



Economic Development Incentive Tools

The City of Boyne City is a Certified Community and active participant in the Redevelopment Ready Communities (RRC) Process which supports communities' efforts to foster economic and community development through a predictable and proactive approach to planning and development. The City has facilitated economic development projects through various tools and programs to ensure the most efficient use of local resources.

Incentive Tools Framework

The City is always willing to work with businesses, property owners, and investors to try to find a way to incentivize development through financial and non-financial resources. The City Commission has supported and approved tax incentives for various projects and business, has acted as a fiduciary and has applied for and administered grants, has amended or adopted legislation and entered into 425 agreements to enable development, and created two Tax Increment Financing (TIF) authorities. The City encourages early communication and collaboration on development projects to ensure the maximum amount of resources are considered.

The process for initiating an incentive tool begins through the Conceptual Review Meeting. Prior to submitting a development application, a prospective developer or property owner is encouraged to contact City Manager Mike Cain or Planning Assistant Kyle Smith to discuss the project. The City Manager will review all requests and opportunities and follow through on next steps as necessary. Many of the programs and incentives described require final approval granted by a vote of the City Commission. As each request is different and unique to the project, City staff will walk you through all necessary steps.

Open communication is encouraged throughout the process, especially to adjust the incentive request based on changes in the project or funding circumstances. No formal application is required for consideration of development incentives; qualifications are dependent on the nature of the project and the desired incentive. There is no fee for a Conceptual Review Meeting. Staff are available 7:30 A.M.- 4:30 P.M. Monday – Friday to discuss your development project. Please call (231) 582-0337 to speak to staff directly.

Brownfield Redevelopment Authority (BRA)

Michigan law permits municipalities to create BRAs, an institutional structure to promote local planning and to implement brownfield redevelopment. Each BRA develops a plan that identifies eligible properties within its jurisdiction. Developers of brownfield sites may receive reimbursement for brownfield remediation that is needed before a project can begin construction.

In 2010, the City successfully worked with the Charlevoix County Brownfield Redevelopment Authority to secure business tax credits and tax increment financing for development at One Water Street. The waterfront development included extensive site remediation, a new 24-slip marina, commercial storefronts, and residential units. One Water Street is a cornerstone for the downtown commercial district.

In 2022, the City worked with the Charlevoix County Land Bank to transfer city-owned properties to the Brownfield Redevelopment Plan. The redevelopment applied Brownfield Redevelopment Tax Increment Financing to build five single family homes on three existing lots. The tax capture from the development of the property will help pay for environmental studies, demolition, site improvements, and homebuyer subsidy for the new homes. Northern Homes Community Development Corporation will build the five homes.

Grants

Boyne City actively engages with local, state, and federal sources for available grant funds, and it has received a number of placemaking, recreation, and other community improvement grants. Boyne City is eligible for grant assistance and other financial resources as a designated community for two Michigan Economic Development Corporation (MEDC) programs: Michigan Main Street (MMS) and Redevelopment Ready Communities (RRC). Boyne City became a Main Street community in 2003 and RRC certified in 2015.

Boyne City Main Street is a designated community through the Michigan Main Street Program and the National Main Street Center. In 2020, Boyne City was awarded the Great American Main Street Award (GAMSA). GAMSA recognizes communities for their excellence in comprehensive preservation-based commercial district revitalization. Boyne City Main Street is one of the original four communities initiated into Michigan Main Street program, and celebrated its 20th anniversary in 2023. Through MEDC and the Michigan Main Street Program, Boyne City Main Street is eligible for a variety of technical assistance services including:

- Entrepreneurial Ecosystem Audit
- Branding Service
- Site Prioritization and Visioning
- Business Recruitment Toolkit
- Downtown Futures Service
- Design and Historic Preservation Assistance

Boyne City Main Street and the Downtown Development Authority (DDA) provide resources for façade improvements. The Façade Grant Program provides a matching grant for façade improvements within the Main Street District. It is a competitive grant program. For every dollar awarded the applicant must spend an equal amount. Individual grant amounts will be up to 50 percent of project cost. A total of \$20,000 is allocated to be awarded during the current budget year. The façade grant program is funded by the Boyne City Main Street Program with funds raised through Boyne Thunder. Recommendations for funding grant applications will be made by the Main Street Design Committee to the Main Street Board which will make all final grant-funding decisions. There is no set minimum or maximum number of projects per year.

Additionally, the Main Street Design Committee provides project design review assistance. This is a non-financial resource that is built into the site plan approval process. Upon application to the Planning & Zoning Department for development review, projects that occur within the Main Street defined area will be reviewed by the Design Committee for compatibility with City standards. City Planning & Zoning staff regularly attend Design Committee meetings and request comments from the committee which are then referred to the Planning Commission for the site plan review.

Through the RRC program, Boyne City has outlined development processes and streamlined efforts to prepare the community for future redevelopment. The program seeks to bring all stakeholders in the development process together including City staff, elected and appointed officials, local residents, and the business community. The MEDC recently provided technical assistance for training of local officials to

review development processes. Perhaps the most beneficial aspect of the program is advertising redevelopment ready properties on the MEDC's miplace.org. The City currently has three redevelopment sites listed. The Lofts of Lake Street project proposed for 100 N. Lake Street was one of the redevelopment sites previously identified.

The City continues to apply for and receive grant funds for redevelopment projects. The City facilitated \$750,000 for brownfield site remediation through the Michigan Department of Environment, Great Lakes, and Energy at the Lofts of Lake Street site at the corner of Lake Street and State Street. The remediation project was completed in 2021.

Tax Abatement

The City will consider tax abatement strategies for projects with significant redevelopment potential. In 2019, the City approved a Tax Incentive Agreement under Michigan Public Act 210 of 2005 for the Lofts of Lake Street commercial rehabilitation at 100 and 120 Lake Street and 114 State Street. This act encourages the rehabilitation of commercial property by abating local property taxes generated from a new investment for a period of up to 10 years. The proposed project is for the development of a three story, mixed use building with commercial space on the first floor and 42 residential units at 80% average median income (AMI) rental rates for Charlevoix County.

Tax Increment Financing (TIF)

Michigan communities may establish certain tax increment finance authorities under Public Act 57 of 2018. Those authorities may create and implement development plans and development areas to promote residential and economic growth. The City has two designated tax increment financing authorities: The Downtown Development Authority under the management of the Boyne City Main Street and the Local Development Finance Authority.

Boyne City Main Street underwent the update of the Downtown Development Authority Development Plan and Tax Increment Financing Plan 30-year renewal in 2021. According to the plan, there are 279 parcels in the DDA, 114 residential units, and a 1% storefront vacancy rate.

The Local Development Finance Authority and District for the Boyne City Air Business Park underwent the update of the Development Plan and Tax Increment Financing Plan 20-year renewal in 2017. The focus of the Boyne City Air Business Park LDFA Development and TIF Plan is to provide for maintenance and improvements to existing infrastructure, as well as additional stormwater management systems and road improvements, and investigation of new communication and green infrastructure opportunities

Intergovernmental Agreements

Michigan Public Act 425 of 1984 permits the conditional transfer of property by contract between certain local units of government. In order to facilitate an expansion to the Boyne City Air Business Park for additional industrial development for Jervis B. Webb – Daifuku, in 2021, the City entered into an agreement with Boyne Valley Township to provide streets, water, sewer and other services to a determined area as if it were part of the city.



Non-financial Resources

The City of Boyne City Planning and Zoning staff provide office hours and regularly meet with property owners to discuss proposed development plans. The Planning Commission may also hold a pre-application meeting to review the project and provide initial feedback. Depending on the project parameters, the Planning Commission may waive parking requirements, landscaping requirements, and expedite the review of the project.

Prior to any development or redevelopment, applicants and/or their representatives are encouraged to contact City Planning Director, Scott McPherson. Prospective applicants may reach out informally with a phone call or email inquiry or may schedule a Conceptual Review Meeting. Depending on the scope of the proposed development, the applicant may request other City staff (e.g., Department of Public Works and/or Fire Department) also meet to discuss the project. There is no fee for a Conceptual Review Meeting. Staff are available 7:30 A.M.- 4:30 P.M. Monday – Friday to discuss your development project. Please call 231.582.0337 to speak to staff directly.