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DILBERT
By Scott Adams

27.
Saturday
OCTOBER

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TIF is the difference between current taxable value and what the developed taxable value will be.

An undeveloped property may have little to no tax base depending on who owned it or what it was used for.

Example: Purchase a property from a municipality, church, school there were no taxes paid

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What is Tax Incremental Financing?

Purchase a 4-acre parcel of land that the previous owner was paying \$400 per year in property taxes.

You build 10 homes that appraise at \$280,000

The taxes went from \$400 per year to 10X\$5,000 or \$50,000 that the municipality receives every year

Some portion of the \$50,000 can be paid back to the developer to cover the land improvements

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Why is it legal?

In 1996 the State of Michigan added Act 381 to define anything that is owned or under control of a land bank as blighted. This will allow for a greenfield to be added to the land bank and thus be considered blighted

The intent of a TIF is to develop a blighted property into a usable property by offering incentive over time so that the developer can recover the investment made.

The original intent was to provide incentives to clean up and use a piece of contaminated property

Any authorized land bank can be used. If your county does not have a land bank, you can use the State of Michigan Land Bank Authority

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What are eligible costs that can be recovered?

Department Specific Activities

- Permits, Closings fees, Phase 1 and 2 Environmental

Demolition of structures

Site Preparation

- Tree Clearing, Stump Removal,

Infrastructure Improvements

- Storm Water Control, Water, Sewer, Electrical, Gas, Roads

Land Bank Assistance for Cost of Sale

Contingency

Brownfield Plan Work

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How do you get started?

First you need land control, either purchased or an option to purchase

Develop the plan for the property, number of housing units, amenities, who will you serve

Get the infrastructure work quoted, put together the cost associated with the development

- Permits – department specific

- Any demolition

- Site preparation – tree removal

- Infrastructure improvements, roads, water, sewer, gas, electric

Cost of sale – Difference between what your seller pays for the house and what it cost to build

Contingency

Attorney fees

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Hire a good Attorney!

Ask the best local developers who they use, then go with them, don't worry about the cost, you will recover this

The State Land Bank Authority is a good resource

Be prepared to spend \$30,000 or so for this

The attorney will be able to lay out the cost and return on investment

The larger the project, the longer the project for payback can be

Project does not have to be complete before payments from municipalities start coming in

Get the project recommended by your local brown field board

Go for approval from the municipal governing body

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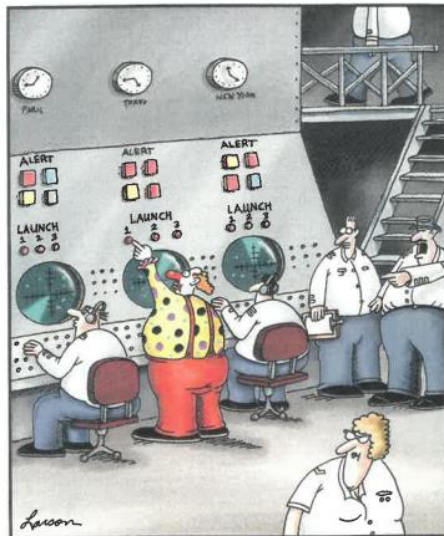


"C'mon, Sylvia ... where's your spirit of adventure?"

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"Hey! What's that clown think he's doing?"

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Taxes I
would *not*
recommend
going after

There are some taxes that would need to be approved at the state level

School mileages and such

These require a longer time and must go through an additional level of approval

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How does
an affiliate
pay for the
up-front
cost?

Once the TIF has been approved locally most banks will loan up to 80% of the total project

This is a very secure loan for them because they are guaranteed an annual payment

The interest from this loan can also be included in the calculation for the TIF

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Don't
commit to
the project
without
approval.

Lakeshore Habitat has two TIF projects which we were able to receive approval after we committed

Very dangerous, this is leverage to use on the municipality

We are fortunate that the City of Holland sees this as a way to help with affordable housing

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Real Life Example #1

Brownfield Plan for the Lakeshore Habitat for Humanity and Jubilee Ministries Project at 60 E. 40th Avenue, Holland, MI

Prepared for: City of Holland Brownfield Redevelopment Authority – 270 S. River Avenue, Holland, MI 49423

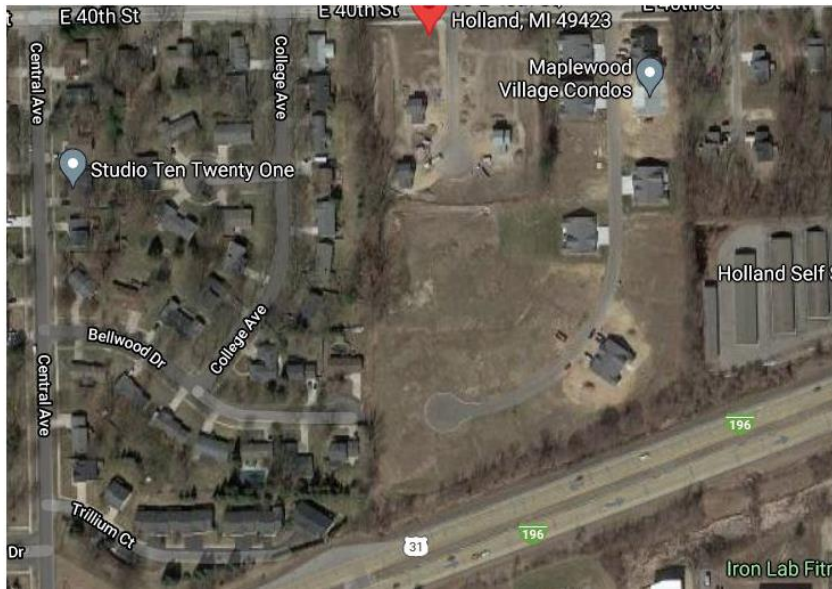
Prepared with the assistance of: Warner Norcross + Judd LLP – 150 Ottawa Ave NW, Suite 1500, Grand Rapids, MI 49503

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ELIGIBLE ACTIVITIES	
TASK	COST ESTIMATE
1. Infrastructure Improvements	\$382,000
2. Land Bank Assistance for Cost of Sale	\$250,000

ELIGIBLE ACTIVITIES	
TASK	COST ESTIMATE
Eligible Activity Subtotal	\$632,000
3. Contingency (15%)	\$94,800
4. Brownfield Plan Amendment/Work Plan Preparation and Development	\$20,000
TOTAL	\$746,800

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Estimated Taxable Value (TV) Increase Rate: 1.5%												
Plan Year	1	2	3	4	5	6	7	8	9	10	11	TOTAL
Calendar Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Base Taxable Value	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770	\$ 1,724,770
Estimated Total New TV	\$ 3,981,663	\$ 5,773,556	\$ 7,303,302	\$ 8,567,366	\$ 8,695,876	\$ 8,826,314	\$ 8,958,709	\$ 9,093,090	\$ 9,229,486	\$ 9,367,928	\$ 9,507,328	\$ 9,367,928
Incremental Difference (New TV - Base TV)	\$ -	\$ 2,256,893	\$ 4,048,786	\$ 5,378,532	\$ 6,842,596	\$ 6,971,106	\$ 7,101,544	\$ 7,233,939	\$ 7,368,520	\$ 7,504,716	\$ 7,643,158	\$ 7,643,158

School Capture	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	TOTAL
State Education Tax (SET)	6.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Operating Tax*	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Total	6.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Local Capture	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	TOTAL
City General Op	8.3000	\$ -	\$ 18,732	\$ 33,605	\$ 46,302	\$ 56,794	\$ 57,860	\$ 58,943	\$ 60,042	\$ 61,157	\$ 62,289	\$ 63,438	\$ 519,162
Muni Cap Prog	0.2515	\$ -	\$ 568	\$ 1,018	\$ 1,403	\$ 1,721	\$ 1,783	\$ 1,786	\$ 1,819	\$ 1,853	\$ 1,887	\$ 1,922	\$ 15,731
Street Improvement	1.2000	\$ -	\$ 2,708	\$ 4,859	\$ 6,694	\$ 8,211	\$ 8,365	\$ 8,522	\$ 8,681	\$ 8,842	\$ 9,006	\$ 9,172	\$ 75,040
Sidewalk Improvement	0.1500	\$ -	\$ 339	\$ 607	\$ 837	\$ 1,028	\$ 1,046	\$ 1,065	\$ 1,085	\$ 1,105	\$ 1,126	\$ 1,148	\$ 9,362
Library Op	1.4463	\$ -	\$ 3,264	\$ 5,876	\$ 8,068	\$ 9,896	\$ 10,082	\$ 10,271	\$ 10,462	\$ 10,657	\$ 10,854	\$ 11,054	\$ 90,465
Holland Sch Bldg/Site	1.2169	\$ -	\$ 2,746	\$ 4,927	\$ 6,789	\$ 8,327	\$ 8,483	\$ 8,642	\$ 8,803	\$ 8,967	\$ 9,132	\$ 9,301	\$ 76,117
GAISO - Ed Prog	5.4019	\$ -	\$ 12,192	\$ 21,871	\$ 30,135	\$ 36,963	\$ 37,657	\$ 38,362	\$ 39,077	\$ 39,803	\$ 40,540	\$ 41,288	\$ 337,887
GAISO - Reg Enhvmt	0.8887	\$ -	\$ 2,006	\$ 3,598	\$ 4,958	\$ 6,081	\$ 6,195	\$ 6,311	\$ 6,429	\$ 6,548	\$ 6,669	\$ 6,792	\$ 55,588
Pool Op	0.9788	\$ -	\$ 2,209	\$ 3,963	\$ 5,460	\$ 6,698	\$ 6,823	\$ 6,951	\$ 7,081	\$ 7,212	\$ 7,346	\$ 7,481	\$ 61,224
CR County	6.2541	\$ -	\$ 14,079	\$ 25,241	\$ 34,777	\$ 42,657	\$ 43,439	\$ 44,272	\$ 45,097	\$ 45,915	\$ 46,729	\$ 47,548	\$ 389,940
Max Authority	0.3318	\$ -	\$ 666	\$ 1,154	\$ 1,584	\$ 2,141	\$ 2,176	\$ 2,216	\$ 2,276	\$ 2,338	\$ 2,400	\$ 2,463	\$ 20,007
Airport Authority	0.0965	\$ -	\$ 218	\$ 391	\$ 538	\$ 660	\$ 673	\$ 685	\$ 698	\$ 711	\$ 724	\$ 738	\$ 5,928
Local Total	26.5485	\$ -	\$ 59,917	\$ 107,489	\$ 148,102	\$ 181,661	\$ 185,072	\$ 188,535	\$ 192,050	\$ 195,618	\$ 199,239	\$ 202,914	\$ 1,660,598
Less 18.5/50 Capture from Park Vista units		\$ -	\$ (10,802)	\$ (15,813)	\$ (21,562)	\$ (28,134)	\$ (28,134)	\$ (28,134)	\$ (28,134)	\$ (28,134)	\$ (28,134)	\$ (28,134)	\$ (215,134)
Adjusted Local		\$ -	\$ 49,115	\$ 92,058	\$ 126,540	\$ 153,527	\$ 156,938	\$ 160,401	\$ 163,916	\$ 167,484	\$ 171,105	\$ 174,780	\$ 1,445,464

Non-Capturable Millages	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	TOTAL
City Debt	1.8712	\$ -	\$ 8,737	\$ 15,674	\$ 21,596	\$ 26,439	\$ 26,987	\$ 27,493	\$ 28,006	\$ 28,524	\$ 29,052	\$ 29,588	\$ 242,142
Pool Debt	1.2420	\$ -	\$ 2,796	\$ 5,020	\$ 6,897	\$ 8,485	\$ 8,644	\$ 8,806	\$ 8,973	\$ 9,145	\$ 9,320	\$ 9,498	\$ 77,562
Holland Sch Debt	4.9800	\$ -	\$ 11,239	\$ 20,163	\$ 27,781	\$ 34,076	\$ 34,716	\$ 35,366	\$ 36,025	\$ 36,694	\$ 37,373	\$ 38,063	\$ 311,487
Total Non-Capturable Taxes	10.0912	\$ -	\$ 22,772	\$ 40,857	\$ 56,294	\$ 69,050	\$ 70,347	\$ 71,663	\$ 72,999	\$ 74,355	\$ 75,732	\$ 77,123	\$ 631,200

Total Tax Increment Revenue (TIR) Available for Capture	1	2	3	4	5	6	7	8	9	10	11	TOTAL
	\$ -	\$ 59,917	\$ 107,489	\$ 148,102	\$ 181,661	\$ 185,072	\$ 188,535	\$ 192,050	\$ 195,618	\$ 199,239	\$ 202,914	\$ 1,660,598

Footnotes:
 - Land increment will be captured but TIF projections only show improvements capture for ease of reference.
 - Assumes new taxable value based on proposed build out, plus 1.5% annual inflation increases thereafter.
 - Assumes millage rate remains the same.
 - Assumes all homestead with no school tax capture.

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Tax Increment Financing Reimbursement Table
 Habitat/Jubilee Residential Project
 Holland, Michigan
 June 21, 2021

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total	Estimated Total Years of Plan:	Estimated Capture
State	8.0%	\$ -	\$ -	\$ -	11	Administrative Fees \$ 75,533
Local	100.0%	\$ 746,800	\$ 746,800	\$ 746,800		State Revolving Fund \$ -
TOTAL		\$ 746,800	\$ 746,800	\$ 746,800		LSRF \$ 746,800

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTAL
Total State Incremental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Brownfield Revolving Fund (50% of SET)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State TIR Available for Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Incremental Revenue	\$ -	\$ 49,115	\$ 92,058	\$ 132,439	\$ 165,763	\$ 168,936	\$ 188,535	\$ 192,050	\$ 195,618	\$ 199,239	\$ 202,914	\$ 1,586,668
BIA Administrative Fee (5%)	\$ -	\$ (2,458)	\$ (4,603)	\$ (6,222)	\$ (8,288)	\$ (8,447)	\$ (9,427)	\$ (9,603)	\$ (9,781)	\$ (9,962)	\$ (10,148)	\$ (79,333)
Local TIR Available for Reimbursement	\$ -	\$ 46,657	\$ 87,455	\$ 126,217	\$ 157,475	\$ 160,489	\$ 179,109	\$ 182,448	\$ 185,837	\$ 189,277	\$ 192,766	\$ 1,507,334
Total State & Local TIR Available	\$ -	\$ 46,657	\$ 87,455	\$ 126,217	\$ 157,475	\$ 160,489	\$ 179,109	\$ 182,448	\$ 185,837	\$ 189,277	\$ 192,766	\$ 1,428,000

DEVELOPER	Beginning Balance	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTAL
DEVELOPER Reimbursement Balance	\$ 746,800	\$ 746,800	\$ 700,142	\$ 622,680	\$ 486,809	\$ 329,394	\$ 166,904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MSF Non-Environmental Costs	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTAL
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total MSF Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EGLE Environmental Costs	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTAL
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total EGLE Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Local-Only Totals	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTAL
Local Tax Reimbursement	\$ -	\$ 46,657	\$ 87,455	\$ 126,217	\$ 157,475	\$ 160,489	\$ 166,904	\$ 168,904	\$ 179,109	\$ 182,448	\$ 185,837	\$ 1,428,000
Total Local Only Reimbursement Balance	\$ -	\$ 46,657	\$ 87,455	\$ 126,217	\$ 157,475	\$ 160,489	\$ 166,904	\$ 168,904	\$ 179,109	\$ 182,448	\$ 185,837	\$ 1,428,000
Total Annual Developer Reimbursement	\$ -	\$ 46,657	\$ 87,455	\$ 126,217	\$ 157,475	\$ 160,489	\$ 166,904	\$ 168,904	\$ 179,109	\$ 182,448	\$ 185,837	\$ 1,428,000

LOCAL BROWNFIELD REVOLVING FUND	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	TOTAL
TIR Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,704	\$ 182,448	\$ 185,837	\$ 189,277	\$ 179,034	\$ 746,800
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,204	\$ 240,448	\$ 185,837	\$ 189,277	\$ 179,034	\$ 746,800
Total LBRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,204	\$ 240,448	\$ 185,837	\$ 189,277	\$ 179,034	\$ 746,800

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.
 Footnotes:
 - Land increment will be captured but TIF projections only show improvements capture for ease of reference.
 - Assumes new taxable value based on proposed build out, plus 1.5% annual inflation increases thereafter.
 - Assumes millage rate remains the same.
 - Assumes all homestead with no school tax capture.

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Park Vista Place



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Real Life Example #2

Brownfield Plan for the Lakeshore Habitat for Humanity and Jubilee Ministries Project at 285 W 36th Street and 906 Washington Avenue, Holland, Michigan

Prepared for: City of Holland Brownfield Redevelopment Authority – 270 S. River Avenue, Holland, MI 49423

Prepared with the assistance of: Warner Norcross + Judd LLP – 150 Ottawa Ave NW, Suite 1500, Grand Rapids, MI 49503

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Map of Eligible Property

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ELIGIBLE ACTIVITIES	
TASK	COST ESTIMATE
1. Department Specific Activities	\$9,000
2. Demolition	\$14,000
3. Site Preparation	\$65,000
4. Infrastructure Improvements	\$1,450,000
5. Land Bank Assistance for Cost of Sale	\$1,920,000
Eligible Activity Subtotal	\$3,458,000
6. Contingency (15%)	\$518,700
7. Brownfield Plan Amendment/Work Plan Preparation and Development	\$30,000
TOTAL	\$4,006,700

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Tax Incremental Revenue Capture Estimates
Holtz/Johlin Redevelopment Project - 10th Year
Holtz, Michigan
July 29, 2022

Estimated Taxable Value (TV) Increase Rate	Year																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Plan Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Base Taxable Value \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Total New Tax \$	\$ -	\$ 2,750,000	\$ 4,312,325	\$ 5,322,325	\$ 6,072,644	\$ 6,822,963	\$ 7,573,282	\$ 8,323,601	\$ 9,073,920	\$ 9,824,239	\$ 10,574,558	\$ 11,324,877	\$ 12,075,196	\$ 12,825,515	\$ 13,575,834	\$ 14,326,153	\$ 15,076,472	\$ 15,826,791
Incremental Difference (New TV - Base TV) \$	\$ -	\$ 2,750,000	\$ 4,312,325	\$ 5,322,325	\$ 6,072,644	\$ 6,822,963	\$ 7,573,282	\$ 8,323,601	\$ 9,073,920	\$ 9,824,239	\$ 10,574,558	\$ 11,324,877	\$ 12,075,196	\$ 12,825,515	\$ 13,575,834	\$ 14,326,153	\$ 15,076,472	\$ 15,826,791
Subtotal	\$ 0.0000	\$ 16,300	\$ 18,300	\$ 18,470	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450
Less 10% TVB Capture	\$ 0.0000	\$ 1,630	\$ 1,830	\$ 1,847	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845
Adjusted Total	\$ 0.0000	\$ 14,670	\$ 16,470	\$ 16,623	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605

Category	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Subtotal		\$ 0.0000	\$ 16,300	\$ 18,300	\$ 18,470	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450
Less 10% TVB Capture		\$ 0.0000	\$ 1,630	\$ 1,830	\$ 1,847	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845
Adjusted Total		\$ 0.0000	\$ 14,670	\$ 16,470	\$ 16,623	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605

Category	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Subtotal		\$ 0.0000	\$ 16,300	\$ 18,300	\$ 18,470	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450	\$ 18,450
Less 10% TVB Capture		\$ 0.0000	\$ 1,630	\$ 1,830	\$ 1,847	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845	\$ 1,845
Adjusted Total		\$ 0.0000	\$ 14,670	\$ 16,470	\$ 16,623	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605	\$ 16,605

Assumptions:
 - Total Increment will be captured but 10% projects only show improvements capture for report reference.
 - Assumes new taxable value based on proposed build out, plus 1.8% annual inflation increase thereafter.
 - Assumes 10% TVB rate remains the same.
 - Assumptions of acceptance with no build-out tax capture.

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Tax Increment Revenue Capture Estimates
Habitat/Subsidy Residential Project - 36th Street
Holland, Michigan
July 25, 2022

Estimated Taxable Value (TV) Increase Rate

Plan Year	19	20	21	22	23	24	25	26	27	28	29	30	31	TOTAL
Calendar Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	
Base Taxable Value \$	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Total New TV \$	7,665,579	7,780,563	7,897,271	8,015,790	8,135,966	8,258,006	8,381,870	8,507,604	8,635,238	8,764,746	8,896,218	9,029,661	9,165,106	9,165,106
Incremental Difference (New TV - Base TV) \$	7,665,579	7,780,563	7,897,271	8,015,790	8,135,966	8,258,006	8,381,870	8,507,604	8,635,238	8,764,746	8,896,218	9,029,661	9,165,106	9,165,106

School Capture *Millage Rate*

State Education Tax (SET)	6.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,071
School Operating Tax*	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Total	6.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,071
Less LB 5/0 Capture															

Local Capture *Millage Rate*

City General Co.	0.7512	\$ 67,082	\$ 68,089	\$ 69,112	\$ 70,147	\$ 71,199	\$ 72,267	\$ 73,351	\$ 74,452	\$ 75,569	\$ 76,702	\$ 77,853	\$ 79,020	\$ 80,206	\$ 1,874,243
Muni Gas Proj.	0.2345	\$ 1,911	\$ 1,980	\$ 2,050	\$ 2,120	\$ 2,191	\$ 2,263	\$ 2,335	\$ 2,407	\$ 2,480	\$ 2,553	\$ 2,626	\$ 2,700	\$ 2,774	\$ 44,307
Street Improvement	1.2000	\$ 9,199	\$ 9,317	\$ 9,437	\$ 9,557	\$ 9,678	\$ 9,800	\$ 9,923	\$ 10,046	\$ 10,170	\$ 10,295	\$ 10,420	\$ 10,546	\$ 10,672	\$ 257,017
Stipend Improvement	0.1500	\$ 1,150	\$ 1,167	\$ 1,184	\$ 1,201	\$ 1,219	\$ 1,237	\$ 1,255	\$ 1,273	\$ 1,291	\$ 1,310	\$ 1,328	\$ 1,346	\$ 1,365	\$ 32,228
Library Co.	1.4000	\$ 10,802	\$ 10,964	\$ 11,128	\$ 11,295	\$ 11,464	\$ 11,635	\$ 11,809	\$ 11,985	\$ 12,163	\$ 12,343	\$ 12,525	\$ 12,709	\$ 12,895	\$ 302,260
Holland Sch Bd/Spec	1.1819	\$ 9,960	\$ 10,136	\$ 10,314	\$ 10,494	\$ 10,676	\$ 10,861	\$ 11,048	\$ 11,237	\$ 11,428	\$ 11,621	\$ 11,816	\$ 12,013	\$ 12,212	\$ 293,130
CRSD - Ed Prog	5.2987	\$ 40,510	\$ 41,118	\$ 41,733	\$ 42,354	\$ 42,981	\$ 43,614	\$ 44,253	\$ 44,900	\$ 45,553	\$ 46,212	\$ 46,877	\$ 47,548	\$ 48,225	\$ 1,131,836
CRSD - Reg Enhanc	0.8969	\$ 6,988	\$ 7,108	\$ 7,230	\$ 7,354	\$ 7,481	\$ 7,611	\$ 7,743	\$ 7,878	\$ 8,015	\$ 8,154	\$ 8,295	\$ 8,439	\$ 8,585	\$ 196,128
Pool Co.	0.0505	\$ 3,785	\$ 3,855	\$ 3,926	\$ 4,000	\$ 4,075	\$ 4,152	\$ 4,231	\$ 4,311	\$ 4,393	\$ 4,476	\$ 4,561	\$ 4,647	\$ 4,734	\$ 113,511
Off County	5.4556	\$ 43,014	\$ 43,736	\$ 44,468	\$ 45,210	\$ 45,963	\$ 46,727	\$ 47,502	\$ 48,288	\$ 49,085	\$ 49,893	\$ 50,712	\$ 51,542	\$ 52,383	\$ 1,239,871
Met Authority	0.3653	\$ 2,918	\$ 2,970	\$ 3,022	\$ 3,075	\$ 3,129	\$ 3,183	\$ 3,238	\$ 3,293	\$ 3,348	\$ 3,404	\$ 3,460	\$ 3,517	\$ 3,574	\$ 84,662
Algon Authority	0.0935	\$ 737	\$ 752	\$ 767	\$ 782	\$ 797	\$ 812	\$ 827	\$ 842	\$ 857	\$ 872	\$ 887	\$ 902	\$ 917	\$ 22,073
Local Total	26.8942	\$ 196,069	\$ 201,954	\$ 208,463	\$ 208,058	\$ 211,179	\$ 214,346	\$ 217,562	\$ 220,829	\$ 224,137	\$ 227,500	\$ 230,912	\$ 234,376	\$ 237,891	\$ 5,763,267
Less LB 5/0 Capture															

Non-Capturable Millage *Millage Rate*

City Debt	3.4503	\$ 26,216	\$ 26,610	\$ 27,009	\$ 27,414	\$ 27,825	\$ 28,242	\$ 28,666	\$ 29,096	\$ 29,532	\$ 29,974	\$ 30,421	\$ 30,873	\$ 31,330	\$ 712,466
Holland Sch Debt	4.7300	\$ 36,238	\$ 36,802	\$ 37,374	\$ 37,954	\$ 38,541	\$ 39,135	\$ 39,736	\$ 40,343	\$ 40,956	\$ 41,575	\$ 42,200	\$ 42,831	\$ 43,468	\$ 1,013,614
Total Non-Capturable Taxes	8.2103	\$ 70,000	\$ 71,669	\$ 72,794	\$ 73,826	\$ 74,982	\$ 76,066	\$ 77,187	\$ 78,355	\$ 79,530	\$ 80,723	\$ 81,934	\$ 83,165	\$ 84,411	\$ 1,972,526
Less LB 5/0 Capture															

Total Tax Increment Revenue (TIR) Available for Capture \$ 198,969 \$ 201,954 \$ 204,983 \$ 208,058 \$ 211,179 \$ 214,346 \$ 217,562 \$ 220,829 \$ 224,137 \$ 227,500 \$ 230,912 \$ 234,376 \$ 237,891 \$ 5,763,267

Footnotes:
 1. Land increment will be captured but TIF projections only show improvements capture for ease of reference.
 2. Assumes new taxable value based on proposed build out, plus 1.5% annual inflation increases thereafter.
 3. Assumes millage rate remains the same.
 4. Assumes all Homestead with no school tax capture.

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Tax Increment Financing Reimbursement Table
Habitat/Subsidy Residential Project - 36th Street
Holland, Michigan
July 25, 2022

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
\$ 4.0%	\$ 1,779	\$ -	\$ 1,779	\$ 1,779
Local	100.0%	\$ 8,571	\$ 3,996,350	\$ 4,004,921
TOTAL				\$ 4,006,700
EGLE	\$ -	\$ 10,350	\$ -	\$ 10,350
MSP	\$ -	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350

Estimated Total Years of Plan: 31

Administrative Fees	\$ 766,039
State Revolving Fund	\$ 193,036
USRF	\$ 938,654

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Total State Incremental Revenue	\$ -	\$ -	\$ 8,265	\$ 18,194	\$ 38,670	\$ 68,950	\$ 109,314	\$ 169,045	\$ 240,511	\$ 324,111	\$ 427,331	\$ 550,761	\$ 695,991	\$ 864,621	\$ 1,058,251	\$ 1,278,251	\$ 1,525,251	\$ 1,800,251
State Browfield Revolving Fund (50% of SET)	\$ -	\$ -	\$ (8,265)	\$ (18,194)	\$ (38,670)	\$ (68,950)	\$ (109,314)	\$ (169,045)	\$ (240,511)	\$ (324,111)	\$ (427,331)	\$ (550,761)	\$ (695,991)	\$ (864,621)	\$ (1,058,251)	\$ (1,278,251)	\$ (1,525,251)	\$ (1,800,251)
State TR Available for Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Incremental Revenue	\$ -	\$ -	\$ 35,755	\$ 79,573	\$ 140,767	\$ 250,978	\$ 420,978	\$ 700,978	\$ 1,100,978	\$ 1,650,978	\$ 2,350,978	\$ 3,200,978	\$ 4,200,978	\$ 5,400,978	\$ 6,800,978	\$ 8,400,978	\$ 10,200,978	\$ 12,200,978
IRS Administration Fee (1%)	\$ -	\$ -	\$ (2,203)	\$ (4,896)	\$ (8,571)	\$ (15,463)	\$ (27,523)	\$ (47,393)	\$ (81,710)	\$ (141,811)	\$ (246,941)	\$ (427,331)	\$ (750,761)	\$ (1,278,251)	\$ (2,178,251)	\$ (3,778,251)	\$ (6,578,251)	\$ (11,578,251)
Local TR Available for Reimbursement	\$ -	\$ -	\$ 33,552	\$ 74,677	\$ 132,196	\$ 235,515	\$ 413,455	\$ 699,267	\$ 1,119,267	\$ 1,769,267	\$ 2,404,037	\$ 3,153,247	\$ 4,054,037	\$ 5,122,727	\$ 6,422,727	\$ 7,922,727	\$ 9,622,727	\$ 11,622,727
Total State & Local TR Available	\$ -	\$ -	\$ 33,552	\$ 74,677	\$ 132,196	\$ 235,515	\$ 413,455	\$ 699,267	\$ 1,119,267	\$ 1,769,267	\$ 2,404,037	\$ 3,153,247	\$ 4,054,037	\$ 5,122,727	\$ 6,422,727	\$ 7,922,727	\$ 9,622,727	\$ 11,622,727

DEVELOPER Beginning Balance: \$ 4,006,700 \$ 3,996,350 \$ 3,996,350 \$ 3,982,683 \$ 3,888,402 \$ 3,812,802 \$ 3,756,069 \$ 3,695,186 \$ 3,600,122 \$ 3,537,679 \$ 3,472,790 \$ 3,405,428 \$ 3,335,555 \$ 3,263,134 \$ 3,188,127 \$ 3,110,491 \$ 2,940,197 \$ 2,710,197 \$ 2,460,197

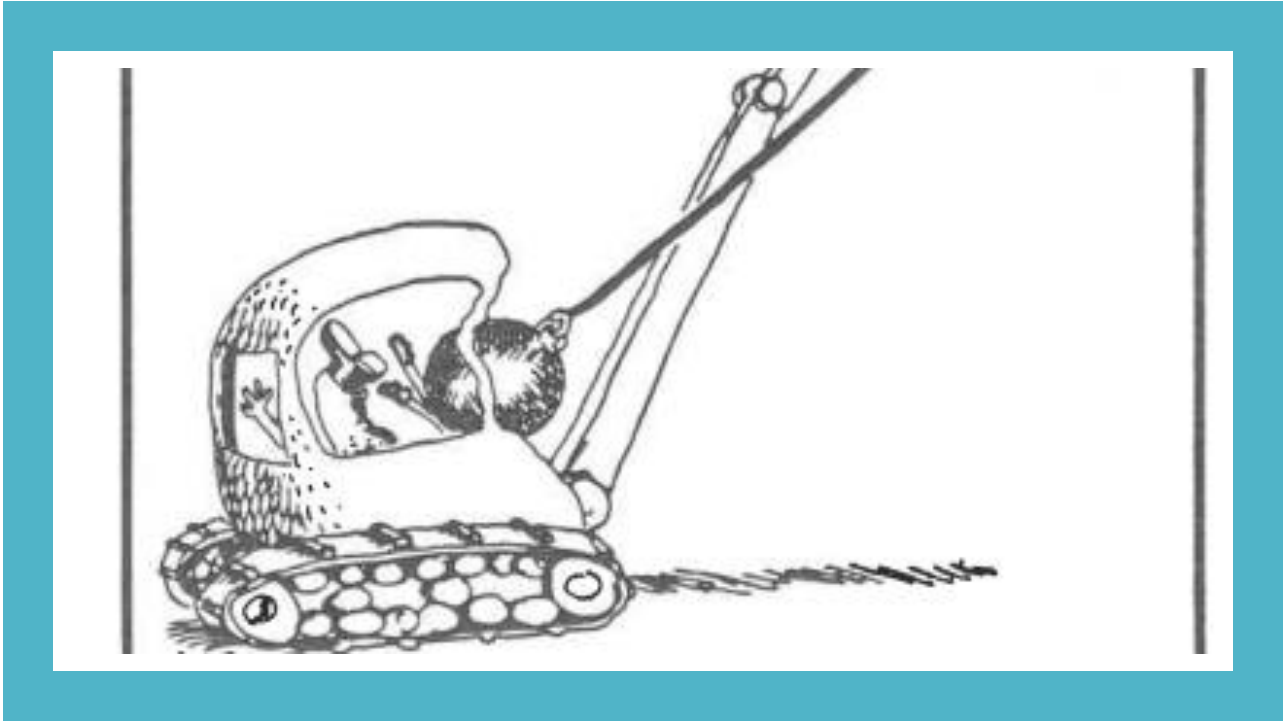
MSP Non-Environmental Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total MSP Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EGLE Environmental Costs	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ 87	\$ 393	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196	\$ 196
Total EGLE Reimbursement Balance	\$ 10,350	\$ 10,437	\$ 10,743	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546	\$ 10,546
Local Only Costs	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement Balance	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350	\$ 3,996,350
Total Annual Developer Reimbursement	\$ -	\$ -	\$ 23,547	\$ 24,672	\$ 25,797	\$ 26,922	\$ 28,047	\$ 29,172	\$ 30,297	\$ 31,422	\$ 32,547	\$ 33,672	\$ 34,797	\$ 35,922	\$ 37,047	\$ 38,172	\$ 39,297	\$ 40,422

LOCAL BROWFIELD REVOLVING FUND

TRF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total TRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Up to five years of capture for TRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TRF only.
Footnotes:
 1. Land increment will be captured but TIF



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Questions

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**Thank you for coming to this session.
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How Tax Incremental Financing Can Be a Part of Your Capital Stack