THE CITY OF
WHITE CLOUD
A TRAIL FOR EVERY SEASON
MICHIGAN

Incentives Policy

The City of White Cloud is working aggressively to provide incentives to encourage expansion, retention and new development within the city.

For additional information on these incentives:
Call or Email: April Storms, City Manager citymanager@cityofwhitecloud.org 231-689-1194

Industrial Retention & Growth

The Plant Rehabilitation and Industrial Development Districts Act, commonly known as Act 198, provides significant tax incentives to industry (manufacturing and high technology companies) for the purpose of creating new jobs and maintaining existing jobs. This program allows an obsolete plant, when replaced or restored, to have its assessed value frozen at the level prior to the improvement for a maximum period of twelve years; and new plants, as well as plant improvements, to receive a 50% exemption from property tax on the taxable value of new real estate and personal properties, also for a maximum period of twelve years. It is the responsibility of the City Council to establish plant rehabilitation districts and industrial development districts, and to approve the granting of exemption certificates.

Obsolete Property Rehabilitation Growth

The Obsolete Property Rehabilitation Act (OPRA) PA 146 of 2000, as amended, provides property tax exemptions for commercial and commercial housing properties that are rehabilitated to meet the requirements of the act. Properties must meet eligibility requirements including a statement of obsolescence by the local assessor. The property must be in an established Obsolete Property Rehabilitation District. Exemptions are approved for a term of 1-12 years as determined by the local unit of government. The property taxes for the rehabilitated property are based on the previous year's (prior to rehabilitation) taxable value. The taxable value is frozen for the duration of the exemption. Additionally, the State Treasurer may approve reductions of half of the school operating and state education taxes for a period not to exceed 6 years for 25 applications annually. Applications are filed, reviewed, and approved by the local unit of government, but are also subject to review at the State level by the Property Services Division. The State Tax Commission (STC) is responsible for final approval and issuance of OPRA certificates. Exemptions are not effective until approved by the STC.

Payment in Lieu of Tax (PILOT) for Affordable Housing

The PILOT program offers nonprofit developers of housing that is financed via the Michigan State Housing Development Authority or the Department of Housing and Urban Development to apply for a Payment in Lieu of Tax per PA 346 of 1966. The amount of the PILOT is negotiated between the developer and the local unit of government and is based on a share of the net rental income derived from the housing development. These payments are distributed on a pro-rata basis to all local taxing jurisdictions.

*The OPRA District Map, checklist and applications can be found at www.cityofwhitecloud.org.