



(iconic photo of Evart)

CITY OF EVART, MICHIGAN INVESTMENT PROSPECTUS

Prepared by the **City of Evart**
In collaboration with the **Osceola County Community Development Office**

Questions and inquiries should be directed to the City of Evart
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EXECUTIVE SUMMARY

- The City of Ewart is a rural community located in the west-central portion of Michigan's lower peninsula.
- Ewart's Opportunity Zone was intentionally created to highlight housing, downtown, and air-industrial park development opportunities.
- Ewart's recent graduation as one of Michigan's first Rising Tide communities and current participation in the Redevelopment Ready Community program signifies that the community is properly planned and ready to grow.
- Ewart's participation as a Main Street community signifies a commitment to its downtown businesses.
- For more information:
Ewart City Manager
Sarah Dvorcek
sarah.dvoracek@ewart.org

2017 TAX CUTS AND JOBS ACT

The 2017 Tax Cuts and Jobs Act established New Internal Revenue Code Section 1400Z – Opportunity Zones

The Opportunity Zones Program offers three tax incentives for investing in low-income communities through a qualified Opportunity Fund¹.



(improve graphic – show clock turning back, change color)

Temporary Deferral

A temporary deferral of inclusion in taxable income for capital gains reinvested into an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is disposed of or December 31, 2026.



Step-Up In Basis

A step-up in basis for capital gains reinvested in an Opportunity Fund. The basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original gain from taxation.



Permanent Exclusion

A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

¹Courtesy of Economic Innovation Group

OPPORTUNITY ZONE TAX INCENTIVES

The Tax Cuts and Jobs Act has established
New Internal Revenue Code Section 1400Z – Opportunity Zones

Different Than Other Tax Credits:

- ✓ More market-oriented
- ✓ Residential, commercial real estate, and business investments
- ✓ No benefit cap

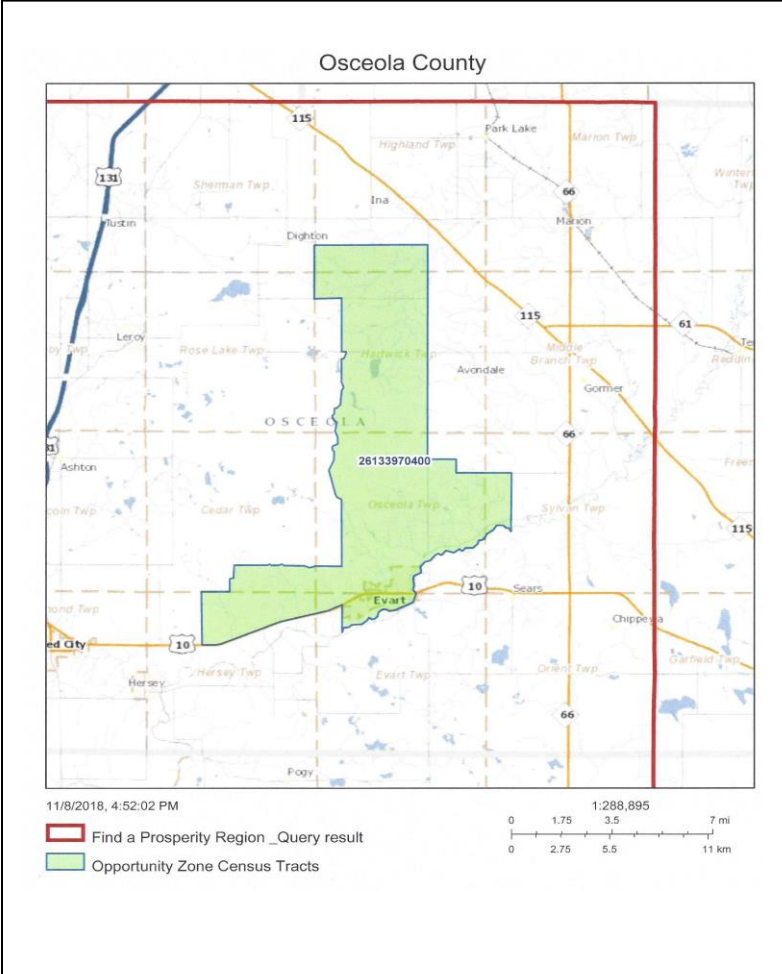
Four Parties:

TAXPAYER	QUALIFIED ZONE
OPPORTUNITY FUND	PROJECTS (PROPERTY & BUSINESSES)

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EVART OPPORTUNITY ZONE OVERVIEW

Opportunity Zone encompasses almost the entire city



CENSUS TRACT 26133970400

OPPORTUNITY ZONE ENCOMPASSES APPROXIMATELY 99% OF POPULATION OF CITY

OPPORTUNITY ZONE ENCOMPASSES APPROXIMATELY 99% OF LAND MASS OF CITY

OPPORTUNITY ZONE ALSO INCORPORATES PORTIONS OF CEDAR, EVART, HARTWICK, HERSEY, HIGHLAND, OSCEOLA AND SYLVAN TOWNSHIPS

	POPULATION 2012	POPULATION 2017	% CHANGE	SQ. MILES
City	1,641	1,552	(5.4%)	2.27
Opportunity Zone (census tract 9704)	3,275	3,356	2.5%	61.22

Source: US Census American Community Survey

EVART AREA OVERVIEW

Demographic & Economic Data

	5 Mile Radius (2018)	25 Mile Radius (2018)
Population	5,565	99,880
# Millennials (ages 20-34)	974	18,922
# Potential Retirees (age 55 or older)	2,009	35,573
Jobs	1,240	29,631
Avg. Earnings per Job	\$43,700	\$50,700
Cost of Living Index	88.3	87.3

Source: EMSI Economy Overview Q1 2019 Data Set

City of Evert's 5 Largest Employers

Employer	Type of Business	Approximate Number of Employees
Ventra	Tier I Automotive Supplier	1,000
Vitro	Automotive Glass	117
Evert Public School District	K-12 Education	110
Chippewa Plastics	Plastic Injection Molding	65
McDonalds of Evert	Limited-Service Restaurant	43

Source: Osceola County Community Development Office

Communities Near Evert

Community	Distance from Evert	Population (2017 Census)
Reed City	13 miles west	2,709
Big Rapids	25 miles southwest	10,413
Cadillac	29 miles north	10,375
Clare	30 miles east	3,087
Mount Pleasant	46 miles southeast	25,711
Grand Rapids	82 miles south	195,355

Source: US Census American Community Survey

EVART MOMENTUM

EVART PROMISE – Community’s commitment to our youth.

RISING TIDE – One of 10 Round 1 communities; ready to grow.

MICHIGAN MAIN STREET PROGRAM – Revitalizing downtown... one of approximately 30 Main Street Communities in Michigan.

PURCHASE OF FORMER LIBERTY DAIRY – Ventra LLC purchases former Liberty Dairy creating new jobs and investment.

REDEVELOPMENT READY COMMUNITY – Signifies Evart has removed development barriers by incorporating deliberate, fair, and consistent processes.

INFRASTRUCTURE INPLACE – Sewer, water, and broadband.

EVART MUNICIPAL AIRPORT – Available to businesses and smaller aircraft.

OSCEOLA COUNTY FAIRGROUNDS – One of the best fairgrounds in Michigan.

WORKFORCE TRAINING / HIGHER EDUCATION – One community college and two universities within 35 miles.

EVART AIR-INDUSTRIAL PARK – Michigan Certified Business Park; space available.

Ewart Promise – What is the status?

Rising Tide – In 2015 Ewart was selected as one of the first 10 Rising Tide communities in the State of Michigan. Through assistance from the State and strong community involvement Ewart graduated in 2017 after building a solid planning, zoning, and economic development foundation to help attract new businesses and help its existing employers grow.

Michigan Main Street Program – In 2018 Ewart was selected through a competitive application process to become a Michigan Main Street Community. Through the Main Street Program Ewart is supporting its new and existing businesses, planning and funding physical improvements, organizing events and promotions to raise the profile of the downtown district and engage community members in downtown revitalization.

Purchase of Former Liberty Dairy – The Liberty Dairy facility was closed in 2013 and Ewart was left with a large vacant manufacturing complex on the east side of town. In December 2018 Ventra LLC purchased manufacturing complex and began renovation in order to produce automotive parts. As a result, the community was able to remove its largest source of blight while at the same time creating jobs and new investment.

Redevelopment Ready Community – Ewart has completed the Redevelopment Ready Community (RRC) process. RRC is a statewide program that certifies communities are actively engaging stakeholders and planning for the future. Certification signals to business owners, developers, and investors that a community has removed development barriers by incorporating deliberate, fair, and consistent processes.

Infrastructure in Place – The City has excess sewer and water capacity. Electricity and gas necessary for most manufacturing operations are in place. Wireless broadband is available while fiber is scheduled to be run in 2019.

Ewart Municipal Airport – The Ewart Municipal Airport is a general aviation airport. It has a 75' by 4,200' lighted runway.

Osceola County Fairgrounds – Home of the largest Dulcimer Fest in the country. Among other amenities the fairground includes a large community building, over 200 campsites, a track, grandstand, two pavilions, and livestock buildings.

Higher Education – Ferris State University, which offers more than 180 undergraduate and graduate majors is located 19 miles away. Central Michigan University, which offers approximately 300 degrees at the undergraduate, master's, specialist and doctoral levels, is located 33 miles away. Lastly, Mid Michigan Community College, which offers industry recognized certifications, certificate programs to training credentials and associate degrees, is located 19 miles away.

Evart Air Industrial Park – The industrial park is located on US-10, a paved Class A road. there is easy access to freeways serving Detroit, Grand Rapids, Chicago, Traverse City, Northern Michigan, as well as many other markets. It is a Certified Michigan Business Park and is zoned General Industrial.

Available utilities include Ameritech telephone service, Consumers Energy, and MichCon gas. Municipal sanitary sewer, water, and storm water is provided at each lot. Wireless broadband service is available within the park. Fiber is tentatively scheduled to be run in late 2019.

All sites are level and clear. A 75' by 3,800' lighted runway serves both business and industrial users. The industrial park has been designed to allow direct loading and unloading of aircraft from most lots. Lots are offered at \$1 per acre if the business meets specific criteria. Local and State incentives may be available.

CITY OF EVART AND OSCEOLA COUNTY ECONOMIC DEVELOPMENT POINTS OF CONTACT

CITY OF EVART: General questions related to the City of Evert and questions related to the Evert Opportunity Zone.

Sarah Dvoracek, City Manager; (231) 734-2181

sarah.dvoracek@evart.org

City of Evert website: www.evart.org

EVART DOWNTOWN DEVELOPMENT AUTHORITY (DDA): Questions related to Evert's downtown.

Brian Tiedt, DDA Director; (231) 734-0185

Evert DDA website: Included as part of the City of Evert's website (www.evart.org).

EVART LOCAL DEVELOPMENT FINANCE AUTHORITY: Questions related to Evert's Air-Industrial Park.

Melora Theunick, LDFA Director; (231) 734-6119

melora.theunick@evart.org

Evert LDFA website: Included as part of the City of Evert's website (www.evart.org).

OSCEOLA COUNTY COMMUNITY DEVELOPMENT OFFICE: Questions related to Osceola County, opportunity zones, and business incentives.

Dan Massy, Community Development Coordinator; (231) 832-7397

dmassy@osceolacountymi.com

Osceola County website: www.osceola-county.org

BUSINESS INCENTIVES

PROGRAM: Downtown Facade & Building Improvement Program

DESCRIPTION: The Evert Downtown Development Authority (DDA) has adopted a Downtown Facade and Building Improvement Program that is designed to encourage economic investment and revitalization to the commercial buildings within the DDA district. The facade and building improvement program is designed to encourage physical improvements to the commercial facades visible from the public right-of-way. The interior renovation portion of the program is intended to support physical improvements to the floors, walls, and/or ceilings of commercial buildings.

MAXIMUM & MINIMUM AWARDS: \$500-\$5,000

FOR MORE INFORMATION: Contact the Evert Downtown Development Authority at (231) 734-0185 or go to the Downtown Facade & Building Improvement Program portion of their website at www.evert.org/our_community/facade_improvement.php.

PROGRAM: Evert Air-Industrial Park Property Program

DESCRIPTION: The Evert Air-Industrial Park is located in the City of Evert within the Evert Municipal Airport. Adjacent to US-10, an all-weather road, there is easy access to freeways serving Detroit, Grand Rapids, Chicago, Traverse City, Northern Michigan, as well as many other markets. The Evert Air-Industrial Park Property Program is designed to assist individuals and businesses to establish their business in the Air-Industrial Park.

MAXIMUM & MINIMUM AWARDS: Property is available for \$1 per acre if the business meets specific criteria.

FOR MORE INFORMATION: Property within the Evert Air-Industrial Park is marketed by the Evert Local Development Finance Authority (LDFA). For more information contact the Evert LDFA at (231) 734-6119 or go to the Air Industrial Park portion of their website at http://www.evert.org/our_community/airport.php.

PROGRAM: Michigan Business Development Program

DESCRIPTION: The Michigan Business Development Program is design to give grants, loans, or other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or investment. In a rural counties, such as Osceola County where Evert is located, a business must create a minimum of 25 new jobs.

FOR MORE INFORMATION:

The program is administered by the Michigan Economic Development Corporation (MEDC). Contact the Osceola County Community Development Office, (213) 832-7397 who will then place you in contact with an MEDC Business Development Manager. Also, you may refer to the Michigan Business Development Program Fact Sheet located on the MEDC's website, <https://www.michiganbusiness.org/49c8d6/globalassets/documents/reports/fact-sheets/michiganbusinessdevelopmentprogram.pdf>.

PROGRAM: Michigan Community Revitalization Program

DESCRIPTION: The Michigan Community Revitalization Program is designed to promote community revitalization that will accelerate private investment in areas of historical disinvestment; contribute to Michigan's reinvention as a vital, job generating state; foster redevelopment of functionally obsolete or historic properties; reduce blight; and protect the natural resources of this state. The program is designed to provide grants, loans, or other economic assistance for eligible investment projects in Michigan.

Eligible properties include: a Facility (Brownfield); Historic resource; Blighted; Functionally obsolete (PA 328); Adjacent or contiguous to a property described above, if the development of the adjacent or contiguous property is estimated to increase the taxable value of the property described above; or any other property that previously met the conditions as a facility, functionally obsolete or blighted within the last 15 years.

FOR MORE INFORMATION:

The program is administered by the Michigan Economic Development Corporation (MEDC). Contact the Osceola County Community Development Office, (213) 832-7397 who will then place you in contact with an MEDC Business Development Manager. Also, you may refer to the Michigan Community Revitalization Program Fact Sheet located on the MEDC's website, <https://www.michiganbusiness.org/49c8df/globalassets/documents/reports/fact-sheets/communityrevitalizationprogram.pdf>

PROGRAM: Industrial Property Tax Abatement

DESCRIPTION: Industrial property tax abatements provide incentives for eligible businesses to make new investments in Michigan. These abatements encourage Michigan manufacturers to build new plants, expand existing plants, renovate aging plants, or add new machinery and equipment. High technology operations are also eligible for the abatement.

Industrial plants eligible for tax abatement are those that primarily manufacture or process goods or materials by physical or chemical change. Related facilities of Michigan manufacturers such as offices, engineering, research and development, warehousing or parts distribution are also eligible for exemption. Research and development laboratories, high-tech facilities and large communication centers also qualify.

FOR MORE INFORMATION: Contact the Osceola County Community Development Office, (213) 832-7397.

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INVESTMENT OPPORTUNITIES

Downtown Redevelopment

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Ewart Air-Industrial Park

Housing

DOWNTOWN EVART OPPORTUNITY: RETAIL, OFFICE, RESIDENTIAL, AND MIXED USE



Assets

- 68 commercial buildings
- Core downtown center
- US-10 corridor, 5,000-10,000 Annual Average Daily Traffic Count (Michigan Dept. of Transportation)
- Facade and Building Improvement Program

Photo of downtown



The Opportunity

- Redevelop vacant buildings into retail, office, residential, and mixed use units.
- Potential to become retail and commercial hub. No other community within 15 minute drive. Closest community with population greater than 10,000 approximately 25 miles away.
- By 2021 over 8,500 people with a projected median income of \$40,428 within 15 mile drive²

Photo of US-10 business(es)

² ESRI Business Analyst and City of Evart Master Plan

EVART AIR-INDUSTRIAL PARK OPPORTUNITY: MANUFACTURING & LOGISTICS



Pictures of Air-Industrial Park



Assets

- Existing full-service industrial park
- 75' by 4,200' lighted runway
- Direct loading/unloading from most lots
- Adjacent US-10
- Easy access to Detroit, Chicago, and other markets

The Opportunity

- The Evert Local Development Finance Authority is offering \$1 per acre sites.
- Partner with the community by building a spec building in the Air-Industrial Park.
- Invest in a manufacturing start-up or expansion.
- Locate your start-up or expansion in the Air-Industrial Park.
- Capitalize on the excellent air and ground transportation by using the Air-Industrial Park as a logistics hub.

EVART HOUSING MARKET OPPORTUNITY: HOUSING DEVELOPMENT

Assets

-



Pictures of Air-Industrial Park

The Opportunity

-



Don't let these opportunities pass you by!



(investment opportunity photo or a photo that screams "invest in Evert")

CITY OF EVART WEBSITE:

www.evert.org

EVART OPPORTUNITY ZONE POINT OF CONTACT:

Sarah Dvoracek

City Manager

sarah.dvoracek@evert.org

(231) 734-2181