



Downtown Frankfort TIF and Development Plan

Adopted August 25, 2015



Frankfort City Council

Robert Johnson, Mayor
JoAnn Holwerda, Mayor Pro-Tem
Katie Condon
Paul Luedtke
Daniel Walenta

Frankfort Downtown Development Authority

Rick Schmitt, Chair
Tim Bannister
Cory Bissell
Brent Bradley
Steve Campbell
Mike Elwell
Robert Johnson
Karen Leinaar

Joshua Mills, City Superintendent

Johnson feels that this is a good plan. He has been on the board since the start and feels it is in line with the needs of the City.

Public hearing was closed at 10:14 a.m.

Special Meeting

Meeting was called to order by Mayor Johnson at 10:15 a.m.

Present: Holwerda, Johnson, Luedtke, Walenta Absent: Condon
Also present: Kidder, Mills Public: 3

Special Business:

Development and TIF Plan

Motion by Holwerda, seconded by Luedtke to adopt the Development and TIF Plan for the City of Frankfort with corrections noted.

RC: Yeas: All

Nays: None

Absent: Condon
Motion CARRIED

I hereby certify that the foregoing constitutes a true and complete copy of the Motion adopted by the Frankfort City Council, Benzie County, Michigan at a special meeting held on August 25, 2015 and that said meeting was conducted and public as given pursuant to and in full compliance with the Open Meetings Act, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.


Kimberly K. Kidder
Frankfort City Clerk
Date: September 29, 2015

Table of Contents

Section 1: Introduction	2
Authority and Purpose	2
Background.....	2
Adoption of DDA Ordinance	3
Development Plan and Tax Increment Finance (TIF) Plan.....	3
Section 2: Development Plan	5
DDA District Development Area Boundary.....	5
DDA District Character	7
Project Descriptions, Cost Estimates and Timeframes.....	16
Open Space Areas	23
DDA Owned Property Transactions	23
Changes in Zoning, Streets and Utilities	23
Method of Financing	23
Beneficiaries of DDA Owned Property Transactions	24
Procedures for DDA Owned Property Transactions.	24
Citizens Residing in the District and Intent for Displacement	25
Procedures for the Relocation of Citizens.....	25
Costs for the Relocation of Citizens	25
Compliance with Public Act 227 of 1972.....	26
Other Pertinent Information	26
Section 3: Tax Increment Finance Plan.....	27
Introduction and Determination of Need	27
Tax Increment Financing Plan.....	27
Appendix A: Legal Description of DDA District Properties	36

List of Figures

Figure 1: DDA District/Development Area Boundary	6
Figure 2: Existing Land Use.....	9
Figure 3: Future Land Use.....	11

List of Tables

Table 1: DDA Existing Land Use	10
Table 2: DDA Future Land Use	11
Table 3: List of Projects by Priority, Estimated DDA Cost and Share	22
Table 4: Estimate of Captured Taxable Value.....	29
Table 5: Anticipated Revenue Stream.....	31
Table 6: Estimated Revenue Reallocation by Taxing Jurisdiction	33

Section 1: Introduction

Authority and Purpose

The legislative body of a municipality is authorized under State Public Act 197 of 1975, as amended, to create a Downtown Development Authority (DDA). The Authority must 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.

The Ordinance establishing the Authority must designate the boundaries of a downtown district - an area within a business district (an area of the downtown of a municipality zoned and used principally for business) – where the DDA Board is permitted to exercise its powers.

The provisions of the Act were enacted to provide a means for local governments to eliminate property value deterioration and to promote economic growth in the downtown district by developing, adopting and implementing development plans. A plan may include proposals for construction, renovation, repair, remodeling or rehabilitation of a public facility that contributes to the district's economic well-being. The Authority may also construct, rehabilitate, equip, improve, maintain or operate any building within the downtown district for public or private use, or a combination of them.

Authority activities may be financed from several sources including taxes, revenues generated from the use of Authority assets, revenue bonds, donations, grants, special assessment levies and tax increment financing (TIF) revenues.

Background

The City of Frankfort's 2010 Master Plan identifies many economic and urban design recommendations for Main Street and M-22. Page 46 of that document specifically identifies that a Downtown Development Authority would be the best quasi-public body to spearhead those projects, which included parking policies, street and sidewalk design, signage and non-motorized infrastructure.

More importantly, Chapter 5 of the 2010 Master Plan focuses on Economic Development and includes very specific goals, which are as follows:

- To strengthen the overall economic conditions within Frankfort to create a more sustainable year-round economy that serves the needs of area residents.
- To Ensure Frankfort remains a destination for tourists and seasonal visitors.
- To increase the supply of strong and stable job-creating ventures and to create opportunity for a wide range of entrepreneurial enterprises.

While the City is well positioned for economic development, there are many steps necessary to realize some of the goals and objectives outlines in this chapter. The Action Plan, outlined below, is taken directly from the City's Master Plan and step one is to create a DDA and TIF District.

Action Plan

There are a number of specific tasks and actions necessary to implement the economic vision outlined in the Master Plan. These include the following:

- Create a Downtown Development Authority and corresponding Tax Increment Financing District to capture property taxes for use within the district. This will provide working capital that can be used for infrastructure improvements within the district, marketing for Downtown Frankfort and for special events.
- Create a partnership with the Chamber of Commerce and/ or Benzie County and the Michigan Department of Labor and Economic Growth (DLEG) to develop a Knowledge Industry business recruitment package and strategy.
- Partner with the Michigan Economic Development Corporation (MEDC) to be a part of the MEDC's Pure Michigan Travel and Tourism campaign.
- Support local food production and promote Frankfort as a regional cuisine destination.
- Assign responsibility to a DDA, Frankfort Elberta Regional Chamber of Commerce or an appropriate City subcommittee to develop an annual schedule of events in Frankfort with events occurring throughout the year. Examples of events include the weekly farmers market, and Benzie Fishing Frenzy.
- Work with downtown businesses to encourage uniform business hours and develop seasonal events that can be marketed to customers beyond Benzie County.
- Transform Frankfort into a year-round destination for shopping, arts, culture, food and outdoor activities.
- Develop relationships with Crystal Mountain and Sleeping Bear Dunes to promote Frankfort as a destination for dining, lodging, and entertainment.
- Develop a maintenance strategy to ensure that Downtown streets and sidewalks are clean and cleared of snow.
- Update the City's zoning ordinance as recommended in this Master Plan to preserve the character of the City, reflect the values of the residents of Frankfort and improve the overall quality of life within the community.
- Adopt Complete Streets standard to improve walkability and safety for pedestrians and non-motorized transportation.
- Draft standards that will help to encourage the development of new communication methods and installation of equipment, including broadband internet connections, that will help to improve the City's business atmosphere.

Adoption of DDA Ordinance

Based on the findings and recommendations of the Frankfort 2010 Master Plan, the City proceeded with the establishment of a Downtown Development Authority (DDA). Following the process outlined in the Act, a public hearing was held by the Frankfort City Council on May 21, 2013 concerning the creation of the District. On May 21, 2013, the City Council adopted Ordinance D-2 of 2013 officially establishing the Frankfort Downtown Development Authority and designating the boundaries of the District within which the authority will exercise its powers.

Development Plan and Tax Increment Finance (TIF) Plan

As specified in Public Act 197 of 1975, if the DDA Board determines that it will utilize tax increment financing as a means to finance improvements within the District, it shall first prepare a Tax Increment Finance (TIF) Plan consistent with the Act. The Act also states that a Development Plan consistent with the Act shall first be prepared by the DDA Board prior to proceeding with any District improvements.

This Development Plan and TIF Plan will serve to coordinate expected activities related to the development and redevelopment of the District. The DDA intends to create a viable, attractive environment for business development within the Township. This Plan is intended to be implemented over the next 25 years.

Section 2: Development Plan

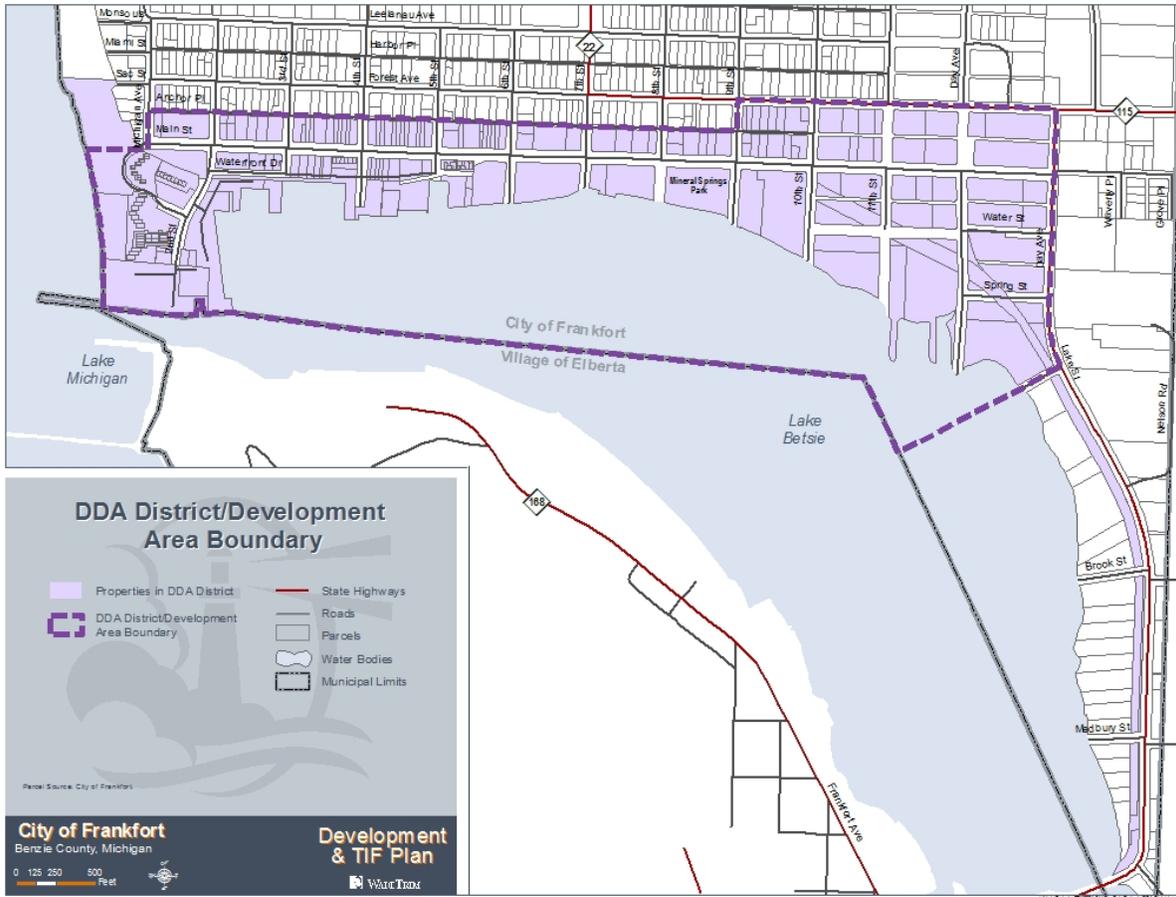
The Development Plan section of this report is organized according to the informational requirements for development plans as outlined in Section 17.(2) of the Downtown Development Authority Act, Public Act 197 of 1975. Underneath each heading, the actual section number reference and Public Act language is included.

DDA District Development Area Boundary

Section 17.(2)(a). The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

The DDA District/Development Area is described as follows: The entire Main Street Corridor extending from Marquette Circle, adjacent to Lake Michigan Beach easterly to M-22 (Lake Street). Northern Boundary shall consist of Anchor Place, adjacent to Michigan Avenue easterly to 9th Street and then northerly to M-22, proceeding easterly to the M-22/M-115 intersection then southerly along M-22 (Lake Street) to the southern boundary of East Shore Marina extending south west to the City of Frankfort southerly boundary within Betsie Bay, hence proceeding westerly to the City of Frankfort property, commonly referred to the Oliver Art Center proceeding north to the Michigan Avenue/Anchor Place intersection, including Harbor Lights Resort.

Figure 1: DDA District/Development Area Boundary



DDA District Character

Section 17.(2)(b). The location and extent of existing streets and other public facilities within the development area; the location, character and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses; and a legal description of the development area.

Streets, Sidewalks and Non-Motorized System

The location and extent of existing streets and public and private land uses is presented as Figure 2, Existing Land Use.

The DDA District is supported by Main Street and M-22.

The Beach-to-Beach Trail currently connects downtown Frankfort with Elberta, on the other side of the Betsie Bay. The trail is a separated multi-use trail through the eastern portion of the DDA District. Between 5th and 6th Streets, the trail merges with Waterfront Drive and shares the roadway.

Infrastructure and Services

The City of Frankfort provides water treatment and distribution. The City of Frankfort provides sanitary sewer and storm water distribution. The Betsie Lake Utility Authority (BLUA) provides sanitary sewer treatment.

The City of Frankfort has been committed toward upgrades of the sanitary sewer system to eliminate combined distribution of sanitary sewer and storm water as well as inflow and infiltration. Enhancements to BLUA have resulted in an increased capacity that will facilitate growth.

Within the DDA District, every property and/or development is serviced by both public water and sewer.

Existing Land Use and Public Facilities

Figure 2 shows the distribution of existing land uses and location of public facilities within the DDA District/Development Area. The initial existing land use information was compiled based on information from the 2010 Frankfort Master Plan updated through aerial photography and field reconnaissance.

The Frankfort DDA District properties encompass approximately 95 acres of land classified into a total of 9 existing land use categories. **Table 1** describes the distribution of existing land use in the district. A description of each land use category follows:

Single Family Detached

The single family residential category includes all free-standing residential homes. In total, single family residential properties account for approximately 2.4 acres or 3 percent of the district. These areas are scattered throughout the district, primarily near the northern border of the district, near Anchor Place.

Single Family Attached

This category includes single family attached residential complexes, such as duplexes that share a common wall. In total, single family attached residential properties account for approximately 9.7 acres or approximately 11 percent of the district. The Harbor Lights Resort and Marina in the southwest portion of the district are considered single family attached.

Multiple Family Attached

This category includes multiple family residential complexes, including apartment complexes and condominiums. Multiple family attached land uses are located along Main Street in the northwest portion of the district. In total, multiple family attached lands account for approximately 1.3 acres or 1 percent of the district.

Commercial

There are many commercial uses throughout the district and the core of general and local commercial businesses exist along Main Street. These businesses generally require high visibility and easy access to reach their regional customer base. In total, commercial uses occupy approximately 23 acres or 27 percent of the district.

Industrial

Industrial uses are located in the southeast portion of the district and include the Luedtke Engineering Co. and Production Industries Inc. In total, industrial uses occupy approximately 16.9 acres or 19 percent of the district.

Civic/Institutional

Civic/institutional uses include the Oliver Art Center, the Frankfort Marina, the Frankfort Library and Post Office, and the Betsie Lake Utilities Authority. In total, civic/institutional uses occupy approximately 13.5 acres or 16 percent of the district.

Parks and Recreation

Parks and recreation uses compose a large portion of the DDA/Development District. Frankfort Beach, Charlevoix Cannon Park, Rotary Park, Mineral Springs Park, and the Betsie Valley Trail are found scattered throughout the district, and primarily near the waterfront. These parks are a major contributor to its waterfront character. In total, parks and recreation uses occupy approximately 24.7 acres or 28 percent of the district.

Mixed Use

The Mixed use category includes properties that blend residential, commercial, institutional, or industrial uses. In general, these uses are found near commercial uses along Main Street. In total, mixed use properties account for approximately 1 acre or 1 percent of the district.

Vacant/Undeveloped/Agricultural

There are seven parcels within the DDA/Development District that are considered vacant/undeveloped/agricultural properties. In general, these lands are scattered throughout the district. In total, vacant/undeveloped/agricultural properties account for approximately 2.1 acres or 2 percent of the district.

Figure 2: Existing Land Use

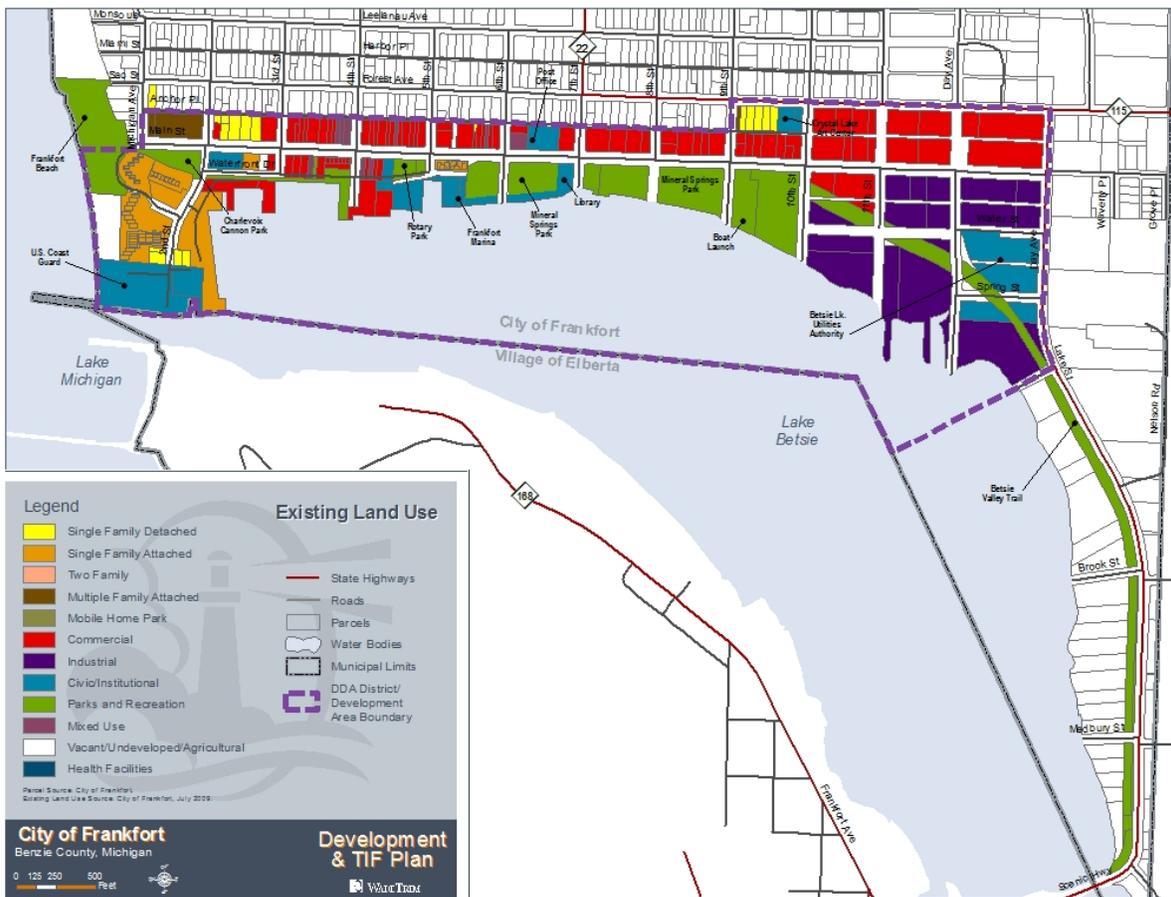


Table 1: DDA Existing Land Use

DDA Existing Land Use		
Land Use	Acreage	% of Total DDA District
Single Family Detached	2.4	3%
Single Family Attached	9.7	10%
Multiple Family Attached	1.3	1%
Commercial	23.0	24%
Industrial	16.9	18%
Civic/Institutional	13.5	14%
Parks and Recreation	24.7	26%
Mixed Use	1.0	1%
Vacant/Undeveloped/Agricultural	2.1	2%

Proposed Land Use

The proposed future land uses for the DDA District are shown on **Figure 3**. These future land use recommendations were developed as part of the 2010 Frankfort Master Plan.

The DDA District is planned to support a variety of complementary land uses over the long term. This will help to create a diverse and vital business district where people can live, work, and shop. **Table 2** outlines the distribution of proposed future land uses.

Legal Description

A listing of the tax identification number and address of each property within the DDA District/Development Area follows as **Exhibit A**. Legal descriptions of each property are provided in **Appendix A**.

Figure 3: Future Land Use

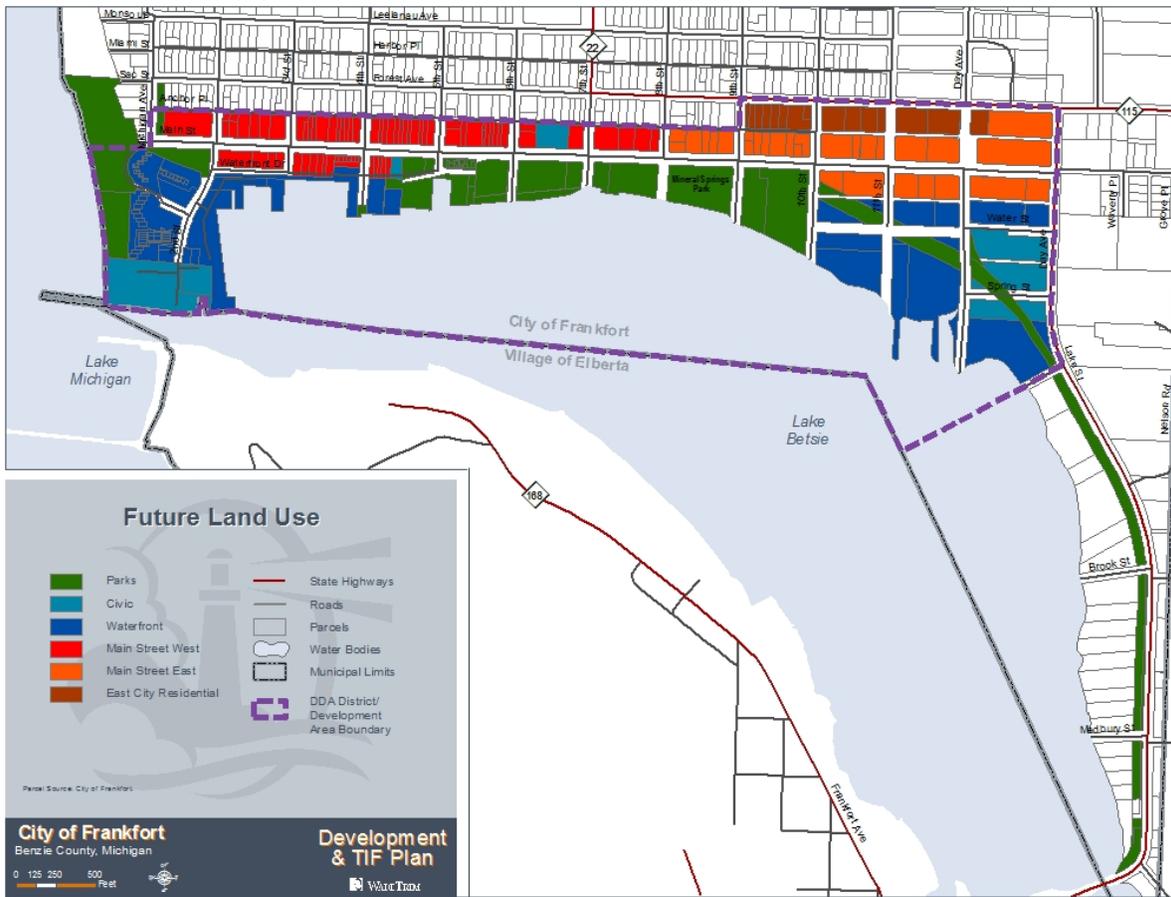


Table 2: DDA Future Land Use

DDA Future Land Use		
Land Use	Acreage	% of Total DDA District
Parks	28.9	31%
Civic	10.0	11%
Waterfront	26.4	28%
Main Street West	12.0	13%
Main Street East	12.6	13%
East City Residential	4.6	5%

Exhibit A
Property Listing by Tax Identification Number and Address
DDA District/Development Area
City of Frankfort, Benzie County

<u>Property ID Number</u>	<u>Property Address</u>	<u>Property ID Number</u>	<u>Property Address</u>
10-51-010-001-00	N/A	10-51-040-035-00	N/A
10-51-010-002-00	15 S. SECOND STREET	10-51-040-035-00	N/A
10-51-010-003-00	228 MAIN STREET	10-51-150-044-00	127 COASTGUARD ROAD
10-51-010-004-00	N/A	10-51-150-045-00	123 COASTGUARD ROAD
10-51-010-005-00	N/A	10-51-150-046-00	N/A
10-51-010-007-00	14 GOLD COAST WAY (PVT)	10-51-150-047-00	115 S. SECOND STREET
10-51-010-008-00	210 MAIN STREET	10-51-150-048-00	98 COASTGUARD ROAD
10-51-010-013-00	1 FOURTH STREET	10-51-150-048-10	100 COASTGUARD ROAD
10-51-010-014-00	320 MAIN STREET	10-51-150-049-00	18 S. SECOND STREET TEMP
10-51-010-015-00	312 MAIN STREET	10-51-150-050-00	105 S. SECOND STREET
10-51-010-016-00	N/A	10-51-150-051-00	N/A
10-51-010-017-00	310 MAIN STREET	10-51-160-001-00	11 S. SECOND STREET
10-51-010-019-00	306 MAIN STREET	10-51-160-001-01	11 S. SECOND STREET #1
10-51-010-020-00	300 MAIN STREET	10-51-160-001-02	11 S. SECOND STREET 2#
10-51-010-022-00	N/A	10-51-160-001-03	11 S. SECOND STREET #3
10-51-010-022-01	N/A	10-51-160-001-04	11 S. SECOND STREET #4
10-51-010-023-00	N/A	10-51-160-001-05	11 S. SECOND STREET #5
10-51-010-024-00	N/A	10-51-160-001-06	11 S. SECOND STREET #6
10-51-010-025-00	412 MAIN STREET	10-51-160-001-07	11 S. SECOND STREET #7
10-51-010-026-00	N/A	10-51-160-001-08	11 S. SECOND STREET #8
10-51-010-027-00	408 MAIN STREET	10-51-160-001-09	11 S. SECOND STREET #9
10-51-010-028-00	406 MAIN STREET	10-51-160-001-10	11 S. SECOND STREET #10
10-51-010-029-00	404 MAIN STREET	10-51-160-001-11	11 S. SECOND STREET #11
10-51-010-030-00	402 MAIN STREET	10-51-160-001-12	11 S. SECOND STREET #12
10-51-010-031-00	400 MAIN STREET	10-51-160-001-13	11 S. SECOND STREET #13
10-51-010-032-00	10 FOURTH STREET	10-51-160-001-14	11 S. SECOND STREET #14
10-51-010-042-00	401 MAIN STREET	10-51-160-001-15	11 S. SECOND STREET #21
10-51-010-044-00	405 MAIN STREET	10-51-160-001-16	11 S. SECOND STREET #22
10-51-010-045-00	411 MAIN STREET	10-51-160-001-17	11 S. SECOND STREET #23
10-51-010-046-00	413 MAIN STREET	10-51-160-001-18	11 S. SECOND STREET #24
10-51-010-047-00	415 MAIN STREET	10-51-160-001-19	11 S. SECOND STREET #25
10-51-010-048-00	417 MAIN STREET	10-51-160-001-20	11 S. SECOND STREET #26A
10-51-010-049-00	419 MAIN STREET	10-51-160-001-21	11 S. SECOND STREET #26B
10-51-010-050-00	421 MAIN STREET	10-51-160-001-22	11 S. SECOND STREET #27A
10-51-010-051-00	423 MAIN STREET	10-51-160-001-23	11 S. SECOND STREET #27B

10-51-010-052-00	427 MAIN STREET	10-51-160-001-24	11 S. SECOND STREET #31
10-51-010-053-00	429 MAIN STREET	10-51-160-001-25	11 S. SECOND STREET #32
10-51-010-054-00	433 MAIN STREET	10-51-160-001-26	11 S. SECOND STREET #33
10-51-010-062-00	301 MAIN STREET	10-51-160-001-27	11 S. SECOND STREET #34
10-51-010-062-0B	MAIN STREET	10-51-160-001-28	11 S. SECOND STREET #35
10-51-010-062-0C	MAIN STREET	10-51-160-001-29	11 S. SECOND STREET #36
10-51-010-063-00	303 MAIN STREET	10-51-160-001-30	11 S. SECOND STREET #37
10-51-010-064-00	N/A	10-51-165-000-00	N/A
10-51-010-065-00	309 MAIN STREET	10-51-165-001-00	105 S. SECOND STREET
10-51-010-066-00	311 MAIN STREET	10-51-165-001-60	105 S. SECOND STREET #60
10-51-010-068-00	N/A	10-51-165-001-61	105 S. SECOND STREET #61
10-51-010-068-0B	N/A	10-51-165-001-62	105 S. SECOND STREET #62
10-51-010-068-0C	N/A	10-51-165-001-63	105 S. SECOND STREET #63
10-51-010-069-00	321 MAIN STREET	10-51-165-001-64	105 S. SECOND STREET #64
10-51-010-070-00	323 MAIN STREET	10-51-165-001-65	105 S. SECOND STREET #65
10-51-010-071-00	325 MAIN STREET	10-51-165-001-66	105 S. SECOND STREET #66
10-51-010-072-00	327 MAIN STREET	10-51-165-001-67	105 S. SECOND STREET #67
10-51-010-073-00	331 MAIN STREET	10-51-165-001-68	105 S. SECOND STREET #68
10-51-010-085-00	108 N. SECOND STREET	10-51-165-001-69	105 S. SECOND STREET #69
10-51-010-086-00	207 MAIN STREET	10-51-165-001-71	105 S. SECOND STREET #71
10-51-010-087-00	209 MAIN STREET	10-51-165-001-72	105 S. SECOND STREET #72
10-51-010-088-00	208 ANCHOR PLACE	10-51-165-001-73	105 S. SECOND STREET #73
10-51-010-089-00	215 MAIN STREET	10-51-165-001-74	105 S. SECOND STREET #74
10-51-010-090-00	217 MAIN STREET	10-51-165-001-75	105 S. SECOND STREET #75
10-51-010-091-00	223 MAIN STREET	10-51-165-001-76	105 S. SECOND STREET #76
10-51-010-092-00	231 MAIN STREET	10-51-165-001-77	105 S. SECOND STREET #77
10-51-010-103-00	N/A	10-51-165-001-78	105 S. SECOND STREET #78
10-51-010-104-00	114 ANCHOR PLACE	10-51-165-001-79	105 S. SECOND STREET #79
10-51-010-187-00	104 FIFTH STREET	10-51-165-080-00	109 S. SECOND STREET #80
10-51-010-188-00	501 MAIN STREET	10-51-165-081-00	109 S. SECOND STREET #81
10-51-010-189-00	509 MAIN STREET	10-51-165-082-00	109 S. SECOND STREET #82
10-51-010-190-00	515 MAIN STREET	10-51-165-083-00	103 S. SECOND STREET #83
10-51-010-191-00	520 ANCHOR PLACE	10-51-165-084-00	103 S. SECOND STREET #84
10-51-010-192-00	519 MAIN STREET	10-51-165-085-00	103 S. SECOND STREET #85
10-51-010-193-00	523 MAIN STREET	10-51-165-086-00	103 S. SECOND STREET #86
10-51-010-194-00	525 MAIN STREET	10-51-165-087-00	103 S. SECOND STREET #87
10-51-010-195-00	527 MAIN STREET	10-51-165-088-00	103 S. SECOND STREET #88
10-51-010-196-00	529 MAIN STREET	10-51-165-089-00	103 S. SECOND STREET #89
10-51-010-197-00	531 MAIN STREET	10-51-165-089-10	103 S. SECOND STREET #89A
10-51-010-198-00	N/A	10-51-165-089-20	103 S. SECOND STREET #89B
10-51-010-198-00	N/A	10-51-165-090-00	109 S. SECOND STREET #90

10-51-010-200-00	N/A	10-51-165-091-00	109 S. SECOND STREET #91
10-51-010-201-00	N/A	10-51-165-092-00	109 S. SECOND STREET #92
10-51-010-202-00	N/A	10-51-165-093-00	103 S. SECOND STREET #93
10-51-010-203-00	630 MAIN STREET	10-51-165-094-00	103 S. SECOND STREET #94
10-51-010-212-00	601 MAIN STREET	10-51-165-095-00	103 S. SECOND STREET #95
10-51-010-213-00	610 ANCHOR PLACE	10-51-165-096-00	103 S. SECOND STREET #96
10-51-010-214-00	615 MAIN STREET	10-51-165-097-00	103 S. SECOND STREET #97
10-51-010-215-00	629 MAIN STREET	10-51-165-098-00	103 S. SECOND STREET #98
10-51-010-255-00	703 MAIN STREET	10-51-165-099-00	103 S. SECOND STREET #99
10-51-010-256-00	719 MAIN STREET	10-51-165-100-00	103 S. SECOND STREET #100
10-51-010-257-00	727 MAIN STREET	10-51-165-100-00	103 S. SECOND STREET #100
10-51-010-258-00	735 MAIN STREET	10-51-166-400-00	13 S. SECOND STREET
10-51-010-259-00	N/A	10-51-166-401-00	13 S. SECOND STREET #401
10-51-010-260-00	N/A	10-51-166-401-00	13 S. SECOND STREET #401
10-51-010-261-00	832 MAIN STREET	10-51-166-402-00	13 S. SECOND STREET #402
10-51-010-271-00	110 EIGHTH STREET	10-51-166-403-00	13 S. SECOND STREET #403
10-51-010-272-00	801 MAIN STREET	10-51-166-404-00	13 S. SECOND STREET #404
10-51-010-273-00	827 MAIN STREET	10-51-166-405-00	13 S. SECOND STREET #405
10-51-010-273-01	N/A	10-51-166-406-00	13 S. SECOND STREET #406
10-51-010-273-02	829 MAIN STREET	10-51-166-407-00	13 S. SECOND STREET #407
10-51-010-274-00	831 MAIN STREET	10-51-166-408-00	13 S. SECOND STREET #408
10-51-030-001-00	N/A	10-51-166-409-00	13 S. SECOND STREET #409
10-51-030-002-00	N/A	10-51-166-410-00	13 S. SECOND STREET #410
10-51-030-003-00	1123 MAIN STREET	10-51-166-411-00	13 S. SECOND STREET #411
10-51-030-004-00	1290 MAIN STREET	10-51-166-412-00	13 S. SECOND STREET #412
10-51-030-005-00	70 LAKE STREET	10-51-166-413-00	13 S. SECOND STREET #413
10-51-030-005-01	1132 MAIN STREET	10-51-166-414-00	13 S. SECOND STREET #414
10-51-030-006-00	181 LAKE STREET	10-51-166-415-00	13 S. SECOND STREET #415
10-51-030-007-00	N/A	10-51-166-416-00	13 S. SECOND STREET #416
10-51-030-028-00	N/A	10-51-166-417-00	13 S. SECOND STREET #417
10-51-030-028-10	N/A	10-51-166-418-00	13 S. SECOND STREET #418
10-51-030-100-00	N/A	10-51-166-419-00	13 S. SECOND STREET #419
10-51-040-001-00	111 TENTH STREET	10-51-166-420-00	13 S. SECOND STREET #420
10-51-040-001-01	N/A	10-51-166-421-00	13 S. SECOND STREET #421
10-51-040-003-00	918 FOREST AVENUE	10-51-175-001-00	N/A
10-51-040-004-00	914 FOREST AVENUE	10-51-175-001-01	500 MAIN STREET UNIT A
10-51-040-005-00	912 FOREST AVENUE	10-51-175-001-02	500 MAIN STREET UNIT B
10-51-040-006-00	906 FOREST AVENUE	10-51-175-001-03	500 MAIN STREET UNIT C
10-51-040-007-00	N/A	10-51-175-001-04	500 MAIN STREET UNIT D
10-51-040-008-00	902 FOREST AVENUE	10-51-175-001-05	500 MAIN STREET UNIT E
10-51-040-009-00	N/A	10-51-175-001-06	500 MAIN STREET UNIT F
10-51-040-010-00	903 MAIN STREET	10-51-175-001-07	500 MAIN STREET UNIT G

10-51-040-011-00	N/A	10-51-175-001-08	500 MAIN STREET UNIT H
10-51-040-012-00	N/A	10-51-175-001-09	500 MAIN STREET UNIT I
10-51-040-013-00	917 MAIN STREET	10-51-175-001-10	510 MAIN STREET UNIT J
10-51-040-014-00	921 MAIN STREET	10-51-175-001-11	510 MAIN STREET UNIT K
10-51-040-014-10	N/A	10-51-175-001-12	510 MAIN STREET UNIT L
10-51-040-014-11	925.5 MAIN STREET	10-51-175-001-13	510 MAIN STREET UNIT M
10-51-040-015-00	N/A	10-51-175-001-14	510 MAIN STREET UNIT N
10-51-040-016-00	N/A	10-51-175-001-15	510 MAIN STREET UNIT O
10-51-040-017-00	10 TENTH STREET	10-51-185-000-00	N/A
10-51-040-018-00	N/A	10-51-185-001-00	328 MAIN STREET
10-51-040-019-00	1048 MAIN STREET	10-51-185-002-00	330 MAIN STREET
10-51-040-020-00	1000 MAIN STREET	10-51-185-003-00	332 MAIN STREET
10-51-040-020-10	N/A	10-51-185-004-00	334 MAIN STREET
10-51-040-021-00	1006 FOREST AVENUE	10-51-185-005-00	336 MAIN STREET
10-51-040-023-00	1002 FOREST AVENUE	10-51-185-006-00	338 MAIN STREET
10-51-040-025-00	1105 MAIN STREET	10-51-190-000-00	N/A
10-51-040-026-00	N/A	10-51-190-001-00	214 MAIN STREET
10-51-040-027-00	1123 MAIN STREET	10-51-190-002-00	216 MAIN STREET
10-51-040-028-00	23 MAIN STREET	10-51-190-003-00	218 MAIN STREET
10-51-040-029-00	1128 MAIN STREET	10-51-190-004-00	220 MAIN STREET
10-51-040-029-10	N/A	10-51-190-005-00	222 MAIN STREET
10-51-040-029-20	N/A	10-51-190-006-00	224 MAIN STREET
10-51-040-029-20	N/A		
10-51-040-032-00	1100 MAIN STREET		
10-51-040-033-00	10 ELEVENTH STREET		
10-51-040-034-00	N/A		

Project Descriptions, Cost Estimates and Timeframes

Section 17.(2)(c). A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

Section 17.(2)(d). The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

Section 17.(2)(e). A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

The Frankfort DDA is empowered by Act 197 of 1975 to undertake a variety of assignments in the rejuvenation of its downtown district. These specific powers are listed in Section 7.(1) of said Act.

The following project improvement plan for the Frankfort DDA is intended to be general in nature to provide flexibility in design and implementation. Detailed planning, design, and engineering studies should be conducted to specifically set project parameters. The DDA has created a list of potential projects that can meet the goals and objectives of this Development Plan and the City's Master Plan.

The following is a description of each project, the actions required for implementation, and the estimate of overall cost. In most instances, in addition to DDA funding, the improvement projects listed below are likely to be supported by funding from a combination of outside sources, including Federal and State grants and loans, general fund dollars, private investments, philanthropic foundation grants, and donations. Therefore, the estimate of cost for each project is generally presented as the DDA's share of the total project cost. These costs are presented as preliminary estimates only, and the DDA may modify the actual expenditures without changes to the Development Plan. A more detailed budget will be submitted by the DDA Board to the City Council for approval for each fiscal year.

In terms of the schedule for implementation, the DDA has categorized the projects as short-term projects, long-term projects, and on-going projects, as identified below. Short-term projects are considered to be of immediate importance within the district and are to be implemented as soon as funding is available. Long-term projects are also of great importance within the district, but are predicted to be completed or implemented over a longer time span as opportunities arise or funding becomes available. On-going projects are those which are likely to be initiated and continued throughout the course of the Development Plan. The DDA from time to time may modify the priority and timing of the projects without changes to the Development Plan.

Short-Term Projects

Promotions/Marketing Strategy

The DDA Board should oversee the development and implementation of a long-term marketing campaign for the purpose of attracting customers, businesses and tourists to the DDA District. This strategy needs to incorporate a range of elements -- from traditional print and media efforts, to social media and internet promotions. The strategy should be built around Frankfort's quality of life, natural resources and cultural amenities. The DDA Board will likely need to work with local marketing professionals and graphic designers in this effort.

Estimated Costs: \$15,000

Public Parking and Trolley/Shuttle Route

During most of the year, parking is very easy in the DDA District. However, during the peak of the summer season, parking is at a premium. Parking in the DDA is on-street with additional surface parking available in the lot behind City Hall and at Mineral Springs Park. Because of the scarcity of parking during peak months, there is a need to develop a long-term parking area for employees and other visitors on the east end of Main Street and provide a shuttle to the core of Downtown and to the Beach at Lake Michigan. Many different ideas for a shuttle/trolley system have been discussed, including a trolley, buses, pedicabs, and golf carts. The DDA should spearhead the effort to create a pilot parking shuttle service and work with other agencies and private businesses to determine the most appropriate method of creating the parking shuttle service.

Estimated Costs: \$15,000-\$60,000 to establish plus annual operational costs of \$10,000

Beach-to-Beach Trail Improvements

The Beach-to-Beach Trail terminates at 5th street and Waterfront Drive now, where users are directed along Waterfront Drive to the Lake Michigan beach. Currently, there is not adequate signage directing users or drivers that Waterfront Drive is a shared space, used by motorized and non-motorized vehicles alike. The long-term desire is to identify a dedicated space to continue the trail without forcing users to share Waterfront Drive. In the short term, new signage is needed both for wayfinding and to indicate that Waterfront Drive is a shared space and that drivers should yield to pedestrians.

Estimated Costs: \$25,000-\$100,000 (excluding potential easement acquisition)

Long-Term Projects

Traffic and Safety Enhancements

A continuing goal of the City's Master Plan is to "To encourage pedestrian and non-motorized circulation in all areas of the City while maintaining efficient and safe vehicular circulation. This can best be achieved with a network of complete streets."

Specific transportation recommendations are applicable to the DDA District. These recommendations are included below.

- Create safe pedestrian zones at crosswalks and on sidewalks.
- Provide pedestrian right-of-way signage at major crossings.
- Allow for on-street parking in all areas to create additional buffer between moving cars and pedestrians.
- Create pedestrian islands and or "bump-outs" to help calm traffic at all major pedestrian crossings.
- Slow vehicular traffic in residential neighborhoods.
- Provide on-road bicycle lanes and/or paved and striped shoulders to create opportunity for bicycle traffic to share major roads.
- Plant street trees using a selection of appropriate tree species.
- Add additional crossing signage and visual cues (striping, lights, etc.) at all major crossings around schools, parks and civic spaces.

- Design roads to the minimum necessary width to minimize the total impervious footprint of roads.
- Slow vehicular traffic in the main Downtown commercial district to increase business visibility and to increase safety for pedestrians and non-motorized transportation.
- Provide adequate and unique signage for the City's commercial district.

Estimated Costs: \$5,000 to \$100,000 per project. Total estimated budget \$250,000

Streetscape Improvements

A unified streetscaping theme should extend the length of Main Street. Additional lighting and street trees are needed east of 7th street. This streetscaping should be consistent with the fixtures and colors on both the west end of Main Street and through the M-22 corridor.

Streetscape amenities should include lighting, benches, trash receptacles, bike racks, bollards, and banners. The burying of overhead utility lines should also be a component of streetscape improvement projects.

Estimated Costs: \$50,000 to \$500,000

Public Restroom/Comfort Station at Frankfort Beach/Charlevoix Cannon Park

Improvements at the beach have long been discussed, with a need for a public restroom identified. While improvement efforts will require considerable public discussion, long-term enhancements to improve public access, particularly non-motorized access are goals of the community

Estimated Costs: \$100,000

Gateways and Wayfinding

The eastern entry into Frankfort is marked by the arch atop the M-115 hill. The intersection of M-115 and M-22 serves as the gateway into the DDA. The City's 2010 Master Plan identified this intersection as a key gateway that should be targeted for visual and aesthetic improvement. Additionally, wayfinding signage at the gateway will help better direct visitors to the marina and Downtown areas.

Short term improvements include additional landscaping, working with Graceland Fruit to create a mural or other visual improvement of main processing facility visible from M-22.

Estimated Costs: \$10,000 to \$250,000

Road and Right-of-Way Improvements

The DDA Board will support the City and may provide financial assistance for various road design and construction projects. Although a specific listing of projects is yet to be determined, the DDA Board anticipates that the following types of projects may be necessary: road construction/reconstruction; signage; sidewalk and non-motorized improvements; and, rights-of-way acquisition.

Estimated Costs: TBD

Infrastructure Improvements

A successful business district requires high quality infrastructure in order to attract and maintain businesses and promote economic development. Therefore, during the course of this Development Plan, the DDA Board will seek to make utility and infrastructure improvements within the district, which may include new or upgraded public water, sewer and storm sewer lines and facilities to better serve district residents and businesses. The DDA Board may also provide support for various communications improvements within the district such as the development of a district-wide wireless network.

Estimated Costs: TBD

Public Service Improvements

A successful business district requires high quality services in order to attract and maintain businesses and promote economic development. Therefore, during the course of this Development Plan, the DDA Board will seek to make improvements to public services within the district. Improvements to public services may include financial support for improvements, equipment, personnel and programming related to police, fire, emergency medical service, educational institutions, libraries, museums and similar public entities.

Estimated Costs: TBD

On-Going Projects

DDA Website and Social Media Presence

During the February 2015 DDA workshop, the top rated priority was developing a Downtown Frankfort website and social media presence. There is little information available on-line about events, businesses and opportunities in Frankfort. What information that is out there is either listed on the City's website or on a private businesses webpage.

This internet present should promote civic functions, special events and local businesses, provide links to local businesses and information and should serve as a collection of Downtown Frankfort information.

Estimated Costs: \$5,000 annually

Business Recruitment & Retention Program/ Small Business Incubator

Attracting new economy investment is a complicated and multi-faceted undertaking. The competition to attract the knowledge based industries is fierce. These businesses typically provide higher-paying jobs and require a more educated workforce. Attracting this type of investment requires that the City have a base of highly educated and skilled workers (which Frankfort has) and the community must have an outstanding quality of life. To attract this kind of investment, the DDA should consider a small-business incubator or rent subsidy program to provide reduced-cost space. The DDA Board should develop, implement and fund a program to identify available spaces and incentivize the establishment of start-up businesses. This program may take many forms; however, research suggests that affordable

(and sometimes free) rents are key elements to starting a successful retail business. This program may provide a rent subsidy, a forgivable loan or an outright grant, for example. Program parameters will need to be developed to determine eligibility, selection criteria and match percentages.

Estimated Costs: \$7,500-\$15,000 annually

Special Events

The DDA Board should encourage, support and accommodate various special events throughout the year. Special events can be a significant economic engine for a business district. The DDA Board will be charged with creating or supporting special events with the greatest potential for attracting patrons, generating interest and awareness, and contributing to the overall sense of place within the DDA District. Such special events may include fishing and ice-fishing tournaments, art fairs, boat races, concert series, beer and food festivals, and winter festivals.

Estimated Costs: \$10,000 annually

Façade Improvement Program

The DDA Board should develop, implement and fund a façade improvement grant program for existing businesses and property owners within the DDA District. The goal of this program is to strengthen and improve the appearance of existing businesses by offering grant funds to them for exterior building and façade improvements. Program parameters will need to be developed to determine eligibility, selection criteria and match percentages.

The grant program could be set up as a reimbursement program. Under this scenario, a maximum grant amount should be established and a minimum match (i.e., 25% or 50%) should be required of the grantee.

Estimated Costs: \$10,000 annually

District Maintenance

During the life of the Development Plan, the DDA Board will make available the necessary resources to ensure that the district's facilities operate at a high level and public spaces remain clean attractive, and well maintained. This would include the funding of maintenance contractors and other personnel to monitor, repair and maintain sidewalks, gardens, parking lots, grounds, parks, pathways, and rights-of-way. It would also include the purchase of the necessary equipment and materials for maintenance activities.

Estimated Costs: 3-5% of annual operating budget

Administration

A line item for administration should be proposed to cover the general costs associated with DDA Board and other district operations. These costs include supplies and materials, DDA Board expenses and staffing, as well as consulting, legal and auditing assistance at the

request of the DDA Board to support economic development and other DDA initiatives. The administration line item would also cover the cost of project overruns, project financing charges, and consulting and legal services required in connection with improvement projects.

Estimated Costs: 7% of annual operating budget

The proposed improvement projects described above are summarized in **Table 3**.

Table 3
List of Projects by Priority, Estimated DDA Cost and Share
Frankfort DDA

Project Priority	Estimated DDA Project Cost (a)	Estimated DDA Share of Larger Project Cost
Short-Term(1-5 years)		
Promotions and Marketing Strategy	\$15,000	100%
Parking Shuttle/Trolley System	\$15,000 to \$60,000	75%
Beach to Beach Trail improvements	\$25,000 to \$100,000	25%
Long-Term		
Traffic and Safety Enhancements	\$5,000 to \$100,000	20%
Streetscape Improvements	\$50,000 to \$500,000	25%
Restroom/comfort station at Beach	\$100,000 to \$150,000	10%
Gateways and Wayfinding	\$10,000 to \$250,000	75%
Road and Right-of-Way Improvements	TBD	20%
Infrastructure Improvements	TBD	50%
Public Service Improvements	TBD	25%
On-Going		
DDA Website & Social Media	\$5,000 annually	100%
Façade Improvement Program	\$10,000 annually	85%
Special Events	\$10,000 annually	75%
Business Recruitment and Retention program/Small Business Incubator Grant Program	\$7,500-\$15,000 annually	75%
District Maintenance	3-5% of Annual Budget	100%
Administration	7% of Annual Budget	100%
Approximate Total DDA Costs (Not Including TBD Projects):		\$260,000 to \$1.4 Million

(a) Actual project cost will depend upon design and specification of project components and market conditions at time of implementation.

Open Space Areas

Section 17.(2)(f). A description of any parts of the development area to be left as open space and the use contemplated for the space.

As shown in **Figure 3**, Planned Land Use, the area along Lake Michigan is proposed to be left as public park with limited development for recreational use. Mineral Springs Park and the Beach-to-Beach Trail will remain as public park facilities.

DDA Owned Property Transactions

Section 17.(2)(g). A description of any portions of the development area which the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

The DDA does not own any land within the district. If public land is acquired by the DDA in the future, or if property is transferred to or donated to the DDA in the future, the DDA may seek to sell, donate, exchange or lease such property to achieve the purposes outlined in this Development Plan and as authorized by Public Act 197 of 1975. However, no such plans have been identified at this time.

The DDA does not intend, at this time, to take ownership of, or lease, any property currently owned by the City. However, the DDA reserves its right to do so to achieve the purposes outlined in this Development Plan and as authorized by Public Act 197 of 1975.

Changes in Zoning, Streets and Utilities

Section 17.(2)(h). A description of desired zoning changes and changes in streets, street levels, intersections, and utilities.

Desired changes in zoning are described in Section 17.2(b). Changes in streets, street levels, intersections, and utilities may occur during the life of the Development Plan as are generally described in Section 17.(2)(d).

Method of Financing

Section 17.(2)(i). An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.

The estimated DDA costs for undertaking the various improvement projects identified under Section 17.(2)(d) were summarized in **Table 3**.

The activities of the DDA Board and the development of public improvements may be financed from one or more of the following sources.

- Donations
- Proceeds from an ad valorem tax of not more than two mills on the real and tangible personal property not exempt by law in the district.
- Money borrowed and to be repaid via revenue bonds

- Revenues from any property, building, or facility owned, leased, licensed, or operated by the Authority
- Proceeds from a tax increment financing plan (tax increment revenue bonds, general obligation bond revenues, and tax revenue capture)
- Proceeds from a special assessment district
- Money obtained from other sources approved by the governing body (Township Board), including grants
- State Compensatory money from revenue lost as a result of the reduction of taxes levied by local school districts for operating purposes required by the millage limitations under the school code necessary to repay an eligible ordinance or obligation
- Revenue from the Federal Facility Development Act, PA 275 of 1992.
- Revenue from the Federal Data Facility Act, PA 126 of 1993

Where receipt of specific funds are indicated as being anticipated by the authority, methods of repayment will be established as necessary. Where repayment is not necessary, funds shall be credited to the general fund of the authority for the purpose of financing only those activities, as indicated in this plan or otherwise appropriate as provided in Public Act 197 of 1975, as amended.

Beneficiaries of DDA Owned Property Transactions

Section 17.(2)(j). Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.

The DDA does not own any land in the district. Throughout the course of this Development Plan, however, the DDA may seek opportunities for public land acquisition as they arise for development purposes. The DDA may also receive property by transfer or donation. If property is acquired or received in the future, the DDA may lease, sell or convey such property to achieve the purposes outlined in this Development Plan and as authorized by Public Act 197 of 1975. However, no specific plans for leasing, selling or conveying of property have been identified at this time.

Procedures for DDA Owned Property Transactions.

Section 17.(2)(k). The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.

The DDA does not own any land in the district. No specific plans for the leasing, selling or conveying of property have been identified at this time. Where applicable, the DDA Board will follow established City procedures that address this issue.

Citizens Residing in the District and Intent for Displacement

Section 17.(2)(l). Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence, or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

Section 21 (1) of Act 197 of 1975, as amended, stipulates if a proposed development area has residing within it 100 or more residents, a Citizen’s District Council (CDC) must be established. It is estimated that less than 100 residents live within the DDA District, and therefore no CDC must be established.

No displacement of families and individuals is planned to occur from carrying out identified improvements stated in this development plan. Therefore, the survey and statistical description are not applicable.

Procedures for the Relocation of Citizens

Section 17.(2)(m). A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

No occupied residence is targeted for acquisition or clearance by the DDA. No forced relocation of families is anticipated as a result of the improvement projects.

Costs for the Relocation of Citizens

Section 17.(2)(n). Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal uniform relocation assistance and real property acquisition policies act of 1970, being Public Law 91-646, 42 USC sections 4601, et seq.

No occupied residence is targeted for acquisition or clearance by the DDA. No forced relocation of families is anticipated as a result of the development projects

Compliance with Public Act 227 of 1972

Section 17.(2)(o). A plan for compliance with Act No. 227 of the Public Acts of 1972, being sections 213.321 to 213.332 of the Michigan Compiled Laws.

The DDA Board does not intend to utilize condemnation or eminent domain as a means to acquire real property.

Other Pertinent Information

Section 17.(2)(p). Other material which the authority, local public agency, or governing body deems pertinent.

No other pertinent information to the development of the district is present at this time.

Section 3: Tax Increment Finance Plan

Introduction and Determination of Need

The Frankfort Downtown Development Authority has determined that a Tax Increment Financing (TIF) Plan, prepared under the authority of Public Act 197 of 1975, is necessary for the achievement of the goals of the Authority and the Downtown Development District. This Development Plan and Tax Increment Financing Plan is designed to encourage economic development within the district through the funding of public improvement projects, which will, in turn, promote additional private sector investment.

The following narrative describes how programmed expenditures will be funded. The narrative follows the informational requirements for Tax Increment Financing Plans as outlined in Section 14 of the Downtown Development Authority Act, Public Act 197 of 1975.

Tax Increment Financing Plan

Section 14(1). A detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, the duration of the program, and a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions.

Explanation of the Tax Increment Procedure

Tax increment financing is a method of funding public investments in an area slated for (re)development by capturing, for a time, all or a portion of the increased tax revenue that may result if the (re)development stimulates private investment. The concept of tax increment financing is applied only to the downtown district for which a development plan has been prepared by the DDA and adopted by the community's legislative body.

The Downtown Development Authority Act, Public Act 197 of 1975, treats all increases in valuation resulting from the development plan whether in fact these increases bear any relation to the development or not. Tax increment revenues for the DDA result in the application of general tax rates of the community and all other governmental bodies levying taxes in the downtown district. These include the township, county, library, etc. The amount to be transmitted to the DDA is that portion of the tax levy of all of these applicable taxing bodies paid each year on real and personal property.

"Captured value" means the amount in any one year by which the current taxable value of the district, including the value of property for which specific local taxes are paid in lieu of property taxes, exceeds the initial value. "Initial value" means the taxable value, of all the property within the boundaries of the district area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality at the time the ordinance is adopted. Property for which a commercial facilities exemption certificate, an industrial facilities exemption certificate, or a commercial housing facilities exemption certificate, is in effect shall not be considered to be property which is exempt from taxation. Tax dollars accruing from any incremental increase in taxable value above the initial value (base year total) may then be used by the DDA.

Duration of the Program

The Frankfort DDA will capture tax increment revenues for a period of 25 years, beginning in fiscal year 2016 (base year) and extending through 2041.

Estimate of Captured Taxable Value

To determine the estimate of captured assessed value over the course of this Development Plan (25 years), the DDA must first establish an initial assessed value or “base year value.” For Frankfort, this would be the 2016 taxable value (which is the taxable value for the District as of December 31, 2015, as equalized). As certified by the Benzie County Department of Equalization, the base year 2016 taxable value of the DDA district is be \$21,330,161.

With consultation from the County Equalization Department, an estimate of the growth in taxable value for the district over the next 25 years accounting from renovation of existing structures, demolition and inflation has been prepared. The short-term growth (5-years) has been estimated at 2.2% for 2015-2020, 2.5% between 2018 and 2020. For planning purposes, we have used a conservative estimate of an increase of 1.4% annually for the years 2020-2040. By 2040, it is estimated that the total taxable value of the district will have increased by 52% from the base value of the district, reaching \$32,444,850 for the year 2040. **Table 4** shows the estimated annual captured taxable value of the DDA District.

Table 4
Estimate of Captured Taxable Value
Proposed Frankfort DDA District

Year	Taxable Value (a)	Estimated Taxable Value Increase (b)	Total Taxable Value (c)	Captured Taxable Value (d)
Base Value 2016 (e)	\$21,330,161	\$469,264	\$21,799,425	\$469,264
2017	\$21,799,425	\$479,587	\$22,279,012	\$948,851
2018	\$22,279,012	\$490,138	\$22,769,150	\$1,438,989
2019	\$22,769,150	\$500,921	\$23,270,071	\$1,939,910
2020	\$23,270,071	\$581,752	\$23,851,823	\$2,521,662
2021	\$23,851,823	\$596,296	\$24,448,119	\$3,117,958
2022	\$24,448,119	\$348,386	\$24,796,505	\$3,466,344
2023	\$24,796,505	\$353,350	\$25,149,855	\$3,819,694
2024	\$25,149,855	\$358,385	\$25,508,240	\$4,178,079
2025	\$25,508,240	\$363,492	\$25,871,733	\$4,541,572
2026	\$25,871,733	\$368,672	\$26,240,405	\$4,910,244
2027	\$26,240,405	\$373,926	\$26,614,331	\$5,284,170
2028	\$26,614,331	\$379,254	\$26,993,585	\$5,663,424
2029	\$26,993,585	\$384,659	\$27,378,243	\$6,048,082
2030	\$27,378,243	\$390,140	\$27,768,383	\$6,438,222
2031	\$27,768,383	\$395,699	\$28,164,083	\$6,833,922
2032	\$28,164,083	\$401,338	\$28,565,421	\$7,235,260
2033	\$28,565,421	\$407,057	\$28,972,478	\$7,642,317
2034	\$28,972,478	\$412,858	\$29,385,336	\$8,055,175
2035	\$29,385,336	\$418,741	\$29,804,077	\$8,473,916
2036	\$29,804,077	\$424,708	\$30,228,785	\$8,898,624
2037	\$30,228,785	\$430,760	\$30,659,545	\$9,329,384
2038	\$30,659,545	\$436,899	\$31,096,444	\$9,766,283
2039	\$31,096,444	\$443,124	\$31,539,568	\$10,209,407
2040	\$31,539,568	\$449,439	\$31,989,007	\$10,658,846
2041	\$31,989,007	\$455,843	\$32,444,850	\$11,114,689

Notes:

(a) Taxable value estimates for the TIF District, starting in 2015 based on assumptions for growth resulting from new development and inflation.

(b) Taxable value increase from new construction, renovation of existing structures, demolition and inflation. The short-term growth (5-years) has been estimated at 2.2% for 2015-2018, 2.5% between 2019 and 2020, and 2.7% for 2018. By 2040, it is estimated that the total taxable value of the district will have increased by 52% from the base value of the district. Extrapolated over the 20-year span of 2021 through 2040, this results in an annual increase of 1.425%.

(c) Figure represents the sum of taxable value and taxable value increase.

(d) Difference between the total taxable value and the base value.

(e) This figure is the base year value for the District - the 2016 taxable value (as recorded on December 31, 2015, as equalized).

Base taxable value source and future growth estimates source: Benzie County Equalization, May 2015.

Estimate of Tax Increment Revenues

Provided below are the millage rates subject to capture by the City of Frankfort DDA. Certain millage rates may not be used for the purposes of calculating TIF revenues. These include the State education tax, intermediate school district tax and local school district millages. Thus, the total millage rate available for capture by the DDA is 25.46370 mills.

Benzie County Transit Authority	0.50000
Benzie County Operating	3.51440
Benzie County MCF	0.36500
Benzie County MCF Bond	0.63500
Benzie County COA	0.66000
Benzie County Jail	0.90000
Benzie County ALS	0.57950
Benzie County VETS	0.06000
Benzie County Road Improvement	1.00000
Benzie County Animal Ops	0.09820
Frankfort Gen. Operating	13.21
Frankfort Gen Op	1.00000
Frankfort W/S Debt	1.5
Frankfort City Hall	1.4416
Total Millage Subject to Capture	25.46370
Opt Out	
Benzie County Conservation District	0.10000
Benzie Shores District Library	0.75000

An estimate of the tax increment revenues available to the DDA from captured taxable value is displayed in **Table 5**. By the end of the planning period, it is estimated that approximately \$11,114,689 could be collected by the DDA and used for making public improvements within the development area. The table also outlines the disbursement cycle when the revenues would be available to the DDA. For the first year (disbursement cycle 2017-2018), it is estimated that the DDA would bring in \$6,774 in tax increment revenues. This figure would increase over time, and by the year 2041 (disbursement cycle 2042-2043), it is estimated that the DDA would bring in \$160,455 in tax increment revenues. Over the entire life of the tax increment revenue collection period, it is estimated that approximately \$2.208 million in tax increment revenues would be collected by the DDA and used for public improvements and other eligible activities within the downtown district.

Maximum Amount of Bonded Indebtedness to be Incurred

The amount of indebtedness or indebtedness to be incurred by the DDA for all bond issues or loans including payments of capitalized interest, principal, and required reserve shall be determined by the DDA, subject to approval by the City Council. At the time of adoption of this Plan, the DDA estimate of maximum bonded indebtedness, if bonding is to be used or

indebtedness incurred, is \$2.208 million, including project cost and issuance expenses.

Table 5
Anticipated Revenue Stream
Proposed Frankfort DDA District

Year Producing Captured Revenue	Captured Taxable Value (a)	Tax Increment Revenues (b)	Disbursement Cycle (c)
2016	\$469,264	\$6,774	2017-2018
2017	\$948,851	\$13,698	2018-2019
2018	\$1,438,989	\$20,774	2019-2020
2019	\$1,939,910	\$28,005	2020-2021
2020	\$2,521,662	\$36,403	2021-2022
2021	\$3,117,958	\$45,012	2022-2023
2022	\$3,466,344	\$50,041	2023-2024
2023	\$3,819,694	\$55,142	2024-2025
2024	\$4,178,079	\$60,316	2025-2026
2025	\$4,541,572	\$65,563	2026-2027
2026	\$4,910,244	\$70,886	2027-2028
2027	\$5,284,170	\$76,284	2028-2029
2028	\$5,663,424	\$81,759	2029-2030
2029	\$6,048,082	\$87,312	2030-2031
2030	\$6,438,222	\$92,944	2031-2032
2031	\$6,833,922	\$98,657	2032-2033
2032	\$7,235,260	\$104,450	2033-2034
2033	\$7,642,317	\$110,327	2034-2035
2034	\$8,055,175	\$116,287	2035-2036
2035	\$8,473,916	\$122,332	2036-2037
2036	\$8,898,624	\$128,463	2037-2038
2037	\$9,329,384	\$134,682	2038-2039
2038	\$9,766,283	\$140,989	2039-2040
2039	\$10,209,407	\$147,386	2040-2041
2040	\$10,658,846	\$153,874	2041-2042
2041	\$11,114,689	\$160,455	2042-2043
Total	-	\$2,208,816	-

Notes:

- (a) Data from Table 3.
- (b) Figure calculated by applying millage rate to the captured assessed values as follows: 25.46370 mills annually.
- (c) This is the fiscal year in which tax increment revenues will be available for expenditure.

Estimated Impact on All Taxing Jurisdictions

The estimated impact of the reallocation of revenues on all the taxing bodies subject to capture is displayed in **Table 4**.

Table 6
Estimated Revenue Reallocation by Taxing Jurisdiction

Year	Captured Taxable Value Estimate (a)	Benzie Co. Transp. Auth 0.5000	Benzie County Operating 3.5144	Benzie Co. MCF 0.3650	Benzie Co. MCF Bond 0.6350	Benzie Co. COA 0.6600	Benzie Co. Jail 0.9000	Benzie Co ALS 0.5795	Benzie Co Vets 0.0600	Benzie Co. Road Improvements 1.0000	Benzie Co. Animal Ops 0.0982	Frankfort Gen Operating 13.2100	Frankfort Gen Operating 1.0000	Frankfort W/S Debt 1.5000	Frankfort City Hall 1.4416	Total Millage (b) 25.4637
2016	469,264	235	1,649	171	298	310	422	272	28	469	46	6,199	469	704	676	11,949
2017	948,851	474	3,335	346	603	626	854	550	57	949	93	12,534	949	1,423	1,368	24,161
2018	1,438,989	719	5,057	525	914	950	1,295	834	86	1,439	141	19,009	1,439	2,158	2,074	36,642
2019	1,939,910	970	6,818	708	1,232	1,280	1,746	1,124	116	1,940	190	25,626	1,940	2,910	2,797	49,397
2020	2,521,662	1,261	8,862	920	1,601	1,664	2,269	1,461	151	2,522	248	33,311	2,522	3,782	3,635	64,211
2021	3,117,958	1,559	10,958	1,138	1,980	2,058	2,806	1,807	187	3,118	306	41,188	3,118	4,677	4,495	79,395
2022	3,466,344	1,733	12,182	1,265	2,201	2,288	3,120	2,009	208	3,466	340	45,790	3,466	5,200	4,997	88,266
2023	3,819,694	1,910	13,424	1,394	2,426	2,521	3,438	2,214	229	3,820	375	50,458	3,820	5,730	5,506	97,264
2024	4,178,079	2,089	14,683	1,525	2,653	2,758	3,760	2,421	251	4,178	410	55,192	4,178	6,267	6,023	106,389
2025	4,541,572	2,271	15,961	1,658	2,884	2,997	4,087	2,632	272	4,542	446	59,994	4,542	6,812	6,547	115,645
2026	4,910,244	2,455	17,257	1,792	3,118	3,241	4,419	2,845	295	4,910	482	64,864	4,910	7,365	7,079	125,033
2027	5,284,170	2,642	18,571	1,929	3,355	3,488	4,756	3,062	317	5,284	519	69,804	5,284	7,926	7,618	134,555
2028	5,663,424	2,832	19,904	2,067	3,596	3,738	5,097	3,282	340	5,663	556	74,814	5,663	8,495	8,164	144,212
2029	6,048,082	3,024	21,255	2,208	3,841	3,992	5,443	3,505	363	6,048	594	79,895	6,048	9,072	8,719	154,007
2030	6,438,222	3,219	22,626	2,350	4,088	4,249	5,794	3,731	386	6,438	632	85,049	6,438	9,657	9,281	163,941
2031	6,833,922	3,417	24,017	2,494	4,340	4,510	6,151	3,960	410	6,834	671	90,276	6,834	10,251	9,852	174,017
2032	7,235,260	3,618	25,428	2,641	4,594	4,775	6,512	4,193	434	7,235	711	95,578	7,235	10,853	10,430	184,236
2033	7,642,317	3,821	26,858	2,789	4,853	5,044	6,878	4,429	459	7,642	750	100,955	7,642	11,463	11,017	194,602
2034	8,055,175	4,028	28,309	2,940	5,115	5,316	7,250	4,668	483	8,055	791	106,409	8,055	12,083	11,612	205,115
2035	8,473,916	4,237	29,781	3,093	5,381	5,593	7,627	4,911	508	8,474	832	111,940	8,474	12,711	12,216	215,777
2036	8,898,624	4,449	31,273	3,248	5,651	5,873	8,009	5,157	534	8,899	874	117,551	8,899	13,348	12,828	226,592
2037	9,329,384	4,665	32,787	3,405	5,924	6,157	8,396	5,406	560	9,329	916	123,241	9,329	13,994	13,449	237,561
2038	9,766,283	4,883	34,323	3,565	6,202	6,446	8,790	5,660	586	9,766	959	129,013	9,766	14,649	14,079	248,686
2039	10,209,407	5,105	35,880	3,726	6,483	6,738	9,188	5,916	613	10,209	1,003	134,866	10,209	15,314	14,718	259,969
2040	10,658,846	5,329	37,459	3,890	6,768	7,035	9,593	6,177	640	10,659	1,047	140,803	10,659	15,988	15,366	271,414
2041	11,114,689	5,557	39,061	4,057	7,058	7,336	10,003	6,441	667	11,115	1,091	146,825	11,115	16,672	16,023	283,021
Total	-	76,502	537,718	55,847	97,158	100,983	137,704	88,666	9,180	153,004	15,025	2,021,187	153,004	229,506	220,571	3,896,055

Notes: (a) Data from Table 4

(b) Total millage, including all reallocations by taxing jurisdictions

Appendix A: Legal Description of DDA District Properties



WADETRIM

241 East State Street
Traverse City, MI 49684
231.947.7400
800.968.6660
www.wadetrिम.com

Florida • Indiana • Michigan • Nebraska
North Carolina • Ohio • Pennsylvania
Tennessee • Texas