



MEETING NOTICE

BIRMINGHAM TRIANGLE DISTRICT CORRIDOR IMPROVEMENT AUTHORITY

PLEASE TAKE NOTICE that a meeting of the Birmingham Triangle District Corridor Improvement Authority will take place on **Tuesday October 26th at 2:00pm.** in the City Commission Room (#205) at the Birmingham City Hall, 151 Martin St., Birmingham, MI 48009.

Meeting Agenda

1. Call to Order by Commissioner Sherman
2. Roll Call
3. Approval of minutes from January 20th, 2017
4. Approval of minutes from October 5th, 2021
5. Unfinished Business
 - a. Review of Development Plan and TIF Plan Updates
6. Comments from the Public
7. Adjourn

Please note that board meetings will be conducted in person once again. Members of the public can attend in person at Birmingham City Hall or may attend virtually at <https://us06web.zoom.us/j/89139887486> or dial: **929 205 6099 US Toll-free, Meeting ID: 891 3988 7486**

Approved minutes of the meeting are available in the Planning Department or online at: www.bhamgov.org.

THIS NOTICE IS GIVEN in accordance with Act 261, 1968 Public Act 267.
DATE POSTED: October 22st, 2021

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**CITY OF BIRMINGHAM
NOTICE OF IN PERSON MEETING**

NOTICE DATE: October 22st, 2021
MEETING DATE/TIME: October 26th, 2021 at 2:00pm
MEETING PLACE: City Hall, 151 Martin Street, Birmingham, MI Room 205

PLEASE TAKE NOTICE that the regularly scheduled Corridor Improvement Authority meeting for the City of Birmingham will be conducted in person, with an option to participate online via zoom as well.

Corridor Improvement Authority Meeting Invitation

Topic: CIA Meeting

Time: October 26th, 2021 02:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us06web.zoom.us/j/89139887486>

Meeting ID: 891 3988 7486

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The agenda, agenda packet, and detailed instructions for viewing and participating in the meeting will be posted on the City of Birmingham's website by visiting:

https://cms4.revize.com/revize/birminghammi/government/boards/mmtb_agendas.php

Virtual public comment will be handled by the "raise hand" method as controlled by the participant. See instructions as posted on the City of Birmingham website: www.bhamgov.org/participate

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Las personas que requieren alojamiento, tales como servicios de interpretación, la participación efectiva en esta reunión deben ponerse en contacto con la Oficina del Secretario Municipal al [\(248\) 530-1880](tel:(248)530-1880) por lo menos el día antes de la reunión pública. (Title VI of the Civil Rights Act of 1964).

Real time closed captioning can be viewed live when watching the meeting from the City of Birmingham's Vimeo channel: www.bhamgov.org/watch or the Birmingham Area MunicipalAccess local government cable channel. If participating in the meeting through the Zoom platformthe user must select "view subtitles" in order to see the captions.

**BIRMINGHAM TRIANGLE DISTRICT
CORRIDOR IMPROVEMENT AUTHORITY
MINUTES OF FRIDAY, JANUARY 20, 2017**

Municipal Building Commission Room #205
151 Martin, Birmingham, Michigan

1. Call to Order by City Commissioner Stuart Sherman at 8:30 a.m.

2. Roll Call:

Present: Kip Cantrick, Jr.
Curtis Hays
Stuart Sherman
Robert Ziegelman

Absent: J.C. Cataldo
Edward Fuller

Others Present: City Manager Valentine, Planning Director Ecker, Finance Director Gerber, Recording Secretary Salutes

3. Approval of Minutes from October 19, 2016

MOTION: Motion by Mr. Cantrick, seconded by Mr. Ziegelman
To approve the minutes of October 19, 2016 as presented.

VOTE: Yeas, 4
Nays, None
Absent, 2 (Cataldo, Fuller)

Motion carried 4-0.

4. New Business

a. Review of discussions with Oakland County regarding Tax Increment Financing ("TIF") participation

City Manager Valentine recalled at the last meeting the Corridor Improvement Authority ("CIA") talked about the contract language which is becoming more and more restrictive for the City in terms of tax capturing.. Language was proposed which the authority thought was amenable to getting the deal done and moving it forward. However when it got to the County the Budget Task Force of the County which is comprised of the Deputy County executives was not in support.

He then attended a meeting where he had the opportunity to talk with Deputy County Executive Robert Daddow who basically told him they are not supportive. Subsequently Mr. Daddow talked to his budget team and listed their concerns.

Finance Director Gerber has run numbers based on what the County is proposing. The TIF Plan for the Triangle District that was initially adopted by the authority proposed that the City would have a \$9.8 million capture for the total project which is about \$38 million total for the two structures. The County contribution at that point was about \$2.2 million. After the City adopted the plan there was a transition at Oakland County and TIFs were shifted from the Equalization Dept. to the Economic Development Division who then said the City would have to comply with their new guidelines. That changed the capture from 100% maximum capture to a starting point of 50%. If certain criteria were met the City would then be eligible for 75%. The City met that criteria and the County asked them to revise its table to the 75% capture so they could review that and then participate at that level.

The revised table shows a total capture of \$7.6 million with the County contribution of \$1.6 million.

Two years later the County has again changed the terms, wanting a 10 year capture starting with the present and going forward to 2026. Based on what that provides, the City is down to a total \$1.2 million capture with the County contributing \$257 thousand.

So the question at this point is how the authority wants to proceed with this, given the significant reduction in the anticipated capture. With that, City Manager Valentine added that last week he had the opportunity to talk to Deputy County Executive Matt Gibb at a function and Mr. Gibb indicated they still want to make it work and he is looking forward to having more discussions. Then yesterday he received a call from the Economic Development Dept. requesting that a meeting be set up between City Manager Valentine, the City Attorney, the Chair of the CIA, Deputy County Executive Matt Gibb, Dan Hunter from Economic Development, and their legal counsel. Dates for that meeting are being worked on.

The only thing that was offered yesterday was that the County has worked out a deal with Oak Park and the terms of that deal may be helpful to Birmingham in order to finalize the deal. So, there might be the opportunity to try and advantage this position some.

It was discussed that the County's motivation may be they are reluctant to participate in the loss of the initial revenue. In response to Mr. Hays, City Manager Valentine responded there are other areas the City potentially misses out on if the County drops out. Oakland County Community College and the Parks will opt out if the County drops out (another \$94 thousand). There is pending legislation to allow libraries to opt out on

TIFs. That might be another \$85 thousand if the legislation moves forward. However, Birmingham has a little leverage there because it would be up to the Birmingham Library Board whether to opt out.

Mr. Ziegelman commented that after all these years the rug is being pulled out from under the City. City Manager Valentine noted that as much as it is a tool from an economic development standpoint to add value in the future, the County is not really inclined to enter into this. The other issue is the County doesn't really want to go down this path without shovel ready projects.

City Manager Valentine went on to explain the TIF is only one mechanism that could help to provide some funds for the project. Originally, the City was looking at almost \$9.2 million and there was an advantage to that. Now they are looking at \$1 million, which is a half of 1% of the total \$38 million, and that doesn't make as much sense.

City Manager Valentine noted the City hoped to follow the TIF Plan which was land acquisition, surface parking lot, establish reserves and then build the structure. However at this time, the County has once again sought to amend the contract language, and is now asking to limit their contributions, and to require that one or more parking structures are constructed within a 10 year period or their tax contributions will be refunded to them, despite the fact that the approved TIF Plan operates over a 40 year period. If the County was going to hold them to the 10 year proposal for one structure, the City tried to amend the language to say that the physical structure wouldn't be completed by 2026, but would be substantially initiated by then.

City Manager Valentine thought that since the County reached out to them yesterday, the City should continue that dialogue and see what they have to say. Then any changes can be reported back to the CIA. It was pointed out that the City has now missed out on a substantial amount of capture from a couple of major developments because of the delays caused by the County.

Discussion considered whether the numbers being talked about are worthwhile pursuing. The Finance Dept. will have a lot of detailed reporting requirements. The administration becomes quite detailed over the course of 10 years for the amount of money involved. Commissioner Sherman indicated his personal view is that \$245 thousand is not worth the effort. If this does fall apart there are opportunities to make sure the County is aware of how dissatisfied the CIA is with the way they approach things. That will have more of an impact than just walking away.

Mr. Hays indicated he is ready to move forward without the County and Mr. Cantrick agreed. Commissioner Sherman stated that the value has been lost by their delay. Ms. Ecker noted just the delay alone has cost about \$250 thousand because of the development that has occurred in the last two years that the City could not capture

through the other entities. Commissioner Sherman added it is not only their \$250 thousand, but the City has probably lost about \$6 or \$7 thousand over this time period. Mr. Mays said that by the City continuing to delay it loses more than it would gain from the County and that doesn't make any sense.

Commissioner Sherman summed up the discussion by pointing out there seems to be consensus among the group about how to move forward.

On another subject it was noted that Mr. Saroki has resigned from the authority and therefore there is a vacancy that needs to be filled by another property owner. Even if the TIF doesn't move forward there is still work for the CIA because a parking deck is needed in the Triangle District. This is just one mechanism to fund it and the authority will have to come up with others.

5. Comments from the public (no public was present)
6. Adjournment

The meeting adjourned at 9 a.m.

**BIRMINGHAM TRIANGLE DISTRICT
CORRIDOR IMPROVEMENT AUTHORITY
MINUTES OF TUESDAY OCTOBER 5th, 2021**

Municipal Building Commission Room #205
151 Martin, Birmingham, Michigan

1. Call to Order by City Commissioner Stuart Sherman at 3:30 P.M.

2. Roll Call:

Present: Stuart Sherman
 Kip Cantrick, Jr.
 Thomas Guastello
 Samuel Oh

Absent:

Others Present: City Manager Markus, Assistant City Manager Ecker, Finance Director Gerber, Assistant to the City Manager Fairborn, Senior Planner Cowan

3. Approval of Minutes from January 20, 2017

MOTION: Motion by Mr. Cantrick, seconded by Mr. Sherman
To approve the minutes of January 20, 2017 as presented.

VOTE: Yeas, 2
 Nays, None
 Abstained, Cantrick and Oh

Motion carried 2-0.

4. New Business

a. Review of Development Plan and TIF Plan updates

Senior Planner Cowan gave a summary of what the CIA had reviewed since it began in 2009 to create a Development and TIF Plan. This included decisions regarding the size of the structure, potential locations for parking structures, and then assumptions used in calculating the projections for land cost, parking structure cost, and TIF capture values.

Staff discussed how the CIA's Development and TIF Plan was approved by the City Commission in 2015 and then the City of Birmingham entered into negotiations with Oakland County from 2015 to 2017 to have them opt in for TIF capture. Oakland County proposed a cap on the TIF capture and a timeframe for parking structure initiation with a

10 year clawback provision. An agreement between Birmingham and Oakland County was not reached at that time. Staff indicated to the CIA that Birmingham had begun to renew discussions with Oakland County, and that the County had requested that the City update its Development and TIF plan to reflect changes since 2015 and to have changes reviewed in public meetings.

Staff presented updates that had been made to the Development and TIF Plan that was originally approved in 2015. Chapter one updates included changes in the existing land use map and the existing parking conditions to reflect new buildings and the change in businesses since 2015. Senior Planner Cowan indicated that the floor-area-ratio of commercial space in the Triangle District was added to the Land Use and Parking section to demonstrate the amount of surface parking lots acting as underutilized space. The Projected Parking Demand section was also updated given the changes in buildings and uses since 2015.

Staff then reviewed changes to the Development Plan in Chapter 2. For the Preliminary Parking Cost estimates, a 6% annual increase from original values was used for updating the land costs. This was based on the average annual increase in assessed value the area has experienced since 2015. A 5% annual increase from original values was used for the interim surface parking lot and parking structure cost. This value was based on an Engineering Construction Cost Index. Senior Planner Cowan and the Board discussed how the updated parking structure cost projections appeared low given recent developments in metro Detroit. The CIA concurred that the updated value appeared low, and that the projection should factor in Royal Oak's recent structures and the quote for Birmingham's N. Old Woodward parking deck proposal from 2019. The CIA also felt the current economy for construction materials would make a parking deck more costly as time goes on, therefore they would like to see projections on the higher end of estimates. Staff indicated that information would be incorporated with updates to projections in the next meeting.

Chapter 2 of the Development Plan was also updated to reflect the change in State policy from Act 280, Public Acts of Michigan, 2005 to P.A. 57 of 2018, Part 6. Section 910 Reporting Requirements was also added to the Development Plan. The City indicated they would be holding at least two informational meetings per year.

Senior Planner Cowan indicated that in Chapter 3 for the TIF plan, The City updated the Estimated Captured Taxable Value to have 6% annual increases instead of 2% from the former plan. The 6% value was used based on historical growth rates in the corridor since 2015.

CIA members commented on County values in the Estimated Tax Capture by Taxing Jurisdiction table. The City's table assumed 75% of County capture, however the CIA felt the table should be updated to include 100% County capture in the TIF Plan.

Commisioner Sherman commented that it was important to negotiate for the highest amount of capture possible.

It was summarized that the CIA wished to have the parking structure cost projections updated to higher values reflecting current costs and projected price increases, that the County's portion of the tax capture table be updated to reflect a 100% capture, and that changes to the document be highlighted in red.

The Board discussed available dates for the next meeting with the goal of conducting a public hearing before the end of October. There was general consensus that Tuesday Octboer 26th at 2 pm would work.

A motion was made by Stuart Sherman to schedule a public hearing for October 26th, 2021 at 2 pm. The motion was seconded by Thomas Guastello.

Yeas – 4

Nays – 0

The motion was approved.

5. Comments from the public (no public was present)

6. Adjournment

The meeting adjourned at 4:05 p.m.



MEMORANDUM

Planning Division

DATE: October 22nd, 2021

TO: Corridor Improvement Authority

FROM: Brooks Cowan, Senior Planner

SUBJECT: Development and TIF Plan Update Review

In 2008, the City created a Corridor Improvement Authority ("CIA") to assist in the development and funding of public parking facilities in the Triangle District. The CIA completed a Development Plan and a Tax Increment Financing Plan to determine the best locations for public parking facilities within the Triangle District, and to identify potential taxes that could be captured to fund public parking improvements. The Development and TIF Plan was approved by Birmingham's City Commission on May 11th, 2015.

In 2015, the City began working with Oakland County to negotiate a tax sharing agreement in accordance with the County's guidelines. Despite numerous meetings with Oakland County officials and the approval of Oakland County's Budget Committee and Tax Increment Financing Committee, the City has been unable to execute an agreement with Oakland County that would ensure their participation in the tax capture under the proposed TIF Plan.

In September of 2021, the City brought back discussions with Oakland County regarding the CIA Development Plan and TIF Plan. Oakland County stated that the plan was approved in 2015, however the conditions in the area may have changed and the City has not had a public meeting regarding the CIA since 2017. Oakland County recommended the CIA be revisited and reviewed by Birmingham's CIA in a public hearing before it is brought back to the County.

City staff has made updates to elements of the Development Plan to reflect changes in land use and parking use in the area. Projections in the TIF Plan were also updated to reflect increases in land acquisition cost, parking structure costs, and historical trends regarding changes in Assessed Value for the area. An updated document is attached for review. Also, given the prolonged timeline of the project and new CIA members, a summary timeline has been attached for review as well.

On October 5th, 2021, the CIA reviewed the changes staff had made to the Development and TIF Plan. Overall the CIA was amenable to the updates. It was requested that staff evaluate parking structure cost projections and update the values to reflect local comparisons and increases in costs since 2015. The CIA also requested that the estimated tax capture from Oakland County be updated from 75% to 100%. The Development and TIF Plan has since been updated to reflect such changes.

Upon researching current projections for parking structure costs, staff began by evaluating Royal Oak's recent parking structures and Birmingham's quote for the N. Old Woodward Parking Deck proposal from 2019.

On [November 14th, 2016](#), Royal Oak authorized a \$13.5 million bond and an additional \$2 million from the auto parking fund, totaling \$15.5 million in funding to finance the 550 space Second Street Parking Structure. This equates to \$28,181 per space in 2016.

On [August 28th, 2017](#), Royal Oak authorized \$18 million for the Williams Street Parking Structure which has 581 parking spaces. This equates to \$30,981 per space in 2017.

In 2019, Birmingham proposed updates to the N. Old Woodward Parking Deck for \$57 million to be paid for with parking revenue bonds. The proposal was for 1150 parking spaces, including 5 stories above ground, 3 stories below ground, and a new access drive. This approximates to about \$49,500 per parking space in 2019, however this value is on the high end given that parking below ground can cost more than double the price of above ground values.

Staff also consulted with various board members, developers, and the new Birmingham Parking Manager who have been involved with parking structure development. Estimated values for a multi-story above ground structure in Birmingham were discussed. There was general consensus that \$35-\$40 thousand per space would be an accurate projection for Birmingham, and that the City should lean towards the higher end of that estimate given current economic conditions. These values also appear to be justified by applying the 5% annual construction cost increase from Royal Oak's quotes in 2016 and 2017. City Staff updated the projected structure cost with \$40 thousand per space, equating to \$18 million for a 450 space parking structure.

Corridor Improvement Authority Timeline

- November 5th, 2008
 - CC adopts resolution to establish CIA authority
- January 20, 2009
 - Bylaws - CIA Authority
 - Overview ACT 280 - MML One pager on CIAs
 - Triangle District Master Plan
 - LSL Scope of work (Parking structure plan, development plan, TIF Plan)
- March 24, 2009
 - Parking study presentation
 - Build-out estimate SF
 - Projected future parking demand
 - Projected Parking Structure Costs (2009)
- June 2, 2009 - CIA Meeting
 - Parking structure Location Guidelines - Karl Walker
 - 8 Alternative parking structure locations evaluated
 - 120' x 240-300' optimum
 - 90 spaces per level, 5 levels for 450 spaces
 - Locations were ranked, however Board recommends not selecting one specific locations for negotiation reasons.
 - Structure location guidelines
 - 1st draft TIF Plan (Preliminary)
 - Projected tax capture based on assumptions
 - Bond payment preliminary projections
- June 25, 2009 - CIA Meeting
 - Walking the district to discuss structure location preferences
- September 22, 2009 - CIA Meeting
 - **Development & TIF Plan - 1st Draft**
 - Existing conditions
 - Development plan
 - TIF Plan
 - Assumes 2.5 inflation and doesn't account for new development
 - Land Cost - \$5m
 - Parking structure Cost - \$7.2m
- April 20, 2010 - CIA Meeting
 - Review Draft Development and TIF Plan
 - Review of County projections and review req'
- November 15, 2011 - CIA Meeting
 - 3 phases to Development & TIF Plan (land acq, surface lot, parking deck)

- Recommendation of 40% TIFF & 60% Special Assessment for financing
- January 23, 2014 - CIA Meeting
 - Projected Taxable Values discussion
 - Values appear to be near bottom based on Oakland County projections
 - December values go into effect 4th Monday in May
 - Next Steps: coordinate with Oakland County
 - OC participation increases capture and shortens length of time necessary for TIF capture to be in place
- May 9, 2014 - CIA Meeting
 - Development & TIFF Plan Draft #2 - (Dated May 2, 2014)
 - Recommended timeline:
 - CIA recommend plan January 2015
 - CC adoption March/April 2015
 - Oakland County has 60 day opt-out option
- November 26, 2014 - CIA Meeting
 - Further discussion of projected values and timeline
 - Development & TIFF Plan Draft #2 updates needed
- January 22, 2015 - CIA Meeting
 - **Development & TIFF Plan Draft #3 - (Dated January, 2015)**
 - **Recommended by CIA to City Commission (w/ 2015 values)**
- March 16, 2015
 - City Commission conducts public hearing and postpones to May 11, 2015
- **May 11, 2015**
 - **City Commission approves Development Plan and TIF Plan**
- June 30, 2016
 - CIA update on negotiation process with Oakland County
 - Includes latest version of contract with Oakland County titled "*Tax Sharing Agreement Between the County of Oakland, City of Birmingham, and Birmingham Corridor Improvement Authority*" dated February 17th, 2016.
 - Discussion of county participation in TIF:
 - County concerned Bham does not have land in title
 - County caps participation amount
- October 19, 2016
 - Review of updated contract with Oakland County
 - County wanted project initiation by 2026 or return of contribution
- January 20, 2017
 - Review of discussion with Oakland County

City of Birmingham

Corridor Improvement Authority

FOR THE TRIANGLE DISTRICT

DEVELOPMENT & TAX INCREMENT FINANCING PLAN

October 2021 Draft

(2021 Updates in Red)







Acknowledgements

City Commission

Pierre Boutros, Mayor
Therese Long, Mayor Pro Tem
Clinton Baller
Rackeline Hoff
Brad Host
Mark Nickita
Stuart Sherman

Corridor Improvement Authority

Stuart Sherman
Kip Cantrick
Thomas Guastello
Samuel Oh

City Staff

Thomas Markus, City Manager
Jana Ecker, Assistant City Manager
Nick Dupuis, Planning Director
Brooks Cowan, Senior Planner
Jim Surhigh, Consulting Engineer
Mark Gerber, Finance Director

City Legal Counsel

Mary Kucharek, Beier Howlett
Patrick McGow, Miller Canfield

Consulting Team

LSL Planning Carl
Walker Parking

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2021 CIA Update Summary

In 2021, Birmingham's Corridor Improvement Authority (CIA) made updates to its Development and TIF Plan that was first approved by the City Commission in 2015. The CIA was established in 2008 for the City's Triangle District which encompasses the commercial area between Woodward Avenue, Maple Road, and Adams Road. The intent of Birmingham's CIA is to create a Development and TIF Plan that satisfies all State guidelines and enables Oakland County to work with the City on economic development projects. If the County chooses to opt-in to Birmingham's Development and TIF Plan, the City may capture the County's tax revenue for the purpose of financing a public parking system in the Triangle District. The establishment of a multi-story parking system in the Triangle District is meant to be a catalyst for commercial development and serve as a major benefit to both the City and the County by supporting long-term economic growth.

Birmingham's CIA began meeting in 2009 to create a Development and TIF Plan for a public parking system in the City's Triangle District. The Authority reviewed and recommended potential locations for parking structures as well as estimated costs and tax capture projections. In 2015, Birmingham's City Commission approved the Corridor Improvement Authority's Development and TIF Plan, which was then brought to Oakland County for review.

Oakland County approved Birmingham's Development and TIF Plan in 2015 with the condition that an agreement be reached through contract negotiations. In 2016, Oakland County proposed a condition with a cap on the tax capture amount and a clawback provision if Birmingham did not initiate project construction by 2026. The City and the County were unable to reach amenable terms at that time, however the City has reinitiated discussions with Oakland County once again, and wishes to get back to the final negotiation process.

Oakland County has requested that the City of Birmingham revisit its CIA Development & TIF Plan to make updates in order to reflect changes since 2015 and allow for review and input in public meetings.

Both the County and the CIA have requested that updates to the document be called out by City staff. In Chapter One, such changes include updates to the Land Use Plan, Existing Parking Conditions, and the Projected Parking Demand to reflect new construction and changes in tenants since 2015.

Chapter Two changes were made to the Preliminary Parking Cost Estimates in order to reflect current economic factors. Land in the Triangle District has experienced an average annual increase of 6% since 2015, therefore the projected land cost was updated to reflect this value. The projected cost of a parking structure was also updated, given the dramatic increase in materials and labor since 2015. The City now estimates a 5-story, 450 space parking structure to cost approximately \$40,000 per space. Obtaining land and developing a parking structure through a public-private partnership was also included as a potential means of accomplishing the City's goals in the Triangle District Master Plan. Updates addressing the now P.A. 57 of 2018, Part 6, Section 910 were also made and the City has included a detailed description of how it will satisfy Reporting Requirements.

In Chapter Three, updates were made to the estimated captured taxable value projections. The projected average annual increase in taxable value was updated to 6% to reflect historical trends, as opposed to the inflationary assumption of 2.5% from 2015. The City also assumed a 100% tax capture from Oakland County which results in approximately \$6 million worth of tax capture by 2040 to be used for initiating economic development in the City and County.

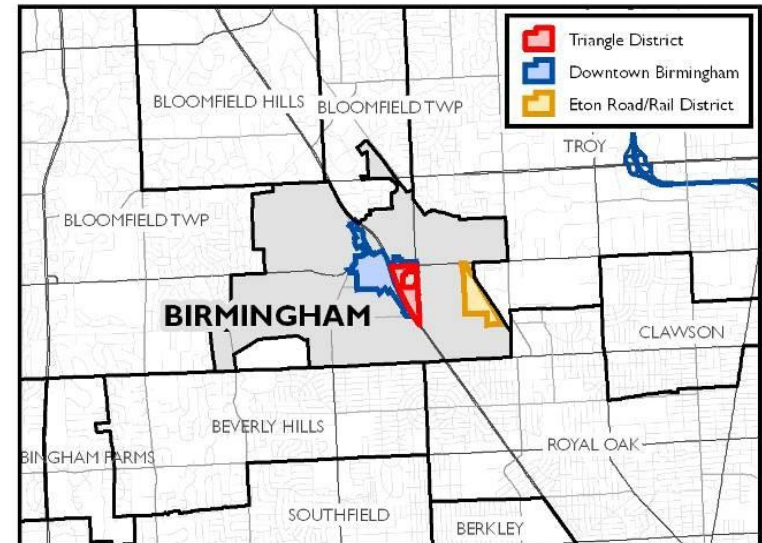
Chapter One: Introduction

Introduction

The City of Birmingham is one of the premier suburban communities in metropolitan Detroit. Birmingham's Triangle District is physically located in the center of the city, between Adams Road and Woodward Avenue, south of Maple Road. Although the district has great potential for redevelopment, it is currently underdeveloped in comparison to its surrounding. To the west is the city's vibrant Downtown, filled with shops, restaurants, movie theaters, offices and homes – in proximity to, but disconnected from the Triangle District by Woodward Avenue. Maple Road, which bounds the north end of the District, is lined with both successful businesses and underutilized properties and provides the primary pedestrian and vehicular connection to Downtown Birmingham. East of the Triangle District is a quality single family residential neighborhood that is well-established and planned to remain. The Eton Road mixed-use Rail District hosts loft style urban living with landmark restaurants, live-work units, multi-story apartment buildings, indoor recreation facilities and a wide variety of unique, clustered uses such as home furnishing shops, dance and art studios, and industrial uses.

Development of the Triangle District Urban Design Plan in 2007 marked the beginning of a long-term effort to revitalize the district. Recognizing the potential growth in the district, the city identified the key elements necessary for the successful redevelopment of the district. The primary goal of the Triangle District Urban Design Plan project was to create a unified framework for development that improves the economic, social and pedestrian environments while protecting the central neighborhood that exists within the district. The resulting strategy included a set of development guidelines intended to create an urban, pedestrian-friendly environment similar to those that are so successful in other areas of the city.

The Triangle District is also envisioned as a transit-oriented district that will draw on regional transit plans that include Birmingham as a destination. Doing so requires a more compact, urban building form, which is best achieved through a form-based code, which the city adopted in 2007.





The Triangle District's unique needs lay in the demand for improved circulation and parking. Parking is scattered and unorganized and building placements are, in many places, not conducive to the pedestrian scale and comfort envisioned. A form-based code was developed to encourage building placement and design in the form required to create attractive and inviting public streets and spaces. Over time, buildings developed under the Triangle Plan will line the roadways to create a more urban street scale that is comfortable to pedestrians and suitable for mixed-use development. However, a key element to the successful revitalization of the Triangle District is the need for better organized and more efficient parking facilities.

As evidenced by the success of the city's Downtown parking program, public parking structures that are designed and located appropriately can significantly impact the economic success of local businesses. Since the need for improved parking was identified as a primary concern, the city began to assess the feasibility of such a structure in the Triangle District. New legislation in 2005 enabled the city to use a new tool that allows tax increment financing to revitalize road corridors through the creation of a Corridor Improvement Authority (CIA).

Pursuant to Act 280, Public Acts of Michigan, 2005, now P.A. 57 of 2018, Part 6, the Corridor Improvement Authority Act, the Birmingham Triangle District's CIA was incorporated on November 10, 2008 with the objective of stimulating and encouraging economic development activities within the established District. It was on this date that the Authority District boundaries were established. The CIA is overseen by a board comprised of four members appointed by the Mayor and confirmed by the City Commission. **A development plan or a TIF plan developed by an authority under a statute or section of law repealed by the bill remains in effect with the authority under the corresponding part of the Act.**

The City of Birmingham developed this Development and Tax Increment Finance Plan for the Triangle District to outline the improvements necessary to realize the vision established in the Triangle District Urban Design Plan. It describes proposed improvements needed to achieve the goals for the district and the method of financing proposed to fund them.

Triangle District Background

The city developed an Urban Design Plan for the Triangle District in 2007, which included the following goals:

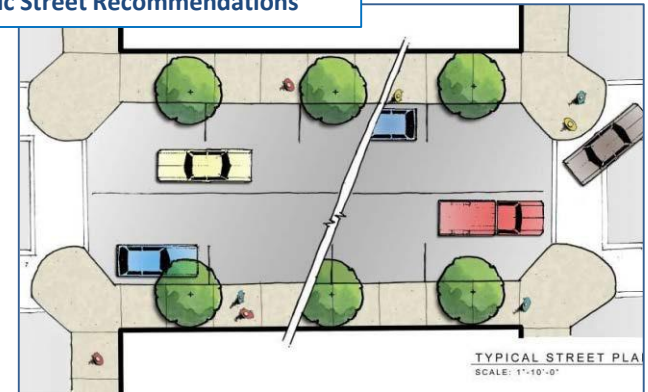
- Improve the visual appearance of the area, its streets, alleys, public spaces, and buildings by establishing guidelines for design and implementation of public and private projects.
- Improve the economic and social vitality by encouraging diversity of use and opportunities for a variety of experiences.
- Better utilize property through more compact, mixed-use development.
- Provide links to Downtown across Woodward's high traffic barrier.
- Improve the comfort, convenience, safety, and enjoyment of the pedestrian environment by create an inviting, walkable, pedestrian neighborhood and setting aside public plazas.
- Encourage sustainable development.
- Protect the integrity of established residential neighborhoods.
- Organize the parking and street system to facilitate efficient access, circulation, and parking to balance vehicular and pedestrian needs.

Since development of the Triangle District Urban Design Plan, the city has established a CIA to carry out the parking recommendations. While the Urban Design Plan recommends a number of changes to the Triangle District that are being implemented by the City, the CIA's focus is to implement the parking aspects of the Urban Design Plan. The Birmingham Triangle District CIA held their first meeting on January 20, 2009, where they began their work by recommending the City Commission begin developing this Development and Tax Increment Financing Plan for the district. Their specific purpose is to facilitate the planning and financing of public parking in the Triangle District.

Open Space Design Recommendations



Public Street Recommendations



Building Design Recommendations



The Triangle District Development and TIF Plans were created according to the Corridor Improvement Authority Act, P.A. 280 of 2005, as amended, now P.A. 57 of 2018, Part 6



Purpose of the Development and TIF Plans

The purpose of a CIA is to plan for, correct and prevent deterioration in business districts, to encourage historic preservation and to promote economic growth within the district.

The City of Birmingham has determined that the development plan and tax increment financing plan constitutes a public purpose, based on the following considerations:

- The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.
- The development is reasonable and necessary to carry out the purposes of the CIA Act.
- The land within the district that is to be acquired is reasonably necessary to carry out the purposes of the plan and of the CIA Act in an efficient and economically satisfactory manner.
- The development plan is in reasonable accord with the City of Birmingham's Master Plan, which includes the Triangle District Subarea Plan.
- Public services, such as fire and police protection and utilities, are adequate to service the project area.
- Changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary to facilitate the planned redevelopment of the District.

Chapter Two of this Plan discusses the recommendations for stimulating redevelopment within the Triangle District. A key concern in the Triangle District Design Plan is the need for more organized and efficient parking. The Birmingham Triangle District Corridor Improvement Authority was established to facilitate the construction of new parking facilities that will serve the district. Chapter Three contains the Tax Increment Financing Plan that will be required to finance the development of parking facilities. Both plans have been prepared in consideration of the required legal parameters, economic factors, and realistic projections.

Approval

According to the Corridor Improvement Authority Act, P.A. 280 of 2005, as amended, now P.A. 57 of 2018, Part 6, Development and Tax Increment Financing Plans must be adopted by the City Commission by resolution after holding a public hearing. The City of Birmingham held a public hearing on March 16, 2015 and adopted this Development and Tax Increment Finance Plan on May 11, 2015.

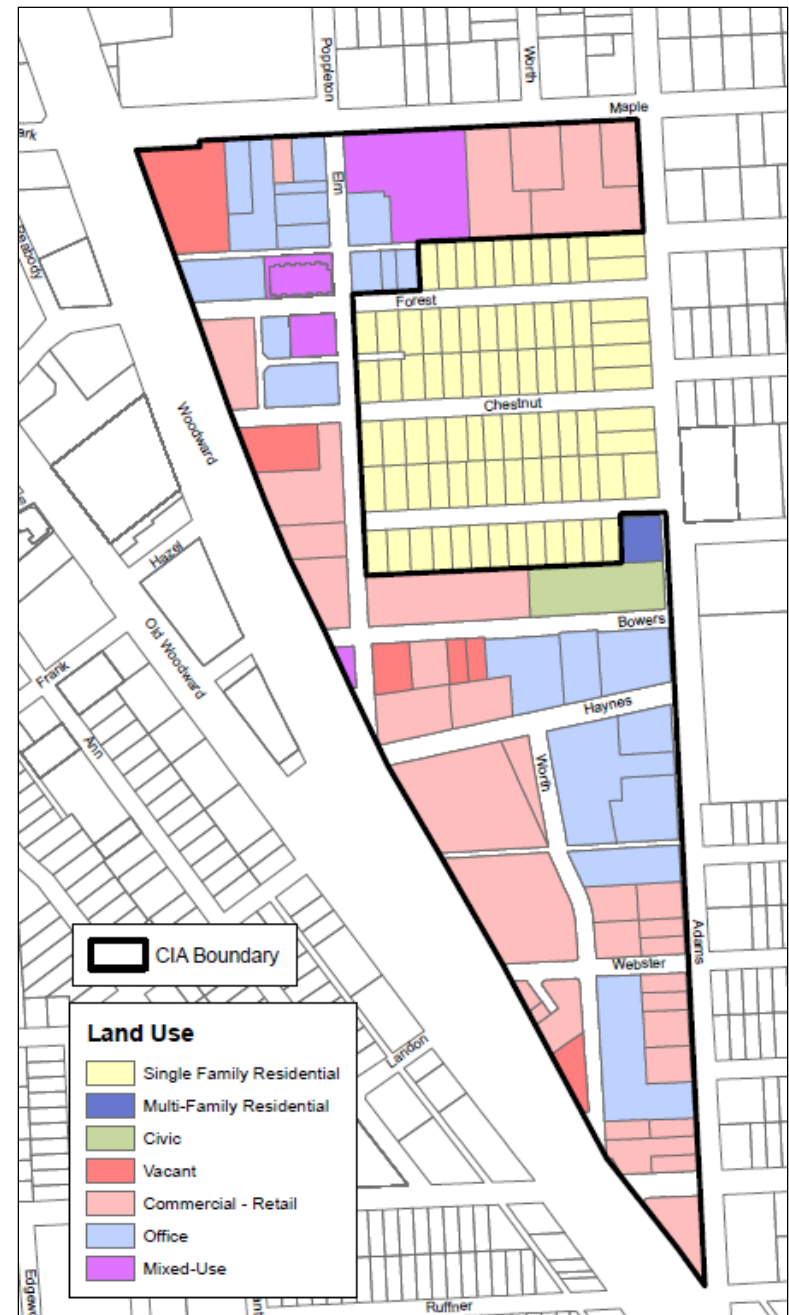
Existing Land Use

Land uses were inventoried throughout the Triangle District (see map). Sites along Woodward Avenue, the district's western boundary, consist of general commercial uses including auto sales agencies, a gas station, a Walgreens, and a grocery store. The area transitions to less intense office and retail uses to the east of Woodward which predominantly consists of expansive surface parking lots, buildings with large blank walls, and offices stilted above exposed ground level parking lots.

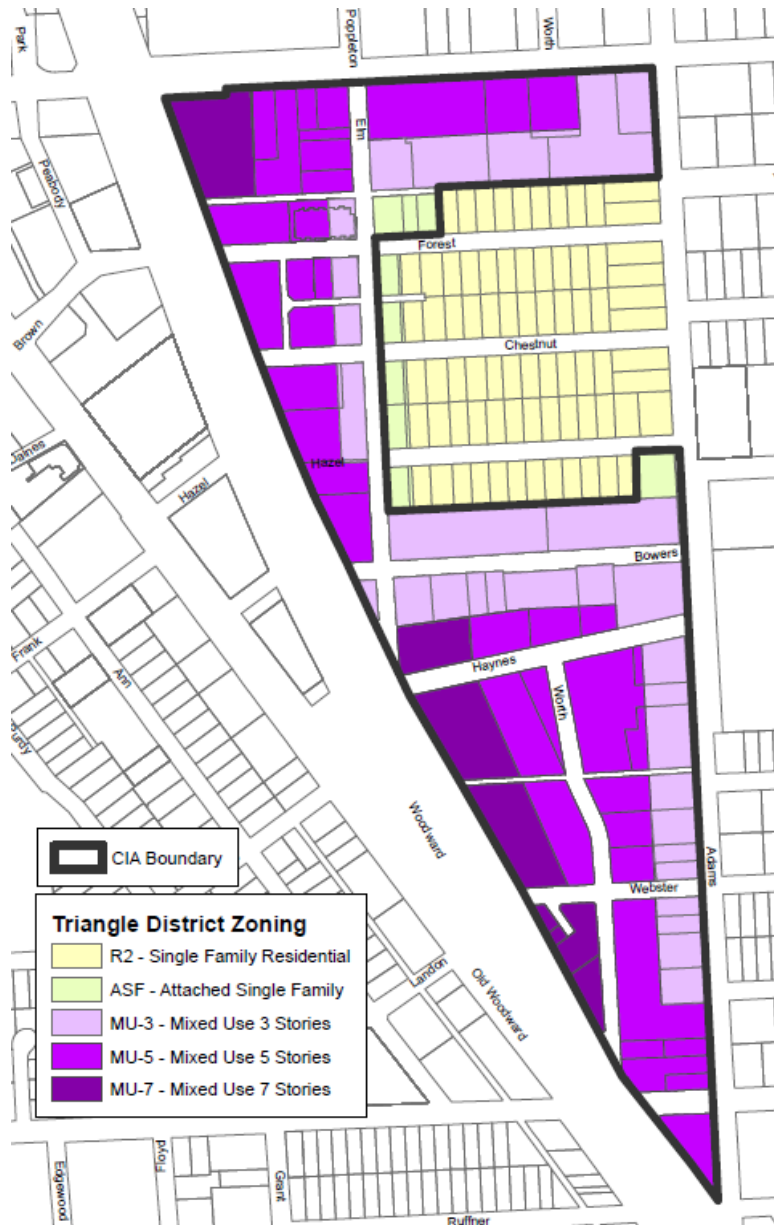
There is a large vacant parcel on the southeast corner of Woodward Ave and E. Maple Rd which was the former site of a hotel and is now a gravel parking lot. Maple Road has a mix of office, live-work units, senior living, and retail along its frontage. Adams Road has the corridor's sole multi-family residential building and is also fronted by a mix of office and retail uses.

Since the adoption of the Triangle District Plan, the area has experienced four new mixed-use developments. The All Seasons Senior Living development successfully developed a large parcel due to reduced parking requirements for senior living. The developments at 735 Forest, 750 Forest, and 34400 Woodward include a mix of retail, office, restaurant, and residential on smaller parcels in the zones permitting three to five stories.

The large parcels south of Bowers have not been developed since the adoption of the Triangle District Plan and Triangle Overlay District. The former Borders Books site was converted to a Walgreens. A number of the buildings and parking lots appear to be degrading in quality and declining into disrepair.



Regulating Plan & Existing Parking and Land Use Conditions



CIA District Usage

Total Commercial Floor Area (SF)	697,462
Total District Land Area (SF)	1,395,162
Floor Area Ratio	50%
Total Parking	
Off-street parking spaces	2,206
On-street parking spaces	354
Total Parking	2,560
Existing Parking Ratio	
Spaces Per 1,000 SF Floor Area	3.67



Existing Parking and Land Use Conditions

A detailed parking inventory was completed December, 2006. The inventory of parking was updated in 2009, and again in 2021. There are 2,206 private parking spaces and 354 on-street public parking spaces, for a total of 2,560 spaces in the CIA District.

Birmingham's Zoning Ordinance requires 1 parking space for every 300 SF of office and retail which equates to 3.33 parking spaces per 1,000 SF of commercial space. At this time, the CIA District exceeds that value by a small amount with approximately 3.67 parking space per 1,000 square feet of commercial use. Meeting the parking requirement on-site in this area has led to expansive surface parking lots, large gaps between buildings, and a lack of pedestrian connectivity. An excess of surface parking is not an efficient use of space in the CIA District where the intent of the Triangle District Plan and the Zoning Ordinance is to encourage a dense walkable environment, a mix of residential and commercial uses, and to limit the use of exposed surface parking.

The CIA District has a total land area of 1,395,162 SF. Meanwhile there is currently a total of 697,462 SF of commercial space. This equates to a floor-area-ratio of 50%, meaning for every 1 SF of land, approximately 0.5 SF of commercial space is being used. Current zoning for this district enables a floor area ratio of 300% in the MU-3 zone, 500%, in the MU-5 zone, and 700% in the MU-7 zone. An additional 100%-200% (1-2 floors) can be obtained in each zone if certain requirements are met. This means for every 1 SF of land, the Triangle District could have between 3 to 9 SF of space for people to live, work, shop, and gather. Multi-story buildings are crucial for districts that desire a dense mixed-use area, however being required to provide all parking on-site presents an extreme difficulty to property owners and developers trying to maximize the use of the space. Multi-story parking structures that serve the parking requirements for surrounding buildings would enable the district to maximize the space for people oriented uses with more density that will activate the area at all times of the day.

While the City has established an extensive public parking program for the Downtown, it does not extend into the Triangle District. This leaves private property owners to provide for their own parking needs, which has lead to inefficiencies in use and wasted land that could otherwise be developed to contribute to the desired vibrancy of the district.

Projected Parking Demand

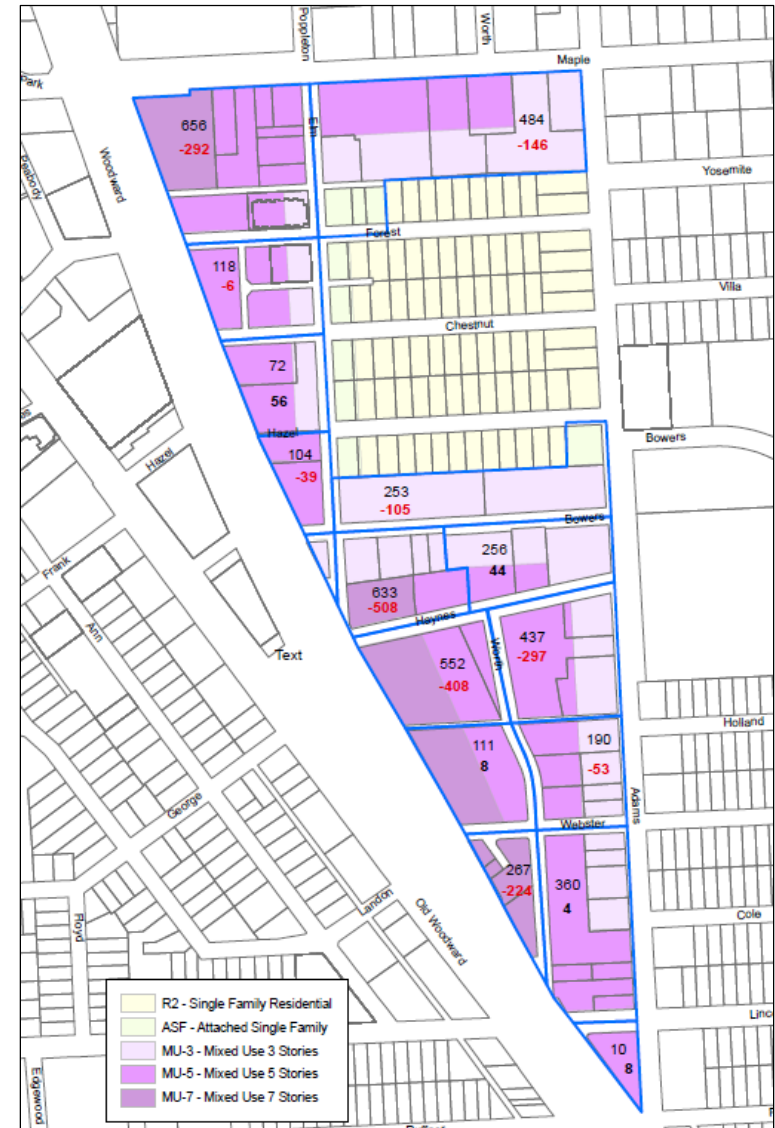
In order to estimate the amount of parking demand in the future that could support a public parking facility, the district was analyzed for future build-out. A full build-out shows the amount of development that could occur based upon the Urban Design Plan and new Triangle District Overlay. However, because it is unlikely that all of the current uses in the district will be removed and redeveloped, assumptions were made on which buildings would likely remain and which areas would likely redevelop. This “partial build-out” included development that is anticipated or likely to occur in the future and gives a more realistic estimate of future parking demands.

Future parking demand was estimated based upon the Institute of Transportation Engineer’s Parking Generation Manual and observed parking demands in the city. The projections assume that new development will be providing some on-site parking, either via private parking structures, underground lots or small surface lots. A summary of the parking analysis is provided below:

Available On-street Parking Spaces	Private Parking Spaces	Projected Parking Demand Based Upon Partial Build-out	Future Parking Deficit
354	2,206	4,513	1,953

The above projected deficit showed the future need for an additional 444 parking spaces in the north end of the Triangle District near Maple Road and an additional 1,566 spaces in the south portion of the District.

The development of public parking structures, in strategic locations that will best serve the maximum number of businesses is recommended. Because the demand for parking will occur incrementally over time as the Triangle District redevelops, it is recommended that the City first acquire land for one or more surface parking lots to be developed with structures as the area redevelops and parking demand increases.





Chapter Two: Development Plan

Introduction

According to the Corridor Improvement Authority Act, P.A. 280 of 2005, as amended, now P.A. 57 of 2018, Part 6, the City of Birmingham's Corridor Improvement Authority must develop a Development Plan for any improvements that are proposed to be funded through Tax Increment Financing. The law prescribes the various elements required in the Development Plan, including reporting requirements pursuant to Part 9 of P.A. 57 of 2018, which are discussed later in this Chapter.

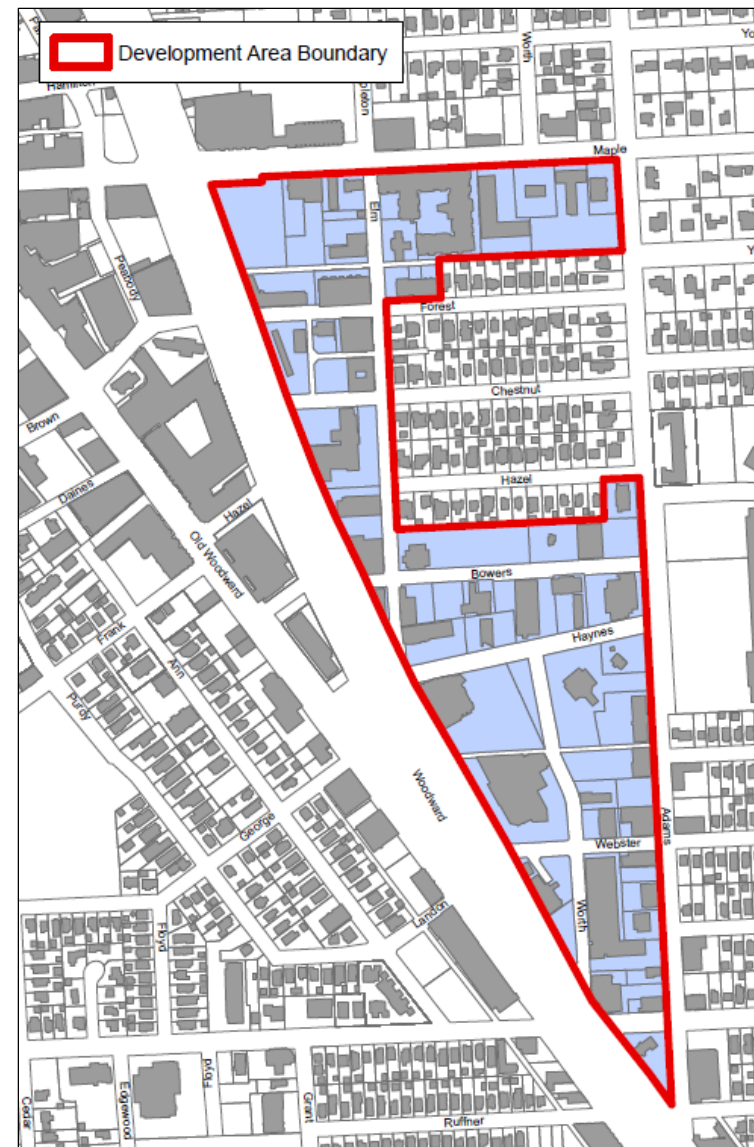
Development Plan

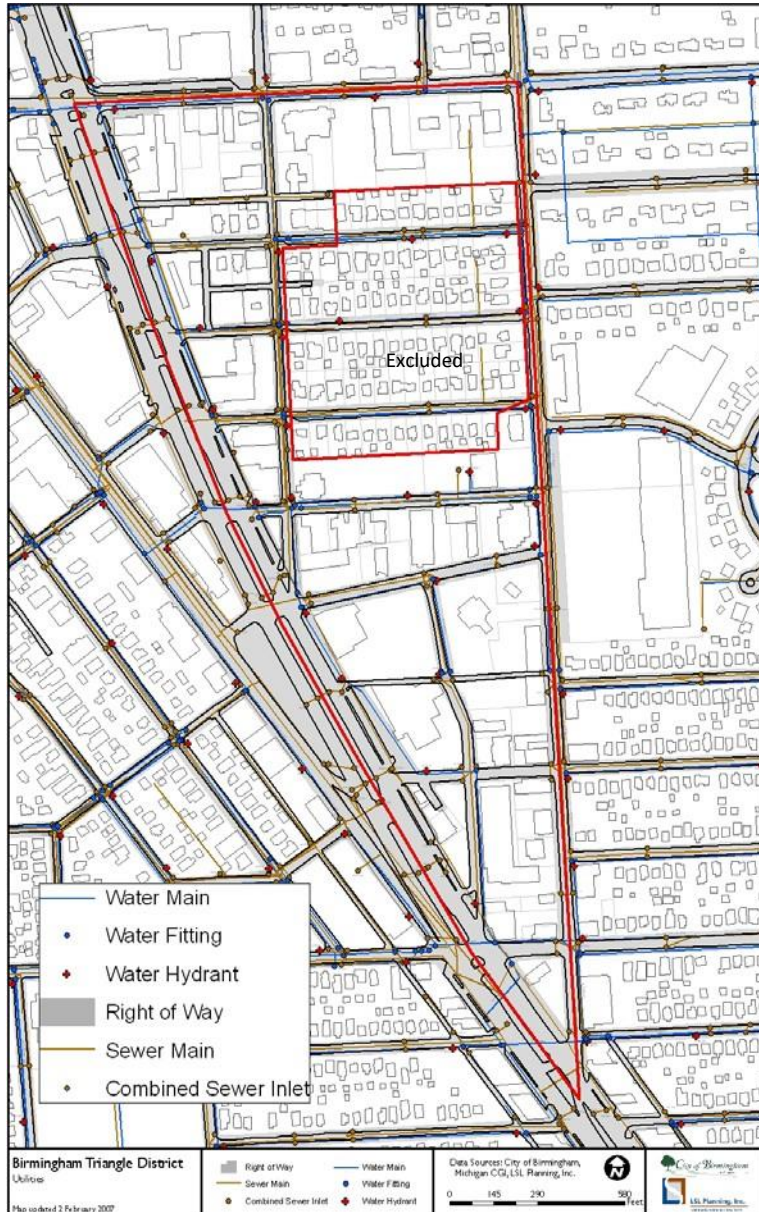
According to Section 6 2 1 of the Corridor Improvement Authority Act, the Development Plan must address the following:

- **Section 621(2) (a) Development Area Boundary:** *The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.*

The Development Area is generally enclosed by Woodward Avenue on the west, Maple Road on the north and Adams Road on the east, excluding the existing single-family neighborhood along Forest, Chestnut and Hazel Streets east of Elm Street. The Triangle District serves as a transitional growth area between Birmingham's central business district west of Woodward and the residential neighborhoods to the east (See District Map, right).

- **Section 621(2) (b) Existing Streets and Public Facilities:** *The location and extent of existing streets and other public facilities within the development area, designating the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses, and including a legal description of the development area.*





Utility Map

The boundaries of the Development Area in relation to highways, streets, and other rights-of-way are shown on the District Map, as previously presented under item 21(2) (a). The district is also well served by public water and sewer services (See Utility Map, left).

The city maintains a Fire Station at the northwest corner of Adams and Bowers. This is their main station, containing administrative offices and training facilities.

Land uses in the district include a mix of commercial and office uses. The district is adjacent to a single-family neighborhood that is not proposed to be included in the TIF Plan. Most of the higher intensity uses are located along Woodward, with other fine stores and offices found throughout the district.

Woodward Avenue is an eight-lane state trunkline with a center median that runs along the western edge of the district. Maple Road is a four-lane arterial road that runs along the northern edge of the district. Streets within the district are generally two-lane local city streets with sidewalks and on-street parking. Street circulation in the south end of the district could be improved through road realignments, and some of the parking lots and loading areas are unorganized throughout the district, as are several building arrangements. The disjointed arrangement of buildings and parking does not create the physical context for a strong synergy between the various uses in the area. It is a goal of this Development Plan to provide more organized parking that will help improve business vitality in the district.

- **Section 621(2) (c) Existing Improvements:** A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

The Birmingham Corridor Improvement Authority plans to redevelop one or two sites within the district into a public parking facility. Immediate plans are to acquire a site(s) for the future parking facilities and construct a surface parking lot until the area redevelops and need for a parking structure increases. Because the site for the parking facilities has yet to be determined, the specific details regarding site demolition or repairs are

unknown. If existing surface lots on the future site can be re-used to provide temporary parking, they will be repaired or retained if in good condition. Otherwise, purchase and demolition of existing commercial buildings is likely needed, as most lots in the district are developed to some extent.

The timing of construction will depend on the redevelopment of the district creating additional parking demand and generating additional tax increment rate of capture to fund construction. The city plans to issue bonds for the land acquisition costs as well as the parking facility construction costs; therefore, the timing of bond issues will be determined when adequate revenues exists to make the expected payments. The City may also choose to pursue a public-private partnership that may involve negotiating a ground lease for the construction of a mixed use building that contains a public parking structure.

- **Section 621(2) (d) Estimated Cost of Improvements:** *The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.*

For each parking structure, preliminary estimates assume a land cost of approximately \$7,500,000. When purchased, the land may be redeveloped immediately into a 90-space surface parking lot that is estimated to cost approximately \$225,000. It is anticipated a 450-space parking structure cost will be approximately \$18,000,000. It is anticipated that a portion of the cost of each structure will be funded through the CIA, and the remainder will be funded through other mechanisms, including a Special Assessment District. Demolition costs will be determined once a site is identified. The actual number and configuration of parking facilities will be determined based upon development in the District and growth in parking demand.

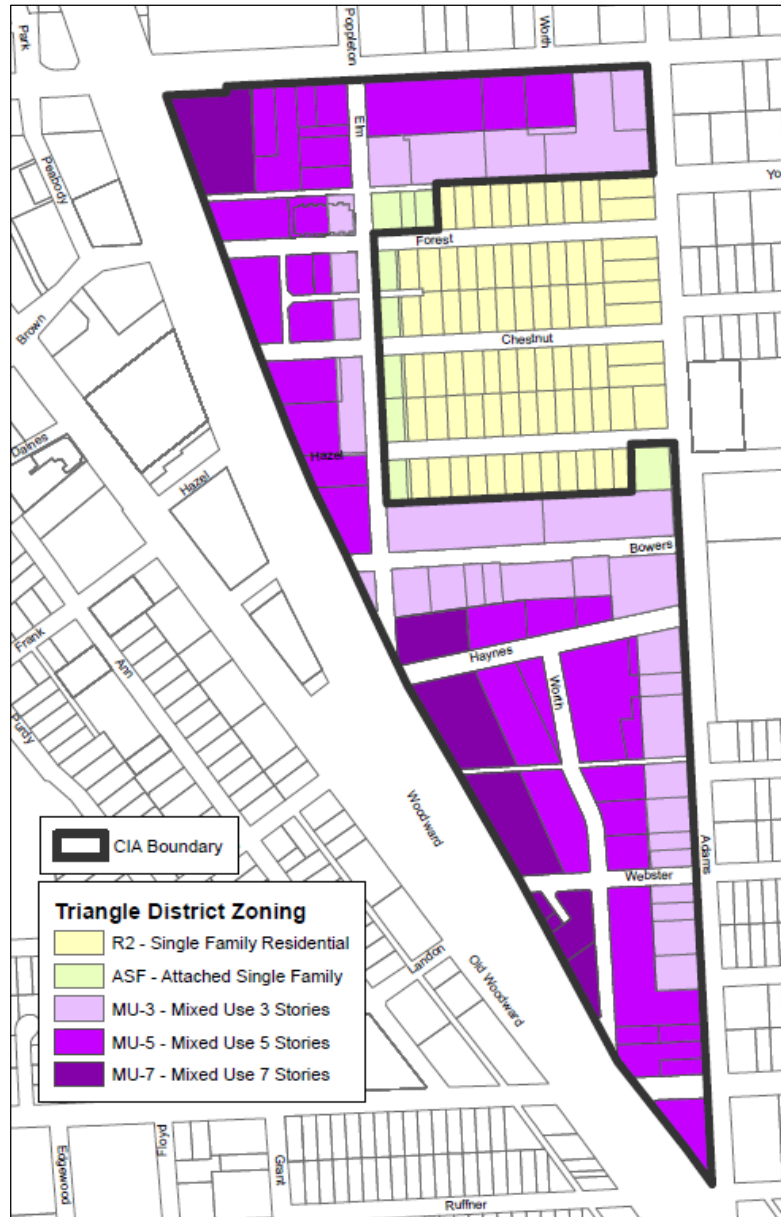
- **Section 621(2) (e) Construction Timeline:** *A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.*

Due to limited resources, the CIA will take a phased approach to developing the parking facilities. If TIF revenues and other available funds exceed those projected, the city may proceed with the site acquisition sooner. Once acquired, the site will be prepared for construction of the facilities.

2021 Preliminary Parking Cost Estimates ⁽¹⁾	
Land Cost	\$7,500,000
Interim Surface Parking Lot Cost	\$225,000
Parking Structure Cost	\$18,000,000
Total	\$25,725,000

(1) Amounts are expressed in 2021 dollar values. Actual costs will need to be adjusted, depending on the actual build year.





Due to the large construction costs related to a parking structure, the CIA may need to wait for additional tax increment revenues to accrue before it can finance construction. Instead, the site(s) may first be developed into a surface parking lot containing approximately 90 parking spaces, to help offset immediate parking needs in the district. The specific construction dates will be determined as redevelopment in the surrounding area demands additional parking. Additional parking facilities may be constructed based upon development in the District and growth in parking demand.

- **Section 621(2) (f) Open Spaces:** *A description of any parts of the development area to be left as open space and the use contemplated for the space.*

No new open spaces are proposed as part of this Development Plan, except for ancillary sidewalks and pedestrian areas associated with development of parking facilities. The Triangle District Master Plan included recommendations for public open space; however these will be implemented by other means and will not be funded through the CIA development plan.

- **Section 621(2) (g) Conveyances Between CIA and City:** *A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.*

The CIA does not currently own or control any land in the Triangle District. Once a parking facility is complete, the CIA anticipates it will be conveyed to the City of Birmingham in its entirety. The City may also choose to pursue a public-private partnership which would involve negotiating a ground lease for the construction of a public structure.

- **Section 621(2) (h) Desired Zoning Changes:** *A description of desired zoning changes and changes in streets, street levels, intersections, traffic flow modifications, or utilities.*

No changes in zoning are required to implement the Corridor Improvement Authority's Development Plan. However, the city previously adopted an Overlay District for the area. The overlay was adopted to implement the development contemplated in the Triangle Plan using form-based code requirements (see Triangle District Regulating Plan, at left). The code encourages mixed-use development rather than creating use-specific

districts. It encourages additional building height and high density residential uses that will complement the city's goals to become more transit-oriented.

The Triangle District Urban Design Plan includes other recommendations for the district; however, the CIA has committed only to development of parking facilities at this time.

- **Section 621(2) (i) Financing:** *An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.*

Incremental taxes on real property included in the CIA district boundary will be captured under the Tax Increment Financing Plan to reimburse eligible activity expenses. It is anticipated that the TIF will be used to cover a portion of the acquisition and construction costs, with the other portion coming from a parking special assessment district.

The total taxable value of all property (real and personal) was \$46,110,000 for the 2014 tax year. From 2015 to 2020, there was an annual increase in taxable value ranging from 0.11% to 11.15%, averaging 6% annually. The TIFA Plan assumes an annual increase in taxable value of 2% for 2021 and 6% for the years 2022 and beyond. The City expects this value to increase as developments in the area are completed.

It is anticipated that the term of the TIFA Plan will depend on the actual cost estimates received after final plans are prepared. The estimated captured taxable value and tax increment revenues for the eligible property for each year of the Plan are presented in Chapter 3.

The tax increment and capture year data presented in Chapter 3 are estimates based on currently available information. It is the intent of this plan to provide for capture of all eligible tax increments in whatever amounts and in whatever years they become available until all project costs described in this plan are paid. Cash flow estimates for eligible activities are also presented in Chapter 3.

- **Section 621(2) (j) Designated Beneficiaries:** *Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.*



The projects undertaken by the CIA are intended to benefit all property owners within the district. They are not intended to benefit any one or set of property owners; rather to remedy a district-wide shortage in parking that will hopefully help to attract additional commerce and residential development to the district. The parking facilities will be conveyed to the city once completed.

- **Section 621(2) (k) Conveyance Procedures:** *The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.*

The projects included in this Development Plan are intended to be publicly owned in perpetuity; no conveyances are anticipated. The city may enter into a public-private partnership with a developer to partially fund the structure. This can be achieved through a condominium development that allows partial ownership of the structure by the city. Additional construction cost savings may be realized if other private structures are proposed that could be built simultaneously. Should the city choose in the future to sell the parking facility proposed in this Plan, the procedures in the Birmingham City Charter will be followed.

- **Section 621(2) (l) Population Estimates and Displacement:** *Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and*

the estimated capacity of private and public housing available to displaced families and individuals.

There is a single apartment building located in the Corridor Improvement Authority boundary. This building is not proposed to be impacted and no families or individuals will be displaced as result of development of a parking facility. Therefore, a demographic survey and information regarding housing in the community are not applicable and are not needed for this plan.

- **Section 621(2) (m) Relocation Priorities:** *A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.*

No residents will be displaced as a result of this development. Therefore, a plan for relocation of displaced persons is not applicable and is not needed for this plan.

- **Section 621(2) (n) Relocation Costs:** *Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 84 Stat. 1894.*

No residents will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this plan.

- **Section 621(2) (o) Relocation Assistance Act:** *A plan for compliance with 1972 PA 227, MCL 213.321 to 213.332.*

No residents will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this plan.

- **Section 621(2) (p) Governing Body Approval of Amendments:** *The requirement that amendments to an approved development plan or tax increment plan must be submitted by the authority to the governing body for approval or rejection.*

The Tax Increment Finance and Development Plans for the City of Birmingham Corridor Improvement Authority for the Triangle District was approved by the CIA Board on January 22nd, 2015, and approved by the Birmingham City Commission on May 11th, 2015.

- **Section 621(2) (q) Development Plan Evaluation:** *A schedule to periodically evaluate the effectiveness of the development plan.*

The City of Birmingham Corridor Improvement Authority will review the Tax Increment and Development Plan as needed. It is anticipated that they will meet approximately 4 times a year, must hold at least two (2) informational meetings, and will review the plan at least once per year to update key figures and ensure projects and recommendations are still relevant.

- **Section 910 Reporting Requirements:** *A plan to report the activities of the CIA to the public.*

The City of Birmingham plans to utilize the existing website that is operated and regularly maintained to provide access to authority records and documents for the fiscal year beginning on the effective date of this Act, including all of the following:

- Minutes of all board meetings.
- Annual budget.
- Annual audits.
- Currently adopted development plan.
- Currently adopted tax increment finance plan.
- Current authority staff contact information.
- A listing of current contracts with a description of those contracts and other documents related to management of the authority and services provided by the authority.
- Additionally, the municipality must include on the website an annual updated synopsis of activities of the authority, which must include all of the following, if any:
 - For any tax increment revenue described in the annual audit that is not spent within five years of its receipt, a description of the reasons for accumulating those funds, a time frame when the funds will be spent, the uses for which the funds will be spent, and, if any funds have not been spent within 10 years of their receipt, the amount of those funds and a written explanation of why they have not been spent.
 - A list of authority accomplishments, including progress made on development plan and tax increment finance plan goals and objectives for the immediately preceding fiscal year.
 - All other components pursuant to Part 9 of the Act.
- Annually on a form and in the manner prescribed by the Department of Treasury, an authority that is capturing tax increment revenue must submit to the governing body of the municipality, the governing body of a taxing unit levying taxes subject to capture by an authority, and the Department a report on the status of the tax increment financing account. The report must be filed with the Department of Treasury.

Chapter Three: Tax Increment Finance Plan

Introduction

This Tax Increment Finance (TIF) Plan is prepared in connection with the Development Plan described in Chapter Two. It was reviewed and adopted alongside the Development Plan; therefore, the city satisfied its notification and publication requirements when preparing notices for the Development Plan.

TIF Plan

According to Section 18 to 20 of Act 280, Public Acts of Michigan, 2005, now P.A.57 of 2018, Part 6, after establishing a TIF Plan, the city must report annually to the State Tax Commission regarding the status of the financing account. The report must include:

- The amount and source of revenue in the account.
- The amount in any bond reserve account.
- The amount and purpose of expenditures from the account.
- The amount of principal and interest on any outstanding bonded indebtedness.
- The initial assessed value of the project area.
- The captured assessed value retained by the authority.
- The tax increment revenues received.
- The increase in the state equalized valuation as a result of the implementation of the tax increment financing plan.
- The type and cost of capital improvements made in the development area.
- Any additional information the governing body considers necessary.

2014 Base Property Values for All CIA Parcels

Property			Property			Property		
Parcel Number	Class	2014 Taxable	Parcel Number	Class	2014 Taxable	Parcel Number	Class	2014 Taxable
08-19-36-226-002	202	\$1,100,000	08-19-36-232-005	201	\$797,020	08-19-36-281-031	201	\$2,127,270
08-19-36-226-003	201	\$500,230	08-19-36-233-021	402	\$0	08-19-36-282-005	201	\$2,916,760
08-19-36-226-007	201	\$326,710	08-19-36-233-022	201	\$988,360	08-19-36-282-006	201	\$3,301,410
08-19-36-226-009	201	\$301,100	08-19-36-234-002	405	\$760,250	08-19-36-282-007	202	\$0
08-19-36-226-012	201	\$335,330	08-19-36-234-004	405	\$235,950	08-19-36-283-009	201	\$782,730
08-19-36-226-013	201	\$299,370	08-19-36-234-007	405	\$111,200	08-19-36-283-014	201	\$350,000
08-19-36-226-020	201	\$689,550	08-19-36-235-003	405	\$114,300	08-19-36-283-016	201	\$747,080
08-19-36-226-021	201	\$55,550	08-19-36-235-004	405	\$114,300	08-19-36-283-019	201	\$198,420
08-19-36-226-022	201	\$947,240	08-19-36-235-005	405	\$114,300	08-19-36-283-020	201	\$237,980
08-19-36-227-002	201	\$818,680	08-19-36-235-006	405	\$109,220	08-19-36-283-021	201	\$290,020
08-19-36-227-003	201	\$653,940	08-19-36-235-007	405	\$104,140	08-19-36-283-022	201	\$307,740
08-19-36-227-005	201	\$203,200	08-19-36-235-008	405	\$104,140	08-19-36-283-024	201	\$1,315,660
08-19-36-227-006	201	\$278,380	08-19-36-235-009	405	\$104,140	08-19-36-283-025	202	\$268,480
08-19-36-227-007	201	\$164,080	08-19-36-235-010	405	\$104,140	08-19-36-284-001	201	\$105,370
08-19-36-227-008	201	\$237,410	08-19-36-235-011	405	\$81,280	08-19-36-284-002	201	\$107,590
08-19-36-227-023	201	\$407,510	08-19-36-235-012	405	\$0	08-19-36-284-009	201	\$415,490
08-19-36-227-024	201	\$1,325,000	08-19-36-235-013	405	\$220,960	08-19-36-284-010	202	\$191,400
08-19-36-227-027	202	\$183,900	08-19-36-280-002	201	\$258,040	08-19-36-285-001	201	\$4,874,880
08-19-36-227-028	201	\$508,000	08-19-36-281-003	202	\$262,550	08-19-36-285-002	201	\$160,570
08-19-36-228-001	201	\$819,200	08-19-36-281-004	201	\$219,020	08-19-36-285-006	201	\$289,670
08-19-36-228-002	201	\$379,750	08-19-36-281-005	201	\$267,440	08-19-36-285-007	201	\$0
08-19-36-228-003	201	\$231,330	08-19-36-281-017	201	\$494,180	08-19-36-285-008	201	\$254,000
08-19-36-228-004	201	\$300,000	08-19-36-281-022	201	\$175,190	08-19-36-285-009	201	\$234,760
08-19-36-228-005	201	\$751,310	08-19-36-281-028	201	\$294,880	08-19-36-285-010	201	\$103,290
08-19-36-230-003	201	\$877,050	08-19-36-281-029	201	\$1,071,450	08-19-36-285-012	201	\$262,060
08-19-36-230-004	402	\$0	08-19-36-281-030	201	\$454,460	08-19-36-285-013	201	\$563,160
08-19-36-232-001	201	\$1,093,010				08-19-36-427-001	201	\$607,400
Total 2014 Value								\$42,360,930

2014 Personal Property Values

08-99-00-000-106	2,700	08-99-00-007-153	1,220	08-99-00-011-074	-	08-99-00-014-012	10,000
08-99-00-000-174	59,800	08-99-00-007-154	-	08-99-00-011-099	2,670	08-99-00-014-017	557,390
08-99-00-000-176	-	08-99-00-007-194	-	08-99-00-011-101	-	08-99-00-014-018	-
08-99-00-001-015	21,370	08-99-00-007-234	-	08-99-00-011-102	-	08-99-00-014-049	50,000
08-99-00-001-042	790	08-99-00-008-014	520	08-99-00-011-103	-	08-99-00-014-050	-
08-99-00-001-043	-	08-99-00-008-018	-	08-99-00-011-108	-	08-99-00-014-055	500
08-99-00-001-149	-	08-99-00-008-041	15,040	08-99-00-011-137	39,620	08-99-00-014-103	-
08-99-00-001-210	-	08-99-00-008-046	-	08-99-00-011-150	-	08-99-00-014-104	-
08-99-00-002-030	2,440	08-99-00-008-047	-	08-99-00-012-021	-	08-99-00-014-109	2,500
08-99-00-002-072	3,010	08-99-00-008-048	127,840	08-99-00-012-024	520	08-99-00-014-110	-
08-99-00-002-103	421,630	08-99-00-008-054	3,390	08-99-00-012-025	77,450	08-99-00-014-113	2,500
08-99-00-003-176	-	08-99-00-008-103	-	08-99-00-012-028	72,500	08-99-00-014-117	15,000
08-99-00-004-094	-	08-99-00-009-003	214,130	08-99-00-012-030	520	08-99-00-014-135	-
08-99-00-004-098	-	08-99-00-009-046	1,370	08-99-00-012-042	19,520	08-99-00-015-044	-
08-99-00-004-112	-	08-99-00-009-051	3,940	08-99-00-012-043	-	08-99-00-015-046	-
08-99-00-004-114	-	08-99-00-009-054	-	08-99-00-012-045	1,040	08-99-00-015-047	-
08-99-00-004-115	29,950	08-99-00-009-055	-	08-99-00-012-112	-	08-99-00-015-084	-
08-99-00-004-146	-	08-99-00-009-073	-	08-99-00-013-005	-	08-99-00-015-086	-
08-99-00-004-166	2,160	08-99-00-009-074	95,280	08-99-00-013-007	-	08-99-00-015-087	-
08-99-00-004-169	1,870	08-99-00-009-075	1,560	08-99-00-013-008	-	08-99-00-015-088	-
08-99-00-005-082	-	08-99-00-009-103	100,070	08-99-00-013-009	75,840	08-99-00-015-091	-
08-99-00-005-109	5,110	08-99-00-009-104	13,520	08-99-00-013-010	17,110	08-99-00-015-092	-
08-99-00-005-153	-	08-99-00-009-105	305,740	08-99-00-013-012	1,020	08-99-00-015-145	-
08-99-00-006-144	750	08-99-00-009-155	-	08-99-00-013-013	-	08-99-00-015-148	-
08-99-00-006-145	-	08-99-00-010-041	53,960	08-99-00-013-034	2,030	08-99-00-015-149	-
08-99-00-007-069	4,590	08-09-90-010-042	-	08-99-00-013-035	75,000	08-99-01-001-120	128,350
08-99-00-007-075	-	08-99-00-010-043	106,690	08-99-00-013-042	510	08-99-01-001-140	-
08-99-00-007-076	-	08-99-00-010-099	8,210	08-99-00-013-082	1,020	08-99-01-001-470	46,390
08-99-00-007-077	-	08-99-00-010-149	-	08-99-00-013-108	-	08-99-01-001-650	5,780
08-99-00-007-078	3,980	08-99-00-011-004	10,690	08-99-00-013-111	-	08-99-01-001-663	-
08-99-00-007-151	-	08-99-00-011-037	-	08-99-00-013-129	32,010	08-99-01-001-836	110,990
08-99-00-007-152	-	08-99-00-011-067	35,670	08-99-00-013-135	-	08-99-01-001-861	41,460

08-99-01-001-935	-	08-99-01-900-048	-
08-99-01-001-950	40,150	08-99-01-910-037	-
08-99-01-001-958	-	08-99-01-920-010	690
08-99-01-002-392	-	08-99-01-920-179	-
08-99-01-002-397	-	08-99-01-930-027	-
08-99-01-002-450	1,800	08-99-01-930-158	1,280
08-99-01-002-554	-	08-99-01-940-016	2,620
08-99-01-002-780	4,490	08-99-01-940-040	-
08-99-01-002-860	-	08-99-01-950-068	-
08-99-01-003-640	76,260	08-99-01-950-099	-
08-99-01-003-705	69,030	08-99-01-950-111	-
08-99-01-003-719	307,370	08-99-01-960-165	-
08-99-01-003-865	-	08-99-01-960-168	-
08-99-01-004-835	-	08-99-01-970-284	41,630
08-99-01-004-970	-	08-99-01-970-303	1,480
08-99-01-005-065	-	08-99-01-970-318	830
08-99-01-005-697	3,560	08-99-01-970-438	2,650
08-99-01-010-290	-	08-99-01-970-798	-
08-99-01-013-695	2,550	08-99-01-970-803	-
08-99-01-850-089	-	08-99-01-970-888	76,920
08-99-01-860-104	-	08-99-01-980-239	-
08-99-01-860-230	5,600	08-99-01-980-244	-
08-99-01-880-017	15,230	08-99-01-980-373	-
08-99-01-880-196	37,860	08-99-01-980-378	-
08-99-01-890-046	1,440	Personal	
08-99-01-890-054	-	Property Total:	3,749,070
08-99-01-890-056	2,290		
08-99-01-890-057	-		
08-99-01-890-059	5,110		
08-99-01-890-060	-		
08-99-01-890-136	-		
08-99-01-900-024	-		
08-99-01-900-030	-		

When developing the TIF Plan, the city must include the following:

- **A Development Plan:** The Development Plan for this project is described in Chapter Two: Development Plan.
- **A detailed explanation of the tax increment procedure:** Tax Increment Financing is a method of funding public investments in an area slated for (re)development by capturing, for a time, all or a portion of the increased tax revenue that may result from increases in property values, either as a result of (re)development or general market inflation. The concept of tax increment financing is applied only to the Development Area for which a development plan has been prepared by the Authority and adopted by the community's legislative body.

"Captured Assessed Value" can be described as the amount in any year of the Plan in which the current assessed value exceeds the initial assessed value. Current assessed value for this purpose includes the amount of local taxes paid in lieu of property taxes. "Initial Assessed Value" represents the assessed value as equalized for all properties in the Development Area at the time of resolution adoption. (See *2014 Base Property Values for all CIA Parcels*, on page 18). It is relevant to mention that the value of tax-exempt property is represented as a zero value, since no tax increment will be collected for that site, regardless of increases in actual property value. The taxable difference between the initial assessed value (base year total) and any incremental increase in the value can be captured and (re)invested by the CIA. The estimated capture for the Birmingham CIA is shown in the *Estimated Captured Assessed Value* (right).

For this plan, historic trends have been used to project future values for tax increment. Given the average growth rate over the past six years, TIF projections assume a future increase in taxable value of 6% for the years 2022 and beyond. The City expects this value to increase significantly when new developments are completed.

ESTIMATED CAPTURED TAXABLE VALUE

2015-2040

	Tax Year	Taxable Value ⁽¹⁾	% Value Increase	Base Value	Captured Value
Base Year	2014 (A)	\$ 46,110,000		\$ 46,110,000	\$ -
	2015 (A)	48,800,480	5.83%	46,110,000	2,690,480
	2016 (A)	54,239,550	11.15%	46,110,000	8,129,550
	2017 (A)	54,297,220	0.11%	46,110,000	8,187,220
	2018 (A)	59,052,170	8.76%	46,110,000	12,942,170
	2019 (A)	61,431,850	4.03%	46,110,000	15,321,850
	2020 (A)	66,262,290	7.86%	46,110,000	20,152,290
	2021 (A)	67,586,450	2.00%	46,110,000	21,476,450
	2022	71,641,637	6.00%	46,110,000	25,531,637
	2023	75,940,135	6.00%	46,110,000	29,830,135
	2024	80,496,543	6.00%	46,110,000	34,386,543
	2025	85,326,336	6.00%	46,110,000	39,216,336
	2026	90,445,916	6.00%	46,110,000	44,335,916
	2027	95,872,671	6.00%	46,110,000	49,762,671
	2028	101,625,031	6.00%	46,110,000	55,515,031
	2029	107,722,533	6.00%	46,110,000	61,612,533
	2030	114,185,885	6.00%	46,110,000	68,075,885
	2031	121,037,038	6.00%	46,110,000	74,927,038
	2032	128,299,260	6.00%	46,110,000	82,189,260
	2033	135,997,216	6.00%	46,110,000	89,887,216
	2034	144,157,049	6.00%	46,110,000	98,047,049
	2035	152,806,472	6.00%	46,110,000	106,696,472
	2036	161,974,860	6.00%	46,110,000	115,864,860
	2037	171,693,352	6.00%	46,110,000	125,583,352
	2038	181,994,953	6.00%	46,110,000	135,884,953
	2039	192,914,650	6.00%	46,110,000	146,804,650
	2040	204,489,529	6.00%	46,110,000	158,379,529

Notes

(A) - Actual values

⁽¹⁾ 2022 - 2040 assume 6% growth/year.

In order to make use of tax increment financing the CIA must submit to the City governing body a Tax Increment Financing and Development Plan which the city must approve by resolution. Following approval of resolution, municipal and county treasurers must transfer to the CIA the amount of certain taxes paid to them as a result of increased value. The transmitted funds are denominated “tax increment revenues”. Tax increment revenues are additionally limited as explained below:

“Tax increment revenues” means the amount of ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions upon the captured assessed value of real and personal property in the Development Area. Tax increment revenues do not include any of the following:

- a. Taxes under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.*
- b. Taxes levied by local or intermediate school districts.*
- c. Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may be excluded from captured assessed value or specific local taxes attributable to the ad valorem property taxes.*
- d. Ad valorem property taxes excluded by the tax increment financing plan of the authority from the determination of the amount of tax increment revenues to be transmitted to the authority or specific local taxes attributable to the ad valorem property taxes.*
- e. Ad valorem property taxes exempted from capture under section 18(5) or specific local taxes attributable to the ad valorem property taxes.*
- f. Ad valorem property taxes specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit or specific taxes attributable to those ad valorem property taxes.*
- g. Ad valorem property taxes levied under 1 or more of the following specific local taxes attributable to those ad valorem property taxes:*
 - i. The zoological authorities act, 2008 PA49, MCL 123.1161 to 123.1183*
 - ii. The art institute authorities act, 2010 PA 296, MCL 123.1201 to 120.1229.*

- **The maximum amount of bonded indebtedness to be incurred:** The maximum amount of bonded indebtedness to be incurred by, or on behalf of, the City of Birmingham CIA is \$83.9 million. This amount was established using 2021 estimates of the land cost (\$7,500,000), surface parking development cost (\$225,000), structure cost (\$18,000,000), and inflating the costs with the assumption that the land acquisition for the first parking structure construction will occur in 2025 at an adjusted cost of \$9,742,066, with the assumption that a structure will be built in 2026 (\$22,973,068) and the assumption that the second structure's property may be acquired in 2031 (\$13,797,859) and built in 2036 (\$37,420,707).

The construction of parking structure(s) will likely be timed to coincide with major new development. New development may necessitate construction of more than one parking structure. Parking structure(s) may also be partially funded through a public-private partnership with new development. The increased tax increment from major new development will likely accelerate repayment of any bonds for a parking structure.

- **The duration of the program:** This Tax Increment Financing Plan is shown to be effective until 2041, based upon a "worst-case" scenario. Depending on actual market activity and rate of increment capture, this duration may be extended or shortened. With major new development in the district, repayment of bonds for parking facilities could be accelerated. Major new development may also make it feasible to implement land acquisition, parking lot construction and construction of parking structure(s) sooner than expected. Principal and interest on all bonded debt will need to be paid, or sufficient funds to repay the full balance set aside in order to terminate this plan.
- **A statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located:** The impact of tax increment financing on the revenues of all taxing jurisdictions is shown on the *Estimated Tax Capture by Taxing Jurisdiction Table* (next page). The CIA is eligible to capture tax increment revenues from the city, Oakland County and regional authorities, such as Huron-Clinton Metropark Authority, SMART and Oakland County Community College. The

Parking Structure Cost Projections		
Structure #1		Land acquisition and surface parking construction
	2021 Estimated Costs	\$7,725,000
	2025 Estimated Costs ⁽¹⁾⁽²⁾	\$9,742,066
		Parking structure #1
Structure #2	2021 Estimated Costs	\$18,000,000
	2026 Estimated Costs ⁽²⁾	\$22,973,068
		Land acquisition and surface parking construction
	2021 Estimated Costs	\$7,725,000
Structure #2	2031 Estimated Costs ⁽¹⁾⁽²⁾	\$13,797,859
		Parking structure #2
	2021 Estimated Costs	\$18,000,000
	2036 Estimated Costs ⁽²⁾	\$37,420,707
Total		\$83,933,700

(1) Assumes 6% annual land value increase

(2) Assumes 5% annual construction value increase

CIA will pay the debt service on the bonds for development of parking facilities from the tax increment revenues captured in the Development Area.

- **The Authority may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan:** The CIA anticipates using all of the captured tax increment revenues to pay the costs of the development of parking facilities.

Estimated Tax Capture by Taxing Jurisdiction

Fiscal Year Ending June 30

Fiscal Year	Captured Value ⁽¹⁾	City of Birmingham			Oakland County		Huron-Clinton Metro Park Authority	Oakland Community College	SMART	Total Mills
		Operating Levy 10.8929	Refuse Levy 0.7930	Library Levy 1.3380	Operating Levy 4.0132	Parks & Rec Levy 0.3470	OPT OUT	1.5057	0.9851	19.8749
2015	-									
2016	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-
2023	25,531,637	278,114	20,247	34,161	102,464	8,859	-	38,443	25,151	507,439
2024	29,830,135	324,937	23,655	39,913	119,714	10,351	-	44,915	29,386	592,871
2025	34,386,543	374,569	27,269	46,009	138,000	11,932	-	51,776	33,874	683,429
2026	39,216,336	427,180	31,099	52,471	157,383	13,608	-	59,048	38,632	779,421
2027	44,335,916	482,947	35,158	59,321	177,929	15,385	-	66,757	43,675	881,172
2028	49,762,671	542,060	39,462	66,582	199,708	17,268	-	74,928	49,021	989,029
2029	55,515,031	604,720	44,023	74,279	222,793	19,264	-	83,589	54,688	1,103,356
2030	61,612,533	671,139	48,859	82,438	247,263	21,380	-	92,770	60,695	1,224,544
2031	68,075,885	741,544	53,984	91,086	273,202	23,622	-	102,502	67,062	1,353,002
2032	74,927,038	816,173	59,417	100,252	300,697	26,000	-	112,818	73,811	1,489,168
2033	82,189,260	895,279	65,176	109,969	329,842	28,520	-	123,752	80,965	1,633,503
2034	89,887,216	979,132	71,281	120,269	360,735	31,191	-	135,343	88,548	1,786,499
2035	98,047,049	1,068,017	77,751	131,187	393,482	34,022	-	147,629	96,586	1,948,674
2036	106,696,472	1,162,234	84,610	142,760	428,194	37,024	-	160,653	105,107	2,120,582
2037	115,864,860	1,262,104	91,881	155,027	464,989	40,205	-	174,458	114,138	2,302,802
2038	125,583,352	1,367,967	99,588	168,031	503,991	43,577	-	189,091	123,712	2,495,957
2039	135,884,953	1,480,181	107,757	181,814	545,333	47,152	-	204,602	133,860	2,700,699
2040	146,804,650	1,599,128	116,416	196,425	589,156	50,941	-	221,044	144,617	2,917,727
2041	158,379,529	1,725,212	125,595	211,912	635,609	54,958	-	238,472	156,020	3,147,778
Totals		16,802,637	1,223,228	2,063,906	6,190,484	535,259	-	2,322,590	1,519,548	30,657,652

⁽¹⁾ 2022-2041 assume 6% growth/year.

