

**VILLAGE OF VERNON
DOWNTOWN DEVELOPMENT AUTHORITY**



**DEVELOPMENT PLAN
AND
TAX INCREMENT FINANCING PLAN**

JUNE 2006

**VILLAGE OF VERNON DDA
DEVELOPMENT PLAN**

DESCRIPTION OF DISTRICT BOUNDARIES

The development plan covers the entire Village of Vernon Downtown Development Authority (DDA) district, which is described as follows:

Part of Vernon Proper, Yerkes Addition and Rogers Addition, all in the plant of the Village of Vernon and its additions, as recorded in Liber 1 of plats, page 10, Shiawassee County Records, and being part of the South $\frac{1}{2}$ of the Southeast fractional $\frac{1}{4}$ of Section 6 and part of the Northeast $\frac{1}{4}$ of Section 7, Township 6 North, Range 4 East, Village of Vernon, Shiawassee County, Michigan. Described as beginning at a point 150' Southerly of the intersection of the Southerly Line of Elm Street with Westerly line of Maple Street which is Southerly, 549' and Westerly 33' from the Northeast Corner of said Section 7; Thence Southerly along said Westerly Line of Maple Street to the centerline of Holly Drain; Thence Southeasterly along said centerline to a point on the East Line of said Section 7; Thence Southerly along said East Line to a point on the Northeasterly right of way line of Central Michigan Railroad (formerly Grand Trunk Western); Thence Northwesterly along said right of way line to the intersection of said right of way line and the Southerly Line of said Yerkes Addition; Thence Easterly along said Southerly Line of Yerkes Addition to the Southeast Corner of Lot 6 of Block 11 of Yerkes Addition; Thence Northerly on the extended lot line of said Lot 6 to the centerline of the platted right of way of Water Street; Thence Easterly along said centerline to the Southerly extension of the Westerly lot line of Lot 10 of Block 5 of said Yerkes Addition; Thence Northerly along said Southerly extension to the Northwest Corner of said Lot 10; Thence Westerly along the Southerly lot line of Lot 4 of Block 5 of Yerkes Addition to the Southwest Corner of said Lot 4; Thence Northerly along the Westerly lot line of said Lot 4 to the Northwest Corner of said Lot 4; Thence Northerly to the Southeast Corner of Lot 9 of Block 5 of Yerkes Addition; Thence Northerly along the Westerly lot line of said Lot 9 to the centerline of the Grand Trunk Railway; Thence Northwesterly along said centerline to the Easterly right of way line of Walnut Street; Thence Northwesterly to the Southeast Corner of Lot 1 of Block 9 of the original Plant of the Village of Vernon; Thence Northeasterly along the Easterly lot line of said lot 1 to the Northeast Corner of Lot 1; Thence Westerly along the North line of said lot 1 and the South Line of Elm Street to the Northwest Corner of Lot 1; Thence Northerly to the Southwest Corner of Lot 1 of Block 5 of the Original Plan of Vernon; Thence Northerly along the Westerly lot lines of Lots 1,2 and 3 of Block 5 of Original Plat of Vernon to the Southeast Corner of Lot 7 of Block 5; Thence Westerly along the Southerly lot line of said Lot 7 to the Southwest Corner of said Lot 7; Thence Northerly along the extension of the Westerly lot line of said Lot 7 to a point on the Southerly block line of Block 4 of the original Plat of Vernon; Thence Westerly along said Southerly block line to the Southwest Corner of Easterly 12 1/2 feet of Lot 8 of said Block 4; Thence Northerly along the extension of the Westerly Line of the Easterly 12 1/2 feet of said Lot 8 to a point on the Northerly Line of the 16 foot wide alley of said Block 4; Thence Easterly along the Northerly Line of said alley to the Southeast Corner of Lot 1 of said Block 4; Thence Easterly to the Southwest Corner of Lot 10 of Block 3 of the Original Plat of Vernon; Thence Easterly along the Northerly Line of the 16 foot wide alley of said Block 3 to the southeast Corner of Lot 1 of said Block 3; Thence Easterly to the Southwest Corner of Lot 6 of Block



2 of the original Plat of Vernon, said point being on the Easterly Line of Church Street; Thence Southerly along said Easterly Line of Church Street to the Southwest Corner of said Block 2; Thence Easterly along the Southerly line of said Block 2 to the Southwest Corner of Lot 8 of said Block 2; Thence Southerly to the Northeast Corner of Lot 5 of Block 8 of the Original Plat of Vernon; Thence Southerly along the Easterly lot line of said Lot 5 to the Southeast Corner of Lot 5; Thence Westerly along the Southerly lot lines of Lots 5 and 6 of said Block 8 to the Northwest Corner of Block 1 of Yerkes addition; Thence Southerly along the Westerly Block Line of said Block 1 to the Southwest Corner of Block 1; Thence Easterly along the Southerly Block Line of Block 1 to the Southwest Corner of Lot 1 of said Block 1; Thence Northerly along the Westerly Lot Line of said Lot 1 to the Northwest Corner of said Lot 1; Thence Easterly along the Northerly Block Lines of Block 1 of Yerkes Addition and Block 2 of Rogers Addition to the Northeast Corner of Lot 1 of Block 2 of said Rogers Addition; Thence Easterly to the intersection of the centerline of a 16 foot wide alley, between Block 14 of the Original Plat of Vernon and Block 1 of Rogers Addition with the Northerly extension of the Westerly Block Line of said Block 1 of Rogers Addition to the Southwest Corner of said Block 1; Thence Easterly along the Southerly Block Line of said Block 1 to the Southeast Corner of Lot 4 of said Block 1; Thence Southerly to the Northwest Corner of Lot 3 of Block 4 of Rogers Addition; Thence Southerly along the extended Westerly lot line of said Lot 3 to the centerline of a 16 foot wide alley; Thence Easterly along said centerline of 16 foot alley of Block 4 of Rogers Addition to the point of beginning.

PUBLIC PROPERTIES AND FACILITIES

There are several public and semi-public facilities within the development district including the Village Hall, two churches, and a public library. These are all facilities to which funds will not be captured from for use within the development district.

The primary road in the district is Main Street which runs east and west through the district and later becomes Bennington Rd. outside of the development district.

Sanitary sewer service is provided throughout the development area. The system is a gravity flow system which flows to sewage treatment lagoons in the southern part of the village.

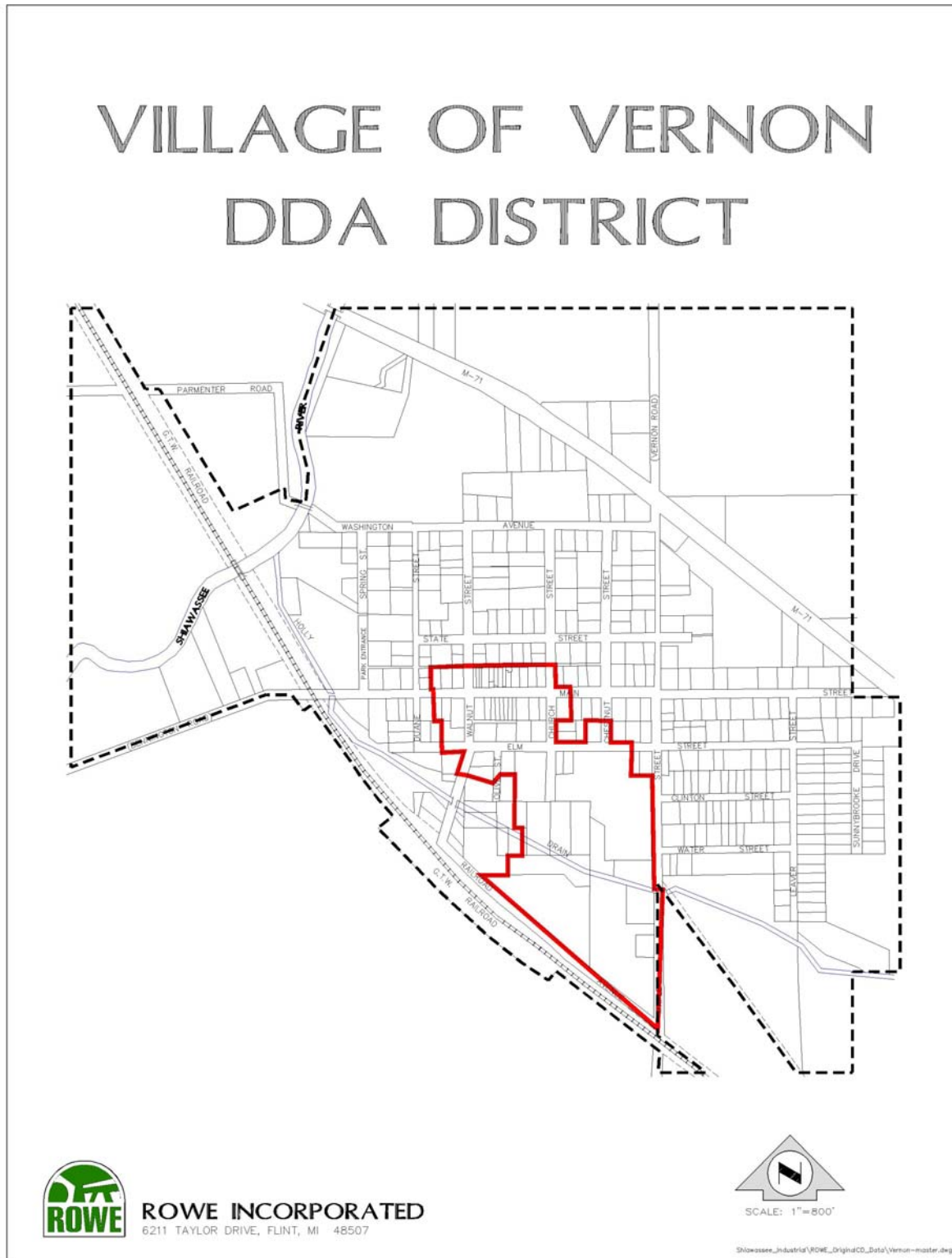
EXISTING LAND USE

The district encompasses the business district of the village and as a result, the primary land uses in the district are commercial. Some public buildings are also located within the district as was noted above. Residences are located throughout the district, principally on the backside of blocks to the south of Main Street and are in the southern end of the district. There are a few large tracts of vacant land included in the district's southern boundary off Railroad Street and adjacent to the Holly Drain.

EXISTING ZONING

The current zoning within the DDA District boundaries is primarily commercial and industrial, however; there are a fair amount of properties within the center of the district that are zoned residential.

Map 1: Village of Vernon DDA District





EXISTING IMPROVEMENTS TO BE DEMOLISHED

There is no demolition currently planned. Depending on future decisions regarding the location of additional off street parking, some demolition may be required. The intent is to limit any demolition in order to preserve the existing commercial structures.

DESCRIPTION OF PROPOSED IMPROVEMENTS

There are projects planned for development within the development district with DDA funds. They are as follows:

Annual Projects

DDA Training Opportunities

This is to ensure that a portion of the DDA's funds are allocated for training and advancement opportunities either for continuing education, or for new board members who are unfamiliar with a DDA. This cost could range from \$100 to \$3,000 per year depending on the amount of training sessions attended and the number of members of the DDA attending training. This will also cover membership costs to organizations such as the Michigan Downtown Association which has an annual membership of \$100 per DDA.

Downtown Advertising and Promotion

Promotion of the DDA District and the development area will be accomplished with this project. Means of promotion can include but are not limited to promotional flyers, radio advertisements, informational booths at marketing or public events, signage within the development district, mailers and newspaper advertisements. It is estimated that this could cost between \$100 to \$5,000 per year dependant upon the type of advertisement and promotion utilized. It is also assumed this will be an ongoing project throughout the life of the TIF and Development Plan. This project would also include the DDA sponsoring local downtown events (car cruises and such) and festivals as well as participating in other fundraising activities within the development district.

Downtown Street Flowers and Baskets

This project includes purchasing or receiving donated flowers to hang in baskets throughout the downtown areas of the district.

Proposed Long Term Project Prioritization

Off Street Parking

Off street parking has been identified as a key project for the further development/enhancement of the DDA District. Currently there is on-street (angle and parallel parking) along Main Street as well as some alley parking behind the buildings on the south side of Main. The DDA will seek property that is located within the development district that would be most suitable for a parking lot that will be accessible to the downtown while considering residential compatibility as well. This project shall not take more than one year to complete from the time construction commences to the time construction



ceases. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. This project is estimated to cost \$50,000 for the construction of the surface lot. This estimate does not include the cost of purchasing property. It is not anticipated that bonding would be needed to fund this project. See lighting project (3) for possibly adding off-street parking lot lighting.

Street Tree Replacement

This project will include the replacement of street trees within the development district; however, the majority of the trees to be replaced will be along Main Street. Trees within the development district can either be replaced in an individual need basis or all at once. It is estimated that new street trees will cost up to \$500 per tree. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project. This project should take no more than a couple of weeks to complete upon commencement of replacement.

Maintenance, Improvement, Addition or Replacement of Street Lights

This project will be a maintenance program for the existing lighting within the development district that will include the occasional upgrading of on-street lighting as well as possibly adding new lighting to the Development district either on-street, back alley or in off-street parking areas. This project is estimated to cost \$40,000. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project. This project will be an ongoing project to be completed on an as needed basis.

Street Trash Receptacles

This project will replace the existing street trash receptacles primarily along Main Street within the development district. The new trash receptacles will be decorative in nature and will help to enhance the overall architectural and aesthetic look of the Central Business District within the development district. This project is estimated to cost \$5,000. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project. This project should take no more than a couple of weeks to complete upon commencement of replacement.

Vernon Facade Improvement Program and Streetscape Improvements

The Vernon Facade Improvement Program (VFIP) will be a program set up with the DDA which will be either a grant or a loan to which building owners within the development district will be able to apply for assistance through the DDA to improve or reface their building front. There is no cost to initially start this project, but until sufficient funds are realized by the DDA it will take a few years to establish. Once the project has been established, the DDA will set criteria for approval of funding and begin to solicit applications for projects. It should be noted that this program will not fund 100% of facade improvement projects. Funding for this project can be in the form of TIF dollars, in kind services, donations and grants. Other streetscape improvements projected include general sidewalk



maintenance and improvements as well as possibly adding hand railing along the sidewalk along Walnut Street leading north to Main Street.

Village of Vernon Founders Plaque

This is a project the DDA Membership identified as important to the downtown and the Village of Vernon as a whole. The DDA would like to have a founders' plaque briefly detailing the origin of the village and erect it in a highly visible area within the downtown area of the development district. The estimated cost for this project is \$800. Funding for this project can be in the form of TIF dollars, in kind services, donations, and grants.

Purchasing and Sales of Property within the Development District and Development of a Pocket Park

At some point throughout the life of the Development Plan, the DDA may purchase and/or sell property as a means of district revitalization and raising revenues for the district. The DDA has stated that it would like to utilize this ability to purchase property as a means to develop a pocket park within the development district at some point throughout the life of this plan. This project could range from \$20,000 to \$100,000 depending on the cost of purchase of the property and any improvements required in developing a park such as lighting, trash receptacles, benches, playground equipment, gazebo and barrier free accessibility. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project.

Downtown Dumpsters and Enclosures

Local business owners have identified this as a possible future need to consolidate trash dumpsters as the downtown area expands, into isolated locations that would be screened to clean up the appearance of the back alleys within the development district as well as reduce the overall number of dumpsters within the development district. It is estimated that this project will cost \$1,000 and will most likely have an annual rental fee. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project.

Barrier Free Access Improvements

Several of the community's businesses have identified a need to provide better barrier free entrances to facilities throughout the development district. This project will include a barrier free assessment of the development district to identify areas of need and to proceed with improving the areas of need. It is estimated that this project will cost \$12,000. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project. This project will take no longer than two years from the commencement of the barrier free access study to the time construction of improvements cease.



Stamped Concrete Sidewalk for the North Side of Main Street

This is a continuation project that will match the north side of Main Street with the south side. This project is estimated to cost \$20,000. Funding for this project can be in the form of TIF dollars, in kind services, donations, grants and/or loans. It is not anticipated that bonding would be needed to fund this project. This project will take no longer than one year from commencement of construction to the time construction ceases.

Statement of Construction Stages

There have been no plans put together at the time of plan adoption.

Description of Open Space Planned

Currently, there are no public open areas within the development district, however, the DDA has expressed that they would like to develop a pocket park(s) in the future.

Description of any Portions of Development Area to be Disposed of

The development plan does not anticipate the disposition of any currently held land or any land to be acquired in the future.

Description of Desired Zoning Changes and Public Facilities

Changes in zoning

There are no zoning changes anticipated under the development plan.

Changes in streets

There are no changes in streets anticipated under the plan.

Changes in street levels

The terrain within the village is basically flat so no significant grade change is anticipated.

Relocation of Utilities

There will be no significant change in the location of utilities anticipated.

Ability to Finance

The village anticipates funding these projects primarily through Tax Increment Financing funds and economic development grants available through the State of Michigan. However, the DDA may also solicit in-kind services, donations, grants, and possibly loans from the village.

Designate to Who a Portion of the Development is to be Conveyed

No party/parties have been identified to receive any part of the development through sale, lease, donation or other method of conveyance at the time of this plan.



Procedures for Bidding for Leasing, Purchasing or Conveying Portions of the Development

Should the DDA come to acquire property, the adoption of appropriate management procedures will occur at a regularly scheduled DDA meeting. All procedures shall be developed in compliance to all local, state and federal regulations.

Estimate of the Number of People Residing in the Development Area

Based on information from the 2000 Census, it has been estimated that there are roughly 72 residents living within the development district. This was calculated by taking the number of residences within the district and multiplying that with the average persons per household as determined by the Census. There will be no persons displaced by the proposed plan. Further, since there are not more than 100 residents, there is not a need to establish a Development Area Citizens Council in accordance with the DDA Act.

Plan for Priority for Relocating Displaced Persons

At this time there will be no persons displaced to be relocated.

Provisions for the Cost of Relocating People Displaced

At this time there will be no persons displaced to be relocated.

Compliance with Act 227 of Public Acts of 1972 (Relocation Act)

At this time there will be no persons displaced to be relocated.

VILLAGE OF VERNON
TAX INCREMENT FINANCE PLAN (2005-2025)

DETAILED EXPLANATION OF THE TAX INCREMENT PROCEDURE

The theory of Tax Increment Financing (TIF) is that investment in necessary public improvements of an area within the municipality will result in greater tax revenues from that area than would otherwise occur if no special development were undertaken. Therefore, it is important to earmark a portion of the resulting increased tax revenues for the purpose of paying the cost of providing public improvements in that area. A Tax Increment Financing and Development Plan may earmark all or any portion of the tax increment revenues for use in paying the cost of the Development Plan.

The plan must be adopted by the local legislative body following consultation with the taxing units involved and a public hearing as required by statute. The essence of the TIF procedure is as follows:

Implementing Public Improvements

The public makes an investment in public improvements, and also potentially in facilities to be leased or sold to private owners, for the purpose of stimulating private investment in a specific development district. The investment may be made in response to a declining business climate and tax base, or in response to a stable business climate and tax base which the public wishes to protect and develop.

Issuing Bonds

Bonds may be issued to finance the improvements. This is not mandatory, as tax increments received may be used in any manner the authority desires, provided those uses are described in this plan. Should increments be sufficient to warrant the selling of bonds (tax increment bonds), these bonds are retired in a manner prescribed by the authority. Any issuance of bonds would require the approval of the Village Council.

Captured Taxable Value

Taxes generated from the subsequent growth in the tax base of the development district are retained and utilized by the authority. This tax base growth is called the “captured taxable value” (CTV). Specifically, it is the increase in taxable value (TV) of the project area in any given year over the valuation of that area at the time the tax increment financing development plan was adopted.

Taxing Jurisdiction Agreements

Tax increment revenues for the DDA result from the application of the general tax rates to the captured assessed value. This includes tax rates of the incorporated municipality and all other political subdivisions levying taxes in the development area except for the schools and intermediate school districts.

Since the plan may provide for the use of part or all of the captured assessed value, the DDA may enter into agreements with each of the taxing units to share a portion of the captured assessed value of the district. Should the authority find it necessary to use all of the captured assessed value, it shall be clearly stated in this plan.



Release of Captured Taxable Value

When the specified development/financing plan is accomplished, the captured assessed value is released and the taxing units receive all the taxes levied on it from that point on.

Justification for Tax Increment Financing

Since only the growth in tax base (the captured taxable value) in the development district is used to finance the Development Plan, the taxing units continue to receive their full tax levy on the district tax base in existence at the time of adoption of the Development Plan. In addition, any taxes generated by the captured taxable value beyond the amount required by the Development Plan are returned each year to the taxing units.

The justification of the TIF procedure is based on the expectation that all or a portion of the captured taxable value which is created, following implementation of a Downtown 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 tax base.

Preparation of Base Year Tax Increment Roll

Within 60 days of the effective date of the ordinance approving this plan, the local assessor shall prepare the base year tax increment roll. The base year tax increment roll shall list each taxing jurisdiction in which the development area is located, the initial taxable value of all real and personal property in the development area, the millage rates of each taxing jurisdiction that the village is eligible to capture revenue from on both real and personal property as of the effective date of the adoption of this plan, the special tax rolls prepared for property for which facilities exemption certificates have been awarded, and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the development area.

The assessor shall transmit copies of the base year tax increment roll to the local treasurer, county treasurer, the DDA and each taxing jurisdiction that the village is eligible to capture revenue from, together with a notice that the assessment roll has been prepared in accordance with the Tax Increment Financing Plan contained in the Development Plan pursuant to Act 197, Public Acts of 1975, as amended.

Preparation of Annual Tax Increment Roll

Each year, within 45 days following the final equalization of property in the development area, the assessor shall prepare an updated tax increment roll. The updated roll shall show the information required in the base year tax increment roll and the captured taxable value for that year. Copies of the updated roll shall be transmitted by the assessor to the same persons as the base year roll, with a notice that it has been prepared in accordance with the Development Plan.



Preparation of Tax Roll Worksheet

The local assessor shall prepare a complete listing of all properties within the district (real, personal and facilities exemptions) each year. The listing shall include the following required information:

- a. Identification to type of property (real, personal, etc.)
- b. Tax identification number.
- c. Last name of owner of record.
- d. Base year TV.
- e. Current year TV.
- f. Total millage being levied by all taxing jurisdictions from whom the TIF Plan may capture.
- g. Captured assessed value.
- h. Tax revenue from CTV.

Establishment of Project Fund; Approval of Depository

The treasurer of the DDA shall establish a depository which shall be kept in a bank or banks or other financial institution or institutions, approved by the Board of Directors of the DDA. All funds to be designated to the DDA pursuant to the Development Plan shall be deposited in the depository. All moneys in that fund and earnings thereon shall be used only in accordance with the Development Plan, the DDA's by-laws and related municipal ordinances and resolutions.

Payment of Tax Increments to Downtown Development Authority

As ad valorem taxes are collected on the property in the development area, the municipal and county treasurer shall pay that proportion of the taxes to the treasurer of the DDA for deposit in the fund, except for penalties and collection fees that the captured taxable value bears to the initial taxable value. The payments shall be made on the date or dates on which the municipal and county treasurers are required to remit taxes to each of the taxing jurisdictions.

School Districts Exemption from Captured Tax Revenue

The Downtown Development Authority Act (PA 187 of 1975) prohibits the capture of state education tax, local school tax or intermediate school tax unless these funds are needed to cover an "eligible obligation" as defined in the act. The Village of Vernon did not establish its Tax Increment Financing Plan prior to 1994, and therefore is not eligible to capture school tax revenue.

DURATION OF THE PROGRAM

The duration of the Development Plan and Tax Increment Financing Plan is twenty (20) years from December 31st following the date the municipality originally adopted this plan or until the following two conditions have been met:

1. The purposes for which the Development Plan was established have been accomplished and,
2. The principal and interest on any outstanding bonds issued have been paid or funds sufficient to make payment have been segregated.



ESTIMATE OF THE ANNUAL CAPTURED ASSESSED VALUE AND TAX INCREMENT REVENUES

The revenue generation schedule (Table 1) was used to determine most of the fiscal aspects of the plan including the projected total revenue available to the DDA on an annual basis over the life of the plan.

The following table is comprised of three different pieces of information. The first column represents the projected taxable value of the development district. The projected growth rate used for this table was 1.5% annual growth within the district over a 20 year period. This percentage is based on the annual historical rate of growth within the development district for the past five years.

Table 1

Year	TV	Total Captured Value	Revenue (Based on 21.3573 Rate)
2005	\$1,348,542	0	
2006	\$1,368,770	\$20,228	\$432
2007	\$1,389,302	\$40,760	\$871
2008	\$1,410,141	\$61,559	\$1,316
2009	\$1,431,293	\$82,751	\$1,767
2010	\$1,452,763	\$104,221	\$2,226
2011	\$1,474,554	\$126,012	\$2,691
2012	\$1,496,672	\$148,130	\$3,164
2013	\$1,519,123	\$170,581	\$3,643
2014	\$1,541,909	\$193,367	\$4,130
2015	\$1,565,038	\$216,496	\$4,624
2016	\$1,588,514	\$239,972	\$5,125
2017	\$1,612,341	\$263,799	\$5,634
2018	\$1,636,526	\$287,984	\$6,151
2019	\$1,661,074	\$312,532	\$6,675
2020	\$1,685,990	\$337,448	\$7,207
2021	\$1,711,280	\$362,739	\$7,747
2022	\$1,736,950	\$388,408	\$8,295
2023	\$1,763,004	\$414,462	\$8,852
2024	\$1,789,449	\$440,907	\$9,417
2025	\$1,816,291	\$467,749	\$9,990
Total			\$99,957

* Base year = 2005

The total annual tax increment revenues over the life of the plan amount to \$99,957. The DDA intends to use all revenues resulting from the captured assessed value to finance the Development Plan.

However, annual tax increment revenues may increase or decrease over time due to changing conditions, such as:

- Additional investment within the development area not currently anticipated.
- Affects of inflation, deflation, interest rates, etc. on existing property values and new development projects.



- Assessed personal property values depreciating at varying rates and periods.
- Tax laws and local response to development incentives such as tax abatements.
- Local adjustments or changes with regard to valuation trends.
- It is assumed that there will be offsetting increases and decreases as the result of the above mentioned factors.

ESTIMATE OF TAX INCREMENT FINANCING PLANS ON ALL TAXING JURISDICTIONS.

Taxing Jurisdictions

There are three taxing jurisdictions that levy millage in the Village of Vernon that may have revenue captured by the DDA. The jurisdictions that the DDA can capture revenue from are identified in Table 2 along with their total Taxable Value (TV) for 2005, the millage rates they levy, the growth rate that was used to estimate the annual increase in TV and the current ratio of property tax revenue to the jurisdiction's TV.

Estimate of Impact on Taxing Jurisdictions

Tables 3 through 7 identify the impact of the Tax Increment Financing Plan on the taxing jurisdiction's TV and budgets. In each table the TV was projected from 2005 to 2025 using the growth factors listed in Table 2. The Village of the Vernon's growth factor is based on an average of the past 5 years. The remaining jurisdictions' growth rates were based on the assumption that their TV would grow substantially faster than the village's because their areas are much larger and include much more "developing" and "developable area".

The projected revenue from property tax is calculated by multiplying the projected TV for the jurisdiction by the current millage rate. The increment revenue from unit levy is calculated by multiplying the projected total captured TV in Column 3 of Table 1 by the millage rate. The percent property tax revenue is calculated by dividing the increment revenue from unit levy by the projected revenue from property tax. This figure represents the percentage of total estimated property tax revenues that a taxing jurisdiction could normally expect to receive that are being captured by the DDA. Percent of total revenue is calculated by multiplying the percent of captured property tax revenue by the property tax revenue as percentage of total revenue. This represents the percentage of total yearly revenue a taxing jurisdiction receives (including property taxes, other taxes, fees, grants, revenue sharing, etc.) that is being captured by the DDA.

These calculations show that the impact on Shiawassee County (both general fund millage and medical care facility millage), and Shiawassee Council on Aging is slight. That is because these jurisdictions' TVs are very large in comparison with the amount projected to be captured by the DDA.

Impact on Vernon Township is higher than the county or the Council on Aging, ranging from .004% to 0.035% of projected township revenue per year.



The greatest impact is the Village of Vernon's general fund. The plan will capture 0.070% to 0.630% of the village general fund revenue by the 20th year. This impact can be offset by costs that can incur in place of the village.

Table 2

	2005 SEV	Millage	Growth Rate Proj. SEV	Property Tax Revenue % of Total Revenue
Village of Vernon	\$13,461,948	11.3034	5.10%	49%
Shiawassee County	\$1,602,345,761	5.1559	6%	0.529%
Pleasant View Medical	\$1,602,345,761	1.9878	6%	0.260%
Vernon Township	\$105,594,155	.9224	5.5%	23%
Shiawassee Council on Aging	\$1,602,345,761	.1619	6%	0.390%

Table 3 – Vernon Township

Year	Projected SEV	Projected Revenue from Property Tax	Increment Revenue from Unit Levy	% Property Tax Revenue	% Total Revenue
2005	\$105,594,155	\$97,400	\$0.00	0.000%	0.000%
2006	\$111,401,834	\$102,757	\$19	0.018%	0.004%
2007	\$117,528,934	\$108,409	\$38	0.035%	0.008%
2008	\$123,993,026	\$114,371	\$57	0.050%	0.011%
2009	\$130,812,642	\$120,662	\$76	0.063%	0.015%
2010	\$138,007,338	\$127,298	\$96	0.076%	0.017%
2011	\$145,597,741	\$134,299	\$116	0.087%	0.020%
2012	\$153,605,617	\$141,686	\$137	0.096%	0.022%
2013	\$162,053,926	\$149,479	\$157	0.105%	0.024%
2014	\$170,966,892	\$157,700	\$178	0.113%	0.026%
2015	\$180,370,071	\$166,373	\$200	0.120%	0.028%
2016	\$190,290,425	\$175,524	\$221	0.126%	0.029%
2017	\$200,756,398	\$185,178	\$243	0.131%	0.030%
2018	\$211,798,000	\$195,362	\$266	0.136%	0.031%
2019	\$223,446,890	\$206,107	\$288	0.140%	0.032%
2020	\$235,736,469	\$217,443	\$311	0.143%	0.033%
2021	\$248,701,975	\$229,403	\$335	0.146%	0.034%
2022	\$262,380,583	\$242,020	\$358	0.148%	0.034%
2023	\$276,811,515	\$255,331	\$382	0.150%	0.034%
2024	\$292,036,149	\$269,374	\$407	0.151%	0.035%
2025	\$308,098,137	\$284,190	\$431	0.152%	0.035%



Table 4 – Shiawassee County

Year	Projected SEV	Projected Revenue from Property Tax	Increment Revenue from Unit Levy	% Property Tax Revenue	% Total Revenue
2005	\$1,602,345,761	\$8,261,535	\$0.00	0.000%	0.000%
2006	\$1,698,486,507	\$8,757,227	\$104	0.001%	0.001%
2007	\$1,800,395,697	\$9,282,660	\$210	0.002%	0.001%
2008	\$1,908,419,439	\$9,839,620	\$318	0.003%	0.002%
2009	\$2,022,924,605	\$10,429,997	\$427	0.004%	0.002%
2010	\$2,144,300,082	\$11,055,797	\$537	0.005%	0.003%
2011	\$2,272,958,086	\$11,719,145	\$650	0.006%	0.003%
2012	\$2,409,335,572	\$12,422,293	\$764	0.006%	0.003%
2013	\$2,553,895,706	\$13,167,631	\$880	0.007%	0.004%
2014	\$2,707,129,448	\$13,957,689	\$997	0.007%	0.004%
2015	\$2,869,557,215	\$14,795,150	\$1,116	0.008%	0.004%
2016	\$3,041,730,648	\$15,682,859	\$1,237	0.008%	0.004%
2017	\$3,224,234,487	\$16,623,831	\$1,360	0.008%	0.004%
2018	\$3,417,688,556	\$17,621,260	\$1,485	0.008%	0.004%
2019	\$3,622,749,870	\$18,678,536	\$1,611	0.009%	0.005%
2020	\$3,840,114,862	\$19,799,248	\$1,740	0.009%	0.005%
2021	\$4,070,521,753	\$20,987,203	\$1,870	0.009%	0.005%
2022	\$4,314,753,059	\$22,246,435	\$2,003	0.009%	0.005%
2023	\$4,573,638,242	\$23,581,221	\$2,137	0.009%	0.005%
2024	\$4,848,056,537	\$24,996,095	\$2,273	0.009%	0.005%
2025	\$5,138,939,929	\$26,495,860	\$2,412	0.009%	0.005%

Table 5– Shiawassee County (Pleasant View Medical)

Year	Projected SEV	Projected Revenue from Property Tax	Increment Revenue from Unit Levy	% Property Tax Revenue	% Total Revenue
2005	\$1,602,345,761	\$3,185,143	\$0.00	0.000%	0.000%
2006	\$1,698,486,507	\$3,376,251	\$40	0.001%	0.000%
2007	\$1,800,395,697	\$3,578,827	\$81	0.002%	0.001%
2008	\$1,908,419,439	\$3,793,556	\$122	0.003%	0.001%
2009	\$2,022,924,605	\$4,021,170	\$164	0.004%	0.001%
2010	\$2,144,300,082	\$4,262,440	\$207	0.005%	0.001%
2011	\$2,272,958,086	\$4,518,186	\$250	0.006%	0.001%
2012	\$2,409,335,572	\$4,789,277	\$294	0.006%	0.002%
2013	\$2,553,895,706	\$5,076,634	\$339	0.007%	0.002%
2014	\$2,707,129,448	\$5,381,232	\$384	0.007%	0.002%
2015	\$2,869,557,215	\$5,704,106	\$430	0.008%	0.002%
2016	\$3,041,730,648	\$6,046,352	\$477	0.008%	0.002%
2017	\$3,224,234,487	\$6,409,133	\$524	0.008%	0.002%
2018	\$3,417,688,556	\$6,793,681	\$572	0.008%	0.002%
2019	\$3,622,749,870	\$7,201,302	\$621	0.009%	0.002%
2020	\$3,840,114,862	\$7,633,380	\$671	0.009%	0.002%
2021	\$4,070,521,753	\$8,091,383	\$721	0.009%	0.002%
2022	\$4,314,753,059	\$8,576,866	\$772	0.009%	0.002%
2023	\$4,573,638,242	\$9,091,478	\$824	0.009%	0.002%
2024	\$4,848,056,537	\$9,636,967	\$876	0.009%	0.002%
2025	\$5,138,939,929	\$10,215,185	\$930	0.009%	0.002%



Table 6– Shiawassee Council on Aging

Year	Projected SEV	Projected Revenue from Property Tax	Increment Revenue from Unit Levy	% Property Tax Revenue	% Total Revenue
2005	\$1,602,345,761	\$259,420	\$0.00	0.000%	0.000%
2006	\$1,698,486,507	\$274,985	\$3	0.001%	0.000%
2007	\$1,800,395,697	\$291,484	\$7	0.002%	0.001%
2008	\$1,908,419,439	\$308,973	\$10	0.003%	0.001%
2009	\$2,022,924,605	\$327,511	\$13	0.004%	0.002%
2010	\$2,144,300,082	\$347,162	\$17	0.005%	0.002%
2011	\$2,272,958,086	\$367,992	\$20	0.006%	0.002%
2012	\$2,409,335,572	\$390,071	\$24	0.006%	0.002%
2013	\$2,553,895,706	\$413,476	\$28	0.007%	0.003%
2014	\$2,707,129,448	\$438,284	\$31	0.007%	0.003%
2015	\$2,869,557,215	\$464,581	\$35	0.008%	0.003%
2016	\$3,041,730,648	\$492,456	\$39	0.008%	0.003%
2017	\$3,224,234,487	\$522,004	\$43	0.008%	0.003%
2018	\$3,417,688,556	\$553,324	\$47	0.008%	0.003%
2019	\$3,622,749,870	\$586,523	\$51	0.009%	0.003%
2020	\$3,840,114,862	\$621,715	\$55	0.009%	0.003%
2021	\$4,070,521,753	\$659,017	\$59	0.009%	0.003%
2022	\$4,314,753,059	\$698,559	\$63	0.009%	0.004%
2023	\$4,573,638,242	\$740,472	\$67	0.009%	0.004%
2024	\$4,848,056,537	\$784,900	\$71	0.009%	0.004%
2025	\$5,138,939,929	\$831,994	\$76	0.009%	0.004%

Table 7– Village of Vernon

Year	Projected SEV	Projected Revenue from Property Tax	Increment Revenue from Unit Levy	% Property Tax Revenue	% Total Revenue
2005	\$13,461,948	\$152,166	\$0.00	0.000%	0.000%
2006	\$14,148,507	\$159,926	\$229	0.143%	0.070%
2007	\$14,870,081	\$168,082	\$461	0.274%	0.134%
2008	\$15,628,455	\$176,655	\$696	0.394%	0.193%
2009	\$16,425,507	\$185,664	\$935	0.504%	0.247%
2010	\$17,263,207	\$195,133	\$1,178	0.604%	0.296%
2011	\$18,143,631	\$205,085	\$1,424	0.695%	0.340%
2012	\$19,068,956	\$215,544	\$1,674	0.777%	0.381%
2013	\$20,041,473	\$226,537	\$1,928	0.851%	0.417%
2014	\$21,063,588	\$238,090	\$2,186	0.918%	0.450%
2015	\$22,137,831	\$250,233	\$2,447	0.978%	0.479%
2016	\$23,266,860	\$262,995	\$2,713	1.031%	0.505%
2017	\$24,453,470	\$276,407	\$2,981	1.079%	0.529%
2018	\$25,700,597	\$290,504	\$3,255	1.121%	0.549%
2019	\$27,011,328	\$305,320	\$3,533	1.157%	0.567%
2020	\$28,388,905	\$320,891	\$3,814	1.189%	0.582%
2021	\$29,836,740	\$337,257	\$4,100	1.216%	0.596%
2022	\$31,358,413	\$354,457	\$4,390	1.239%	0.607%
2023	\$32,957,692	\$372,534	\$4,685	1.258%	0.616%
2024	\$34,638,535	\$391,533	\$4,984	1.273%	0.624%
2025	\$36,405,100	\$411,501	\$5,287	1.285%	0.630%