

CITY OF LAINGSBURG

Economic Development Strategy 2018



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Further, this plan could not have been prepared without the excellent support of the city staff, council and steering committee which provided invaluable input with regards to this plan. The Members of the steering committee are identified below.

Dan DeKorte - Laingsburg Police Chief

Matt Shastal - Laingsburg School Superintendent

Mike Culpepper - Mayor

Pete Preston - Preston Community Services

Greg Beavers - Pine Hills Golf Course

Scott Hancock - CVE Homes

Sam Shango - Sage Market

Just Horvath – Shiawassee County Economic Development Partnership (SEDP)

Dennis Hill - Councilmen

Dave Rhodabeck - Councilmen

Tyler Peak - Resident

Gail Geasler - Geasler Accounting

Jeff Geasler - Laingsburg Lofts

Mark Brink - Laingsburg DDA

Paula Willoughby – City Treasurer



PLANNING PROCESS

This economic development strategy for the City of Laingsburg is a collaborative planning project between the MEDC's Redevelopment Ready Communities® program and the City of Laingsburg. The result of this project is an economic roadmap to assist with job creation, marketing and branding along with redevelopment and investment strategies for the community. These actions will both strengthen and diversify the local economy. The roadmap also helps guide the coordinated effort between the I-69 Thumb Region, Shiawassee County and the City of Laingsburg to work in a cooperative manner that will integrate aspects of the regional economic development strategy with the local economic development effort.

When creating an economic development strategy, it is important to answer several questions.

1. Who are the largest employers in the community?
2. What drives the local economy?
3. What is the city's role in the larger region?
4. What are the strengths of the community and how can they contribute to growth?
5. What could be potential challenges to growth?
6. What overall image is the city working to create?
7. What strategies can be implemented to execute the end vision?

As part of the planning process, a local steering committee was assembled comprised of local leaders, businesses and other key stakeholders with a direct interest in the economic success of the City of Laingsburg. The steering committee guided the development of the overall strategy, as well as provided critical input on the future economic vision for the city. Lastly, the steering committee assisted with the identification of implementation projects throughout the community which can be benchmarked and monitored for success.

Economic Landscape

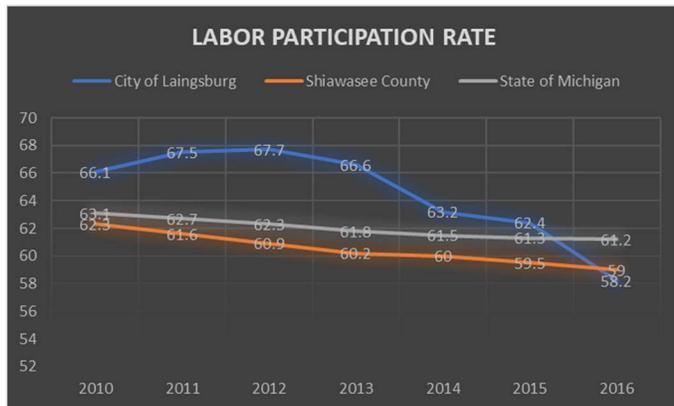


The City of Laingsburg is located on the western boundary of Shiawassee County and the eastern boundary of Clinton County. The city is surrounded on three sides (north, east and south) by Sciota Township. The current population of the City of Laingsburg is 1,283 according to 2016 US Census estimates with 67.7% of the current population within the work age group between 16 and 65 years of age. Of that percentage, 58.2% are active in the labor force with 41.8% not currently active in the labor force for any number of reasons. Currently, the US labor participation rate is 62.7%, which Laingsburg nearly mirrors.

Historically, labor participation rate has been a good indicator of the strength or weakness within a local labor market. The higher the rate, the greater the availability of quality employment opportunities.

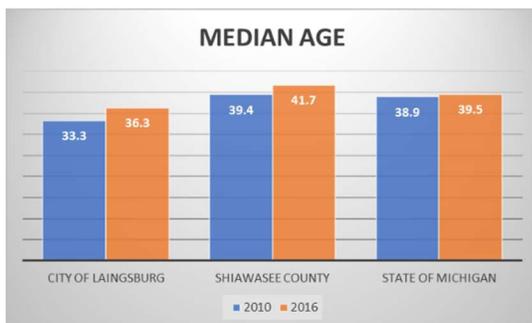
Since the last recession, labor participation rates have generally been in decline, locally, regionally and nationally, but not because of reduced employment opportunities. To better understand the decline in labor participation, we need to look at the age distribution within the City of Laingsburg and surrounding communities.

Figure 1



At quick glance, it is easy to see that the population is aging, meaning a greater percentage of the workforce is nearing the age of retirement. While Laingsburg is under the county and state average for median age, it is still important to note. During the recent recession, a considerable number of workers that became unemployed permanently left the labor force. As employment opportunities declined, it became more difficult for workers aged 55+ to find meaningful employment, so many either took part time work, worked off the record, signed up for permanent disability or simply retired.

Figure 2

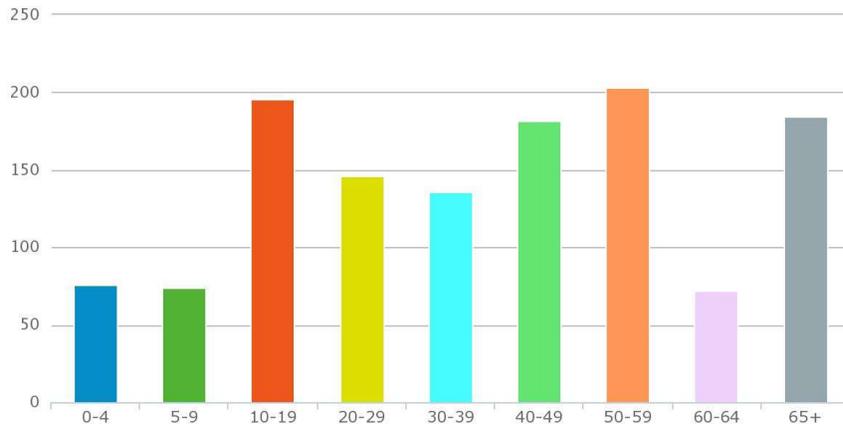


The 2016 age distribution for Laingsburg is a little different than seen across Shiawassee County and the State of Michigan. For one, the population aged 65+ is not the largest single demographic as it is in Shiawassee County. Secondly, while the largest age cluster is 40-59, the 10-29 age group is nearly equal in size. This shows that several residents within the city have families. Of the 469 total households within the city, 342 are families, leading us to believe that families are choosing to reside in the City of Laingsburg for a great quality of life along with a good school system. Given the large age



bracket between 10 and 29 years of age, it is anticipated that this trend will continue into the future should conditions remain consistent going forward.

Figure 3: Age Distribution, City of Laingsburg



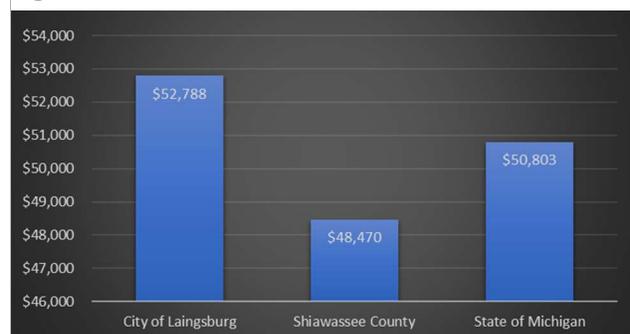
Income, Employment and Education

The median household income of the City of Laingsburg is relatively strong compared to Shiawassee County and the State of Michigan at \$52,788. When you look

deeper in to the income data, the median household income for families is \$59,643. Median non-family income is \$35,114 which would generally be a single income, head of household. This again reinforces the idea that the City of Laingsburg is a great community to raise a family.

The largest income cluster for the City of Laingsburg is from \$35,000 to \$75,000, which according to PEW Research Center, is statistically the middle-class of the United States. Of the total households within the city, 51% fall within this income range. The second highest income cluster within the city is from \$75,000 to \$150,000 comprising 24.7% of total households. Given such a high percentage of the community is middle class or above, it is safe to assume that Laingsburg is a bedroom community for employment centers such as Flint, Lansing or Owosso.

Figure 4



Looking at the educational attainment of the City of Laingsburg, a large percentage of the population has completed some level of higher education. This would explain, to an extent the higher level of median income for the community. In fact, with 17.9% of the population aged 25 or older holding a bachelor's degree, the City of Laingsburg is outpacing both Shiawassee County (10.4%) and the State of Michigan (16.7%). When looking to grow the economy of any community, it is extremely important to have a highly skilled and educated workforce. This has been identified as the highest priority for employers when seeking to expand their operations. It has also been identified as a top priority by the Governor for the State of Michigan.

Figure 5

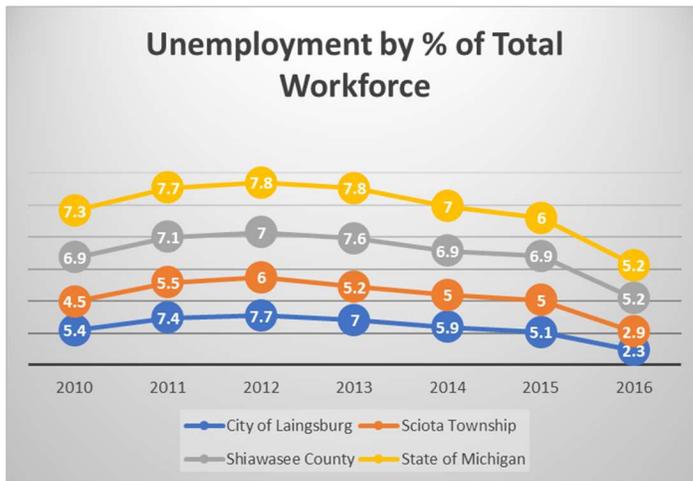
EDUCATIONAL ATTAINMENT 2016 (US Census Estimate)		
	City of Laingsburg	%
Population 25 Years and Over	797	100
Less than 9th grade	0	0
9th to 12th grade, no diploma	61	7.7
High school graduate or equivalent	281	35.3
Some college, no degree	200	25.1
Associate's degree	88	11
Bachelor's degree	143	17.9
Graduate or professional degree	24	3

When looking to grow the economy of any community, it is extremely important to have a highly skilled and educated workforce. This has been identified as the highest priority for employers when seeking to expand their operations. It has also been identified as a top priority by the Governor for the State of Michigan.



The landscape of Shiawassee County is very diverse including thousands of acres of productive farmland, international transportation routes including I-69 along with several rail lines, revitalized urban areas and several vital smaller cities, townships and villages. Despite the county’s diversity, its residents and businesses share many of the same opportunities, assets, and challenges that can be more effectively acted upon with a coordinated effort.

Figure 6



The State of Michigan and many of its communities have been emerging from one of the most extensive economic recessions on record since the Great Depression. At its height, unemployment topped 16% across the I-69 Thumb Region. Locally, unemployment wasn’t nearly as high as seen in the chart below, but the same pattern was present as identified regionally, across the state and across the nation.

Laingsburg and Sciota Township fared better than the rest of the State of Michigan along with the I-69 Thumb Region, but still felt the pinch of the recession.

Comparatively speaking, from a workforce perspective, the City of

Figure 7

INDUSTRY OF EMPLOYED WORKERS (US Census 2016 Estimates)	
Civilian employed population 16 years and over	514
Agriculture, forestry, fishing and hunting, and mining:	0
Agriculture, forestry, fishing and hunting	0
Mining, quarrying, and oil and gas extraction	0
Construction	60
Manufacturing	56
Wholesale trade	0
Retail trade	76
Transportation and warehousing, and utilities:	18
Transportation and warehousing	18
Utilities	0
Information	19
Finance and insurance, and real estate and rental and leasing:	28
Finance and insurance	22
Real estate and rental and leasing	6
Professional, scientific, and management, and administrative and waste management	26
Professional, scientific, and technical services	18
Management of companies and enterprises	0
Administrative and support and waste management services	8
Educational services, and health care and social assistance:	103
Educational services	23
Health care and social assistance	80
Arts, entertainment, and recreation, and accommodation and food services:	28
Arts, entertainment, and recreation	10
Accommodation and food services	18
Other services, except public administration	55
Public administration	45

Looking at the industry of the City of Laingsburg, the single largest employer within the city is the Laingsburg school system. Of the civilian employed population aged 16 years or over, 103 of the total 514 are employed within the category “educational services, health care and social assistance”.

It is important to note, that while figure 7 identifies the industries of employed workers in the City of Laingsburg, it is not indicative of the industries found within the City of Laingsburg. In fact, much of the working population of Laingsburg commute out of the city for daily work. The average commute time for workers living in the city of Laingsburg is 29.1

minutes, indicating that many workers are traveling to larger metro areas for employment



including Owosso, Durand, Lansing, Flint and other communities within a 30-minute drive where there are more options for employment opportunities.

SWOT Analysis

On April 17, 2018, the City of Laingsburg Economic Development Steering Committee completed a SWOT Analysis as a way of obtaining perceptions of the city's strengths, weaknesses, opportunities and threats. The intent of the sessions was to gain insight, but more importantly, to establish a community identity and how the city fits into the larger region.

Strengths

Businesses and residents alike share a high level of pride for the City of Laingsburg. A primary strength repeated throughout the session was a high quality of life. The city has relatively low vacancy rates for both businesses and housing, it's a walkable community, there are a high number of faith institutions and the school system is one of the best in Shiawassee County. While many schools across the county have seen declining enrollment due to schools of choice or declining population, the Laingsburg School System has remained stable or in some instances, seen enrollment gains. Further the City of Laingsburg offers small community rural living while being close enough to major employment markets that residents do not seem to mind small commutes to work (30 minutes or less).

Another strength is the overall community support for improving the city, such as supporting law enforcement to maintain low crime rates, supporting a local road millage to improve city streets, being pro-business, having an active Downtown Development Authority and finally, a great façade improvement program to assist local business with property maintenance and upgrades.

Lastly, there is great access to a number of recreational facilities including Sleepy Hollow State Park, McClintok Park, Peacock Tree Farm, multiple lakes trails and other facilities.

Challenges

While preparing a community vision, it is equally important to understand realistic challenges the community may be facing that can hinder or deter future economic investment opportunities. While the city overall has several amenities, the largest challenge to attracting new investment opportunities or future housing growth is the lack of a city-wide municipal water system. Currently, every business and residence is served by individual well systems. Without a larger water distribution system, it will be difficult to attract new industry or multi-family residences, the latter of which is in demand as residential options are limited due to low vacancy rates. Additionally, with only close to 500 households in the city, tax base is limited for raising additional funds necessary to develop a municipal water system.

A secondary challenge for the city is that it is not easily accessible by the state highway system. There are only two primary routes in and out of Laingsburg, and neither are state highways. This can be a hinderance to attracting future investment, especially industry or new retail since it is



more difficult to get to the city compared to competing areas such as Perry, Owosso, Durand, Corunna, Ovid or St. Johns. Additionally, many of the commuter residents tend to shop where they work making it difficult to support retail other than specialty or boutique retail that currently exists within the community.

Opportunities

Looking forward, the City of Laingsburg has numerous opportunities to increase economic activity. The primary opportunity is to position itself a small tourist destination. There are several hundred-thousand visitors to Sleepy Hollow State Park, along with the numerous lakes in the area. A few key downtown improvements/investments could really position the city well to capture a larger share of visitors looking to dine or shop near their tourist destinations.

Goals and Objectives

The six goals identified in this plan correlate to the six goals identified in “Accelerate”. Accelerate is the Regional Prosperity Plan and Comprehensive Economic Development Strategy for Region 6, better known as the I-69 Thumb Region which includes Laingsburg and Shiawassee County. Goals are high level policy statements that drive future decisions around projects and investment opportunities that can contribute to community growth.

Objectives are specific ideas, strategies, policy statements or projects that achieve goal results. The objectives identified in this plan will assist the City of Laingsburg by providing measurable tasks that revolve around increasing economic activity within the city. Further these objectives will support other planning efforts in the city such as the Master Plan, the Laingsburg DDA Community Improvement Objectives along with future capital improvement plans. Integrating all the above planning efforts with a committed leadership will be the most important driver of success for the community.



	Goals	Objectives
Education	Develop and retain a talented workforce so regional business can compete on a global basis.	<p>Identify current and future workforce needs of employers.</p> <p>Provide a range of non-traditional education opportunities to high school students and graduates.</p> <p>Participate in a regional system of connecting workers and employers with programs, best practices, and networks.</p> <p>Develop a mentorship program (unions or other trade organizations) for local high school students looking to enter the local or regional workforce.</p> <p>Develop a visually attractive local kiosk/information center connecting students to job and internship opportunities.</p>
Infrastructure	Develop, create, and maintain an efficient infrastructure that will enable the region to compete in a global marketplace.	<p>Prepare a long-term capital improvement plan for infrastructure.</p> <p>Work toward developing a city-wide water distribution system.</p> <p>Improve transportation and broadband access to areas of the city that are underserved.</p> <p>Expand Day Starr or other high speed service provider services throughout the city.</p> <p>Develop a municipal “Hot Spot” for wireless access.</p> <p>Continue support for SATA</p> <p>Find ways to fund additional transportation projects</p>
Regional Collaboration	Strengthen existing and create new collaborative partnerships to operate effectively as one voice for regional economic success.	<p>Develop an information initiative for local citizens, businesses, developers, companies, and residents.</p> <p>Solicit participation from all partners in the City of Laingsburg and Shiawassee County to ensure success.</p> <p>Pursue new funding sources to support projects with local and regional impacts.</p> <p>Look for opportunities to increase housing in response to the regional housing needs.</p> <p>Form a group of local municipalities to share ideas, best practices and ways to collaborate</p> <p>Determine if 425 agreements are appropriate to support economic growth</p>



<p style="text-align: center;">Tourism</p>	<p>Develop tourism to enhance the local economy.</p>	<p>Continue to market tourism within and outside the region, including parks and recreation facilities and programs.</p> <p>Promote city programming with Sleepy Hollow (Movies in the Park, Farmers Market, sidewalk sales, etc...).</p> <p>Improve use of social media to promote city events and tourist opportunities</p> <p>Measure the effectiveness of marketing and promotion efforts.</p> <p>Improve access to technical assistance and financing for tourism-related businesses.</p> <p>Capture visitors from Sleepy Hollow and the lakes to support downtown development opportunities.</p>
<p style="text-align: center;">Industry Activities</p>	<p>Develop an ecosystem for creating, attracting, expanding, and retaining businesses.</p>	<p>Quantify available and qualified workforce; establish and improve upon training programs.</p> <p>Identify and target business types that can grow, prosper and “keep” shoppers local as opposed to regional shopping.</p> <p>Utilize incentives when necessary to support local redevelopment efforts.</p> <p>Look for ways to support new industry in and around Laingsburg, such as Prolime.</p> <p>Better prepare the city for business inquiries by enhancing marketing materials, promotion, and business prospect/client responsiveness.</p> <p>Enhance the support network for start-up businesses.</p>
<p style="text-align: center;">Quality of Life</p>	<p>Create a unique identity and sense of community for the city.</p>	<p>Enhance the viability of downtown.</p> <p>Encourage redevelopment in downtown using private investment or public/private partnerships.</p> <p>Look for opportunities to add more middle-income and senior housing, including condos, assisted living and other types of accessible housing.</p> <p>Continue to improve recreational opportunities</p> <p>Improve the physical image of the city, especially along key corridors and community entryways.</p> <p>Enhance the image of the region both internally and externally.</p>



Implementation

This plan serves as the policy guide for moving Laingsburg forward, guiding decisions about future physical and economic development. Transforming the plan's goals into reality will require a long-term commitment and political consensus. The plan is designed to be a road map for action, incorporating strategies, specific projects, and programs that will achieve the desired results.

This chapter synthesizes the many plan recommendations and identifies the actions and timing needed to transform the plan's vision into reality.

Tenets of Successful Implementation

The input received through the master plan process provided a foundation to help achieve the city's vision, community support, commitment, and involvement must continue.

Commitment

Successful plan implementation will be directly related to a committed city leadership. While elected and appointed officials will have a strong leadership role, many others - city department directors, staff, and leaders from the community's many institutions and organizations - will also be instrumental in supporting the plan.

However, commitment reaches beyond just these individuals and includes the array of stakeholders. Citizens, landowners, developers, and business owners interested in how Laingsburg develops must unite toward the plan's common vision.

Integrate with Project Design

City officials and departments must embrace the plan, applying its recommendations to help shape annual budgets, work programs, and the design of capital improvements. For example, the city's engineering practices can support implementation through infrastructure improvements, streets, and storm systems designed consistent with plan policies and recommendations. Each department, staff person, and elected official should find it a benefit, if not an obligation, to reference the plan when making decisions and setting priorities.

Guidance for Development Decisions

This plan is designed for routine use and should be consistently employed during any process affecting the community's future. Private investment decisions by developers, corporations, and land owners should consider the plan's direction as it is the guide for economic growth and stability of the community and supports the goals and objectives of the overall master plan.

Evaluation and Monitoring

This plan has been developed with a degree of flexibility, allowing nimble responses to emerging conditions, challenges, and opportunities. To help ensure the plan stays fresh and useful, periodic reviews should occur and amendments may be required. This will ensure plan goals, objectives, and recommendations reflect changing community needs, expectations, and financial realities. In order to remain in alignment with RRC best practices, progress on the plan should be reviewed at least annually.



Redevelopment Strategies

How to Attract Developers?

Developers typically look for project locations where the potential for success is fairly certain and risks limited. This means that they are attracted to communities with strong markets where the infrastructure is in place, reasonably-priced, quality development sites are available, and the development review process is quick. They also look for opportunities to enter a market right before it “takes off” and capture the heavy demand and associated real estate price or rent increases.

Successful developers are usually inundated with requests from municipalities and DDAs to develop in their community, citing the advantages they can offer. Yet only a small percentage of communities provide the information necessary to interest developers. There is specific information they look for that will minimize the amount of time it takes to make a go-no-go decision. For example, is there a market for the type of development being sought by the community? What is the role of the community within the region (i.e. bedroom community, employment destination, transportation hub, etc.)? Are reasonably priced sites available for development of redevelopment? Is necessary infrastructure in place or will this be needed and add to the cost of the project? How accessible is the development location and how large a market area can they draw from?

These are all vital questions that can be partly answered by the community, making it easier to pique the interest of a developer. Time is money and the less time developers have to commit to looking at a project/community on the surface, the more likely they are to dig deeper and hopefully show interest in moving forward. Some of this information might already be available while additional work is needed to gather the remaining data. It is up to the City, DDA, business leaders, and civic associations to work together to assemble developer information and then actively recruit developers and businesses.

Why Laingsburg?

Since developers look for strong or emerging markets, Laingsburg must prove that it fits into this classification and may have just been overlooked. What are the positives with Laingsburg that have created unmet demand for housing, commercial, office or industrial uses? This is information that must be gathered and uncovered to create the “elevator speech” for developers: meaning why invest in Laingsburg as opposed to all the other communities that contact you? Also, what has changed in recent years causing the private sector to overlook the city as a place to develop? A one-page handout summarizing this key information will be a good start. After that, a separate sheet can be created for each marketing item like housing, retail, office, hospitality, etc.

Understand the Market

Developers may not take the time to fully understand the dynamics of the local market and especially not unmet demand. The city can prepare a fact sheet for different market segments, working with local real estate professionals and companies. For example, some compelling



information might be increased housing prices and vacancy rates; potential demand for certain types of housing using the Target Market Analysis; voids in the retail market that could be served by local businesses, etc.

Developer Matchmaking

Once the above information is collected and organized, invite developers to come in and learn about available sites and why they should consider Laingsburg for their next project. It would be best to invite them individually and be concise, enthusiastic, and to the point with what you would like them to consider. Be sure to share success stories from other companies and developments so they can see that others have already tested the market. It is equally important to have as much information available regarding property availability, price, rental rates, recent purchase prices, traffic volumes, etc. This will provide a positive impression regarding the recruitment effort and limit the number of items that need follow-up.

DDA/City Property Acquisition

Property acquisition will be a necessary part of implementing the development projects contained herein, particularly for site development and redevelopment. By purchasing property in an area identified for new development, the DDA or the city will have an added tool to attract developers and build the desired project. For example, to develop new housing the DDA or city can acquire several of the vacant lots and contribute them to the project. This will provide an incentive to lower the cost, and minimize the risk, for the developer. Should the first phase be successful, the developer will more than likely undertake construction of additional units without any form of subsidy. The goal is to use tax increment financing to attract developers by minimizing risk, leverage private investment and eventually eliminate the need for financial assistance.

Gap Funding

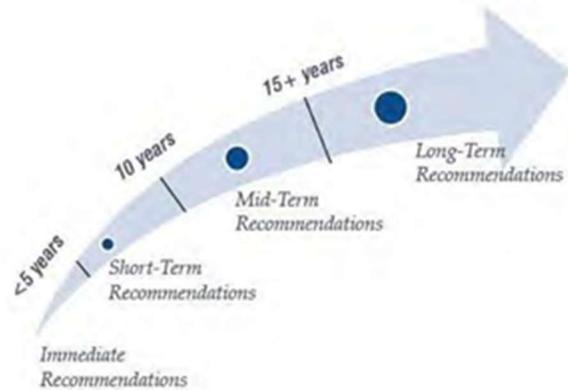
Some projects may need financial assistance to kick-start the development. The city may, at its own discretion, commit project-specific future tax increment capture back to private projects for a specified period of time. The goal is to provide funding to close the “gap” that prevents the project from becoming a reality due to financial feasibility. There are many additional incentives that can also be utilized to support “gap” funding.



Action Table

For the Economic Development Strategy to be an effective document for the next several years, steps must be identified to guide community leaders towards implementation. This chapter summarizes the goals and the recommendations described throughout the plan and serves as a quick reference for city leaders and others to monitor progress or serve as a checklist for implementing the plan.

The following table identifies major steps and projects designed to maintain and improve the City of Laingsburg. Implementation of these items will have a positive impact on the character and vitality of the community. Many of the implementation recommendations presented herein will require the close cooperation of many bodies. The final column in the table indicates the primary group(s) responsible for implementation.



Action	Priority	Responsibility
Infrastructure		
Prepare long-term Capital Improvement Plan to incorporate the Economic Development Strategy as well as the City Master Plan, Downtown Plan and Recreation Plan.	Ongoing	Administration, PC & City Council
Begin work on a water implementation study to determine scope, cost and timing for a city-wide water system.	Short-term	Administration & City Council
Begin to identify grants and other funding sources to support water system development.	Short-term	Administration & City Council
Identify additional transportation projects that need funding and begin to identify funding sources.	Short-term	Administration & City Council
Expand Day Starr services throughout the city wherever possible.	Short-term	Administration, City Council
Develop a municipal "hot spot" to provide wireless access throughout the downtown.	Mid-Term	Administration, DDA & City Council
Increase police support to 24-7 throughout the city	Short-Term to Mid-Term	City Council
Develop a city-wide water distribution system.	Long-Term	Administration & City Council

Action	Priority	Responsibility
Education		
Identify current and future workforce needs of employers and develop training programs to support those needs	Ongoing	School Administration, SEDP, City of Laingsburg
Develop a mentorship program within the schools and with trades groups such as unions to work with students interested in skilled trades	Ongoing	School Administration, Trades Unions, Baker College...
Create an attractive kiosk with local information and job information for local students looking to enter the workforce.	Ongoing	City/Schools
Economy		
Continue working with developers and property owners to develop and redevelop downtown buildings and sites into multi-story, mixed-use developments.	Ongoing	Administration, DDA, PC, & City Council
Utilize incentives when necessary to support local redevelopment efforts. Develop a performance standard for the deployment of incentives.	Ongoing	Administration, City Council & developers
Promote the improvement and restoration of facades in the downtown area, for buildings identified to be preserved in the downtown plan.	Ongoing	Administration & DDA
Encourage the re-occupancy of vacant retail buildings throughout the city while upgrading the sites to meet current ordinance standards.	Ongoing	Administration & PC
Market tourism opportunities within and outside of the region, including parks and recreation facilities and programs.	Short-Term	Administration & City Council
Promote city programming within Sleep Hollow State Park, such as movies in the park, the farmers market or sidewalk sales...	Ongoing	Administration
Improve the use of social media to convey positive messages and development opportunities throughout the city.	Ongoing	Administration
Add more middle-income housing, senior housing, condos and other accessible housing throughout the city to meet needed demand	Short-Term	Administration, City Council, DDA, SEDP & Developers
Complete all phases of the marketing and branding strategy to promote the city and potential development opportunities.	Short-Term	Administration, City Council
Develop a business retention strategy to support local businesses within the city.	Ongoing	Administration, DDA & Chamber of Commerce
Develop small business development center to support startups, home grown and other micro-businesses within the city.	Ongoing	Administration, DDA & Chamber of Commerce
Develop a plan to create additional public parking in the downtown area, to accommodate growth as needed.	Short-term	Administration, DDA & City Council



Action	Priority	Responsibility
Become certified as a Redevelopment Ready Community under the Michigan Economic Development Corporation.	Short- & Mid-Term	Administration & City Council

Incentives Available to Assist Development

The following programs are a sampling of incentives available to both local communities and developers to assist with redevelopment projects. The City of Laingsburg will develop a guideline to measure potential investment and development for use in determining when to utilize incentives for projects and how much incentive to utilize. It is not a guarantee that incentives will apply to all projects, but that they should be available to those projects that have the potential to create a significant impact (jobs, investment, revitalization) in the community.

Business Development Program – The MiBDP is an incentive program available from the Michigan Strategic Fund, in cooperation with the MEDC. The program is designed to provide grants, loans or other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment.

PA 198 Industrial Facilities Exemption – Industrial property tax abatements provide incentives for eligible businesses to make new investments in Michigan. These abatements encourage Michigan manufacturers to build new plants, expand existing plants, renovate aging plants, or add new machinery and equipment. High technology operations are also available for the abatement. Depending on the scope and type of project, real property taxes can be abated up to 50% for a period not to exceed 12 years for new construction. Further, the 6-mil SET may be abated up to 100% with approval from the MEDC.

In the case of a rehabilitation, the current assessed value of the property prior to improvement is frozen. This results in a 100% exemption from property tax on the value of the improvements.

Commercial Rehabilitation Abatement – Encourages the rehabilitation of commercial property by abating the property taxes generated from new investment for a period up to 10 years. Commercial property is qualified facility that includes a building or group of contiguous building of commercial property that is 15 years or older, of which the primary purpose is the operation of a commercial business enterprise or multi-family residential. The CRA freezes the taxable value of the building and exempts the new investment from local taxes.

Obsolete Property Rehabilitation - The Obsolete Property Rehabilitation Act (OPRA), provides for a tax incentive to encourage the redevelopment of obsolete buildings. A new exemption will not be granted after December 31, 2026, but an exemption then in effect will continue until the certificate expires. The tax incentive is designed to assist in the redevelopment of older buildings in which a facility is contaminated, blighted or functionally obsolete. The goal is to rehabilitate older buildings into vibrant commercial and mixed-use projects.



A community essentially freezes the existing taxable value on a designated facility for up to 12 years. Additionally, the state treasurer may approve reductions of half of the school operating and state education taxes for a period not to exceed six years for 25 applications annually for rehabilitated facilities.

Community Revitalization Program - The Michigan Community Revitalization Program (MCRP) is an incentive program available from the Michigan Strategic Fund (MSF), in cooperation with the Michigan Economic Development Corporation (MEDC), designed to promote community revitalization that will accelerate private investment in areas of historical disinvestment; contribute to Michigan’s reinvention as a vital, job generating state; foster redevelopment of functionally obsolete or historic properties; reduce blight; and protect the natural resources of this state. The program is designed to provide grants, loans, or other economic assistance for eligible investment projects in Michigan.

New Market Tax Credits - Historically, low-income communities experience a lack of investment, as evidenced by vacant commercial properties, outdated manufacturing facilities, and inadequate access to education and healthcare service providers. The New Market Tax Credit Program (NMTC Program) aims to break this cycle of disinvestment by attracting the private investment necessary to reinvigorate struggling local economies.

The NMTC Program attracts private capital into low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities (CDEs). The credit totals 39 percent of the original investment amount and is claimed over a period of seven years.

Brownfield - The Brownfield Program uses tax increment financing (TIF) to reimburse brownfield related costs incurred while redeveloping contaminated, functionally obsolete, blighted or historic properties. It is also responsible for managing the Single Business Tax and Michigan Business Tax Brownfield Credit legacy programs (SBT/MBT Brownfield Credits).

The Michigan Strategic Fund (MSF) with assistance from the Michigan Economic Development Corporation (MEDC), administers the reimbursement of costs using state school taxes (School Operating and State Education Tax) for nonenvironmental eligible activities that support redevelopment, revitalization and reuse of eligible property. The MEDC also manages amendments to SBT/MBT Brownfield Credit projects approved by MSF. The Michigan Department of Environmental Quality (MDEQ) administers the reimbursement of environmental response costs using state school taxes for environmental activities, and local units of government sometimes use only local taxes to reimburse for eligible activities (i.e., “local-only” plans).

Michigan Transportation Economic Development Fund - The mission of the Transportation Economic Development Fund (TEDF) is to enhance the ability of the state to compete in an



international economy, to serve as a catalyst for economic growth of the state, and to improve the quality of life in the state.

The funds are available to state, county, and city road agencies for immediate highway needs relating to a variety of economic development issues.



Preferred Redevelopment Sites

1. Library Site

This site is situated in the heart of the downtown and could be a great site to add retail and residential along Grand River. The following rendering has been completed to show what a new development could look like on the site.



While the rendering is only for a single-story project, this site could accommodate a two or three-story building to increase retail and residential density downtown.

2. Treat Street Park.

The Treat Street property is located on the eastern-edge of the city, situated off Treat Street bound by residential to the north and commercial to the east. This site is currently city-owned, and the city has indicated that it would be a prime site to incorporate new housing options. Housing was identified as a significant need for the community as existing residents look for new housing options, and as a means of attracting new residents to the community to add new revenues to the budget (property taxes) and continue to support families with children in the Laingsburg school system. The following layout is an idea for what new residential could look like on the site. The site would not be confined to just single family.





Legend

- 1 Common open space
- 2 Access easement
- 3 Shared parking
- 4 Landscape buffer

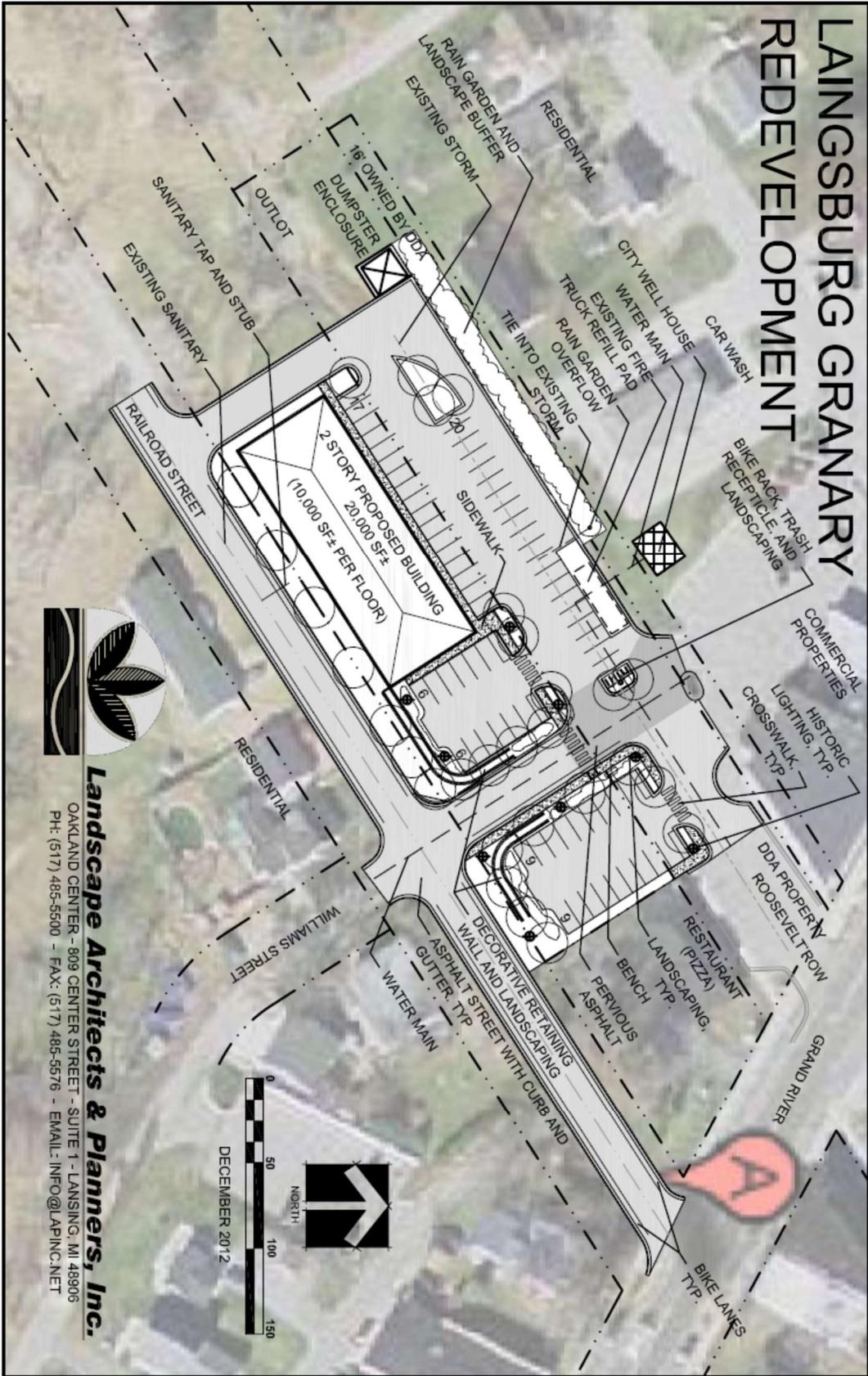


3. Old Elevator Site

The old elevator site is situated downtown Laingsburg along the old rail right-of-way. This site is city-owned and served by all existing city utilities. This site would be great for a new mixed-use type development featuring retail and residential, or it could serve as a site for town-home style residential or other multi-family housing options. Below is a potential layout for this site that was completed by the city.



LAINGSBURG GRANARY REDEVELOPMENT



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