



Final Adopted Plan

Cascade Charter Township

DDA Development Plan and Tax Increment Financing Plan

Adopted: December 14, 2011

As Amended through July 9, 2014 (Ord. #6 of 2014)

Table of Contents

<u>Chapter 1</u>	
Introduction and Purpose	3
<u>Chapter 2</u>	
Land Use & District Characteristics	5
<u>Chapter 3</u>	
Downtown Development Plan	12
<u>Chapter 4</u>	
Source of Funds for the DDA	26
<u>Chapter 5</u>	
Tax Increment Financing Plan	29
Map of Planned Improvements	25
Appendices	34

Cascade Charter Township

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Chapter 1

Introduction & Purpose

In 1993, the Cascade Charter Township Board adopted an ordinance creating the Cascade Charter Township Downtown Development Authority (DDA). Since the creation of the DDA, the DDA Board of Directors and the Township Board have adopted three (3) District Development Plans and Tax Increment Financing Plans. These plans were adopted in 1994, 2000 and 2004 respectively.

On November 19, 2002, the concept of expanding the DDA district to include the Interchange area was introduced to the DDA Board. In February of 2003, a resolution was passed by the DDA to expand the district and the Township Board affirmed the decision in March of 2003. The 2003 expansion would bring in 380 acres of property and extend the DDA boundary to Patterson Avenue. This expansion would increase the size of the DDA district from 338 acres to 718 acres, a land area increase of 212 percent.

This area was brought into the DDA in order to develop an entryway into the community. 28th Street is the primary entry point into Cascade Township and presently is very stark and unattractive. Through tax increment financing, the DDA can undertake streetscape improvements between Kraft Avenue and Patterson Avenue. Opportunities to improve trail connections, key street intersections, community facilities, access to the river, streetscape, and traffic/pedestrian/bicycle circulation and vehicular access are also planned to make this area more attractive to business and to the community.

In November 2003, the Township received a request from the Centennial Business Park Association to expand the DDA district once again. The Association wanted to be incorporated into the DDA district as a means of attracting tenants to this office park. The Association was impressed with the improvements the DDA had carried out in the Village area of the district and felt that similar improvements to their office park would help them attract tenants. In April 2004, the Township adopted an ordinance incorporating the remaining portion of Centennial Park (85 acres) into the DDA district. This expansion increased the size of the DDA district from 718 acres to 803 acres.

The purpose of this report is to amend the 2004 District Development Plan & Tax Increment Financing Plan. Many of the projects included in the 2004 Plan have been completed, yet there remains continued opportunity for improvement and investment into the Downtown District. Once adopted, this report would become the 2011 Cascade Charter Township Downtown Development Authority District Plan and Tax Increment Financing Plan for Downtown Improvements. The plan would be effective until 2041, unless amended.

The primary purpose of the Downtown Development Authority (DDA) Act is to "halt property value deterioration and increase property tax valuation where possible" in a community's business district. It also strives to "eliminate the causes of deterioration ... to promote economic growth". In order to accomplish this purpose a community can adopt an ordinance creating a downtown development authority (DDA) to halt property value deterioration and its effects.

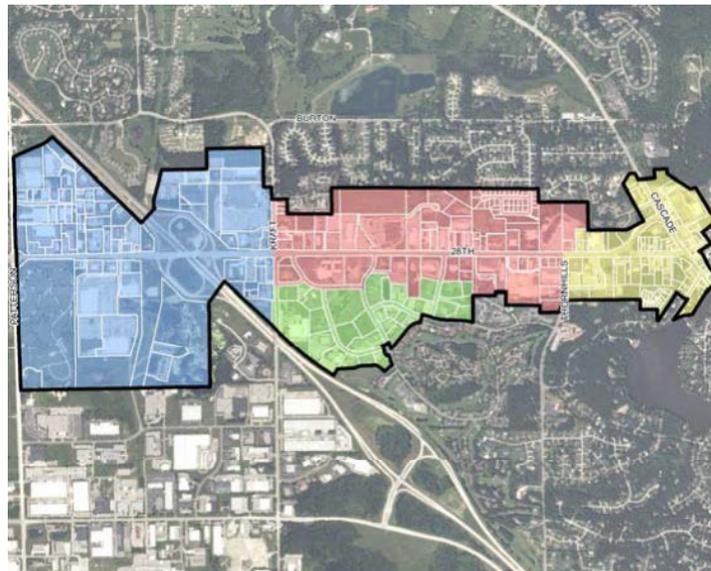
Perhaps the most significant aspect of Michigan's DDA enabling act is that it allows a community to establish an authority to ***prevent*** deterioration from happening in the business district. A community does not have to wait for blight or deterioration to occur before action is taken. The enabling act is in some ways proactive in nature. The enabling act recognizes that without a thriving business district a community will likely suffer economic decline and will eventually lack an effective means to promote economic growth.

While the Cascade Charter Township DDA district does not bear a strong resemblance to a traditional downtown area like Monroe Center in Grand Rapids, it certainly serves as the economic heart of this community. Properties within the district have shown a slight decline in values while others are showing their age and have become less competitive in the real-estate market for tenants. Commercial vacancies exist, and dated business and office parks are in need of investment to regain a competitive edge in the marketplace. Currently, the Centennial Park area is a negative capture, meaning values are less than they were in 2004 when they were included in the DDA. Since the DDA enabling act is proactive in preventing deterioration, need for the DDA continues and is justified.

For Cascade Township, the DDA district is best approached by dividing it into four development areas. The four development areas are listed below. A map of each development area follows.

- The Village Area (Yellow)
- 28th Street Corridor (Red)
- The Interchange Area (Blue)
- Centennial Park (Green)

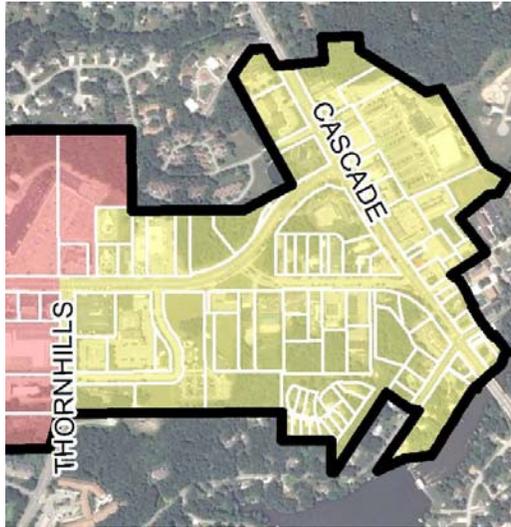
Map 1.1. Cascade Township DDA Development Areas Map



Chapter 2 Land Use & District Characteristics

A. District Development Areas

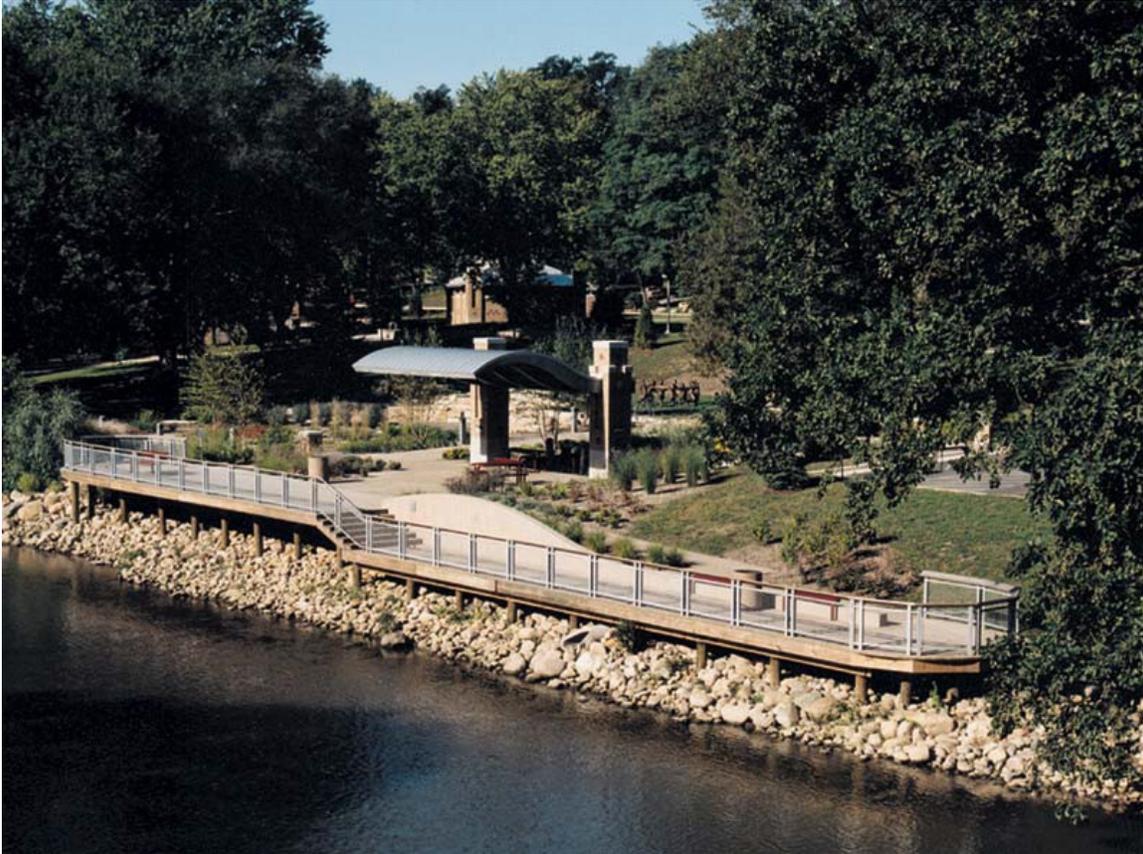
Map 2.1. Cascade Township DDA Village Development Area



1. The Village Development Area -

The Village Area is the location of the original commercial development in Cascade. In the beginning this area had a general store at the corner of Cascade Road and Thornapple River Drive. Development in the Village area is more oriented to the resident-customer in the surrounding residential areas of the community. The individual or family that needs a prescription, dry cleaning services or minor automobile repair can receive this service from a small, operator - owned business. The development pattern in the Village area was designed in a manner to orient itself toward the automobile. The buildings are placed more toward the front of their respective property, with convenient access a high priority. Architecture is more utilitarian in nature. There are some older wood frame commercial structures which give the Village area its quaintness.

Land use in the village is dominated by the shopping center at the east end of 28th Street called Thornapple Centre. This shopping center encompasses approximately 23.4 acres and is anchored by a grocery store with several adjoining strip commercial storefronts. Many storefronts, especially along the northern portion of the center, are vacant. At the eastern end of the village an “anchor” was developed to help stimulate foot traffic in the village. Leslie E. Tassell Park was completed in October 2001. Since its opening, this beautiful 3.59 acre park has exceeded expectations in drawing people down to the Village area. In fact, a few businesses have been attracted to the Village area because of the park and its patrons.



Leslie E. Tassell Park - the anchor for the Village Development Area

Approximately 10% or 9.45 acres is considered vacant in the village. This vacant property is located throughout the Village area, although a significant portion is along the south side of Old 28th Street behind the existing buildings. The vacant property in the village will be difficult to develop due to its location, the shape of the property, and its topography.

TABLE - 1
2011 Land Use

Land Use	2011 Acreage
Residential	3.58
Commercial	65.5
Government / Library	13.94
Park	4
Vacant	9.45
<i>TOTALS</i>	95.55

2. 28th Street Corridor Development Area-



The development area west of the Thornhills Avenue / 28th Street intersection takes on a different appearance and orientation than the Village area. Commercial uses are grouped together or "clustered" into shopping centers that typically have some kind of unifying design element to create an identifiable image for the public (e.g., Cascade Centre). The development is automobile-oriented and relies on high traffic counts at controlled access points to bring customers into their development. Road frontage to "advertise" their location is still a high priority. Businesses along the corridor typically have larger customer market areas than the surrounding residential neighborhoods. A combination of commercial franchises and locally-owned unique businesses are present.

Since 2004, there has been some new development along both sides of 28th street including:

- Culver's Restaurant
- R-Athletics Gymnastics
- Panera

TABLE - 2
2011 Land Use

Land Use	2011 Acreage
Residential	23.39
Commercial	182.84
Government	8.16
Industrial	0
Vacant	21.61
TOTALS	236.01

3. The Interchange Development Area -

Map 2.3. Cascade Township DDA the Interchange Development Area



The Interchange Development Area was added to the DDA district in 2003. This area consists of 380 acres. This area has developed primarily to serve the traveling public. Numerous motels, restaurants and gas stations are present. Along with these uses there are regional retailers that have located here to take advantage of the location of 28th Street intersecting with Interstate 96. Development off the 28th Street corridor is primarily office or service uses. Horizon Office Park, located north of 28th Street and Northern Industrial Drive was developed in the mid-1980's. Over the past few years it has had difficulties maintaining occupancy. The new developments in recent years in the Interchange Area include:

- Aldi
- Bagger Daves Restaurant

Table 3
2011 Interchange Land Use Breakdown

Land Use	2011 Acreage
Residential	0
Commercial	119.41
Government	82.71
Industrial	30.52
Vacant	51.91
TOTALS	284.55

4. Centennial Park Development Area-

Map 2.4. Cascade Township DDA the Centennial Park Development Area



Centennial Park was added to the DDA district at the request of the Centennial Park Association in 2003. The park's building owners formed the Centennial Park Association in 2002 to address common issues and to develop a plan to enhance the park's value and desirability. For many years, the Park has suffered from high vacancy rates. It is the Township's impression that Centennial Park is the first office park in the southeast metropolitan area to suffer from high vacancy rates during recessionary periods and the last to recover.

Office buildings are the only development characteristic within Centennial Park DDA Development Area. The park was originally developed by Foremost Insurance Company in the late 1960's, with most of the development of office space taking place in a period from 1970 through 1990. The office buildings were developed in a campus lot pattern with large manicured lawn areas and ornamental trees.

The office buildings are generally owner-occupied. Many are in the process of being re-modeled to provide up to date office suites for potential tenants. Because of their age and relative location away from downtown or other employment core areas, tenant occupancy has been difficult to maintain. Some of the buildings have also had to address asbestos removal while re-modeling office space. This added expense has caused some delays in securing tenant leases.

Approximately 13 acres of Centennial Park is vacant land ready for new development. Given the high vacancy rates in the park it is unlikely that these parcels will be developed until the market sees Centennial Park as a "preferred address". In 2008-2010, Centennial Park developed a Master Plan and an overlay zoning ordinance to guide future redevelopment and to create a fresh, new, cohesive appearance throughout the park. In 2011, the Downtown Development Authority approved adding lighting, sidewalks and street trees within the development to create a more walkable environment.

TABLE 4
2011 Centennial Park Development Area Land Use Breakdown

Land Use	2011 Acreage
Residential	0
Commercial/Office*	68.61
Government	0
Industrial	0
Vacant	12.80
TOTALS	81.41

* Assessor classifications combine commercial and office into the same use category.

B. Zoning

1. Overview -

Zoning in the DDA is largely a combination of three (3) different zoning districts allowed in the Cascade Charter Township Zoning Ordinance. Approximately 20.35 percent of the downtown area is currently zoned "B-2, General Business"; the remainder is evenly divided between the "B-1, Village Business" (7.03 percent) and the "PUD, Planned Unit Development" (61.04 percent) zoning classifications. The following sections provide greater detail of the zoning in each development area of the district.

TABLE - 5
2011 Zoning Breakdown for the Entire DDA District (Percentage)

	Acreage	Percent
B-2 General Business	188	20.35%
B-1 Village Business	65	7.03%
PUD	564	61.04%
Expressway Service	46	4.98%
Industrial	38	4.11%
Office	18	1.95%
R2 Residential	5	0.54%
TOTALS	924	100%

2. The Village Area -

The Village area is zoned 75 percent "B-1, Village Business". This zoning category is intended to "promote a village atmosphere, satisfying the land needs for convenience, specialty and personal type shops and establishments primarily serving those persons residing in the surrounding residential areas of the township". The district was amended in 2010 to also provide mixed uses with residential above retail or office uses, live/work, and stand-alone attached residential uses. A design committee reviews projects within the B-1 district, and standards for yards, landscaping, access, and architectural features are in place to help govern the appearance and form of new development and redevelopment.

The remaining portion of the village area is zoned "PUD, Planned Unit Development". This PUD is the Thornapple Centre development. In 1994 four commercial retail buildings were initially designed in a village cluster arrangement. In subsequent years, two additional commercial retail buildings and one medical office were added to Thornapple Centre.

3. The 28th Street Corridor-

90.84 acres or 39.3% of the 28th Street corridor area is zoned "B-2, General Business. This category is identified in the Zoning Ordinance as "that area of the township intended to satisfy the land use needs of a wide range of business uses and to cater to the needs of a larger consumer population than is served by the "B-1" zoning district". This zoning district allows for a much wider array of commercial uses than the B-1" district. It also requires larger lot areas to accommodate larger scaled more intense commercial uses.

This development area also includes 17.91 acres or 7.7% of property zoned "O" Office. This property lies behind the Wal-Mart development and the Arbor Shores residential development.

The remaining 52.9 percent of the corridor is zoned "PUD, Planned Unit Development. Commercial "PUD's" include the Cascade East Shopping Center, the Cascade Centre, the Cascade Country Square and the Esplanade.

4. The Interchange Development Area -

This area is made up of a mix of different zoning classifications which take advantage of the I-96 highway interchange. With the addition of the new Waterfall Shoppes PUD -- 215 acres of this area is made up of PUD zoning. This amounts to 56.7 percent. This is followed by B-2 zoning at 110 acres, Expressway Service zoning at 31 acres and Industrials at 22 acres.

5. Centennial Park Development Area-

This area consists of 81.4 acres (87%) of PUD zoning and 12.33 acres of Industrial Zoning. As one of the oldest PUD's in Cascade Township it is not surprising that almost all of the zoning in this area is in a PUD.

Chapter 3

Downtown Development Plan

A. The Development Plan

The Cascade Charter Township Downtown Development Authority (DDA) proposes to construct numerous public improvements in the downtown district, which will be financed by the tax increment financing plan (TIF). This plan hopes to stimulate the downtown business district economy and encourage new private investment in the downtown business district properties.

During the summer of 2011, the DDA Authority Board met to discuss possible capital improvement projects for the development district. Additionally, two public meetings were organized to gather input from business owners, Township residents, and citizens living within the district. The Township mailed letters to citizens in an effort to form a citizens committee in accordance with PA 197 of 1975; however, there was insufficient participation. Projects were reviewed and prioritized by the DDA Authority Board. However, the Board acknowledges that projects may occur at anytime based on need, funding, and circumstance.

B. The Development Plan Goals, Projects and Schedule

The following includes goals for each of the development areas, as well as tables depicting the projects for each development area, projected costs, timing, and priority designation. To prioritize, each project is given a letter A-C with A being a top priority of the DDA Board. It should be noted that the approximate costs, timing and priorities are not fixed and the amounts and timing of the improvements may change at any time. Neither the DDA nor the Township are bound to the costs or timing of projects in the Development Plan. Additionally, in an effort to spur discussion and further develop concepts for several projects identified by the DDA Board, Cornelisse Design Associates was asked to produce renderings to accompany this plan. Graphics are included within corresponding development areas.

DEVELOPMENT AREA: THROUGHOUT THE DDA

Goals for the DDA projects within the entire DDA area include the following:

- Pedestrian safety through appropriate roadway and traffic modifications will enhance the shopping experience.
- Beautification will enhance the streetscape and create character, identity and attract shoppers and businesses alike.
- Existing businesses will remain and grow, while new businesses, offices, education or health care industries will locate in the DDA.

Accordingly, the projects identified for the duration of the plan are identified below in terms of priority. It should be noted that projects can be separated into phases as funds become available.

Throughout DDA	Approximate Cost	Timing	Priority
Bury, move and/or consolidate power lines throughout the DDA to improve visual appearance of corridor and reduce visual clutter. Also included is inventorying existing lines and identifying opportunities for relocation, consolidation or removal of cable, telephone, guy wires and all other overhead lines.	\$1,500,000 to consolidate lines (Amended by Ord. #6 of 2014) or \$5,000,000 per mile to bury lines	Interchange area 2012-2022 Village area 2012-2022 28 th street 2022-2040	A
Plant and maintain decorative landscaping throughout the DDA, including planting, watering, drip irrigation systems, tree trimming and fertilizing.	\$50,000	On-going	A
Conduct a DDA-wide market study and strategy to enhance business creation and retention in the Township. Use the information to create and execute a marketing campaign for the commercial and industrial areas within the DDA.	\$155,000	2012-2017	A
Provide or upgrade technology (such as wi-fi or the most current technology available) throughout DDA district.	\$100,000	2012-2017	A
Support public transportation within and connecting to the DDA area, including trolley service, bus shelters, etc.	\$375,000	On-going	A
Maintenance and operations/interest payments	\$300,000	On-going	A

Throughout DDA	Approximate Cost	Timing	Priority
Provide development support to assist any private or public project that would help to accomplish the goals of the DDA. (Amended by Ord. #6 of 2014)	\$1,600,000	On-going	A
Improve gateways to Cascade Township through signage, softscaping, landscaping, public art, banners, flags, and other highly visible design features to create a sense of arrival and improve the character of the commercial and industrial areas.	\$125,000	2015-2017	B
Acquire property for development and redevelopment purposes if and when such properties meet the goals of the DDA development areas.	\$750,000	On-going	B
Façade improvements for businesses as a matching grant program	\$120,000	On-going	B
Close or combine driveways to facilitate access management	\$125,000	On-going	B
Develop a unified identity for the DDA area and market that image using decorative benches, bike racks, banners, signage, lighting, street signs and other highly visible amenities.	\$75,000 (study) \$125,000 (materials)	2012-2017	B
Create, manage and support annual events occurring within the DDA district.	\$200,000 (Amended by Ord. #6 of 2014)	On-going	C

Throughout DDA	Approximate Cost	Timing	Priority
Develop an auto node to consolidate automobile related uses and create development incentives for businesses within the DDA looking to relocate to the auto node.	\$80,000 (Amended by Ord. #6 of 2014)	2022-2032	C
Study the feasibility of and develop (if feasible) a business incubator to grow existing businesses, as well as attract start-up businesses to Cascade Township. Such incubator project may include land acquisition, design, construction, promotions, and marketing.	\$35,000 (study) \$250,000 (incubator) (Amended by Ord. #6 of 2014)	2022-2032	C

DEVELOPMENT AREA: 28th STREET

Goals for the DDA projects within the 28th Street development area include the following:

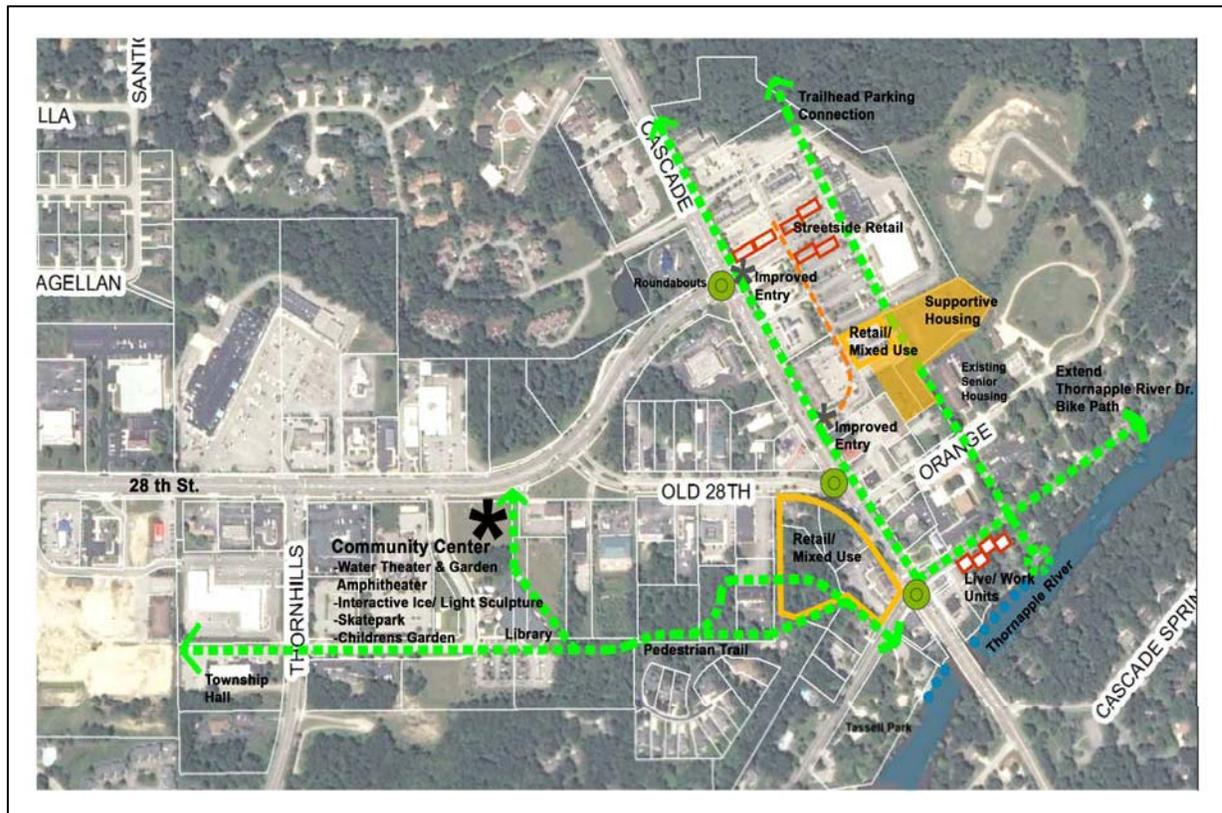
- 28th Street retail and office occupancies will increase and new jobs will be created.
- Visual clutter along 28th Street will be minimized.
- Pedestrian connections from the north and south sides of 28th street will be enhanced.
- Traffic flow and traffic safety will improve.

Accordingly, the projects identified for the duration of the plan are identified below in terms of priority. It should be noted that projects can be separated into phases as funds become available.

28th Street	Approximate Cost	Timing	Priority
Improve 28 th Street crossings through roadways enhancements, pavement markings, signage, lighting, and signaling, including replacement of signal cables for masts.	\$500,000	2012-2017	A
Interface and coordinate with MDOT and the KCRC to reduce speeds, reduce congestion, improve traffic flow and improve roadway design through road diets and other traffic calming measures. Implement and finance traffic calming measures.	\$2,000,000	On-going	B
Study and build a pedestrian and bicycle way, such as a pedestrian bridge, underpass, tunnel, or boulevard connecting the north and south sides of 28 th Street.	\$450,000	2017-2022	C

28 th Street	Approximate Cost	Timing	Priority
Create community gathering places along or behind 28 th Street, such as parks, playgrounds, nature areas, trails, baseball fields, sports complexes and other public facilities.	\$500,000	2017-2032	C
Construct a boulevard along entire length of 28 th Street.	\$1,200,000	2017-2032	C

GRAPHIC 1. IMPROVEMENTS TO THE 28TH STREET AND VILLAGE DEVELOPMENT AREAS



DEVELOPMENT AREA: INTERCHANGE

Goals for the DDA projects within the Interchange development area include the following:

- Traffic flow and traffic safety will improve.
- There will be safe areas for pedestrians to walk along roadways and within developments.
- Visual clutter along 28th Street and the interchange area will be minimized.
- Pedestrian connections from the north and south sides of 28th street will be enhanced.
- The interchange will be a gateway to the Cascade Township business areas.

Accordingly, the projects identified for the duration of the plan are identified below in terms of priority. It should be noted that projects can be separated into phases as funds become available.

Interchange	Approximate Cost	Timing	Priority
Work with MDOT to improve staging area through hardscape and landscaping improvements at 28 th Street and I-96, implement and finance clean up.	\$55,000	2012-2017	A
Work with MDOT to provide sidewalks to Patterson, decorative lighting and landscaping	\$800,000	2012-2017	A
Study and coordinate the improvement of pedestrian connections, coordinated traffic signal timing, internal circulation, and ingress/egress at the Waterfall Shoppes.	\$10,000	2012-2017	B
Reconfigure and improve access within the Cascade Office Park and Northern Drive, acquire rights-of-way.	\$3,000,000	2012-2017	B
Attract high-end or theme-oriented businesses near the interchange to capitalize on the proximity to the I-96 corridor.	\$40,000	On-going	C

DEVELOPMENT AREA: VILLAGE

Goals for the DDA projects within the Village development area include the following:

- Enhance the Village to make it welcoming and a destination for shoppers.
- The Village will be pedestrian-friendly.
- Activities/destinations for people of all ages, including children and seniors, will be available.
- The Village will have public gathering areas.
- The Village will have improved traffic flow and traffic safety.
- The Village will have improved recognition as a place, with character, charm and quaintness.
- The Village boundaries will be reviewed.

Accordingly, the projects identified for the duration of the plan are identified below in terms of priority. It should be noted that projects can be separated into phases as funds become available.

Village	Approximate Cost	Timing	Priority
Finance traffic calming measures including round-a-bouts, road diets, and other mechanisms approved by the KCRC.	\$3,600,000	2012-2017	A
Create community gathering places along 28 th Street and near the library, such as a community center, skate park, rock climbing, sound park, amphitheater, nature area, trails, baseball fields, and/or other public facilities.	Skatepark: \$350,000 Kids playground with rock wall: \$350,000 Sound Park: \$55,000 Small amphitheater: \$250,000 Support Amenities (lighting parking, site furniture, walks, landscaping, signage, fencing) \$250,000 Children's garden with small water feature: \$100,000 Interactive element: \$500,000 Total with fees: \$2,000,000	2012-2017	A

Village	Approximate Cost	Timing	Priority
Connect Tassell Park to the Cascade Township Library and Wisner Center via a pathway.	\$275,000	2012-2017	A
Improve Cascade Road pedestrian crossings.	\$80,000	2012-2017	A
Update the Cascade Village Design Plan to address mixed use development and redevelopment of the Thornapple Centre plaza and Old 28 th Street.	\$50,000	2012-2017	B
Provide access to the Thornapple River at and below the dam and create riverfront amenities such as fishing areas, viewing spots, and personal non-motorized watercraft launch areas.	\$250,000	2017-2022	B
Provide a sidewalk connecting Cascade Village Condos to 28 th Street	\$150,000	2012-2017	B
Enhance Thornapple Centre development through land acquisition, façade programs and other tools to improve pedestrian accessibility and redesign circulation to create a more pedestrian and bike-friendly destination.	\$200,000	2012-2017	B
Develop a destination attraction for summer and winter months, such as an artisan or farmer's market during summer months and an ice rink or other cold weather attraction during winter months.	\$300,000	2012-2022	B

Village	Approximate Cost	Timing	Priority
Modify the museum park area to provide benches, public art, water features, and other amenities.	\$10,000	2012-2017	C
Develop a community parking lot and signage.	\$375,000	2012-2022	C
Preserve greenspace at the junction of 28 th and Old 28 th Street through land acquisition and preservation easements.	\$200,000	2012-2017	C
Acquire easements and construct sidewalks and providing decorative lighting along the north side of Old 28 th Street.	\$250,000	2017-2042	C
Provide a sidewalk from Old 28 th Street to the Wisner Center.	\$150,000	2017-2022	C



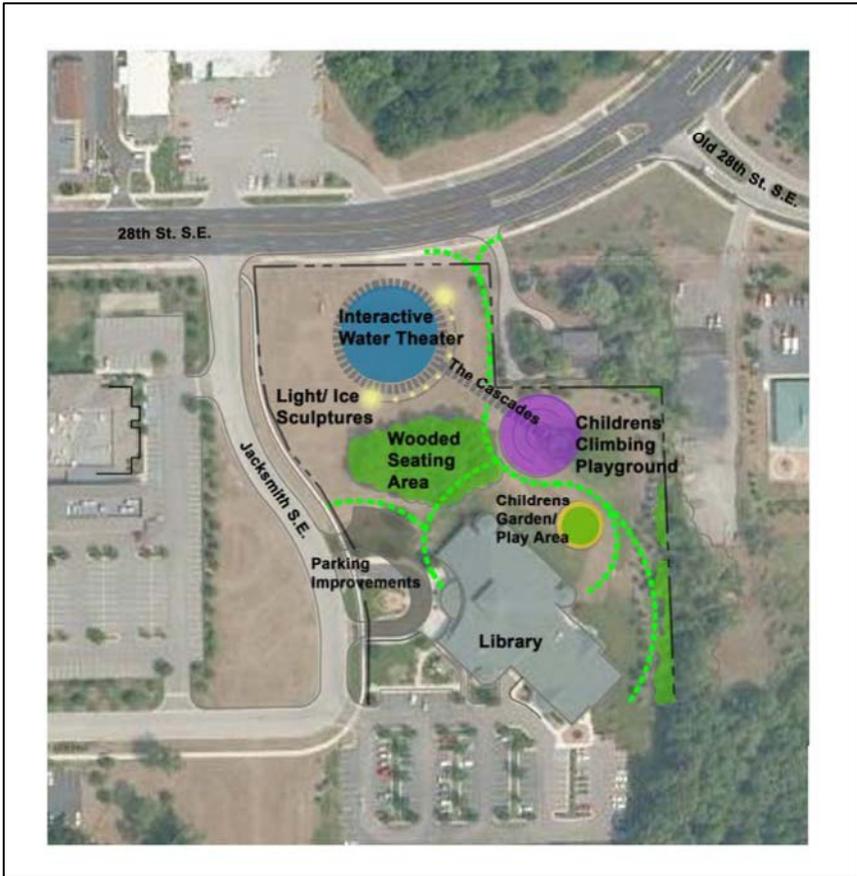
Graphic 2. Potential Entry Enhancements to Cascade Village Retail Center



Graphic 3. Future Infill Retail/Mixed Use Development along cascade Road at the Cascade Village Retail Center



Graphic 4.
Round-a-bout
configuration at
28th Street and
Cascade Road.



Graphic 5.
Community Activity
Center concepts for
the Township-owned
property at Jacksmith
and 28th Street.

DEVELOPMENT AREA: CENTENNIAL PARK

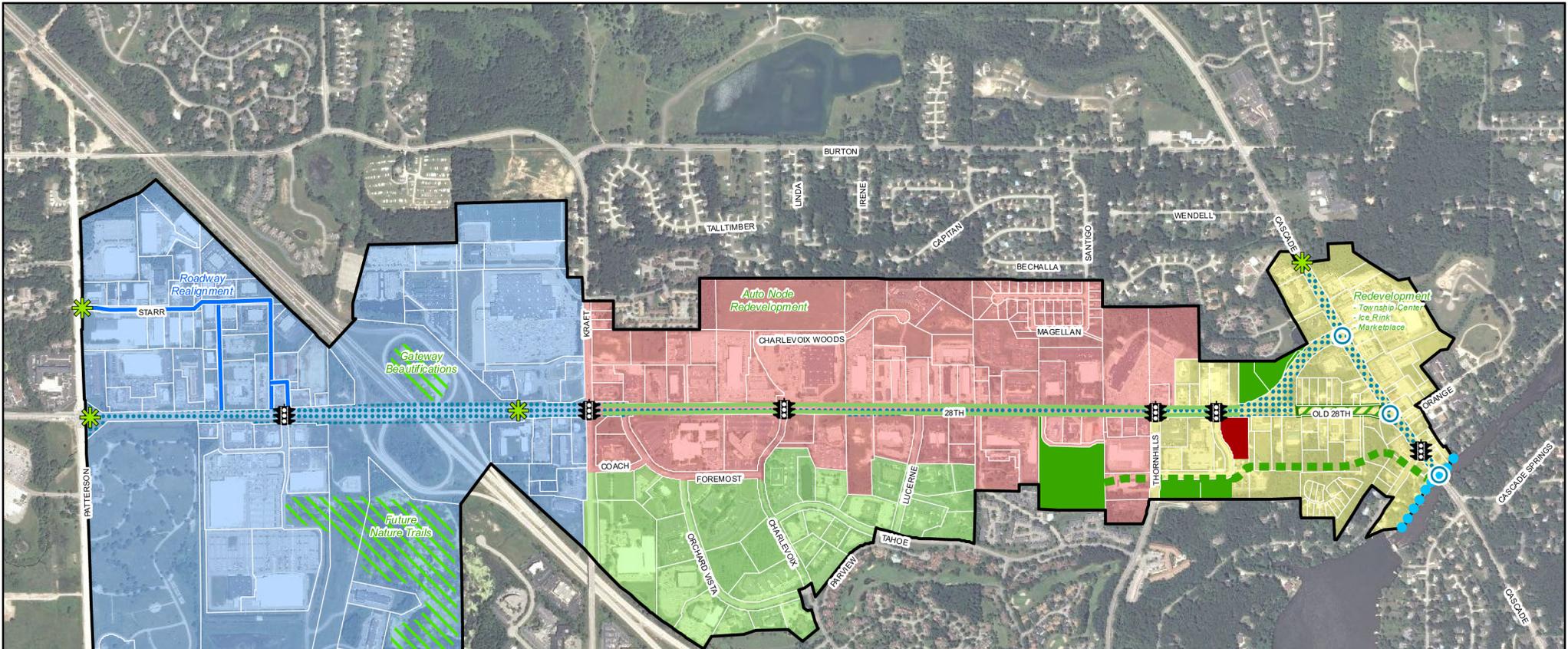
Goals for the DDA projects within the Centennial Park development area include the following:

- New businesses and/or expanded businesses will occupy the business park.
- Job growth will occur.
- Occupancies will increase.
- On-going review and implementation of the Centennial Park Land Use and Design Plan.

Accordingly, the projects identified for the duration of the plan are identified below in terms of priority. It should be noted that projects can be separated into phases as funds become available.

Centennial Park	Approximate Cost	Timing	Priority
Create and execute a business recruitment plan for attracting higher education, medical, or other high-end, large-scale, tenants.	\$50,000	2017-2022	A
Bus stops/shelters should bus service be extended to the area	\$55,000	2017-2022	B
Complete sidewalks, lighting, and add street trees	\$2,000,000	2017-2022	B

The following map shows a selection of the planned improvements within each of the four Development Areas.





Cascade Charter Township DDA Development Areas



DDA District Boundary

DDA Development Areas

- Centennial Park
- The 28th Street Corridor
- The Expressway/Interchange Area
- The Village Area

1 inch = 1,500 feet

0 375 750 1,500 Feet

Williams & Works 

NAIP Aerial Photography Date: 2010

-  Lighting/Signal Improvements
-  Roundabout
-  Boulevard
-  River Access Improvements
-  Roadway Reconfiguration
-  Trail Connection
-  Community Center
-  Community Gathering
-  Crossings/Lighting/Landscaping
-  Traffic Calming

Chapter 4 Sources of Funds for the Downtown Development Authority

A. Financing Sources

The Downtown Development Authority (DDA) Act authorizes several potential sources of funds for the DDA to use in financing its development activities, including the following:

- 1) Donations;
- 2) A tax of up to two (2) mills levied on the DDA district upon approval of the Township Board for use in financing DDA activities;
- 3) Proceeds from general obligation bond issues;
- 4) Revenues from property owned by the DDA;
- 5) Monies received from other sources approved by the Township Board; and
- 6) Proceeds of a tax increment-financing plan.

The following comments relate to the first five funding sources. These comments will try to put into perspective the need for consideration of tax-increment financing as a means of funding the improvements summarized in Chapter 3.

- 1) Donations - These funds could be from either individuals or corporations, including philanthropic foundations or from special activities sponsored by the DDA.
- 2) Tax Levy - Limited to two (2) mills, this source could provide the DDA district with a constant stream of funds similar to a special assessment levy on the district. Originally, Act 197 limited the use of these funds to finance the "operations" of the authority. However, the law was amended in June 1983 to allow this millage to be used for any purpose (Act 86, P.A. of 1983).

On June 23, 1993, the Township Board passed a resolution (Resolution # 24 of 1993, which stated that the Township had no intention of levying an ad valorem property tax of up to two mills in the DDA district.

Currently the Township provides the staff for the operation of the DDA.

- 3) Bond Proceeds - These funds are provided in the Act as a "source of financing," however, it could be better termed that they are a source of borrowing, not an actual source of capital.

In 2010, the Cascade Township Board refinanced a 2000 revenue bond. The bond issue was in the amount of \$1,068,346.50 and will be paid by 2020.

- 4) Revenue from Properties - The Township owns several parcels of property in the DDA district. The DDA could purchase these properties from the Township; however their potential revenue stream is limited. The property purchased on 28th Street by the Township has been partially developed for the Cascade Public Library. The remaining

property is planned for a new main fire station and an administrative office building for the Township. No definite time frame has been established for these two buildings.

- 5) Other Sources - These sources might include any general revenues of the Township or special assessments approved by the Board for the DDA's use or special grants. As previously mentioned, the Township's general fund has directly and indirectly financed the operation of the DDA through staffing.
- 6) Tax Increment Financing - This procedure allows the DDA to capture a tax levied on increases in the Taxable Value (TV) of the district which are attributable to the growth caused by improvements financed with the revenue from increased taxes.

The DDA favors this approach because it does not establish a new tax but merely captures a portion of increased tax revenue to use for a specific purpose.

The DDA feels this is the most viable option to finance the proposed development projects. The following section provides further information regarding the tax increment-financing plan.

The DDA recommends that Tax Increment Financing be used as the major source of revenue to finance development projects.

B. Explanation of Tax Increment Financing Procedure

Public Act 197, the enabling legislation for Downtown Development Authorities introduced the concept of Tax Increment Financing to economic development projects in Michigan. By using this financing method a Downtown Development Authority (DDA), with the approval of the municipality, can "capture" a portion of the revenue gained from taxes to implement a development plan. Tax increment financing is not a new tax, but simply earmarks increasing tax revenue for activities specified in a DDA development plan. The Tax Increment Financing process is typically carried out in the following manner:

- 1) A DDA determines it is necessary to make public improvements to stimulate economic growth in a downtown business district. It defines the public improvements and identifies costs in a development plan;
- 2) The DDA determines if it wants to make the improvements by issuing bonds or by collecting a portion of the taxes in the area to be used at a later date to actually implement improvements;
- 3) The DDA captures the taxes or a portion of taxes generated by subsequent growth stimulated by the public investment. This tax base growth is called the "captured assessed value." More specifically, it is the difference between the Taxable Value (TV) in the district that exists at the time of adoption of the plan and subsequent increases in Taxable Value (TV). For example, if at the time a DDA plan was adopted the Taxable Value (TV) of property was \$150,000 and five years later the property's TV was \$200,000, the DDA could capture the taxes generated from the \$50,000 increase.
- 4) The taxes which are potentially available for collection to pay for the future project include all the normally levied taxes by all the taxing units on the captured assessed value

of the DDA district. Local school tax increment and State Education Tax are not subject to capture. (The DDA may enter into agreements with each of the taxing units to share a portion of the captured assessed value). Revenues collected beyond the amount needed to meet the cost of the specific development project would be returned proportionately to the taxing units.

- 5) When implementation of the development is completed, the captured assessed value is released and all affected taxing units receive all the taxes levied from that point.
- 6) During the time the tax increment plan is in effect the taxing units continue to receive the tax revenue from the DDA's total Taxable Value (TV) in the base year. If the DDA collects more money than it needs, to implement the plan the excess amount of funds are returned to the taxing units.
- 7) In order to be implemented, the tax increment-financing plan must be approved by an ordinance enacted by the Township after a public hearing is held.
- 8) While the plan is in effect the DDA shall submit to the Township an annual report on the status of the tax increment financing account. The report shall also be published in a newspaper.

Chapter 5 Tax Increment Financing Plan

The Cascade Charter Township Downtown Development Authority (DDA) proposes the following tax increment-financing plan:

1. Purpose - The purpose of this tax increment-financing plan is to capture the revenue gained from increased development in the downtown area to pay for the improvements specified in the development plan.
2. Financing Plan - The DDA proposes to accumulate sufficient revenue from the captured taxable value to make the principal and interest payments on borrowed money. The maximum amount of bonded indebtedness will not exceed total TIF capture. The DDA also recommends that, alternatively, funds be used to fund projects on a "pay as we go" schedule.
3. Initial Taxable Value - On April 13, 1994 the Township Board adopted its first District Development Plan and Tax Increment-Financing Plan. The "initial taxable value" - which is the base year Taxable Value from which the "captured assessed value" is calculated - was the 1994 Taxable Value of the tax increment-financing district as determined by the State Tax Commission.
4. Captured Taxable Revenue to be Used - The DDA proposes that all of the tax revenue levied by all eligible taxing units on the captured taxable value of real and personal property within the district be used by the authority for the proposed projects. In 1994, the original base for the DDA development district was \$36,500,800. The original development area is identified in this Plan as the "Village Development Area" and the "28th Street Corridor Development Area". In 2003, the DDA District expanded westward to Patterson Avenue and incorporated the "Interchange Development Area" as previously described in this Plan. The "Interchange Development Area" had a 2003 original base of \$50,275,739. In 2004, the DDA expanded to include the remaining non-residential areas of Centennial Park. This development area, called the, "Centennial Park Development Area" previously in this Plan has a 2004 original base of \$23,184,574.
5. Project Duration - This amended financing plan will continue through 2042.
6. Projection of Captured Taxable Value and Revenue - Table 6 on the following page provides the projected captured taxable value in the DDA.

TABLE - 6
TIF Captured Revenue - Entire DDA District (2011)

Development Area	Year of Original Base	Original Base Value	2011 Taxable Value	2011 Captured Taxable Value
Village and 28 th Street	1994	36,500,800	78,379,615	41,878,815
Interchange	2003	50,275,739	60,367,136	10,091,397
Centennial Park	2004	23,184,574	20,941,444	-2,243,130
<i>Totals</i>	<i>---</i>	109,961,113	159,688,195	49,727,082

The projected revenue in Table 7, below is based on capturing taxes generated from the captured taxable value. As the law indicates, any revenue produced from the captured taxable value that exceeds projections can be returned to the taxing units on a proportional basis. Since the DDA plans to finance projects essentially through borrowing, it will be requested that the taxing units permit the DDA to use any additional revenue produced beyond each year's projections in order to complete projects sooner. The net effect would be an earlier completion date and an end to the financing plan and an earlier return on the investment made by the taxing units.

TABLE - 7
Cascade Charter Township DDA
Projected Tax Increment Revenues

Due Year	Tax Increment Revenues
2011	614,449
2012	581,641
2013	549,489
2014	565,243
2015	581,155
2016	597,226
2017	613,458
2018	629,853
2019	646,411
2020	663,135
2021	680,026
2022	697,086
2023	714,316
2024	731,719
2025	749,296
2026	767,048
2027	784,979
2028	803,088
2029	821,379
2030	839,852
2031	859,526
2032	879,871
2033	900,420
2034	921,175
2035	942,137
2036	963,308

2037	984,692
2038	1,006,289
2039	1,028,102
2040	1,050,133
2041	1,072,385
2042	1,094,859
TOTAL	25,333,745

Notes: Table assumes an annual loss of 2% for each of the development districts for 2011-2014. In 2015, a 1% gain is projected until 2042. Years represent the amount due that year, not the amount levied that year.

A. Impact on Taxing Units

The taxing units affected by the tax increment-financing plan are:

- Cascade Charter Township
- Grand Rapids Community College
- County of Kent*
- Kent District Library

* Kent County Opted out of the Tax capture for the Centennial Park Development Area.

In judging the impact of tax increment-financing, several actions must be considered: 1) the amount of millage levied; 2) the percent of the tax increment financing district of the taxing unit's total Taxable Value; 3) the increased Taxable Value the taxing unit could use if the plan were not in place; and 4) the overall community benefit of increasing the tax base.

Table - 8 below, summarizes the various taxing units and how the Tax Increment Financing Plan affects them for the Downtown Development Authority. The overall impact to taxing jurisdictions is modest as compared to the total annual budget by jurisdiction.

TABLE - 8
Affect of TIF Plan

Taxing Unit	Tax Levy as of 2011	2011 Annual Budget	2011 DDA projected capture	DDA as a Percent of Total TV Unit Annual Budget
Cascade County of Kent	3.7626	3,350,763 (General Fund)	195,543	5.8%
GRCC	5.3940	165,192,942*	280,327	.1%
KDL	1.7865	36,750,383	92,845	.25%
TOTALS	0.88	15,639,865	45,734	.29%
	11.8231		614,449	

*Source: 2011 Kent County Budget
 * 2011 TV of DDA = 159,688,195
 2011 Total Capture of DDA = 49,727,064

B. Justification of the Tax Increment-Financing Plan

The Downtown Development Authority (DDA) proposes a plan that will provide significant long-range benefits to the community. It asks the taxing units to defer revenue for a time to undertake

specific activities that will result in increased development and an increased tax base for the Township and all other affected taxing authorities.

The proposed projects outlined in Chapter 3 of this document have a total cost of \$24,315,000. It is estimated that interest needed to finance projects for the DDA will cost an estimated \$161,338 through the life of this Plan. Anticipated costs of this plan total \$25,333,745. The plan estimates the DDA will collect \$25,333,745. Unforeseen new tax levies (millages) have also not been factored in as additional revenues. Other potential means of accomplishing projects within the Development Plan include collaborations with the Forest Hills Business Association, The Cascade Township Community Foundation, Parks and Recreation Board, and issuing revenue bonds, among others.

TABLE - 9
Anticipated DDA Costs Through Life of Plan

DDA Costs	Amount
Proposed Projects	24,315,000
Existing Debt Service	857,407
Operational Maintenance	161,338
<i>Total</i>	\$25,333,745

The DDA feels it is imperative that public improvements in the downtown district continue. It strongly believes that without these public improvements the downtown business district could follow a declining path. The DDA also feels that public improvements can serve as a catalyst to businesses to make improvements to their respective buildings and facilities.

C. Summary

The DDA recommends adoption of this amended plan in total to be used to finance the various public improvement projects included in the development plan. The DDA recognizes that there are other sources of funding. Due to the uncertainty and anomalous nature of these funding methods (e.g., grants, private donations, etc.), the DDA reserves the right to fund projects through these sources when made available.

APPENDICES

1. Tax Increment Projections
2. Visioning Meeting Results

MEMORANDUM

TO: Cascade Township DDA

FROM: Lynée Wells, AICP
Andy Moore AICP

DATE: July 22, 2011

RE: Results of Visioning Meetings

On July 15th and 19th, the Cascade Township DDA held two visioning workshops intended to gather the opinions of business owners and residents regarding the future of the Cascade Township DDA. The meeting on July 15th was intended to gather the opinions and insight of those who own businesses in the DDA district, while the July 19th meeting was intended to gather the opinions of residents throughout the Township. It should be noted, however, that both residents and businesses owners were welcome to attend either (or both) meetings.

After an opening presentation, participants were divided into groups to discuss the Township's DDA. The groups participated in two exercises. The first exercise was to gather opinions regarding the identity of each of the four development areas as they exist today. The second exercise asked participants to come up with ideas for future projects that could be undertaken by the DDA to make the Cascade Township DDA a more desirable place to live, work and play.

After the second exercise, participants were asked to prioritize the ideas by ranking their top three priorities using colored dots. The "score" for each idea was calculated by assigning a value of 3 to the top priority, a value of 2 to the second priority and a value of 1 to the third priority; therefore the highest "scores" can be thought of as being the highest priorities. It should be noted, however, that a score of zero does not mean that the idea was unimportant or does not merit inclusion in the revised DDA Plan. Rather, it means that it was not seen as one of the top three priorities by any participant.

This memorandum presents the input from those meetings. The input from both meetings has been combined into one list, which was then categorized and sorted based on the score of each idea. Based on the input received, we created five general categories: appearance, land use & design, marketing & promotion, regulatory strategies and transportation. Where necessary, we combined similar ideas and adjusted the scores appropriately.

Also attached to this memorandum is the "raw" input as well as the worksheet that each participant used to inform the discussions.

Category: Appearance

Comment	Location	Score
Bury power lines	Throughout DDA	29
Preserve / better maintenance of greenspace	Centennial Park	22
Keep clean, well-groomed	Throughout	12
Improve landscaping	DDA Throughout	11
More lighting, with attractive architectural lighting poles	DDA 28th Street, Village Area	8
Pedestrian bridge as gateway	Village Area	5
Make state clean up their mess at the interchange	Interchange	1
Better signage at Family Fare	Village Area	0
Tree trimming	28th Street, Village Area	0

Category: Land Use & Design

Comment	Location	Score
Roundabout would calm traffic - as gateway feature?	Village Area	26
Property acquisition at river - create access	Village Area	24
Improve family fare development, create pedestrian friendly plaza; it is key	Village Area	19
Acquire and raze Tuffy muffler - looks awful	Village Area	18
Park behind Macatawa Bank/Culver's, could double as Farmer's Market	28th Street	17
Positive entertainment/activity, such as a YMCA or skate park, community center	28th Street	16
Amphitheater	Village Area	12
Mixed uses, retail below residential, create more residential, live-work	28th Street	12
Permanent farmers market in Family Fare plaza, becomes ice rink in winter	Village Area	11
Improve Waterfall Shops	Interchange	10
Improve Charlevoix Plaza; it is the keystone for the area	Centennial Park	10
Fix up wetland by Target development	Interchange	10
Skate park, playground at library area	Village Area	10
Knock down some buildings, replace with parking behind	28th Street	8
Sound park (see Cadillac)	Village Area	8
Travelling public - projects for them mini-golf, water park	Interchange	7
Increase size of museum park, benches, art, fountain	Village Area	7
Theme-oriented hotel	Interchange	6
Acquire property behind Culver's for a baseball park/tournament facility	28th Street	5
Improve infrastructure, power goes out frequently	Centennial Park	5
Make parking lots smaller	Centennial Park	5
Take advantage of ice arena	Interchange	3
Acquire and update rundown, empty buildings	28th Street	2
Build community parking - behind businesses	Village Area	2
Sports complex	28th Street	1
Build up	28th Street	0
Create a park at the NW corner of Old 28th, there is a creek/stream there	Village Area	0
Acquire property next to Kingslands	Village Area	0

Category: Marketing and Promotion

Comment	Location	Score
Improve or create gateways using signs, banners, flags	Throughout DDA	39
Incentives to move auto repair to a repair node, incubator	28th Street	21
Attract higher education such as GRCC or GVSU extension	Centennial Park	20
Better directional signage	Interchange	10
Attract corporate HQ, large tenants, high-end businesses	Centennial Park, 28 th Street	9
Business incubator reuse	28th Street	9
Needs a draw	Interchange	6
Events/attractions	Village Area	5
Fill existing businesses, find out what people need	Village Area	3
Enhance image	Centennial Park	2
Marketing study	28th Street	2
Internet	Interchange	0
Attract medical companies	Centennial Park	0
Needs a nightlife	Village Area	0

Category: Regulatory Strategies

Comment	Location	Score
Allow restaurants and retail	Centennial Park	12
Development incentives	28th Street	9
Allow taller buildings near the expressway	Interchange	5
Lessen noise requirements to keep people around later	Village Area	3
Allow more lights	Village Area	3
Require cross access easements	28th Street	0
Determine what destination businesses would be and then grow them	28th Street	0

Category: Transportation

Comment	Location	Score
Reduce traffic congestion; improve traffic flow and control	Throughout DDA	22
Sidewalks, improve walkability	Throughout DDA	15
Path from Tassell to library and hall	Village Area	14
28th street pedestrian overpass (could be gateway)	28th Street	12
Boulevard in 28th	Interchange	11
Transit/trolley	Interchange	10
Enact traffic calming / speed reducing measures	Village Area	10
No left from old 28th onto Thornapple	Village Area	8
Trail from library through woods to parks	Village Area	7
More boulevards along 28th street / reduce curb cuts	28th Street	6
Improve crosswalks	Throughout DDA	5
Redesign old 28th	Village Area	4
Increase left turn lane at 28th and Cascade (2 left lanes)	Village Area	3
Sidewalk on north side of 28th	Village Area	2
Accessibility, roundabout	Village Area	1
Road connections at Starr and Horizon	Interchange	0
Improve ingress/egress within Waterfall Shops	Interchange	0
Sidewalk from Cascade Village Condos to 28th Street	Village Area	0
Sidewalk in front of library	Village Area	0
Cross access connections between businesses on Old 28th street	Village Area	0