

**City of Swartz Creek
AGENDA**

**Special Council Meeting, Monday, July 13, 2023, 6:00 P.M.
Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473
THIS WILL BE A HYBRID MEETING, WITH IN PERSON ATTENDANCE BY COUNCIL MEMBERS.**

- 1. **CALL TO ORDER:**
- 2. **INVOCATION & PLEDGE OF ALLEGIANCE:**
- 3. **ROLL CALL:**
- 4. **APPROVE AGENDA:**
 - 4A. Proposed / Amended Agenda MOTION Pg. 1
- 5. **REPORTS & COMMUNICATIONS:**
 - 5A. Special City Manager's Report MOTION Pg. 8
 - 5B. DDA TIF Guidelines, Application, & Scoring Sheet Pg. 11
- 6. **MEETING OPENED TO THE PUBLIC:**
 - 6A. General Public Comments
- 7. **COUNCIL BUSINESS:**
 - 7A. DDA TIF Program RESO Pg. 9
- 8. **MEETING OPENED TO THE PUBLIC:**
- 9. **REMARKS BY COUNCILMEMBERS:**
- 10. **ADJOURNMENT:** MOTION Pg. 10

Next Month Calendar

Fire Board:	Monday, July 17, 2023, 6:00 p.m., Station #1
Park Board:	Tuesday, July 18, 2023, 5:30 p.m. Elms Park
Zoning Board of Appeals:	Wednesday, July 19, 2023, 6:00 p.m., PDBMB
City Council	Monday, July 24, 2023, 7:00 p.m., PDBMB
Metro Police Board:	Wednesday, July 26, 2023, 11:00 a.m., Metro HQ
Planning Commission:	Tuesday, August 1, 2023, 7:00 p.m., PDBMB
City Council	Monday, August 14 2023, 7:00 p.m., PDBMB

City of Swartz Creek Mission Statement

The City shall provide a full range of public services in a professional and competent manner, assuring that the needs of our constituents are met in an effective and fiscally responsible manner, thus promoting a high standard of community life.

City of Swartz Creek Values

The City of Swartz Creek's Mission Statement is guided by a set of values which serve as a common operating basis for all City employees. These values provide a common understanding of responsibilities and expectations that enable the City to achieve its overall mission. The City's values are as follows:

Honesty, Integrity and Fairness

The City expects and values trust, openness, honesty and integrity in the words and actions of its employees. All employees, officials, and elected officials are expected to interact with each other openly and honestly and display ethical behavior while performing his/her job responsibilities. Administrators and department heads shall develop and cultivate a work environment in which employees feel valued and recognize that each individual is an integral component in accomplishing the mission of the City.

Fiscal Responsibility

Budget awareness is to be exercised on a continual basis. All employees are expected to be conscientious of and adhere to mandated budgets and spending plans.

Public Service

The goal of the City is to serve the public. This responsibility includes providing a wide range of services to the community in a timely and cost-effective manner.

Embrace Employee Diversity and Employee Contribution, Development and Safety

The City is an equal opportunity employer and encourages diversity in its work force, recognizing that each employee has unlimited potential to become a productive member of the City's team. Each employee will be treated with the level of respect that will allow that individual to achieve his/her full potential as a contributing member of the City staff. The City also strives to provide a safe and secure work environment that enables employees to function at his/her peak performance level. Professional growth opportunities, as well as teamwork, are promoted through the sharing of ideas and resources. Employees are recognized for his/her dedication and commitment to excellence.

Expect Excellence

The City values and expects excellence from all employees. Just "doing the job" is not enough; rather, it is expected that employees will consistently search for more effective ways of meeting the City's goals.

Respect the Dignity of Others

Employees shall be professional and show respect to each other and to the public.

Promote Protective Thinking and Innovative Suggestions

Employees shall take the responsibility to look for and advocate new ways of continuously improving the services offered by the City. It is expected that employees will perform to the best of his/her abilities and shall be responsible for his/her behavior and for fulfilling the professional commitments they make. Administrators and department heads shall encourage proactive thinking and embrace innovative suggestions from employees.

**CITY OF SWARTZ CREEK
VIRTUAL REGULAR CITY COUNCIL MEETING ACCESS INSTRUCTIONS
MONDAY, JULY 13, 2023, 6:00 P.M.**

The regular virtual meeting of the City of Swartz Creek city council is scheduled for **July 13, 2023** starting at 7:00 p.m. and will be conducted virtually (online and/or by phone), due to health concerns surrounding Coronavirus/COVID-19 and rules promulgated by the Michigan Department of Health and Human Services.

To comply with the **Americans with Disabilities Act (ADA)**, any citizen requesting accommodation to attend this meeting, and/or to obtain the notice in alternate formats, please contact Connie Olger, 810-429-2766 48 hours prior to meeting,

Zoom Instructions for Participants

To join the conference by phone:

1. On your phone, dial the teleconferencing number provided below.
2. Enter the **Meeting ID** number (also provided below) when prompted using your touch-tone (DTMF) keypad.

Before a videoconference:

1. You will need a computer, tablet, or smartphone with speaker or headphones. You will have the opportunity to check your audio immediately upon joining a meeting.
2. Details, phone numbers, and links to videoconference or conference call is provide below. The details include a link to “**Join via computer**” as well as phone numbers for a conference call option. It will also include the 9-digit Meeting ID.

To join the videoconference:

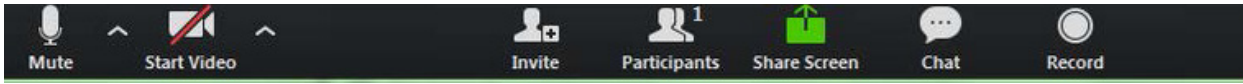
1. At the start time of your meeting, enter the link to join via computer. You may be instructed to download the Zoom application.
2. You have an opportunity to test your audio at this point by clicking on “Test Computer Audio.” Once you are satisfied that your audio works, click on “Join audio by computer.”

You may also join a meeting without the link by going to join.zoom.us on any browser and entering the Meeting ID provided below.

If you are having trouble hearing the meeting, you can join via telephone while remaining on the video conference:

1. On your phone, dial the teleconferencing number provided below.
2. Enter the **Meeting ID number** (also provided below) when prompted using your touchtone (DMTF) keypad.
3. If you have already joined the meeting via computer, you will have the option to enter your participant ID to be associated with your computer.

Participant controls in the lower left corner of the Zoom screen:



Using the icons in the lower left corner of the Zoom screen you can:

- Mute/Unmute your microphone (far left)
- Turn on/off camera (“Start/Stop Video”)
- Invite other participants
- View participant list-opens a pop-out screen that includes a “Raise Hand” icon that you may use to raise a virtual hand during Call to the Public
- Change your screen name that is seen in the participant list and video window
- Share your screen

Somewhere (usually upper right corner on your computer screen) on your Zoom screen you will also see a choice to toggle between “speaker” and “gallery” view. “Speaker view” show the active speaker.

Connie Olger is inviting you to a scheduled Zoom meeting.

Topic: Swartz Creek City Council Meeting

Time: July 13, 2023 at 6:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/83096401128>

Meeting ID: 830 9640 1128

One tap mobile

+13017158592,,83096401128# US (Washington DC)

+13126266799,,83096401128# US (Chicago)

Dial by your location

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

Meeting ID: 830 9640 1128

Find your local number: <https://us02web.zoom.us/u/kz4Jb4etg>

If you have any further questions or concern, please contact 810-429-2766 or email colger@cityofswartzcreek.org.

A copy of this notice will be posted at City Hall, 8083 Civic Drive, Swartz Creek, Michigan.

CITY OF SWARTZ CREEK VIRTUAL (ELECTRONIC) MEETING RULES AND PROCEDURES

In order to conduct an effective, open, accessible, and professional meeting, the following protocols shall apply. These protocols are derived from the standard practices of Swartz Creek public meetings, Roberts Rules of Order, the City Council General Operating Procedures, and other public board & commission procedures. These procedures are adopted to govern participation by staff, councilpersons and members of the public in all City meetings held electronically pursuant to PA 228 of 2020. Note that these protocols do not replace or eliminate established procedures or practices. Their purpose is to augment standing expectations so that practices can be adapted to a virtual meeting format.

The following shall apply to virtual meetings of the city's public bodies that are held in accordance with the Open Meetings Act.

1. Meetings of the City Council, Planning Commission, Zoning Board of Appeals, Downtown Development Authority, Park Board, or committees thereunder may meet electronically or permit electronic participation in such meetings insofar as (1) the Michigan Department of Health and Human Services restricts the number of persons who can gather indoors due to the COVID-19 pandemic; (2) persons have an illness, injury, disability or other health-related condition that poses a risk to the personal health or safety of members of the public or the public body if they were to participate in person; or (3) there is in place a statewide or local state of emergency or state of disaster declared pursuant to law or charter by the governor or other person authorized to declare a state of emergency or disaster.
2. All meetings held hereunder must provide for two-way communication so that members of the public body can hear and respond to members of the general public, and vice versa.
3. Members of the public body who participate remotely must announce at the outset of the meeting that he/she is in fact attending the meeting remotely and by further identifying the specific physical location (by county, township, village and state) where he/she is located. The meeting minutes must include this information.
4. Notice of any meeting held electronically must be posted at the City Offices at least 18 hours before the meeting begins and must clearly explain the following:
 - (a) why the public body is meeting electronically;
 - (b) how members of the public may participate in the meeting electronically, including the specific telephone number, internet address or similar log-in information needed to participate in the meeting;
 - (c) how members of the public may contact members of the public body to provide input or ask questions on any business that will come before the public body at the meeting;
 - (d) how persons with disabilities may participate in the meeting.

5. The notice identified above must also be posted on the City's website homepage or on a separate webpage dedicated to public notices for non-regularly scheduled or electronic public meetings that is accessible through a prominent and conspicuous link on the website's homepage that clearly describes the meeting's purpose.
6. The City must also post on the City website an agenda of the meeting at least 2 hours before the meeting begins.
7. Members of the public may offer comment only when the Chair recognizes them and under rules established by the City.
8. Members of the public who participate in a meeting held electronically may be excluded from participation in a closed session that is convened and held in compliance with the Open Meetings Act.

MAINTAINING ORDER

Public body members and all individuals participating shall preserve order and shall do nothing to interrupt or delay the proceedings of public body.

All speakers shall identify themselves prior to each comment that follows another speaker, and they shall also indicate termination of their comment. For example, "Adam Zettel speaking. There were no new water main breaks to report last month. That is all."

Any participants found to disrupt a meeting shall be promptly removed by the city clerk or by order of the Mayor. Profanity in visual or auditory form is prohibited.

The public body members, participating staff, and recognized staff/consultants/presenters shall be the only participants not muted by default. All other members must request to speak by raising their digital hand on the virtual application or by dialing *9 on their phone, if applicable.

MOTIONS & RESOLUTIONS

All Motions and Resolutions, whenever possible, shall be pre-written and in the positive, meaning yes is approved and no is defeated. All motions shall require support. A public body member whom reads/moves for a motion may oppose, argue against or vote no on the motion.

PUBLIC ADDRESS OF COUNCIL

The public shall be allowed to address a public body under the following conditions:

1. Each person who wishes to address the public body will be first recognized by the Mayor or Chair and requested to state his / her name and address. This applies to staff, petitioners, consultants, and similar participants.
2. Individuals shall seek to be recognized by raising their digital hand as appropriate on the digital application.

3. Petitioners are encouraged to appropriately identify their digital presence so they can be easily recognized during business. If you intend to call in only, please notify the clerk in advance of your phone number.
4. The city clerk shall unmute participants and the members of the public based upon the direction of the mayor or chair. Participants not recognized for this purpose shall be muted by default, including staff, petitioners, and consultants.
5. Individuals shall be allowed five (5) minutes to address the public body, unless special permission is otherwise requested and granted by the Mayor or Chair.
6. There shall be no questioning of speakers by the audience; however, the public body, upon recognition of the Mayor or Chair, may question the speaker.
7. No one shall be allowed to address the public body more than once unless special permission is requested, and granted by the Mayor or Chair.
8. One spokesperson for a group attending together will be allowed five (5) minutes to address the public body unless special permission has been requested, and granted by the Mayor or Chair.
9. Those addressing the public body shall refrain from being repetitive of information already presented.
10. All comments and / or questions shall be directed to and through the Mayor or Chair.
11. Public comments (those not on the agenda as speakers, petitioners, staff, and consultants) are reserved for the two "Public Comment" sections of the agenda and public hearings.

VOTING RECORD OF PUBLIC BODIES

All motions, ordinances, and resolutions shall be taken by "YES" and "NO" voice vote and the vote of each member entered upon the journal.

City of Swartz Creek
CITY MANAGER'S REPORT

Regular Council Meeting of Monday, July 6, 2023 - 7:00 P.M.

TO: *Honorable Mayor, Mayor, Pro-Tem & Council Members*

FROM: Adam Zettel, City Manager

DATE: July 6, 2023

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

✓ **DDA Tax Increment Financing Program (*Business Item*)**

As an RRC community, Swartz Creek gets access to about \$35,000 a year in MEDC funds to support project planning, design, and feasibility analysis for private owners/developers. Following our new downtown plan and incentive packages, there are two property owners downtown that are working with MEDC architects in their pursuit of potential reuse and expansion.

One property is the old Methodist Church on Morrish, which is being looked at as a potential restaurant use. The other is confidential, but it would be a dramatic transformation to an existing property. Note that both of these projects would certainly require state and/or local incentives to successfully complete. With that said, we are in the final step of the Tax Increment Financing incentive program that the DDA has been working on.

Justin (CIB Planning) has provided a complete draft package of the TIF program. This includes the application, guidelines, and scoring sheet. These are attached. Our goal for this meeting will be to review the application and guidelines. The DDA has been working on this for months and has reviewed and approved the general concept of the program and score sheet. They will be convening just before the council at the joint meeting to deliberate on the application and guidelines. My hope is that they will recommend approval of a complete program for the council to consider at this joint meeting. The format of the joint meeting should lend itself to comfortable conversation and inquiry between the DDA, council, and planner.

Again, the incentive is attempting to get developers to put their best foot forward by encouraging desirable project attributes (design, uses, layout, location, height, etc.). The program works by taking tax gains realized AFTER a successful project is completed, and committing SOME of these dollars back towards project improvements for a fixed period of time. This incentive would only come into play for projects that are feasible, pass the incentive scoring system, and can demonstrate a financial gap.

I hope council takes this opportunity to consider the program and to familiarize themselves with the DDA Plan, our DDA members, and our downtown merchants. If all goes well, we will be offering powerful, yet highly scrutinizing, incentive for moving our downtown forward.

**City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, July 13, 2023, 6:00 P.M.**

Motion No. 230713-4A **AGENDA APPROVAL – JULY 13, 2023**

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Agenda as presented / printed / amended for the Regular Council Meeting of July 13, 2023, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Motion No. 230713-5A **CITY MANAGER’S REPORT**

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of July 13, 2023 including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 230713-7A **RESOLUTION TO APPROVE THE DOWNTOWN
DEVELOPMENT AUTHORITY TAX INCREMENT FINANCING
INCENTIVE PROGRAM**

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek is a Redevelopment Ready Community that updated its Master Plan and Downtown Development Plan in 2022, and,

WHEREAS, the improvement and redevelopment of downtown is a high priority for the community, and planning documents encourage higher density, quality development, with specific and desirable features; and,

WHEREAS, the City and DDA both offer incentives to make such improvements possible and to encourage them; and,

WHEREAS, the city’s planner recommended and crafted a Tax Increment Financing incentive program that includes an application, guidelines, and scoring sheet; and,

WHEREAS, the DDA deliberated the program at its regular meeting on July 13, 2023 and recommended approval.

NOW, THEREFORE BE IT RESOLVED the Swartz Creek City Council recommends approval of the Tax Increment Financing program to the city council as included in the July 13, 2023 City Council packet.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Motion No. 230713-10A

ADJOURN

Motion by Councilmember: _____

I Move the Swartz Creek City Council adjourn the regular council meeting of July 13, 2023.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____



SWARTZ CREEK DDA
SWARTZ CREEK CITY OFFICES
8083 CIVIC DR.
SWARTZ CREEK, MI 48473

PHONE: 810-635-4464
FAX: 810-635-2887

City of Swartz Creek Procedures and Policy for Project Specific TIF Application Review

The City of Swartz Creek Downtown Development Authority (DDA) along with the City Council have created a new financial support measure that is intended to assist new development and redevelopment projects within the DDA District that would have a significant and transformative impact within the City of Swartz Creek.

Through utilization of targeted Tax Increment Financing, the DDA may support investment projects that clearly demonstrate that the project(s) align with the goals and objectives of both the City of Swartz Creek and the DDA, as well as aligning with the specific criteria for this incentive program and lastly can verify the need for financial gap assistance.

This policy establishes the procedures for reviewing, approving or denying any and all applications submitted to the DDA seeking financial assistance through this program.

Specific process for reviewing Project Specific TIF applications

1. Upon receipt of an application for assistance, a committee established by the DDA consisting of the DDA Chair or their proxy, the Economic Development Director, City Treasurer or Assessor and City Planner shall be convened to review the application packet for completeness and eligibility with program requirements.
2. An application will be considered complete after it has been signed, finances have been reviewed, an assessor's report has been issued and the committee has reviewed and authorized it for scoring by the entire DDA
3. The DDA Board shall score the application in accordance with the project priority score sheet included within the application package. While there is a potential total of 100 points, it is expected that some criteria may not apply for specific projects. In that case, only the criteria that apply shall be scored.
4. For a project to meet the threshold for funding, the project shall have no less than a \$750,000 Dollar (real property) base investment and it needs to receive a score of 70% or higher of the total points available from which the project is scored against. As noted above, some criteria may not apply for specific projects. In that case, the project shall still score 70% or higher utilizing the applicable criteria.



SWARTZ CREEK DDA
SWARTZ CREEK CITY OFFICES
8083 CIVIC DR.
SWARTZ CREEK, MI 48473

PHONE: 810-635-4464
FAX: 810-635-2887

5. The entire DDA Board shall score the application unless a member identifies a potential conflict of interest with the project before the board.
6. The final score will be the average of all scores submitted by the entire DDA Board.
7. The DDA Board reserves the right to negotiate with those projects scoring near the 70% threshold to potentially improve the projects overall score.
8. The DDA Board recognizes that this TIF Assistance Program is discretionary and reserves the right to withhold or reduce funding assistance based on certain conditions that are reasonable to the public interest.
9. If a project meets the eligibility criteria, passes the 70% scoring threshold, the DDA Board will vote to recommend, modify or deny TIF funding assistance. If funding is agreed upon, the DDA will forward the request to the City Council.
10. If the DDA recommends funding, the City Council will have final say for funding on all projects unless the application is denied by the DDA. Approved projects shall enter into a formal development agreement with the City. A 10% capture will be assessed by the DDA for all Project Specific Tax Increment funds awarded and allocated to a specific project for the purposes of project administration, maintenance, legal, oversight and mitigation of unanticipated impacts as a result of the new development.
11. If a project is rejected by the City Council or the DDA, the process starts over with the committee.



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8083 CIVIC DR.
SWARTZ CREEK, MI 48473

PHONE: 810-635-4464
FAX: 810-635-2887

CITY OF SWARTZ CREEK TAX INCREMENT FINANCING (TIF) ASSISTANCE Application Packet

Dear Prospective Developer,

Welcome to The City of Swartz Creek! Swartz Creek is a community opportunity and embraces prime development that supports the mission and vision of the DDA and the community as a whole. The City Council is working with the members of the Swartz Creek Downtown Development Authority to bring quality redevelopment to the DDA District. As such, we've developed robust programs to incentivize appropriate development projects, including the availability of Tax Increment Financing (TIF).

Please review the contents of this document, which includes the qualifications, process, and application to request TIF funding through our DDA.

For further information about the City's goals and other incentives, please utilize the links provided below.

Thank you for your potential investment in our community!

Sincerely,

Adam Zettel, AICP

City Manager

Swartz Creek City

8083 Civic Drive

Swartz Creek, MI 48473

810.635.4464 general office

810.287.2147 mobile

azettel@cityofswartzcreek.org

<https://www.facebook.com/CityofSwartzCreek>

Downtown Development Authority

Dear Applicant:

This packet contains information and materials necessary for submitting an application for Tax Increment Financing (TIF) assistance from the City of Swartz Creek Downtown Development Authority.

This packet includes the following:

- ➔ TIF Assistance Application Approval Process Overview
- ➔ TIF Application
- ➔ Personal Profile Form
- ➔ Sources & Uses of Funds, Detailed Pro Forma and Revenue Projection Worksheets

Please complete every section of this application as incomplete applications will not be accepted. If any of the aforementioned items are missing from your packet, please feel free to contact Adam Zettel, City Manager.

Funding Priorities

The Swartz Creek DDA adopted a Tax Increment Finance and accompanying Development Plan (Plan) which captures new incremental tax revenues beginning in 2020 and concluding in 2039. Over the past few years, the economy has shifted significantly, and the city has identified Downtown Swartz Creek as:

- a critical redevelopment area;
- an area with specific plans for growth and investment;

Further, the Swartz Creek DDA and has identified specific projects within the DDA District (District) that need funding. These projects will help position Downtown Swartz Creek toward becoming a great downtown destination and place to live, shop and work. These priorities are within the Development Plan and accompanying attachment for this application and will be the basis from which proposed projects are funded, should those projects meet specific criteria.

Projects meeting or exceeding the scoring criteria driven by the priorities above could potentially qualify for project specific Tax Increment Financing to assist with the successful implementation of the project(s).

City of Swartz Creek DDA Tax Increment Financing (TIF) Application Approval Process Overview

A committee established by the DDA reviews all applications for Tax Increment Financing (TIF) assistance. The process outlined below usually takes at least 30-90 days, although more complex projects typically require more time to review and approve.

1. Convene an introductory meeting prior to formal submission of TIF Application

Prior to preparation of a formal TIF application, prospective applicants should request a meeting with the committee to discuss the concept of the potential project and its scope as well as to obtain general information.

2. Submission & Review of TIF Application *

The DDA requires submission of a formal application for TIF assistance in order to consider an applicant's request for TIF assistance. TIF assistance may only be used to pay for eligible costs in accordance with the applicable Michigan Statutes. An application must include the items referenced in the TIF application checklist, (see the enclosed application) and applicants are required to demonstrate a financial need or TIF assistance as well as the public benefit of the payment.

The submission will be reviewed by the committee for conformance with the guidelines of the Tax Increment Finance Assistance Program. An application will be considered complete after it has been signed, finances have been reviewed, an assessor's report has been issued and the committee has reviewed and authorized the application for scoring by the entire DDA Board of Directors.

**Application information will be considered confidential except as disclosure may be required under the Michigan Freedom of Information Act (FOIA), which applies to the DDA and City. The DDA shall advise an applicant of any FOIA request it receives for application documentation before disclosing the same under the FOIA.*

3. Present Proposed Developer Scope/Project to DDA

4. DDA Scores Project and Votes to Recommend Full Approval, Partial Approval or Denial of the Project Application.

5. City Council Reviews Recommendation from the DDA and Votes to Approve or Deny the Application

6. Execute Development Agreement

7. Implement Project / Payout Funds

City of Swartz Creek DDA TIF Application Checklist

Please Include This Checklist When Applying for TIF Assistance.

General Project Information

- Summary Letter
- Copies for DDA
- Project Narrative
- Site Map(s)

Detailed Project Information

- List of Parcel Identification Numbers (PIN's)
- Affordable Housing
- Table of Residential Unit Mix
- Renderings of Project
- Project Timeline
- Public Benefits
- Residential Displacement
- Evidence of Site Control

Project Financial Information

- Sources and Uses of Funds
- Employer Personnel Needs
- Request for TIF Assistance
- Budget of TIF Eligible Expenses
- Pro Forma Income & Expense Schedule
- Analysis of Financial Need
- Financial Commitment
- Most Recent Property Tax Bills
- Appeal of Property Taxes
- Other

Professional Studies

- Market Studies/ Demonstration of Need
- Environment Studies & Reports
- Other Studies & Reports
- Traffic Impact
- Appraisal

Developer Information

- Ownership Structure
- Financial Statement
- Resumes & Experience of Principals
- Principal Profile Information
- Developer License Number

Compliance Information

- Development Budget
- Affidavit & Escrow Agreement
 - o Affidavit/Escrow agreement filled out in its entirety
(Affidavit must be signed and notarized by both buyer & seller)
 - o Copy of most recent Violation Notice
 - o Itemized contractor's proposal from licensed contractor
 - o Proof of contractor's licensing

**City of Swartz Creek
Downtown Development Authority
Tax Increment Financing (TIF) Assistance
Application Requirements**

The committee reviews all applications for TIF assistance. In order for the committee to effectively evaluate a request for TIF assistance, the Applicant must:

- Provide all applicable items in a single submission
- Organize the submission and present the required information in the manner indicated below
- Provide five (5) copies of the submission

Failure to provide all the required information in a complete and accurate manner, could delay the processing of your application. The committee reserves the right to reject or halt the processing of applications that lack all required items.

The Following is a General Overview of the Items Referenced in The TIF Application Checklist:

General Project Information

Summary Letter

Provide a summary of the project in the form of a letter addressed to the Downtown Development Director. The letter should not exceed two (2) pages in length and should include only the following essential information about the project:

- | | |
|---|--|
| → Description of site(s) or building(s), including address and TIF District | → Overview of private-sector financing |
| → Current and proposed uses | → Amount of TIF assistance requested |
| → Description of end users | → Statement regarding why TIF is essential |
| → Project start and end users | → Summary of increment projections |
| → Name of developer and owner | → Profitability |
| → Total development costs | → Description of public benefits, including job creation |

Project Narrative

Provide an in-depth overview of the project in narrative format. The narrative must include a description of the following aspects of the project:

- Current condition of the site and historical overview that includes the size and condition of any existing structures, environmental conditions, and past uses of the site.
- Proposed use(s) or project (e.g., commercial, retail, office, residential for sale or for rental, senior housing, etc.)
- Construction information about the project including size of any existing structure to be demolished or rehabbed; sized of any new construction; types of construction materials (structural and finish); delineation of square foot allocation by use; total number and individual square footage of residential units; type of residential units (e.g. for-sale, rental, condominium, single-family, etc.); number and type of parking spaces provided; and construction phasing.
- Confirm that this project is consistent with goals and objectives identified in the City’s Master Plan.

Site Map(s)

Provide a map that shows the location of the site. Also provide a map that focuses on the project and its immediate surroundings. Both maps should be no longer than 11x17.

Detailed Project Information

List of PINs

Identify the specific Parcel Identification Numbers (PINs) included in the proposal. Also include the “base” SEV for each of these PINs. This information can be obtained in the TIF District Redevelopment Plan and from the Oakland County Assessor’s Office.

Table of Residential Unit Mix

Provide a detailed overview of the residential units in the project. Details must include: the number and type of unit (i.e., number of bedrooms and bathrooms), unit size measured in square feet, construction cost per square foot, base sales price, “write-down” for affordable units, and the projected amount of total sales revenue.

Renderings of Project

Provide preliminary architectural elevations, plans and renderings for the project. These drawings should be no larger than 11x17 inches.

Project Timeline

A comprehensive project timeline is required. Include anticipated dates for site acquisition, project start and completion, as well as other project milestones. Multi-phase projects must include details for each phase. The timeline should also identify any critical or time-sensitive dates as well as any time constraints facing the applicant.

Public Benefits

Fully describe the public benefits that can be realized by the completion of this project. Projects with a high degree of public benefits are typically more likely to receive TIF assistance. Examples of public benefits include, but are not limited to the following:

- Positive Property Value Impacts
- Re-occupancy of a vacant building
- Elimination of blight
- Creation of new retail choices
- Rehabilitation of a historic building
- Increased sales tax revenue
- Job-training opportunities

This statement should include qualitative examples of public benefits as well as quantifiable and measurable outcomes of the short-term and long-term benefits to the neighborhood and to the City of Swartz Creek. Support documentation for the estimates of public benefits can be included in the Professional Studies Section.

Demonstration of Need (GAP Analysis)

Provide a detailed statement that accurately and completely explains why TIF assistance is needed. This statement should provide the reasons why the project would have unacceptable financial returns without TIF.

Project Financial Information

Sources & Uses of Funds

Identify the sources of funds used to finance the project. Typical sources include equity, lender financing, mezzanine financing, other anticipated types of public assistance, and any other types or methods of financing. Describe the sources of equity and include a term sheet for lender financing, if available.

Beware that TIF assistance is generally available as a reimbursement after the project is complete. Thus, the project budget must identify the up-front sources intended to finance the development costs of the project. If determined, specify the specific line items of the project budget that each source will finance.

Summarize the uses of funds. General categories to be identified include but are not limited to, acquisition and related site costs, hard construction costs, and a breakdown of soft costs.

All projects must include for the construction phase a monthly or quarterly cash flow (i.e., sources or “cash in” by source and uses or “cash out” by use).

Note: a performance guarantee may be required by the City to ensure property improvements are completed.

For-sale housing developments must show income from the rental or sale of commercial space, the sale or rental of parking spaces, and unit upgrades must be included. Clearly identify all assumptions (such as absorption, sales prices, taxes, etc.). Identify the profit expected at the completion of the project.

Applicants are advised that to the extent possible, sales contracts for land acquisitions should not be executed until DDA and the Applicant have agreed on an amount of TIF assistance to be provided. This is because the purchase price of a development site to be acquired or recently acquired will be reviewed to determine acquisition costs that will be considered in the estimation of TIF assistance. The committee will review any market value appraisal submitted in support of an acquisition, and the department may obtain its own appraisal or review appraisal.

Development Budget

Provide an accurate and detailed development budget for the project that includes a detailed breakdown of significant line-item costs consistent with the sample included in the application packet. The budget should be arranged to identify acquisition and site related costs, hard costs, and soft costs. Also, identify all line items that are performed by the developer, owner, or related entities.

Request for TIF Assistance

Specifically state the amount of TIF assistance that is necessary to make this project possible. Also specify the terms of payment (e.g., pay-as-you-go or developer note) and how the developer will fund project costs that will be reimbursed with TIF increment after those project costs have been incurred. For example, will the developer provide additional equity or borrow additional funds to “front-fund” the TIF assistance?

Budget of TIF Eligible Expenses

Identify which of the development budget costs are eligible for reimbursement as allowed by the City of Swartz Creek DDA Development Plan.

Pro Forma Income & Expense Schedule

Applicants whose projects involve the rental of commercial, retail, industrial, or dwelling space must submit pro formas that identify income and expenses projections on an annual basis for an eleven-year period. A hypothetical property reversion is to be assumed. Clearly identify all assumptions (such as absorption, vacancies, debt service, operational costs etc.) that serve as the basis for the pro forma. Two sets of pro formas are to be submitted. The first set should show the project without TIF assistance and the second set with TIF assistance.

For owner occupied industrial and commercial projects, detailed financial information must be presented that supports need for financial assistance (see following page).

Analysis of Financial Need

Each application must include financial analyses that demonstrate the need for TIF assistance. Two analyses must be submitted: one without TIF assistance and one with TIF assistance. The applicant must indicate the minimum return or profit the applicant needs to proceed with the project and rationale for this minimum return or profit. The analyses will necessarily differ according to the type or project that is being developed.

For Sale Residential – Show profit as a percent cost (minus developer fee and overhead and minus sales commissions and closing costs, which should be subtracted from gross sales revenue). Other measures of profitability may be submitted, such as profit as a percent of sales revenue.

Mixed Use Commercial / For-Sale Residential – Provide either separate analyses for each component of the project or include in the revenue sources for the for-sale portion, the sale value of the commercial component based on the net operating income of the commercial space at stabilization. Indicate how the sale value was derived.

Competitive Projects – In instances where the city is competing with other jurisdictions for the project (e.g., corporate headquarters, new manufacturing plant), present detailed analyses that demonstrate the capital and operating cost differential between the proposed location(s) in the city and locations outside the city that are being seriously considered by the applicant.

TIF Performance Measures

Identify the performance outcomes of the requested TIF assistance. Actual performance will vary from project to project. Typical performance measures of TIF assistance include:

- ➔ TIF assistance as a percentage of total project costs
- ➔ TIF assistance as a percentage of increment generated by the development project
- ➔ Ratio of public (TIF) to private investment
- ➔ TIF assistance per Full Time Equivalent job created
- ➔ TIF assistance per Full Time Equivalent job retained

Financial Commitments

Submit commitment letters and/or term sheets from all lenders for proposed debt (such as construction, mezzanine, permanent, and government financing) and all other financial sources of the project (such as grants, and tax credits). Commitment letters must clearly specify the nature and terms of the obligations.

Most Recent Property Tax Bills

Submit a copy of the most recent second installment property tax bill for each PIN in the project.

Appeal of Property Taxes

Provide a statement, signed by the developer/owner, that the property has not received a City of Swartz Creek real estate tax reduction. and that such a reduction has not and will not be applied for if TIF assistance is awarded to the project.

Other Available Subsidies

Identify all other forms of public assistance that will be applied for to support this project.

Professional Studies

Market Studies

Applications for commercial and residential projects must include a comprehensive market study. Market studies are not required for industrial projects. The market study must identify target markets, analysis of competition, demographics, market rents, letters of intent/interest from prospective tenants, or for housing developments sale prices or rental rates of comparable properties.

Appraisal

All projects that involve the transfer of land must include a recent appraisal. Projects that include land as a form of equity or collateral must also submit a recent appraisal. The appraisal must value the property “as is”, and the impact on value must be considered for such items as demolition, environmental remediation, relocation of utilities, lease buy-outs and other work necessary to make the site developable. The property must be valued assuming that the highest and best use is the proposed use.

Environmental Studies and Reports

Submit a copy of the Phase I environmental report/study performed on the property. If there is probable or potential contamination on the project site, then a Phase II report/study or evidence that the site has been or is being enrolled in a EGLE No Further Remediation Program must also be included.

Other Studies and Reports

Include as appropriate other reports in support of information that is presented in the application.

Developer Information

Ownership Structure

Submit an organizational chart and narrative description of the ownership structure of the development and ownership entities, which includes information on individuals involved in each. The financial relationship of each entity must be clearly and accurately described. Where applicable, also identify the relationship between the developer/owner and the operating entity. Indicate the entities that will serve as construction manager and general contractor for the project.

Financial Statements

Provide year-end historical (prior 3 years) and interim financial statements of the Applicant and owning and/or operating entity if different from the Applicant. Financial Statements should include accountant an audited or compiled Balanced Sheet, Income Statement, and Statement of Cash Flows.

Resumes and Experience of Principals

Submit resumes for each of the principals of the developer, owner, and operator. Also include a brief history that identifies the development entity’s experience and previous involvement in developing similar projects and the ownership or operating entity’s experience or ability in managing similar projects.

Principal Profile Information

Submit the requested information for each of the principals and business entities involved in this project. This information will be used to verify that the applicants and related associates do not have any outstanding debts to the city or recipients of child support payments. All outstanding City debts and child support must be paid in full in order for the committee to proceed with processing any application for TIF assistance.

PRINCIPAL PROFILE

The following information must be provided for each individual that is an owner, partner, investor, director or officer of the applicant entity or of any entity holding an interest in the applicant. The information will be provided only to the Director of Finance the purpose of determining whether any of the listed persons have outstanding water bills, traffic or parking tickets, child support payments, or other obligations. All outstanding obligations must be satisfied before the committee will proceed with the application.

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

(NOTE: This Profile Must Be Typed)

SOURCES AND USES OF FUNDS, DETAILED PRO-FORMA, AND REVENUE PROJECTIONS

Project Name: _____

Date: _____

Developer: _____

SOURCES AND USES OF FUNDS

I. Sources of Funds

Equity			
Developer Equity	\$ _____		
<u>% Of total project costs</u>			
_____ % Other Equity (___)	\$ _____	_____ %	
Total Equity	\$ _____		_____ %
Loans		Rate	Term
Construction Financing	\$ _____	_____ %	_____ %
Permanent Financing	\$ _____	_____ %	_____ %
Government Assistance (_____)	\$ _____		_____ %
Other (_____)	\$ _____		_____ %
TOTAL SOURCES OF FUNDS	\$ _____		_____ %

II. Uses of Funds

		<u>\$ Per SF of Building Area</u>
Land Acquisition	\$ _____	\$ _____
Demolition	\$ _____	\$ _____
Site Clearance and Preparation	\$ _____	\$ _____
Soft Costs/Fees	\$ _____	\$ _____
Soft Cost Contingency	\$ _____	\$ _____
Hard Construction Costs	\$ _____	\$ _____

III. Detailed Pro Forma (must correspond to line times for Uses of Funds on previous page)

Land Acquisition	\$ _____	
Demolition	\$ _____	
Site Clearance and Preparation	\$ _____	
Infrastructure	\$ _____	
Utilities/removal	\$ _____	
Utilities/relocation	\$ _____	
Utilities/installation	\$ _____	
Hazardous Materials Removal	\$ _____	
Other (Special City Council Packet _____)	\$ _____	25

Total Site Clearance and Preparation	\$ _____
Soft Costs/Fees	
Project Management (_____%)	\$ _____
General Contractor (_____%)	\$ _____
Architect/Engineer (_____%)	\$ _____
Developer Fee (_____%)	\$ _____
Appraisal	\$ _____
Soil Testing	\$ _____
Environmental Testing	\$ _____
Market Study	\$ _____
Legal/Accounting	\$ _____
Insurance	\$ _____
Title/Recording/Transfer	\$ _____
Building Permit	\$ _____
Mortgage Fees	\$ _____
Construction Interest	\$ _____
Commissions	\$ _____
Marketing	\$ _____
Real Estate Taxes	\$ _____
Other Taxes	\$ _____
Other (_____)	\$ _____
Other (_____)	\$ _____
Sub-Total Soft Costs/Fees	\$ _____
Soft Cost Contingency	\$ _____

REVENUE PROJECTIONS – RENTAL PROJECT

	SF	AVG	YEAR 1	YEAR 2	>>>YEAR 11
INCOME					
Commercial Rent	_____	\$ _____	\$ _____	\$ _____	
Commercial Expense Recoveries	_____	\$ _____	\$ _____	\$ _____	
Residential Rent – market rate units	_____	\$ _____	\$ _____	\$ _____	
Residential Rent – affordable units	_____	\$ _____	\$ _____	\$ _____	
Parking Revenue (per space)	_____	\$ _____	\$ _____	\$ _____	
Other Revenue (_____)	_____	\$ _____	\$ _____	\$ _____	
Gross Potential Income			\$ _____	\$ _____	
Commercial Vacancy	_____ %		\$ _____	\$ _____	
Residential Vacancy	_____ %		\$ _____	\$ _____	
EFFECTIVE GROSS INCOME (EGI)			\$ _____	\$ _____	
EXPENSES					
Maintenance & Repairs			\$ _____	\$ _____	
Real Estate Taxes			\$ _____	\$ _____	
Insurance			\$ _____	\$ _____	
Management Fee			\$ _____	\$ _____	
Professional Fees			\$ _____	\$ _____	
Other Expenses (_____)			\$ _____	\$ _____	
Other Expenses (_____)			\$ _____	\$ _____	
TOTAL EXPENSES			\$ _____	\$ _____	
NET OPERATING INCOME (NOI)			\$ _____	\$ _____	
Capital Expenses (reserves, tenant improvements, commissions)			\$ _____	\$ _____	
Debt Service			\$ _____	\$ _____	
NET CASH FLOW (before depreciation)			\$ _____	\$ _____	
REVERSION IN YEAR 10:					
Year 11 NOI before Debt & Capital Expenses		\$ _____			
Capitalization Rate:		_____ %			
Gross Reversion:		\$ _____			

REVENUE PROJECTIONS – FOR-SALE PROJECT

GROSS SALES VALUE

HOUSING UNITS:

<u>Unit Type</u>	<u>Number</u>	<u>Price</u>		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____

Total Housing Sales
***Indicate Affordable Units** \$ _____

Housing Unit Upgrades \$ _____

PARKING SPACES:

<u>Type</u>	<u>Number</u>	<u>Price</u>		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____

Total Parking Sales: \$ _____

COMMERCIAL SPACE:

<u>Unit Type</u>	<u>Size-SF</u>	<u>Price Per SF</u>		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____

Total Commercial Sales: \$ _____

TOTAL GROSS SALES REVENUE \$ _____

COSTS of SALES

Commission	_____ %		\$ _____	
Marketing	_____ %		\$ _____	
Closing	_____ %		\$ _____	
Other Costs (_____)			\$ _____	

TOTAL COSTS of SALES _____ % \$ _____

NET SALES REVENUE \$ _____

HARD COST CATEGORIES

It is not necessary to provide a detailed cost breakdown, but the hard construction costs indicated in the pro forma must include the items listed below, if applicable.

Site-work

Shoring & Underpinning
Erosion Control & Earth Retainage
Curbing
Paving
Drainage Control
Fencing
Accessories

Concrete

Concrete
Formwork
Reinforcement
Grout

Masonry

Masonry, Stone, Granite, Slate, Glass Block
Mortar/Grout
Reinforcing Accessories

Metals

Structural Framing
Metal Decking
Ladders & Rungs
Grates & Trench Covers
Stairs & Railings
Expansion Control

Wood

All lumber
Connections & Fasteners
Architectural Woodwork
Cabinetry
Hardware

Thermal & Moisture Protection

Water/Damp Proofing
Water Retardants & Repellents
Roofing
Siding
Flashing
Sealants

Finishes

Suspended Ceilings
Lath & Plaster/Gypsum Board
Flooring
Acoustical Treatment
Wall Finishes & Covers

Specialties

Toilet Partitions
Fireplaces & Stoves
Flagpoles
Signage
Lockers
Awnings
Movable Partitions
Toilet Accessories
Shelving

Appliances & Equipment

Window Washers
Kitchen Appliances
Audio/Visual
Laundry
Waste

Furnishings

Window Treatments
Furniture
Special Construction

Conveying Systems

Elevators
Lift
Pneumatic Tubes

Mechanical

Sprinkler System
Plumbing Fixtures
HVAC

Electrical

Conduit & Cabling
Lighting

This Completes Your Application!

Please Return To:

Adam Zettel, AICP

City Manager

Swartz Creek City

8083 Civic Drive

Swartz Creek, MI 48473

810.635.4464 general office

810.287.2147 mobile

azettel@cityofswartzcreek.org

<https://www.facebook.com/CityofSwartzCreek>

City of Swartz Creek TIF Eligibility Score Sheet

AZ Edition: July 5, 2023

Criteria	Project Priorities	Comments	Total Score (1-5)
1	The proposed project is located within the DDA Development District, focused in the core area (1-5 pts).		0
2	The proposed project will create new business or jobs within the Development District (1-5 pts).		0
3	The project creates a sense of place and adds vibrancy to the community (1-5 pts).		0
	The proposed project is transformational in the sense that it will generate new economic investment and change the fundamental form, feel and function of downtown and the proposed project is designed to integrate seamlessly into the existing community fabric, incorporates significant architectural features, aligns with the community vision and will become a destination within the		0
4	community (1-5 pts).		
	The proposed project improves an existing building or a blighted space through major renovations, demolition, building expansion		0
5	or new construction. Project costs associated with the improvements will exceed \$250,000 (1-5 pts)		
6	The proposed project enhances pedestrian connectivity (1-5 pts)		0
	The proposed project preserves or renovates a historically significant space, building or feature within the community – General building maintenance does not qualify as eligible expenses towards preserving or renovating a historically significant building or		0
7	space within the downtown (1-5 pts).		
	The proposed project will add in-demand, missing middle housing formats and/or is mixed-use and adds a variety of new uses		0
8	which would support a thriving commercial core of downtown and as identified in the Downtown Master Plan (1-5 pts).		
	The proposed project will reduce the appearance of overhead wires in the downtown area by screening them with vegetation,		0
9	reducing the number of outdated/redundant wires or relocation/burial when practical (1-5 pts).		
10	The proposed project aligns with the approved Downtown PUD Plan and Downtown Design Guidelines (1-5 pts).		0
	The proposed project enhances public parking infrastructure or adds new private parking infrastructure to support the		0
11	development as well as surrounding area (1-5 pts).		
	The project will remediate or reuse (with proper planning and safety measures) an environmentally compromised site(s) and		0
12	greatly improves the general health, safety and welfare of the community, its residents and businesses alike (1-5 pts).		
	The proposed project enhances existing public spaces or provides new public spaces or adds significant placemaking elements		0
13	which encourage public and pedestrian interactions (1-5 pts).		
	The proposed project is financially feasible and has demonstrated it has secured financial commitments to support the project, but		0
14	a financial gap remains (1-5 pts).		
15	Include investment in formally recognized RRC sites (required for abatements). Bonus Points (5)		0
16	Provide for hospitality, cultural, outdoor dining or seating, entertainment, and recreational uses (1-5 pts).		0
	The new development will maximize the sites buildable footprint and build as close to the street frontage or right-of-way as		0
17	allowable by city ordinance (little or no setbacks) (1-5 pts).		
18	Use as much frontage as possible along primary road to establish a street-wall feel (1-5 pts).		0
19	The new development will provide multiple stories (1-5 pts).		0
	The project has pursued/requested/secured other public sources of funding or grants such as CRP from the MEDC or other similar		0
20	types of funding (1-5 pts)		
	100 possible	Total	0