



City of Jonesville Local Development Finance Authority FY 2020-21 Annual Report

This report is provided in accordance with the Michigan Recodified Tax Increment Financing Act, Public Act 57 of 2018. It reports the Authority's operations during the 2020-21 fiscal year and is intended to fulfill the requirements of the annual synopsis of activities of the authority, required in Section 910(1)(h) of the Act. The authority fiscal year begins on July 1st and ends June 30th.

Authority Accomplishments

- Through a \$53,500 grant from the Michigan Economic Development Corporation (MEDC), \$100,000 in support from Comcast and a \$5,000 local match, funded installation of fiber optic broadband internet in the Industrial Park. The project provided additional internet options for businesses already in the park and is intended to attract investment to vacant parcels.
- Completed preventative maintenance on Industrial Park streets.

Projects and Investments

- Maintained a high priority on infrastructure maintenance. The LDFA invested over \$90,000 in milling and resurfacing Gaige Street.
- Continued annual investment of \$15,000 to support the collaborative economic development activities of the Hillsdale County EDP.
- Invested in the City's water system improvement project with a commitment of \$25,000 per year for the third of 10 years to maximize affordability of water utility costs, especially for industrial customers, with benefits to residential and commercial customers, as well.
- Invested \$105,000 in dedicated reserves for future projects – \$45,000 for future expansion of the Industrial Park, \$35,000 for future infrastructure needs, and \$35,000 for other special projects called out in the development plan.

Events and Promotions

- Engaged in business recruiting, marketing vacant parcels to two different prospects. One of these prospects is in the process of purchasing the recently vacated Fastenal building to relocate their business to Jonesville.

Fund Balance and Capital Project Planning

The LDFA retains an estimated fund balance at the close of the fiscal year of approximately \$2.1 million. Due to sizable future projects, as well as uncertainty of future revenues following the elimination of personal property taxes in Michigan, the LDFA has established several designated reserves. \$240,000 is reserved for future expansion, \$200,000 for special projects and development incentives, and \$240,000 for future infrastructure improvements. The balance of the reserve is undesignated for projects authorized in the Development Plan.

Savings will be needed to accomplish the long-term goals of the Development Plan, including Industrial Park expansion. These investments are more likely to take place nearer the end of the term of the plan in 2036. Projects are summarized in the LDFA Development and Tax Increment Financing Plan, available for review at City Hall or on the City's website, www.jonesville.org.