tennis courts, additional playground equipment, grills, and picnic tables. New parking for seniors and handicapped will allow direct access to park facilities.

Downtown events require flexible and well maintained parking options to attract participants. In Dansville, the area allocated for festival and event parking is in the southwest block of the four corner downtown district was developed into additional parking with a small festival/park space. This area will be improved with new parking surface, striping, and with traffic control structures (berms, speed bumps, etc.) as appropriate to improve the safety of traffic flow through this commonly used area. It will also be designed to provide for community festival and fair space as well as a possible seasonal farmers market that will enhance the downtown shopping experience.

RESIDENTIAL DEVELOPMENT IN THE DDA and TIF DISTRICT

A broader population base is necessary to support the growth of new businesses, the beautification of the village, and the continued existence of a quality, independent school system. Development will include platting, street construction, sewer and water installation, and marketing. The primary focus for the area will be single family dwellings with certain areas

reserved for multiple housing and industrial or commercial development (see Industrial Park Expansion below).

The village now owns an approximately 80 acre parcel comprising the southeast corner of the village proper. This parcel is planned for higher density residential housing, targeted to the growing need for senior and accessible housing that is affordable to area residents. The creation of affordable accessible housing in the village, particularly for their growing elderly population, will address a critical need for a variety and diversity of housing options. With locally available accessible housing, the local citizens will have an opportunity to "age in place" in their home community despite their changed housing needs. The proposed senior housing development would be designed to carry over the rural feel of the existing village layout. Lot sizes would be similar to those found in the village center and the original platted, but not developed northwest village quadrant and streets would be paved, ditched, with no curbs. Areas for both multifamily dwellings as well as senior citizen housing will be set aside for development. The multifamily area will be used to provide a buffer to a smaller industrial area to the south.

The DDDA has a goal of improving and expanding the Village's environmentally friendly and welcoming atmosphere by expanding and improving local park areas in the downtown and by improving and expanding its community gathering center at the Village Hall building. The residential area in the village will be linked to the downtown area. There is a need for sidewalk and non-motorized pathways and crossings that will link the residential area to the downtown and the schools by way of Adams Street. There is also a need for crossings to accommodate pedestrian traffic across M36, The non-stop highway traffic poses a particular threat to school children and shoppers in the downtown commercial area.

MASTER PLAN AND ZONING

The Village has worked with Ingham Township to develop a regional Master Land Use Plan. It has used that Plan as a basis for amendments and revisions to update its local zoning ordinances. The Plan and zoning ordinances are integrated and reflected in this Plan's The Village of Dansville Comprehensive Plan 2009 Utilizing Smart Growth to Preserve Community is their recently updated Master Plan. It includes future land use maps of the area as well as compatible information about proposed land uses and possible zoning requirements.

SPECIFIC PROJECTS PROPOSED FOR TAX INCREMENT FINANCING UNDER THIS PLAN

Table of TIF Projects Proposed

PROJECT	ADDITIONAL FUND SOURCES	TIME FRAME	Estimate Cost
Village Hall Community Center maintenance and improvements including but not limited to: Plumbing , Electrical, Heating-cooling, Structural repairs Painting, façade improvements, and public Meeting room furniture	CDBG, USDA-Rural Development	2009-2014	50, 000 to \$100,000
Marketing the 4-Corners area to attract retail/office business locations, brochures, web page, Establish a marketing program to communicate the opportunities available in Dansville to potential developers, residents, and customers.	MEDC, US Dept Commerce	2010-2011	\$500-\$1000
Attraction of industrial businesses to the available lots in the Industrial development area of the DDA; Web page, property profiles with photos developed and distributed		2010-2012	\$500
Business Incubator Development Research and develop viable business plan for a downtown kitchen incubator that would facilitate the creation of new agriculture and food processing based businesses	Private Foundations MEDC	2011-2013	\$25,000
Improve and extend water sewer services to the northern parts of the commercial district	USDA Rural Development	2011-2012	\$150,000
Expand the commercial area streetscape north and south of the main intersection with similar lighting, sidewalk bricks, planters to extend and improve the retail area.	MDOT	2011-2013	\$500,000
Senior Accessible Housing Project (phase 3 development to include more single family housing and senior or accessible buildings.	MSHDA, HUD, private developer partners	2015	\$1.2 mil
Identify locations within the downtown area for new retail facilities conducive to the cottage industry theme. A loan fund with appropriate guidelines should be established to foster cottage type industries (crafts, arts, collectibles, specialty foods, etc.) to be operated from homes within the village or small shops in the downtown area.	MSUE-CEC, USDA-RD, Ed Lowe Foundation, MEDC, US Dept Commerce	2012	\$10,000
Non-motor pathways, sidewalk repair and extension in all DDA district areas.	MDOT	2011	\$30,000
A historic walking path- A map with information about the community. Possible plaques or markers to identify buildings and sites and some summary of the event/importance.	State of MI Parks or Transportation Department	2012	\$12,000
Establish an effective effort to keep Village and Township residents, businesses, and others informed of the activities taking place. This could be a web site, interactive kiosk, posting bulletin board, local news paper or radio broadcast, or other communication media.	Private foundations, news media firms	2012	\$5,000

Industrial Park Expansion

Approximately 30 acres of the 80 acre development will be reserved for industrial development. Approximately 8 - 2 acre sites along the edge of the lagoons and the edge of the eastern part of the site will allow for sufficient expansion of the existing industrial park. Development of the new industrial park area will commence only with location of new industry. This area includes the existing lagoons and leaves room for lagoon expansion to the east if necessary.

Community Social and Services Center

The Village Hall and former fire station garage (attached) is the community's center and key gathering place for government as well as community. The buildings will be maintained and improved to support its purpose as a community gathering center. The village DDA has assisted with repairs to roofing, site drainage, improved parking, and renovations to the Community Room.

In the future, continued improvements to the restrooms, the flooring, interior doors, and the lighting will bring the facility up to current accessibility standards so the public's access is improved. The facility will be actively used to host educational programs and classes to improve and expand businesses in the community.

In addition, the DDDA plans improvements to the kitchen area to support development of a Kitchen Incubator. The group will study and collect needed information and cost estimates for renovations that would provide a licensed kitchen. This would be available for use in a food/agriculture based small business incubation project. The space would be used by small businesses for the preparation packaging of locally made food products. As part of an overall Incubation project, participants could learn how to set up and expand a successful business with help and support from the DDDA.

FINANCING OPPORTUNITIES AND OPTIONS

The estimated total cost of this development plan is \$2.284 million. The Proposed Projects table on page 11 of this document shows reasonable estimates of the costs for the proposed downtown development projects. These estimated costs are primarily for public facilities, for infrastructure, and for enhancements to the public areas that will assist the community in attraction and retention of wealth generating investments in their downtown district. The public costs of these activities would be eligible for tax increment financing. This Plan also suggests that the Village of Dansville and its Downtown Development Authority could be the applicant for state, federal, or private funding to support those projects and, if required by the funding, would consider use of tax increment revenues to provide matching funds to the projects.

There are several alternative sources of financing to accomplish the public sector improvements outlined in this plan. These alternatives are:

The Village is eligible for the Community Development Block Program. This program allows eligible communities to apply for grant funds to construct new or rebuild existing public infrastructure. The Village would also be able to apply for CDBG Infrastructure grants should either an industry locate to the industrial park or significant commercial development take place downtown.

Bonds: With the passage of Senate Bill I and the elimination of the school operating portion of the millage from TIFA capture, Dansville's TIFA revenue has been severely affected. However, with one or more industries locating in the industrial park and new commercial investment in the four corner commercial district, there may be sufficient TIFA revenue to consider the issuance of bonds to finance economic development.

Loans: The Village has already made arrangements with a local bank to finance the purchase of the 80 acres of land designated for residential development. The bank has also expressed an interest in refinancing the existing sewer debt. However, the amounts needed to finance the above project can not be feasibly obtained through a conventional loan.

Grants: The State of Michigan Economic Development Corporation administers Community Development Block Grants that may be available for specific public infrastructure projects that attract or retain Dansville employers. The US Department of Commerce Economic Development Administration also offers an infrastructure grant program that could assist the community with economic development infrastructure. The Michigan Departments of Transportation has grants and loan programs to assist with transportation projects, downtown streetscaping, transportation enhancements, non-motorized facilities, and other projects to attract and retain business. The Michigan State Housing Development Authority also has a variety of funding programs that could assist with the development of low to moderate income housing, accessible housing, or the renovation and rehabilitation of housing in the Village.

Gifts and donations: Both cash and in-kind gifts and donations can also reduce the overall project cost and financing needed. The use of local fund raisers is also another method which will not only generate a small and helpful amount of cash, but serve to establish and maintain community involvement in the process. The selling of personalized paving bricks, raffles, and collection cans, bake sales, etc. may be used for the public portions of the project such as walkways, trees, and benches.

Tax Increment Financing: Because the new residential development is being undertaken to spur development in Dansville, the new property taxes will be captured by the TIFA and will provide an increasing stream of revenue as the land is developed.

New industrial or commercial activity will substantially raise the TIFA revenue stream. If an enough new investment is generated, the Village should consider issuing bonds to cover development project costs.

User Fees User fees charged for new water and sewer users will provide a source of steady and increasing revenue that can be applied to debt service. However, a portion of these fees may be required for operation and maintenance. Hook up fees should also be devoted to operation and maintenance. Also, increasing existing sewer fees could be utilized offset existing sewer revenue currently being used for operation and maintenance, but needed for debt service.

Land Sales The sale of residential lots in the new 80 acre development will be essential for paying for the land. Sale proceeds above the purchase cost will bring additional revenues to cover project costs, although the amount of the revenue stream will be hard to predict.

Special Assessments or New Millage: Special assessments or new millage, though more difficult to implement, could be utilized to finance particular projects in the overall development program.

PROPOSED SCHEDULE OF PROJECT ACTIVITIES

The schedule for the development of Dansville began with the creation of the DDA and acceptance of the original Development Plan and Tax Increment Finance Plan by the Village Council. Since then the creation of the Tax Increment Finance District, UDAG, CDBG, MSHDA, and MDNR grants have been secured, and TIF revenues actively used to successfully undertake planned development projects.

Development through Public-Private Cooperation

The DDDA is committed to a truly effective development plan that depends upon active cooperative participation by both the private and public sectors. This plan draws upon the public sector to acquire land, construct public infrastructure, and undertake general community enhancement. This public sector commitment will take place through joint efforts and dedication of resources by the Village, DDDA, Township, County, School, Fire Department, and citizens of the village and township.

Securing Commitments: This will be the outcome of gaining stakeholder participation. All identified projects will require multi-jurisdictional public sector as well as private sector participation in order to finance and implement the activities.

Grant Applications. Once stakeholder commitments are secured, the next phase is to apply for various grants. Acquisition of these funds is a critical step because they: provide the funds to acquire and prepare the land for the residential, commercial, and industrial developments provide for major public utilities improvements to support new private investment lower the amount of project cost that must be financed by debt and increasing the number of projects that can undertaken with existing and projected levels of revenues.

Project Activities. The final step is to commence the project activities. Tax revenues generated by the new private investment, land sales, and local government commitments will determine the level of project activity that can be undertaken at the outset.

The impetus for making these improvements is to enhance and increase the opportunities for private sector involvement. The success of the residential development will be dependent on private developers. The entire development of the new industrial park expansion will rest on firms locating and investing there. And finally, the four corners commercial district can only truly be a commercial district through the efforts of existing and new business located there. The continuation of all development efforts will depend on increased business activity and the tax increment revenues generated by the private sector. Without the private sector, development efforts would be meaningless.

DISPLACEMENT AND RELOCATION

The DDDA does not anticipate displacing or causing a need for relocation of any people nor businesses as a result of any of its projects. The DDDA will comply with Act 227 of the Public Acts of 1972 (Michigan Compiled Laws, Sections 213.321 to 213.332) as amended and with the

Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601 to 4655) as amended.

TAX INCREMENT FINANCE PLANNING GENERAL STATEMENTS AND BACKGROUND

The Downtown Development and Tax Increment Finance Plan proposed and adopted by the Village of Dansville Downtown Development Authority and approved by the Village of Dansville Council is as follows:

1. Purpose. The purpose of this TIF plan is to produce revenues sufficient to carry out public improvements and investment detailed in the development plan detailed in Section III of this document.
2. Initial Assessed Value. The Dansville Village Council adopted this plan prior to October 1, 1982 so that the initial assessed value of the district, from which the captured assessed value shall be calculated, was the 1981 State Equalized Valuation (SEV) of the Dansville Downtown Development District, as finally determined by the State Tax Commission. Table 4 lists the property included in the TIF district, the 1981 SEV, the 1990-93 SEVS, and the 2008 SEV as of this amended Plan adoption.
3. Portion of Captured Assessed Value to be used. The DDA proposes that all of the eligible taxes, subject to any agreements with the various taxing units, levied on the captured assessed value within the district to be used by the Authority, to the extent needed form year to year to accomplish the purposes of this plan.
4. Bonded Indebtedness. Because several alternatives sources of revenue are currently being developed, the extent of any bonding authority is not specifically known at this time. If no other source of funds can be developed, the ODA proposes the Village incur the necessary debt by issuing General obligation bonds, utilizing FMHA loans, or other debt financing to be repaid over the amortized life of the debt instrument with TIF revenues.
5. The duration of this TIF program shall be until any obligated indebtedness incurred in the accomplishment of this project shall be paid off and the projects described in Section III are completed.
6. Projection of Captured Assessed Value and TIF Revenue: A projection of captured assessed value and TIF revenue is is based on the new millage rates that apply to TIF districts as a result of Senate Bill I and subsequent school finance related legislation. Under the new legislation, the Dansville TIF district will only be able to apply 27.9 mills of tax on the captured assessed value. Projections are shown for varying levels of debt, suggesting that the scope of project activity can be scaled back to lower the total cost financed by debt or by utilizing additional sources of finance the total project cost to be financed by debt can also be lowered.

AN EXPLANATION OF TAX INCREMENT FINANCING PROCEDURES

The village of Dansville elected leaders created the Tax Increment Financing (TIF) district be created as a method of financing a downtown development plan. They created a Dansville Downtown Development Authority (DDDA) and appointed its board of directors to implement

and manage the process. They assigned the village clerk to work closely with the DDDA. They also entered a contractual arrangement with Ingham County Economic Development Corporation that allows them to contribute TIF capture funds to support contracted economic development services from the Ingham Economic Development Corporation. The revenues derived from the district are also used to finance development in the following ways:

1. The DDA uses the TIF revenues on a "pay as you go" basis. This alternative avoids having to sell bonds and paying out some of the revenues as interest top bondholders. But, this may not generate enough initial revenue to support the development plan or the public improvements required to encourage new private development.
2. A bond issue could be sold to finance improvements. This allows for rapid implementation of necessary public improvements. But, there must be a significant private investment committed to ensure that a large enough bond issue can be sold to fund the development project.

The tax revenues available under either alternative come from all taxes normally levied by all taxing units on the captured assessed value of the TIF district. The DDA may enter into agreements with the various taxing units to share a portion of the captured assessed value. Any taxes generated by the captured assessed value beyond the amount needed to meet the cost of the development project in any given year are returned proportionately to the various taxing districts. Once the development project is completed, the district is dissolved and the captured assessed value is released and returned to the various taxing units. From that point on these units receive all taxes levied on that value.

The justification of the tax increment financing procedure is based on the expectation that all or a portion of the captured assessed value which is created following implementation of the development plan, would not have occurred without the stimulation of the public investment involved in the plan implementation. Therefore, the short term investment made by the taxing units in foregoing part of the initial growth in tax revenues is repaid by the long term benefit of substantially greater taxes realized from a significantly stronger commercial and industrial tax base.

PLAN IMPACT ON TAXING UNITS

The taxing units affected by this Tax Increment Finance Plan, in approximate order are:

The Village of Dansville
The County of Ingham
Ingham Township
Dansville School District
Lansing Community College
Intermediate School District

A measure of impact can be made by comparing the percentage of unit tax base the TIF district represents for each taxing unit. This percentage is then used to weigh the millage levied by the local unit. For example, the county operating millage is 6.8 mills and the Village levy is 6 mills. After weighing, however, the impact on the Village is far more than the approximately .8 mills difference in the millage levied.

Using this procedure, it is apparent that the impact on LCC and the Ingham Intermediate School District (IISD) is very slight. A low millage and a large geographic tax base means that the tax increment district will have a very small impact. By the same procedure, the impact on the County will also be quite small due to the large geographic tax base. The impact on the

Village will be significantly larger. This is because its operating millage and the proportion of the affected tax base is larger. A similar analysis applies to the impact on Ingham Township. Any impact on the Dansville School District has been eliminated by the passage of Senate Bill I and associated legislation.

In considering the impact of the various taxing units, the following is considered:

1. An analysis of raw revenues foregone indicates absolute, not relative impact. The relative impact is probably largest for the Village which gives up the largest share of its overall tax base to the captured assessed value of the district.
2. Because the Village is being asked to pledge its full faith and credit for any bonds sold, it is assuming a burden beyond its contribution to the captured assessed value. The share each taxing unit is asked to contribute is a share that will be realized only if the proposed development takes place. If there are shortfalls, the Village's share becomes larger relative to the other taxing units.
3. Most importantly, the shares do not represent taxes which the taxing units could have depended on to be available for other uses, but rather taxes generated by the stimulus of the development plan being implemented, taxes which would probably not have been realized otherwise.

CONCLUSIONS

This Downtown Development District Plan and Tax Increment Finance Plan for the Village of Dansville is an update and amended version of the Tax Increment Finance Plan as required by state statute and suggested by good community development practice. It is a seamless continuation and improvement to the previously amended Plans which replaces all previous Plans for the Dansville Downtown Development District Tax Increment Financing Plan.

This Plan document is intended as a summary of the intent and wishes of the Village of Dansville. It is a guide, and does not provide permission nor guarantee or confirm neither any projects nor how they will be implemented. Since establishing their Downtown District in 1983, the Village of Dansville, its staff, elected leaders, and community members have made significant progress in the redevelopment and enhancement of their community with the funding support mechanism provided by Tax Increment Capture revenues. This Plan document is not intended as the end, but rather a renewed beginning for the Village and a guide to improve their efforts to attract and retain investment in their community. By planning now for the future, they have a plan for continued success.