

**APPROVED**

**VILLAGE OF LYONS  
DOWNTOWN DEVELOPMENT AUTHORITY**

**TAX INCREMENT FINANCING PLAN  
DEVELOPMENT PLAN**

**2024 Amended Plan**

APPROVED BY THE LYONS DDA ON: December 19, 2024

APPROVED BY THE LYONS VILLAGE COUNCIL ON: February 17, 2025

# VILLAGE OF LYONS TAX INCREMENT FINANCING PLAN

## DEVELOPMENT PLAN

### I. Introduction:

The Village Council of the Village of Lyons adopted Ordinance No. 505 creating the Village of Lyons Downtown Development Authority (DDA), effective October 26, 1992. At that time a Downtown Development District was established, the boundaries of which are shown on the attached Exhibit A.

This document constitutes the DDA's updated Tax Increment Financing Plan and updated Development Plan, pursuant to Part 2 of Act No. 57, Public Acts of 2018 (the Recodified Tax Increment Financing Act). This plan is prepared pursuant to Section 214 of the Recodified TIF Act.

### II. Development plan

- A. The Designation of Boundaries of the Development Area in Relation to Highways, Streets, Streams, or otherwise. The "Development Area" will consist of the entire Downtown Development District as shown on the attached Exhibit A. The boundaries generally follow along the edges of designated streets. The boundaries cross the Grand River as described in Exhibit A.
- B. The Location and Extent of Existing Streets and other Public Facilities Within the Development Area; Designation of the Location, Character, and Extent of the proposed for the Development Area, Including Residential, Recreational, Commercial, Industrial, Educational, and Other Uses; and a Legal Description of the Development Area. Exhibit A shows the location and extent of streets within the Development Area. Other public facilities within that area include the Lyons Village Office and Fire Hall at 212 Water Street, Public Library at 240 E Bridge Street, Veterans Memorial on Bridge Street, and the park on Hazel Devore Island at 216 Water Street. Existing public and private land uses include governmental, industrial, commercial, and residential. All existing land uses are proposed to be continued. A legal description of the area is included in Exhibit A.
- 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. The Veterans Memorial will be renovated. The concrete sidewalk leading up to the Memorial will be demolished as part of that renovation. The renovation would take approximately six months and is estimated to cost \$9,871.00. (done 2009 for a cost of \$25,000+) In addition, the old schoolhouse would be restored and renovated by making it available for office space or as a civic center. Alternatively, it could be made into apartments for senior citizens. This project would cost approximately \$1 million dollars and would take one year to complete. (Schoolhouse was privately owned and fell down in 1998, leaving an empty lot). Finally, the dam on the Grand River would be repaired at an approximate cost of \$200,000. The project would take three months to complete from start to finish. (Dam failure at west bank and no funds for upkeep and repair resulted in dam removal in 2016 through joint efforts with NFWF, Michigan MDNR, and the Ionia Conservation District)

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.

1. Hazel Devore Island. The DDA would like to purchase new playground equipment for the island for smaller children. The island is used a lot in the summer and fall for family reunions. The playground equipment is estimated to cost approximately \$14,000. Ordering and installing the equipment would take approximately six months. (This initial piece was completed 1998 but needs updates)
2. Veterans Memorial. This memorial would be renovated by demolishing the existing concrete walkway and installing a poured concrete walkway around the memorial with shrubs and benches. The Comfort Station next to the Memorial will also be renovated and landscaping provided. The estimated cost would be approximately \$9,871.00 and would take approximately six months to complete. (Memorial was totally redone and expanded in 2009 including landscaping and a new parking lot next to the Comfort Station, plus replacing overhead electric with underground, installing an electrical building, repairing the Comfort Station inside, constructing a bandstand and picnic pads from 2009 to 2015. More work on the Comfort Station and continued veterans plaques need to be current projects)
3. Bridge Street Improvements. Sidewalks, curbing and streetlights on the north and south sides of Bridge Street between King Street and Edward Street would be done at a total estimated cost of \$120,230. This project would take six to nine months to complete. (This project was expanded with a DIG Grant obtained in 2013 and built in 2014, including new water main, storm sewer, sidewalks, paved parking, brick permeable parking, landscaping, traffic calming bump-outs, trees and components. Street lights were relocated but not on decorative poles. DDA contributed \$7,500 to this project.)
4. Dam: The Lyons Village Dam on the Grand River would be repaired. This dam brings fishermen into the Village during all four seasons, which brings business into the community. The cost of repairing the dam is approximately \$200,000 and would take approximately three months to complete. With a DDA formed and a tax increment financing plan, the Village would be eligible for grants or matching grants that may help fund part of this cost. (The west abutment failed necessitating the removal of the dam as Lyons did not have the financial means to keep a dam compliant with dam safety. Partnering with other agencies this project was completed in 2016)
5. Old Schoolhouse: The old schoolhouse would be restored and converted into office space for a civic center to be rented out for weddings and family reunions, etc. Alternatively, it could be made into apartments for senior citizens, and senior citizens could use it for walking during the winter, etc. The project would cost approximately \$1 million dollars and would take approximately one year to complete. (The schoolhouse was owned by a private entity and when the roof collapsed in 1998 the building was razed).
6. Storm Sewer Drains: The DDA would like to repair the storm sewer drains in the development area at an estimated cost of \$50,000. This project would take one year to complete. (Done with the DIG Project in 2014 and finished with the USDA Project in 2015)

- a. Facade Improvements: The DDA would like to promote spring clean-up and repairs in downtown. Other improvements could be:
  - b. Decorations of street lights in downtown during holiday seasons
  - c. Planting of flowers in the flower boxes on Bridge Street and Water Street; and
  - d. Clean-up of areas around the store fronts as well as shoveling of snow in the winter to make walking easier for pedestrians.
- 7. On-Going Maintenance. A key component of any DDA project has to be provision for on-going maintenance and upkeep within the District. Among the items that must be provided include:
  - a. Sign replacement and repair;
  - b. Street patching, sealing, and striping along with street sweeping and extra plowing;
  - c. Sidewalk repair and replacement (including curb area), shoveling of snow in the winter;
  - d. Tree planting, trimming, flower planting, taking care of them;
  - e. Mowing the lawn areas; and
  - f. If the schoolhouse is restored to office space and civic center or made into apartments for senior citizens, the upkeep in taking care of grounds and the building.

The expected cost of each of these items must be included in the DDA's annual budget as each project is started. The DDA should not plan for a project that is thousands of dollars without providing for maintenance of that project. It is critical that an aggressive on-going campaign be conducted to keep the downtown district in good repair.

### **2024 Amended TIF Plan Additions (2024-2029)**

- 8. Fish Ladder Stairs: Remove and Replace Staircase leading to the river. Replacement would take approximately two weeks and is estimated to cost \$8,000.00;
- 9. Downtown Cameras: Replace the old surveillance cameras in the Downtown Business District and add to current DVR system. Replacement would take approximately 2 days and is estimated to cost \$5000.00;
- 10. Bike Trail: Connect Fred Meijer Grand River Rail Trail to the Village's Parks, Downtown and Hazel Devore Island. Estimated cost for sidewalk, curbing, and signage is approximately \$30,000.00, and this project should take 1-3 months;
- 11. Hazel Devore Island: The DDA would like to replace old and purchase new playground equipment for the island for smaller

children. The playground equipment is estimated to cost approximately \$50,000.00. Ordering and installing the equipment would take approximately six months;

12. Kayak Launch: Repair and Install handicap accessible kayak launch. Estimated cost at current location cost will be \$4000 and would be installed in less than a week, if alternative kayak launch location is desired, estimated cost is \$45,000.00 and would take 1-3 months to complete; and,

13. Mill-Race: Create "Green Space" where current abandoned mill-race resides. Clear cut Box Elders, install drain system, and fill in open area with "fill-soil". Create a "Rain Garden" Planting flowers, perennials, and other various native plants. Estimated time to complete would be 2-4 months with an estimated cost of \$38,000.00.

- E. A Statement of the Construction or Stages of Construction Planned, and the Estimated Time of Completion of Each Stage. The construction of the projects described above would be done in one stage, except for the old school-house which may be done in several stages depending on funds available. The time of completion of each construction stage would be three to six months and would depend on the funds available.
- F. A Description of Any Parts of the Development Area to be Left as Open Space and the Use Contemplated for the Space. The Island Park, Veterans Memorial, and the parking lot for the fish ladder next to the Grand River are open spaces owned by the Village of Lyons and would continue to be used for their existing purposes.
- 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 currently expect to sell, donate, exchange, or lease to or from the municipality any portions of the development area.
- H. A Description of Desired Zoning Changes and Changes in Streets, Street Levels, Intersections, and Utilities. No changes in zoning or changes in streets, street levels, intersections, or utilities are proposed except for the improvements of Bridge Street described above.
- 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. This development is proposed to be financed by cash payments out of the tax increments captured under this plan. No bonding or other borrowing is proposed. Because no bonding or other borrowing is proposed, projects can be undertaken and completed only to the extent that tax increments are available. Furthermore, the DDA would anticipate placing some of the tax increments collected into a reserve account to allow for contingencies and emergencies. This reserve account is expected to be between 10% and 30% of the total tax increments collected. Exhibit B is a chart showing the estimated tax increments to be generated based on assumed increases in assessed value without regard to any new construction within the development area. This chart does not take into account any

changes that would be caused by the enactment of any proposed property tax reform legislation.

- 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. No part of the development is projected to be conveyed in any manner to any person.
- 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. No part of the development is projected to be conveyed in any manner to any person.
- L. Estimates of the Number of Person Residing in the Development Area and the Number of Families and Individuals to be Displaced. There are approximately 38 persons living within the area. None will be displaced.
- M. A Plan for Establishing Priority for the Relocation of Persons Displaced by the Development in Any New Housing in the Development Area. The development is not expected to displace any persons. Therefore, a relocation plan is not necessary.
- N. Provision for the Costs of Relocating Persons Displaced by the Development. Not applicable.
- 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 – (relating to relocation of Displaced Persons). Not applicable
- P. Other Material Which the Authority, Local Public Agency, or Governing Body Deems Pertinent. None.

### III. Detailed Explanation of the Tax Increment Procedure.

The Downtown Development Authority enabling legislation, Act No. 197 of the Public Acts of 1975, as amended, [since repealed and replaced by Part 2 of Act No. 57 of the Public Acts of 2018](#), enables Downtown Development Authorities to undertake a broad range of downtown improvement activities which will contribute to the economic growth and the halting of deterioration of property values in a designated downtown district. These improvement activities include the following: construction, renovation, repair, remodeling, rehabilitation, restoration, or reconstruction of public facilities; development of long-range plans; and otherwise implement any plan of development in the downtown district necessary to achieve the purpose of the enabling statute.

To provide the Authority with the means of financing development proposals, the statute permits tax increment financing of development programs. These programs must be identified in a tax increment financing plan approved by the governing body of the municipality.

Simply stated, tax increment financing permits the Authority to capture tax revenues attributable to increases in value of real and personal property located within an approved development area. The increases in property value may be attributable to new construction, rehabilitation, remodeling, alterations, additions, or to such other factors as the assessor may deem appropriate.

At the time the ordinance establishing the tax increment financing plan is approved, the sum of the most recently assessed values (values as finally equalized by the State Board of Equalization) of taxable properties located within the development area is established as the "Initial Assessed Value." "Property exempt from taxation at the time of determination of the Initial Assessed Value shall be included as zero. In each following year, the total assessed value of real and personal property within the district is termed the "Current Assessed Value."

The difference in any one year between the Current Assessed Value and the Initial Assessed Value is the "Captured Assessed Value." While the plan is in effect, local taxing jurisdictions continue to receive ad valorem taxes based on the Initial Assessed Value. Taxes paid on the Captured Assessed Value while the plan is in effect in years after the establishment of the development area, however, are payable to the Authority for the purposes established in the tax increment financing plan.

For example, in Year One (1993), assume a development area is created in the downtown district and that an Initial Assessed Value of \$300,000 (as of December 31, 1992) is established. Assuming a 5-mill tax rate, the tax revenue from the development area would be \$15,000.

In Year One (1993), assume new construction and inflation within the Development area also, that increases the total assessed valuation in Year Two (1994) to \$400,000 (as of December 31, 1993). The difference between the Current Assessed Value, \$400,000 and the Initial Assessed Value, \$300,000; would be \$100,000 (the "Captured Assessed Value"). While the normal taxing jurisdictions would continue to receive \$15,000 of tax revenue as in the previous year, the Authority would receive tax increment revenue equal to \$5,000 (the Captured Assessed Value, \$100,000, time the tax rate, 50 mills).

Under this example, the tax increment payable to the Authority in year Two (1994) would be \$5,000. This sum would be paid by taxpayers on July and December 1994 tax bills. Additional increases in value would increase the Authority's tax increment revenues while the normal taxing jurisdictions would continue to receive \$15,000 annually for the duration of the tax increment financing program.

IV. Maximum Amount of Bonded Indebtedness to be Incurred. No bond indebtedness is planned.

V. Duration of the Development Program. Five (5) years from the date this [updated](#) plan is approved by the Village of Lyons.

VI. Provisions to Ensure Compliance With Section 215 of the [Recodified TIF Act](#). The Authority recognizes that:

- A. The amount of tax increment revenue to be transmitted to the DDA by the municipal and county treasurers shall be that portion of the tax levy of all taxing bodies paid annually on the assessed value of real and personal property in the Development Area on the captured assessed value;
- B. Tax increment revenues shall be expended only in accordance with the provisions of the tax increment financing plan and that surplus tax increment revenues shall revert proportionately to the respective local taxing jurisdictions; and

- C. Tax increment revenues shall not be used to circumvent existing property tax limitations and that the Village of Lyons may abolish the tax increment financing plan when it finds that the purposes for which the plans were created are accomplished

As required by Section 911(1) of the [Recodified TIF Act](#), the DDA shall submit to the Lyons Village Council and to the [Michigan Department of Treasury](#) an annual report on the status of the tax increment financing account. The report shall include, but not be limited to, the following items:

- (a) The name of the authority.
- (b) The date the authority was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.
- (c) The date the authority began capturing tax increment revenues.
- (d) The current base year taxable value of the tax increment financing district.
- (e) The unencumbered fund balance for the immediately preceding fiscal year.
- (f) The encumbered fund balance for the immediately preceding fiscal year.
- (g) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.
- (h) The amount in any bond reserve account.
- (i) The amount and purpose of expenditures from the account.
- (j) The amount of principal and interest on any outstanding bonded indebtedness.
- (k) The initial assessed value of the development area or authority district by property tax classification.
- (l) The captured assessed value retained by the authority by property tax classification.
- (m) The tax increment revenues received for the immediately preceding fiscal year.
- (n) Whether the authority amended its development plan or its tax increment financing plan within the immediately preceding fiscal year and if the authority amended either plan, a link to the current development plan or tax increment financing plan that was amended.
- (o) Any additional information the governing body of the municipality or the department of treasury considers necessary.

The Authority shall publish the annual report in a newspaper of general circulation in the Village of Lyons.

- VII. Estimated Impact of Tax Increment Financing on the Assessed Values of All Taxing Jurisdictions in Which the Development Area is Located. The proposed development will not diminish the assessed values of property within the area boundaries. Local taxing jurisdictions will suffer no loss of current revenues and will continue to receive tax revenues based on the initial assessed value as of December 31, 1992.

Any increases in property values will generate tax increment revenues which shall be available only to the Authority during the duration of the development plan.

- VIII. Portion of Captured Assessed Value Intended to be Used by the Authority.

The Authority intends to use 100% of the captured assessed value to pay for the development.