





**LSL Planning, Inc.**

Community Planning Consultants

June 24, 2009

Township Board  
Charter Township of Highland  
205 N. John Street  
Highland, MI 48357

**Subject: Kingsland Senior Housing Tax Impact Analysis**

Dear Board Members:

After several months of coordination and meetings with elected officials, staff, and consultants for the Township, our client, Mr. Cleve King, has prepared a revised conceptual site plan for the above project and submitted it for your consideration. It addresses all of the concerns raised at earlier meetings and improves the overall functioning of the site as a continuum of care senior housing development. Additional land has been added to the site to allow for better separation of uses and provide additional buffering. A second means of access onto Susan Court is also shown, with connections to Tipsico Lake Road and M-59.

Additional land area was added to the project and therefore the total unit count has increased. This will not only provide additional economic stimulus through job creation, but the project will also increase the amount of tax revenue generated for the Township and other taxing authorities. The attached table indicates that the estimated taxable value of the project will be over \$59,000,000., which is expected to generate over \$2,000,000. in new tax revenues for the community. From this amount, over \$755,000 will go directly to Highland Township taxing authorities annually: School District - \$470,399. (with absolutely no increased demand upon educational services) ; police and fire - \$249,519; and Township operations - \$35,496.

At present, senior housing is one of the very few areas where we continue to see demand for new development. In even the best case scenario, it will take at least 3-5 years before demand for other forms of housing returns to the region. Given the loss of jobs and tax revenues in the State of Michigan and Highland Township area, the new tax revenue will provide a much needed funding source for all of the taxing jurisdictions.

We hope this information has been helpful and look forward to discussing this with you in the future.

Sincerely,

**LSL PLANNING, INC.**

A handwritten signature in cursive script, reading "Carmine P. Avantini".

Carmine P. Avantini, AICP  
Partner

Encl.

Estimated Assessed Values Highland Township Senior Housing Development						
Proposed Development	Total	Average	True Cash Value	Total Estimated	Total Estimated	
	Units	Value per Unit*		Taxable Value	Taxes***	
Nursing Care Senior Assisted Living	75	\$ 70,000	\$ 5,250,000	\$ 2,625,000	\$	126,565
MF - Senior Apartments*	150	\$ 75,000	\$ 11,250,000	\$ 5,625,000	\$	271,211
Single Family Lots*	180	\$ 100,000	\$ 18,000,000	\$ 9,000,000	\$	433,937
Duplex Units*	244	\$ 275,000	\$ 67,100,000	\$ 33,550,000	\$	1,013,720
	76	\$ 220,000	\$ 16,720,000	\$ 8,360,000	\$	252,599
<b>Total</b>	<b>725</b>		<b>\$ 118,320,000</b>	<b>\$ 59,160,000</b>	<b>\$</b>	<b>2,098,031</b>

Source: LSL Planning, Inc.

\* Price per unit estimated by LSL, including average square foot construction prices for Senior Assisted/Nursing Care

\*\*\*Homestead taxes based on Highland Township's homestead mill of 30.08590, Non-Homestead Taxes (Multiple Family Units) is 48.2152

Estimated Taxes Generated Highland Township			
Items of Tax	Millage Rate		Estimated Tax
Oakland County	4.1900	0.00419000	\$ 247,880
County Parks&Rec	0.2415	0.00024150	\$ 14,287
Huron-Clinton MA	0.2146	0.00021460	\$ 12,696
School Debt	7.9513	0.00795130	\$ 470,399
State Education Tax	6.0000	0.00600000	\$ 354,960
Highland Township Op	0.6000	0.00060000	\$ 35,496
Police + Fire	4.2177	0.00421770	\$ 249,519
OCC	1.5844	0.00158440	\$ 93,733
ISD	3.3690	0.00336900	\$ 199,310
Library + Library Debt	1.8467	0.00184670	\$ 109,251
<b>Total Homestead</b>	<b>30.21520</b>	<b>0.03021520</b>	<b>\$ 1,787,531</b>
<b>School Operating (NHS)</b>	<b>18.00000</b>	<b>0.01800000</b>	<b>\$ 310,500</b>
<b>Total Tax</b>			<b>\$ 2,098,031</b>

Source: Highland Township Treasury and LSL Planning, Inc.

Estimates based on Township Millage Rates