



**LOCAL DEVELOPMENT FINANCE AUTHORITY - MEETING AGENDA
JONESVILLE CITY HALL | 265 E. CHICAGO STREET | JONESVILLE, MI
FEBRUARY 19, 2025, 8:30 A.M.**

LDFA Project Priorities:

1. Entrepreneurial Park Development
2. Workforce and Training Support
3. Housing Development Support

1. CALL TO ORDER

2. APPROVAL OF AGENDA

[Action Item]

3. PUBLIC COMMENT

4. APPROVAL OF MINUTES

- A. December 18, 2024 Meeting

[Action Item]

5. FINANCIAL REPORTS

- A. Through November 30, 2024

[Action Item]

6. UNFINISHED BUSINESS

- A. None

7. NEW BUSINESS

- A. FY 2023-24 Fiscal Year Report
i. PA 57 Treasury Report
ii. Activity Synopsis
B. PA 57 Informational Meetings

[Action Item]

[Discussion Item]

8. OTHER BUSINESS

- A. Economic Development Partnership Report
B. Staff Updates
C. LDFA Board Member Updates

9. ADJOURNMENT— Next Scheduled Meeting: **Wednesday, April 16, 2025 8:30 a.m.**

City of Jonesville
Local Development Finance Authority
Minutes of December 18, 2024

Present: Gerry Arno, Scott Campbell, Victor Face, Steve Harding, Steve Lanius, and Rick Schaerer.

Absent: Linda Garcia and Erik Weatherwax.

Also Present: Jeff Gray and Sue Smith (EDP)

Chairman Schaerer called the meeting to order at the Jonesville City Hall, 265 E Chicago Street, Jonesville, MI at 8:30 a.m.

Gerry Arno made a motion and was supported by Scott Campbell to approve the agenda as presented, with one addition; 8.C. 2025 Economic Development Investment – Economic Development Partnership of Hillsdale County. All in favor. Absent: Linda Garcia and Erik Weatherwax. Motion carried.

A motion was made by Jim Parker and supported by Steve Lanius to approve the minutes of October 16, 2024. All in favor. Absent: Linda Garcia and Erik Weatherwax. Motion carried.

Scott Campbell made a motion and was supported by Jim Parker to accept the financial report through September 30, 2024. All in favor. Absent: Linda Garcia and Erik Weatherwax. Motion carried.

A motion was made by Jim Parker and supported by Scott Campbell to adopt the 2025 meeting calendar. All in favor. Absent: Linda Garcia and Erik Weatherwax. Motion carried.

Information was provided regarding the Industrial Park Crop Lease and the requirement to pay property taxes on the leased parcels. The current crop lease runs through December 31, 2026.

A motion was made by Scott Campbell and supported by Jim Parker to approve the 2025 EDP of Hillsdale County investment of \$15,000. All in favor. Absent: Linda Garcia and Erik Weatherwax. Motion carried.

Sue Smith, Executive Director of Economic Development Partnership of Hillsdale County, provided updates regarding Lean Rocket Lab Fellows Program 2025, Project Comet Update, Manufacturing Day, Sector Collaborative, Three D Plastics LLC, Hillsdale Exchange Club, Hillsdale City Council, Confidential Business Support and Jonesville Council.

Manager Gray and LDFFA members provided updates.

The meeting was adjourned at 9:02 a.m.

Submitted by,

Cynthia D. Means
Clerk



To: Jonesville LDFA Board
From: Jeffrey M. Gray, City Manager 
Date: February 14, 2025
Re: Manager Report and Recommendations – February 19, 2025 LDFA Meeting

5. A. Financial Report **[Action]**

Attached is a revenue and expenditure report for the LDFA through November 30th. The report shows revenue and expenditure activity for the month of November and fiscal year-to-date. It also illustrates the amount budgeted for each line item and the available balance in that line. Also attached is a report of the current cash balances in all accounts as of November 30th. I recommend a motion to accept the financial report. *Please refer to the attached revenue and expenditure report and cash balance report.*

7. A. FY 2023-24 Fiscal Year Report **[Action]**

Public Act 57 of 2018 mandated reporting requirements for the LDFA. The first is a financial report to the Michigan Department of Treasury on a form provided by the Department. The second is an annual synopsis of LDFA activities. Motions to approve the attached reports, as presented or with amendments, are necessary. I recommend a motion to approve the Annual Report on Status of Tax Increment Financing Plan and to authorize staff to submit the same to the Michigan Department of Treasury. I also recommend a motion to approve the Fiscal Year 2023-24 Annual Report and to post the same on the LDFA section of the City website. *Please refer to the Annual Report on Status of Tax Increment Financing Plan, and the Fiscal Year 2023-24 Annual Report.*

7. B. PA 57 Informational Meetings **[Discussion]**

The Public Act also requires the LDFA to hold two public meetings each year to share information about goals, projects, and funding. The format of these has varied in the past, with meetings held prior to regular LDFA meetings, jointly with the DDA, and prior to a City Council meeting. We have previously discussed a larger, multi-board meeting to discuss various board projects and goals. This agenda item is reserved for discussion of the LDFA's preference with regard to these required meetings for 2025.

8. A. Economic Development Partnership Report

This item is reserved for and additional updates from Executive Director Sue Smith.

8. B. Staff Updates

This item is reserved for updates by staff regarding LDFA projects and other City business.

8. C. LDFA Board Member Organization Updates

This item reserved for updates from members of the Board to provide updates regarding their organizations and other activities of interest to the LDFA.

Correspondence:

- Economic Development Partnership of Hillsdale County re: Thank You

User: LSPAHR

DB: Jonesville

PERIOD ENDING 11/30/2024

GL NUMBER	DESCRIPTION	ACTIVITY FOR		YTD BALANCE 11/30/2024	2024-25 AMENDED BUDGET	AVAILABLE		% BDGT USED
		MONTH 11/30/2024	INCREASE (DECREASE)			NORMAL	(ABNORMAL)	
Fund 247 - LOCAL DEVELOPMENT FINANCE AUTHORITY								
Revenues								
Dept 000 - BALANCE SHEET/REVENUE								
247-000-403.000	REAL PROPERTY TAXES		0.00	0.00	90,000.00		90,000.00	0.00
247-000-403.075	PERSONAL PROP TAX REIMBURSEMENT		0.00	302,021.56	300,000.00		(2,021.56)	100.67
247-000-664.000	LEASE/IND PARK RADIO TOWER		416.92	7,577.42	17,000.00		9,422.58	44.57
247-000-665.000	INTEREST EARNINGS		14,010.43	83,951.50	40,000.00		(43,951.50)	209.88
247-000-694.100	OTHER INCOME - FARM LAND		0.00	0.00	4,200.00		4,200.00	0.00
Total Dept 000 - BALANCE SHEET/REVENUE			14,427.35	393,550.48	451,200.00		57,649.52	87.22
TOTAL REVENUES			14,427.35	393,550.48	451,200.00		57,649.52	87.22
Expenditures								
Dept 729 - DEVELOPMENT ACTIVITIES								
247-729-702.000	SALARIES AND WAGES		129.96	1,464.19	3,000.00		1,535.81	48.81
247-729-715.000	EMPLOYERS SHARE - FICA & MEDICARE		9.66	109.57	200.00		90.43	54.79
247-729-716.000	HEALTH INSURANCE		26.48	239.48	250.00		10.52	95.79
247-729-718.000	DISABILITY		0.90	9.49	25.00		15.51	37.96
247-729-719.000	RETIREMENT - EMPLOYER PORTION		3.25	69.30	180.00		110.70	38.50
247-729-721.000	LIFE INSURANCE		0.76	11.71	20.00		8.29	58.55
247-729-722.000	EMPLOYEE ASSISTANCE PROGRAM		0.08	1.21	5.00		3.79	24.20
247-729-723.000	DENTAL INSURANCE		2.31	37.45	40.00		2.55	93.63
247-729-724.000	OPTICAL INSURANCE		0.32	5.46	10.00		4.54	54.60
247-729-727.000	OFFICE SUPPLIES		0.00	9.75	100.00		90.25	9.75
247-729-740.000	OPERATING SUPPLIES		0.00	0.00	1,000.00		1,000.00	0.00
247-729-801.000	PROFESSIONAL SERVICES		0.00	0.00	50,000.00		50,000.00	0.00
247-729-801.100	PROF SERVICES - EDP PARTNERSHIP		15,000.00	15,000.00	15,000.00		0.00	100.00
247-729-818.000	CONTRACTUAL		0.00	2,282.10	23,000.00		20,717.90	9.92
247-729-900.000	PRINTING & PUBLISHING		0.00	0.00	88,000.00		88,000.00	0.00
247-729-921.000	ELECTRICITY		94.81	465.79	1,200.00		734.21	38.82
247-729-924.000	WATER AND SEWER		0.00	0.00	500.00		500.00	0.00
247-729-930.000	REPAIRS & MAINTENANCE		500.00	628.01	500.00		(128.01)	125.60
247-729-940.000	EQUIPMENT RENTAL		39.51	962.59	1,700.00		737.41	56.62
247-729-956.200	MISCELLANEOUS - PROPERTY TAX		0.00	2,484.64	0.00		(2,484.64)	100.00
247-729-965.000	CONTRIB TO GEN FUND-ADMIN WAGES/BENE		0.00	0.00	35,714.00		35,714.00	0.00
247-729-965.100	CONTRIB TO GEN FUND - ST LIGHT ELEC		0.00	0.00	5,304.00		5,304.00	0.00
247-729-965.400	CONTRIB TO WATER DEBT PAYMENT		0.00	0.00	25,000.00		25,000.00	0.00
247-729-965.600	CONTRIB TO GEN FUND		0.00	0.00	3,177.00		3,177.00	0.00
247-729-966.000	RESERVE FOR FUTURE EXPANSION		0.00	0.00	45,000.00		45,000.00	0.00
247-729-967.000	RESERVE FOR SPECIAL PROJECTS		0.00	0.00	35,000.00		35,000.00	0.00
247-729-967.500	RESERVE FOR INFRASTRUCTURE IMPROVEMENTS		0.00	0.00	35,000.00		35,000.00	0.00
Total Dept 729 - DEVELOPMENT ACTIVITIES			15,808.04	23,780.74	368,925.00		345,144.26	6.45
TOTAL EXPENDITURES			15,808.04	23,780.74	368,925.00		345,144.26	6.45
Fund 247 - LOCAL DEVELOPMENT FINANCE AUTHORITY:								
TOTAL REVENUES			14,427.35	393,550.48	451,200.00		57,649.52	87.22
TOTAL EXPENDITURES			15,808.04	23,780.74	368,925.00		345,144.26	6.45
NET OF REVENUES & EXPENDITURES			(1,380.69)	369,769.74	82,275.00		(287,494.74)	449.43

Fund 247 LOCAL DEVELOPMENT FINANCE AUTHORITY

GL Number	Description	Balance
*** Assets ***		
247-000-001.000	CASH - CHECKING	17,585.94
247-000-003.200	CASH - CD - FLAGSTAR BANK	252,834.03
247-000-003.300	CASH - CD - SO MI BANK & TRUST	252,119.41
247-000-007.000	CASH - MI CLASS INVESTMENT ACCT	3,548,796.70
247-000-130.000	LAND	97,544.00
Total Assets		4,168,880.08
*** Liabilities ***		
247-000-202.000	ACCOUNTS PAYABLE	15,594.81
247-000-339.000	DEFERRED REVENUES	1,361.94
Total Liabilities		16,956.75
*** Fund Balance ***		
247-000-390.000	FUND BALANCE	3,782,153.59
Total Fund Balance		3,782,153.59
Beginning Fund Balance		3,782,153.59
Net of Revenues VS Expenditures		369,769.74
Ending Fund Balance		4,151,923.33
Total Liabilities And Fund Balance		4,168,880.08

Annual Report on Status of Tax Increment Financing Plan

Send completed form to: Treas-StateSharePropTaxes@michigan.gov	City of Jonesville	TIF Plan Name	For Fiscal Years ending in
Issued pursuant to 2018 PA 57, MCL 125.4911 Filing is required within 180 days of end of authority's fiscal year ending in 2024. MCL 125.4911(2)	Local Development Finance Authority		2024
	Year AUTHORITY (not TIF plan) was created:	1989	
	Year TIF plan was created or last amended to extend its duration:	2010	
	Current TIF plan scheduled expiration date:	2036	
	Did TIF plan expire in FY24?	No	
	Year of first tax increment revenue capture:	1990	
	Does the authority capture taxes from local or intermediate school districts, or capture the state education tax? Yes or no?	No	
	If yes, authorization for capturing school tax:		
	Year school tax capture is scheduled to expire:		

Revenue:

Tax Increment Revenue	\$	98,856
Property taxes - from DDA millage only	\$	-
Interest	\$	186,588
State reimbursement for PPT loss (Forms 5176 and 4650)	\$	319,492
Other income (grants, fees, donations, etc.)	\$	24,842
Total	\$	629,778

Tax Increment Revenues Received

	Revenue Captured	Millage Rate Captured
From counties	\$ 32,217	7.9230
From cities	\$ 66,639	16.3880
From townships	\$ -	
From villages	\$ -	
From libraries (if levied separately)	\$ -	
From community colleges	\$ -	
From regional authorities (type name in next cell)	\$ -	
From regional authorities (type name in next cell)	\$ -	
From regional authorities (type name in next cell)	\$ -	
From local school districts-operating	\$ -	
From local school districts-debt	\$ -	
From intermediate school districts	\$ -	
From State Education Tax (SET)	\$ -	
From state share of IFT and other specific taxes (school taxes)	\$ -	
Total	\$ 98,856	

Expenditures

Development Activities and Ind Park Maintenance	\$	30,167
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
	\$	-
Transfers to other municipal fund (list fund name)	\$	-
Transfers to other municipal fund (list fund name)	\$	25,000
	\$	41,053
Total	\$	96,220

Total outstanding non-bonded Indebtedness

Principal	\$	-
Interest	\$	-

Total outstanding bonded Indebtedness

Principal	\$	-
Interest	\$	-

	Total	\$	-
Bond Reserve Fund Balance		\$	-
Unencumbered Fund Balance		\$	3,684,610
Encumbered Fund Balance		\$	97,544

CAPTURED VALUES

PROPERTY CATEGORY	Current Taxable Value	Initial (base year) Assessed Value	Captured Value	Overall Tax rates captured by TIF plan	
					TIF Revenue
Ad valorem PRE Real	\$ -	\$ -	\$ -	0.0000000	\$0.00
Ad valorem non-PRE Real	\$ 6,294,774	\$ 2,282,850	\$ 4,011,924	24.3110000	\$97,533.88
Ad valorem industrial personal	\$ 1,528,500	\$ 1,123,996	\$ 404,504	24.3110000	\$9,833.90
Ad valorem commercial personal	\$ -	\$ -	\$ -	0.0000000	\$0.00
Ad valorem utility personal	\$ -	\$ -	\$ -	0.0000000	\$0.00
Ad valorem other personal	\$ -	\$ -	\$ -	0.0000000	\$0.00
IFT New Facility real property, 0% SET exemption	\$ 2,441,214	\$ 686,000	\$ 1,755,214	12.1555000	\$21,335.50
IFT New Facility real property, 50% SET exemption	\$ -	\$ -	\$ -	0.0000000	\$0.00
IFT New Facility real property, 100% SET exemption	\$ -	\$ -	\$ -	0.0000000	\$0.00
IFT New Facility personal property on industrial class land	\$ 581,000	\$ 3,036,467	\$ (2,455,467)	12.1555000	(\$29,847.43)
IFT New Facility personal property on commercial class land	\$ -	\$ -	\$ -	0.0000000	\$0.00
IFT New Facility personal property, all other	\$ -	\$ -	\$ -	0.0000000	\$0.00
Commercial Facility Tax New Facility	\$ -	\$ -	\$ -	0.0000000	\$0.00
IFT Replacement Facility (frozen values)	\$ -	\$ -	\$ -	0.0000000	\$0.00
Commercial Facility Tax Restored Facility (frozen values)	\$ -	\$ -	\$ -	0.0000000	\$0.00
Commercial Rehabilitation Act	\$ -	\$ -	\$ -	0.0000000	\$0.00
Neighborhood Enterprise Zone Act	\$ -	\$ -	\$ -	0.0000000	\$0.00
Obsolete Property Rehabilitation Act	\$ -	\$ -	\$ -	0.0000000	\$0.00
Eligible Tax Reverted Property (Land Bank Sale)	\$ -	\$ -	\$ -	0.0000000	\$0.00
Exempt (from all property tax) Real Property	\$ -	\$ -	\$ -	0.0000000	\$0.00
Total Captured Value		\$ 7,129,313	\$ 3,716,175	Total TIF Revenue	\$98,855.86

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 2023-24 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

- With a number of capital projects prioritized in other areas of the City, the LDFA has identified the following three top priorities:
 - Entrepreneurial Park Development
 - Workforce and Training Support
 - Housing Development Support

Projects and Investments

- 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 fifth 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. These investments will be key in accomplishing Strategic Planning objectives in the future.

Events and Promotions

- Engaged in business recruiting, marketing parcels. With the Economic Development Partnership of Hillsdale County (EDP) met with prospects for the former Interdyne Building and collaborated with the Michigan Economic Development Corporation (MEDC) on an incentive package for the new owner, Triple Diamond Plastics.
- Have worked collaboratively with various potential users of the former Hillsdale Tool Building, including a prospect who considered new construction in the Jonesville Industrial Park, before offering on a building in the City of Hillsdale.

Fund Balance and Capital Project Planning

The LDFA retains an estimated fund balance at the close of the fiscal year of approximately \$3.8 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. \$495,000 is reserved for future expansion, \$395,000 for special projects and development incentives, and \$425,000 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.



Economic Development Partnership Of Hillsdale County

*Creating an environment to support opportunity, growth and
Encouragement to innovate - for all communities, business and citizens.*

Board of Directors

Rick Schaerer, Chair
Jonesville Paper Tube Corp.,

Don Germann, Vice Chair
Hillsdale County National Bank

Kelly Hodshire, Treasurer
Bailey, Hodshire & Company, PC

Vicki Morris, Secretary
Century Bank

Kym Blythe
Reading City Manager

Sally Clark
Michigan Works! Southeast

John Condon
Hillsdale Terminal

Doug Ingles
Hillsdale County Commissioner

Jeff Gray
Jonesville City Manager

Jeremiah Hodshire
Hillsdale Hospital

Sam Fry
City of Hillsdale

David Mackie
Hillsdale City Manager

Gregory Moore
Consumers Energy

Corey Parker
Michigan Gas Utilities

Chris Poling
Raptor Industries

Tony Samon
Community Action Agency

Nicole Benson
Litchfield City Manager

Wanda White
White Machine and Automation

Jeff Gray / LDFA
Jonesville City Manager
265 E. Chicago Street
Jonesville, MI 49250

January 13, 2025

Dear Jeff and LDFA board Members,

We greatly appreciate your investment in our work at the Economic Development Partnership of Hillsdale County. The focus of the work we do at the EDP shifts with the demand created in the local economy. Traditionally the quest for jobs and investment have been a primary function of economic development. The successful attraction of new industrial facilities to Hillsdale County over the last 2 years has been excellent for growth in jobs and tax revenue. Our municipalities are the key partners who make this growth possible.

We have invested in marketing the quality of life in Hillsdale County and our industrial sites in Site Selection Magazine whose circulation reaches the USA, Canada, UK, Europe and Asian markets.

We are hosting Entrepreneurial classes through our partnership with the Lean Rocket Lab in Jackson and Lenawee Now. This Fellow program provides entrepreneurs with 12 weeks of business classes and a \$4,000 grant to invest in their businesses as well as ongoing support as they grow.

The contract work we do with the MEDC allows us to invest in key areas that are predetermined by the Governor's office. Training scholarships for the working poor, Manufacturing Day for our Students, and funding to bring our business community together to encourage asset sharing are some of the areas of focus.

The EDP will be applying for additional "Revolving Loan Funds" to provide gap financing for our businesses. Our previous loan fund has been exhausted and repaid funds have been redistributed in the community.

As a Board member we are fortunate to have your insight and guidance to further our mission. Our thanks to you for your ongoing investment and partnership as we look forward to continued growth in 2025.

Sincerely,

Susan M. Smith, Executive Director

RECEIVED
JAN 21 2025

BY: _____