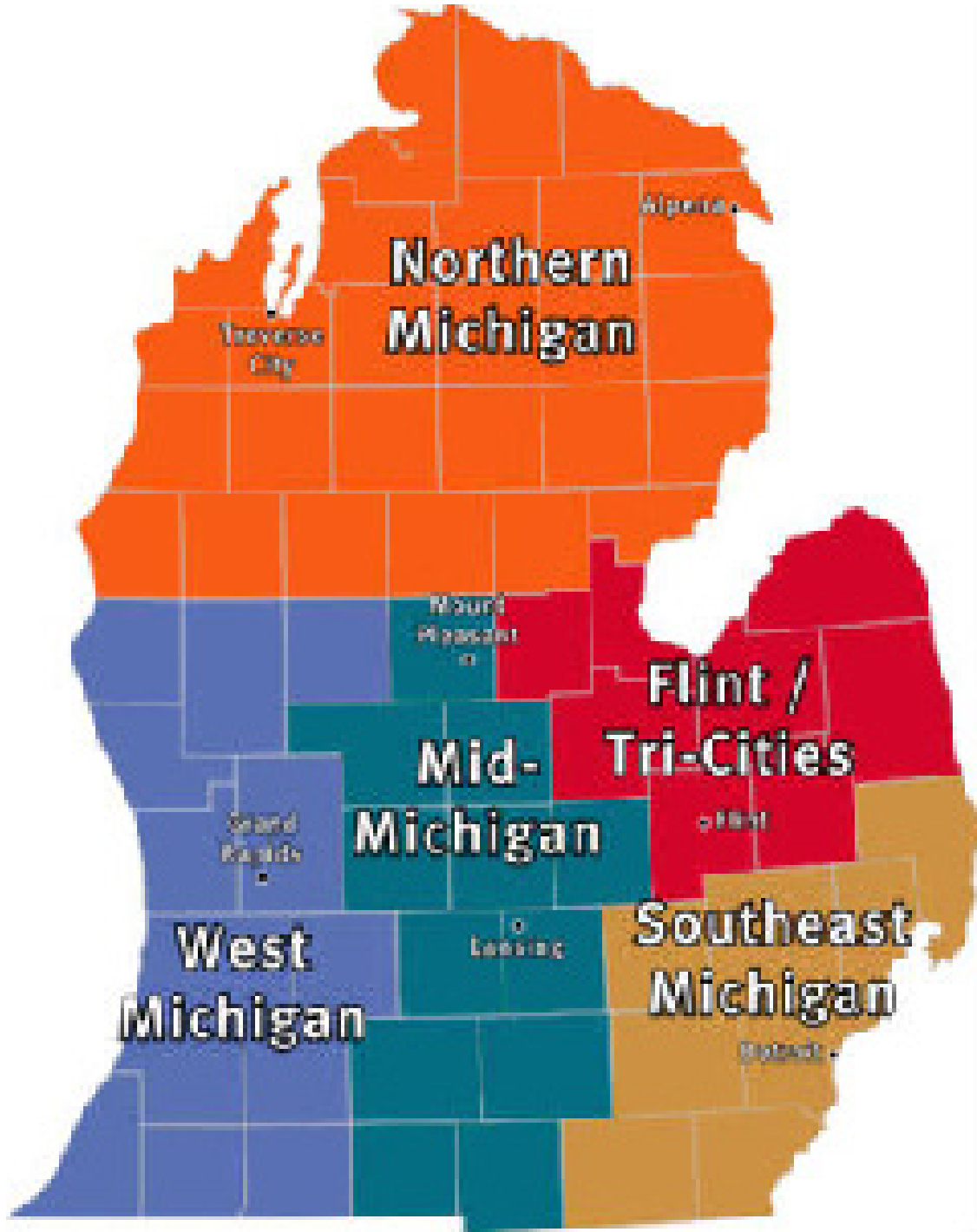




Village of Nashville
MASTER PLAN UPDATE
of Demographics and
Future Land Use Map

June, 2014

Map 1.





Village of Nashville Master Plan

Adopted by the Planning Commission on _____, as an amendment to the June 2006 Master Plan

Acknowledgments

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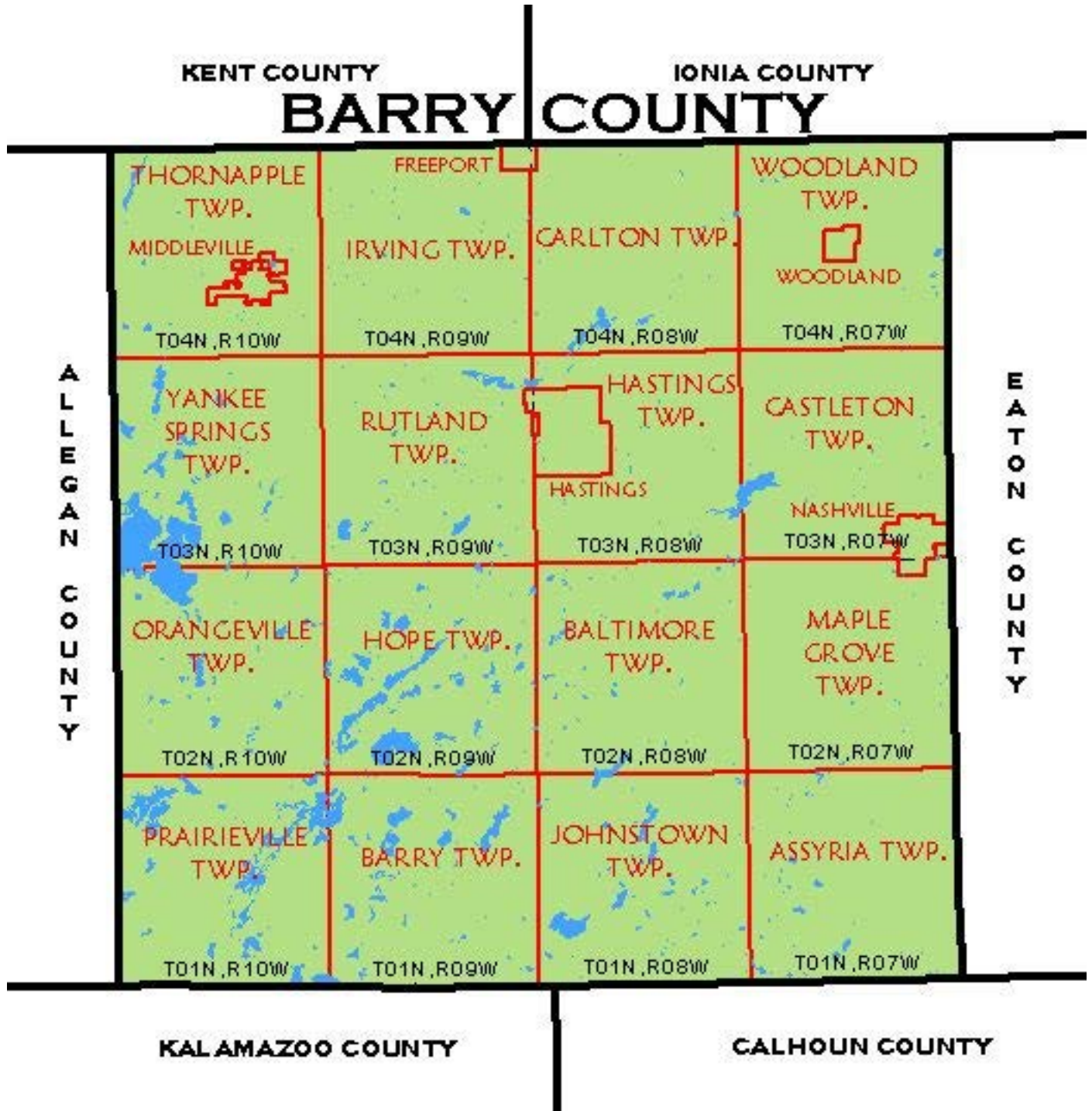
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Map 2
Barry County



Chapter One

INTRODUCTION

PURPOSE OF THE MASTER PLAN AMENDMENT

Planning is a process that involves the conscious selection of policy choices relating to land use, change, and the physical development of the community. The purpose of the Village of Nashville's Master Plan update is to ascertain changes in the background studies to assist with the identification of the objectives and strategies regarding land use and development that the Village will pursue to attain its goals.

HISTORIC CONTEXT

This document represents a partial amendment to the Village of Nashville's Master Plan adopted by the Village in June 2006. Because communities are constantly changing, the information contained in a plan becomes outdated in time. As the conditions change, so do opportunities and expectations for the future. It is therefore essential to periodically update the information contained in a Master Plan as well as a re-evaluation of the basic vision and implementation of the programs in the plan. Current State of Michigan legislation requires a review of a community's Master Plan every five (5) years. This update represents the Village of Nashville's adherence to this requirement.

This update is intended to serve as a road map for the ultimate development of the Village and guide land use decisions.

In 2006 the Nashville Planning Commission concluded its work on the current Master Plan. In the seven years since the Master Plan was completed the Planning Commission has strived to ensure conformity with promulgated goals of the plan when reviewing land for rezoning or site plans for development or redevelopment.

The Nashville Master Plan for Future Land Use has endured over the last seven years for several reasons. Most significant of these is the close adherence to its well thought out recommendations for the distribution of future land use in the Village.

Map 3



Map 4



Map 5



Map 5



The main street components are already in place: zero lot lines, on street parking, sidewalks.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

Chapter One

THE PLANNING PROCESS

The process to update the plan consisted on two parts: a rewrite of the demographic section; and a new future land use map.

REGIONAL SETTING

Nashville is a village in Barry County. It has a strong presence among other communities in the county and in the wider region. Downtown Nashville is home to many businesses and its main street remains the central point of the community. Nashville residents also work and shop in other municipalities within the region. This interaction between communities within the region gives each the opportunity to grow and prosper.

REGIONAL LOCATION

The Village of Nashville is located in the far eastern part of Barry County. It extends north to Castleton Township, south to Maple Grove Township, and borders Eaton County to the east.

M-66 runs through the heart of Nashville, with M-79 running west from downtown and Nashville Highway running east. These roads provide links to Charlotte, Hastings, and further out to Lansing, the state capital, and Grand Rapids, Michigan's second largest city.

COUNTY AND REGIONAL PLANNING

The Village of Nashville is located in the Region 3 Planning Commission, one of fourteen planning and development regions in the state formed under Michigan's Public Act 281 of 1945, commonly called the Regional Planning Act. These fourteen regions recognized that planning services can be most economically provided among local units of government on a cooperative and voluntary basis. The fourteen regions work under the umbrella of the Michigan Association of Regions (MAR), which was created as a forum for regions to receive needed information on common programs, to learn from each other, and to promote the benefits of regionalism in Michigan.

Region 3 has five counties; Barry, Branch, Calhoun, Kalamazoo, and St. Joseph.

Map 6



Single family homes in Nashville.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Example of some of Nashville's many businesses.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

Water Resources Division

Michigan's Major Watersheds



Note: Basin numbers containing an "L" represent Lake Drainage

WATERSHED

The Village of Nashville is located in the Thornapple Watershed, as is a large part of both Barry and Eaton Counties. The remainder of Barry County is in the Kalamazoo Watershed.

METHODOLOGY

The Demographic and Future Land Use Map update began with a review of existing information that was catalogued in the 2006 Existing Demographic section of the Village's Master Plan for Future Land Use report.

In addition a detailed windshield survey of land within the Village was conducted in the field. The use of each parcel of land was noted.

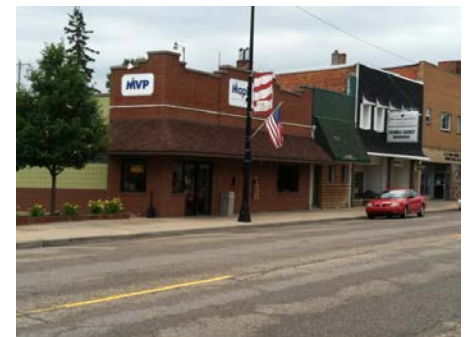
When the initial field survey was completed, the next step involved a thorough review of the demographic changes that have taken place in the Village since the 2006 plan. The changes were researched, documented, analysed, and recommendations were made to help guide the Village into the next decade. Census data and information from Environmental Systems Research Institute (ESRI) was used to make inferences about the future. Meetings were held with the Planning Commission and other interested persons to further understand the changes and the future direction of the Village of Nashville. After a series of meetings a consensus evolved focusing on the Village's strengths, including but not limited to its scenic areas, natural features, and a well defined downtown. These strengths will help guide the village as it moves into the future.

In 2008, the Michigan Legislature adopted Act 33, the Municipal Planning Enabling Act. Section 33(1) in Act 33 states that a municipal Master Plan may project 20 years or more into the future. Section 45(2) states that at least every five (5) years after adoption of its Master Plan, the municipality shall review the Plan and determine whether to commence the procedure to amend the master plan or adopt a new master plan. Since the Plan was six years old at the time, Village Officials determined to amend the plan.



Natural features welcome people to the area.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Having a distinct downtown is an advantage many communities desire.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Scenic viewsheds should be preserved.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

Table 1: Population of Nashville & Surrounding communities 1990-2010 (Census)

Municipality	1990	2000	2010	Total % Change 2000-2010
Nashville	1,654	1,684	1,628	-3.3%
Castleton Township	3,379	3,475	3,471	-0.1%
Maple Grove Township	1,398	1,471	1,521	3.39%
Kalomo Township	1,665	1,742	1,842	0.56%
Vermontville Village	787	799	759	-5.0%
Vermontville Township	1,896	2,100	2,053	-2.2%
Barry County	50,057	56,755	59,173	0.42%

Table 2: Nashville Summary Data (ESRI)

Nashville	2010	2011	2016
Population	1,628	1,663	1,771
Households	620	634	677
Families	415	434	460
Median Age	35.9	37.6	38.1
Median Household Income	\$47,164	\$35,096	\$40,915

Table 3: Trends - 2011-2016 Annual Rate (ESRI)

Nashville	Area	State	National
Population	1.27%	-0.11%	0.67%
Households	1.32%	0.02%	0.71%
Families	1.17%	-0.18%	0.57%
Owner Households	1.50%	0.18%	0.91%
Median Household Income	3.12%	3.27%	2.75%

Table 4: Market Profile (ESRI)

	2000	2010	2015	2010-2015 Annual Rate
Population Summary	1,685	1,840	1,847	0.08%
Household Summary	647	722	729	0.19%
<i>Average Household Size</i>	2.60	2.55	2.53	
<i>Families</i>	447	505	507	0.08%
<i>Average Family Size</i>	3.12	3.03	3.03	
Housing Unit Summary	685	780	802	
<i>Owner Occupied</i>	62.9%	64.9%	63.7%	
<i>Renter Occupied</i>	31.5%	27.7%	27.2%	
<i>Vacant</i>	5.5%	7.4%	9.1%	
Median Household Income	\$32,327	\$47,164	\$54,135	
Median Home Value	\$72,611	\$84,217	\$90,081	
Per Capita Income	\$14,147	\$20,741	\$23,142	
Median Age	33.7	36.2	36.7	

BACKGROUND STUDIES

Demographic factors such as age, income, gender, ethnicity, education and occupation, among others, help shape change in a community. In this chapter of the Master Plan, the Village's demographics are analyzed to reveal patterns and trends that can influence future land use and planning policies.

POPULATION

As noted in the report, the 2010 population of the Village of Nashville was 1,628. This was a 3.3% decrease in population from 2000. More recent analysis shows positive results as the population grew to 1,663 in 2011, a 2% increase. In addition the population is projected to increase to 1,771 in 2016, an 8.8% increase from 2010.

Population decreases effect many communities in Michigan, including some nearby such as Vermontville Village, both Vermontville and Castleton Townships, as well as the State of Michigan as a whole. What is more challenging then the slight population loss in the village is the population decrease for the entire State of Michigan. The state lost over 50,000 residents in the last census. This is even more disturbing when the state of Michigan was the only state in the nation to lose population between the 2000 and 2010 censuses.

An additional challenge for Nashville is that it lost population while both Maple Grove and Kalamo Townships saw their populations increase. The County also saw its population increase.



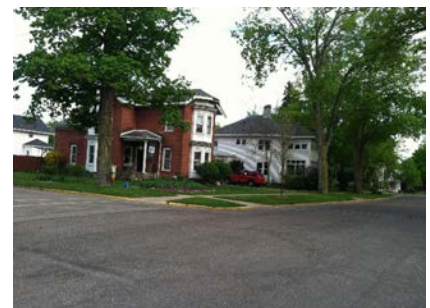
Nashville residents enjoy access to the river.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Successful businesses are expanding in the village.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



As a partially built out community, there are still opportunities for new development.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

Table 5: Population by Age Comparison

	2011	2016
10-19 years	270	258
20-24 years	121	107
25-34 years	249	228
35-44 years	216	263
45-64 years	321	324
65 and above	196	226
Total	1,654	1,684

Graphs/Charts 1: 2010 Population by Age

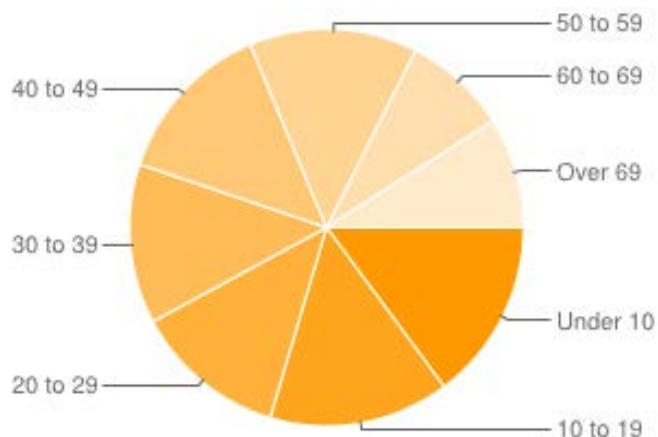


Table 6: 2010 Population by Age

Age	Percent
Under 10	14.8%
10-19 years	14.8%
20-29 years	12.5%
30-39 years	13.0%
40-49 years	13.5%
50-59 years	13.8%
60-69 years	8.5%
Over 60 years	9%

Graph 2: 2010 Percent Population by Age

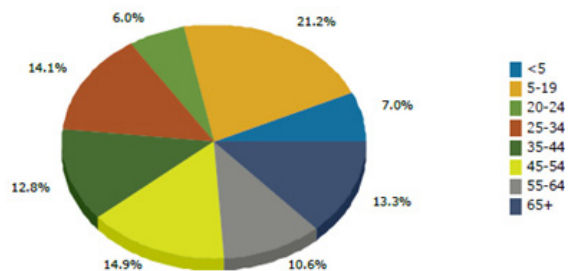


Table 7: Employment: Nashville - US Comparison (ESRI)

	Nashville 2010	USA 2010	Nashville 2015	USA 2015
Employed	85.7%	89.2%	88.3%	91.2%

Table 8: Occupation Distribution: Nashville - US Comparison (ESRI)

Type of job	Nashville 2010	USA 2010
White Collar	45.0%	61.6%
Service	15.7%	17.3%
Blue Collar	39.25	21.1%

Table 9: Median Household Income (ESRI)

	2000	2010	2015
Median Household Income	\$32,327	\$47,164	\$54,135

POPULATION BY AGE

The population per age group decreased for all age categories in the Village of Nashville except for the 24 to 34 year old and 45 to 64 year old age groups. The increase in the 25 to 34 year old category was very small, just three (3) people. The Village should work to attract more younger age residents. This will help strengthen not only the Village but also the school district.

The 2010 population shows the categories pretty evenly spread out, with the largest percentages being both those under ten (10) and those between 10 and 19 years old. However the percentage for both of these categories decreased over the last 20 years. In 1990 those under 10 made up 17 percent of the population, and those 10 to 19 made up 16.3 percent. By 2000 the percents were 16.5 and 15.3 respectively. Nashville needs to take steps to retain its young and young adults. Graph/Chart 3 shows the percentage by age comparison at three different points: 2000, 2010, 2015. The age categories under 15 years old show some of the largest percentage drop in population while the largest age group went up from 35-44 in 2000 to 45-54 in 2010. Creating a downtown that is filled with shops, festivals, and places for the young to live will help offset this trend.



Waterfront access adds to the attractiveness of a community.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Building on unique features and places will help attract residents and jobs.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

POPULATION BY EMPLOYMENT

Currently while 85.7 percent of the civilian labor force in Nashville is employed, 14.3 percent is unemployed. In comparison, 89.2 percent of the U.S. civilian labor force is employed, while 10.8 percent is unemployed. In five years the rate of employment in the area is predicted to rise to 88.3 percent of the civilian labor force, and unemployment will be 11.7 percent. The percentage of the U.S. civilian labor force that will be employed in five years is predicted to be 91.2 percent, while 8.8 percent will be unemployed. In 2000, 62.3 percent of the population aged 16 years or older in the area participated in the labor force, and 0.0 percent was in the Armed Forces.

In the current year, the occupational distribution of the employed population was:

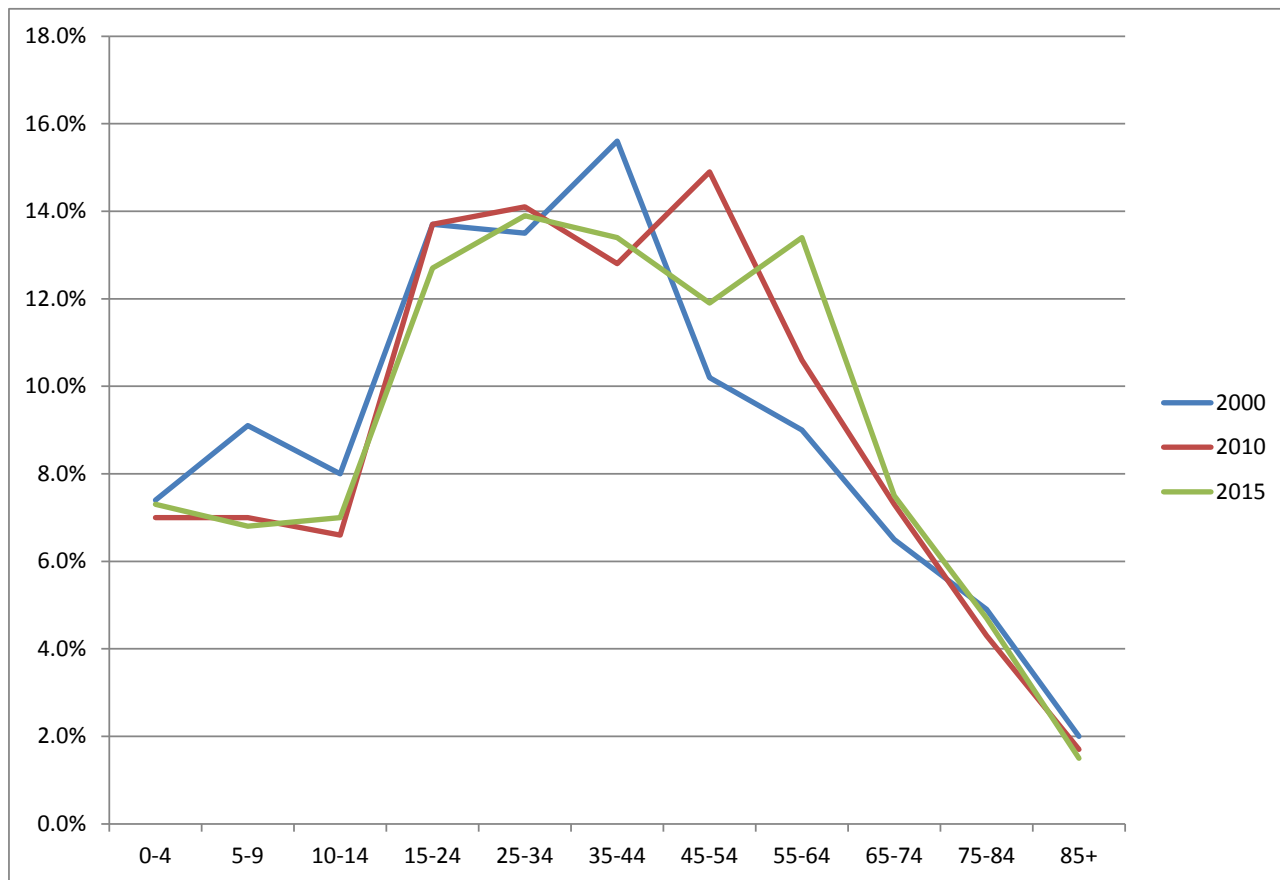
*45.0 % in white collar jobs (compared to 61.6 % of the U.S.)
15.7 % in service jobs (compared to 17.3 % of U.S.)
39.2 % in blue collar jobs (compared to 21.1 % of U.S.)*



Photo Credit: Choose our Stance

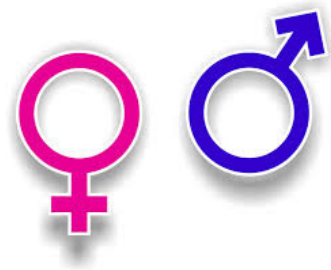
The unemployment rate in Nashville is 5.80%, while the MI rate is 8.4% and the U.S. rate is 7.6%

Graph/Chart 3: Population by Age Comparison (ESRI)



Males comprised 49.2% of the US population, while female comprised 50.8%.
2010 Census

	2000	2010	2015
Male Population	47.3%	48.9%	49.0%
Female Population	48.9%	51.1%	51.0%



Highest Level of Education	Nashville	US
Graduate/Professional	3.6%	10.4%
Bachelor's	9.8%	17.7%
Associate	7.3%	7.7%
High School Graduate	40.3%	29.6%
No High School Diploma	13.9%	14.8%

EDUCATION

In the current year, the educational attainment of the population aged 25 years or older in the area was distributed as follows:

13.9 % had not earned a high school diploma (compared to 14.8 % in the U.S.)

40.3 % were high school graduates only (compared to 29.6 % in the U.S.)

7.3 % had completed an Associate degree (compared to 7.7 % in the U.S.)

9.8 % had a Bachelor's degree (compared to 17.7 % in the U.S.)

3.6 % had earned a Master's/Professional/Doctorate Degree (compared to 10.4 % in the U.S.)

Therefore, as noted above and in Table 11, Nashville lacks residents with degrees, either undergraduate or graduate. This the Village needs to reverse. One of the strongest correlations for wealth is education. Having an educated community directly relates to the wealth of a community. Economic Development originally was focused on education, and communities that have redirected their development efforts toward education of their residents are seeing positive results. The Village of Nashville should work to expand extension classes from nearby universities and colleges at local facilities (high school) to further advance the community.

The states three *Tier 1 Research Institutions* are all within two hours of Nashville; the University of Michigan, Michigan State University, and Wayne State University, providing outstanding education opportunities to village residents.



Nashville public schools spend \$4,874 per student. The average school expenditure in the U.S. is \$5,691. There are about 19.5 students per teacher in Nashville.



Maple Valley Jr.-Sr. High School
Photo Credit: Google Maps



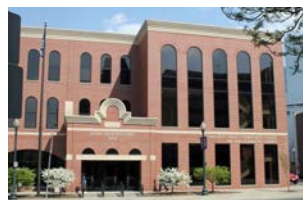
Kalamazoo Valley Community College



Kellogg Community College



Grand Rapids Community College

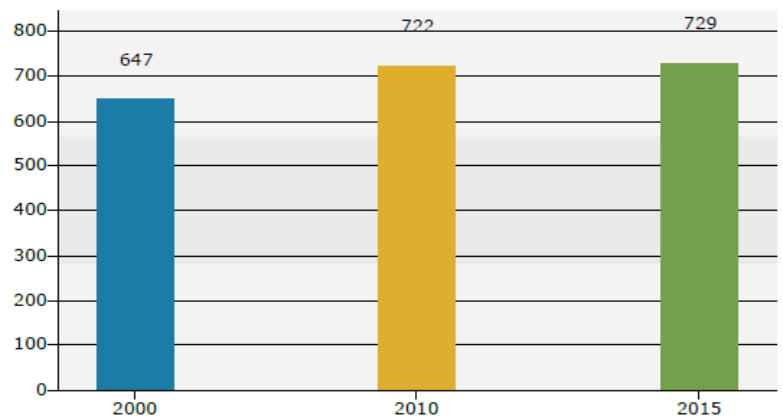


Although there are no community colleges in Barry County, there are three nearby in Kalamazoo, Battle Creek, and Grand Rapids.

Table 12 - Nashville Median Household Income	
1990	\$21,949
2000	\$32,327
2010	\$47,164
2015	\$54,135
1990-2000 Annual Rate	3.95%
2000-2010 Annual Rate	3.75%
2010-2015 Annual Rate	2.80%

Table 13: Number of Households	
Nashville	Number
1990	612
2000	647
2010	722
2015	729

Graph/Chart 4



The Average Household Size in Nashville in 2010 was 2.55

Table 14 Housing: Sperling's Best Places 2012	Nashville	Castleton Township	Maple Grove Township
Population 2012	1,628	3,471	1,593
Median Housing Cost	\$69,800	\$80,500	\$109,000
Home Appreciation last year	2.08%	1.92%	2.24%
Population Growth since 2000	1.53%	1.48%	12.34%

Table 15: Households by Income Forecast (ESRI)		
Nashville	2012	2016
Median Household Income	\$35,096	\$40,915
Average Household Income	\$42,403	\$46,518
Per Capita Income	\$16,361	\$18,044

HOUSING

HOUSEHOLDS

The household count in the area has increased from 647 in 2000 to 722 in the 2010, a growth of 1.08 percent annually. The five-year projection of households is 729, a growth of 0.19 percent annually. Average household size is currently 2.55, compared to 2.60 in the year 2000. The number of families in 2010 was 505.

2010 HOUSING UNITS: OCCUPIED VERSUS VACANT

There were 708 housing units in the Village of Nashville, 87.6% of which were occupied housing units. There were 12.4% vacant housing units. Having an increasing vacant housing rate is one of the more troubling signs for neighborhood stabilization. The Village of Nashville having an occupied rate of nearly 90% is a very good sign considering the challenging housing conditions over the last half decade.

HOUSEHOLD INCOME

According to ESRI, current median household income is \$47,164 in Nashville, compared to \$54,442 for all households in the country. Median household income which has grown (\$21,949 in 1990 and \$32,327 in 2000), is projected to continue to grow to \$54,135 in 2015.

The area's current average household income is \$53,234, compared to \$70,173 for all U.S. households. Average household income is projected to be \$59,132 in 2015. In 2000, average household income was \$36,946, compared to \$25,275 in 1990. Current per capita income is \$20,741 in the area, compared to the U.S. per capita income of \$26,739. The per capita income is projected to be \$23,142 in 2015. In 2000, the per capita income was \$14,147, compared to \$9,272 in 1990.

Half (49.8%) of all household income in Nashville in 2010 was between \$35,000 and \$75,000, with 27.5% between \$50,000 and \$75,000. A little less than 13% made less than \$15,000 while 2.1% had income greater than \$150,000.

Nashville lags behind the nation in both household and per capital income. This could be the result of low-paying jobs that offer few opportunities. Generally, retail trade and services are the types of jobs that are low-paying.



Single-family homes.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



The village is lacking attached dwellings.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Rentals above businesses provide income to building owners and life to main streets.

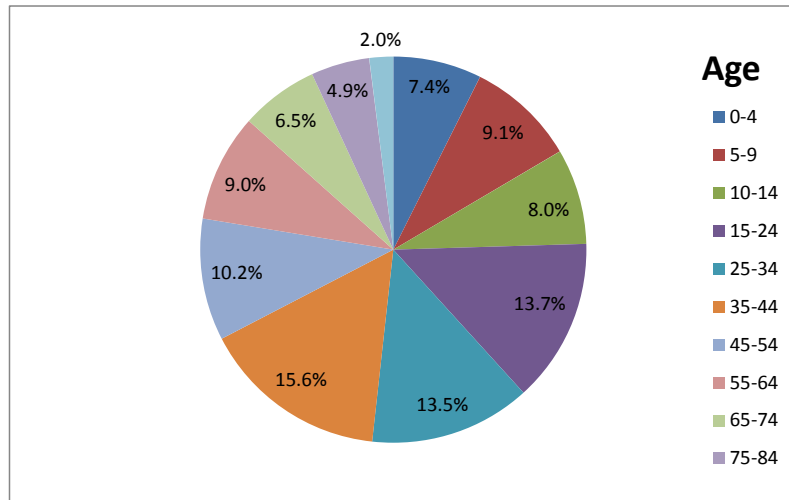
Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



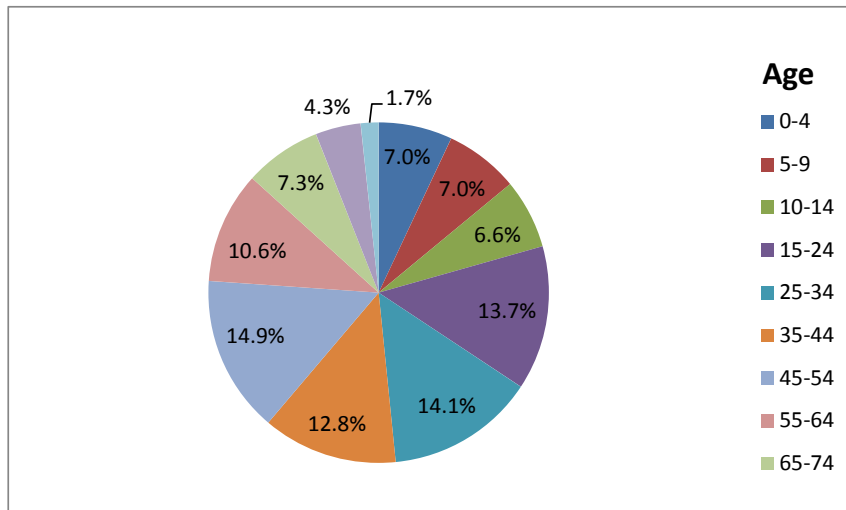
Households are predicted to increase in the village.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

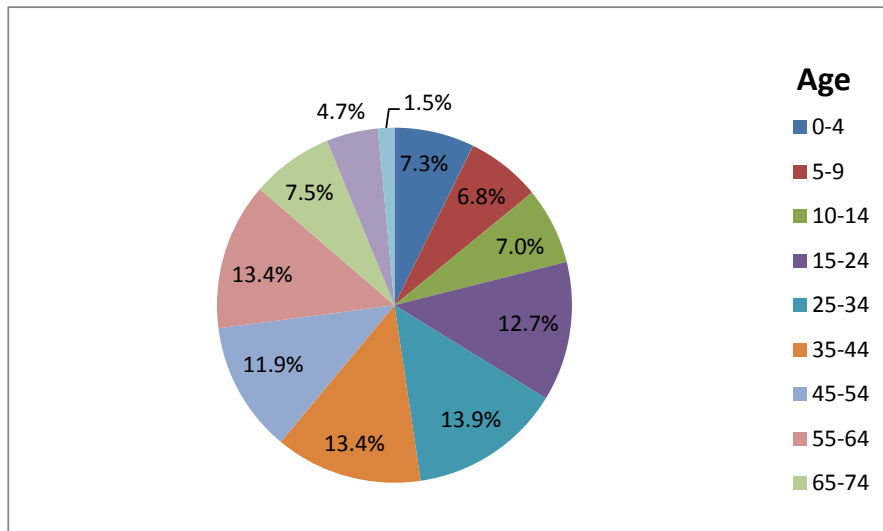
Graph/Chart 5: 2000 Population by Age (ESRI)



Graph/Chart 6: 2010 Population by Age (ESRI)



Graph/Chart 7: 2015 Population by Age (ESRI)



Lower income could also be due to people working in jobs that are not year round or full time. Another reason is that people without a college education tend to have lower income.

HOUSING CHARACTERISTICS CENSUS: 1990-2010

Currently, 64.9 percent of the 780 housing units in the Village of Nashville are owner occupied; 27.7 percent are renter occupied; and 7.4 are vacant. In 2000 there were 685 housing units, of which 62.9 percent were owner occupied, 31.5 percent renter occupied, and 5.5 percent vacant. The rate of change in housing units since 2000 is 1.28 percent. Median home value in the area is \$84,217, compared to a median home value in the United States of \$157,913. In five years median value is projected to change by 1.36 percent annually to \$90,081. From 2000 to the 2012 median home value changed by 1.46 percent annually.

HOUSING CHARACTERISTICS CENSUS AND ESRI: 1990-2015

The number of vacant units in the Village of Nashville is predicted to more than triple between 1990-2015, from 23 to 73. This is contrary to the population analysis which although it showed a decrease, it was a small decrease of only 3.3 percent. In addition, the number of housing units is predicted to increase from 634 in 1990 to 802 in 2015. The assumption here is that older homes are being "discarded", while residents are moving into or building newer homes. This is consistent with the recent analysis of Dr. George Galster. His new book, *Driving Detroit, the Quest for Respect in the Motor City* details a game of reverse musical chairs. According to his analysis developers build on the average 10,000 more homes in the state than are needed. What happens is that people keep "moving up" to newer and newer homes, and the oldest homes get discarded, or vacated. The village needs to ensure that vacant homes do not become blighted eyesores in neighborhoods.

HOUSING VALUE

Almost 70% of the owner occupied housing units are valued at less than \$100,000. This is below state and national averages. Low housing values do have advantages such as affordability. The Village can market itself as a place where a young family can purchase a home and raise a family without incurring massive debt.



Development in the downtown should maintain a pedestrian focus, limiting the number of auto related uses, and allow attached townhomes as infill development

Photo Credit: Beckett & Raeder, Inc.,

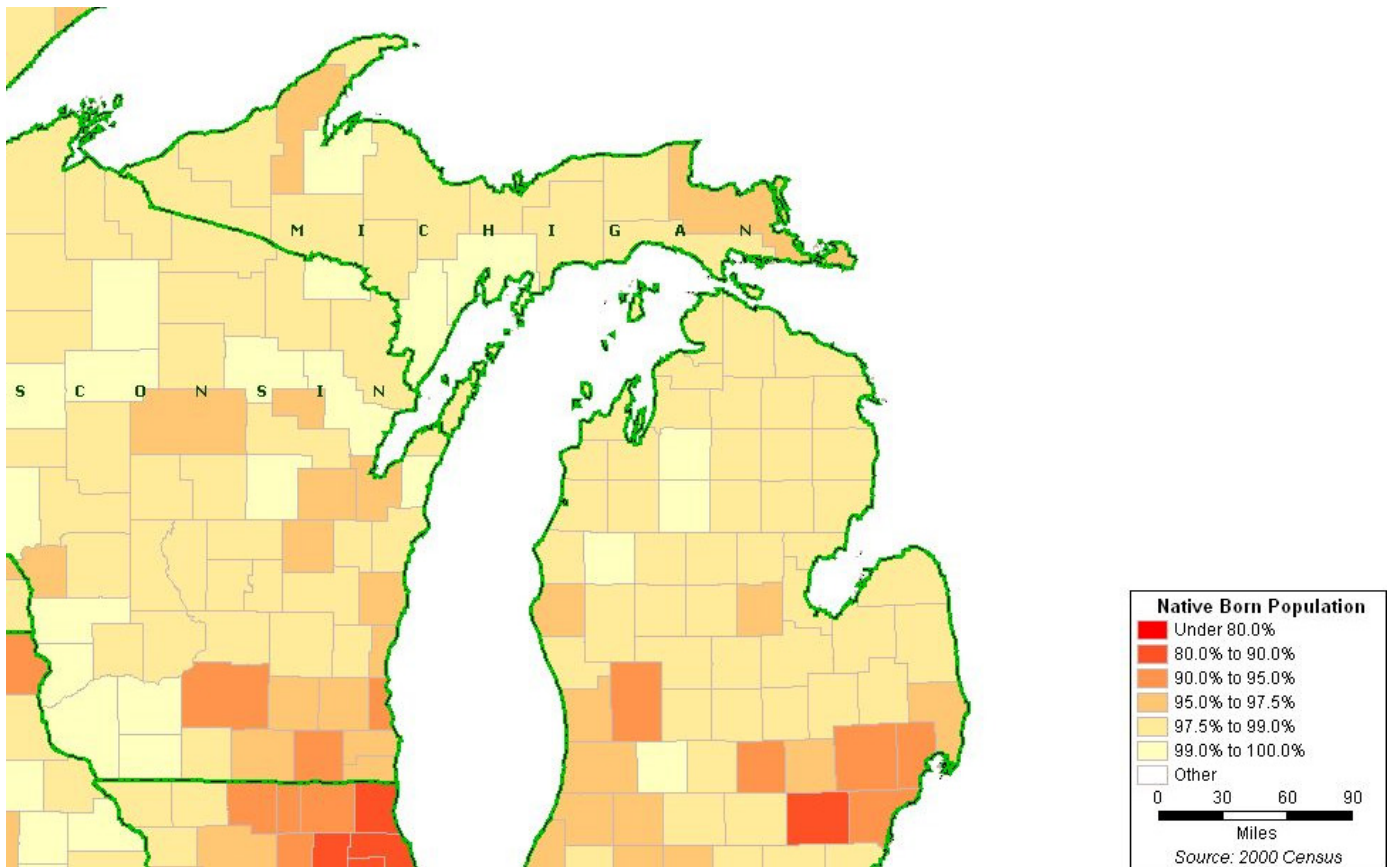


The village needs various housing options, not just single-family.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallero

Table 1: Nashville Housing Summary 1990-2015 (CENSUS and ESRI)				
	1990	2000	2010	2015
Total Housing Units	634	685	780	802
Owner Occupied Housing Units	431	431	506	511
Renter Occupied Housing Units	181	216	216	218
Vacant	24	38	58	73

MAP 8: Native Born Population (CENSUS)



Households by Disposable Income

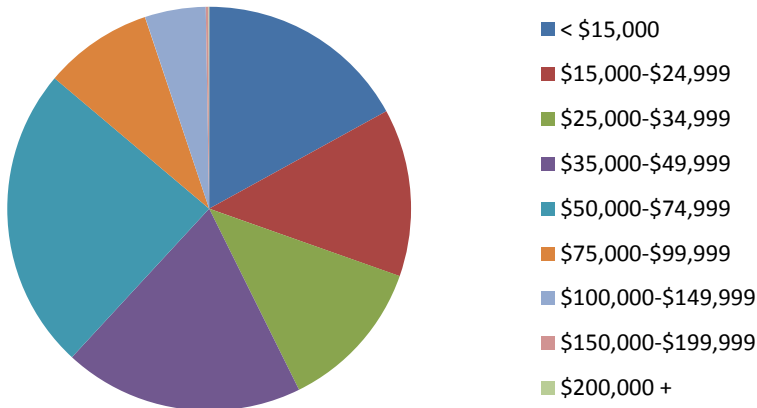


Table 17 - Nashville 2010 ESRI Race Data	
White	97.5%
Black	0.0%
American Indian	0.5%
Asian	0.4%
Some other race alone	0.1%
Two or more	1.5%
Hispanic Origin	0.7%
Diversity Index	6.4%

OCCUPATION

Professional was the leading occupation in Nashville with 16.8%, closely followed by Production at 16.4% and Services at 15.7%. Together these three (3) occupations made up almost half (48.9%) of all occupations in the Village.

Having no one occupation dominate in the Village of Nashville in 2010 can be advantageous. Having a diverse work force can be attractive for employers when they are looking for a place to locate.



RACIAL COMPOSITION

White continues to be the overwhelmingly dominate race in the Village of Nashville at 97.5%. Census 2010 race data for Nashville includes the racial breakdown percentages of 0.2% for black, 0.4% for Asian and 2.1% for Hispanic. ESRI data is consistent with the Census showing the Village as an overwhelmingly White community. This is consistent with the area and the county as a whole, all of which remained overwhelming White.

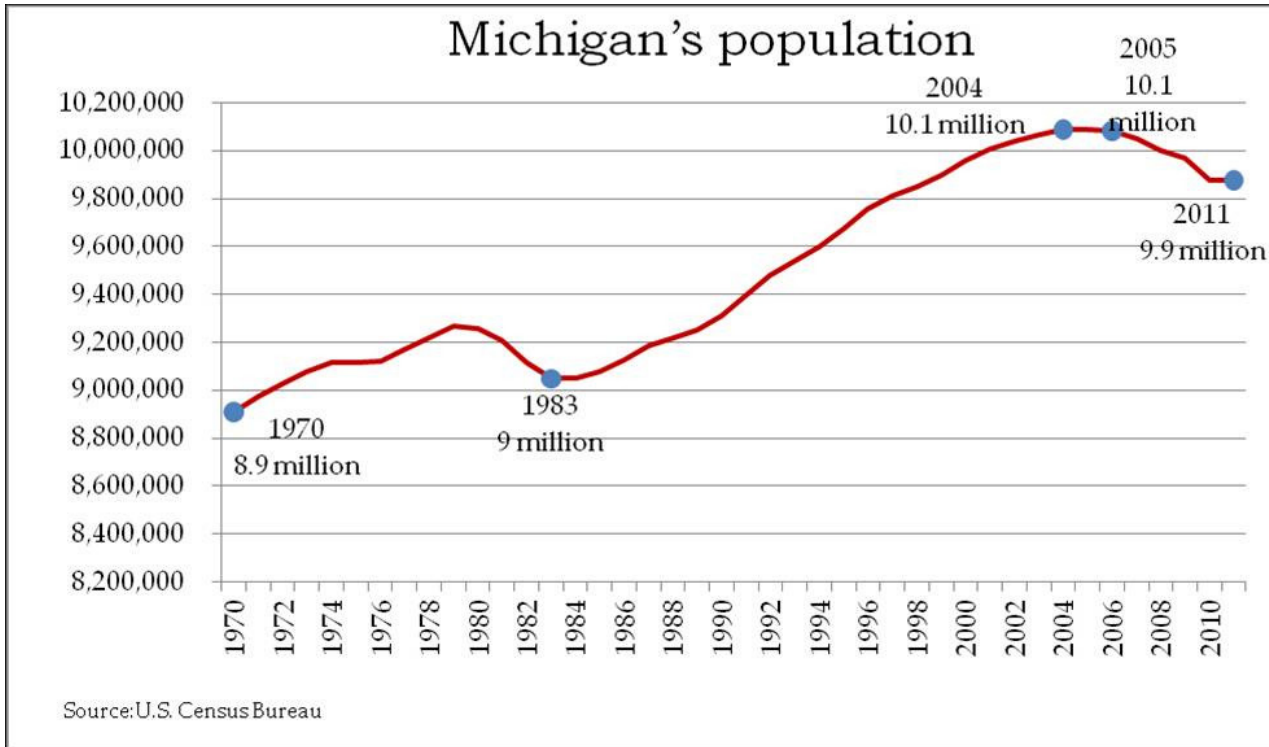
In 2000, only three cities remained as top ten gateways for immigrants that were on the list in 1900:
New York
Chicago
Los Angeles.

White is predicted to remain above 97% in 2016 as well. The United States is changing in racial and ethnic makeup, with Asian and the Hispanic populations showing large increases, and predicted to continue to increase, while the Black population will increase slightly in overall percentage. In order for Nashville to increase its population, it most likely will have to attract immigrants. This is true for almost all places as White's will be less than 50% of the U.S. population by 2050. As Map 8 shows, places with large foreign born population are doing better then places that have few foreign born residents.



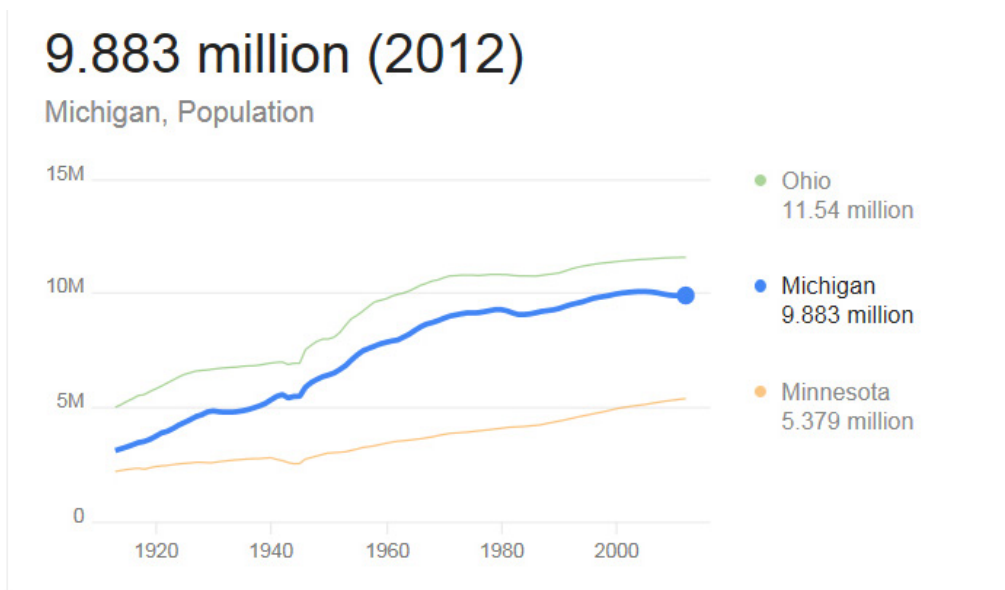
"By century's end, many places with virtually no history of immigration were attracting immigrants".
Dr. Audrye Signer, May 17, 2007

Graph/Chart 9



Michigan not only lost population compared to the other Great Lakes states between the 2000 and 2010 Census, it also was the only state in the union to lose population during that period.

Graph/Chart 10



Chapter Three

ANALYSIS

POPULATION

The population of Nashville has stayed relatively consistent since 1990. On its own this would not be troubling. However the ever so slight decrease in population is worrisome due to the growth in population of the US as a whole. This means that people are bypassing Nashville, as well as Michigan in general. The challenge for the Village is to make Nashville as destination for visitors and a place people want to live.

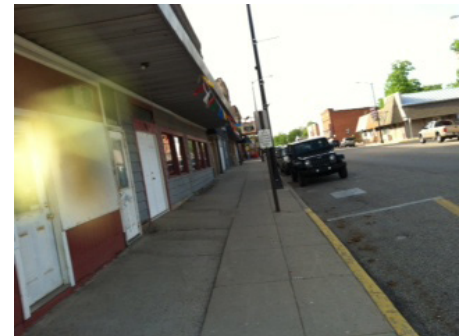
Adding to Nashville's challenge is the population decrease for the entire State of Michigan. The state lost over 50,000 residents. This is even more disturbing when the state of Michigan was the only state in the nation to lose population between 2000-2010.

The population decrease many communities saw was most likely due to the movement of people further out from the urban core or to larger, more prosperous metropolitan regions. The movement of people to larger areas has been a trend that was noted in the 2010 Census, which showed an increase in people moving in and around larger downtowns and metropolitan areas. Young people are trading in the simple life of small towns for the hustle and bustle of the big city. It's a trend that's leading to a population decline in rural areas as well as many smaller cities and towns.

This fact may prove especially challenging for the Village of Nashville. Many urban scholars (Logan and Molotch 1987, Florida 2008, Glaeser 2012) have noted this movement and suggest that the world is getting "spikey". Larger urban centers such as New York and London will continue to grow, as will cities such as San Francisco and Chicago. Cities and their satellite suburbs that have declined for the last fifty years such as Detroit and Buffalo will continue to lose population, and smaller urban areas such as Flint and Dayton will revert even further to smaller places and/or no longer have significant populations.

What has happened is not unusual. Local economies have changed. Many small towns that had depended upon a local industry or a natural resource as their biggest economic component and employer saw the economies of such sectors shrink or the industry relocate elsewhere where labor or capital were cheaper. This has caused towns with declining population to lack a tax base needed to keep services running at the level required. If Nashville has population growth in the future, it would offset the effects of its ageing population. Hence population decline amplifies the effects of an ageing population. To date, Nashville has done exceptionally well

Communities need to attract talented workers:
*Knowledge workers,
Creative Class,
Entrepreneurs.*



*Creating a more walkable community will help attract millennials and baby boomers.
Photo Credit : Beckett & Raeder, Inc., Benjamin Tallerico*



*Adaptive Reuse: Argus Office Building (former Argus Camera Factory), and Beckett & Raeder Offices.
Photo Credit: CDI*



Downtown events bring people into a community and help attract new residents.
Photo Credit: watchnewspaper.com



The North Cass Street Art Fair - "Dally in the Ally" in Detroit's Cass Corridor is an annual festival bringing Wayne State University and area residents together.
Photo Credit: Google

in retaining its population. The Village continues to provide service to its residents. Attracting more residents, especially younger ones will help the city maintain its population and service levels.

And nationally there is some good news for smaller cities and villages. In little pockets of small town America, manufacturing has returned or expanded, along with the repurposing of older buildings. Still other communities have undertaken planning that starts with determining what the community's vision for itself is, and then focuses on figuring out what the challenges and opportunities are to realizing their vision.

Another positive is that the United States will increase in population by another 100 million Americans between 2000 and 2045. This is an increase of 33% from 2000. Cities, towns, and villages such as Nashville must continue to increase their economic competitiveness, to attract industry and new businesses to town, and in some cases, to recreate themselves. The Village needs to address what it should do to attract this population increase along with what it can do to protect itself against population loss and disinvestment as lifestyles or business change. And Nashville does have assets that many communities don't have. Although Nashville does not have direct access to an interstate, it does have easy access to other communities by M-66 and M-79. This makes access to Charlotte, Lansing, and Battle Creek very accessible. And though there has been some local business disinvestment, the Village has a traditional downtown with zero lot lines, sidewalks, and walkability to the neighborhoods. These are features the younger age population wants which can bring more millennials into the city.

Other community assets Nashville can focus on in attracting investment is their access to the Thornapple River and other natural resources nearby that can be enjoyed. Nashville and the surrounding municipalities must make sure there is connectivity for transit, biking, and walking and work together to ensure these strong connections.

Zoning must be in place to allow for mixed use and Planned Unit Development in all appropriate areas and to increase flexibility for business and housing downtown, and to allow for all modes of transportation.

Finally, the main thoroughfare and side streets should be made more pedestrian-friendly and walkable. There are sidewalks on the main street and in the neighborhoods, but there are no other walkable amenities found in the downtown. Traffic calming and "greening" are two ways to improve the sense of community. Bike lanes should be added, and zoning should sug-



*Buildings downtown should be preserved and allow for a variety of options. Example: Dillworth Hotel - Boyne City, Michigan
Photo Credit: Beckett & Raeder, Inc.*



*Crowded streets are good for businesses, they increase safety, and successful businesses strengthen the village's tax base
Photo Credit: Google*



*Streetscape elements including benches should be incorporated in the downtown.
Photo Credit: Beckett & Raeder, Inc.*

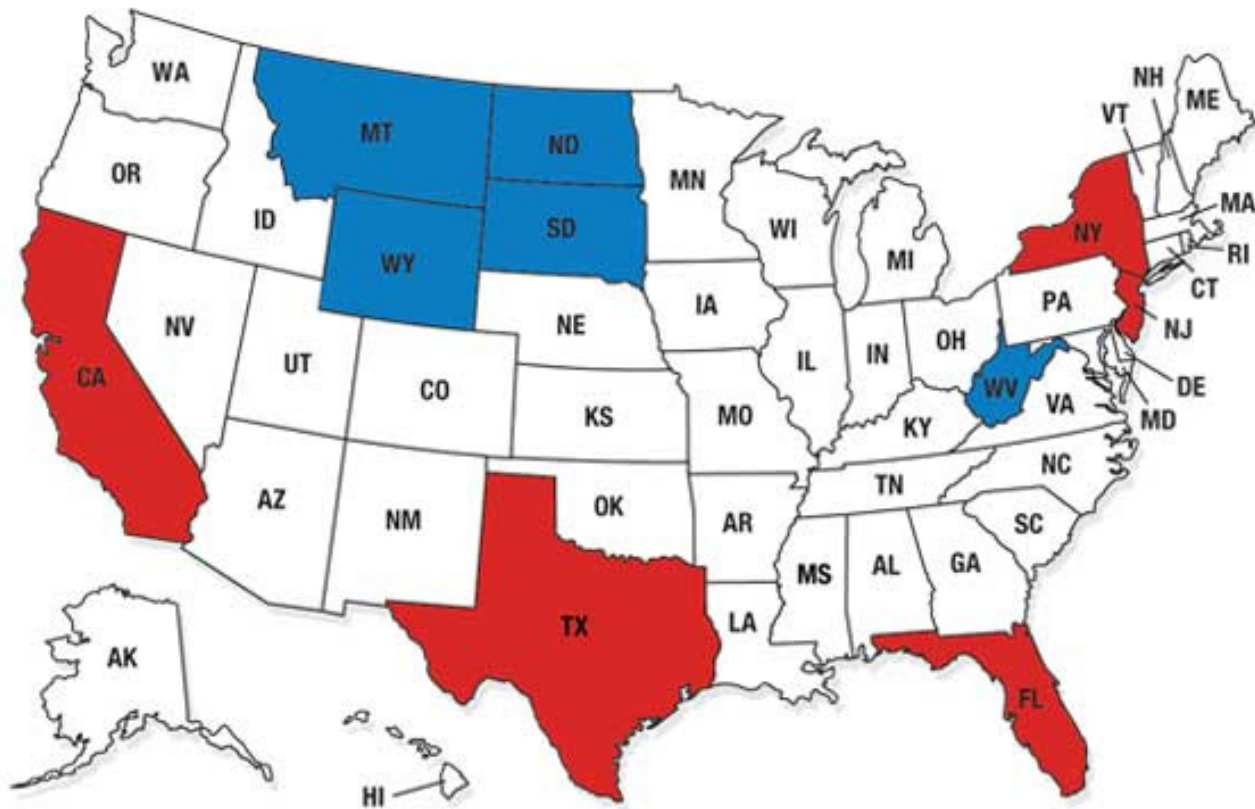
Map 11

The United States is the **world's leader** as a destination for immigrants.



2011 American Community Survey (1% IPUMS) for U.S. and 2010 World Bank estimates for all others.

Map 12



Source: Pew Hispanic Center, U.S. Census Bureau

States with largest foreign-born populations States with smallest foreign-born populations

gest if not require bicycle racks in appropriate places. These steps alone will help, but not ensure that Nashville will keep and attract a younger population.

Nashville should also attract immigrants to increase its population. As noted earlier, the US population will grow by 33% in the 45 years between 2000 and 2045. And the vast majority of the new population will come from immigrants, with the largest group of immigrants being Hispanics. The future of communities, large and small, will increasingly require politicians, planners, urbanists, and other leaders to know, understand, and appreciate a community whose residents may not only be of a different race or ethnicity from them, but also be from a part of the world much different from previous immigrants.

The Village should also look at attracting foreign investment. Leaders now need to be the leading voice touting the benefits these new residents and businesses bring, and work collectively in shaping policies and development patterns that will lead to appropriately designed and welcoming communities for immigrants.

Even though Michigan and Detroit are no longer the predominate gateways for immigrants as they once were, all municipalities need to understand the different settlement patterns occurring today and what are the proper action items needed in the planning process to address immigrants arrival.

Though many have long held the belief that immigrants are good for our communities, others have argued that it is better to greatly reduce the number being allowed to call America home. This closing of the nation's borders, whether through fences or reduced quotas, will have a profound effect on our older central city neighborhoods, inner ring suburbs, small towns, and villages. But it should be noted that demographers predict that even if the U.S. closes its borders, our population will continue to grow significantly.

In the 1950s, only about a quarter of a million – 250,000 immigrants – entered the US annually. In the 1990s almost a million legal immigrants entered the US, with an additional 300,000 staying illegally.

These Immigrants of today are different than their coun-

Nashville should look at options for all forms of transportation. When everyone drives, the system fails.



A example of a bike share program.

Photo Credit. Wired

Average Commute time is 34 minutes. The National Average is 28 minutes.



Even hotels are providing bicycle rentals. (JW Marriott, Grand Rapids, MI.)

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Decorative planters can add to a downtown's charm and create a more pedestrian friendly atmosphere.

Photo Credit: Beckett & Raeder, Inc.

terparts of yesteryear. In the past, immigrants were more homogeneous. Today, there is greater diversity in their race, ethnicity, English Language Attainment, educational levels and economic resources. Because of this we have different settlement or clustering patterns.

Earlier, immigrants tended to settle in our core urban areas. This was due to many factors including housing availability, lending institutions historical redlining, past discrimination in mortgage lending, and the desire to follow their kin and families. These economic resources largely determined where new arrivals settled. These areas where they settled were termed "zones-in-transition", where the new arrivals moved to – these working class districts, and once their status improved, they migrated further out or assimilated within the region as a whole.

Looking back to 1980, the foreign born in cities and suburbs were about equal. By 2005, suburbs were attracting approximately 50% more foreign born than central cities.

Demographers are predicting by 2050, a mere 36 years away, 25% of our population will be Hispanic. How dramatic is this? In 1970, non-Hispanic whites made up 80% of California's population. In 2011 they made up 43%. That is near a 50% reduction in a quarter century. This estimate is based on past trends, and most likely will affect either where you work or a place nearby. This is because if patterns hold true, in the fifty (50) largest US cities, non-Hispanic whites are now, or will soon be, in the minority. That is for ALL 50 of the LARGEST CITIES in the United States. Addressing the aforementioned opportunities should guarantee a stable, or increasing population for Nashville

EDUCATION

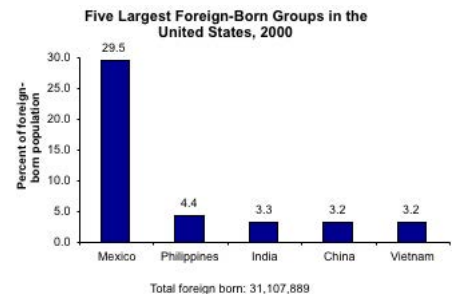
Today, attracting educated people is key. Being rich in talent and ideas is what communities need. Talented, well educated people choose location first, then look for or create a job. Quality places with a high quality of life matter more. Clean, green environment and proximity to open space and quality recreational opportunity are critical. Nashville needs to increase the education level of its workforce. This will help create the type of place where young, smart people want to live.

HOUSING

On a positive note, households are predicted to grow from 2011 to 2016. However almost 70% of the owner occupied housing units in Nashville are valued at less than \$100,000. In the Midwest the average home price fell to \$129,000 in February 2012 from \$130,500, (but actually rose 7.7 percent from the year be-

Immigrant entrepreneurs founded 25.3 percent of the U.S. engineering and technology companies established in the past decade.
Duke University 2007

Graph/Chart 10



Duke researchers found that over half (52.4 percent) of Silicon Valley startups had one or more immigrants as a key founder.
Duke University 2007

"Start with this proposition: The most valuable natural resource in the 21st century is brains. Smart people tend to be mobile. Watch where they go! Because where they go, robust economic activity will follow".
Rich Karlgaard



*Use of outdoor cafe / eating areas even in small towns, add life to a community.
Photo: Beckett & Raeder, Inc.*

fore). Looking at the Median and Average Sales Prices of New Homes Sold in the entire United States the median price in 2010 was \$221,800, while the average was \$272,900. Though significantly lower than 2007, \$247,900 and \$313,600 respectively, these numbers are notable higher than the village's.

As the data indicates the Village of Nashville has done well in regard to housing. However future trends point out the need to move from large lot detached housing, which is the dominate form of housing in Nashville, to both attached and small lot (7,000 s.f. or less) units. It is not only Nashville that is overbuilt in single-family detached housing. The entire state is considerable overbuilt with suburban and rural housing products, and severely underbuilt for housing types desired by talented workers and a growing number of retirees who desire a compact urban living environment (apartments, attached condos, small single family on small lots). This trend is revealed by the 2010 census and has been a major push by the state's MIPlacemaking Initiative. If the trend does continue as data indicates, communities that have addressed the market shift from large lot units to both attached and small lot units will see more tax base per acre, and lower public service cost per acre. They will attract millennials and seniors entering the market for housing because they are the ones who will be looking for smaller urban housing units. If they are not available, they will leave for somewhere else.

OCCUPATION

The Village does not have a dominate occupation. Nashville should work to make the Village a place that creative people want to live. By having entrepreneurs and the creative class call Nashville home, they will create jobs that will diversify the community.

RACIAL COMPOSITION

The United States demographics are changing to a county that will be majority minority in the future. In order to grow, all communities large and small will have to attract and be welcoming to all groups. Continuing to have good services, schools, parks, and infrastructure will greatly ensure that the Village continues to prosper. As noted above, the Village remains overwhelmingly White, which is contrary to the direction the United States. One of the core challenges for the Village of Nashville is to grow its population, which should result in a more diverse community.



Above: The type of housing young are looking for, and which is appropriate for near downtown.

Photo Credit: Google Images.

Below, the type of housing the young are not looking for.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Households without children:

1960: 45%

1990: 55%

2025: 72%

Governor Rich Synder's MIPlacemaking.

"88% of Millennials want to live in traditional neighborhoods, downtowns and urban core places".

Governor Rich Synder's MIPlacemaking.



*Gateway example: Fountain in Chicago,
IL*

Photo Credit: Beckett & Raeder, Inc.



Excessive parking requirements
 Project: Beckett & Raeder, Inc.



Businesses on Nashville's Main Street

*Corries included no bike paths.
 Special Pavement Markings for
 Bike Lanes*
 Photos: Vendor Websites

*Blank walls should be discour-
 aged*
 Photo: Beckett & Raeder, Inc.

*Example of an Office/Retail/ Residential
 Mixed-Use*

The City needs to make better use of its strong housing stock
 Photo: Beckett & Raeder, Inc.

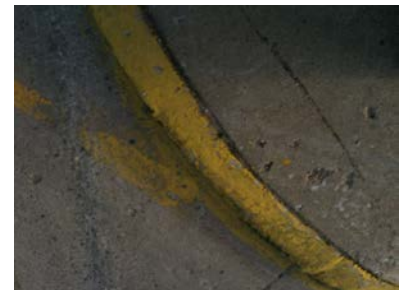
*Gateway example: Roundabout at
 Huron Parkway and Nixon Rd. in
 Ann Arbor, MI*

Project: Beckett & Raeder, Inc. and OHM

Compared to the rest of the country, Nashville's cost of living is 19.50% Lower than the U.S. average.

Quincy Market, Boston:
 Developments can become gathering places
 Photo Credit: Beckett & Raeder, Inc.

ire land use map



Sug-
 gested
 and
 Uses:
 Town-
 Center
 Office
 Insurance and Real
 Design Services (Ar
 Graphic, etc.)
 Interior Design Studios
 Internet Web
 Design Firms
 Attorneys
 Commercial
 Apparel Stores
 Art Galleries
 Bookstores
 Camera and
 Photo Stores
 Card and Greet-

Good access manage

Photo Credit: Beckett & Raeder

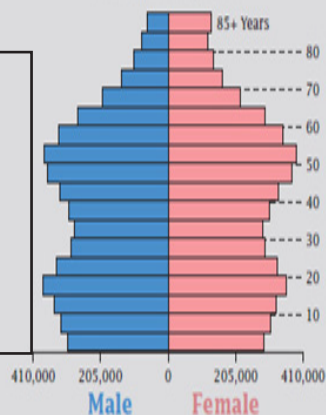
Side street
 municipal

A vibrant urban center can help attract younger residents. This is an example of an Office/Retail/Residential

National research and data continue to show an increase in downtown and city neighborhood living by three of the four generations: Millennials, Boomers, Greatest

Population by Sex and Age

Total Population: 9,883,640



Chapter Four

THE PREFERRED FUTURE

1) Enhancing a Sense of Place

The Village has a defined downtown, which creates a sense of place, but it lacks the amenities that make a downtown inviting. There are banners on some light poles, but there are no other pedestrian experience enhancing features such as street trees, benches, decorative planters, or ornamental lighting.

The Village is in the process of updating and improving its downtown streetscape. This is a critical step in creating a definitive sense of place that welcomes visitors and residents alike.

The major entrance points into Nashville and the downtown do not effectively announce the arrival and communicate the sense of pride and the character that embodies communities. Gateways can do this since they are physical symbols of a village or district limits that express a sense of territory to those entering. They can vary in almost any aspect of their existence. Signs usually display the actual name of the area being entered while sign materials and landscaping express the tone which best describes the theme set forth by the community.

Depending on their location, they can simply be set alongside the adjacent thoroughfare or can be incorporated into the thoroughfare via boulevards or traffic circles. An option to be explored for the Village of Nashville would be to look at major intersections as preferred locations to incorporate gateways. Arches, roundabouts, fountains, and even flower beds are all examples of gateways.

Creating a sense of place will give the Village its own identity, strengthening the community and instilling pride in its residents. How people behave in this particular place along with their patterns of activity will be influenced not just by who is there, but also by the relationships between what is there; the landscape, open space, buildings, and other built forms. The goal by creating a sense of place is to enhance people's experiences in the Village, therefore creating a positive memory.

In general, the Village is well equipped to be designed as a more compact pattern of land uses with mixed-use developments and a strong pedestrian orientation. In addition to giving residents a sense of place, you can also capture "pass thru" traffic that can provide additional business activity for the downtown commercial district.



Banners can add to the attractiveness of an area.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico

The built environment is either supportive or intolerant to walkability. Sidewalks and trails need to be at the pedestrian scale.



Lack of pedestrian amenities.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



Example of decorative brick pavers.

Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



*Enhanced streetscape design.
Photo Credit: Beckett & Raeder, Inc.,
Benjamin Tallerico*



Example of Main Street facade improvements creating a more inviting image.

Photo Credit: Beckett & Raeder, Inc.,



Improvements in pedestrian crossings is needed.

Photo Credit: Beckett & Raeder, Inc.,

2) Image

Overall, image of the Village in general and downtown in particular is rather worn. In addition, some of the commercial properties are in need of an overhaul. One of the many challenges is the current lack of demand for new commercial properties as evidenced in recent research. However, trends for commercial properties are improving, and the downtown has great potential. Ways to improve the image include:

- Creation of a strong and active Business Association or implementation of a Downtown Development Authority
- Have identifiable parking spaces.
- Adopt, implement and enforce stronger code enforcement ordinances.
- Adopt and implement an Access Management Plan for M-66.
- Create a Brownfield Redevelopment Authority to take advantage of available funding and revitalization of properties.

Commitments on the parts of the property owners and business people to improve their facilities in accordance with standards of consistency established by a Business Association or Downtown Development Authority are also crucial to the success of the downtown and an overall improvement in the area's image.

3) Main Street Thoroughfare Improvements

Parking

All parking in the downtown should be either on-street or behind buildings. In other parts of the business districts, the Village should also look to reduce its current parking standards as analysis has shown most businesses need less parking.

Pedestrian Improvements

Continuous and safe pedestrian pathways, crossings and gathering areas should be provided throughout the Village. Connections between the downtown and adjacent neighborhoods are important to the vitality of the businesses. A uniform pedestrian pathway system throughout the Village is desirable.

Improve Signs and Graphics

Public signage includes many different forms of identification for an area, among them directional and regulatory, both of whose information should be standardized on sign panels that share common design elements. Signage, much like lighting, is an element that can provide design continuity throughout the village.

4) Walkable

The state is strongly pushing walkable communities. Current state sponsored training sessions have indicated future funding could be tied to communities following state design guidelines pertaining to mixed use and walkable communities. Though Nashville already possesses these elements, ways to increase greater walkability and ensure compliance with state standards include an increased bicycle network and a Safe Routes to School program, administered through the Michigan Department of Transportation (MDOT). The program provides participating communities with training, logistical, administrative and technical support from the Governor's Council on Physical Fitness, Health and Sports.

5) M-66 Corridor Improvements

The Village of Nashville, in partnership with Barry County, Region 3 Planning Commission, MDOT, and local communities should work to develop and adopt a *M-66 Corridor Improvement Plan*. The plan's vision should be to restore and preserve road capacity, reduce crash potential, and support the long-term vision for expanded transit, non-motorized systems and community sustainability.

6) Connection between downtown and the river.

Perhaps the best opportunity the Village of Nashville has to strengthen itself is to provide connections between its downtown and the nature, trails, and river that are to the west, south, and north of the downtown. The Village needs to create an entrance point to the river on the north side of downtown near Philadelphia Street, creating a boardwalk that runs the length of the river/nature area from Philadelphia to Fuller Street, and have another entrance to the area through the trail near Fuller Street. These would also be good areas for gateways. Nashville should also create a pedestrian bridge over M-66 just south of Philadelphia.

7) Branding

The Village of Nashville, in partnership with local associations, should look at a way to brand itself in a unique way. One way to do this is through events. This will help create a reputation for Nashville, make it known and pull people into the Village.

Improving the city's visual image, strengthening its sense of place, and creating a more urban environment will help people identify with the Village through the built environment. Branding will help people identify Nashville through marketing its events.



Example of a Gateway.
Photo Credit:
www.carmelartsanddesign.com



Aerial view of Nashville
Photo Credit: Google Maps



Proposed north entrance-point into nature/river area.
Photo Credit: Beckett & Raeder, Inc., Benjamin Tallerico



A more pedestrian friendly crossing over the river should be built west of M-66.
Photo Credits Beckett & Raeder, Inc., Benjamin Tallerico

THEMES AND STRATEGIES

The Village of Nashville foundation for the themes and strategies that are found in this Chapter are based on comments from citizens, business owners, and elected and appointed officials. The three overarching themes are as follows:

- Downtown Development and Revitalization
- Connectivity between Downtown and Waterfront
- Gateways

Theme 1 - Downtown Revitalization: Preservation, Restoration and Viability

Downtown Nashville is symbolic of a small “frontier” town that is steeped in the rich history of the state. Residents of the Village would like to preserve the historic, “small town” feel of community while at the same time providing opportunities for new developments that are consistent with the historic feel of the community. The redevelopment of the downtown will involve the commitment of the Village through policy and funding, land use changes, and the development of a Downtown Development Authority or Business Association.

Objectives to Address Theme 1 – Downtown Development and Revitalization

1. Establish a Downtown Development Authority that will include the downtown district and establish a TIF district to capture new tax revenue.
2. Utilize a Historic Overlay District to protect historic buildings and encourage appropriate renovation of existing buildings.
3. Create funding opportunities for façade improvements in front and back of stores, signage and exterior building elements and architectural improvements/modifications.
4. Connect the waterfront with the downtown through pedestrian connections.
5. Develop new architectural standards for downtown buildings that return building facades to their historical character to achieve a collective identity for the downtown.
6. Establish a Brownfield Redevelopment Authority that will include the downtown as well as other parts of the Village.

Theme 2 - Connectivity

Living close to the Michigan outdoors is a top priority for many residents of the Village of Nashville. There are opportunities to provide new parks and open space areas by the waterfront along with better connectivity to the downtown. Incorporating the waterfront into plans for the revitalization of downtown is a major goal.

Objectives to Address Theme 2 – Connectivity

1. Every five (5) years update your Parks and Recreation Plan that meets the criteria established by the Michigan Department of Environmental Quality.
2. Work to obtain grants from both State and Federal sources to make the area around the waterfront more accessible.
3. Revitalize area behind the west side of downtown to make it a destination for both residents and tourists alike.
4. Improve local parks by providing new playground equipment and facilities that meet the needs of the local community.
5. Build upon the existing Village pedestrian pathway system to increase connections between local neighborhoods, downtown, and the waterfront.
6. Provide public access to the Old Mill Pond Area with public views of the area while preserving open space through preservation and new park creation.

Theme 3 - Gateways

Having gateways as you enter the Village of Nashville and the downtown will help instill a sense of pride and improve the character of the area.

Objectives to Address Theme 3 – Gateways

1. Establish a Task Force to determine best location of gateways.
2. Develop standards for gateways that help brand the Village to achieve an identity.
3. Create funding opportunities for gateways.

The strategies and initiatives listed are recommended actions that can be taken to further implement the suggestions for each of the respective focus areas

1. Downtown Development and Revitalization – Recognize the potential of downtown.

STRATEGIES AND INITIATIVES

- Traffic Access Management
- Mixed Use Development
- Facade Program

ACTIONS REQUIRED TO FACILITATE CHANGE

- Create a DDA
- Zoning Code allowing for PUDs/ Mixed Use
- Traffic Calming

RESPONSIBLE PARTY

- Village Administration
- Planning Commission
- DDA

2. Connectivity – Encourage pedestrian and bicycle connections between waterfront/parks/ open space and downtown.

STRATEGIES AND INITIATIVES

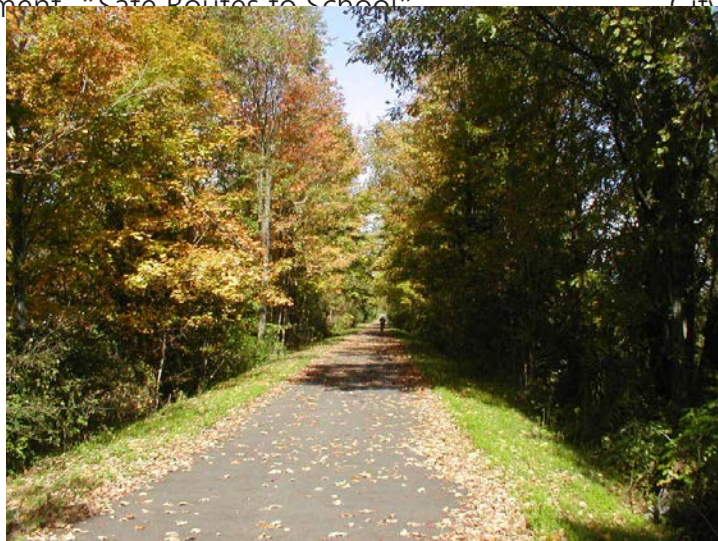
- Walkability
- New Urbanism and Smart Growth
- Integrated Sidewalks and Trails

ACTIONS REQUIRED TO FACILITATE CHANGE

- DNR Trust Fund Grants
- MDOT (TAP)
- Incorporate “connectivity” into Site Plan provisions
- Plan and Implement “Safe Routes to School”

RESPONSIBLE PARTY

- Village Administration
- Village Administration
- Planning Commission
- City Administration



3. Village Gateways – Establish visual identifiers at critical junctions within the Village.

STRATEGIES AND INITIATIVES

Program of coordinated signage (don't discourage creativity)

Reinforce notice of community, distinguish Nashville from its neighbors

ACTIONS REQUIRED TO FACILITATE CHANGE

Streetscape Improvements

Transportation Bill (limited funding left)

RESPONSIBLE PARTY

DDA

City Administration



FUNDING OPTIONS

Some of the above items can be implemented by staff, council, and the planning commission for minimal cost. However there are some suggestions that require an intermediate amount of funding. Below are a few of the available funding opportunities for various projects.

USDA

Community Programs provide loans and grants and loan guarantees for water and environmental projects, as well as community facilities projects. Water and environmental projects include water systems, waste systems, solid waste, and storm drainage facilities. Community facilities projects develop essential community facilities for public use in rural areas and may include hospitals, fire protection, safety, as well as many other community-based initiatives. http://www.rurdev.usda.gov/Community_Development.html

Dow

Grant title - Community Grants

Provides funding for projects that contribute to the success of local communities with the objective of making them better places to live and work. Grants are given to one-time projects that have the potential to provide visible, long-term, sustainable benefits for community members. Must be a 501c3
DEADLINE: October 31, 2013 and March 31, 2014.

MEDC

Various grants for community development and assistance grants.

www.michiganadvantage.org

Michigan Community Revitalization Program

Designed to promote community revitalization that will accelerate private investment in areas of historical declining values, etc. The program is designed to provide grants, loans, or other economic assistance for eligible investment projects in Michigan.

MDEQ

Targeted Watershed Grants Program

Waterfront Redevelopment Grants

MDNR

Recreation Trails Program Grant

Maintenance and development of recreational trails. DNR must be applicant.

No limit on individual projects.


Due June 15, 2013.

www.michigan.gov/dnr

Passport to Recreation Grant

Local unit of government development projects focused on renovating and improving existing parks. Development of new parks is eligible. School districts may also be eligible.

Min \$7,500. Max \$45,000



Michigan Natural Resources Trust Fund Grant
Inland Fisheries Grant
Improvement of aquatic habitat

Recreation Improvement Fund Grant
Operation, maintenance and development of recreation trails. Inland lake cleanup. DNR must be applicant.
No limit on individual projects.

MDNR / NPS
Land and Water Conservation Fund Grant
Outdoor recreation development /requires 5 year rec plan.
Min \$30,000, max \$100,000.
50% match.

MDNR / USFWS
Boating Infrastructure Grant
Dockage for transient boats larger than 26' for access to recreation or harbor.

MDOT / FHWA
Rural Task Force Program Grant
Construction on roads designated major collector or higher in counties with populations less than 400,000.
20% match.

Safe Routes To School Program
Improvements to enable or encourage children to walk and bike to school. Project within 2 miles of school. Up to \$750,000.

Michigan Economic Development Corporation
Downtown Infrastructure Grants (Community development block grant)
\$750,000.
michiganadvantage.org

Community Development Block Grants
Federal Grant Program



Principal Shopping Districts (PSD), Business Improvement Districts (BID) & Business Improvement Zones (BIZ)

Purpose

Through the provisions of Public Act 120 of 1961, cities may create a Business Improvement District (BID), Principal Shopping District (PSD) or Business Improvement Zone (BIZ) to promote economic development. A BID/PSD allows a city to collect revenues, levy special assessments and issue bonds in order to address the maintenance, security and operation of that district. A provision under Chapter 2 of the Act allows a BIZ to be created by private property owners of those parcels in a zone plan within a city or village.

Primary Focus

The primary focus and benefits of BIZs include special assessment authorization to finance necessary improvements and maintenance within the zone for a period of 7 years. One or more BIZs may be established by property owners within a city or village or urban township, even if that city or village or urban township already has a BID or PSD. BIZs may do all of the following:

1. Acquire (through purchase, lease, or gift), construct, improve or operate park and planting areas; and plant and maintain trees, shrubs and flowers within the zone.
2. Acquire, construct, clean, improve, or relocate sidewalks, street curbing, street medians, fountains, and lighting within the zone area.
3. Develop and propose lighting standards within the zone area.
4. Provide or contract with public or private entities for security services or purchase security-related equipment or technology.
5. Promote economic activity in the zone by sponsoring cultural or recreational activities, recruiting developers and businesses; promoting and marketing businesses, retail, or industrial development; engaging in public relations and market research.
6. Acquire, maintain and operate real or personal property.

Eligibility & Benefits

Cities, villages and urban townships may create and have one or more BIDs. A BID may be one or more portions of a city, village or urban township or combinations of contiguous portions of two or more cities, villages, or urban townships. The designated BID areas must be predominately commercial or industrial use.

Cities, villages and urban townships may create a PSD if there is a commercial area containing a minimum of 10 retail businesses, and if there is a master plan that includes an urban design plan designating a PSD or the development of a PSD.

A BIZ is created by a petition driven by at least 30% of the property owners within a zone plan.

The primary benefit of BIDs and PSDs is special assessment authorization to finance necessary improvements and maintenance of business districts.

PSDs and BIDs may do all of the following:

- Open, widen, extend, realign, pave, maintain or otherwise improve roads and construct, reconstruct, maintain or relocate pedestrian walkways.
- Prohibit or regulate vehicular traffic or parking where necessary for a BID/ PSD project.
- Acquire, own, maintain, demolish, develop, improve, or operate properties, off-street parking lots or structures.
- Construct, maintain and operate malls with bus stops and information centers and other public interest buildings.
- Acquire by purchase, gift, or condemnation and own, maintain or operate real or personal property.
- Promote economic development in the district through conducting market research and public relations campaigns; developing, coordinating and conducting retail and institutional promotions; and sponsoring special events and related activities.
- Provide or contract the administration, maintenance, security and operation of the district.

The cost of projects within a BID or PSD may be financed by:

- Grants and gifts to the city, village or urban townships
- City, village or urban township funds
- The issuance of general obligation bonds.
- The issuance of revenue bonds under the Revenue Bond Act of 1933 or under any other applicable revenue bond act. The issuance of the bonds shall be limited to the part or parts of the district project that are public improvements.
- The levying of special assessments against land or interest in land or both.
- Any other source.

Michigan Natural Resources Trust Fund (MNRTF)

Introduction

The Michigan Natural Resources Trust Fund provides financial assistance to local governments and the Department of Natural Resources (DNR) to purchase land or rights in land for public recreation or protection of land because of its environmental importance or its scenic beauty. It also assists in the appropriate development of land for public outdoor recreation and is supported by annual revenues from the development of State-owned mineral resources, largely oil and gas.

It is governed by Article 9, Section 35 of the State Constitution and Part 19 of the Natural Resources and Environmental Protect Act, 451 PA 1994, as amended. The program is administered by the MNRTF Board of Trustees and the Grants Management Office of the DNR.

Approximately \$25-30 million is available for grants each year. Available funds are dependent on revenue, investment earnings and interest accruing to the Trust Fund in a particular Fiscal Year. The development project minimum/maximum grant amount is \$15,000 to \$500,000 and there is no minimum/maximum limits on land acquisition grants.

Primary Focus

Projects provide for natural resource protection and outdoor recreation. By law, no more than 25 percent of the Trust Fund revenues available for appropriation each year can be used for development, therefore the majority of funding is allocated for acquisition projects.

Eligibility & Benefits

The state and counties, cities, townships, villages, school districts, the Huron-Clinton Metropolitan Authority, or any authority composed of counties, cities, townships, villages or school districts, or any combination thereof, which authority is legally constituted to provide public recreation. Local units of government must have a DNR-approved 5-year recreation plan on file with the Department prior to application. Local community recreation plans must be approved by the DNR prior to the application due date.

Applications are accepted annually as follows: Land acquisition and recreation development project application deadline is April 1. Development project applications must be submitted by April 1. Secondary application for land acquisition projects only deadline is August 1.

Application materials are available each January for the current year application cycle. Final grant recommendations are made by the MNRTF Board of Trustees in late fall and submitted to the Legislature for approval and appropriation of funds. Local grant and DNR applications are evaluated and scored by the staff in Grants Management, using criteria and a point scale established annually by the MNRTF Board. While only state and local governments may apply to the MNRTF to acquire property, any individual, group, or organization may nominate land for consideration. A nomination is a suggestion that a land parcel must be considered for DNR ownership. MNRTF - assisted project sites must be dedicated to public outdoor recreation in perpetuity.

Process to Establish or Secure Funding

1. Submittal of a community recreation plan.
2. Submittal of grant application.
3. Evaluation by DNR staff.
4. Recommendation of funding by the Michigan Natural Resources Trust Fund Board.
5. Appropriation of project funds by the Legislature.

Grant awards are dependent on the appropriations process but project agreements are normally distributed within 12 to 18 months after the application submission.

Contact

Grants Management, Deborah Apostol
(517-335-3046)
apostold@michigan.gov



Nashville Community

Implementation Program Summary

Corridor Improvement Authorities (CIA)

Purpose

Municipalities may establish one or more Corridor Improvement Authorities that use tax increment financing (TIF) to make capital improvements within an established commercial district. The Corridor Improvement Authorities Act allows communities that already have Downtown Development Authorities (DDA) to extend similar benefits to aging commercial corridors that may be outside of the DDA district or that extend through more than one municipality.

Eligibility and Benefits

Cities, villages and townships may use tax increment financing (TIF), bonds, special assessments and fees to improve land and construct, rehabilitate, preserve, equip, or maintain buildings within a "development area" for public or private use.

Primary Focus

The Corridor Improvement Authority addresses the correction and prevention of deterioration in business districts, the promotion of economic growth in the districts established under the act, and the encouragement of historic preservation. It also authorizes the creation and implementation of development areas and development plans, and acts to improve areas that serve as outlying "gateways" to communities.

Because of the complexity of this act, the act itself should be consulted for specific details concerning each step.

Process to Establish or Secure Funding

Role of the municipality (city, village or township)

- Adopt a Resolution Declaring Intent. The municipality's legislative body must adopt a resolution declaring its intent to establish the CIA, describing the proposed CIA development designation, and making statutory findings regarding the eligibility of the proposed area for designation as a CIA development area.
- Set a public hearing as well as publish, post and mail notices of the public hearing.
- Adopt Ordinance.
- File and Publish Ordinance.
- Appoint Members to the Authority Board.
- The governing body of the municipality may alter or amend the boundaries of the development area. The development area must comply with all of the following:
 1. The area must be adjacent to, or within 500 feet of, a road classified as an arterial or collector according to the Federal Highway Administration manual, "Highway Functional Classification - Concepts, Criteria and Procedures."
 2. The area must contain at least 10 contiguous parcels or at least 5 contiguous acres.
 3. More than half of the existing ground floor square footage in the development area is classified as commercial real property under section 34c of the General Property Tax Act (M.C.L. 211.34c).
 4. Residential use, commercial use or industrial use has been allowed and conducted under the zoning ordinance or conducted in the entire development area for the preceding 30 years.
 5. The area is presently served by municipal water and sewer.
 6. The area is zoned to allow for mixed use that includes high-density residential use.
 7. The municipality agrees to a.) expedite the local permitting and inspection process in the development area, and b.) modify its master plan to provide for walkable nonmotorized interconnections, including sidewalks and streetscapes throughout the development area.
- Make Determination of Necessity and Prepare TIF Plan.
- Prepare a Development Plan.
- Publish, Post and Mail Notices of Public Hearing.
- Meet With Taxing Jurisdictions.
- Hold Public Hearing.
- Opt-Out Period.
- Adopt Ordinance.

Two adjoining municipalities with authorities may enter into an interlocal agreement pursuant to the Urban Cooperation Act of 1967 to jointly operate and administer these authorities.



Certification of Abandoned Property for Accelerated Foreclosure

Introduction

The Certification of Abandoned Property for Accelerated Foreclosure Act (1999 PA 132; M.C.L. 211.961 et seq.) allows local units of government to subject abandoned, tax-delinquent real property to a faster foreclosure schedule than the law otherwise allows.

Tax delinquent and/or abandoned property is cited as a major hindrance to the revitalization initiative of many cities throughout the State.

Eligibility & Benefits

Any local unit of government with abandoned, tax-delinquent property is eligible to use this enabling legislation.

Local units of government seeking to return tax-delinquent, abandoned property to the tax rolls may subject such property to an accelerated tax foreclosure schedule.

Stricter standards imposed against delinquent property tax owners may compel more rapid payment of property taxes, under threat of an accelerated loss of the property.

Purpose

This allows cities and townships to coordinate and finance the rehabilitation of historic structures as an economic development purpose under the premise that historic neighborhoods create and maintain economic vitality by promoting residential growth. Its purpose is to correct and prevent deterioration in neighborhoods and certain other areas, to authorize the acquisition and disposal of interests in real and personal property, to authorize the creation and implementation of development plans and development areas, and to promote residential and economic growth.

January 2014 - Beckett & Raeder, Inc..

Process

Local units of government, in order to effect this act, must determine the quantity of tax-delinquent, abandoned property units in its jurisdiction. Abandoned property is defined as that which is vacant or dilapidated and open to entrance or trespass.

The local unit must:

- Make a declaration, by formal resolution of accelerated forfeiture of tax-delinquent property before October 1 of any tax year.

The resolution should state substantively that:

- The local unit has determined that parcels of abandoned tax-delinquent property exist.
- Abandoned tax-delinquent property contributes to crime, blight and decay within the local unit.
- Certification of said property will result in the accelerated forfeiture and foreclosure under the general property tax act, and return abandoned property to productive use more rapidly, thereby reducing crime, blight and decay within the local unit.
- Abandoned property will be identified and inspected and may be certified as abandoned property under the ACT and subject to accelerated foreclosure under the General Property Tax Act (M.C.L. 211.59).

By February 1 succeeding the October 1 declaration, the local unit must inspect all such property to officially determine that it is abandoned. At the time of the inspection, the local unit must post notice on the property that if the taxes levied on the property are returned as delinquent to the county treasurer, that the property will be subject to accelerated forfeiture and foreclosure, and subject to fees as set forth in the General Property Tax Act.

The local unit must then send a copy of the posted notice to the taxpayer of record by first-class mail.

Owners of property (or those with a legal interest) whose properties are identified as abandoned by the local unit in this manner, may avert the certification by responding by affidavit to the local unit that the property is not abandoned. This must be done before the taxes are returned as delinquent to the local unit.



Definitions of Blighted, Functionally Obsolete Facility

Introduction

These include the Eligible Properties for Obsolete Property Rehabilitation Act and the Brownfield Redevelopment Financing Act.

A property must meet the Brownfield Redevelopment Financing Act's (1996 PA 381; M.C.L. 125.2651) definition of "functional obsolescence" or "blighted," or the property must be a contaminated "facility" as defined in the Michigan Natural Resources and Environmental Protection Act of 1994 (PA 451 of 1994; M.C.I. 324.20101)

Definitions

Functionally Obsolete

"Functionally Obsolete" is defined as property that is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value. Resulting factors include overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.

Facility

"Facility" means any area, place, or property where a hazardous substance has been released, deposited, disposed of, or otherwise comes to be located. These must be in excess of the concentrations that satisfy the requirements of the Michigan Natural Resources and Environmental Protection Act section 20120a(1)(a) or (17), or the cleanup criteria for unrestricted residential use under part 213.

Facility does not include any area, place, or property where response activities have been completed which satisfy the cleanup criteria for the residential category provided for in section 2012a(1)(a) and (17), or which corrective action has been completed under part 213 which satisfies the cleanup criteria for unrestricted residential use.

Blighted

1. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.
2. Is an attractive nuisance to children because of physical condition, use, or occupancy.
3. Is a fire hazard or is otherwise dangerous to the safety of persons or property.
4. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.
5. Is tax reverted property owned by a qualified local governmental unit, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a qualified local government unit, county, or this state after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as a blighted property for purposes of this act.
6. Is property owned or under the control of a land bank fast track authority under the land bank fast track act, whether or not located within a qualified local governmental unit. Property included within a Brownfield plan prior to the date it meets the requirements of this subdivision to be eligible property shall be considered eligible property as of the date the property is determined to have been or becomes qualified as, or is combined with, other eligible property. The sale, lease, or transfer of the property by a land bank fast track authority after the property's inclusion in a Brownfield plan shall not result in the loss to the property of the status of a blighted property for the purpose of this act.
7. As of December 27, 2007 the Governor signed a package of four bipartisan bills that amended Act 381 of 1996 (Public Acts 201-204 of 2007). The bills included various changes to Act 381, adding this criterion to the definition of "blighted." A property can now be considered "blighted" if it has substantial subsurface demolition debris buried on site so that the property is unfit for its intended use.



Historic Neighborhood Tax Increment Financing Authority

Introduction

This was created from 2004 PA 530: M.C.L. 125.2841 et seq. This is a program that may use tax increment financing to fund the construction, renovation, restoration, or preservation of housing and public facilities within historic districts to promote residential and economic growth.

Purpose

This allows cities and townships to coordinate and finance the rehabilitation of historic structures as an economic development purpose under the premise that historic neighborhoods create and maintain economic vitality by promoting residential growth. Its purpose is to correct and prevent deterioration in neighborhoods and certain other areas, to authorize the acquisition and disposal of interests in real and personal property, to authorize the creation and implementation of development plans and development areas, and to promote residential and economic growth.

Eligibility & Benefits

Eligibility is limited to cities and townships with historic districts as defined by the Local Historic District Act, 1970 PA 169, M.C.L. 399.201a

Historic District

This is an area, or group of areas not necessarily with contiguous boundaries, that contains one resource or a group of resources that are related by history, architecture, archeology, engineering, or culture.

Public Facility

Housing, a street, plaza, pedestrian mall, park, parking facility, recreational facility, right of way, structure, waterway bridge, lake, pond, canal, utility line or pipe, or building.

Primary Focus

Cities and townships may establish multiple Historic Neighborhood Tax Increment Financing Authorities (TIFAs) inside the boundaries of historic districts. Historic Neighborhood TIFAs may accept donations, charge fees and rents, issue bonds, and levy special assessments to finance construction, renovation, restoration, and preservation of the historic district development area. A municipality by resolution and voter approval may issue general obligation bonds to support the Historic Neighborhood TIFA development plan.

Process to Establish or Procure Funding

1. A municipality may establish multiple authorities inside an historic district.
2. The governing body shall set a date for a public hearing on the adoption of a proposed ordinance creating the authority and designating the boundaries of the development area.
3. An authority shall be under the supervision and control of a board consisting of the chief executive officer of the municipality and not less than five, or more than nine, members as determined by the governing body of the municipality. The board may do any of the following:
 - a. Prepare an analysis of economic changes taking place in the development area.
 - b. Study and analyze the impact of metropolitan growth upon the development area.
 - c. Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building or a multiple-family dwelling unity. This may be necessary or appropriate for the execution of a plan which, in the opinion of the board, aids in the residential growth and economic growth of the development area.
 - d. Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRosset-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.
 - e. Develop long-range plans, in cooperation with the historic district commission, for the historic district and the agency that is chiefly responsible for planning in the municipality. These are designed to halt the deterioration of property values in the development areas, to promote the residential and economic growth of the development area, and to take steps as may be necessary to persuade property owners to implement the plan to the fullest extent possible.



Nashville Community

Implementation Program Summary

Property Improvement Program (PIP)

Introduction

The Property Improvement Program (PIP) Section of the Michigan State Housing Development Authority (MSHDA) was established to provide decent, sound, safe and sanitary housing for eligible residents of the State of Michigan. PIP is authorized to provide funds for the repair, improvement and rehabilitation of existing housing.

Individuals may apply directly to a participating lender (bank, savings and loan, credit union, etc.) located in their community or to a participating local unit of government or non-profit organization (The Community Agent). The lenders must be a participating holder of HUD Title I Insurance and must sign an agreement with MSHDA. Community Agents must submit an application to MSHDA and sign a lender/community agreement with the lender and MSHDA.

The lending institution will decide if the applicant meets the guidelines for the loan. After preliminary local approval, the loan package is sent to MSHDA for final approval and commitment. PIP loans are available in most areas of the state.

Homeowner Loan

The MSHDA PIP homeowner loan is a low interest loan for single family homeowners with low-to-moderate income. This program targets a large portion of the community including first time homebuyers, senior citizens, disabled individuals, and working middle class families.

Landlord Loan

The PIP landlord loan is intended for landlords who want to improve their investment properties within the State of Michigan.

Benefit & Purpose

Cities or Villages wishing to designate target areas for special interest rates in the PIP must apply to MSHDA for special designation. The benefit in the PIP program for a target area is that the maximum PIP interest rate will be 6% (or other rate designated by MSHDA) for PIP applicants whose income does not exceed the MSHDA income limit, and who live in the designated target area(s).

Target Areas

Target areas could be in and around a downtown where the following activities are occurring:

- MSHDA or Local funded Downtown Rental Rehabilitation Program (DRR)
- Mainstreet Program (MSP)
- Cool City Neighborhood (CCN)
- Blueprint for Downtown or Neighborhood Program (BPN)

Other Areas

Other areas not necessarily Downtown, could include the following:

- Neighborhood Preservation Program (NPP) areas
- Neighborhood Enterprise Zones (NEZ)
- Empowerment Zones (EZA)
- Enterprise Communities (ECA)

The City or Village can request that other areas be designated on a case-by-case basis. All target areas combined that are designated for the special PIP rate should not exceed 20% of the geographic area of the City or Village.

Opportunities

Property Improvement Program homeowner and landlord opportunities:

- Decide what kind of repairs are necessary to maintain and improve their homes.
- Depending on local building codes, homeowners and landlords may be able to do some of the work themselves, financing on the cost of the materials, but not the cost of their own labor.
- If a contractor is required or preferred, the individual or company must be state licensed.
- May take up to 20 years to repay the loan; 30 years if the loan exceeds \$60,000.
- Lack of equity (the value of the property beyond the amount owed) is generally not a factor.

M_{SHDA} Definition of Eligible Distressed Areas

Definition

The State Housing Development Authority Act (1966 PA 346) defines an Eligible Distressed Area as any of the following:

1. An area located in a city with a population of at least 10,000, either designated as a “blighted area” by a local legislative body pursuant to Public Act No. 344 of 1945, MCL 125.71 to 125.84, or determined by the authority to be blighted or largely vacant by reason of clearance of blight, if, with respect to the area, the authority determines all of the following:
 - A. That private enterprise has failed to provide a supply of adequate, safe, and sanitary dwellings sufficient to meet market demand.
 - B. That approval of elimination of income limits applicable in connection with authority loans has been received from the city in the form of,
 - i. either a resolution adopted by the highest legislative body in the city;
 - ii. or, if the city charter provides for the mayor to be elected at large with that office specifically designated on the ballot—provided that the office of the mayor is a full-time position, and provided that the mayor has the power to veto legislative actions of the legislative body of that city—a written communication from the mayor of that city.
2. A municipality (city, village, or township) that meets all of the following requirements:
 - A. The municipality shows a negative population change from 1970 to the date of the most recent federal decennial census.
 - B. The municipality shows an overall increase in the state-equalized value of real and personal property of less than the statewide average increase since 1972.
 - C. The municipality has a poverty rate, as defined by the most recent federal decennial census, greater than the statewide average.
 - D. The municipality has had an unemployment rate higher than the statewide average unemployment rate for 3 of the preceding 5 years.
3. An area located in a local unit of government certified by the Michigan Enterprise Zone Authority as meeting the criteria prescribed in section 2(d) of the Neighborhood Zone Act (1992 P.A. 147)



Water Resource Improvement Tax Increment Financing Authority

(Waterfront TIF) (PA 94, MCL 125-1771)

Introduction

PA 94, MCL 125-1771 authorizes a city, village or township to create a Water Resource Improvement Authority or Waterfront TIF. A Waterfront TIF would operate similar to other tax increment financing authorities, but would be established around inland bodies of water for it would be used to fund water quality improvement measures such as combating invasive species, pollution cleanup, and leveraging dollars for water and storm water systems.

Eligibility and Benefits

A city, village or township may establish a Water Resource Improvement Tax Increment Financing Authority. An authority and its district may be comprised of properties abutting an inland lake, and, if the lake contains one or more public access points, those properties located within one mile of the lake.

Purpose

Some local governments have been struggling to fund efforts to control invasive species in inland lakes, as well as to make necessary improvements to infrastructure on land that is within one mile of a lake and that contains two or more public access points. This Act provides a tool for cities, villages and townships to finance such improvements:

- Eliminate the causes and proliferation of aquatic nuisance species.
- Carry out weed control projects aquatic nuisance control, as long as the program does not utilize chemicals as the treatment remedy.
- Allows for replacement of failing infrastructure, including on-site disposal systems for sanitary sewers and for stormwater sewer improvements.
- Allows for multi-jurisdictional TIFA districts where more than municipality is adjacent to the same inland lake.

Financing Options

- Tax increment revenues
- Sale of bonds
- Donations
- Revenues from property or facilities owned or leased by the Authority
- Special assessments

Provisions of the Waterfront TIF

- Authorizes a city, village, or township to create one or more Waterfront Resource Improvement Tax Increment Financing Authorities by ordinance after providing notice and holding a public hearing. The local unit shall also designate the development area boundaries by the ordinance.
- Provides for the supervision and control of an Authority by a board that includes the city, village or township chief executive officer or his or her designee and five to nine additional members. At least one member of the board shall be a resident of the district or of an area within 1/2 mile of the district and a majority of the board shall have an ownership or business interest in the development area.
- Allows a board to hire a director to serve as chief executive officer of the Authority, subject to the approval of the city, village or township governing body and other personnel as the board feels necessary.
- Allows an Authority to prepare and submit to the city, village or township governing body a tax increment financing plan, which must include a development plan for the Authority's development area. TIF plans and development plans are subject to public hearings and affected local taxing jurisdictions must be notified. The governing body of another taxing jurisdiction may, by resolution, exempt its taxes from capture during the plan adoption process.
- Library millages are exempt from the capture at the request of the public library board and by statute. In addition, an opt-out opportunity for other taxing units (counties, schools, etc.) occurs during the plan adoption process instead of during the Authority creation process.
- Provides for the financing of Authority activities, including borrowing money and issuing bonds. The Authority can issue negotiable revenue bonds under the Revenue Bond Act and can, with local unit approval, issue revenue bonds or notes to finance all or part of the costs of acquiring or constructing property. The local unit is not liable on such debt.



Nashville Community

Implementation Program Summary

Land Reclamation & Improvement Authorities

Introduction

1992 PA 173; M.C.L. 125.2451 et seq. This act allows public or private interests to reclaim blighted areas within townships, including land previously used for mining, commercial, or industrial purposes, and to convert that property to useful recreational, residential, or commercial purposes.

Purpose

This allows cities and townships to coordinate and finance the rehabilitation of historic structures as an economic development purpose under the premise that historic neighborhoods create and maintain economic vitality by promoting residential growth. Its purpose is to correct and prevent deterioration in neighborhoods and certain other areas, to authorize the acquisition and disposal of interests in real and personal property, to authorize the creation and implementation of development plans and development areas, and to promote residential and economic growth.

Process to Establish or Secure Funding

Any individual, corporation, government, or other legal entity seeking to establish a Land Reclamation and Improvement Authority may file a petition with the Department of Treasury for the purpose of establishing the authority.

Once the authority is established, the board may implement a plan of development necessary or desirable to improve blighted areas and promote residential, recreational or commercial development in the authority district. The authority board shall maintain an office in the county where the authority district is located. Contact Michigan Department of Treasury 517-373-3200

Primary Focus

Some of the projects that may be undertaken under the act include:

- The construction, improvement, repair and maintenance of public roads, private roads, storm or sanitary sewers and potable and non-potable water systems, waterways, harbors, marinas, seawalls and channels
- The acquisition or construction, improvement and maintenance of public parks, bicycle paths and other public recreational facilities.
- The installation, improvement and maintenance of lighting systems.
- The reclamation of blighted areas, including the replanting, grading and restoration of land

Eligibility & Benefits

Blighted areas are lands that were used for mining, commercial, or industrial purposes, the use of which disturbed the natural qualities of the land.

Blighted Areas

- Must not be currently used for residential, recreation, or commercial purposes
- Must have the potential to be reclaimed for such purposes
- The land cannot be a "facility" as defined by part 201 of 1994 PA 451
- The land cannot be on the National Priorities List established pursuant to Public Law 96-510, 42, U.S.C. 9605

Statutory Benefits

- Authorization to carry out improvements
- Implement development plans to improve blighted areas
- Make and enter into contracts
- Acquire by purchase or condemnation property
- Fix and charge rents or let leases for property acquired under this Act

The State Treasurer shall exercise the power of condemnation on behalf of the authority pursuant to the Uniform Condemnation Procedures Act, 1980 PA 87.

Activities of the Authority

- May be financed through contributions of property or labor
- Revenues from lease or operation of the properties
- Special assessments imposed by the authority
- Proceeds of bonds and notes issued in anticipation of the collection of special assessments
- Other legal sources

Homeowner Assistance

Introduction

The Michigan State Housing Development Authority (MSHDA), Office of Community Development (OCD), helps nonprofit organizations and local units of government implement local initiatives to improve Michigan's affordable housing stock, promote self-sufficiency among persons at risk of homelessness, and to enhance the quality of life in communities throughout the state.

The Homeowner Assistance Component generally requires that properties rehabilitated will meet both HUD Section 8 Housing Quality Standards (HQS) and the minimum standards in any applicable local code. OCD does permit grantees to set aside up to 15% of the project funding in an HRF grant to address emergency repair for housing units, even if the balance of the unit does not meet HQS after completion.

Homeowner rehabilitation assistance is widely available through county governments receiving grants from the CDGB Housing Program. OCD does not plan to approve HRF requests which duplicate existing programs. Non profits and non-county local governments should contact their county and/or city government to assure non-duplication prior to submitting an HRF application.

Homeowner Assistance grantees are accountable to assure broad outreach to all eligible households. MSHDA and HUD impose strict guidelines to protect the credibility of local programs by assuring there is no appearance of conflict-of-interest in obtaining access to program benefits.

Purpose

The purpose of the Housing Resource Fund (HRF) is to support projects designed to change the housing market of existing neighborhoods to make them more livable for current residents and more attractive to new residents, and/or to provide affordable housing for low and moderate income households, ideally both at the same time.

The OCD makes HRF awards to local units of government to implement programs that promote homeownership for low-income families. Home buyer programs generally fall into two categories:

1. Programs such as down payment and moderate rehabilitation assistance to help low-income home buyers purchase affordable housing units.
2. Programs promoting housing development, acquisition and rehabilitation, or new construction of affordable units for resale. A most successful housing development program includes revitalization projects in under served target areas and/or plans to increase affordable housing stock in the community.

Funding Mechanisms

MSHDA provides assistance through the Housing Resource Fund and the County Allocation Program.

Housing Resource Fund (HRF)

The HRF is a collective of resources from HUD-HOME Investment Partnership (HOME) and Community Development Block Grant (CDGB) funds and MSHDA.

Homeowner Assistance may be used to improve the principal residence of low-income homeowners. The HRF does not fund "grants" for homeowner rehabilitation. In general, repayment for assistance other than emergency repair is required upon sale or transfer of the property to a new owner or if the property is no longer occupied by the borrower. Repayment is ensured through a lien on the property.

Contacts

MSHDA Office of Community Development
735 East Michigan Avenue
P.O. Box 30044
Lansing, MI 30044

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Neighborhood Improvement Authorities

Introduction

Communities are now eligible to create neighborhood improvement authorities through enactment of the Neighborhood Improvement Authority Act (PA 61 of 2007, MCL 125-2911-125-2932).

The act is the latest incarnation of using tax increment financing (TIF) to promote economic development. It is designed to be a tool that communities can use to assist economic development and redevelopment in residential neighborhoods. It allows communities to combine tax dollars from a variety of sources (unless they opt-out) to leverage economic development dollars.

A city's governing body could declare its intention to create and provide for the operation of a neighborhood improvement authority if it determined that doing so was necessary for the public's best interests. Such interests are enacted to halt property value deterioration and increase property tax valuation where possible in a residential district, eliminate the causes of that deterioration, and promote residential growth and economic growth. A city could establish multiple authorities, but a parcel of property could not be included in more than one authority.

Purpose

Specifically, this Act allows for Tax Increment Financing to be used for residential and economic growth in residential districts in cities and villages. Local units can now use taxes arising from increased property values through TIF to pay for improvements to the residential neighborhood. This Act is the first usage of TIF for residential neighborhoods. Because this Act's provisions are similar to the Historic Neighborhood Tax Increment Finance Authority Act (PA 530 of 2004) which applies to historic districts, a residential district or development area created by the Neighborhood Improvement Authority Act could not include an area already covered by a historic neighborhood authority.

Primary Focus

Residential neighborhood improvements include housing, streets, pedestrian malls, and many other public facilities.

These improvements could be financed initially through bonding, which would be repaid from the enhanced property tax revenue stream.

Public Facility means:

- housing
- street
- plaza
- pedestrian malls, and any improvements to them
- park
- parking facility
- recreational facility
- right of way
- structure
- waterway
- bridge
- lake
- pond
- canal
- utility line or pipe
- buildings
- access routes designed and dedicated to public use or used by a public agency

Residential Districts are defined as portions of the community where 75% or more of the area is zoned for residential housing.



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Neighborhood Improvement Authorities (Cont'd)

Neighborhood Authority Board Powers Include:

- Preparing an analysis of economic changes taking place in the development area.
- Studying and analyzing the impact of metropolitan growth upon the development area.
- Planning and proposing the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit for a plan that the board believes will aid in the development area's residential and economic growth.
- Developing long-range plans, in cooperation with the local unit's planning agency, designed to promote residential growth in a residential district; to promote economic growth in the development area; and take steps to persuade property owners to implement the plans to the fullest extent possible.
- Implementing in the development area any plan, including low-income housing, necessary to achieve the purposes of the proposed act.
- Making and entering into contracts to exercise its powers and the performance of its duties.
- Acquiring, owning, conveying, or otherwise disposing of, or leasing land and other real or personal property necessary to achieve the purposes of the Act, and granting or acquiring licenses, easements, and options.
- The ability to fix, charge, and collect fees, rents, and charges for the use of any facility, building, or property it controls and pledge the collections for the payment of revenue bonds issued by the Authority.
- Accepting from public and private sources, grants and donations of property, labor, or other things of value.
- Acquiring and constructing public facilities.

Provisions of the Neighborhood Improvement Authority Act

- Authorizes a city or village to create one or more neighborhood improvement authorities by ordinance after providing notice and holding a public hearing. The local unit would also designate the development area boundaries by ordinance.
- Provides for the supervision and control of an authority by a board that includes the city or village chief executive officer and five to nine members appointed by the chief executive, subject to the approval of the local governing body. (The local governing body would decide the size of the authority board.) A majority of the board must be individuals with an ownership or business interest in property in the development area. One member must reside in the development area or within one-half mile of the development area.
- Allows a board to hire a director and other personnel to serve as chief executive officer of the authority, subject to the approval of the city or village governing body.
- Allows an authority to prepare and submit to the city or village governing body a tax increment financing plan, which must include a development plan for the Authority's development area. TIF plans a development plans would be subject to public hearings and affected local taxing jurisdictions must be notified.
- Protects separate millages for public libraries against capture by a TIF at the request of the local library board.
- Provides for the financing of authority activities, including borrowing money and issuing bonds. The authority could issue negotiable revenue bonds, under the Revenue Bond Act and could, with local unit approval, issue revenue bonds or notes to finance all or part of the costs of acquiring or constructing property. The local unit would not be liable on such debt.
- Allows an authority to authorize, issue, and sell bonds to finance a TIF plan's development program. A city or village could make a limited tax pledge to support the Authority's TIF bonds or notes with governing body approval but would need voter approval to pledge its unlimited tax full faith and credit for authority bonds or notes.
- Requires a city or village to dissolve an Authority after it has completed its purpose, and provide that the Authority's property and assets remaining after the satisfaction of its obligations would belong to the local unit.
- Restricts the duration of a neighborhood Tax Increment Financing Authority to 30 years. However, the governing body of a local unit authorizing it could extend its duration by resolution, if the purposes for which the authority was created still exist.

State Historic Preservation Tax Credit

Introduction

The State Historic Preservation Tax Credit is a tax incentive-driven program, administered by the State Historic Preservation Office (SHPO) and Michigan Department of Treasury, aimed at residential and commercial historic preservation efforts in Michigan and is closely modeled after the federal program.

Qualified expenditures on qualified historic preservation projects are eligible for Single Business Tax and Income Tax credits. Michigan resource owners and long-term lessees who undertake qualified rehabilitations of certain historic resources can apply for a credit against their state general income tax or single business tax of up to 25% of qualified rehabilitation expenditures.

Purpose

The purpose of the tax credit program is to provide incentives to home owners, commercial property owners and businesses to rehabilitate historic commercial and residential resources.

Process to Establish or Procure Funding

- Applicants must complete the Historic Preservation Certification Application which consists of 3 parts:

Part 1

Evaluation of Eligibility.

Part 2

Description of Rehabilitation - to ensure that a project is consistent with the historic character of the resource.

Part 3

Request for Certification of Completed Work.

Requirements

- The resource to be rehabilitated must be located in the State of Michigan.
- The resource must be an eligible resource. An eligible resource is defined as any historic building, structure, site, object, feature or open space that is located in a local unit of government with a population of 5,000 people or more and is a contributing resource in a local historic district established under Michigan's Local Historic Districts Act (P.A. 169 of 1970) as amended. If a resource is located in a historic district, the Secretary of Interior's Standards for Evaluating Significance Within Registered Historic Districts are used by the SHPO to determine whether the resource contributes to the significance of the district.
- All project work must conform to the Secretary of the Interior's Standards for Rehabilitation.
- Applicants must apply to the SHPO and applicants must complete all three parts of the Historic Preservation Certification Application.
- Qualified rehabilitation expenditures must be equal to or greater than 10% of the State Equalized Value (SEV) of the property.
- If the resource is sold, or alterations not meeting the Secretary of the Interior's Standards for Rehabilitation are made within five years after the tax credit is claimed, the tax credit will be subject to recapture by the State of Michigan.

Eligibility & Benefits

Qualified Expenditures

- Qualified expenditures under the State Historic Preservation Tax Credit Act are similar to those for federal tax credits, defined in the Internal Revenue Code 26 U.S.C 47 (a)(2) and are defined generally as any project expenses for which a straight line accounting method is used as defined in the IRS Code. The state program allows site features to be included. Qualified expenditures do not include building acquisition costs or building expansion costs, except expansions that are required by state or federal law that promote preservation, safety or accessibility

Qualified Taxpayers

- Qualified taxpayers are assignees, owners or long-term lessees (27.5 years or more for residential, 31.5 years or more for non-residential) of the property to be rehabilitated that have qualified expenditures equal to or greater than 10% of the SEV of the property. If only a portion of the historic resource is to be rehabilitated, or if an historic resource does not have a SEV, taxpayers must have qualified expenditures equal to or greater than 5% of the appraised value to qualify. Qualified taxpayers may assign credits to partners, LLC members or Subchapter S Corporation shareholders in proportion to their ownership or by another method approved of by the Department of Treasury.

Tax Credits

- Owners and long-term lessees who rehabilitate or restore qualified historic structures are eligible for up to a 25% tax credit against Single Business Tax or Income Tax liability for qualified expenditures associated with the restoration or rehabilitation.



Rural Development Revolving Fund Program

Introduction

The Rural Utilities Service (RUS) is an agency delivering the United States department of Agriculture's (USDA) Rural Development Utilities Programs. These programs assist all communities, including small and rural communities to meet their water and wastewater needs.

The Water and Environmental Programs division of the RUS provides financial and technical assistance to cities and towns with populations less than 10,000, and to rural communities of any size, in the form of grants, loans, loan guarantees and technical assistance with the ultimate aim of improving the quality of life and promoting economic development in these areas.

They provide assistance with drinking water services, sanitary sewers, and solid waste management and storm drainage facilities. The Water and Environmental Programs (WEP) staff will administer the RFP Program, and will provide advice on draft proposals before the application deadline and will answer questions about the application process and program requirements.

Application Process

An application may be filed in either paper or electronic format.

Agency Contacts

The Rural Development Utilities Programs website maintains up-to-date resources and contact information for the RFP.

Anita Obrien, Loan Specialist
 Water and Environmental Programs
 Water Programs Division
 Rural Development Utilities Programs
 U.S. Department of Agriculture
 Phone: 202-690-3789
 Fax: 202-690-0649
 Email: anita.obrien@wdc.usda.gov

Eligibility & Benefits

- Public bodies such as municipalities, counties and special purpose districts, non-profit organizations, cooperatives, and Indian tribes are eligible to apply for these grants and loans.
- Applicants must be in good legal standing to borrow and repay loans, to pledge security for loans, and to operate and maintain the facilities.
- There is no delinquent debt to the Federal Government or no outstanding judgments to repay a Federal debt.
- Non-profit organizations may apply for grants to provide technical assistance and training to assist rural communities with their water, wastewater, and solid waste problems. This must be a private, non-profit organization that has tax-exempt status from the United States Internal Revenue Service (IRS).
- Qualified private non-profit organizations will receive RFP grant funds to establish a lending program for eligible entities. Eligible entities for the revolving loan fund will be the same entities eligible to obtain a loan, loan guarantee, or grant from the RUS Water and Waste Disposal and Wastewater loan and grant programs.
- As grant recipients, the non-profit organizations will set up a revolving loan fund to provide loans to finance predevelopment costs of water or wastewater projects, or short-term small capital projects not part of the regular operation and maintenance of current water and wastewater systems.
- The amount of financing to an eligible entity shall not exceed \$100,000 and shall be repaid in a term not to exceed 10 years. The rate shall be determined in the approved grant work plan.

Eligible Grant Purposes

- Grant funds must be used to capitalize a revolving fund program for the purpose of providing direct loan financing to Ultimate Recipients for pre-development costs associated with proposed or with existing water and wastewater systems or;
- Short-term costs incurred for equipment replacement, small-scale extension of services, or other small capital projects that are not part of the regular operations and maintenance activities of existing water and wastewater systems.

Waterways Program Grants

Introduction

Waterways program grants were created from the enactment of State of Michigan Public Act 320 of 1947 which created the Michigan State Waterways Commission (MSWC). This program is administered through the Michigan Department of Natural Resources (DNR) and provides for design and construction of recreational boating facilities in the state.

Funds are available from the Michigan State Waterways Fund for engineering studies and infrastructure improvement projects at state-sponsored harbor/mooring and boating access site/launch facilities. The Waterways Fund receives portions of watercraft registration fees and gasoline taxes, some of which are collected by other State agencies and transferred to this fund. The level of funding available varies from year to year. Federal Dingell-Johnson funds, from the Sport Fish Restoration Act may be used to augment project funding.

Typically, grant funding covers 50% of the total project cost for preliminary engineering and infrastructure improvement projects. Requests for less than 50% state funding will be given additional preference in the selection process. Any funding requests above 50% state funding are determined based on a formal review by DNR staff of the community's certified financial audits filed with the Department of Treasury for the past three years.

Primary Focus

The Michigan State Waterways Fund provides for improvement of lake harbors and inland waterways; construction, operation and maintenance of recreational boating facilities; and for property acquisition and administration.

Eligibility

Only local units of government (city, village, township or county) and public universities are eligible. Applicants may cooperate with sports/community organizations in the implementation of projects.

Criteria

On-site investigation by Parks and Recreation Division staff may be required to determine suitability of proposed work. The applicant may be required to document area boating demand. Greater priority is given to projects for which a local applicant documents local match capabilities equal to or greater than the percentage of project cost they are required to provide.

Engineering

A preliminary engineering study grant can include items such as conceptual layout, topographic and hydrographic surveying, soil borings, wave studies, littoral drift studies, environmental and historical studies, feasibility studies, permitting, and preliminary engineering and design. Any preliminary engineering study is to be performed by a professional, licensed by the state of Michigan, whose place of business is located in the state of Michigan. This may include an engineer, a landscape architect, or an architect, depending on the scope of work to be engineered.

If approved, preliminary engineering studies are conducted by the local unit of government with matching grant monies. State and federal permits are obtained during the study process and all projects funded through the MSWC must comply with the most recent provisions of the 1990 Americans with Disabilities Act (ADA) as amended, and all other applicable state and federal requirements. Based on the preliminary engineering study, a determination is made by the local unit of its ability to participate in the construction portion of the project.

Infrastructure

Infrastructure improvements can include final engineering and contingency costs, as well as costs normally associated with construction of these facilities. In return, the local unit of government must provide the land free-of-charge and agree to operate and maintain the completed facility. Typically, a preliminary engineering study is required to determine the design, cost, and feasibility of constructing the proposed facilities. Any final engineering or construction work is to be performed by a professional, licensed in the state of Michigan, whose place of business is located in the state of Michigan. If approved, and the project becomes part of a legislative bill, grant monies are typically not available until after October 1 of the next fiscal year.

Infrastructure improvements are conducted by the local unit with matching grant monies. All projects funded through the MSWC must comply with the most recent provisions of the 1990 ADA, as amended, along with all other applicable state and federal requirements.

Obsolete Property Tax Rehabilitation Tax Credits (OPRA)

Introduction

The Obsolete Property Rehabilitation Act (OPRA), Public Act 146 of 2000, provides for a tax incentive to encourage the redevelopment of obsolete buildings. The tax incentive is designed to assist in the redevelopment of older buildings, in which a facility is contaminated, blighted or functionally obsolete. The goal is to rehabilitate older buildings into vibrant commercial and commercial housing projects. The current sunset date for obsolete property tax exemptions is December 31, 2010.

Definitions

Functional Obsolescence

Is defined as property that is unable to be used to adequately perform the function for which it was intended, due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.

Facility

Is defined as any area, place, or property where a hazardous substance in excess of the concentrations which satisfy the requirements of the Michigan Natural Resources and Environmental Protection Act, section 20120a(1)(a) and (17) or the cleanup criteria for unrestricted residential use under part 213 has been released, deposited of, or otherwise comes to be located. Facility does not include any area, place, or property where response activities have been completed which satisfy the cleanup criteria for the residential category provided for in section 2012a(1)(a) and (17), or which corrective action has been completed under part 213 which satisfies the cleanup criteria for unrestricted use.

Primary Focus

The OPRA incentive is used to encourage the redevelopment of blighted buildings such as abandoned, multi-story industrial buildings that are now more suited for commercial or residential rental units with the advantage of savings on property taxes and by establishing a district, communities have the ability to target areas for redevelopment.

Eligibility & Benefits

Properties eligible for obsolete property exemption certificates must be commercial properties or commercial housing properties located within a qualified local governmental unit that meet the definition of "blighted" or "functional obsolescence" as defined by the Brownfield Redevelopment Financing Act of 1996 or be a "facility" as defined by the Natural Resources and Environmental Protection Act of 1994, Part 201.

Blighted

is defined as property that meets any of the following criteria:

1. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance
2. Is an attractive nuisance to children because of physical condition, use, or occupancy.
3. Is a fire hazard or is otherwise dangerous to the safety of persons or property.
4. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.
5. Is tax reverted property owned by a qualified local governmental unit, by a county or by this state. The sale, lease, or transfer of tax reverted property by a qualified local governmental unit, county, or this state after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for purposes of this act.
6. Is property owned or under the control of a land bank fast track authority under the land bank fast track act, whether or not located within a qualified local governmental unit. Property included within a Brownfield plan prior to the date it meets the requirements of this subdivision to be eligible property shall be considered to become eligible property as of the date the property is determined to have been or becomes qualified as, or is combined with, other eligible property. The sale, lease, or transfer of the property by a land bank fast track authority after the property's inclusion in a Brownfield plan shall not result in the loss to the property of the status as blighted property for the purpose of this act.

Downtown Development Authorities (DDA)

Downtown District

The Downtown District is that part of an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to the Act.

A downtown district may include one or more separate and distinct geographic areas in a business district as determined by the municipality if the municipality enters into an agreement with a qualified township under section 3(7), or if the municipality is a city that surrounds another city and that other city lies between the two separate and distinct geographic areas. If the downtown district contains more than one separate and distinct geographic area in the downtown district, the separate and distinct geographic areas shall be considered one downtown district.

Eligibility & Benefits

Any city, village, or township may establish an area within a downtown business district as a Downtown Development Authority (DDA). Under special conditions, a DDA boundary may contain one or more separate and distinct geographic areas within a business district.

A municipality that has created an authority may enter into an agreement with an adjoining municipality that has created an authority to jointly operate and administer those authorities by means of an interlocal agreement pursuant to the Urban Cooperation Act of 1967.

A municipality that has created an authority may also operate its authority in an adjoining "qualified township," also pursuant to the Urban Cooperation Act. For business districts that are part of an annexation or consolidation with another municipality, the districts' authorities shall act as the authority of the annexed or consolidated municipality.

Introduction

1975 PA 197; 2004 PA 158, 2004 PA 521, 2005 PA 115, 2006 PA 279, M.C.L. 125.1651 et seq.

Downtown Development Authority (DDA) legislation allows local units of government to establish (by ordinance) an authority in designated "downtown" districts. The primary reasons for establishing an authority are to:

- Halt property value deterioration and to eliminate the causes of the deterioration.
- Increase property tax valuation.
- Promote economic growth.
- Encourage historic preservation.
- Authorize the acquisition and disposal of interests in real and personal property.
- Authorize the creation and implementation of development plans in the districts.
- Create a board and to prescribe its powers and duties.
- Authorize the levy and collection of taxes.
- Authorize the issuance of bonds and other evidences of indebtedness.
- Authorize the use of tax increment financing.
- Reimburse DDAs for certain losses of tax increment revenues.

The authority shall be under the supervision and control of a board consisting of the chief executive officer of the municipality and not less than 8, or more than 12, members as determined by the governing body of the municipality. Established DDAs can raise revenue for physical improvements, property acquisition, marketing, and operations.

Sources of Funding

- **Tax Increment Financing**
Allows local units of government to capture (from other taxing governmental units) the increase in property tax levies above and beyond the year in which the authority was established.
- **Revenue Bonds**
- **Tax Levy**
DDAs in municipalities with one million or more in population are authorized to levy a tax of up to 1 mill on DDA businesses and DDAs in municipalities with populations under one million may levy a tax of up to 2 mills.
- **Fee Collection**
- **Grants**

All DDA expenditures must be used for the DDA only.