Brownfield Housing TIF

Lakeside Estates - Pine River Township Project Fact Sheet

PROJECT INFORMATION

Project:	Lakeside Estates	**County:**	Gratiot
Applicant:	Michigan Housing Partnership, LLC	**Township:**	Pine River
Developer:	Allen Edwin Homes	**Parcels:**	19

HOUSING MIX

For Sale	13
Rentals	2
Rentals – Income Restricted (100% AMI)	4
Total Parcels	**19**

Brownfield reimbursement to the developer is for eligible costs such as site preparation, infrastructure, housing finance gap, and interest. Four of these homes will be income restricted at 100% of Area Median Income (AMI). What this means for our community: we gain 19 new homes, collect the same amount of taxes during the 24 year TIF, increase our population which will support businesses and schools, and once the TIF is completed, the community realizes revenue from additional $4.5 million in taxable value.

INVESTMENT & TIMELINE

Total Capital Investment:	$5.4 Million
Project Begins:	Fall 2026
Project Completion:	Fall 2028

ESTIMATED COST BREAKDOWN

Brownfield reimbursement to developer	$2,077,644
State Brownfield Revolving Fund	$256,527
Administration Fee	$70,678
ESTIMATED REIMBURSEMENT TOTAL	**$2,404,849**

TAXABLE VALUE & ESTIMATED LOCAL TAX

Period	Estimated Taxable Value	Estimated Local Tax
Base	$24,377	$574
Year 2	$2,931,865	$68,990
Year 24	$4,532,603	$106,658

FULL TAXABLE VALUE AFTER TIF ENDS

$4,532,603

(taxes on the full value go to taxing authorities)

How does the Lakeside Estates Housing TIF work?

A brownfield housing TIF is not a new tax. It changes how new taxable value is captured during the life of the project.

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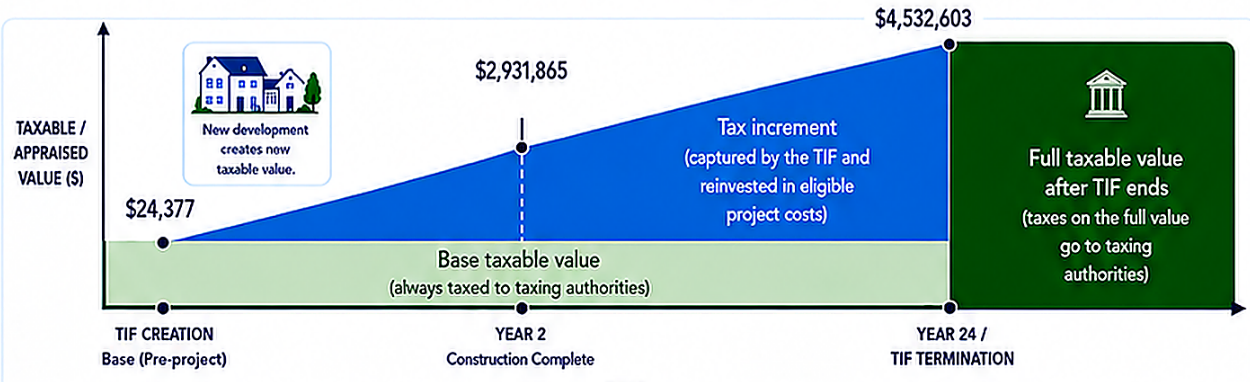
1. The base taxable value is established when the TIF is created.
2. Taxing authorities continue to receive taxes on the base value.
3. New taxable value created by development is captured by the TIF and reinvested in eligible project costs.
4. When the TIF ends, taxing authorities receive taxes on the full taxable value.



Base taxable value – remains constant and is taxed to taxing authorities throughout the life of the TIF.

Tax increment – the increase in value above the base is captured by the TIF and reinvested in the project until the TIF ends.

BROWNFIELD HOUSING TIF

How New Housing Unlocks Existing Housing & Taxable Value

Lakeside Estates - Pine River Township Community Impact

PROJECT AT A GLANCE

- 19 New Homes
- 13 For Sale
- 6 Rentals
- Pine River Township, Gratiot County

WHY NEW HOUSING MATTERS

- Gives local residents more options
- Helps retirees downsize
- Helps growing families move into larger homes
- Creates housing opportunities for renters and new residents

TIF & TAXES

- Base taxes continue during the TIF
- New Lakeside value is temporarily captured for eligible project costs
- Full taxable value returns to taxing authorities after the TIF ends

PROJECT IMPACT

- Adds infrastructure
- Housing Mobility
- Unlocks existing homes and taxable value across the county

MORE THAN 19 HOMES: HOW NEW HOUSING CREATES ADDITIONAL OPPORTUNITIES

1. New homes are built
Lakeside Estates adds 19 new homes for sale and 6 new rental homes.

2. Local residents have somewhere to move
Some current Gratiot County homeowners may buy these new homes.

3. Their current homes can return to the market
When they move, their previous homes may be listed for sale.

4. More moves become possible
Another buyer may purchase that home, creating more housing opportunities.

5. Existing properties may recap
When a chain reaction happens, the taxable value on the existing property may reset higher.

6. New tax revenue can be created outside the TIF
Taxes on recapped properties can generate added tax revenue for local taxing authorities.

New housing can trigger more than one move. One new home can help unlock another home, and then another.

WITHOUT THE PROJECT

- No new homes are added
- Fewer options for local residents to move
- Existing homeowners may stay in place longer
- Capped taxable values remain capped until a sale occurs
- No new taxable value is created at Lakeside Estates

WITH THE PROJECT

- 19 new homes are added to the community (13 for sale, 6 rentals)
- More ownership opportunities are created
- Existing homes may come back onto the market
- Qualifying sales may recap taxable values on existing homes
- Additional tax revenue may be generated outside the TIF
- The community gains a larger long-term tax base

IMPACT ON LOCAL REAL ESTATE MARKET

"Adding 19 new homes would increase housing options and mobility in Gratiot County, creating opportunities for people to move both within and into our community while opening existing homes for other buyers."
– Adam Vibber, Century 21 Lee-Mac Realty

"Nineteen new homes should not be viewed simply as adding nineteen houses. Those homes could allow existing homeowners to make a move they have been postponing, placing their current homes back on the market for another buyer."
– Marci Browne, America's Choice Realty LLC

"From my own development work, I continue to see the need for additional quality housing options in our area. Increasing supply is an important part of creating a healthier local housing market, supporting employers and workforce recruitment, strengthening the tax base, and giving residents more opportunities to find housing that fits their stage of life. For those reasons, I believe adding these 19 homes would be a positive step for the community and the broader Gratiot County housing market."
– Ryan Smith, Gemini Capital Management, LLC

POTENTIAL LOCAL ECONOMIC BENEFITS

- New residents bring additional spending to local businesses, restaurants and services.
- More households can contribute to the local tax base and support community services.
- Growth in the tax base supports schools, public services and community investments.
- Additional housing gives employers another tool to attract and retain workers.
- New housing can help Gratiot County capture residents who may otherwise live outside the county and commute in.
- Greater housing choice supports long-term community and neighborhood stability.

Illustrative concept: actual housing revenue and tax impacts will vary. Not every new home creates another sale. But new housing can create a chain of moves through the local market.