To the Village Council:

After reviewing the offer from Superior Fine Furnishings, LLC, I believe this is an acceptable offer for the Village to consider, provided the final agreement requires the construction of all three residential buildings within six months and includes protections for the Village if that commitment is not fulfilled.

We need to evaluate this proposal based on its total long-term benefit—not only the initial selling price. This vacant property currently produces no property-tax revenue for the Village. If we leave it undeveloped, that does not change. The Village will continue receiving nothing from it.

Selling the property would provide $25,000 in immediate revenue. More importantly, the developer expects each of the three new homes to sell for approximately $375,000 to $425,000.

Assuming each home receives a taxable value of approximately $195,000 to $200,000, the Village's current operating millage of 7.8414 mills and highway millage of 3.8885 mills would produce approximately $2,287 to $2,346 annually from each home. For all three homes, that represents an estimated $6,862 to $7,038 in additional Village tax revenue every year.

These are estimates, and the final taxable values will be determined by the assessor. However, the numbers demonstrate the long-term financial benefit of returning this vacant property to productive use.

The Michigan Department of Treasury also confirms that taxable values are used in local-government revenue calculations, including statutory revenue-sharing payments. This further demonstrates the importance of responsibly expanding the Village's taxable base. Additional information is available from the Michigan Department of Treasury.

Over ten years, these three homes could generate approximately $68,600 to $70,400 in Village tax revenue at today's taxable values and millage rates, in addition to the original $25,000 purchase price.

That is the real value of this proposal.

We should certainly consider whether the selling price is reasonable, but we cannot become so focused on the purchase price that we overlook the continuing financial benefit of development. If we do nothing, we receive nothing. If the property is developed responsibly, the Village receives the sale proceeds, three new homes and continuing tax revenue.

I understand that selling Village property can be an emotional decision. However, decisions like this are made every day in the business world by looking at both the immediate return and the long-term financial benefit. The Village must take the same responsible approach.

We have repeatedly discussed the Village's financial challenges and its need for additional revenue. If we are serious about keeping the Village financially stable and out of the red, we must be proactive. We need to responsibly encourage development, expand our tax base and make productive use of property that currently generates no revenue.

This is what responsible progress looks like. It does not mean accepting an offer without appropriate safeguards. It means recognizing an opportunity, protecting the Village through a strong agreement and making a decision that can benefit our community for many years.

For those reasons, I support moving forward with this offer, subject to a binding requirement that all three residential buildings be completed within six months and that the Village has an enforceable remedy if the purchaser fails to meet that commitment.

Jeff Buerman
Village President