

THE SOURCE

For Shelby Township, Sterling Heights, Romeo, Utica and Washington Township

Sunday, June 5, 2016

\$.50

[FACEBOOK.COM/ADVISORSOURCEMEDIA](https://www.facebook.com/advisorsourcemedia)

[TWITTER.COM/ADVISORSOURCE](https://twitter.com/advisorsource)

SOURCE

SHELBY TOWNSHIP

Trustees adopt new DDA plan, extend district's boundaries

By **SEAN DELANEY**

sean.delaney@advisorsource.com; @sdelaney81

The Board of Trustees on May 17 voted to adopt an updated development and tax increment financing plan for the Downtown Development District, which now extends along the Van Dyke corridor from the Utica city limits on the south to 26 Mile Road on the north.

"The (previous) DDA boundaries didn't really reflect where much of the new development is going to oc-

cur and is occurring in the township within the DDA District," said Carmine Avantini, a planning consultant with Fenton-based CIB Planning. "Expanding the district's boundaries was mentioned as a possibility in the current plan, so when we looked at it again, we thought it made a lot of sense to expand it because this is where all the new growth is going to occur in the next several years."

According to township officials, extending the district's northern boundary from 25 Mile Road to 26

Mile Road will allow the DDA to capture additional tax increment finance for new developments approved at the intersection of Van Dyke and 26 Mile Road, including a center that will include a Kroger.

"We spent a lot of time looking at what are the best district boundaries, not only to generate the most new tax increment but also to identify where those funds are going to be needed," Avantini said.

"This plan ... is going to give the township the opportunity and the tools it

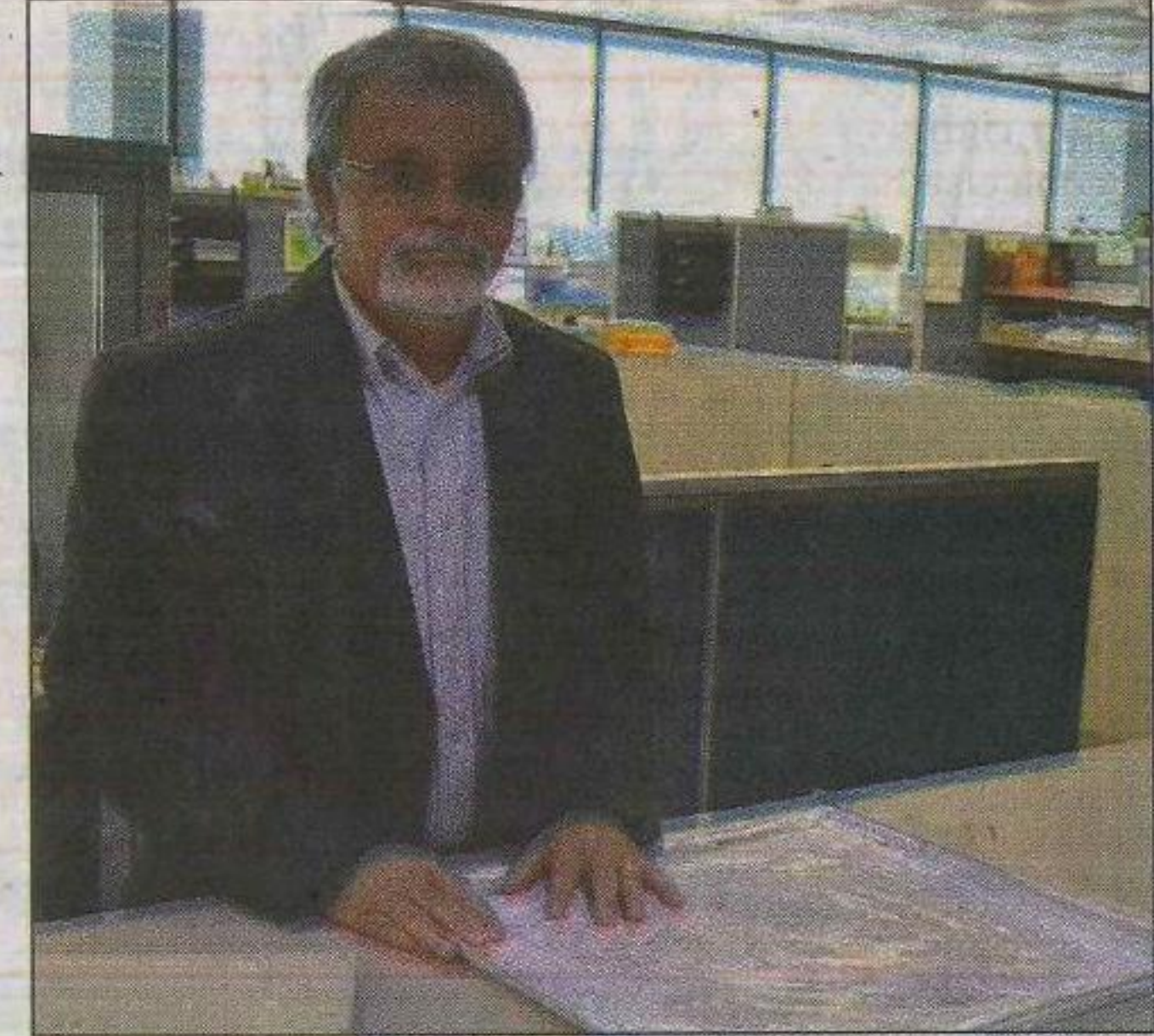
needs to be able to incentivize new developments, to provide public improvements, to support developments, and to work more closely with developers."

According to Planning and Zoning Director Glenn Wynn, the original DDA plan was adopted in 2006, just prior to the economic recession.

"The recession resulted in declining assessed property values in the district, which effectively prevented the capture of tax increment revenues to reinvest for improvements in the district," Wynn said. "In effect, the DDA was 'underwater' relative to their ability to generate a revenue stream due to the property value declines."

The updated DDA plan seeks to address this issue in part by resetting the base year property value, which would provide a new benchmark for property values that would allow the DDA to begin to recapture funds lost during the recession.

"What that does is it gives us a chance to start over," Avantini said. "We're resetting that base value, so any new developments



FILE PHOTO - THE SOURCE

According to Shelby Township Planning and Zoning Director Glenn Wynn, the updated development and tax increment financing plan for the Downtown Development District adopted by the Board of Trustees on May 17 will extend the boundary of the district to 26 Mile Road on the north.

or increase in property values will now generate new tax increment for the DDA so we won't be underwater any longer."

As part of the process to adopt the updated plan for the Downtown Development Authority District, the Board of Trustees held a public hearing on March 15 to share information and gather input from residents about the proposed plan.

"There were minimal comments at the public hearing, and there have been no comments received since then," Wynn said.

According to Wynn, state law required a statutory waiting period of 60 days after the public hearing before the Board of Trustees could take action and approve the DDA plan.

For more information, visit shelbytwpdda.org.

You can get our local news in many ways but you can only get the full story with a subscription.

