



**CITY OF THE VILLAGE OF DOUGLAS
DOWNTOWN DEVELOPMENT AUTHORITY (DDA)**

REMOTE WORKSHOP

Tuesday, January 26, 2021 – 9:00 AM

<https://us02web.zoom.us/j/89641718004>

(312) 626-6799 | Meeting ID: 896 4171 8004

AGENDA

1. **Call to Order** – Remote Special Meeting Procedures
2. **Roll Call/Quorum**
3. **Approval of Agenda – Changes/Additions/Deletions**
 - a. Remote Workshop, January 26, 2021
–Motion to Approve (Roll Call Vote)
4. **Public Comments (3 minutes, each.)**
5. Tax Increment Finance Planning
 - a. Review of Tiered Projects
–Motion to Discuss, 25 minutes (Roll Call Vote)
 - b. Review of Budget & Allocations
–Motion to Discuss, 25 minutes (Roll Call Vote)
6. Recess (Lunch)
–Motion to Break for Lunch, 30 minutes (Roll Call Vote)
7. Economic Development Strategy
 - a. Tactics & Goal Setting
–Motion to Discuss, 35 minutes (Roll Call Vote)
 - b. Strategic Planning – Direction, Capacity, and Integration
–Motion to Discuss, 35 minutes (Roll Call Vote)
8. **Staff/Manager Reports**
9. **Public Comments (3 minutes, each.)**
10. **Board Comments**
11. **Chair Comments**
12. **Adjournment**

**City of the Village of Douglas,
Michigan**

**DOWNTOWN DEVELOPMENT
AUTHORITY**

**DEVELOPMENT PLAN
AND
TAX INCREMENT FINANCING PLAN**

Adopted - May 1, 2006

City of the Village of Douglas
86 W. Center
P.O. Box 757
Douglas, MI 49406
(269) 857-1438

City of the Village of Douglas Downtown Development Authority
Development Plan and Tax Increment Financing Plan
May 1, 2006

INTRODUCTION

A. Purpose of the Downtown Development Authority Act.

Michigan Public Act 197 of 1975, as amended, commonly referred to as the Downtown Development Authority Act ("the Act"), is an Act to provide for the establishment of a downtown development authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; and to authorize the use of tax increment financing. A copy is attached as exhibit 4 in this plan.

The Act was created in part to correct and prevent deterioration in business districts, to authorize the acquisition and disposal of interests in real property, to promote the economic growth of business districts, to authorize the issuance of bonds, and to authorize the use of tax increment financing. The Act seeks to reverse historical trends that have led to a loss of population, tax base, job opportunities, and economic activity in Michigan cities. It gives cities the means to revitalize downtown areas through a downtown development authority. The methods granted in the Act may be used by a downtown development authority in ways appropriate to the problems facing a particular downtown district.

B. Creation of the Downtown Development Authority.

On November 3, 1997, the Village Council of the Village of Douglas adopted an ordinance to create a Downtown Development Authority officially titled the Douglas Downtown Development Authority and designated the boundaries of the district. The Douglas Downtown Development Authority was initially created to reverse the pattern of deterioration in the downtown area and to plan for and implement certain public improvements that are considered necessary for future economic growth. Although the DDA was formed, a downtown development TIF and development plan was not implemented at that time.

On March 6, 2006 the City Council of the City of the Village of Douglas adopted an ordinance to expand the boundary of the downtown district. On March 27, 2006 the first Development Plan and Tax Increment Financing Plan for the City of the Village of Douglas was approved and recommended by the DDA to the Douglas City Council thereafter. The Plan was adopted by the City Council on May 1, 2006.

C. Overview of the Development.

The City and the DDA have found the need to develop a focused development plan for the areas located within the DDA boundaries. The area is currently underutilized and contains several buildings with re-use opportunities. The development plan includes proposed improvements both by the public (government) and the private sector, which are both needed for the overall development of the area. It is likely that a re-evaluation and re-prioritization may be necessary from time to time by the DDA and City in order to take full advantage of available grant funding and yet unknown re-development opportunities within the DDA district.

DEVELOPMENT PLAN

A. The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise. Section 17(2)(a).

The boundary of the Downtown Development Authority is indicated on Map 1: DDA Boundaries. A narrative legal description is provided as Exhibit 1. The Downtown Development Authority District and the Development Area boundaries are identical.

B. The location and extent of existing streets and other public facilities within the development area, the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational., and other uses, and a legal description of the development area. Section 17(2)(b).

The majority of the district is commercial, office and some residential uses. Map 2: Zoning Map reflects the existing land uses for property located within the Development Area

1. Streets and right of ways included in the Development area

The main streets through town include Blue Star Highway running northeast/southwest and Center Street, running east-west. Streets and right-of-ways within the DDA district include portions of:

- Blue Star Highway from Saint Peters Drive to point approximately 250 feet south of Center Street.
- Center Street – reconstruction from Blue Star Highway to Water Street
- Center Street – reconstruction from Water Street to Kalamazoo River
- Water Street – reconstruction from 150 feet south of Wall Street to Fremont Street.
- Washington Street – reconstruction from 150 feet south of Wall Street to Fremont Street.
- Main Street – reconstruction from 150 feet south of Wall Street to Fremont Street.
- Spring Street – reconstruction from 150 feet south of Wall Street to approximately 80 feet north of Fremont Street.
- Union Street – reconstruction from 150 feet south of Wall Street to 150 feet north of Fremont Street.
- Mixer Street – reconstruction from Center Street to 150 feet north of Fremont Street.
- Ellis Street – reconstruction from Center Street to approximately 80 feet north of Fremont Street

2. Public Facilities and Land Uses included in the Development Area

There are community facilities within the development area boundary including the current city hall (Dutcher Lodge), the old village hall/police station, library, the post office and parkland. This same diverse mixture of uses is planned for the future.

3. Legal Description of the Development Area

A narrative legal description is provided as Exhibit 1. The Downtown Development Authority District and the Development Area boundaries are identical.

C. A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion. Section 17(2)(c).

No existing improvements in the DDA district are to be demolished aside from those improvements outlined in this development plan at this time. Center Street will see major reconstruction work phased over the course of 2 years.

The goals of the development are:

1. To link the DDA District and the Community with the river and the City's history while recognizing the importance of private development.
2. To provide a diversity of experiences and views that will appeal to the permanent community as well as the visitor.
3. To establish "reasonable" development opportunities for both public and private interests.
4. Improve the overall business climate of the DDA District through planning, promotion, coordination of activities and implementation of specific improvement projects.
5. Accommodate residential uses within the DDA District to create a continuum of activity.
6. Establish facility design that reflects the character and heritage of the DDA district while promoting compatibility between new and existing developments
7. Foster a spirit of cooperation between the DDA, City staff and officials, residents and the school district.

The Development includes factors necessary and incidental to the principal development elements as described under the five general categories below:

i. Public Infrastructure, Communication & Technology construction & maintenance

Road & Sidewalk Improvement Projects: In order to maintain the walkable, pedestrian scale of the DDA district, it is likely that extensive improvement projects may be warranted. The streets and sidewalks within the development area may require maintenance from time to time and the DDA may assist the City and contribute to those expenses.

Utility Improvements: In order to improve the aesthetics of the DDA district and maintain the necessary capacity for new development, the DDA may assist the City of the Village of Douglas in upgrading existing utility services with the option of placing the overhead electrical lines, phone and cable wiring underground throughout the DDA.

Aesthetic elements: Consistency in design and placement of elements throughout the DDA district is important in presenting a unified appearance to the community. Aesthetic elements may include decorative street lighting, decorative crosswalks, planter pots, banners/flag poles, annual/perennial plantings, benches, holiday lighting, historical/interpretive displays and trash receptacles as well as the general maintenance and replacement of these items.

Corridor Enhancement: Enhancement of specific corridors within the DDA includes creating a uniform enhanced street system appearance that creates a sense of place within the development area and subsequently generates economic development by attracting certain businesses to the DDA District.

These proposed improvements are planned for the following roadway segments located within the DDA Boundary:

- Blue Star Highway
- Center Street

Maintenance. The DDA may allocate a portion of revenues each year to pay for a portion of the costs of maintaining streetscapes within the Development Area. Such costs may include cost of services and/or purchase of equipment to aid in snowplowing, street sweeping, irrigation, street lighting, mowing, sidewalk replacement and annual plantings.

Water Main, Sanitary Sewer, and Storm Water Drainage Improvements: In order to improve these services and maintain the necessary capacity for new development, the

DDA may assist the City of the Village of Douglas in upgrading water mains, sanitary sewer lines, and storm water drainage facilities throughout the DDA district.

Engineering and Legal Support. The DDA currently employs consulting engineers and legal counsel for advice on specific topics. The continued use of these consultants is necessary as the DDA life is extended. The DDA expects to employ consultants throughout the term of the Plan.

ii. **Parks, Recreation & Culture**

Creative Art and Design Projects: Public art is an important element in every community. It reflects specific characteristics or historic events that make each community unique and welcoming.

Park & Recreation Development: In order to develop the DDA district as an active and exciting place to visit and to live, parks and recreation must be emphasized. Specifically Beery Field and Wade's Bayou Park are important assets that capitalize connections to the DDA district and to the waterfront. Amenities such as parking, restrooms, bandshells, walking paths, boating improvements and other amenities normally associated with park & recreation development that are deemed appropriate.

Non-Motorized Circulation Improvement Projects: Supporting non-motorized circulation into and throughout the development area is an essential element to any successful DDA district. Creation of a non-motorized walk pathway network to link the residential and public spaces in the development area with other public spaces and retail businesses is a key element.

Events and Festivals. Additional events and festivals should be proposed to take place in different areas of the DDA throughout the year that is a regularly scheduled event. Adequate promotion of these events should take place by publicizing them in newspapers, radio stations, etc. These events will not only help generate additional community involvement but also bring additional visitors to the area.

iii. **Purchase & renovation of real estate**

Property/Structure Acquisition: In order to improve the image of the DDA and the City, it may be necessary to remove obsolete buildings and structures. For this purpose the DDA plans to coordinate efforts with the City of the Village of Douglas and may assist in the acquisition and removal or redevelopment of non-conforming structures and uses within the DDA boundary. Projects such as renovation of the existing police station, assistance for improvements for the Old School House or the creation of a business incubator facility are considerations within the DDA boundary.

Facade Improvement Projects: In order to maintain the image of the DDA and the City, it may be necessary to improve the facades of existing buildings and structures facing a major street such as Blue Star Highway and Center Street. For this purpose the DDA plans to coordinate efforts with the City of the Village of Douglas and assist in the acquisition of easements and the granting of seed funds for development of a façade improvement program for buildings within the DDA boundary.

Library: Offering the highest quality community facilities is important for the vitality of the development area because it becomes a draw for residents all over the community to visit or live in the DDA district. In the future, upgrades to the Library will be needed to keep pace with technology and to ensure a comfortable, relaxing environment and destination for residents. Since the Library is located within the boundaries of the DDA and it is important to the desirability of the district, resources could be allocated as part of this Plan to contribute to future improvements and/or expansion.

City Hall Dutcher Lodge: This Development Plan allocates funds to assist the City in renovating City Hall to include technological updates as well as interior and exterior enhancements as needed.

Public Parking: As redevelopment and development occurs, the demands for future parking may change. The DDA will need to be able to respond to the potential increased need for parking, yet balance it with the desire for quality development that maximizes the land area.

iv. Gateway Improvements

Gateway Treatment: Gateways are an important element in announcing arrival into the DDA district. Entrances into the DDA district will be designed in keeping with and likened to the historic structures in the area.

Street signage improvements and way-finding system: Since the DDA district is located off the main circulation route, there is a disadvantage in terms of convenient access and visibility. The challenge for the DDA is to attract attention off these main routes. Once in the DDA district, providing a point for distribution of information for public promotional literature and information such as a kiosk would aid in further promoting the communities assets.

v. DDA District Planning, Promotion & Staffing

Webpage. The City's website should be updated to provide a special page devoted to the Douglas DDA. This would include the latest information on restaurants, events, housing, shopping, parks, recreation, and services in the DDA district. It should also provide information such as investment incentives, available vacancies, development opportunities, and sources of employment that may stimulate further economic development within the DDA district.

DDA Promotion. In order to promote the development area and attract more visitors, a defined marketing plan will be developed for the DDA district. This will help promote the DDA district as a destination and inform the public about development progress and local events.

Market study analysis - A market study analysis would be prepared in addition to and in conjunction with other DDA promotion efforts. This market analysis would include preparation of a DDA district comprehensive plan including site plans, land uses & promotional plans, preparation of a digital base map of the DDA district, development of a business recruitment program as well as market studies for retail and housing needs within the district.

Grants Coordinator/Assistant. Currently, the DDA coordination is handled "by committee". The DDA proposes a new position to provide facilities coordination in lieu of the coordination "by committee". It is expected that this person will oversee and coordinate the DDA's infrastructure and maintenance needs, assist in grant preparation and be responsible for communications with business owners.

Business Recruitment Program. The Grants Coordinator/Assistant will oversee and lead a pro-active campaign for business recruitment, retention and expansion. This may involve developing database of available buildings and properties within the DDA district, performing business retention and/or expansion visits with existing business owners, developing a business incubator program with other incentives and/or programs necessary to promote a strong business climate for the DDA.

D. Purpose of this Development Plan and Tax Increment Financing Plan.

Under Michigan Public Act 197 of 1975, the DDA must prepare and submit a tax increment financing plan and a development plan if it determines that creation of such plans is necessary for the achievement of the purposes of the Act. This document constitutes both of these plans, with the development plan and the format described in Section 17(2) of the Act, followed by the tax increment financing plan as described in Sections 14, 15 and 16 of the Act. [Section 14(2), 7(2)]

After preliminary draft plan joint review by both the DDA and the City, reprioritization was made in the areas of infrastructure improvements in relation to Center and Water Street and in the areas of park & recreation enhancements. It is the DDA and City's desire to see tangible improvements that would directly benefit the community as a whole in the general order of priorities listed below. Costs and anticipated schedule are estimates only and need to be evaluated based on on-going opportunities for development in the DDA District. It is likely that a re-evaluation and re-prioritization may be necessary from time to time to take full advantage of available grant funding and yet unknown re-development opportunities within the DDA district. As a general rule, grant programs and potential funding should be explored whenever possible to maximize the use of local funds. Numbers are based on 2006 and do not take into account an inflation factor of 3-4% per year for each year period after the 2006 base year. Costs should include all construction, engineering and legal expenses anticipated by each potential project. The cost of the various parts of the development is set forth in detail and is estimated to be per the following schedule and anticipated approximate costs as follows:

Tier A Projects – Year 2006-2016

1. Road Improvement Projects - Center Street: \$400,000
In order to maintain the walkable, pedestrian scale throughout the DDA District, it is likely that extensive improvement projects may be warranted. The streets within the development area may require maintenance from time to time and the DDA may assist the City and contribute to those expenses. Key projects anticipated are listed below:
 - Center Street – Reconstruction from Blue Star Highway to Water Street (MEDC/MDOT Local Match commitment)

2. Road Improvement Projects - Center Street & Water Street \$270,000
The reconstruction of streets within the DDA Development Area such as the lowering of the Water Street & Center Street Intersection to improve safety and visibility to the waterfront has been identified as a priority project and the DDA may assist the City and contribute to those expenses. The limits of these improvements are listed below:
 - Center Street – reconstruction from Water Street to Kalamazoo River
 - Water Street – reconstruction from 150 feet south of Wall Street to Fremont Street.

3. Park Development - Beery Field Restroom: \$40,000
In order to develop the DDA district as an active and exciting place to visit and to live, parks and recreation must be emphasized. Improvements will allow for improved ADA compliance and year round use of the restroom facility for both park users and patrons of DDA district businesses.

4. Park Development- Beery Field General Improvements: \$250,000
Improvements will create opportunities for civic events such as recreational facilities, Tower & Whistle, Band Shell for Concert in the Park series, parking and any other park related uses or facilities deemed appropriate.

5. Park Development- Wade's Bayou General Improvements: \$250,000
 In order to develop the DDA district as an active and exciting place to visit and to live, parks and recreation must be emphasized. Specifically Wade's Bayou Park is an important asset that capitalizes on the waterfront. Improvements will focus on improving the connection between the river, the parks and the DDA district. In addition, improvements will create opportunities for civic events such as recreational facilities, adding Band Shell for Concert in the Park series, parking and any other park related uses or facilities deemed appropriate.
6. Park Development- Wade's Bayou Boating Improvements: \$175,000
 Improvements will create opportunities for boating improvements such as transient slips, improved water access and dredging of channel.
7. Gateway Treatment: \$100,000
 Gateways are an important element in announcing arrival into the DDA district. These elements also reflect the character of the DDA District and provide comfort for the visitor that they have found a destination. In order to promote the image of the DDA, welcome signs, landscape, streetscape, and decorative features should be provided.
8. Library: \$50,000
 Offering the highest quality community facilities is important for the vitality of the DDA district because it becomes a draw for residents all over the community to visit or live in DDA district. In the future, upgrades to the Library will be needed to keep pace with technology and to ensure a comfortable, relaxing environment and destination for residents. Since the Library is located within the boundaries of the DDA and it is important to the desirability of the DDA district, resources have been allocated as part of this Plan to assist in opportunities for future improvements and/or expansion.
9. DDA Promotion - market study analysis: \$25,000
 A market study analysis would be prepared in addition to and in conjunction with other DDA promotion efforts.
10. Grants Coordinator/Assistant: \$210,000
 Currently, the DDA coordination is handled "by committee". The DDA proposes a new position to provide facilities coordination in lieu of the coordination "by committee". It is expected that this person will oversee and coordinate the DDA's infrastructure and maintenance needs.
11. DDA Promotion: \$200,000
 In order to promote the DDA and attract more visitors, newspaper articles, travel magazines articles, etc., should be published. This will help promote the DDA district as a destination and inform the public about development progress and local events.
12. City Hall/Dutcher Lodge: \$100,000
 This Development Plan allocates funds to assist the City in renovating City Hall to include technological updates as well as interior and exterior enhancements as needed.
13. Maintenance & Improvement Projects – Side Streets: \$120,000
 In order to maintain the walkable, pedestrian scale of the DDA District, it is likely that extensive improvement projects may be warranted. The streets within the DDA development area may require maintenance from time to time and the DDA may assist the City and contribute to those expenses. The DDA may allocate a portion of revenues each year to pay for a portion of the costs of maintaining streetscapes within the development area. Such costs may include cost of services and/or purchase of equipment to aid in snowplowing, irrigation, street lighting, mowing, street sweeping, sidewalk replacement, street resurfacing and annual plantings. Key projects anticipated are listed below:
- Washington Street –from 150 feet south of Wall Street to Fremont Street.

- Main Street –from 150 feet south of Wall Street to Fremont Street.
- Spring Street –from 150 feet south of Wall Street to approximately 80 feet north of Fremont Street.
- Union Street –from 150 feet south of Wall Street to 150 feet north of Fremont Street.
- Mixer Street –from-Center Street to 150 feet north of Fremont Street.
- Ellis Street –from-Center Street to approximately 80 feet north of Fremont Street.
- Center Street – from Blue Star Highway to Wade's Bayou.

14. Webpage. \$5,000
 The City's website should provide a direct link to a special site devoted to the Douglas DDA. This would include the latest information on restaurants, events, housing, shopping, parks, recreation, and services in the DDA district. It should also provide information such as investment incentives, available vacancies, development opportunities, and sources of employment that may stimulate further economic development within the DDA.

Tier B Projects – Year 2016-2026

15. Library: \$50,000
 Offering the highest quality community facilities is important for the vitality of the DDA district because it becomes a draw for residents all over the community to visit or live in DDA district. In the future, upgrades to the Library will be needed to keep pace with technology and to ensure a comfortable, relaxing environment and destination for residents. Since the Library is located within the boundaries of the DDA and it is important to the desirability of the DDA district, resources have been allocated as part of this Plan to assist in opportunities for future improvements and/or expansion.

16. Non-Motorized Circulation Improvement Projects: \$250,000
 Supporting non-motorized circulation into and throughout the Development Area is an essential element to any successful DDA district. In doing so, the Plan has identified the following improvements necessary to support walking, biking, and other non-motorized activity in the DDA district.

- *Sidewalks* – Concrete sidewalks should be provided in areas where there is no sidewalk available, replaced in areas where current sidewalks are obsolete, and repaired in areas where current sidewalks are damaged.
- *Pathways* – A pathway may be planned throughout the development area to improve the link to the DDA district to the surrounding areas.

17. Grants Coordinator/Assistant: \$210,000
 Currently, the DDA coordination is handled "by committee". The DDA proposes a new position to provide facilities coordination in lieu of the coordination "by committee". It is expected that this person will oversee and coordinate the DDA's infrastructure and maintenance needs.

18. Street signage improvements and way-finding system. \$50,000
 Since the DDA district is located off the main circulation route, there is a disadvantage in terms of convenient access and visibility. The challenge for the DDA is to attract attention off these main routes. Since the main routes are outside the DDA, and therefore funding cannot be allocated to these locations, wayfinding once within the development area is the most effective way for the DDA to assist. Therefore the DDA has allocated resources to contribute to City efforts to implement street signage improvements and a way-finding system. Once in the DDA district, providing a point for distribution of information for public promotional literature and information such as a kiosk would aid in further promoting the community's assets.

19. Corridor Enhancement: \$200,000
Enhancement of specific corridors within the development area includes creating a uniform enhanced street system appearance that creates a sense of place within the Development Area and subsequently generates economic development by attracting certain businesses to the DDA District. These enhancements may include upgrades and installations related to the following:

- Street trees
- Sidewalks/pathways
- Parking
- Decorative street lighting
- Specialty paving
- Crosswalk enhancements
- Benches/Trash Receptacles
- Banners for decorative lights
- Irrigation

20. Maintenance & Improvement Projects – Side Streets: \$120,000
In order to maintain the walkable, pedestrian scale throughout the DDA District, it is likely that extensive improvement projects may be warranted. The streets within the DDA development area may require maintenance from time to time and the DDA may assist the City and contribute to those expenses. The DDA may allocate a portion of revenues each year to pay for a portion of the costs of maintaining streetscapes within the development area. Such costs may include cost of services and/or purchase of equipment to aid in snowplowing, irrigation, street lighting, mowing, street sweeping, sidewalk replacement, street resurfacing and annual plantings. Key projects anticipated are listed below:

- Washington Street –from 150 feet south of Wall Street to Fremont Street.
- Main Street –from 150 feet south of Wall Street to Fremont Street.
- Spring Street –from 150 feet south of Wall Street to approximately 80 feet north of Fremont Street.
- Union Street –from 150 feet south of Wall Street to 150 feet north of Fremont Street.
- Mixer Street –from Center Street to 150 feet north of Fremont Street.
- Ellis Street –from Center Street to approximately 80 feet north of Fremont Street
- Center Street – from Blue Star Highway to Wade's Bayou.

21. DDA Promotion: \$200,000
In order to promote the DDA and attract more visitors, newspaper articles, travel magazines articles, etc., should be published. This will help promote the DDA district as a destination and inform the public about development progress and local events.

22. Property/Structure Acquisition: \$250,000
In order to improve the image of the DDA and the City, it may be necessary to remove obsolete buildings and structures. For this purpose the DDA plans to coordinate efforts with the City of the Village of Douglas and assist in the acquisition and removal or redevelopment of structures (i.e. the old village hall/police station) and uses within the DDA boundary.

23. Creative Art and Design Projects: \$50,000
Public art is an important element in every community. It reflects specific characteristics or historic events that make each community unique and welcoming. The DDA plans to contribute funding towards public art and other outdoor design enhancements.

24. Events and Festivals: \$100,000
Additional events and festivals should be proposed to take place in different areas of the DDA throughout the year such as farmers' market that is a regularly scheduled event. Adequate promotion of these events should take place by publicizing them in newspapers, radio

stations, etc. These events will not only help generate additional community involvement but also bring additional visitors to the area.

25. Webpage. \$5,000
The City's website should provide a direct link to a special site devoted to the Douglas DDA. This would include the latest information on restaurants, events, housing, shopping, parks, recreation, and services in the DDA district. It should also provide information such as investment incentives, available vacancies, development opportunities, and sources of employment that may stimulate further economic development within the DDA district.

Tier C Projects – Year 2026-2036

26. Acquisition & Development of District Parking \$200,000
This component involves the improvement of existing public parking facilities or acquisition and development of future parking areas, if the need arise, within the development area.

New improvements to be made may include:

- Land acquisition, if deemed necessary by district investment & growth.
- Improvement of existing storm drains and installation of new storm drains.
- Filling, grading and other site preparation.
- Installation of curb, gutter and sidewalks.
- Installation of black top.
- Striping lots.
- Landscape improvements and site amenities, including, but not limited to grass, trees, other plantings, irrigation and other decorative items.
- Signage.
- Installation of benches, trash receptacles, lighting, signage, banners, tree grates, etc.
- Engineering, legal and other professional fees.
- Such other improvements as deemed to be necessary or incidental to the items set forth above.

27. Grants Coordinator/Assistant: \$210,000
Currently, the DDA coordination is handled "by committee". The DDA proposes a new position to provide facilities coordination in lieu of the coordination "by committee". It is expected that this person will oversee and coordinate the DDA's infrastructure and maintenance needs.

28. Maintenance & Improvement Projects – Side Streets: \$120,000
In order to maintain the walkable, pedestrian scale of the DDA district, it is likely that extensive improvement projects may be warranted. The streets within the DDA Development Area may require maintenance from time to time and the DDA may assist the City and contribute to those expenses. The DDA may allocate a portion of revenues each year to pay for a portion of the costs of maintaining streetscapes within the Development Area. Such costs may include cost of services and/or purchase of equipment to aid in snowplowing, irrigation, street lighting, mowing, street sweeping, sidewalk replacement, street resurfacing and annual plantings.

Key projects anticipated are listed below:

- Washington Street –from 150 feet south of Wall Street to Fremont Street.
- Main Street –from 150 feet south of Wall Street to Fremont Street.
- Spring Street –from 150 feet south of Wall Street to approximately 80 feet north of Fremont Street.
- Union Street –from 150 feet south of Wall Street to 150 feet north of Fremont Street.
- Mixer Street –from Center Street to 150 feet north of Fremont Street.
- Ellis Street –from Center Street to approximately 80 feet north of Fremont Street
- Center Street – from Blue Star Highway to Wade's Bayou.

29. Utility Improvements: - Burying overhead electric, phone & cable: \$200,000
 In order to improve the aesthetics of the DDA district and maintain the necessary capacity for new development, the DDA may assist the City of the Village of Douglas in for approximately half the cost of upgrading existing utility services with the option of placing the overhead electrical lines, phone and cable wiring underground throughout the DDA but with particular emphasis on Center Street.
30. Facade Improvement Projects: \$100,000
 In order to maintain the image of the DDA and the City, it may be necessary to improve the facades of existing buildings (such as the old village hall/police station) and structures facing a major street such as Blue Star Highway and Center Street. For this purpose, the DDA plans to coordinate efforts with the City of the Village of Douglas and may assist in the acquisition of easements and the granting of seed funds for development of a façade improvement program for buildings within the DDA boundary.
31. DDA Promotion. \$200,000
 In order to promote the DDA and attract more visitors, newspaper articles, travel magazines articles, etc., should be published. This will help promote the DDA district as a destination and inform the public about development progress and local events.
32. Webpage. \$5,000
 The City's website should be updated to provide a direct link to a special site devoted to the Douglas DDA. This would include the latest information on restaurants, events, housing, shopping, parks, recreation, and services in the DDA district. It should also provide information such as investment incentives, available vacancies, development opportunities, and sources of employment that may stimulate further economic development within the DDA.

Total \$ 4,715,000***

***Anticipated capture TIF revenues to be determined. Balance from Grants & Loan Programs.

E. Description of Desired Zoning Changes

The existing zoning for the area is set forth on the attached Map 2. It is not expected that any zoning changes or changes in streets, street levels, intersections and utilities will be required as part of this plan. Zoning changes may occur as a result of private development and will be subject to the standard procedures and policies currently in place under the City ordinances and codes.

F. Planned New Development.

The objectives of the Plan are to encourage sustainable private sector development. It is expected that as the proposed projects are implemented, additional private sector interest in the DDA District may be generated, ultimately resulting in new private investment.

G. Existing and Planned Open Space.

The DDA may assist the City to improve recreational opportunities at Wade's Bayou and Beery Field by adding new recreational amenities as well as adding new facilities to each park. Both of these projects will expand and improve recreational activities in the Development Area.

H. Identification of Private Interests.

At the time of adoption of the Plan, there are no private interests, parties or person identified to whom land for development will be sold, leased or conveyed.

The DDA may convey property in the Development Area to presently undetermined private parties for redevelopment for appropriate retail, commercial or industrial uses. The conveyance of such property shall be conducted in accordance with the following paragraph.

I. Dispositions of Property To or From the City.

At the time of the adoption of this Plan, the DDA does not own any land. The City however owns several parcels within the Development Area. If the DDA and the City determine that is necessary to accomplish any project under this Plan or the goals and objectives of the DDA, the DDA may sell, donate, exchange or lease property to or from the City. The terms of such sale, donation, exchange or lease shall be determined by the DDA and the City and be in accordance with local municipal policy and state law, if applicable.

J. Proposed Land Disposition Terms and Bidding Procedures.

The terms under which land designated for new development will be sold, leased or otherwise conveyed to private development interests shall be determined by the DDA, subject to approval by the City of the Village of Douglas City Council.

The procedures by which bids to purchase such property will be received and awarded will be in accordance with existing procedures and practices currently used by the City of the Village of Douglas in disposing of other city-owned property, or as otherwise approved by the City of the Village of Douglas City Council.

The DDA and the City of the Village of Douglas City Council will reserve the right to select the development proposal and/or the developer whose proposal for purchase best meets the intent of this Plan and the best interests of the City of the Village of Douglas

The DDA has acquired easements and improved property for parking lots and expects to extend the terms of those easements in the future. The property owners will continue to own the parking lots. The easements will remain in effect for a term not less than the term of any bonds issued to finance any improvements made by the DDA on the property. After payment of the bonds, the easements may terminate and the property owners will own the property and the improvements.

K. Development Cost Estimates and Financing.

The total cost to the DDA of completing all of the projects included in this Plan is estimated to be approximately \$4,665,000. A breakdown of this cost estimate is provided in Section D above. The costs include expenditures for activities associated with the accomplishment of each of the projects described in the Plan, plus administrative expenses.

The DDA expects to finance these activities from one or more of the following sources:

1. Contributions and/or donations to the Authority for the performance of its functions;
2. Revenues from any property, building or facility sold, owned, leased, licensed, or operated by the Authority or under its control;
3. Tax increment revenue to be received pursuant to the Tax Increment Financing Plan;
4. Interest on investments;
5. Proceeds of tax increment bonds;
6. Proceeds of revenue bonds;

7. Federal, state and foundation grants, including grants from the Michigan Department of Transportation;
8. Money obtained from development agreements with property owners benefiting from public improvements;
9. Special assessments collected by the City for public improvements or maintenance of improvements constructed by the DDA; and
10. Money obtained from any other legal source approved by the City Council.

No private sector investment commitments have been made nor, have estimates of private sector costs been included. The private sector improvements would be financed through conventional lending sources arranged by the private owners or developers.

The proceeds to be received from tax increment revenues in the Development Area plus the availability of funds from other authorized sources will be used to finance all activities and improvements to be carried out under this Plan.

L. Estimates of the Number of Persons Residing on the Property to Which the Plan Applies and the Number of Families and Individuals to be Displaced.

There are less than 100 persons residing in the Development Area. Consequently, in accordance with Act 197, a Development Area Citizens Council has not been appointed at the time of adoption of this plan. No displacement of families in the Development Area is contemplated.

M. Plan for Establishing Priority for Relocation of Displaced Persons.

Since no persons will be displaced from the Development Area by any of the proposed projects, it is not necessary to prepare a plan for establishing priority for displaced persons.

N. Provision for the Costs of Relocating Displaced Persons.

All costs associated with any real property acquisition and relocation activities will be approved by the DDA. In the event any future projects involve the relocation of displaced persons, provision for the costs of relocating persons displaced by the development, and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, shall be made in accordance with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, USC § 4601-4655.

O. Compliance With Act 227 of the Michigan Public Acts of 1972.

This Development Plan meets the requirements of Act 227 of the Michigan Public Acts of 1972, as amended, in that there are no displaced persons or businesses at present and future development will comply with Act 227 to the extent required.

TAX INCREMENT FINANCING PLAN FOR THE CITY OF THE VILLAGE OF DOUGLAS

This tax increment-financing plan is established to make possible the financing of all or a portion of the costs associated with the carrying out and completion of those activities and improvements contained in the officially adopted Development Plan for the Development Area as may be amended from time to time.

A. Tax Increment Financing Procedure

The tax increment financing procedure as outlined in the Act requires the adoption by the City, by Ordinance, of a development plan and a tax increment financing plan. Following the adoption of that Ordinance, the municipal and county treasurers are required by law to transmit to the DDA that portion of the tax levy of all taxing bodies paid each year on the captured assessed value of all real and personal property located in the Development Area. The tax amounts to be transmitted are hereinafter referred to as "Tax Increment Revenue." The "Captured Assessed Value" is defined by the Act as "the amount in any one year, by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes. . . exceeds the initial assessed value." The "initial assessed value" is defined by the Act as "the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted." Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero. For the purpose of determining initial assessed value, property for which a specific local tax is paid in lieu of a property tax, shall not be considered to be property that is exempt from taxation. The initial assessed value of property for which a specific tax was paid in lieu of a property tax shall be determined as provided below.

"Specific local tax" means a tax levied under Act No. 198 of the Michigan Public Acts of 1974, as amended, being Sections 207.551 to 207.571 of the Michigan Compiled Laws, the Commercial Redevelopment Act, Act No. 255 of the Michigan Public Acts of 1978, as amended, being Sections 207.651 to 207.668 of the Michigan Compiled Laws, Act No. 189 of the Michigan Public Acts of 1953, as amended, being Sections 211.181 to 211.182 of the Michigan Compiled Laws, and the Technology Park Development Act, Act No. 385 of the Michigan Public Acts of 1984, as amended, being Sections 207.701 to 207.718 of the Michigan Compiled Laws. The State Tax Commission shall prescribe the method for calculating the initial assessed value and current assessed value for which a specific local tax was paid in lieu of a property tax.

When the Authority determines that it is necessary for the purposes of this Act, the Authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The plan shall include a development plan as provided in section 17(2) of the Act, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, the duration of the program and shall be in compliance with section 15 of the Act. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan.

Approval of the tax increment financing plan shall be pursuant to the notice, hearing, and disclosure provisions of section 18 of the Act. If the development plan is part of the tax increment financing plan, only one hearing and approval procedure is required for the two plans together.

Following adoption of the ordinance approving the Development Plan and Tax Increment Financing Plan, the municipal and county treasurers are required by law to transmit to the DDA that portion of the tax levy of all taxing jurisdictions paid each year on the captured assessed

value of all real and personal property included in the Tax Increment Financing Plan. The DDA is not permitted by law to capture tax increment revenues from any local or intermediate school district, or the state education tax.

The tax increment financing plan may be modified if the modification is approved by the City of the Village of Douglas following the same public hearing procedures as were required for adoption of the original Plan.

On March 27, 2006, the DDA recommended to the City Council that a Downtown Development Plan and Tax Increment Financing Plan be approved. After public notice and a hearing, the City Council approved the recommended Downtown Development Plan and Tax Increment Financing Plan on May 1, 2006.

Presented in Exhibit 2 are schedules of the initial assessed values of all real and personal property in the original Development Area and the area which was added to the Development Area in 2006, determined as of December 31, 2004 (for the 2005 calendar year) and updated as of December 31, 2005 (for the 2006 calendar year).

B. Estimates of Captured Assessed Values and Tax Increment Revenues

The DDA shall expend the tax increments received for the development program only in accordance with the Tax Increment Financing Plan. Tax increment revenues in excess of the estimated tax increment revenues or in excess of the actual cost of the Plan to be paid by the tax increment revenues may be retained by the DDA only for purposes that, by resolution of the DDA Board, are determined to further the development program in accordance with the Tax Increment Financing Plan. The excess revenue not so used shall revert proportionately to the respective taxing jurisdictions. These revenues shall not be used to circumvent existing property tax laws or a local charter which provides a maximum authorized rate for the levy of property taxes.

The City of the Village of Douglas may terminate the Tax Increment Financing Plan if it finds that the purposes for which the Plan was established are accomplished. However, the Tax Increment Financing Plan may not be terminated until the principal of and interest on any bonds issued under the Act have been paid or funds sufficient to make that payment have been segregated and placed in an irrevocable trust for the benefit of the holders of the bonds.

A schedule of the estimated tax increment revenues to be realized from increases in real and personal property values for the period from 2005 through 2036 is set forth in Exhibit 3. The projected revenue after 2006 is based on appreciation only. The millage rates levied by the local taxing jurisdictions within the Development Area in 2005 were applied to the captured assessed totals for ad valorem real and personal property. Under this Tax Increment Financing Plan, the entire tax increment amount is to be utilized by the DDA, however, the DDA may enter into agreements with local taxing jurisdictions to share a portion of the captured assessed value.

For the portion of the Development Area which was included in the downtown district at the time that the Downtown Development Authority was originally established in 1997, the tax levies of all taxing jurisdictions levying ad valorem taxes in the original Development Area (except the local and intermediate school districts and the state) will be captured by the tax increment financing plan. This includes the City of the Village of Douglas, Allegan County, the Saugatuck-Douglas District Library and the Interurban Transit Authority. For the portion of the Development Area which was added in 2006, only the tax levies of the City of the Village of Douglas and Allegan County will initially be subject to capture, as the other local taxing jurisdictions (the Library and the Transit Authority) have filed resolutions with the City Clerk to exempt their millage from capture, as permitted by Section 3(3) of the Act. However, any one of these taxing jurisdictions may file a resolution with the City Council to withdraw their prior resolution and irrevocably consent to the capture of their millage in the area added to the district in 2006. The Fire District also filed a resolution exempting its millage from capture, but since the Fire District collects

special assessments rather than ad valorem taxes, the special assessments are not subject to capture in any event.

C. Use of Tax Increment Revenue

The tax increment revenue paid to the DDA by the municipal and county treasurers is to be disbursed by the DDA from time to time in such manner as the DDA may deem necessary and appropriate in order to carry out the purposes of the development plan, including but not limited to the following:

1. The principal, interest and reserve payments required for any bonded indebtedness to be incurred in its behalf for purposes provided in the Development Plan.
2. Cash payments for initiating and completing any improvements or activity called for in the Development Plan.
3. Any annual operating deficits that the DDA may incur from acquired and/or leased property in the Development Area.
4. Interest payments on any sums that the DDA should borrow before or during the construction of any improvement or activity to be accomplished by the Development Plan.
5. Payments required to establish and maintain a capital replacement reserve.
6. Payments required to establish and maintain a capital expenditure reserve.
7. Payments required to establish and maintain any required sinking fund.
8. Payments to pay the costs of any additional improvements to the Development Area that are determined necessary by the DDA and approved by the City of the Village of Douglas.
9. Any administrative expenditure required to meet the cost of operation of the DDA and to repay any cash advances provided by the City of the Village of Douglas. This may include quarterly payments to the City to support overhead expenses.

The DDA may modify the priority of projects and payments at any time if, within its discretion, such modification is necessary to facilitate the Development Plan then existing and is permitted under the term of any outstanding indebtedness.

D. Bonded Indebtedness to be Incurred (if any)

Revenues to support these costs shall be derived from any of the following sources, or from a combination of these sources:

1. The issuance of one or more series of revenue bonds which may be supported by a limited tax pledge if authorized by resolution of the City Council or, if authorized by the voters of the City of the Village of Douglas, the unlimited tax, full faith and credit of the City of the Village of Douglas;
2. Tax increment bonds which are secured by tax increment revenue to be received from property within the Development Area and which may be secured by a limited tax pledge of the City of the Village of Douglas if authorized by resolution of the City Council or, if authorized by the voters of the City of the Village of Douglas, the unlimited tax, full faith and credit of the City of the Village of Douglas;

3. Funds borrowed from the City of the Village of Douglas at rates and terms to be agreed upon or as set forth elsewhere in the Development Plan and Tax Increment Financing Plan.
4. Cash.

Tax collections expected to be generated by the captured assessed value of property within the Development Area are expected to be adequate to provide for payment of principal and interest on bonds or funds borrowed from the City of the Village of Douglas.

At the time of adoption of the Plan, the DDA estimates that the maximum aggregate principal amount of bonded indebtedness or indebtedness to be incurred by the DDA and/or the City of the Village of Douglas for all bond issues or loans, including payments of project costs, issuance expenses, capitalized interest, and any required reserve accounts which may be incurred during the term of the Plan, if any, is \$2,100,000 including project costs and issuance expenses.

E. Duration of Plan

The tax increment financing plan shall have a term of thirty (30) years, and shall expire following the collection of the December 1, 2036 tax levy. The term of the Plan may be modified from time to time by the City Council upon notice, public hearing and amendments as required by the Act.

F. Impact on Assessed Values and Tax Revenues

The overall impact of the Development Plan is expected to generate increased economic activity in the Development Area, the Downtown District, the City of the Village of Douglas and Allegan County at large. This increase in activity will, in turn, generate additional amounts of tax revenue to local taxing jurisdictions through increases in assessed valuations of real and personal property and from increases in personal income of new employment within the Development Area, the Downtown District, the City of the Village of Douglas, other neighboring communities and throughout Allegan County. The projected revenue after 2005 is based on appreciation only at a conservative assumed growth rate of 3%. As identified earlier in Exhibit 3 of this Plan, the expected increases in assessed valuation for existing property in the Development Area have been estimated for the 2007 through 2036 tax years.

For purposes of determining the estimated impact of this Tax Increment Financing Plan upon those taxing jurisdictions within the Development Area, estimates of captured assessed values (Exhibit 3) were used along with 2005 tax millage rates to determine tax increment revenue amounts that would be shifted from these jurisdictions to the DDA to finance the project activities called for in the Development Plan.

G. Use of the Captured Assessed Values

The development and tax increment financing plan provides for the use of all of the captured assessed value by the DDA for the purposes herein set forth.

H. Reports

The DDA shall submit annually to the City of the Village of Douglas and the State Tax Commission a financial report on the status of the Tax Increment Financing Plan. The report shall include the following:

1. The amount and source of revenue in the tax increment financing account.
2. The amount in any bond reserve account.
3. The amount and purpose of expenditures from the tax increment financing account.

4. The amount of principal and interest on any outstanding bonded indebtedness of the DDA.
5. The initial assessed value of the Development Area.
6. The captured assessed value retained by the DDA.
7. The tax increment revenues received.
8. The number of jobs created as a result of the implementation of the Tax Increment Financing Plan.
9. Any additional information the City of the Village of Douglas or the State Tax Commission considers necessary.

The report shall be published in a newspaper of general circulation in the City of the Village of Douglas.

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EXHIBITS

1. **Legal Description of Downtown District and Development Area**
2. **Schedule of 2004 and 2005 Taxable Values for Property Included in the Development Area."**
3. **Schedules of Anticipated Tax Increment Revenues and Projected Impact on Taxing Jurisdictions**
4. **Downtown Development Authority Act 197 of 1975**

MAPS

1. **Downtown District and Development Area Boundaries**
2. **Zoning**

Exhibit 1

Legal Description of Downtown District and Development Area

State of Michigan, Allegan County, City of the Village of Douglas, Section 16 starting at the northwest corner of the Blue Star Highway and Center Street right-of-way, for the point of beginning of this description; thence northeast approximately 520 feet along the Blue Star Highway west right-of-way line to the north right-of-way line of St. Peter's Drive; thence southeast approximately 120 feet to the northeast corner of parcel 03-59-600-003-30 thence southeast approximately 90 feet along the property line of parcel 03-59-600-003-30 to the northwest corner of parcel 03-59-600-006-00; thence east approximately 140 feet, thence south approximately 140 feet; thence east approximately 90 feet; thence south approximately 115 feet to the north right-of-way of Center Street; thence east approximately 35 feet; thence north approximately 350 feet along the west line of parcel 03-59-600-005-00 to a point that is the north right-of-way line of Wall Street extended; thence east approximately 265 feet along the north right-of-way of Wall Street; thence south approximately 66 feet to the northeast corner of parcel 03-59-551-004-50; thence south approximately 130 feet to the northwest corner of parcel 03-59-551-003-00; thence east approximately 225 feet to the centerline of the Union Street right-of-way; thence east approximately 790 feet along the north right-of-way line of the existing alleyway to the centerline of the Washington Street right-of-way; thence southeasterly approximately 33 feet to the northwest corner of parcel 03-59-100-009-50; thence east approximately 130 feet to the east right-of-way line of Water Street; thence south approximately 140 feet to the northeast corner of the Center Street and Water Street right-of-ways; thence east approximately 330 feet to the Kalamazoo River; thence southeasterly approximately 430 feet along the edge of the Kalamazoo River to the south right-of-way of Freemont Street extended to the Kalamazoo River; thence west approximately 370 feet to the southwest corner of the Water Street and Freemont Street right-of-way; thence northwesterly approximately 220 feet to the northeast corner of parcel 03-59-150-012-00; thence west approximately 20 feet; thence south approximately 90 feet to the southeast corner of parcel 03-59-150-010-00; thence west approximately 135 feet to the east right-of-way line of Washington Street; thence south approximately 120 feet to the southeast corner of the Washington Street and Freemont Street right-of-way; thence west approximately 335 feet to the southwest corner of the Main Street and Freemont Street right-of-way; thence north along the west right-of-way line of Main Street approximately 130 feet to the southeast corner of parcel 03-59-150-005-00; thence west approximately 265 feet to the west right-of-way line of Spring Street; thence north approximately 90 feet to the southeast corner of parcel 03-59-150-002-00; thence west approximately 100 feet to the southwest corner of parcel 03-59-150-002-00; thence south approximately 30 feet to the southeast corner of parcel 03-59-150-001-00; thence west approximately 270 feet to the northwest corner of parcel 03-59-501-003-00; thence south approximately 195 feet to the south right-of-way line of Freemont Street; thence west approximately 165 feet to the southwest corner of the Freemont Street & Mixer Street right-of-way at the northeast corner of parcel 03-59-503-006-00; thence north approximately 200 feet to the southeast corner of parcel 03-59-502-001-00; thence west approximately 65 feet to the southwest corner of parcel 03-59-502-001-00; thence south approximately 15 feet to the southeast corner of parcel 03-59-125 (Douglas Town Home Condo); thence west 135 feet to the east right-of-way line of Ellis Street; thence south approximately 55 feet to the southwest corner of parcel 03-59-502-004-00; thence west approximately 33 feet to the southeast corner of parcel 03-59-016-039-11; thence west approximately 270 feet to the southwest corner of parcel 03-59-016-039-00; thence south approximately 180 feet to the southeast corner of parcel 03-59-016-042-00; thence west approximately 30 feet to the northwest corner of parcel 03-59-016-046-00; thence south approximately 55 feet to the southeast corner of parcel 03-59-016-041-00; thence west approximately 240 feet to the southeast corner of parcel 03-59-016-043-00; thence north approximately 220 feet to the northeast corner of parcel 03-59-016-043-00; thence west approximately 370 feet to the west right-of-way of Blue Star Highway; thence northeasterly along said right-of-way approximately 360 feet to the point of beginning.

EXHIBIT 2
CITY OF THE VILLAGE OF DOUGLAS
SCHEDULE OF TAXABLE VALUES

Original District

Real Property

Parcel #	Owner's Name	Address	2004 Taxable Value (Initial Taxable Value)	2005 Taxable Value	Captured Assessed Value
59-018-039-00	Klage William & Elizabeth (2004)	229 Center	4,700	4,808	108
59-018-039-10	Village Entertainment (2005)	201 Center	111,041	113,594	2,553
59-018-039-11	Leonard, John M & Donna K	Ellis Vacant	33,600	34,372	772
59-018-039-20	Keller, Bonnie & Looman	Ellis Vacant	72,500	72,500	0
59-100-009-00	Mark Peter	Center Street	199,544	200,000	456
59-100-009-50	Cala Properties LLC	50 Center	28,000	28,598	598
59-100-011-00	Group West Michigan	11 N Water Street	105,555	107,982	2,427
59-100-011-50	Sheridan Stephen E &	32 Center	131,485	133,800	2,315
59-100-012-00	WPH Land Holdings LLC	20 Center	105,000	107,415	2,415
59-100-014-51	Starrett Dewey & Susan C	21 Main Street	63,800	63,800	0
59-100-015-00	22 Main St LLC	22 Main Street	650,000	650,000	0
59-100-016-00	Group West Michigan	24 Center	171,878	175,831	3,953
59-100-017-00	The People's Store Of	36 Center	133,900	133,900	0
59-100-018-00	Reaume Center Street	48 Center	92,552	94,680	2,128
59-100-019-00	Douglas Professional	62 Center	72,681	74,352	1,671
59-125-001-00	Bekken Gerald &	70 Center	55,000	72,500	17,500
59-125-002-00	Putnam Kevin & Blodgett (2004)	39 Ellis St 1	52,435	68,800	16,365
59-125-003-00	Bonacorsi Steven (2005)	39 Ellis St 2	52,435	53,641	1,206
59-125-004-00	Barkman David A Trust	39 Ellis St 3	22,997	23,525	528
59-125-005-00	Cole John V & Susan E	39 Ellis St 4	52,435	53,641	1,206
59-150-001-00	McCaleb Robert E &	39 Ellis St 5	37,092	37,945	853
59-150-002-00	Roeig Christopher &	13 Union	0	0	0
59-150-004-00	DelFosse Trust	47 Center	78,414	78,171	1,757
59-150-005-00	Village of Douglas	35 E Center	0	0	0
59-150-005-10	Matteson, Max	35 E Center	180,000	180,000	0
59-150-005-20	Village of Douglas	Main St. Parking Lot	180,000	180,000	0
59-150-006-00	Peregrine-Douglas	25 Center	108,143	110,630	2,487
59-150-007-00	Eggert Susan K Trust	23 Center	0	0	0
59-150-010-00	Balmer Margaret Elaine	11 Center	79,830	81,768	1,838
59-501-001-00	Village of Douglas	Center Street	20,598	21,071	473
59-501-002-00	Malott Leslie & Cross	7 S. Washington	48,652	49,770	1,118
59-502-001-00	Schumacher Wm Jr	25 Mixer Street	0	0	0
59-502-003-00	Schumacher Wm Jr	25 Mixer Street	65,554	68,831	1,277
59-530-001-00	Douglas Village	137 Center	260,046	268,027	5,981
59-530-002-00	Floral Maria N & Eldof SH	147 Center	63,400	59,300	-4,100
59-530-003-00	Oxford Holding Company	8 Center	44,998	46,032	1,034
59-551-001-00	Cadwalader Kenneth & K	12 Center	0	0	0
59-551-002-00	Laughner Steven T ET	86 Center Street	190,000	190,000	0
59-551-003-00	Village of Douglas	98 Center Street	74,696	76,414	1,718
59-551-004-50	Laughner Steven T ET	112 Center	117,233	119,929	2,696
59-600-005-00*	Schoeneich Eugene A &	130 Center	100,000	100,000	0
	Budd Nancy J Trustee				
	Douglas Development				
Total Real Property			3,836,294	3,909,627	73,333

*Due to a subsequent lot split, the 2004 taxable value for the portion of parcel no. 59-600-005-00 which is included in the original district has been determined to be \$100,000 based on an approximate square footage allocation by the City Assessor.

Parcel #	Owner's Name	Address	2004 Taxable Value (Initial Taxable Value)	2005 Taxable Value	Captured Assessed Value
Personal Property					
59-900-003-00	RIVERVIEW LEASE/LOAN	12 Center	2,400	1,800	-600
59-900-014-00	VFS LEASE RESIDUAL	62 Center	0	800	800
59-900-021-00	VON DER HEIDE ARCHITECTS	20 Center	19,400	16,900	-2,500
59-900-024-00	EVERYDAY PEOPLE	11 Center	33,200	28,500	-4,700
59-900-035-00	CENTER STAGE SALON	32 Center	0	0	0
59-900-038-00	CIRCA AND YUM YUM	98 Center	0	4,000	4,000
59-900-041-00	COPPER GRILL	24 Center	0	0	0
59-900-044-00	Cadwalader Fine Arts, LLC	10 Center	0	900	900
59-900-080-00	Sheridan Law Offices PC	62 Center	8,000	8,800	-1,200
59-900-087-00	Wolbrink Liveness	62 Center	1,200	1,200	0
59-900-166-00	State Farm Mutual Ins Co	201 Center	2,600	1,900	-700
59-900-200-00	V & S Flowers	147 Center	300	300	0
59-900-207-00	Douglas Hair Care	237 Center	0	0	0
59-900-213-00	DeLong & Brower	62 Center	0	500	500
59-900-225-00	Respite Cappuccino	48 Center	500	500	0
59-900-237-00	Raymond James Financial	201 Center	0	4,600	4,600
59-900-813-00	Rocking Bear Inc	34 Center	6,200	1,200	-5,000
59-900-825-00	Bentley's	50 E. Center	800	800	0
59-900-828-00	Chaps	8 Center	34,000	30,600	-3,400
59-900-831-00	Phillip & Son	25 Center	1,200	1,700	500
59-900-836-00	Back Alley Pizzeria, Inc	22 Main	16,400	15,000	-1,400
59-900-839-00	Luoma Art Gallery	202 Center	2,100	1,800	-300
59-900-845-00	Grin & Bear It	50 E. Center	1,700	1,500	-200
59-900-863-00	Cascade Interiors	10 Center	2,800	2,300	-500
59-900-866-00	Pacelli & Crews, LTD	23 Center	1,300	1,100	-200
59-900-871-00	Canon Financial Services	23 Center	3,200	2,800	-400
59-900-881-00	13 Hawks Studio	50 E. Center	500	500	0
Total Personal Property			137,800	128,000	-9,800
Total Real and Personal Property in Original District			3,974,094	4,037,627	63,533

Area Added to District in 2006

Real Property					
59-018-037-00	Klama Properties	29 Blue Star Hwy	142,047	145,314	3,267
59-018-038-00	Alexander Jerry	41 Blue Star Hwy	68,797	68,333	1,536
59-016-041-00	Diamond's Super Value	237 Center	416,695	426,278	9,583
59-016-042-00	Village Entertainment	229 Center	167,370	171,219	3,849
59-150-010-00	Douglas Village Camp	28 Bayou Dr	0	0	0
59-551-004-00	New Tara Properties	200 Center	36,110	36,940	830
59-600-003-00	Douglas Properties	45 Blue Star Hwy	189,609	193,970	4,361
59-600-003-40	Danjo Properties	202 Center	213,992	218,913	4,921
59-600-009-00*	Douglas Development		150,000	150,000	0
Total Real Property			1,382,620	1,410,967	28,347

*Due to a subsequent lot split, the 2004 taxable value for the portion of parcel no. 59-600-009-00 which is included in the area added to the district in 2006 has been determined to be \$150,000 based on an approximate square footage allocation by the City Assessor.

Parcel #	Owner's Name	Address	2004 Taxable Value (Initial Taxable Value)	2005 Taxable Value	Captured Assessed Value
Personal Property					
59-900-005-00	Douglas Super Value		149,400	130,200	-19,200
59-900-018-00	Edward D Jones & Co		12,200	12,200	0
59-900-229-00	Metropolitan Title Co		5,000	4,900	-100
59-900-809-00	Shoreline Realtors		2,200	2,000	-200
59-900-838-00	Chicago Title Of		1,900	1,900	0
59-900-972-00	Lighthouse Realty		0	0	0
Total Personal Property			170,700	151,200	-19,500
Total Real and Personal Property in Area Added to District			1,553,320	1,562,167	8,847
Grand Total - Real Property			5,218,914	5,320,594	101,680
Grand Total - Personal Property			308,500	279,200	-29,300
Grand Total - Real and Personal Property			5,527,414	5,599,794	72,380

#1244907

EXHIBIT 3

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

TAXING UNIT: CITY OF THE VILLAGE OF DOUGLAS

INITIAL DEVELOPMENT AREA

Calendar Year	Current Taxable Value [1]	Initial Assessed Value[2]	Captured Assessed Value	City Tax Rate [3]	Annual City Tax Increment Revenues [4]	Cumulative City Tax Increment Revenues
2005	\$3,974,094.00	\$3,974,094.00	\$0.00	0.0130818	\$0.00	\$0.00
2006	\$4,037,627.00	\$3,974,094.00	\$63,533.00	0.0130818	\$831.13	\$831.13
2007	\$4,158,755.81	\$3,974,094.00	\$184,681.81	0.0130818	\$2,415.71	\$3,246.83
2008	\$4,283,518.48	\$3,974,094.00	\$309,424.48	0.0130818	\$4,047.83	\$7,294.66
2009	\$4,412,024.04	\$3,974,094.00	\$437,930.04	0.0130818	\$5,728.91	\$13,023.58
2010	\$4,544,384.76	\$3,974,094.00	\$570,290.76	0.0130818	\$7,460.43	\$20,484.01
2011	\$4,680,716.30	\$3,974,094.00	\$708,622.30	0.0130818	\$9,243.89	\$29,727.90
2012	\$4,821,137.79	\$3,974,094.00	\$847,043.79	0.0130818	\$11,080.88	\$40,808.78
2013	\$4,965,771.93	\$3,974,094.00	\$991,677.93	0.0130818	\$12,972.93	\$53,781.69
2014	\$5,114,745.08	\$3,974,094.00	\$1,140,651.08	0.0130818	\$14,921.77	\$68,703.46
2015	\$5,268,187.44	\$3,974,094.00	\$1,294,093.44	0.0130818	\$16,929.07	\$85,632.53
2016	\$5,426,233.06	\$3,974,094.00	\$1,452,139.06	0.0130818	\$18,998.59	\$104,629.12
2017	\$5,589,020.05	\$3,974,094.00	\$1,614,926.05	0.0130818	\$21,126.14	\$125,755.26
2018	\$5,756,690.65	\$3,974,094.00	\$1,782,596.65	0.0130818	\$23,319.57	\$149,074.83
2019	\$5,929,391.37	\$3,974,094.00	\$1,955,297.37	0.0130818	\$25,578.81	\$174,653.64
2020	\$6,107,273.11	\$3,974,094.00	\$2,133,179.11	0.0130818	\$27,905.82	\$202,559.47
2021	\$6,290,491.31	\$3,974,094.00	\$2,316,397.31	0.0130818	\$30,302.65	\$232,862.11
2022	\$6,479,208.05	\$3,974,094.00	\$2,505,112.05	0.0130818	\$32,771.37	\$265,633.49
2023	\$6,673,582.23	\$3,974,094.00	\$2,699,488.23	0.0130818	\$35,314.17	\$300,947.65
2024	\$6,873,789.69	\$3,974,094.00	\$2,899,695.69	0.0130818	\$37,933.24	\$338,880.89
2025	\$7,080,003.38	\$3,974,094.00	\$3,105,909.38	0.0130818	\$40,630.69	\$379,511.78
2026	\$7,292,403.49	\$3,974,094.00	\$3,318,309.49	0.0130818	\$43,409.46	\$422,921.24
2027	\$7,511,175.59	\$3,974,094.00	\$3,537,081.59	0.0130818	\$46,271.39	\$469,192.63
2028	\$7,736,510.86	\$3,974,094.00	\$3,762,416.86	0.0130818	\$49,219.18	\$518,411.82
2029	\$7,968,608.18	\$3,974,094.00	\$3,994,512.18	0.0130818	\$52,255.41	\$570,667.23
2030	\$8,207,664.37	\$3,974,094.00	\$4,233,570.37	0.0130818	\$55,382.72	\$626,049.95
2031	\$8,453,894.30	\$3,974,094.00	\$4,479,800.30	0.0130818	\$58,603.85	\$684,653.80
2032	\$8,707,511.13	\$3,974,094.00	\$4,733,417.13	0.0130818	\$61,921.62	\$746,575.41
2033	\$8,968,736.46	\$3,974,094.00	\$4,994,642.46	0.0130818	\$65,338.91	\$811,914.33
2034	\$9,237,798.56	\$3,974,094.00	\$5,263,704.56	0.0130818	\$68,858.73	\$880,773.06
2035	\$9,514,932.51	\$3,974,094.00	\$5,540,838.51	0.0130818	\$72,484.14	\$953,257.20
2036	\$9,800,380.49	\$3,974,094.00	\$5,826,286.49	0.0130818	\$76,216.31	\$1,029,473.51
TOTAL					\$1,029,475.51	

[1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$4,037,627 (\$3,909,627 of real property and \$128,000 of personal property) and assumes a growth rate of 3% a year for 2007-2036.

[2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$3,974,094 (\$3,836,294 of real property and \$137,800 of personal property).

[3] The City currently levies 13.0818 mills (0.0130818), including 11.20040 mills for general operating purposes and 1.88140 mills for roads. The tax levy is assumed to stay the same.

[4] See additional assumptions in Varnum letter to Jill Eyre dated March 27, 2006.

Growth Rate: 3%

#1232811 (City-Initial)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

TAXING UNIT: SAUGATUCK-DOUGLAS DISTRICT LIBRARY

INITIAL DEVELOPMENT AREA

Calendar Year	Current Taxable Value [1]	Initial Assessed Value [2]	Captured Assessed Value	Library Tax Rate [3]	Annual Library Tax Increment Revenues [4]	Cumulative Library Tax Increment Revenues
2005	\$3,974,094.00	\$3,974,094.00	\$0.00	0.0004217	\$0.00	\$0.00
2006	\$4,037,627.00	\$3,974,094.00	\$63,533.00	0.0004217	\$26.79	\$26.79
2007	\$4,158,755.81	\$3,974,094.00	\$184,681.81	0.0004217	\$77.87	\$104.66
2008	\$4,263,518.48	\$3,974,094.00	\$309,424.48	0.0004217	\$130.48	\$235.15
2009	\$4,412,024.04	\$3,974,094.00	\$437,930.04	0.0004217	\$184.68	\$419.82
2010	\$4,544,384.76	\$3,974,094.00	\$570,290.76	0.0004217	\$240.49	\$660.31
2011	\$4,680,716.30	\$3,974,094.00	\$706,622.30	0.0004217	\$297.98	\$958.30
2012	\$4,821,137.79	\$3,974,094.00	\$847,043.79	0.0004217	\$357.20	\$1,315.50
2013	\$4,965,771.93	\$3,974,094.00	\$991,677.93	0.0004217	\$418.19	\$1,733.69
2014	\$5,114,745.08	\$3,974,094.00	\$1,140,651.08	0.0004217	\$481.01	\$2,214.70
2015	\$5,268,187.44	\$3,974,094.00	\$1,294,093.44	0.0004217	\$545.72	\$2,760.42
2016	\$5,426,233.06	\$3,974,094.00	\$1,452,139.06	0.0004217	\$612.37	\$3,372.79
2017	\$5,589,020.05	\$3,974,094.00	\$1,614,926.05	0.0004217	\$681.01	\$4,053.80
2018	\$5,756,690.65	\$3,974,094.00	\$1,782,596.65	0.0004217	\$751.72	\$4,805.52
2019	\$5,929,391.37	\$3,974,094.00	\$1,955,297.37	0.0004217	\$824.55	\$5,630.07
2020	\$6,107,273.11	\$3,974,094.00	\$2,133,179.11	0.0004217	\$899.56	\$6,529.63
2021	\$6,290,491.31	\$3,974,094.00	\$2,316,397.31	0.0004217	\$976.82	\$7,506.46
2022	\$6,479,206.05	\$3,974,094.00	\$2,505,112.05	0.0004217	\$1,056.41	\$8,562.86
2023	\$6,673,582.23	\$3,974,094.00	\$2,699,488.23	0.0004217	\$1,138.37	\$9,701.24
2024	\$6,873,789.69	\$3,974,094.00	\$2,899,695.69	0.0004217	\$1,222.80	\$10,924.04
2025	\$7,080,003.38	\$3,974,094.00	\$3,105,909.38	0.0004217	\$1,309.76	\$12,233.80
2026	\$7,292,403.49	\$3,974,094.00	\$3,318,309.49	0.0004217	\$1,399.33	\$13,633.13
2027	\$7,511,175.59	\$3,974,094.00	\$3,537,081.59	0.0004217	\$1,491.59	\$15,124.72
2028	\$7,736,510.86	\$3,974,094.00	\$3,762,416.86	0.0004217	\$1,586.61	\$16,711.33
2029	\$7,968,606.18	\$3,974,094.00	\$3,994,512.18	0.0004217	\$1,684.49	\$18,395.81
2030	\$8,207,664.37	\$3,974,094.00	\$4,233,570.37	0.0004217	\$1,785.30	\$20,181.11
2031	\$8,453,694.30	\$3,974,094.00	\$4,479,800.30	0.0004217	\$1,889.13	\$22,070.24
2032	\$8,707,511.13	\$3,974,094.00	\$4,733,417.13	0.0004217	\$1,996.08	\$24,066.33
2033	\$8,968,736.46	\$3,974,094.00	\$4,994,642.46	0.0004217	\$2,106.24	\$26,172.57
2034	\$9,237,798.56	\$3,974,094.00	\$5,263,704.56	0.0004217	\$2,219.70	\$28,392.27
2035	\$9,514,932.51	\$3,974,094.00	\$5,540,838.51	0.0004217	\$2,336.57	\$30,728.84
2036	\$9,800,380.49	\$3,974,094.00	\$5,826,286.49	0.0004217	\$2,456.95	\$33,185.79
TOTAL					\$33,185.79	

- [1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$4,037,627 (\$3,909,627 of real property and \$128,000 of personal property) and assumes a growth rate of 3% a year for 2007-2036.
- [2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$3,974,094 (\$3,836,294 of real property and \$137,800 of personal property).
- [3] The Saugatuck-Douglas District Library currently levies 0.42170 mills (\$0.00042170). The tax levy is assumed to stay the same.
- [4] See additional assumptions in Varnum letter to Jill Eyre dated March 27, 2006.

#1232811 (Library-Initial)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

TAXING UNIT: ALLEGAN COUNTY

INITIAL DEVELOPMENT AREA

Calendar Year	Current Taxable Value [1]	Initial Assessed Value [2]	Captured Assessed Value	County Tax Rate [3]	Annual County Tax Increment Revenues [4]	Cumulative County Tax Increment Revenues
2005	\$3,974,094.00	\$3,974,094.00	\$0.00	0.0065909	\$0.00	\$0.00
2006	\$4,037,627.00	\$3,974,094.00	\$63,533.00	0.0065909	\$418.74	\$418.74
2007	\$4,158,755.81	\$3,974,094.00	\$184,661.81	0.0065909	\$1,217.09	\$1,635.83
2008	\$4,283,518.48	\$3,974,094.00	\$309,424.48	0.0065909	\$2,039.39	\$3,675.21
2009	\$4,412,024.04	\$3,974,094.00	\$437,930.04	0.0065909	\$2,886.35	\$6,561.57
2010	\$4,544,384.76	\$3,974,094.00	\$570,290.76	0.0065909	\$3,758.73	\$10,320.30
2011	\$4,680,716.30	\$3,974,094.00	\$706,622.30	0.0065909	\$4,657.28	\$14,977.57
2012	\$4,821,137.79	\$3,974,094.00	\$847,043.79	0.0065909	\$5,582.78	\$20,560.35
2013	\$4,965,771.93	\$3,974,094.00	\$991,677.93	0.0065909	\$6,536.05	\$27,096.40
2014	\$5,114,745.08	\$3,974,094.00	\$1,140,651.08	0.0065909	\$7,517.92	\$34,614.32
2015	\$5,268,187.44	\$3,974,094.00	\$1,294,093.44	0.0065909	\$8,529.24	\$43,143.56
2016	\$5,426,233.06	\$3,974,094.00	\$1,452,139.06	0.0065909	\$9,570.90	\$52,714.46
2017	\$5,589,020.05	\$3,974,094.00	\$1,614,926.05	0.0065909	\$10,643.82	\$63,358.28
2018	\$5,756,690.65	\$3,974,094.00	\$1,782,596.65	0.0065909	\$11,748.92	\$75,107.20
2019	\$5,929,391.37	\$3,974,094.00	\$1,955,297.37	0.0065909	\$12,887.17	\$87,994.37
2020	\$6,107,273.11	\$3,974,094.00	\$2,133,179.11	0.0065909	\$14,059.57	\$102,053.94
2021	\$6,290,491.31	\$3,974,094.00	\$2,316,397.31	0.0065909	\$15,267.14	\$117,321.08
2022	\$6,479,206.05	\$3,974,094.00	\$2,505,112.05	0.0065909	\$16,510.94	\$133,832.02
2023	\$6,673,582.23	\$3,974,094.00	\$2,699,488.23	0.0065909	\$17,792.06	\$151,624.08
2024	\$6,873,789.69	\$3,974,094.00	\$2,899,695.69	0.0065909	\$19,111.60	\$170,735.68
2025	\$7,080,003.38	\$3,974,094.00	\$3,105,909.38	0.0065909	\$20,470.74	\$191,206.42
2026	\$7,292,403.49	\$3,974,094.00	\$3,318,309.49	0.0065909	\$21,870.65	\$213,077.07
2027	\$7,511,175.59	\$3,974,094.00	\$3,537,081.59	0.0065909	\$23,312.55	\$236,389.62
2028	\$7,736,510.86	\$3,974,094.00	\$3,762,416.86	0.0065909	\$24,797.71	\$261,187.33
2029	\$7,968,606.18	\$3,974,094.00	\$3,994,512.18	0.0065909	\$26,327.43	\$287,514.76
2030	\$8,207,664.37	\$3,974,094.00	\$4,233,570.37	0.0065909	\$27,903.04	\$315,417.80
2031	\$8,453,894.30	\$3,974,094.00	\$4,479,800.30	0.0065909	\$29,525.92	\$344,943.72
2032	\$8,707,511.13	\$3,974,094.00	\$4,733,417.13	0.0065909	\$31,197.48	\$376,141.20
2033	\$8,968,736.46	\$3,974,094.00	\$4,994,642.46	0.0065909	\$32,919.19	\$409,060.39
2034	\$9,237,798.56	\$3,974,094.00	\$5,263,704.56	0.0065909	\$34,692.55	\$443,752.94
2035	\$9,514,932.51	\$3,974,094.00	\$5,540,838.51	0.0065909	\$36,519.11	\$480,272.05
2036	\$9,800,380.49	\$3,974,094.00	\$5,826,286.49	0.0065909	\$38,400.47	\$518,672.52
				TOTAL	\$518,672.52	

[1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$4,037,627 (\$3,909,627 of real property and \$128,000 of personal property) and assumes a growth rate of 3% a year for 2007-2036.

[2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$3,974,094 (\$3,836,294 of real property and \$137,800 of personal property).

[3] The County currently levies 6.5909 mills (0.0065909). The tax levy is assumed to stay the same.

[4] See additional assumptions in Varrum letter to Jill Eyre dated March 27, 2006.

#1232811 (County-Initial)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

TAXING UNIT: INTERURBAN TRANSIT AUTHORITY

INITIAL DEVELOPMENT AREA

Calendar Year	Current Taxable Value [1]	Initial Assessed Value [2]	Captured Assessed Value	Transit Tax Rate [3]	Annual Transit Tax Increment Revenues [4]	Cumulative Transit Tax Increment Revenues
2005	\$3,974,094.00	\$3,974,094.00	\$0.00	0.0004601	\$0.00	\$0.00
2006	\$4,037,627.00	\$3,974,094.00	\$63,533.00	0.0004601	\$29.23	\$29.23
2007	\$4,158,755.81	\$3,974,094.00	\$184,661.81	0.0004601	\$84.96	\$114.19
2008	\$4,283,518.48	\$3,974,094.00	\$309,424.48	0.0004601	\$142.37	\$256.56
2009	\$4,412,024.04	\$3,974,094.00	\$437,930.04	0.0004601	\$201.49	\$458.05
2010	\$4,544,384.76	\$3,974,094.00	\$570,290.76	0.0004601	\$262.39	\$720.44
2011	\$4,680,716.30	\$3,974,094.00	\$706,622.30	0.0004601	\$325.12	\$1,045.56
2012	\$4,821,137.79	\$3,974,094.00	\$847,043.79	0.0004601	\$389.72	\$1,435.28
2013	\$4,965,771.93	\$3,974,094.00	\$991,677.93	0.0004601	\$456.27	\$1,891.56
2014	\$5,114,745.08	\$3,974,094.00	\$1,140,651.08	0.0004601	\$524.81	\$2,416.37
2015	\$5,268,187.44	\$3,974,094.00	\$1,294,093.44	0.0004601	\$595.41	\$3,011.78
2016	\$5,426,233.06	\$3,974,094.00	\$1,452,139.06	0.0004601	\$668.13	\$3,679.91
2017	\$5,589,020.05	\$3,974,094.00	\$1,614,926.05	0.0004601	\$743.03	\$4,422.94
2018	\$5,756,690.65	\$3,974,094.00	\$1,782,596.65	0.0004601	\$820.17	\$5,243.11
2019	\$5,929,391.37	\$3,974,094.00	\$1,955,297.37	0.0004601	\$899.63	\$6,142.74
2020	\$6,107,273.11	\$3,974,094.00	\$2,133,179.11	0.0004601	\$981.48	\$7,124.22
2021	\$6,290,491.31	\$3,974,094.00	\$2,316,397.31	0.0004601	\$1,065.77	\$8,189.99
2022	\$6,479,206.05	\$3,974,094.00	\$2,505,112.05	0.0004601	\$1,152.60	\$9,342.60
2023	\$6,673,582.23	\$3,974,094.00	\$2,699,488.23	0.0004601	\$1,242.03	\$10,584.63
2024	\$6,873,789.69	\$3,974,094.00	\$2,899,695.69	0.0004601	\$1,334.15	\$11,918.78
2025	\$7,080,003.38	\$3,974,094.00	\$3,105,909.38	0.0004601	\$1,429.03	\$13,347.81
2026	\$7,292,403.49	\$3,974,094.00	\$3,318,309.49	0.0004601	\$1,526.75	\$14,874.56
2027	\$7,511,175.59	\$3,974,094.00	\$3,537,081.59	0.0004601	\$1,627.41	\$16,501.97
2028	\$7,736,510.86	\$3,974,094.00	\$3,762,416.86	0.0004601	\$1,731.09	\$18,233.06
2029	\$7,968,606.18	\$3,974,094.00	\$3,994,512.18	0.0004601	\$1,837.88	\$20,070.94
2030	\$8,207,664.37	\$3,974,094.00	\$4,233,570.37	0.0004601	\$1,947.87	\$22,018.80
2031	\$8,453,894.30	\$3,974,094.00	\$4,479,800.30	0.0004601	\$2,061.16	\$24,079.96
2032	\$8,707,511.13	\$3,974,094.00	\$4,733,417.13	0.0004601	\$2,177.85	\$26,257.80
2033	\$8,968,736.46	\$3,974,094.00	\$4,994,642.46	0.0004601	\$2,298.03	\$28,555.84
2034	\$9,237,798.56	\$3,974,094.00	\$5,263,704.56	0.0004601	\$2,421.83	\$30,977.67
2035	\$9,514,932.51	\$3,974,094.00	\$5,540,838.51	0.0004601	\$2,549.34	\$33,527.01
2036	\$9,800,380.49	\$3,974,094.00	\$5,826,286.49	0.0004601	\$2,680.67	\$36,207.68
TOTAL					\$36,207.68	

- [1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$4,037,627 (\$3,909,627 of real property and \$128,000 of personal property) and assumes a growth rate of 3% a year for 2007-2036.
- [2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$3,974,094 (\$3,836,294 of real property and \$137,800 of personal property).
- [3] The Transit Authority currently levies 0.46010 mills (0.00046010). The tax levy is assumed to stay the same.
- [4] See additional assumptions in Varnum letter to Jill Eyre dated March 27, 2006.

#1232811 (Transit Authority-Initial)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

INITIAL DEVELOPMENT AREA

Calendar Year	City Tax Increment Revenues	Library Tax Increment Revenues	County Tax Increment Revenues	Transit Tax Increment Revenues	Annual Total Tax Increment Revenues	Cumulative Total Tax Increment Revenues
2006	\$831.13	\$28.79	\$418.74	\$29.23	\$1,305.89	\$1,305.89
2007	\$2,415.71	\$77.87	\$1,217.09	\$84.98	\$3,795.63	\$5,101.52
2008	\$4,047.83	\$130.48	\$2,039.39	\$142.37	\$6,360.07	\$11,461.59
2009	\$5,728.91	\$184.68	\$2,888.35	\$201.49	\$9,001.43	\$20,463.02
2010	\$7,460.43	\$240.49	\$3,758.73	\$262.39	\$11,722.04	\$32,185.06
2011	\$9,243.89	\$297.98	\$4,657.28	\$325.12	\$14,524.27	\$46,709.33
2012	\$11,080.88	\$357.20	\$5,582.78	\$389.72	\$17,410.56	\$64,119.89
2013	\$12,972.93	\$418.19	\$6,538.05	\$458.27	\$20,383.44	\$84,503.33
2014	\$14,921.77	\$481.01	\$7,517.92	\$524.81	\$23,445.51	\$107,948.85
2015	\$16,929.07	\$545.72	\$8,529.24	\$595.41	\$26,599.44	\$134,548.29
2016	\$18,998.59	\$612.37	\$9,570.90	\$668.13	\$29,847.99	\$164,396.28
2017	\$21,126.14	\$681.01	\$10,643.82	\$743.03	\$33,194.00	\$197,590.28
2018	\$23,319.57	\$751.72	\$11,748.92	\$820.17	\$36,640.38	\$234,230.66
2019	\$25,578.81	\$824.55	\$12,887.17	\$899.63	\$40,190.16	\$274,420.82
2020	\$27,905.82	\$899.56	\$14,059.57	\$981.48	\$43,846.43	\$318,267.25
2021	\$30,302.65	\$976.82	\$15,267.14	\$1,065.77	\$47,612.39	\$365,879.64
2022	\$32,771.37	\$1,058.41	\$16,510.94	\$1,152.60	\$51,491.33	\$417,370.97
2023	\$35,314.17	\$1,138.37	\$17,792.08	\$1,242.03	\$55,486.63	\$472,857.60
2024	\$37,933.24	\$1,222.80	\$19,111.80	\$1,334.15	\$59,601.80	\$532,459.39
2025	\$40,630.89	\$1,309.76	\$20,470.74	\$1,429.03	\$63,840.41	\$596,299.81
2026	\$43,409.46	\$1,399.33	\$21,870.85	\$1,528.75	\$68,208.19	\$664,508.00
2027	\$46,271.39	\$1,491.59	\$23,312.55	\$1,627.41	\$72,702.94	\$737,208.94
2028	\$49,219.18	\$1,588.81	\$24,797.71	\$1,731.09	\$77,334.80	\$814,543.54
2029	\$52,255.41	\$1,684.49	\$26,327.43	\$1,837.88	\$82,105.20	\$896,648.74
2030	\$55,382.72	\$1,785.30	\$27,903.04	\$1,947.87	\$87,018.92	\$983,667.66
2031	\$58,603.85	\$1,889.13	\$29,525.92	\$2,061.16	\$92,080.08	\$1,075,747.72
2032	\$61,921.62	\$1,998.08	\$31,197.48	\$2,177.85	\$97,293.02	\$1,173,040.74
2033	\$65,338.91	\$2,106.24	\$32,919.19	\$2,298.03	\$102,662.38	\$1,275,703.12
2034	\$68,858.73	\$2,219.70	\$34,692.55	\$2,421.83	\$108,192.82	\$1,383,895.93
2035	\$72,484.14	\$2,336.57	\$36,519.11	\$2,549.34	\$113,889.17	\$1,497,785.10
2036	\$76,218.31	\$2,456.95	\$38,400.47	\$2,680.67	\$119,759.41	\$1,617,541.51
TOTAL	\$1,029,475.51	\$33,185.79	\$518,672.52	\$38,207.68	\$1,617,541.51	

- [1] Current taxable value is based on taxable value for 2008 (determined as of December 31, 2005) of \$4,037,627 (\$3,909,627 of real property and \$128,000 of personal property) and assumes a growth rate of 3% a year for 2007-2036.
- [2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$3,974,094 (\$3,836,294 of real property and \$137,800 of personal property).
- [3] The City currently levies 13.0818 mills (\$0.0130818), including 11.20040 mills for general operating purposes and 1.88140 mills for roads. The tax levy is assumed to stay the same.
- [4] The Saugatuck-Douglas District Library currently levies 0.42170 mills (\$0.00042170). The tax levy is assumed to stay the same.
- [5] The County currently levies 6.5909 mills (\$0.0065909). The tax levy is assumed to stay the same.
- [6] The Transit Authority currently levies 0.46010 mills (\$0.00046010). The tax levy is assumed to stay the same.
- [7] See additional assumptions in Vamum letter to Jill Eyre dated March 27, 2006.

#1232811 (Combined-Initial)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

TAXING UNIT: CITY OF THE VILLAGE OF DOUGLAS

AREA ADDED TO DEVELOPMENT AREA IN 2006

Calendar Year	Current Taxable Value [1]	Initial Assessed Value [2]	Captured Assessed Value	City Tax Rate [3]	Annual City Tax Increment Revenues [4]	Cumulative City Tax Increment Revenues
2005	\$1,553,320.00	\$1,553,320.00	\$0.00	0.0130818	\$0.00	\$0.00
2006	\$1,562,167.00	\$1,553,320.00	\$8,847.00	0.0130818	\$115.73	\$115.73
2007	\$1,609,032.01	\$1,553,320.00	\$55,712.01	0.0130818	\$728.81	\$844.55
2008	\$1,657,302.97	\$1,553,320.00	\$103,982.97	0.0130818	\$1,360.28	\$2,204.83
2009	\$1,707,022.06	\$1,553,320.00	\$153,702.06	0.0130818	\$2,010.70	\$4,215.53
2010	\$1,758,232.72	\$1,553,320.00	\$204,912.72	0.0130818	\$2,680.63	\$6,896.16
2011	\$1,810,979.70	\$1,553,320.00	\$257,659.70	0.0130818	\$3,370.65	\$10,266.81
2012	\$1,865,309.09	\$1,553,320.00	\$311,989.09	0.0130818	\$4,081.38	\$14,348.19
2013	\$1,921,268.37	\$1,553,320.00	\$367,948.37	0.0130818	\$4,813.43	\$19,161.62
2014	\$1,978,906.42	\$1,553,320.00	\$425,586.42	0.0130818	\$5,587.44	\$24,729.05
2015	\$2,038,273.61	\$1,553,320.00	\$484,953.61	0.0130818	\$6,344.07	\$31,073.12
2016	\$2,099,421.82	\$1,553,320.00	\$546,101.82	0.0130818	\$7,143.89	\$38,217.12
2017	\$2,162,404.47	\$1,553,320.00	\$609,084.47	0.0130818	\$7,967.92	\$46,185.04
2018	\$2,227,276.61	\$1,553,320.00	\$673,956.61	0.0130818	\$8,816.57	\$55,001.60
2019	\$2,294,094.91	\$1,553,320.00	\$740,774.91	0.0130818	\$9,690.67	\$64,692.27
2020	\$2,362,917.75	\$1,553,320.00	\$809,597.75	0.0130818	\$10,591.00	\$75,283.27
2021	\$2,433,805.29	\$1,553,320.00	\$880,485.29	0.0130818	\$11,518.33	\$86,801.60
2022	\$2,506,819.44	\$1,553,320.00	\$953,499.44	0.0130818	\$12,473.49	\$99,275.09
2023	\$2,582,024.03	\$1,553,320.00	\$1,028,704.03	0.0130818	\$13,457.30	\$112,732.39
2024	\$2,659,484.75	\$1,553,320.00	\$1,106,164.75	0.0130818	\$14,470.63	\$127,203.01
2025	\$2,739,269.29	\$1,553,320.00	\$1,185,949.29	0.0130818	\$15,514.35	\$142,717.37
2026	\$2,821,447.37	\$1,553,320.00	\$1,268,127.37	0.0130818	\$16,589.39	\$159,306.75
2027	\$2,908,090.79	\$1,553,320.00	\$1,352,770.79	0.0130818	\$17,696.68	\$177,003.43
2028	\$2,993,273.51	\$1,553,320.00	\$1,439,953.51	0.0130818	\$18,837.18	\$195,840.62
2029	\$3,083,071.72	\$1,553,320.00	\$1,529,751.72	0.0130818	\$20,011.91	\$215,852.52
2030	\$3,175,583.67	\$1,553,320.00	\$1,622,243.67	0.0130818	\$21,221.87	\$237,074.39
2031	\$3,270,830.79	\$1,553,320.00	\$1,717,510.79	0.0130818	\$22,468.13	\$259,542.52
2032	\$3,368,955.71	\$1,553,320.00	\$1,815,635.71	0.0130818	\$23,751.78	\$283,294.31
2033	\$3,470,024.38	\$1,553,320.00	\$1,916,704.38	0.0130818	\$25,073.94	\$308,368.25
2034	\$3,574,125.11	\$1,553,320.00	\$2,020,805.11	0.0130818	\$26,435.77	\$334,804.02
2035	\$3,681,348.87	\$1,553,320.00	\$2,128,028.87	0.0130818	\$27,838.45	\$362,642.47
2036	\$3,791,789.33	\$1,553,320.00	\$2,238,469.33	0.0130818	\$29,283.21	\$391,925.68
TOTAL					\$391,925.68	

[1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$1,562,167 (\$1,410,967 of real property and \$151,200 of personal property) and assumes a growth rate of 3% a year for 2007-2036.

[2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$1,553,320 (\$1,382,620 of real property and \$170,700 of personal property).

[3] The City currently levies 13.0818 mills (\$0.0130818), including 11.20040 mills for general operating purposes and 1.88140 mills for roads. The tax levy is assumed to stay the same.

[4] See additional assumptions in Varnum letter to Jill Eyre dated March 27, 2006.

Growth Rate: 3%

#1232811 (City-Expansion)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

TAXING UNIT: ALLEGAN COUNTY

AREA ADDED TO DEVELOPMENT AREA IN 2006

Calendar Year	Current Taxable Value [1]	Initial Assessed Value [2]	Captured Assessed Value	County Tax Rate [3]	Annual County Tax Increment Revenues [4]	Cumulative County Tax Increment Revenues
2005	\$1,553,320.00	\$1,553,320.00	\$0.00	0.0065909	\$0.00	\$0.00
2006	\$1,562,167.00	\$1,553,320.00	\$8,847.00	0.0065909	\$58.31	\$58.31
2007	\$1,609,032.01	\$1,553,320.00	\$55,712.01	0.0065909	\$367.19	\$425.50
2008	\$1,657,302.97	\$1,553,320.00	\$103,982.97	0.0065909	\$685.34	\$1,110.84
2009	\$1,707,022.06	\$1,553,320.00	\$153,702.06	0.0065909	\$1,013.03	\$2,123.88
2010	\$1,758,232.72	\$1,553,320.00	\$204,912.72	0.0065909	\$1,350.56	\$3,474.44
2011	\$1,810,979.70	\$1,553,320.00	\$257,659.70	0.0065909	\$1,698.21	\$5,172.65
2012	\$1,865,309.09	\$1,553,320.00	\$311,989.09	0.0065909	\$2,056.29	\$7,228.94
2013	\$1,921,268.37	\$1,553,320.00	\$367,948.37	0.0065909	\$2,425.11	\$9,654.05
2014	\$1,978,906.42	\$1,553,320.00	\$425,586.42	0.0065909	\$2,805.00	\$12,459.04
2015	\$2,038,273.61	\$1,553,320.00	\$484,953.61	0.0065909	\$3,196.28	\$15,655.32
2016	\$2,099,421.82	\$1,553,320.00	\$546,101.82	0.0065909	\$3,599.30	\$19,254.63
2017	\$2,162,404.47	\$1,553,320.00	\$609,084.47	0.0065909	\$4,014.41	\$23,269.04
2018	\$2,227,276.61	\$1,553,320.00	\$673,956.61	0.0065909	\$4,441.98	\$27,711.02
2019	\$2,294,094.91	\$1,553,320.00	\$740,774.91	0.0065909	\$4,882.37	\$32,593.40
2020	\$2,362,917.75	\$1,553,320.00	\$809,597.75	0.0065909	\$5,335.98	\$37,929.37
2021	\$2,433,805.29	\$1,553,320.00	\$880,485.29	0.0065909	\$5,803.19	\$43,732.56
2022	\$2,506,819.44	\$1,553,320.00	\$953,499.44	0.0065909	\$6,284.42	\$50,016.98
2023	\$2,582,024.03	\$1,553,320.00	\$1,028,704.03	0.0065909	\$6,780.09	\$56,797.07
2024	\$2,659,484.75	\$1,553,320.00	\$1,106,164.75	0.0065909	\$7,290.62	\$64,087.69
2025	\$2,739,269.29	\$1,553,320.00	\$1,185,949.29	0.0065909	\$7,816.47	\$71,904.16
2026	\$2,821,447.37	\$1,553,320.00	\$1,268,127.37	0.0065909	\$8,358.10	\$80,262.26
2027	\$2,906,090.79	\$1,553,320.00	\$1,352,770.79	0.0065909	\$8,915.98	\$89,178.24
2028	\$2,993,273.51	\$1,553,320.00	\$1,439,953.51	0.0065909	\$9,490.59	\$98,668.83
2029	\$3,083,071.72	\$1,553,320.00	\$1,529,751.72	0.0065909	\$10,082.44	\$108,751.27
2030	\$3,175,563.87	\$1,553,320.00	\$1,622,243.87	0.0065909	\$10,692.05	\$119,443.32
2031	\$3,270,830.79	\$1,553,320.00	\$1,717,510.79	0.0065909	\$11,319.94	\$130,763.26
2032	\$3,368,955.71	\$1,553,320.00	\$1,815,635.71	0.0065909	\$11,966.67	\$142,729.93
2033	\$3,470,024.38	\$1,553,320.00	\$1,916,704.38	0.0065909	\$12,632.81	\$155,362.74
2034	\$3,574,125.11	\$1,553,320.00	\$2,020,805.11	0.0065909	\$13,318.92	\$168,681.67
2035	\$3,681,348.87	\$1,553,320.00	\$2,128,028.87	0.0065909	\$14,025.63	\$182,707.29
2036	\$3,791,789.33	\$1,553,320.00	\$2,238,469.33	0.0065909	\$14,753.53	\$197,460.82
TOTAL					\$197,460.82	

- [1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$1,562,167 (\$1,410,967 of real property and \$151,200 of personal property) and assumes a growth rate of 3% a year for 2007-2036.
- [2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$1,553,320 (\$1,382,620 of real property and \$170,700 of personal property).
- [3] The County currently levies 6.5909 mills (\$0.0065909). The tax levy is assumed to stay the same.
- [4] See additional assumptions in Vamum letter to Jill Eyre dated March 27, 2006.

#1232811 (County-Expansion)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES

AREA ADDED TO DEVELOPMENT AREA IN 2006

Calendar Year	City Tax Increment Revenues	County Tax Increment Revenues	Annual Total Tax Increment Revenues	Cumulative Total Tax Increment Revenues
2005	\$0.00	\$0.00	\$0.00	\$0.00
2006	\$115.73	\$58.31	\$174.04	\$174.04
2007	\$728.81	\$367.19	\$1,096.01	\$1,270.05
2008	\$1,360.28	\$685.34	\$2,045.63	\$3,315.68
2009	\$2,010.70	\$1,013.03	\$3,023.73	\$6,339.41
2010	\$2,680.63	\$1,350.56	\$4,031.19	\$10,370.60
2011	\$3,370.65	\$1,698.21	\$5,068.86	\$15,439.46
2012	\$4,081.38	\$2,056.29	\$6,137.67	\$21,577.13
2013	\$4,813.43	\$2,425.11	\$7,238.54	\$28,815.66
2014	\$5,567.44	\$2,805.00	\$8,372.43	\$37,188.10
2015	\$6,344.07	\$3,196.28	\$9,540.35	\$46,728.45
2016	\$7,143.99	\$3,599.30	\$10,743.30	\$57,471.74
2017	\$7,967.92	\$4,014.41	\$11,982.34	\$69,454.08
2018	\$8,816.57	\$4,441.98	\$13,258.55	\$82,712.62
2019	\$9,690.67	\$4,882.37	\$14,573.04	\$97,285.67
2020	\$10,591.00	\$5,335.98	\$15,926.97	\$113,212.64
2021	\$11,518.33	\$5,803.19	\$17,321.52	\$130,534.16
2022	\$12,473.49	\$6,284.42	\$18,757.91	\$149,292.07
2023	\$13,457.30	\$6,780.09	\$20,237.39	\$169,529.46
2024	\$14,470.63	\$7,290.62	\$21,761.25	\$191,290.71
2025	\$15,514.35	\$7,816.47	\$23,330.82	\$214,621.53
2026	\$16,589.39	\$8,358.10	\$24,947.49	\$239,569.02
2027	\$17,696.68	\$8,915.98	\$26,612.65	\$266,181.67
2028	\$18,837.18	\$9,490.59	\$28,327.77	\$294,509.45
2029	\$20,011.91	\$10,082.44	\$30,094.35	\$324,603.79
2030	\$21,221.87	\$10,692.05	\$31,913.92	\$356,517.71
2031	\$22,468.13	\$11,319.94	\$33,788.07	\$390,305.78
2032	\$23,751.78	\$11,966.67	\$35,718.46	\$426,024.24
2033	\$25,073.94	\$12,632.81	\$37,706.75	\$463,730.99
2034	\$26,435.77	\$13,318.92	\$39,754.69	\$503,485.68
2035	\$27,838.45	\$14,025.63	\$41,864.07	\$545,349.76
2036	\$29,283.21	\$14,753.53	\$44,036.74	\$589,386.49
TOTAL	\$391,925.68	\$197,460.82	\$589,386.49	

- [1] Current taxable value is based on taxable value for 2006 (determined as of December 31, 2005) of \$1,562,167 (\$1,410,967 of real property and \$151,200 of personal property) and assumes a growth rate of 3% a year for 2007-2036.
- [2] Initial assessed value is based on taxable value for 2005 (determined as of December 31, 2004) of \$1,553,320 (\$1,382,620 of real property and \$170,700 of personal property).
- [3] The City currently levies 13.0818 mills (\$0.0130818), including 11.20040 mills for general operating purposes and 1.88140 mills for roads. The tax levy is assumed to stay the same.
- [4] The County currently levies 6.5909 mills (\$0.0065909). The tax levy is assumed to stay the same.
- [5] See additional assumptions in Varnum letter to Jill Eyre dated March 27, 2006.

#1232811 (Combined-Expansion)

DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF THE VILLAGE OF DOUGLAS

SCHEDULE OF ESTIMATED TAX INCREMENT REVENUES AND
PROJECTED IMPACT ON TAXING JURISDICTIONS
BASED ON 2005 TAX RATES[1]

TOTAL TAX INCREMENT REVENUES FROM INITIAL AREA AND EXPANSION AREA

Calendar Year	City Tax Increment Revenues[1]	Library Tax Increment Revenues[2]	County Tax Increment Revenues[3]	Transit Tax Increment Revenues[4]	Annual Total Tax Increment Revenues[5]	Cumulative Total Tax Increment Revenues
2005	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2006	\$946.86	\$26.79	\$477.05	\$29.23	\$1,479.93	\$1,479.93
2007	\$3,144.52	\$77.87	\$1,584.28	\$84.96	\$4,891.64	\$6,371.57
2008	\$5,408.11	\$130.48	\$2,724.73	\$142.37	\$8,405.69	\$14,777.26
2009	\$7,739.61	\$184.68	\$3,899.39	\$201.49	\$12,025.17	\$26,802.43
2010	\$10,141.06	\$240.49	\$5,109.29	\$262.39	\$15,753.23	\$42,555.66
2011	\$12,614.54	\$297.98	\$6,355.49	\$325.12	\$19,593.13	\$62,148.79
2012	\$15,162.24	\$357.20	\$7,639.07	\$389.72	\$23,548.23	\$85,697.02
2013	\$17,786.36	\$418.19	\$8,961.16	\$456.27	\$27,621.98	\$113,319.00
2014	\$20,489.21	\$481.01	\$10,322.91	\$524.81	\$31,817.95	\$145,136.95
2015	\$23,273.14	\$545.72	\$11,725.52	\$595.41	\$36,139.79	\$181,276.74
2016	\$26,140.59	\$612.37	\$13,170.21	\$668.13	\$40,591.29	\$221,868.02
2017	\$29,094.06	\$681.01	\$14,658.23	\$743.03	\$45,176.33	\$267,044.86
2018	\$32,136.14	\$751.72	\$16,190.90	\$820.17	\$49,898.93	\$316,943.29
2019	\$35,269.48	\$824.55	\$17,769.54	\$899.63	\$54,763.20	\$371,706.49
2020	\$38,496.82	\$899.56	\$19,395.55	\$981.48	\$59,773.40	\$431,479.89
2021	\$41,820.98	\$976.82	\$21,070.33	\$1,065.77	\$64,933.91	\$496,413.81
2022	\$45,244.86	\$1,056.41	\$22,795.36	\$1,152.60	\$70,249.23	\$566,663.04
2023	\$48,771.47	\$1,138.37	\$24,572.14	\$1,242.03	\$75,724.02	\$642,387.06
2024	\$52,403.87	\$1,222.80	\$26,402.23	\$1,334.15	\$81,363.04	\$723,750.10
2025	\$56,145.24	\$1,309.76	\$28,287.21	\$1,429.03	\$87,171.24	\$810,921.34
2026	\$59,998.85	\$1,399.33	\$30,228.75	\$1,528.75	\$93,153.68	\$904,075.02
2027	\$63,968.07	\$1,491.59	\$32,228.53	\$1,627.41	\$99,315.60	\$1,003,390.62
2028	\$68,058.37	\$1,586.61	\$34,288.30	\$1,731.09	\$105,662.37	\$1,109,052.99
2029	\$72,267.32	\$1,684.49	\$36,409.87	\$1,837.88	\$112,199.55	\$1,221,252.53
2030	\$76,604.59	\$1,785.30	\$38,595.09	\$1,947.87	\$118,932.84	\$1,340,185.37
2031	\$81,071.88	\$1,889.13	\$40,845.86	\$2,061.16	\$125,868.13	\$1,466,053.50
2032	\$85,673.40	\$1,996.08	\$43,164.15	\$2,177.85	\$133,011.48	\$1,599,064.98
2033	\$90,412.86	\$2,106.24	\$45,552.00	\$2,298.03	\$140,369.13	\$1,739,434.11
2034	\$95,294.50	\$2,219.70	\$48,011.47	\$2,421.83	\$147,947.51	\$1,887,381.62
2035	\$100,322.59	\$2,336.57	\$50,544.74	\$2,549.34	\$155,753.24	\$2,043,134.86
2036	\$105,501.52	\$2,456.95	\$53,175.53	\$2,680.67	\$163,816.67	\$2,206,951.53
TOTAL	\$1,421,401.19	\$33,185.79	\$677,732.87	\$36,207.68	\$2,168,527.53	

- [1] The City currently levies 13.0818 mills (\$0.0130818), including 11.20040 mills for general operating purposes and 1.88140 mills for roads. The tax levy is assumed to stay the same.
- [2] The Saugatuck-Douglas District Library currently levies 0.42170 mills (\$0.00042170). The tax levy is assumed to stay the same.
- [3] The County currently levies 6.5909 mills (\$0.0065909). The tax levy is assumed to stay the same.
- [4] The Transit Authority currently levies 0.46010 mills (\$0.00046010). The tax levy is assumed to stay the same.
- [5] See additional assumptions in Varnum letter to Jill Eyre dated March 27, 2006.

#1232811 (Total Combined)

Exhibit 4

DOWNTOWN DEVELOPMENT AUTHORITY Act 197 of 1975

AN ACT to provide for the establishment of a downtown development authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1988, Act 425, Imd. Eff. Dec. 27, 1988;—Am. 1993, Act 323, Eff. Mar. 15, 1994.

Popular name: Downtown Development Authority Act

Popular name: DDA

The People of the State of Michigan enact:

125.1651 Definitions.

Sec. 1. As used in this act:

(a) "Advance" means a transfer of funds made by a municipality to an authority or to another person on behalf of the authority in anticipation of repayment by the authority. Evidence of the intent to repay an advance may include, but is not limited to, an executed agreement to repay, provisions contained in a tax increment financing plan approved prior to the advance, or a resolution of the authority or the municipality.

(b) "Assessed value" means 1 of the following:

(i) For valuations made before January 1, 1995, the state equalized valuation as determined under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(ii) For valuations made after December 31, 1994, the taxable value as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(c) "Authority" means a downtown development authority created pursuant to this act.

(d) "Board" means the governing body of an authority.

(e) "Business district" means an area in the downtown of a municipality zoned and used principally for business.

(f) "Captured assessed value" means the amount in any 1 year by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision (y), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

(g) "Chief executive officer" means the mayor or city manager of a city, the president or village manager of a village, or the supervisor of a township or, if designated by the township board for purposes of this act, the township superintendent or township manager of a township.

(h) "Development area" means that area to which a development plan is applicable.

(i) "Development plan" means that information and those requirements for a development plan set forth in section 17.

(j) "Development program" means the implementation of the development plan.

(k) "Downtown district" means that part of an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to this act. A downtown district may include 1 or more separate and distinct geographic areas in a business district as determined by the municipality if the municipality is a city that surrounds another city and that other city lies between the 2 separate and distinct geographic areas. If the downtown district contains more than 1 separate and distinct geographic area in the downtown district, the separate and distinct geographic areas shall be considered 1 downtown district.

(l) "Eligible advance" means an advance made before August 19, 1993.

(m) "Eligible obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority before August 19, 1993 and its subsequent refunding by a qualified refunding obligation. Eligible obligation includes an authority's written agreement entered into before August 19, 1993 to pay an obligation issued after August 18, 1993 and before December 31, 1996 by another entity on behalf of the authority.

(n) "Fire alarm system" means a system designed to detect and announce the presence of fire, or by-products of fire. Fire alarm system includes smoke detectors.

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(o) "Fiscal year" means the fiscal year of the authority.

(p) "Governing body of a municipality" means the elected body of a municipality having legislative powers.

(q) "Initial assessed value" means the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero. For the purpose of determining initial assessed value, property for which a specific local tax is paid in lieu of a property tax shall not be considered to be property that is exempt from taxation. The initial assessed value of property for which a specific local tax was paid in lieu of a property tax shall be determined as provided in subdivision (y). In the case of a municipality having a population of less than 35,000 that established an authority prior to 1985, created a district or districts, and approved a development plan or tax increment financing plan or amendments to a plan, and which plan or tax increment financing plan or amendments to a plan, and which plan expired by its terms December 31, 1991, the initial assessed value for the purpose of any plan or plan amendment adopted as an extension of the expired plan shall be determined as if the plan had not expired December 31, 1991. For a development area designated before 1997 in which a renaissance zone has subsequently been designated pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, the initial assessed value of the development area otherwise determined under this subdivision shall be reduced by the amount by which the current assessed value of the development area was reduced in 1997 due to the exemption of property under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, but in no case shall the initial assessed value be less than zero.

(r) "Municipality" means a city, village, or township.

(s) "Obligation" means a written promise to pay, whether evidenced by a contract, agreement, lease, sublease, bond, or note, or a requirement to pay imposed by law. An obligation does not include a payment required solely because of default upon an obligation, employee salaries, or consideration paid for the use of municipal offices. An obligation does not include those bonds that have been economically defeased by refunding bonds issued under this act. Obligation includes, but is not limited to, the following:

(i) A requirement to pay proceeds derived from ad valorem property taxes or taxes levied in lieu of ad valorem property taxes.

(ii) A management contract or a contract for professional services.

(iii) A payment required on a contract, agreement, bond, or note if the requirement to make or assume the payment arose before August 19, 1993.

(iv) A requirement to pay or reimburse a person for the cost of insurance for, or to maintain, property subject to a lease, land contract, purchase agreement, or other agreement.

(v) A letter of credit, paying agent, transfer agent, bond registrar, or trustee fee associated with a contract, agreement, bond, or note.

(t) "On behalf of an authority", in relation to an eligible advance made by a municipality, or an eligible obligation or other protected obligation issued or incurred by a municipality, means in anticipation that an authority would transfer tax increment revenues or reimburse the municipality from tax increment revenues in an amount sufficient to fully make payment required by the eligible advance made by the municipality, or eligible obligation or other protected obligation issued or incurred by the municipality, if the anticipation of the transfer or receipt of tax increment revenues from the authority is pursuant to or evidenced by 1 or more of the following:

(i) A reimbursement agreement between the municipality and an authority it established.

(ii) A requirement imposed by law that the authority transfer tax increment revenues to the municipality.

(iii) A resolution of the authority agreeing to make payments to the incorporating unit.

(iv) Provisions in a tax increment financing plan describing the project for which the obligation was incurred.

(u) "Operations" means office maintenance, including salaries and expenses of employees, office supplies, consultation fees, design costs, and other expenses incurred in the daily management of the authority and planning of its activities.

(v) "Other protected obligation" means:

(i) A qualified refunding obligation issued to refund an obligation described in subparagraph (ii), (iii), or (iv), an obligation that is not a qualified refunding obligation that is issued to refund an eligible obligation, or a qualified refunding obligation issued to refund an obligation described in this subparagraph.

(ii) An obligation issued or incurred by an authority or by a municipality on behalf of an authority after August 19, 1993, but before December 31, 1994, to finance a project described in a tax increment finance

plan approved by the municipality in accordance with this act before December 31, 1993, for which a contract for final design is entered into by or on behalf of the municipality or authority before March 1, 1994 or for which a written agreement with a developer, titled preferred development agreement, was entered into by or on behalf of the municipality or authority in July 1993.

(iii) An obligation incurred by an authority or municipality after August 19, 1993, to reimburse a party to a development agreement entered into by a municipality or authority before August 19, 1993, for a project described in a tax increment financing plan approved in accordance with this act before August 19, 1993, and undertaken and installed by that party in accordance with the development agreement.

(iv) An obligation incurred by the authority evidenced by or to finance a contract to purchase real property within a development area or a contract to develop that property within the development area, or both, if all of the following requirements are met:

(A) The authority purchased the real property in 1993.

(B) Before June 30, 1995, the authority enters a contract for the development of the real property located within the development area.

(C) In 1993, the authority or municipality on behalf of the authority received approval for a grant from both of the following:

(I) The department of natural resources for site reclamation of the real property.

(II) The department of consumer and industry services for development of the real property.

(v) An ongoing management or professional services contract with the governing body of a county which was entered into before March 1, 1994 and which was preceded by a series of limited term management or professional services contracts with the governing body of the county, the last of which was entered into before August 19, 1993.

(vi) A loan from a municipality to an authority if the loan was approved by the legislative body of the municipality on April 18, 1994.

(vii) Funds expended to match a grant received by a municipality on behalf of an authority for sidewalk improvements from the Michigan department of transportation if the legislative body of the municipality approved the grant application on April 5, 1993 and the grant was received by the municipality in June 1993.

(viii) For taxes captured in 1994, an obligation described in this subparagraph issued or incurred to finance a project. An obligation is considered issued or incurred to finance a project described in this subparagraph only if all of the following are met:

(A) The obligation requires raising capital for the project or paying for the project, whether or not a borrowing is involved.

(B) The obligation was part of a development plan and the tax increment financing plan was approved by a municipality on May 6, 1991.

(C) The obligation is in the form of a written memorandum of understanding between a municipality and a public utility dated October 27, 1994.

(D) The authority or municipality captured school taxes during 1994.

(w) "Public facility" means a street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, building, and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by a public agency. Public facility includes an improvement to a facility used by the public or a public facility as those terms are defined in section 1 of 1966 PA 1, MCL 125.1351, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(x) "Qualified refunding obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority to refund an obligation if the obligation is issued to refund a qualified refunding obligation issued in November 1997 and any subsequent refundings of that obligation issued before January 1, 2010 or the refunding obligation meets both of the following:

(i) The net present value of the principal and interest to be paid on the refunding obligation, including the cost of issuance, will be less than the net present value of the principal and interest to be paid on the obligation being refunded, as calculated using a method approved by the department of treasury.

(ii) The net present value of the sum of the tax increment revenues described in subdivision (aa)(ii) and the distributions under section 13b to repay the refunding obligation will not be greater than the net present value of the sum of the tax increment revenues described in subdivision (aa)(ii) and the distributions under section 13b to repay the obligation being refunded, as calculated using a method approved by the department of treasury.

(y) "Specific local tax" means a tax levied under 1974 PA 198, MCL 207.551 to 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668, the technology park development act, 1984 PA 385, MCL 207.701 to 207.718, and 1953 PA 189, MCL 211.181 to 211.182. The initial assessed value or current assessed value of property subject to a specific local tax shall be the quotient of the specific local tax paid divided by the ad valorem millage rate. However, after 1993, the state tax commission shall prescribe the method for calculating the initial assessed value and current assessed value of property for which a specific local tax was paid in lieu of a property tax.

(z) "State fiscal year" means the annual period commencing October 1 of each year.

(aa) "Tax increment revenues" means the amount of ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions upon the captured assessed value of real and personal property in the development area, subject to the following requirements:

(i) Tax increment revenues include ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions other than the state pursuant to the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and local or intermediate school districts upon the captured assessed value of real and personal property in the development area for any purpose authorized by this act.

(ii) Tax increment revenues include ad valorem property taxes and specific local taxes attributable to the application of the levy of the state pursuant to the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and local or intermediate school districts upon the captured assessed value of real and personal property in the development area in an amount equal to the amount necessary, without regard to subparagraph (i), to repay eligible advances, eligible obligations, and other protected obligations.

(iii) Tax increment revenues do not include any of the following:

(A) Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may be excluded from captured assessed value or specific local taxes attributable to such ad valorem property taxes.

(B) Ad valorem property taxes excluded by the tax increment financing plan of the authority from the determination of the amount of tax increment revenues to be transmitted to the authority or specific local taxes attributable to such ad valorem property taxes.

(C) Ad valorem property taxes exempted from capture under section 3(3) or specific local taxes attributable to such ad valorem property taxes.

(iv) The amount of tax increment revenues authorized to be included under subparagraph (ii), and required to be transmitted to the authority under section 14(1), from ad valorem property taxes and specific local taxes attributable to the application of the levy of the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, a local school district or an intermediate school district upon the captured assessed value of real and personal property in a development area shall be determined separately for the levy by the state, each school district, and each intermediate school district as the product of sub-subparagraphs (A) and (B):

(A) The percentage that the total ad valorem taxes and specific local taxes available for distribution by law to the state, local school district, or intermediate school district, respectively, bears to the aggregate amount of ad valorem millage taxes and specific taxes available for distribution by law to the state, each local school district, and each intermediate school district.

(B) The maximum amount of ad valorem property taxes and specific local taxes considered tax increment revenues under subparagraph (ii).

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1985, Act 221, Imd. Eff. Jan. 10, 1986;—Am. 1993, Act 323, Eff. Mar. 15, 1994;—Am. 1994, Act 280, Imd. Eff. July 11, 1994;—Am. 1994, Act 330, Imd. Eff. Oct. 14, 1994;—Am. 1994, Act 381, Imd. Eff. Dec. 28, 1994;—Am. 1996, Act 269, Imd. Eff. June 12, 1996;—Am. 1996, Act 454, Imd. Eff. Dec. 19, 1996;—Am. 1997, Act 202, Imd. Eff. Jan. 13, 1998;—Am. 2003, Act 136, Imd. Eff. Aug. 1, 2003;—Am. 2004, Act 66, Imd. Eff. Apr. 20, 2004;—Am. 2004, Act 158, Imd. Eff. June 17, 2004;—Am. 2004, Act 196, Imd. Eff. July 8, 2004.

Compiler's note: Enacting section 1 of Act 202 of 1997 provides:

"The provisions of section 1 and section 13b, as amended by this amendatory act, are retroactive and effective for taxes levied after 1993."

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1651a Legislative findings.

Sec. 1a. The legislature finds all of the following:

(a) That there exists in this state conditions of property value deterioration detrimental to the state economy and the economic growth of the state and its local units of government.

(b) That government programs are desirable and necessary to eliminate the causes of property value deterioration thereby benefiting the economic growth of the state.

(c) That it is appropriate to finance these government programs by means available to the state and local units of government in the state, including tax increment financing.

(d) That tax increment financing is a government financing program that contributes to economic growth and development by dedicating a portion of the increase in the tax base resulting from economic growth and development to facilities, structures, or improvements within a development area thereby facilitating economic growth and development.

(e) That it is necessary for the legislature to exercise its power to legislate tax increment financing as authorized in this act and in the exercise of this power to mandate the transfer of tax increment revenues by city, village, township, school district, and county treasurers to authorities created under this act in order to effectuate the legislative government programs to eliminate property value deterioration and to promote economic growth.

(f) That halting property value deterioration and promoting economic growth in the state are essential governmental functions and constitute essential public purposes.

(g) That economic development strengthens the tax base upon which local units of government rely and that government programs to eliminate property value deterioration benefit local units of government and are for the use of the local units of government.

(h) That the provisions of this act are enacted to provide a means for local units of government to eliminate property value deterioration and to promote economic growth in the communities served by those local units of government.

History: Add. 1988, Act 425, Imd. Eff. Dec. 27, 1988.

Compiler's note: Section 2 of Act 425 of 1988 provides: "This amendatory act is effective beginning with taxes levied in 1989. However, for taxes levied before 1989, tax increment revenues based on the definition of initial assessed value provided for in this amendatory act that were received by an authority are validated."

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1652 Authority; establishment; restriction; public body corporate; powers generally.

Sec. 2. (1) Except as otherwise provided in this subsection, a municipality may establish 1 authority. If, before November 1, 1985, a municipality establishes more than 1 authority, those authorities may continue to exist as separate authorities. Under the conditions described in section 3a, a municipality may have more than 1 authority within that municipality's boundaries. A parcel of property shall not be included in more than 1 authority created by this act.

(2) An authority shall be a public body corporate which may sue and be sued in any court of this state. An authority possesses all the powers necessary to carry out the purpose of its incorporation. The enumeration of a power in this act shall not be construed as a limitation upon the general powers of an authority.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1985, Act 159, Imd. Eff. Nov. 15, 1985.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1653 Resolution of intent to create and provide for operation of authority; public hearing on proposed ordinance creating authority and designating boundaries of downtown district; notice; exemption of taxes from capture; adoption, filing, and publication of ordinance; altering or amending boundaries; agreement with adjoining municipality.

Sec. 3. (1) When the governing body of a municipality determines that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of that deterioration, and to promote economic growth, or to permit the development of a new commercial property with a total cash value after development of not less than \$100,000,000.00, which includes more than 2 detached buildings containing together not less than 500,000 square feet, the governing body may, by resolution, declare its intention to create and provide for the operation of an authority.

(2) In the resolution of intent, the governing body shall set a date for the holding of a public hearing on the adoption of a proposed ordinance creating the authority and designating the boundaries of the downtown district. Notice of the public hearing shall be published twice in a newspaper of general circulation in the municipality, not less than 20 or more than 40 days before the date of the hearing. Not less than 20 days before the hearing, the governing body proposing to create the authority shall also mail notice of the hearing to the property taxpayers of record in the proposed district and for a public hearing to be held after February

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15, 1994 to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the authority is established and a tax increment financing plan is approved. Failure of a property taxpayer to receive the notice shall not invalidate these proceedings. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the proposed downtown district not less than 20 days before the hearing. The notice shall state the date, time, and place of the hearing, and shall describe the boundaries of the proposed downtown district. A citizen, taxpayer, or property owner of the municipality or an official from a taxing jurisdiction with millage that would be subject to capture has the right to be heard in regard to the establishment of the authority and the boundaries of the proposed downtown district. The governing body of the municipality shall not incorporate land into the downtown district not included in the description contained in the notice of public hearing, but it may eliminate described lands from the downtown district in the final determination of the boundaries.

(3) Not more than 60 days after a public hearing held after February 15, 1994, the governing body of a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority. The resolution takes effect when filed with that clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

(4) Not less than 60 days after the public hearing, if the governing body of the municipality intends to proceed with the establishment of the authority, it shall adopt, by majority vote of its members, an ordinance establishing the authority and designating the boundaries of the downtown district within which the authority shall exercise its powers. The adoption of the ordinance is subject to any applicable statutory or charter provisions in respect to the approval or disapproval by the chief executive or other officer of the municipality and the adoption of an ordinance over his or her veto. This ordinance shall be filed with the secretary of state promptly after its adoption and shall be published at least once in a newspaper of general circulation in the municipality.

(5) The governing body of the municipality may alter or amend the boundaries of the downtown district to include or exclude lands from the downtown district pursuant to the same requirements for adopting the ordinance creating the authority.

(6) A municipality that has created an authority may enter into an agreement with an adjoining municipality that has created an authority to jointly operate and administer those authorities under an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1993, Act 323, Eff. Mar. 15, 1994;—Am. 2004, Act 521, Imd. Eff. Jan. 3, 2005.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1653a Authority of annexing or consolidated municipality; obligations, agreements, and bonds.

Sec. 3a. If a downtown district is part of an area annexed to or consolidated with another municipality, the authority managing that district shall become an authority of the annexing or consolidated municipality. Obligations of that authority incurred under a development or tax increment plan, agreements related to a development or tax increment plan, and bonds issued under this act shall remain in effect following the annexation or consolidation.

History: Add. 1985, Act 159, Imd. Eff. Nov. 15, 1985.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1653b Ratification and validation of ordinance and actions; applicability of section.

Sec. 3b. (1) An ordinance enacted by a municipality that has a population of less than 50,000 establishing an authority, creating a district, or approving a development plan or tax increment financing plan, or an amendment to an authority, district, or plan, and all actions taken under that ordinance, including the issuance of bonds, are ratified and validated notwithstanding that notice for the public hearing on the establishment of the authority, creation of the district, or approval of the development plan or tax increment financing plan, or on the amendment, was not published, posted, or mailed at least 20 days before the hearing, if the notice was published or posted at least 15 days before the hearing or the authority was established in 1984 by a village that filed the ordinance with the secretary of state not later than March, 1986. This section applies only to an ordinance adopted by a municipality before February 1, 1991, and shall include any bonds or amounts to be used by the authority to pay the principal of and interest on bonds that have been issued or that are to be

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issued by the authority, the incorporating municipality, or a county on behalf of the incorporating municipality. An authority for which an ordinance or amendment to the ordinance establishing the authority has been published before February 1, 1991 is considered for purposes of section 3(4) to have promptly filed the ordinance or amendment to the ordinance with the secretary of state if the ordinance or amendment to the ordinance is filed with the secretary of state before October 1, 1991. As used in this section, "notice was published" means publication of the notice occurred at least once.

(2) A development plan and tax increment financing plan approved by a resolution adopted by the village council of a village having a population of less than 3,000 before June 15, 1988 rather than by adoption of an ordinance is ratified and validated, if an amendment to the plans was adopted by the village council in compliance with sections 18 and 19.

History: Add. 1989, Act 242, Imd. Eff. Dec. 21, 1989;—Am. 1991, Act 66, Imd. Eff. July 3, 1991;—Am. 1993, Act 42, Imd. Eff. May 27, 1993;—Am. 1993, Act 323, Eff. Mar. 15, 1994.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1653c Proceedings or findings; validity.

Sec. 3c. The validity of the proceedings or findings establishing an authority, or of the procedure, adequacy of notice, or findings with respect to the approval of a development plan or tax increment financing plan is conclusive with respect to the capture of tax increment revenues for an other protected obligation that is a bond issued after October 1, 1994.

History: Add. 1994, Act 381, Imd. Eff. Dec. 28, 1994.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1653d Establishment or amendment of authority, district, or plan; notice; publication or posting.

Sec. 3d. An ordinance enacted by a municipality that has a population of greater than 1,000 and less than 2,000 establishing an authority, creating a district, or approving a development plan or tax increment financing plan, or an amendment to an authority, district, or plan, and all actions taken or to be taken under that ordinance, including the issuance of bonds, are ratified and validated notwithstanding that notice for the public hearing on the establishment of the authority, creation of the district, or approval of the development plan or tax increment financing plan, or on the amendment, was not published, posted, or mailed at least 20 days before the hearing, provided that the notice was either published or posted at least 10 days before the hearing or that the authority was established in 1990 by a municipality that filed the ordinance with the secretary of state not later than July 1991. This section applies only to an ordinance or an amendment adopted by a municipality before January 1, 1999 and shall include any bonds or amounts to be used by the authority to pay the principal of and interest on bonds that have been issued or that are to be issued by the authority or the incorporating municipality. An authority for which an ordinance or amendment to the ordinance establishing the authority has been published before February 1, 1991 is considered for purposes of section 3(3) to have promptly filed the ordinance or amendment to the ordinance with the secretary of state if the ordinance or amendment to the ordinance is filed with the secretary of state before December 31, 2002. The validity of the proceedings or findings establishing an authority described in this section, or of the procedure, adequacy of notice, or findings with respect to the approval of a development plan or tax increment financing plan for an authority described in this section is conclusive with respect to the capture of tax increment revenues for a bond issued after June 1, 2002 and before June 1, 2006. As used in this section, "notice was either published or posted" means either publication or posting of the notice occurred at least once.

History: Add. 2002, Act 460, Imd. Eff. June 21, 2002.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1654 Board; appointment, terms, and qualifications of members; vacancy; compensation and expenses; election of chairperson; oath; conducting business at public meeting; public notice; special meetings; removal of members; review; expense items and financial records; availability of writings to public; single board governing all authorities; member as resident or having interest in property; planning commission serving as board in certain municipalities.

Sec. 4. (1) Except as provided in subsections (7) and (8), an authority shall be under the supervision and control of a board consisting of the chief executive officer of the municipality and not less than 8 or more than 12 members as determined by the governing body of the municipality. Members shall be appointed by the chief executive officer of the municipality, subject to approval by the governing body of the municipality. Not less than a majority of the members shall be persons having an interest in property located in the downtown district. Not less than 1 of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it. Of the members first appointed, an equal number of the members, as near as is practicable, shall be appointed for 1 year, 2 years, 3 years, and 4 years. A member shall hold office until the member's successor is appointed. Thereafter, each member shall serve for a term of 4 years. An appointment to fill a vacancy shall be made by the chief executive officer of the municipality for the unexpired term only. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chairperson of the board shall be elected by the board.

(2) Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

(3) The business which the board may perform shall be conducted at a public meeting of the board held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976. The board shall adopt rules consistent with Act No. 267 of the Public Acts of 1976 governing its procedure and the holding of regular meetings, subject to the approval of the governing body. Special meetings may be held if called in the manner provided in the rules of the board.

(4) Pursuant to notice and after having been given an opportunity to be heard, a member of the board may be removed for cause by the governing body. Removal of a member is subject to review by the circuit court.

(5) All expense items of the authority shall be publicized monthly and the financial records shall always be open to the public.

(6) In addition to the items and records prescribed in subsection (5), a writing prepared, owned, used, in the possession of, or retained by the board in the performance of an official function shall be made available to the public in compliance with the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(7) By resolution of its governing body, a municipality having more than 1 authority may establish a single board to govern all authorities in the municipality. The governing body may designate the board of an existing authority as the board for all authorities or may establish by resolution a new board in the same manner as provided in subsection (1). A member of a board governing more than 1 authority may be a resident of or have an interest in property in any of the downtown districts controlled by the board in order to meet the requirements of this section.

(8) By ordinance, the governing body of a municipality that has a population of less than 5,000 may have the municipality's planning commission created pursuant to Act No. 285 of the Public Acts of 1931, being sections 125.31 to 125.45 of the Michigan Compiled Laws, serve as the board provided for in subsection (1).

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1978, Act 521, Imd. Eff. Dec. 20, 1978;—Am. 1985, Act 159, Imd. Eff. Nov. 15, 1985;—Am. 1987, Act 66, Imd. Eff. June 25, 1987.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1655 Director, acting director, treasurer, secretary, legal counsel, and other personnel.

Sec. 5. (1) The board may employ and fix the compensation of a director, subject to the approval of the governing body of the municipality. The director shall serve at the pleasure of the board. A member of the board is not eligible to hold the position of director. Before entering upon the duties of his office, the director shall take and subscribe to the constitutional oath, and furnish bond, by posting a bond in the penal sum determined in the ordinance establishing the authority payable to the authority for use and benefit of the authority, approved by the board, and filed with the municipal clerk. The premium on the bond shall be deemed an operating expense of the authority, payable from funds available to the authority for expenses of operation. The director shall be the chief executive officer of the authority. Subject to the approval of the board, the director shall supervise, and be responsible for, the preparation of plans and the performance of the functions of the authority in the manner authorized by this act. The director shall attend the meetings of the board, and shall render to the board and to the governing body of the municipality a regular report covering the activities and financial condition of the authority. If the director is absent or disabled, the board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of his office, the acting director shall take and subscribe to the oath, and furnish bond, as required of

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the director. The director shall furnish the board with information or reports governing the operation of the authority as the board requires.

(2) The board may employ and fix the compensation of a treasurer, who shall keep the financial records of the authority and who, together with the director, shall approve all vouchers for the expenditure of funds of the authority. The treasurer shall perform such other duties as may be delegated to him by the board and shall furnish bond in an amount as prescribed by the board.

(3) The board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and of records, books, documents, or other papers not required to be maintained by the treasurer. The secretary shall attend meetings of the board and keep a record of its proceedings, and shall perform such other duties delegated by the board.

(4) The board may retain legal counsel to advise the board in the proper performance of its duties. The legal counsel shall represent the authority in actions brought by or against the authority.

(5) The board may employ other personnel deemed necessary by the board.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1656 Participation of employees in municipal retirement and insurance programs.

Sec. 6. The employees of an authority shall be eligible to participate in municipal retirement and insurance programs of the municipality as if they were civil service employees except that the employees of an authority are not civil service employees.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1657 Powers of board.

Sec. 7. The board may:

(a) Prepare an analysis of economic changes taking place in the downtown district.

(b) Study and analyze the impact of metropolitan growth upon the downtown district.

(c) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the downtown district.

(d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(e) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.

(f) Implement any plan of development in the downtown district necessary to achieve the purposes of this act, in accordance with the powers of the authority as granted by this act.

(g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.

(h) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority considers proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in property, which the authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect to that property.

(i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them.

(j) Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part thereof, or facility therein, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.

(k) Lease any building or property under its control, or any part of a building or property.

(l) Accept grants and donations of property, labor, or other things of value from a public or private source.

(m) Acquire and construct public facilities.
(n) Create, operate, and fund marketing initiatives that benefit only retail and general marketing of the downtown district.

(o) Contract for broadband service and wireless technology service in the downtown district.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1985, Act 221, Imd. Eff. Jan. 10, 1986;—Am. 2004, Act 196, Imd. Eff. July 8, 2004.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1658 Board serving as planning commission; agenda.

Sec. 8. If a board created under this act serves as the planning commission under section 2 of Act No. 285 of the Public Acts of 1931, being section 125.32 of the Michigan Compiled Laws, the board shall include planning commission business in its agenda.

History: Add. 1987, Act 66, Imd. Eff. June 25, 1987.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1659 Authority as instrumentality of political subdivision.

Sec. 9. The authority shall be deemed an instrumentality of a political subdivision for purposes of Act No. 227 of the Public Acts of 1972, being sections 213.321 to 213.332 of the Michigan Compiled Laws.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1660 Taking, transfer, and use of private property.

Sec. 10. A municipality may take private property under Act No. 149 of the Public Acts of 1911, as amended, being sections 213.21 to 213.41 of the Michigan Compiled Laws, for the purpose of transfer to the authority, and may transfer the property to the authority for use in an approved development, on terms and conditions it deems appropriate, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1661 Financing activities of authority; disposition of money received by authority; municipal obligations.

Sec. 11. (1) The activities of the authority shall be financed from 1 or more of the following sources:

- (a) Donations to the authority for the performance of its functions.
- (b) Proceeds of a tax imposed pursuant to section 12.
- (c) Money borrowed and to be repaid as authorized by sections 13 and 13a.
- (d) Revenues from any property, building, or facility owned, leased, licensed, or operated by the authority or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.
- (e) Proceeds of a tax increment financing plan, established under sections 14 to 16.
- (f) Proceeds from a special assessment district created as provided by law.
- (g) Money obtained from other sources approved by the governing body of the municipality or otherwise authorized by law for use by the authority or the municipality to finance a development program.
- (h) Money obtained pursuant to section 13b.
- (i) Revenue from the federal facility development act, Act No. 275 of the Public Acts of 1992, being sections 3.931 to 3.940 of the Michigan Compiled Laws, or revenue transferred pursuant to section 11a of chapter 2 of the city income tax act, Act No. 284 of the Public Acts of 1964, being section 141.611a of the Michigan Compiled Laws.
- (j) Revenue from the federal data facility act, Act No. 126 of the Public Acts of 1993, being sections 3.951 to 3.961 of the Michigan Compiled Laws, or revenue transferred pursuant to section 11b of chapter 2 of the city income tax act, Act No. 284 of the Public Acts of 1964, being section 141.611b of the Michigan Compiled Laws.

(2) Money received by the authority and not covered under subsection (1) shall immediately be deposited to the credit of the authority, subject to disbursement pursuant to this act. Except as provided in this act, the municipality shall not obligate itself, nor shall it ever be obligated to pay any sums from public funds, other

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than money received by the municipality pursuant to this section, for or on account of the activities of the authority.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1981, Act 34, Imd. Eff. May 11, 1981;—Am. 1992, Act 279, Imd. Eff. Dec. 18, 1992;—Am. 1993, Act 122, Imd. Eff. July 20, 1993;—Am. 1993, Act 323, Eff. Mar. 15, 1994.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1662 Ad valorem tax; borrowing in anticipation of collection.

Sec. 12. (1) An authority with the approval of the municipal governing body may levy an ad valorem tax on the real and tangible personal property not exempt by law and as finally equalized in the downtown district. The tax shall not be more than 1 mill if the downtown district is in a municipality having a population of 1,000,000 or more, or not more than 2 mills if the downtown district is in a municipality having a population of less than 1,000,000. The tax shall be collected by the municipality creating the authority levying the tax. The municipality shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be paid to the treasurer of the authority and credited to the general fund of the authority for purposes of the authority.

(2) The municipality may at the request of the authority borrow money and issue its notes under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, in anticipation of collection of the ad valorem tax authorized in this section.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1983, Act 86, Imd. Eff. June 16, 1983;—Am. 2002, Act 234, Imd. Eff. Apr. 29, 2002.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1663 Revenue bonds.

Sec. 13. The authority may borrow money and issue its negotiable revenue bonds therefor pursuant to Act No. 94 of the Public Acts of 1933, as amended, being sections 141.101 to 141.139 of the Michigan Compiled Laws. Revenue bonds issued by the authority shall not except as hereinafter provided be deemed a debt of the municipality or the state. The municipality by majority vote of the members of its governing body may pledge its full faith and credit to support the authority's revenue bonds.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1663a Borrowing money; issuing revenue bonds or notes; purpose; costs; security; pledge and lien of pledge valid and binding; filing or recordation not required; tax exemption; bonds or notes neither liability nor debt of municipality; statement; investment and deposit of bonds and notes.

Sec. 13a. (1) The authority may with approval of the local governing body borrow money and issue its revenue bonds or notes to finance all or part of the costs of acquiring or constructing property in connection with the implementation of a development plan in the downtown district or to refund or refund in advance bonds or notes issued pursuant to this section. The costs which may be financed by the issuance of revenue bonds or notes may include the cost of purchasing, acquiring, constructing, improving, enlarging, extending, or repairing property in connection with the implementation of a development plan in the downtown district; any engineering, architectural, legal, accounting, or financial expenses; the costs necessary or incidental to the borrowing of money; interest on the bonds or notes during the period of construction; a reserve for payment of principal and interest on the bonds or notes; and a reserve for operation and maintenance until sufficient revenues have developed. The authority may secure the bonds and notes by mortgage, assignment, or pledge of the property and any money, revenues, or income received in connection therewith.

(2) A pledge made by the authority shall be valid and binding from the time the pledge is made. The money or property pledged by the authority immediately shall be subject to the lien of the pledge without a physical delivery, filing, or further act. The lien of such a pledge shall be valid and binding as against parties having claims of any kind in tort, contract, or otherwise, against the authority, irrespective of whether the parties have notice of the lien. Neither the resolution, the trust agreement, nor any other instrument by which a pledge is created need be filed or recorded.

(3) Bonds or notes issued pursuant to this section shall be exempt from all taxation in this state except inheritance and transfer taxes, and the interest on the bonds or notes shall be exempt from all taxation in this

state, notwithstanding that the interest may be subject to federal income tax.

(4) The municipality shall not be liable on bonds or notes of the authority issued pursuant to this section and the bonds or notes shall not be a debt of the municipality. The bonds or notes shall contain on their face a statement to that effect.

(5) The bonds and notes of the authority may be invested in by all public officers, state agencies and political subdivisions, insurance companies, banks, savings and loan associations, investment companies, and fiduciaries and trustees, and may be deposited with and received by all public officers and the agencies and political subdivisions of this state for any purpose for which the deposit of bonds is authorized.

History: Add. 1981, Act 151, Imd. Eff. Nov. 19, 1981.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1663b Insufficient tax increment revenues to repay advance or pay obligation; contents, time, and payment of claim; appropriation and distribution of aggregate amount; limitations; distribution subject to lien; obligation as debt or liability; certification of distribution amount; basis for calculation of distributions and claim reports.

Sec. 13b. (1) If the amount of tax increment revenues lost as a result of the reduction of taxes levied by local school districts for school operating purposes required by the millage limitations under section 1211 of the school code of 1976, 1976 PA 451, MCL 380.1211, reduced by the amount of tax increment revenues received from the capture of taxes levied under or attributable to the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, will cause the tax increment revenues received in a fiscal year by an authority under section 15 to be insufficient to repay an eligible advance or to pay an eligible obligation, the legislature shall appropriate and distribute to the authority the amount described in subsection (5).

(2) Not less than 30 days before the first day of a fiscal year, an authority eligible to retain tax increment revenues from taxes levied by a local or intermediate school district or this state or to receive a distribution under this section for that fiscal year shall file a claim with the department of treasury. The claim shall include the following information:

(a) The property tax millage rates levied in 1993 by local school districts within the jurisdictional area of the authority for school operating purposes.

(b) The property tax millage rates expected to be levied by local school districts within the jurisdictional area of the authority for school operating purposes for that fiscal year.

(c) The tax increment revenues estimated to be received by the authority for that fiscal year based upon actual property tax levies of all taxing jurisdictions within the jurisdictional area of the authority.

(d) The tax increment revenues the authority estimates it would have received for that fiscal year if property taxes were levied by local school districts within the jurisdictional area of the authority for school operating purposes at the millage rates described in subdivision (a) and if no property taxes were levied by this state under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.

(e) A list and documentation of eligible obligations and eligible advances and the payments due on each of those eligible obligations or eligible advances in that fiscal year, and the total amount of all the payments due on those eligible obligations and eligible advances in that fiscal year.

(f) The amount of money, other than tax increment revenues, estimated to be received in that fiscal year by the authority that is primarily pledged to, and to be used for, the payment of an eligible obligation or the repayment of an eligible advance. That amount shall not include excess tax increment revenues of the authority that are permitted by law to be retained by the authority for purposes that further the development program. However, that amount shall include money to be obtained from sources authorized by law, which law is enacted on or after December 1, 1993, for use by the municipality or authority to finance a development project.

(g) The amount of a distribution received pursuant to this act for a fiscal year in excess of or less than the distribution that would have been required if calculated upon actual tax increment revenues received for that fiscal year.

(h) A list and documentation of other protected obligations and the payments due on each of those other protected obligations in that fiscal year, and the total amount of all the payments due on those other protected obligations in that fiscal year.

(3) For the fiscal year that commences after September 30, 1993 and before October 1, 1994, an authority may make a claim with all information required by subsection (2) at any time after March 15, 1994.

(4) After review and verification of claims submitted pursuant to this section, amounts appropriated by the state in compliance with this act shall be distributed as 2 equal payments on March 1 and September 1 after

receipt of a claim. An authority shall allocate a distribution it receives for an eligible obligation issued on behalf of a municipality to the municipality.

(5) Subject to subsections (6) and (7), the aggregate amount to be appropriated and distributed pursuant to this section to an authority shall be the sum of the amounts determined pursuant to subdivisions (a) and (b) minus the amount determined pursuant to subdivision (c), as follows:

(a) The amount by which the tax increment revenues the authority would have received for the fiscal year, excluding taxes exempt under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, if property taxes were levied by local school districts for school operating purposes at the millage rates described in subsection (2)(a) and if no property taxes were levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, exceed the tax increment revenues the authority actually received for the fiscal year.

(b) A shortfall required to be reported pursuant to subsection (2)(g) that had not previously increased a distribution.

(c) An excess amount required to be reported pursuant to subsection (2)(g) that had not previously decreased a distribution.

(6) The amount distributed under subsection (5) shall not exceed the difference between the amount described in subsection (2)(e) and the sum of the amounts described in subsection (2)(c) and (f).

(7) If, based upon the tax increment financing plan in effect on August 19, 1993, the payment due on eligible obligations or eligible advances anticipates the use of excess prior year tax increment revenues permitted by law to be retained by the authority, and if the sum of the amounts described in subsection (2)(c) and (f) plus the amount to be distributed under subsections (5) and (6) is less than the amount described in subsection (2)(e), the amount to be distributed under subsections (5) and (6) shall be increased by the amount of the shortfall. However, the amount authorized to be distributed pursuant to this section shall not exceed that portion of the cumulative difference, for each preceding fiscal year, between the amount that could have been distributed pursuant to subsection (5) and the amount actually distributed pursuant to subsections (5) and (6) and this subsection.

(8) A distribution under this section replacing tax increment revenues pledged by an authority or a municipality is subject to the lien of the pledge, whether or not there has been physical delivery of the distribution.

(9) Obligations for which distributions are made pursuant to this section are not a debt or liability of this state; do not create or constitute an indebtedness, liability, or obligation of this state; and are not and do not constitute a pledge of the faith and credit of this state.

(10) Not later than July 1 of each year, the authority shall certify to the local tax collecting treasurer the amount of the distribution required under subsection (5), calculated without regard to the receipt of tax increment revenues attributable to local or intermediate school district taxes or attributable to taxes levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.

(11) Calculations of distributions under this section and claims reports required to be made under subsection (2) shall be made on the basis of each development area of the authority.

(12) The state tax commission may provide that the reimbursement calculations under this section and the calculation of allowable capture of school taxes shall be made for each calendar year's tax increment revenues using a 12-month debt payment period used by the authority and approved by the state tax commission.

History: Add. 1993, Act 323, Eff. Mar. 15, 1994;—Am. 1994, Act 280, Imd. Eff. July 11, 1994;—Am. 1996, Act 269, Imd. Eff. June 12, 1996;—Am. 1996, Act 454, Imd. Eff. Dec. 19, 1996;—Am. 1997, Act 202, Imd. Eff. Jan. 13, 1998.

Compiler's note: Enacting section 1 of Act 202 of 1997 provides:

"The provisions of section 1 and section 13b, as amended by this amendatory act, are retroactive and effective for taxes levied after 1993."

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1664 Tax increment financing plan; preparation and contents; limitation; definition; public hearing; fiscal and economic implications; recommendations; agreements; modification of plan.

Sec. 14. (1) When the authority determines that it is necessary for the achievement of the purposes of this act, the authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The plan shall include a development plan as provided in section 17, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, and the duration of the program, and shall be in compliance with section 15. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development

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area is located. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan. The authority or municipality may exclude from captured assessed value growth in property value resulting solely from inflation. The plan shall set forth the method for excluding growth in property value resulting solely from inflation.

(2) The percentage of taxes levied for school operating purposes that is captured and used by the tax increment financing plan shall not be greater than the plan's percentage capture and use of taxes levied by a municipality or county for operating purposes. For purposes of the previous sentence, taxes levied by a county for operating purposes include only millage allocated for county or charter county purposes under the property tax limitation act, Act No. 62 of the Public Acts of 1933, being sections 211.201 to 211.217a of the Michigan Compiled Laws. For purposes of this subsection, tax increment revenues used to pay bonds issued by a municipality under section 16(1) shall be considered to be used by the tax increment financing plan rather than shared with the municipality. The limitation of this subsection does not apply to the portion of the captured assessed value shared pursuant to an agreement entered into before 1989 with a county or with a city in which an enterprise zone is approved under section 13 of the enterprise zone act, Act No. 224 of the Public Acts of 1985, being section 125.2113 of the Michigan Compiled Laws.

(3) Approval of the tax increment financing plan shall be pursuant to the notice, hearing, and disclosure provisions of section 18. If the development plan is part of the tax increment financing plan, only 1 hearing and approval procedure is required for the 2 plans together.

(4) Before the public hearing on the tax increment financing plan, the governing body shall provide a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture to meet with the governing body. The authority shall fully inform the taxing jurisdictions of the fiscal and economic implications of the proposed development area. The taxing jurisdictions may present their recommendations at the public hearing on the tax increment financing plan. The authority may enter into agreements with the taxing jurisdictions and the governing body of the municipality in which the development area is located to share a portion of the captured assessed value of the district.

(5) A tax increment financing plan may be modified if the modification is approved by the governing body upon notice and after public hearings and agreements as are required for approval of the original plan.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1979, Act 26, Imd. Eff. June 6, 1979;—Am. 1981, Act 34, Imd. Eff. May 11, 1981;—Am. 1986, Act 229, Imd. Eff. Oct. 1, 1986;—Am. 1988, Act 425, Imd. Eff. Dec. 27, 1988;—Am. 1989, Act 108, Imd. Eff. June 23, 1989;—Am. 1993, Act 323, Eff. Mar. 15, 1994.

Compiler's note: Section 2 of Act 425 of 1988 provides: "This amendatory act is effective beginning with taxes levied in 1989. However, for taxes levied before 1989, tax increment revenues based on the definition of initial assessed value provided for in this amendatory act that were received by an authority are validated."

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1665 Transmitting and expending tax increments revenues; reversion of surplus funds; abolition of tax increment financing plan; conditions; annual report on status of tax increment financing account; contents; publication.

Sec. 15. (1) The municipal and county treasurers shall transmit to the authority tax increment revenues.

(2) The authority shall expend the tax increment revenues received for the development program only pursuant to the tax increment financing plan. Surplus funds shall revert proportionately to the respective taxing bodies. These revenues shall not be used to circumvent existing property tax limitations. The governing body of the municipality may abolish the tax increment financing plan when it finds that the purposes for which it was established are accomplished. However, the tax increment financing plan shall not be abolished until the principal of, and interest on, bonds issued pursuant to section 16 have been paid or funds sufficient to make the payment have been segregated.

(3) Annually the authority shall submit to the governing body of the municipality and the state tax commission a report on the status of the tax increment financing account. The report shall be published in a newspaper of general circulation in the municipality and shall include the following:

- (a) The amount and source of revenue in the account.
- (b) The amount in any bond reserve account.
- (c) The amount and purpose of expenditures from the account.
- (d) The amount of principal and interest on any outstanding bonded indebtedness.
- (e) The initial assessed value of the project area.
- (f) The captured assessed value retained by the authority.

- (g) The tax increment revenues received.
- (h) The number of jobs created as a result of the implementation of the tax increment financing plan.
- (i) Any additional information the governing body or the state tax commission considers necessary.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1979, Act 26, Imd. Eff. June 6, 1979;—Am. 1981, Act 34, Imd. Eff. May 11, 1981;—Am. 1986, Act 229, Imd. Eff. Oct. 1, 1986;—Am. 1988, Act 425, Imd. Eff. Dec. 27, 1988;—Am. 1992, Act 279, Imd. Eff. Dec. 18, 1992;—Am. 1993, Act 323, Eff. Mar. 15, 1994.

Compiler's note: Section 2 of Act 425 of 1988 provides: "This amendatory act is effective beginning with taxes levied in 1989. However, for taxes levied before 1989, tax increment revenues based on the definition of initial assessed value provided for in this amendatory act that were received by an authority are validated."

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1666 General obligation bonds and tax increment bonds; qualified refunding obligation.

Sec. 16. (1) The municipality may by resolution of its governing body authorize, issue, and sell general obligation bonds subject to the limitations set forth in this subsection to finance the development program of the tax increment financing plan and shall pledge its full faith and credit for the payment of the bonds. The municipality may pledge as additional security for the bonds any money received by the authority or the municipality pursuant to section 11. The bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. Before the municipality may authorize the borrowing, the authority shall submit an estimate of the anticipated tax increment revenues and other revenue available under section 11 to be available for payment of principal and interest on the bonds, to the governing body of the municipality. This estimate shall be approved by the governing body of the municipality by resolution adopted by majority vote of the members of the governing body in the resolution authorizing the bonds. If the governing body of the municipality adopts the resolution authorizing the bonds, the estimate of the anticipated tax increment revenues and other revenue available under section 11 to be available for payment of principal and interest on the bonds shall be conclusive for purposes of this section. The bonds issued under this subsection shall be considered a single series for the purposes of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2801.

(2) By resolution of its governing body, the authority may authorize, issue, and sell tax increment bonds subject to the limitations set forth in this subsection to finance the development program of the tax increment financing plan. The tax increment bonds issued by the authority under this subsection shall pledge solely the tax increment revenues of a development area in which the project is located or a development area from which tax increment revenues may be used for this project, or both. In addition or in the alternative, the bonds issued by the authority pursuant to this subsection may be secured by any other revenues identified in section 11 as sources of financing for activities of the authority that the authority shall specifically pledge in the resolution. However, the full faith and credit of the municipality shall not be pledged to secure bonds issued pursuant to this subsection. The bond issue may include a sum sufficient to pay interest on the tax increment bonds until full development of tax increment revenues from the project and also a sum to provide a reasonable reserve for payment of principal and interest on the bonds. The resolution authorizing the bonds shall create a lien on the tax increment revenues and other revenues pledged by the resolution that shall be a statutory lien and shall be a first lien subject only to liens previously created. The resolution may provide the terms upon which additional bonds may be issued of equal standing and parity of lien as to the tax increment revenues and other revenues pledged under the resolution. Bonds issued under this subsection that pledge revenue received under section 11 for repayment of the bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(3) Notwithstanding any other provision of this act, if the state treasurer determines that an authority or municipality can issue a qualified refunding obligation and the authority or municipality does not make a good faith effort to issue the qualified refunding obligation as determined by the state treasurer, the state treasurer may reduce the amount claimed by the authority or municipality under section 13b by an amount equal to the net present value saving that would have been realized had the authority or municipality refunded the obligation or the state treasurer may require a reduction in the capture of tax increment revenues from taxes levied by a local or intermediate school district or this state by an amount equal to the net present value savings that would have been realized had the authority or municipality refunded the obligation. This subsection does not authorize the state treasurer to require the authority or municipality to pledge security greater than the security pledged for the obligation being refunded.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1981, Act 34, Imd. Eff. May 11, 1981;—Am. 1983, Act 34, Imd. Eff. May 10, 1983;—Am. 1985, Act 159, Imd. Eff. Nov. 15, 1985;—Am. 1992, Act 279, Imd. Eff. Dec. 18, 1992;—Am. 1993, Act 122, Imd. Eff.

July 20, 1993;—Am. 1993, Act 323, Eff. Mar. 15, 1994;—Am. 1996, Act 269, Imd. Eff. June 12, 1996;—Am. 2002, Act 234, Imd. Eff. Apr. 29, 2002.

Popular name: Downtown Development Authority Act
Popular name: DDA

125.1667 Development plan; preparation; contents; improvements related to qualified facility.

Sec. 17. (1) When a board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 13 or tax increment financing as authorized in sections 14, 15, and 16, it shall prepare a development plan.

(2) The development plan shall contain all of the following:

(a) The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

(b) The location and extent of existing streets and other public facilities within the development area, shall designate the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses, and shall include a legal description of the development area.

(c) A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

(d) The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

(e) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

(f) A description of any parts of the development area to be left as open space and the use contemplated for the space.

(g) A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

(h) A description of desired zoning changes and changes in streets, street levels, intersections, or utilities.

(i) An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.

(j) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.

(k) The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.

(l) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

(m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

(n) Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal uniform relocation assistance and real property acquisition policies act of 1970, being Public Law 91-646, 42 U.S.C. sections 4601, et seq.

(o) A plan for compliance with Act No. 227 of the Public Acts of 1972, being sections 213.321 to 213.332 of the Michigan Compiled Laws.

(p) Other material that the authority, local public agency, or governing body considers pertinent.

(3) A development plan may provide for improvements related to a qualified facility, as defined in the federal facility development act, Act No. 275 of the Public Acts of 1992, being sections 3.931 to 3.940 of the Michigan Compiled Laws, that is located outside of the boundaries of the development area but within the

district, including the cost of construction, renovation, rehabilitation, or acquisition of that qualified facility or of public facilities and improvements related to that qualified facility.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1992, Act 279, Imd. Eff. Dec. 18, 1992;—Am. 1993, Act 122, Imd. Eff. July 20, 1993.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1668 Ordinance approving development plan or tax increment financing plan; public hearing; notice; record.

Sec. 18. (1) The governing body, before adoption of an ordinance approving a development plan or tax increment financing plan, shall hold a public hearing on the development plan. Notice of the time and place of the hearing shall be given by publication twice in a newspaper of general circulation designated by the municipality, the first of which shall be not less than 20 days before the date set for the hearing. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the downtown district not less than 20 days before the hearing. Notice shall also be mailed to all property taxpayers of record in the downtown district not less than 20 days before the hearing.

(2) Notice of the time and place of hearing on a development plan shall contain: a description of the proposed development area in relation to highways, streets, streams, or otherwise; a statement that maps, plats, and a description of the development plan, including the method of relocating families and individuals who may be displaced from the area, are available for public inspection at a place designated in the notice, and that all aspects of the development plan will be open for discussion at the public hearing; and other information that the governing body deems appropriate. At the time set for hearing, the governing body shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference thereto. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the development plan. The governing body shall make and preserve a record of the public hearing, including all data presented thereat.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1669 Development plan or tax increment financing plan as constituting public purpose; determination; ordinance; considerations.

Sec. 19. (1) The governing body after a public hearing on the development plan or the tax increment financing plan, or both, with notice thereof given in accordance with section 18, shall determine whether the development plan or tax increment financing plan constitutes a public purpose. If it determines that the development plan or tax increment financing plan constitutes a public purpose, it shall then approve or reject the plan, or approve it with modification, by ordinance based on the following considerations:

(a) The findings and recommendations of a development area citizens council, if a development area citizens council was formed.

(b) The plan meets the requirements set forth in section 17 (2).

(c) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.

(d) The development is reasonable and necessary to carry out the purposes of this act.

(e) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this act in an efficient and economically satisfactory manner.

(f) The development plan is in reasonable accord with the master plan of the municipality.

(g) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.

(h) Changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the municipality.

(2) Amendments to an approved development plan or tax increment plan must be submitted by the authority to the governing body for approval or rejection.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1670 Notice to vacate.

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Sec. 20. A person to be relocated under this act shall be given not less than 90 days' written notice to vacate unless modified by court order for good cause.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1671 Development area citizens council; establishment; appointment and qualifications of members; representative of development area.

Sec. 21. (1) If a proposed development area has residing within it 100 or more residents, a development area citizens council shall be established at least 90 days before the public hearing on the development or tax increment financing plan. The development area citizens council shall be established by the governing body and shall consist of not less than 9 members. The members of the development area citizens council shall be residents of the development area and shall be appointed by the governing body. A member of a development area citizens council shall be at least 18 years of age.

(2) A development area citizens council shall be representative of the development area.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1672 Development area citizens council; advisory body.

Sec. 22. A development area citizens council established pursuant to this act shall act an advisory body to the authority and the governing body in the adoption of the development or tax increment financing plans.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1673 Consultation.

Sec. 23. Periodically a representative of the authority responsible for preparation of a development or tax increment financing plan within the development area shall consult with and advise the development area citizens council regarding the aspects of a development plan, including the development of new housing for relocation purposes located either inside or outside of the development area. The consultation shall begin before any final decisions by the authority and the governing body regarding a development or tax increment financing plan. The consultation shall continue throughout the preparation and implementation of the development or tax increment financing plan.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1674 Development area citizens council; meetings; notice; record; information and technical assistance; failure to organize, consult, or advise.

Sec. 24. (1) Meetings of the development area citizens council shall be open to the public. Notice of the time and place of the meetings shall be given by publication in a newspaper of general circulation not less than 5 days before the dates set for meetings of the development area citizens council. A person present at those meetings shall have reasonable opportunity to be heard.

(2) A record of the meetings of a development area citizens council, including information and data presented, shall be maintained by the council.

(3) A development area citizens council may request of and receive from the authority information and technical assistance relevant to the preparation of the development plan for the development area.

(4) Failure of a development area citizens council to organize or to consult with and be advised by the authority, or failure to advise the governing body, as provided in this act, shall not preclude the adoption of a development plan by a municipality if the municipality complies with the other provisions of this act.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1675 Citizens district council as development area citizens council.

Sec. 25. In a development area where a citizens district council established according to Act No. 344 of the Public Acts of 1945, as amended, being sections 125.71 to 125.84 of the Michigan Compiled Laws, already

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exists the governing body may designate it as the development area citizens council authorized by this act.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1676 Notice of findings and recommendations.

Sec. 26. Within 20 days after the public hearing on a development or tax increment financing plan, the development area citizens council shall notify the governing body, in writing, of its findings and recommendations concerning a proposed development plan.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1677 Development area citizens council; dissolution.

Sec. 27. A development area citizens council may not be required and, if formed, may be dissolved in any of the following situations:

(a) On petition of not less than 20% of the adult resident population of the development area by the last federal decennial or municipal census, a governing body, after public hearing with notice thereof given in accordance with section 18 and by a 2/3 vote, may adopt an ordinance for the development area to eliminate the necessity of a development area citizens council.

(b) When there are less than 18 residents, real property owners, or representatives of establishments located in the development area eligible to serve on the development area citizens council.

(c) Upon termination of the authority by ordinance of the governing body.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1678 Budget; cost of handling and auditing funds.

Sec. 28. (1) The director of the authority shall prepare and submit for the approval of the board a budget for the operation of the authority for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. Before the budget may be adopted by the board, it shall be approved by the governing body of the municipality. Funds of the municipality shall not be included in the budget of the authority except those funds authorized in this act or by the governing body of the municipality.

(2) The governing body of the municipality may assess a reasonable pro rata share of the funds for the cost of handling and auditing the funds against the funds of the authority, other than those committed, which cost shall be paid annually by the board pursuant to an appropriate item in its budget.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1679 Historic sites.

Sec. 29. (1) A public facility, building, or structure that is determined by the municipality to have significant historical interests shall be preserved in a manner as considered necessary by the municipality in accordance with laws relative to the preservation of historical sites. The preservation of facilities, buildings, or structures determined to be historic sites by a municipality shall include, at a minimum, equipping the historic site with a fire alarm system.

(2) An authority shall refer all proposed changes to the exterior of sites listed on the state register of historic sites and the national register of historic places to the applicable historic district commission created under the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215, or the department of history, arts, and libraries for review.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 2001, Act 68, Imd. Eff. July 24, 2001;—Am. 2004, Act 66, Imd. Eff. Apr. 20, 2004.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1680 Dissolution of authority; disposition of property and assets; reinstatement of authority; contesting validity of proceedings, findings, and determinations.

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Sec. 30. (1) An authority that has completed the purposes for which it was organized shall be dissolved by ordinance of the governing body. The property and assets of the authority remaining after the satisfaction of the obligations of the authority belong to the municipality.

(2) An authority established under this act before December 31, 1988, that is dissolved by ordinance of the governing body before September 30, 1990 and that is reinstated by ordinance of the governing body after notice and public hearing as provided in section 3(2) shall not be invalidated pursuant to a claim that, based upon the standards set forth in section 3(1), a governing body improperly determined that the necessary conditions existed for the reinstatement of an authority under the act if at the time the governing body established the authority the governing body determined or could have determined that the necessary conditions existed for the establishment of an authority under this act or could have determined that establishment of an authority under this act would serve to promote economic growth and notwithstanding that the boundaries of the downtown district are altered at the time of reinstatement of the authority.

(3) In the resolution of intent, the municipality shall set a date for the holding of a public hearing on the adoption of a proposed ordinance reinstating the authority. The procedure for publishing the notice of hearing, holding the hearing, and adopting the ordinance reinstating the authority shall be as provided in section 3(2), (4), and (5).

(4) The validity of the proceedings, findings, and determinations reinstating an authority shall be conclusive unless contested in a court of competent jurisdiction within 60 days after the last of the following occurs:

- (a) Publication of the ordinance reinstating the authority as adopted.
- (b) Filing of the ordinance reinstating the authority with the secretary of state.
- (c) May 27, 1993.

History: 1975, Act 197, Imd. Eff. Aug. 13, 1975;—Am. 1993, Act 42, Imd. Eff. May 27, 1993;—Am. 1993, Act 323, Eff. Mar. 15, 1994.

Popular name: Downtown Development Authority Act

Popular name: DDA

125.1681 Proceedings to compel enforcement of act; rules.

Sec. 31. (1) The state tax commission may institute proceedings to compel enforcement of this act.

(2) The state tax commission may promulgate rules necessary for the administration of this act pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

History: Add. 1988, Act 425, Imd. Eff. Dec. 27, 1988.

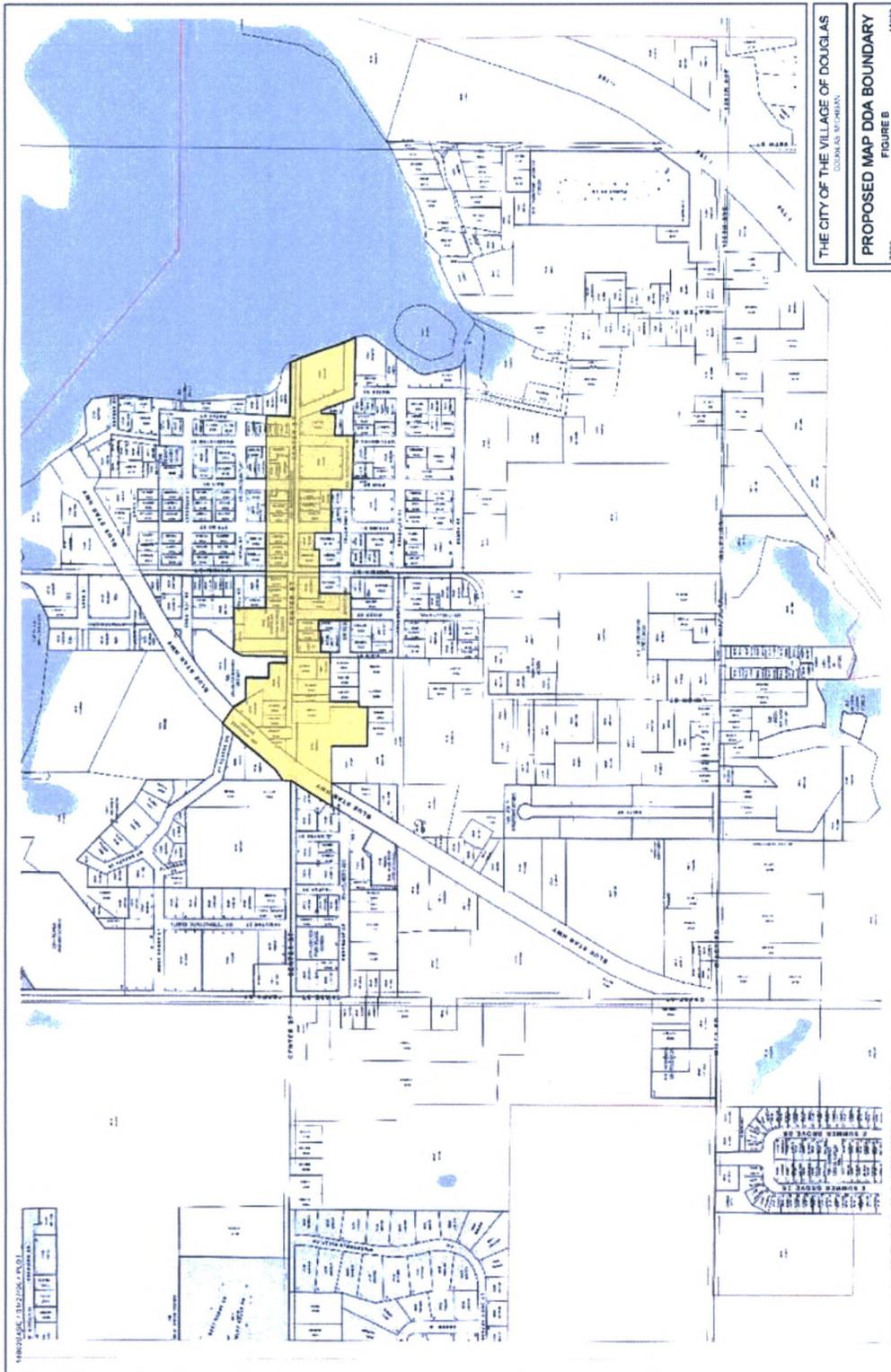
Compiler's note: Section 2 of Act 425 of 1988 provides: "This amendatory act is effective beginning with taxes levied in 1989. However, for taxes levied before 1989, tax increment revenues based on the definition of initial assessed value provided for in this amendatory act that were received by an authority are validated."

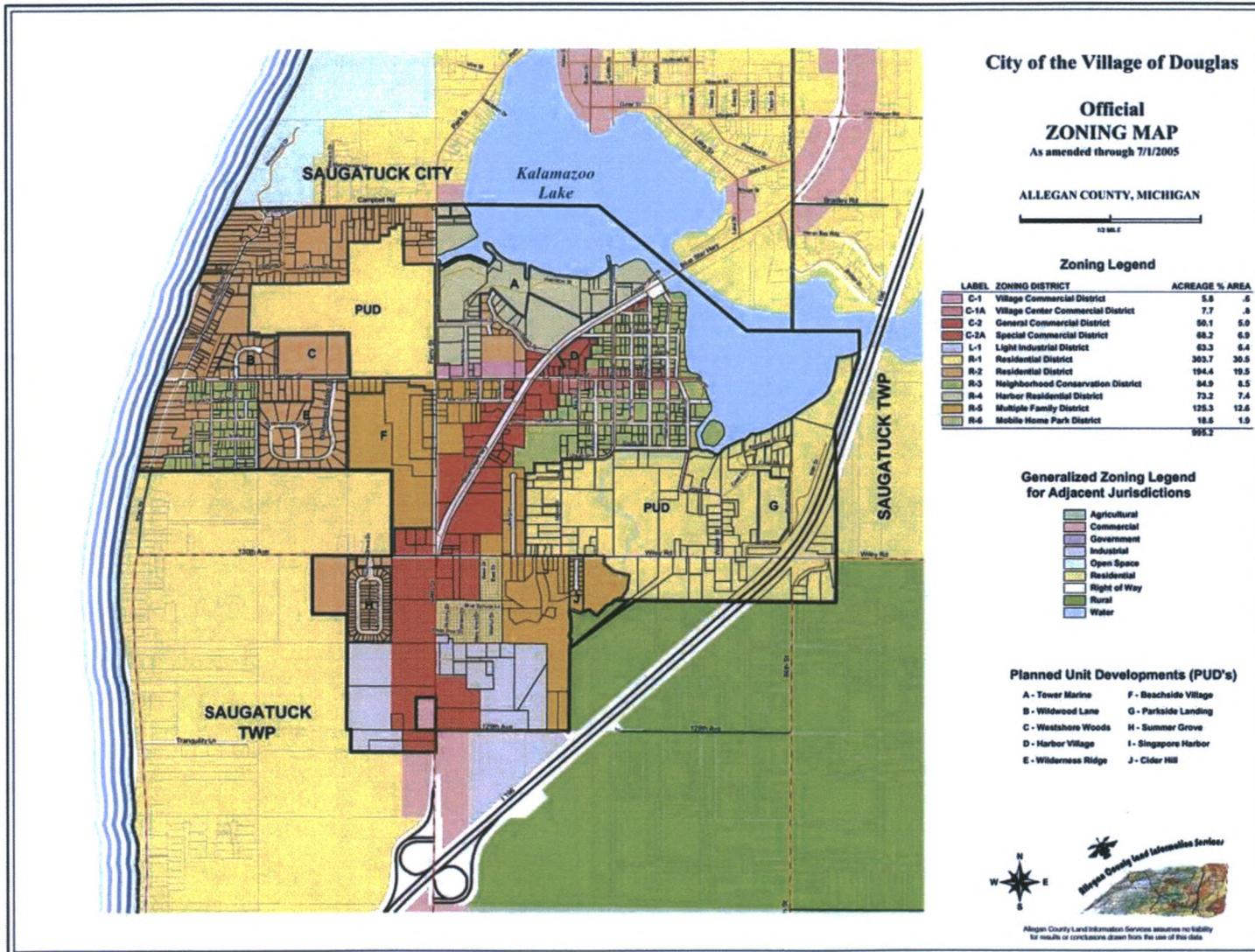
Popular name: Downtown Development Authority Act

Popular name: DDA

MAP1

Downtown District and Development Area Boundaries





City of the Village of Douglas

**Official
ZONING MAP**
As amended through 7/1/2005

ALLEGAN COUNTY, MICHIGAN



Zoning Legend

LABEL	ZONING DISTRICT	ACREAGE	% AREA
C-1	Village Commercial District	5.8	.8
C-1A	Village Center Commercial District	7.7	.8
C-2	General Commercial District	90.1	9.0
C-2A	Special Commercial District	88.2	8.9
L-1	Light Industrial District	63.3	6.4
R-1	Residential District	302.7	30.5
R-2	Residential District	194.4	19.5
R-3	Neighborhood Conservation District	84.9	8.5
R-4	Harbor Residential District	73.2	7.4
R-5	Multiple Family District	125.3	12.6
R-6	Mobile Home Park District	18.6	1.9
		995.2	

**Generalized Zoning Legend
for Adjacent Jurisdictions**

- Agricultural
- Commercial
- Government
- Industrial
- Open Space
- Residential
- Right of Way
- Rural
- Water

Planned Unit Developments (PUD's)

- A - Tower Marine
- B - Wildwood Lane
- C - Westshore Woods
- D - Harbor Village
- E - Wilderness Ridge
- F - Beachside Village
- G - Parkside Landing
- H - Summer Grove
- I - Singapore Harbor
- J - Cider Hill



Allegan County Land Information Services assumes no liability for results or conclusions drawn from the use of this data.

Zoning Map

MAP 2

**CITY OF FREMONT
DOWNTOWN DEVELOPMENT AUTHORITY**

**AMENDED
DEVELOPMENT PLAN
AND
TAX INCREMENT FINANCING PLAN**

PREPARED FOR:

**CITY OF FREMONT
DOWNTOWN DEVELOPMENT AUTHORITY BOARD**

Prepared by:

Fremont City Staff &
DDA Advisors
101 E. Main Street
Fremont, Michigan 49412

September 2006

**CITY OF FREMONT
NEWAYGO COUNTY, MICHIGAN**

City Council

James M. Rynberg, Mayor
Jim Breinling, Mayor Pro-Tem

Councilmembers:

Jane Drake
Larry Breuker
Richard Conley

Downtown Development Authority Board Members

Lon Vredeveld, Chair

Members:

James M. Rynberg
Dusty Bitson
Marianne Boerigter
Kim Deur
Lorna Kosztowny
Rebecca Laing-Austin
Gerry Rich
Tom Schuiteman
Ron Vliem
Rob Zeldenrust

Advisors

Chris A. Yonker, City Manager
Todd M. Blake, City Clerk / Finance Director
Michele Ribant, Neighborhood & Economic Development Director

September 2006

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INTRODUCTION

The legislative body of a municipality is authorized under Michigan P.A. 197 of 1975, as amended, to create a Downtown Development Authority (DDA). The Ordinance establishing the authority must also designate the boundaries of the DDA District within which the authority may exercise its powers. The Board of Directors of the Authority must consist of between 8 and 12 members, plus the municipality's chief Executive Officer.

The purpose of a DDA is to prevent deterioration and promote economic growth within a business district by developing, adopting and implementing plans for new and re-development. Separate plans may be adopted for different development areas within the DDA District. The plan may include proposals for construction, renovation, repair, remodeling or rehabilitation of a public facility, an existing building or a multiple-family dwelling unit that aids economic growth in the Downtown District.

To implement a development plan, the authority may construct, rehabilitate, equip, improve, maintain or operate any building within the District for public or private use. The authority may acquire and own, lease or dispose of any land or real and personal property that the authority determines to be reasonably necessary to prevent deterioration and promote economic growth in the business district. The authority may also acquire and construct public facilities and make land improvements. The Downtown Development Authority Act also allows municipalities to take private property under the power of eminent domain and transfer the property to the DDA.

Funds to finance activities of the authority may be derived from several sources including taxes, revenues generated from the use of assets, proceeds from revenue bonds, municipal funds, state and federal grants, special assessment levies and tax increment financing receipts.

The City of Fremont (the "City") established the City of Fremont Downtown Development Authority (the "Authority") in July 1986. By late November of that year, the Authority prepared, and the City Council approved, a combined Development and Tax Increment Financing ("TIF") Plan (the "Plan") that identified needed improvements in the DDA District and outlined various means for financing those improvements. Less than one year later, the Plan was amended to enlarge Development Area Number One in the District. The 1987 amendments also presented the report of O'Boyle, Cowell, Blalock & Associates, Inc. of Kalamazoo, Michigan, entitled Commercial Corridor Revitalization. This report further identified the improvements contemplated in the District and presented preliminary cost estimates for specified improvements.

In 1989, the Plan was again amended to identify a number of projects to be undertaken as part of the Main Street Improvements in the District and to provide for the financing of those projects by the issuance of bonds by the City pledging TIF revenues of the Authority for repayment. These projects were ultimately financed with the proceeds of bonds issued in three series by the City in the aggregate principal amount of \$1,600,000.

In 2001, the DDA proposed amendments to the DDA's Plan to re-evaluate and prioritize DDA projects that had not been implemented and to include additional improvements that were desired to enhance the visual environment and to promote economic expansion and reinvestment within the DDA District. In addition, the TIF Plan was to be updated to reflect outstanding debt or obligations and the current TIF revenue projections.

However, the 2001 proposed amendments to the DDA's Plan were not adopted by the City of Fremont because it was anticipated that further changes to the Plan would be necessary in the near future with the

anticipation that the City would apply for a grant to participate in the **Blueprints for Michigan Downtowns** program, part of the Governor's "Cool Cities Initiative." Participation in the Blueprint Program would lead to the development of a revitalization plan for Downtown Fremont, which would likely result in further changes to the DDA's Plan.

The City applied for the **2004 Blueprints for Michigan Downtowns** program, but was not successful in its efforts. The City re-applied for the 2005 Program and did receive grant funding to assist with the development of "Fremont's Downtown Blueprint Revitalization Plan." The DDA officially recommended the Blueprint Plan on May 12, 2006, which was ultimately adopted by the Fremont City Council on May 16, 2006 as the official guide in developing future action plans for the enhancement of Downtown Fremont.

This 2006 update is written to re-evaluate and prioritize DDA projects that have been recommended as a result of the adoption of the Blueprint Plan. The recommendations in the Revitalization Plan are aimed at enhancing the aesthetics of Downtown Fremont and to promote economic development within the DDA District. In addition, the TIF Plan is being updated to reflect the DDA's current plans for financing the DDA improvements as recommended in the Revitalization Plan.



**AMENDED
DOWNTOWN DEVELOPMENT PLAN**

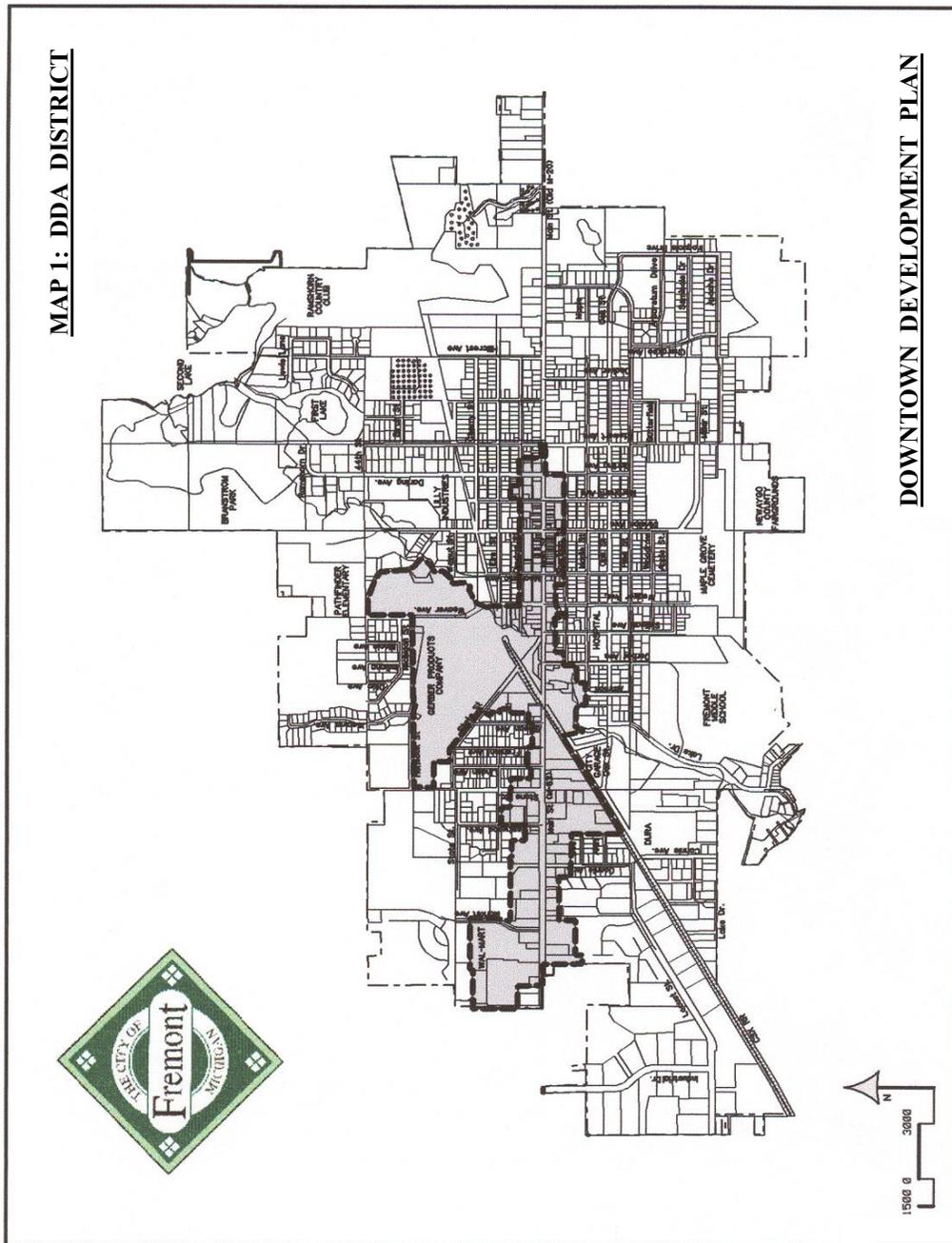
DEVELOPMENT PLAN ELEMENTS

The following references to “sections” relate to the specific items that must be addressed in any Development Plan as required by State Statutes as found in Section 17(2) of P.A. 197 of 1975.

SECTION 17(2)(a): DISTRICT BOUNDARIES

“The designation of boundaries of the development area in relation to highways, streets, streams or otherwise.”

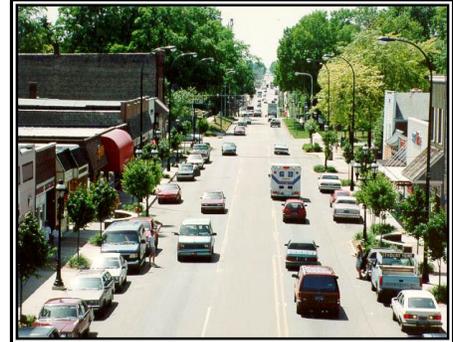
Map 1, below, depicts the boundaries of the development area in relation to the above features. The development area boundaries are coterminous with the DDA District boundaries.



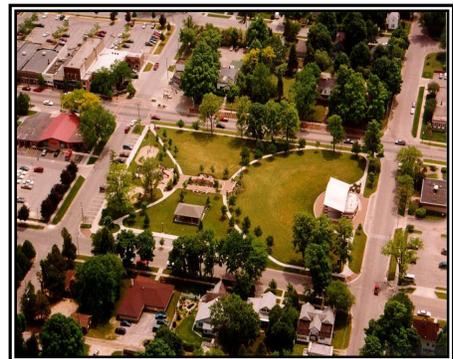
SECTION 17(2)(b): EXISTING & PROPOSED LAND USES

“The location and extent of existing streets and other public facilities within the development area and shall designate the location, character and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational and other uses and shall include a legal description of the development area.”

The location and extent of existing public and private land uses within the development area are presented on Map 2 on page 9. The DDA District includes a traditional downtown/city-center area (see photo at right) and more conventional general commercial development along M-82 heading west from Downtown. The city-center contains specialty retail shops, banks, offices, personal & professional service businesses, Post Office, restaurants, taverns and upper-level rental housing. The city-center also includes a civic complex that includes the City Hall /Police/ Fire Facility, the Fremont Area District Library and the Fremont High School.



The pedestrian friendly streetscape is the product of a series of phased improvement projects carried out by the DDA, such as decorative street lighting, accent paving, landscaping and floral displays. The DDA also participated in funding the development of Veterans Memorial Park (see photo at right.)



West of the city-center, the DDA District contains large-scale developments such as the Gerber Products Company, the West Village Shopping Center and the now vacant Wal-Mart & D&W Food Store buildings, as well as smaller freestanding developments such as Taco Bell. This auto-oriented area was designated as the “West End District” in the original Development Plan (see photo at lower right.)



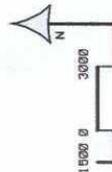
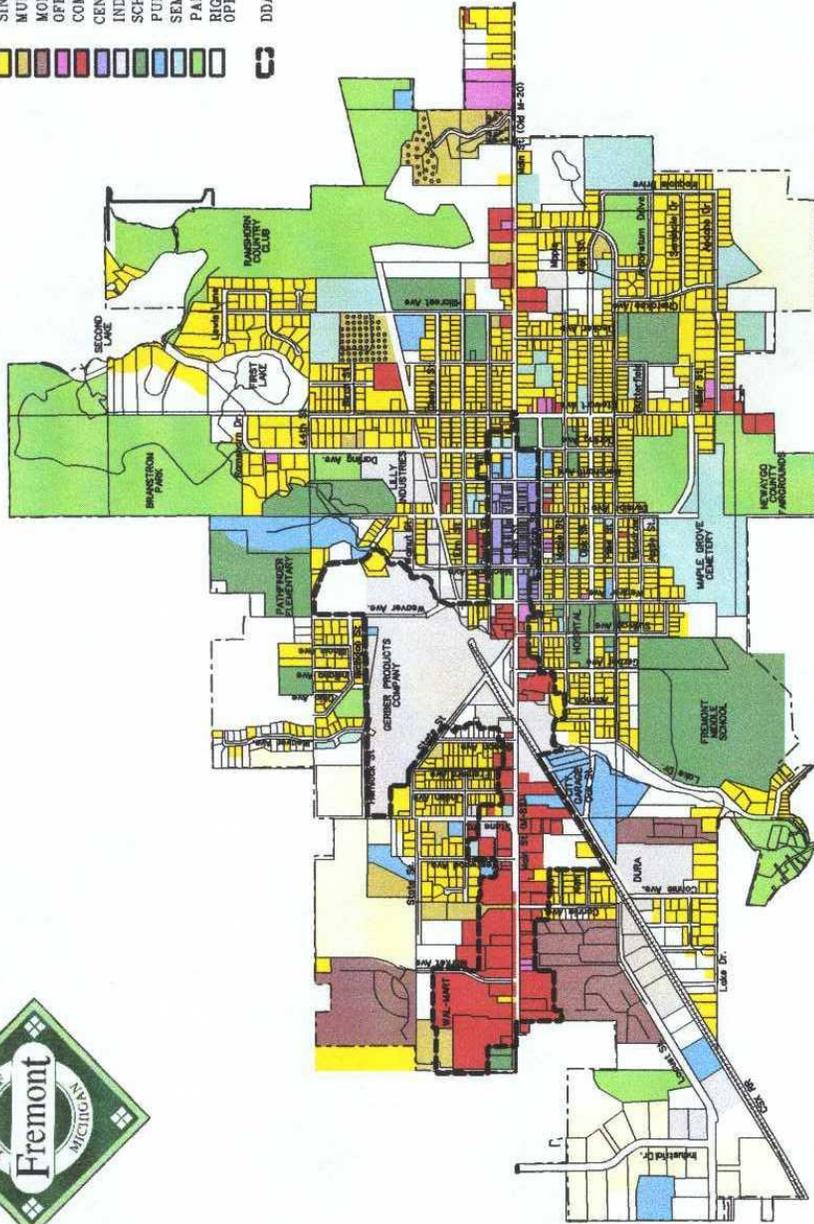
The land development pattern proposed for the DDA District is shown on Map 3 on page 10. As depicted, the proposed future land use pattern generally preserves the established land use pattern while allowing for infill and redevelopment of older or vacant parcels. According to the Fremont Area Joint Comprehensive Development and Growth Management Plan, the Central Business District (CBD) is planned to foster a mix of land uses in a manner that complements the historic character engrained in the features of the built environment. Further, the Plan envisions the downtown as a diverse, compact, pedestrian-oriented environment where residents can live, work, shop, recreate and socialize.

Ground-floor space along Main Street is recommended to be reserved for pedestrian-oriented retail and service establishments, with offices and living quarters above. The adaptive reuse of vacant residential units within the downtown for specialty shops and office uses is encouraged. Other appropriate uses west of downtown may include restaurants, service stations, lodging, etc. Industrial uses, however, should not be permitted to develop or expand within the CBD.

The legal description of the DDA District may be found as Appendix A on page 11.

MAP 2: EXISTING LAND USE

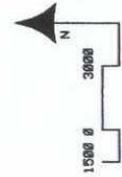
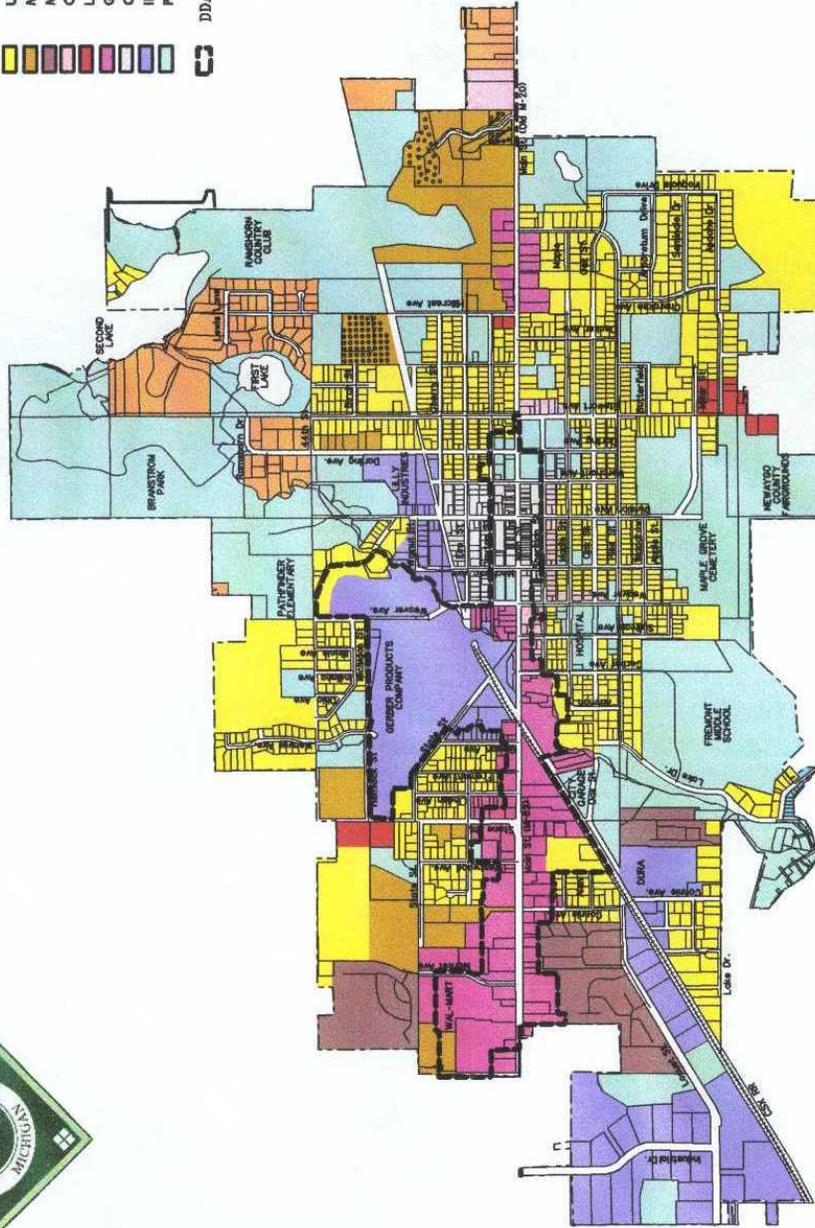
- AGRICULTURAL
- SINGLE-FAMILY RESIDENTIAL
- MULTIPLE-FAMILY RESIDENTIAL
- MOBILE HOME PARK
- OFFICE
- COMMERCIAL
- CENTRAL BUSINESS DISTRICT
- INDUSTRIAL
- SCHOOLS AND INSTITUTIONAL
- PUBLIC/UTILITY
- SEMI-PUBLIC
- PARKS AND RECREATION
- RIGHTS-OF-WAY, WATER BODIES,
OPEN SPACE, AND OTHER
- DDA DISTRICT



DOWNTOWN DEVELOPMENT PLAN

MAP 3: PROPOSED LAND USE

- OPEN SPACE RURAL RESIDENTIAL
- LAKE RESIDENTIAL
- SUBURBAN RESIDENTIAL
- URBAN RESIDENTIAL
- MULTIPLE-FAMILY RESIDENTIAL
- MOBILE HOME PARK
- OFFICE
- LOCAL COMMERCIAL
- GENERAL COMMERCIAL
- CENTRAL BUSINESS DISTRICT
- INDUSTRIAL
- PUBLIC AND SEMI-PUBLIC
- DDA DISTRICT



DOWNTOWN DEVELOPMENT PLAN

Exhibit A

LEGAL DESCRIPTION DDA DISTRICT BOUNDARIES CITY OF FREMONT, NEWAYGO COUNTY

Description of the boundaries of the City of Fremont Downtown Development Authority District Number One (1) as amended:

Starting at the SE corner Sec 34, then 2,986.58' W to the City Limits, the POB, then N 380', then W 315.38', then N 502.87', then E 1,317.85', then S 486.87', then E 891', then N 68.07', then E 66', then S 35.07', then E 265.41', then S 200', then E 200' to W ROW of Westwood Ave., then N 355.5', then E 296.5', then S 135.98', then E 445.89', then S 214', then E 148.5' to W ROW of Linden Ave., then S 50', then E 333.52' to E ROW of Fremont Ave., then S 62.05', then E 331.36' to W ROW of Gibson Ave., then N 62.14', then E 192.5', then N 565', then W 52.7', then NLY & ELY 96.7' to S ROW of State St., then NLY and WLY along said ROW to a point 433' E of W section line of Section 35, then N 316', then W 433' to centerline of Stone Rd., then N to N ROW of Hemlock St. extended WLY, then E along said N ROW to W ROW of Weaver Ave., then N along W ROW of Weaver to N ROW of Division Ave., then ELY & SLY along N ROW of Division to centerline of Darling Creek, then SLY on said centerline to a point where the W ROW of Mechanic Ave. extended intersects with Darling Creek, then S to N line of S ½ of Block 5, Empire Plat, then W along said line to centerline of Darling Creek, then SLY along said centerline to E ROW of Weaver Ave., then S to N ROW of Dayton St., then E on said ROW to a point 16.5' E of the SW corner of Lot 9, Block 11, Empire Plat, then S to S ROW of Main St., then W to E ROW of Merchant Ave., then S to S ROW of Sheridan St., then W to the W ROW of Mechanic Ave., then N 66', then W to the W lot line of Lot 8, Block 34, Empire Plat, then N to N lot line of said lot, then W to E lot line of Lot 1, Block 35, Empire Plat, then S 123.8', then W 66', then N 132', then W 518.67', then S 132', then W 198' to W ROW of Gerber Ave., then S 198', then S 132' to N ROW of Maple St., then W 335.86' to E ROW of Lake Ave., then N on said ROW to centerline of Darling Creek, then WLY & SLY on the centerline of Darling Creek to E lot lines of Lots 12 & 13, Ephraim Misner's Addition, then NLY along said lot lines to N ROW of CSX Railroad, then WLY along said ROW to a point 457.40' E to E ROW of Connie Ave., then N 702.98', then W 160', then N 21.63', then W 499.48', then N 173', then W 662.28', then S 250', then W 526.45', then S 100', then W 132' to City Limits, then N 600', then W 340' to POB.

SECTION 17(2)(c): EXISTING IMPROVEMENTS TO BE ADDRESSED

“A description of existing improvements in the development area to be demolished, repaired or altered, a description of any repairs and alterations, and an estimate of the time required for completion.”

A full description of all projects, including those that may involve any of the changes described above is provided in Section 17(2)(d).

SECTION 17(2)(d): PROJECT IMPROVEMENT PLAN

“The location, extent, character and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.”

The DDA is empowered to undertake a variety of activities in the rejuvenation of its District, including:

- Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation or reconstruction of a public facility, an existing building or a multiple-family dwelling unit that may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the downtown district.
- Plan, propose and implement an improvement to a public facility within the development area to comply with the barrier-free design requirements of the State of Michigan.
- Acquire property by purchase or otherwise, on terms and conditions and in a manner the Authority deems proper, or own, convey or otherwise dispose of, or rights of interests therein, which the Authority determines is reasonable and necessary to achieve the purposes of P.A. 197 of 1975, as amended (the DDA Act), and to grant or acquire licenses, easements and options with respect thereto.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.

The following project improvement plan is intended to be general in nature allowing for flexibility in design and implementation. Detailed planning, design and engineering studies should be conducted to specifically set project parameters. Improvement projects are generally arranged according to their area of impact and are assigned to the following five categories: City Streets and Sidewalk Improvements, Streetscape Enhancement and Refuse Disposal, Parking Area Expansion and Screening, Promotional and Identity Building, and Consultation and Operational Expenditures. The order of the projects/activities or the categories implies no ranking of priorities.

City Street and Sidewalk Improvements

This category provides for the development and repair of City streets to better serve properties within the DDA District.

A. Dayton Street Extension (From Weaver Ave. to Main St.)

The DDA may contribute toward completing the extension of Dayton Street to loop southwest to connect with Main Street just west of the NAPA Auto Parts store. This project was once a part of a proposed one-way street network for Downtown. It would facilitate better traffic flow along Dayton Street as it intersects with Main Street, especially for larger vehicles. It would provide an easier route

for M-82 detours during such events as the National Baby Food Festival, Main St. parades, etc. It would also provide rear access to possible redevelopment of several parcels between Chemical Bank and the berm along the Gerber Products Company parking lot, which could include public or private investments or improvements.

B. Sidewalk Extensions, Replacements and Enhancements

The DDA may fill in any gaps in sidewalks in the District to promote safer pedestrian and bicycle access to business, residential and other properties, as well as segments of the Town & Country Non-Motorized Path that run through or across the District.

Streetscape Enhancements and Refuse Disposal

This category provides for physical and natural improvements within the public rights-of-way (ROW) to enhance the visual image and functionality of the streetscape. To date, the DDA has successfully completed an extensive array of streetscape improvement projects along Main Street to create a more inviting appearance and a pedestrian-friendly shopping environment. The DDA wishes to continue its past success through carrying out the projects listed below:



A. Street Trees and Landscaping

The DDA may purchase and install tree plantings and other landscaping materials to fill in “green gaps” inside the public ROW areas of the District. Replacement of deteriorated or outdated existing landscaping may also be necessary. An overall design plan for landscaped improvements would be coordinated with other project plans.

B. New Street, Alley, Walkway & Parking Lot Lighting

Lighting is perhaps the most visible of all the streetscape elements and can be a common thread to tie together a streetscape. The DDA may install new decorative or other lights within the District as needed, with the decorative lights being similar in design to those found along Main Street in the District. The DDA may also install parking lot, alley and walkway lighting so as to create a safe, inviting and customer-friendly atmosphere.

The DDA may also evaluate and install more energy-efficient lights (e.g. LED) in the new fixtures instead of the current less efficient and more costly mercury vapor (MV) or high pressure sodium (HPS) lights.

C. Retrofit of Existing Street, Alley, Walkway & Parking Lot Lighting

The DDA may evaluate and retrofit existing MV or HPS lights fixtures to LED or other more energy efficient lights/bulbs. The LED’s are reported to use 50% or less energy than the existing light bulbs, and have longer lives and less maintenance than the traditional bulbs.

D. Refuse Disposal & Recycling

To reduce the visual impact of trash storage areas, the DDA may assist with the partial funding of the construction and operation of shared commercial dumpster and recycling enclosures within each of the four blocks in the downtown. Joint dumpsters in other

areas of the District may also be considered. The DDA may evaluate and recommend to the City Council the licensing of a single or cooperative refuse and/or recycling firm(s), both profit and nonprofit, for the Downtown, the District or other feasible geographic sub-areas.

E. Street, Alley and Intersection Improvements

As part of the streetscape improvements along Main Street (M-82) in the early 1990's, the DDA implemented many successful techniques for streetscape design and traffic calming such as curb bump-outs, designated crosswalks, pre-cast pavers, landscaping and decorative lighting. The DDA may consider making further improvements that would reduce potential trip hazards and long-term maintenance as well as improve the visual and functional aesthetics within the District. This could include replacement, refurbishment or enhancement of existing street, alley, intersection and other improvements as well as the construction or installation of new improvements. Examples might include, but are not limited to:

- Replacement of existing pre-cast paver bricks at bump-outs with pre-cast brick on a concrete base, or stamped decorative concrete.
- Replacement of tinted concrete crosswalk paving with stamped decorative concrete.
- Removal or reduction in size of landscaped areas at intersections and other locations and the use of movable planter pots with opportunities for seasonal floral or other displays.
- Replacement of deteriorated concrete alleys & rear sidewalks with stamped decorative concrete with curbs.
- Installation of additional curb bump-outs along Main or other streets that could reduce traffic speeds, deter large truck use and provide additional on-street, short-term parking spaces.
- Mill & resurface or reconstruct existing streets, alleys, walkways, sidewalks, crosswalks and intersections.
- Burying of overhead utility lines.

Parking Area Expansion, Renovation, Screening and Landscaping

This category provides for the acquisition and development or redevelopment of public and private parking areas to serve the District. It also provides for the installation of screening and landscaping along the perimeter and within parking lots to shield them from view at the pedestrian and vehicular levels.



A. Parking Area Expansions

The DDA may contribute funds to expand and develop parking areas within the District to improve accessibility for customers, employees and residents. This may include acquiring or leasing the private parking lots to the north of 5th/3rd Bank to create additional spaces for patrons of Veterans Memorial Park and the rest of the northwest portion of Downtown.

In addition, the DDA may help acquire or lease and develop or improve available parcels along Dayton, Sheridan and other streets for public parking. Other projects of a similar nature may be identified and

carried out as the need or special opportunities arise.

B. Parking Area Enhancements

The Downtown Central Business District (CBD) has four general quadrants (core blocks) aligned around the intersection of Main Street and Division Avenue. The public and/or private parking areas in these four blocks may be enhanced by, but not be limited to, the following:

- NE Block Parking Areas

Due to the presence of existing retaining walls, grade differences, temporary gravel parking areas and general orientation of parking aisles east-west and parallel to the existing alleyway and rear store areas, the parking areas on this block are scheduled for complete reconstruction. The new parking aisle orientation will run north-south; this will reconfigure parking bays toward the rear store areas, which will be consistent with the remainder of this block and with other Downtown parking areas.

The DDA may also build a multi-use Market Pavilion in this block (see page 16 for details.)

- NW Block Parking Areas

Due to the presence of existing retaining walls in areas nearest to Division Avenue, and general surface deterioration, the parking lot in this block is programmed for partial reconstruction.

- SW Block & SE Block Parking Areas

Both southern lots were reconstructed in the early 1990's. Therefore, the lots do not need to be reconstructed. However, the DDA plans to enhance the parking lots with lighting, landscaping, irrigation, asphalt milling & resurfacing, etc.

The DDA may consider including the following enhancements in all downtown parking lots:

- New curb and gutter
- Perimeter landscaping and/or decorative fencing
- Irrigation systems
- Decorative and security lighting
- New storm sewers as required
- Decorative alleyway paving
- Decorative paving and other pedestrian amenities between the new curb line along the alleyway to the rear store areas
- Streetscape furniture
- Placement of public art

These improvements would enhance the rear alleyways, which could lead to improved rear building entrances, reduce the burden on Main Street (M-82) pedestrian zones and create a stronger connection between Main Street and the rear parking areas. This would facilitate ease of both vehicular and pedestrian movement and convenience for business owners, upper-level occupants of housing & offices, and patrons of Downtown businesses & facilities.

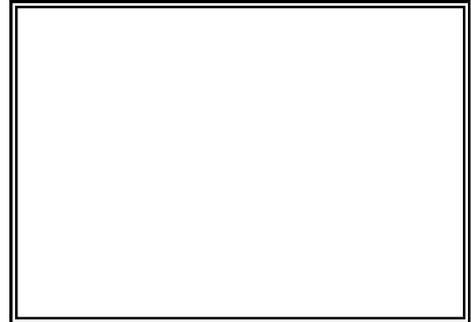
Promotional and Identity Building

The Promotional and Identity Building category relates to projects and activities that are designed to promote economic growth within the development area through the creation of a vibrant, identifiable and welcoming business, social and cultural environment. This category also supports the development and

operation of community festivals and attractions that are intended to draw people to Downtown from the surrounding region. These efforts may include, but are not limited to, the following:

A. Market Pavilion

The DDA may construct a multi-use Market Pavilion in Downtown to accommodate a farmers market, artisan market, etc. The structure could serve as a signature building for the Downtown; the presence of the market would improve the prosperity of the entire Downtown business community and would be a source of community pride. The DDA has pursued grant funding to cover part of the cost of construction. (Total est. cost \$329,875: USDA Rural Development Business Enterprise Grant awarded for \$85,000; Fremont Area Community Foundation Grant awarded for \$50,000.)



B. Façade Improvement Program

The DDA may implement a Façade Improvement Program to encourage Downtown property owners to make needed building façade improvements so as to improve the economic viability of the Downtown and preserve the integrity and attractiveness of its buildings and storefronts.

C. Downtown Rental Housing Rehabilitation Program

The DDA has established the Downtown Rental Housing Rehabilitation Program for the purposes of creating decent, safe and affordable rental housing in upper-level space in downtown buildings, to encourage private investment in Downtown and to bring vitality and economic growth to the CBD. The MI State Housing Development Agency (MSHDA) awarded the City grant funding in the amount of \$365,800 to implement the Rental Rehab program. The DDA intends to cover all or a portion of the \$12,000 cost (\$1,000 per unit) for the program's Third Party Administrator (TPA).

D. Historic-Related Undertakings

The DDA may develop "Windmill Gardens" as a tourist attraction within the District. At the very minimum, the DDA may acquire the historic Ensley Tower, which is located at the current "Windmill Gardens" on Luce Road north of 48th Street in Sherman Township, and have it moved to a suitable Downtown location. The DDA may pursue the acquisition or use of other historic windmills, artifacts, etc. from Windmill Gardens or from other sources, such as the Newaygo County Society for History & Genealogy.

The DDA, City and the Fremont Area Community Foundation jointly funded the preparation of a feasibility study for the creation of a Fremont Historical Museum. It is hoped that a suitable location for such a museum could be secured in or very near to Downtown.

The DDA may also establish a Historic District in the four-block commercial core of Downtown for listing on the National Register of Historic Places. This would permit property owners to pursue both Federal and State income tax credits for renovation and restoration of buildings within the District.

E. Welcome Signage

Welcome signage may be installed at the following locations: E. Main; S. Stewart, W. Main and N. Stone Road. General funds would have to be used since these locations are outside the DDA boundaries.

F. Wayfinding Signage

The DDA may purchase and install wayfinding signage to help many first-time visitors get to Downtown Fremont or other individual points of interest or destinations. \$90,000 is projected in terms of the cost of the wayfinding signage; \$10,000 would be for signage located outside the DDA District. General funds would be used to pay for the wayfinding signage.

G. Main Street Festivals/ Downtown Events

The DDA may sponsor Main Street festivals/downtown events to stimulate business activity and to promote a positive image of the DDA District. This may include sidewalk sales, art fairs, parade celebrations, summer concerts, etc. The programming of weekly family oriented events in Veterans Memorial Park in the summer is encouraged. The DDA may also encourage owners of Downtown food establishments to offer entertainment.



H. Public Art

The DDA has defined an art placement plan for Downtown Fremont. The DDA may contribute to the design, purchase and/or installation of public art within the Downtown District.

I. Seasonal Decorations

The DDA may contribute to decorating the Downtown to create a more festive and interesting atmosphere during holiday and other seasons. The DDA may consider displaying seasonal, holiday and special event banners within the District. \$40,000 in funding for banners has been secured from the City’s Beautification Fund endowment grant at the Fremont Area Community Foundation.

Consultation and Operational Expenditures

The Consultation and Operational Expenditures category provides for professional services and operational activities relating to the DDA. This category is relatively variable and is subject to the level and complexity of future activities taken on by the DDA.

A. Professional Services

This item covers professional services that may be required to implement the proposals within this Development Plan and to manage and operate the DDA. This may include, but is not limited to, grant writing and administration, planning and architectural design, engineering, inspections & construction management services, environmental assessment & mitigation planning, financial and accounting services, advertising and marketing services and legal consultation.

B. DDA Operations

This expenditure category covers all expenses relating to operating the DDA such as, but not limited to, public notices, mailings, office supplies, administrative support, equipment usage/rental, etc.

Table 1
LIST OF PLANNED PROJECTS by PRIORITY and ESTIMATED COST
CITY OF FREMONT DDA
2006-2026

PROJECT PRIORITY ^a	PROJECT DESCRIPTION	ESTIMATED PROJECT COST ^b
	<i>City Street and Sidewalk Improvements</i>	
S & M	A. Dayton Street Extension	\$100,000
S	B. Sidewalk Extension, Replacement & Enhancement	100,000
	<i>Streetscape Enhancements and Refuse Disposal</i>	
S & M	A. Street Trees and Landscaping	200,000
S	B. New Street, Alley, Walkway & Parking Lot Lighting	600,000
S	C. Retrofit Existing Street, Alley, Walkway & Parking Lot Lighting	500,000
S	D. Refuse Disposal	400,000
S & M	E. Street, Alley and Intersection Improvements	3,000,000
	<i>Parking Area Expansion and Screening</i>	
S & M	A. Parking Area Expansion	750,000
S & M	B. Parking Area Enhancements	2,500,000
	<i>Promotional and Identity Building</i>	
S	A. Market Pavilion	350,000
S, M & L	B. Façade Improvement Program (5 years)	200,000
S	C. Rental Housing Rehabilitation Program (2 years)	800,000
S, M & L	D. Historic-Related Undertakings	TBD
S	E. Welcome Signage	100,000
S	F. Wayfinding Signage	200,000
S, M & L	G. Main Street Festivals / Downtown Events- Ongoing	TBD
S, M & L	H. Public Art / Art Nodes	250,000
S, M & L	I. Seasonal Banners / Decorations	250,000
	<i>Consultation and Operational Expenditures</i>	
S, M & L	A. Professional Services (\$15,000 annually)	300,000
S, M & L	B. DDA Operations (\$20,000 annually)	400,000
	ESTIMATED TOTAL	\$11,000,000

^a Project Priority Rank as follows:

S = Short-Term (0-5 Years)

M = Medium-Term (6-10 Years)

L = Long-Term (11-20 Years)

^b Actual project cost will depend upon the design and specification of project components and market conditions at the time of implementation.

SECTION 17(2)(e): CONSTRUCTION STAGES

“A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.”

The statement of the stages of planned construction is identified in Table 1 in Section 17(2)(d). As noted in the Table, short-term projects represent activities to be emphasized for construction, particularly in the early stages (first 5 years) of the development program. Medium- and long-term projects are seen as longer-range capital projects that will likely take precedence later in the development program unless major funds are available sooner; however, all projects are anticipated to be completed by 2026. The annual DDA budget and the availability and timing of other sources of funding will largely determine the pace at which the desired projects are completed.

SECTION 17(2)(f): OPEN SPACE

“A description of any parts of the development area to be left as open space and the use contemplated for the space.”

The areas identified to be left as public open space within the DDA District are:

- Veterans Memorial Park
- Mid-block walkways / Pocket parks
- Landscaped berm along the Gerber Products Company parking lot

SECTION 17(2)(g): PROPERTY OWNERSHIP/LEASES

“Descriptions of any portions of the development area that the authority desires to sell, donate exchange or lease to or from the municipality and the proposed terms.”

The Authority currently owns or leases no portion of the development area. Future transactions between the Authority and the City will be done according to the best interests of the City.

SECTION 17(2)(h): DESIRED ZONING CHANGES

“A description of desired zoning changes and changes in streets, street levels, intersections and utilities.”

Desired changes to streets, intersections and utilities were previously identified under Section 17(2)(d).

Desired Changes in Zoning

The City of Fremont is creating a new Form-Based Zoning Ordinance. Form-based codes rely on design concepts and patterns intended to preserve the best of a community, creating more livable environments and spaces. The Code will focus on the physical form of the building and its relationship to the street and adjacent buildings. Compatibility of uses is achieved through design and orientation, instead of strict land use separation.

Following is a summary of some of the desired changes to the City’s Zoning Code that are intended to improve the vitality, appearance and functionality of the DDA District. It is recognized that all desired changes in zoning will need to be processed through the City Planning Commission and ratified via Ordinance by the Fremont City Council.

Access Limitations

The DDA wishes to pursue zoning and other applicable regulatory change to minimize the number of ingress / egress points along Main Street through the use of shared / marginal access drives or indirect access from side streets or adjacent properties. Usage of restricted left turns, medians and other traffic calming devices should be explored.

Signage

The DDA seeks to amend zoning provisions relating to business district signs to create an identifiable but not visually overwhelming appearance. This effort should include the development of sign design guidelines to help harmonize public and private signage.

Landscaping / Parking Lot Screening

The DDA desires that parking lot landscaping requirements be amended to provide for the installation of an irrigated vegetative greenbelt that effectively screens parking areas from view.

Office Use Restrictions

The DDA desires to restrict office uses to buildings off Main Street or on upper level spaces downtown. By encouraging office uses to locate in areas outside the Central Business District, such as along Dayton and Sheridan Streets, additional ground floor retail space would become available along Main Street, while still making the downtown a destination for professional and personal services.

SECTION 17(2)(i): DEVELOPMENT COSTS/ FINANCING

“An estimate of the cost of the development, a statement of the proposed method of financing the development and the ability of the authority to arrange the financing.”

The total cost for undertaking the projects identified under Section 17(2)(d) is approximately \$11 million (see Table 1.)

The activities of the Authority and the development of public improvements shall be financed from one or more of the following sources:

- A. Donations and grants to the Authority for the performance of its functions.
- B. Proceeds of an ad valorem tax imposed pursuant to Section 12 of P.A. 197 of 1975, as amended.
- C. Money borrowed and to be repaid as authorized by Section 13 of P.A. 197 of 1975, as amended.
- D. Revenues from any property, building or facility owned, leased, licensed or operated by the Authority or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.
- E. Proceeds of a tax increment financing plan, established under Sections 14 to 16 of P.A. 197 of 1975, as amended.
- F. Proceeds from a special assessment district created as provided by law.
- G. Money obtained from other sources approved by the governing body of the municipality or otherwise authorized by law for use by the municipality to finance a development program.

Where receipt of specific funds is indicated as being anticipated by the Authority, methods of repayment will be established as necessary. Where repayment is not necessary, funds shall be credited to the general

fund of the Authority for the purpose of financing only those activities, as indicated in this plan or otherwise appropriate as provided in P.A. 197 of 1975, as amended.

The ability of the Authority to arrange the financing is considered to be established on the basis of tax increment revenues currently available to the Authority.

SECTION 17(2)(j): CONVEYANCE OF DEVELOPMENT

“Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.”

Not applicable

SECTION 17(2)(k): PROCEDURES FOR CONVEYANCE

“The procedures for bidding for the leasing, purchasing or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold or conveyed in any manner to those persons.”

Not applicable

SECTION 17(2)(l): DISPLACEMENT OF RESIDENTS

“Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence, or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.”

No displacement or relocation is anticipated.

SECTION 17(2)(m): RELOCATION PRIORITY

“A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.”

Not applicable

SECTION 17(2)(n): RELOCATION COSTS

“Provision for the cost of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, being Public Law 91-646, 42 USC sections 4601, et seq.”

Not applicable

SECTION 17(2)(o): ACT 227 COMPLIANCE PLAN

“A plan for compliance with Act No. 227 of the Public Acts of 1972, being sections 213.321 to 213.332 of the Michigan Compiled Laws (Condemnation/Relocation Assistance.)”

Not applicable

SECTION 17(2)(p): OTHER PERTINENT MATERIALS

“Other material which the authority, local public agency, or governing body deems pertinent.”

Wherever the provisions of the Downtown Development Plan and the Tax Increment Financing Plan are inconsistent with any provisions of the prior adopted Plans, the provisions of these Downtown Development and TIF Plan amendments shall be controlling. All provisions of the prior plan consistent with the provisions of these Development Plan amendments shall be and remain in full force and effect.

All Records
Special Population: Ad Valorem+Special Acts
Summer, Real & Personal Property
DDA/LDFA Chosen: DDA ORIGINAL DIST, Adjusted Values (All Adjustments Included)
Include: All Parcels

PARCEL INFORMATION	TAX HEADING	TAX BILLED	CAPTURED TAX	NET TOTAL	
-----DDA/LDFA: DDA ORIGINAL DIST-----					
TOTAL PARCELS:	120	COUNTY OP	32,050.13	7,165.23	24,884.90
TAXABLE VALUE:	7,102,583	STATE ED TAX	42,615.30	0.00	42,615.30
BASE VALUE:	5,514,619	INTERMED SCH	44,679.24	0.00	44,679.24
CAPTURED VALUE:	1,587,964	SCHOOL OP	52,155.15	0.00	52,155.15
PRE/MBT TAXABLE:	1,089,729	SCHOOL OP FC	0.00	0.00	0.00
NON PRE/MBT TAXABLE:	6,012,854	SCHOOL DEBT	6,569.61	0.00	6,569.61
PRE/MBT CAPTURED:	422,964	SCHOOL SUPPL	2,533.91	0.00	2,533.91
NON-PRE/MBT CAPTURED:	1,165,000	SCHOOL REC	1,758.28	0.00	1,758.28
COM. PERS. TAXABLE:	61,500	SCHOOL BLDG	1,732.00	0.00	1,732.00
IND. PERS. TAXABLE:	0	CITY OPER	92,914.25	20,773.01	72,141.24
SPEC. ACT PERS. TAXABLE:	0	MILLAGE SPECIALS	0.00	0.00	0.00
COM. PERS. CAPTURED:	-170,300	TOTALS----->	277,007.87	27,938.24	249,069.63
IND. PERS. CAPTURED:	0	-----CAPTURED TAXES BREAKDOWN-----			
SPEC. ACT PERS. CAPTURED:	0	POSITIVE CAPTURE			NEGATIVE CAPTURE
		COUNTY OP	13,465.80	-6,300.57	
		STATE ED TAX	0.00	0.00	
		INTERMED SCH	0.00	0.00	
		SCHOOL OP	0.00	0.00	
		SCHOOL OP FC	0.00	0.00	
		SCHOOL DEBT	0.00	0.00	
		SCHOOL SUPPL	0.00	0.00	
		SCHOOL REC	0.00	0.00	
		SCHOOL BLDG	0.00	0.00	
		CITY OPER	39,038.00	-18,264.99	
		MILLAGE SPECIALS	0.00	0.00	
		TOTALS----->	52,503.80	-24,565.56	

All Records
Special Population: Ad Valorem+Special Acts
Summer, Real & Personal Property
DDA/LDFA Chosen: DDA ORIGINAL DIST, Adjusted Values (All Adjustments Included)
Include: All Parcels

PARCEL INFORMATION	TAX HEADING	TAX BILLED	CAPTURED TAX	NET TOTAL
SCHOOL: 03080, DDA/LDFA: DDA ORIGINAL DIST		SCHOOL: 03080, DDA/LDFA: DDA ORIGINAL DIST		
TOTAL PARCELS: 120	COUNTY OP	32,050.13	7,165.23	24,884.90
TAXABLE VALUE: 7,102,583	STATE ED TAX	42,615.30	0.00	42,615.30
BASE VALUE: 5,514,619	INTERMED SCH	44,679.24	0.00	44,679.24
CAPTURED VALUE: 1,587,964	SCHOOL OP	52,155.15	0.00	52,155.15
PRE/MBT TAXABLE: 1,089,729	SCHOOL OP FC	0.00	0.00	0.00
NON PRE/MBT TAXABLE: 6,012,854	SCHOOL DEBT	6,569.61	0.00	6,569.61
PRE/MBT CAPTURED: 422,964	SCHOOL SUPPL	2,533.91	0.00	2,533.91
NON PRE/MBT CAPTURED: 1,165,000	SCHOOL REC	1,758.28	0.00	1,758.28
	SCHOOL BLDG	1,732.00	0.00	1,732.00
	CITY OPER	92,914.25	20,773.01	72,141.24
	TOTALS----->	277,007.87	27,938.24	249,069.63
COM. PERS. TAXABLE: 61,500	-----CAPTURED TAXES BREAKDOWN-----			
IND. PERS. TAXABLE: 0	POSITIVE CAPTURE NEGATIVE CAPTURE			
SPEC. ACT PERS. TAXABLE: 0	COUNTY OP	13,465.80	-6,300.57	
COM. PERS. CAPTURED: -170,300	STATE ED TAX	0.00	0.00	
IND. PERS. CAPTURED: 0	INTERMED SCH	0.00	0.00	
SPEC. ACT PERS. CAPTURED: 0	SCHOOL OP	0.00	0.00	
	SCHOOL OP FC	0.00	0.00	
	SCHOOL DEBT	0.00	0.00	
	SCHOOL SUPPL	0.00	0.00	
	SCHOOL REC	0.00	0.00	
	SCHOOL BLDG	0.00	0.00	
	CITY OPER	39,038.00	-18,264.99	
	TOTALS----->	52,503.80	-24,565.56	

All Records
Special Population: Ad Valorem+Special Acts
Winter, Real & Personal Property
DDA/LDFA Chosen: DDA ORIGINAL DIST, Adjusted Values (All Adjustments Included)
Include: All Parcels

PARCEL INFORMATION	TAX HEADING	TAX BILLED	CAPTURED TAX	NET TOTAL
SCHOOL: 03080, DDA/LDFA: DDA ORIGINAL DIST		SCHOOL: 03080, DDA/LDFA: DDA ORIGINAL DIST		
TOTAL PARCELS: 120	CO-ROADS	7,000.70	1,564.74	5,435.96
TAXABLE VALUE: 7,102,583	CO-SENIORS	3,450.86	771.14	2,679.72
BASE VALUE: 5,514,619	CO MED CARE	1,775.38	396.59	1,378.79
CAPTURED VALUE: 1,587,964	SCHOOL OP	52,155.15	0.00	52,155.15
PRE/MBT TAXABLE: 1,089,729	SCHOOL OPER FC	0.00	0.00	0.00
NON PRE/MBT TAXABLE: 6,012,854	SCHOOL DEBT	6,569.61	0.00	6,569.61
PRE/MBT CAPTURED: 422,964	SCHOOL SUPPL	2,533.91	0.00	2,533.91
NON PRE/MBT CAPTURED: 1,165,000	SCHOOL BLDG	1,732.00	0.00	1,732.00
COM. PERS. TAXABLE: 61,500	TRANS AUTH	3,419.60	0.00	3,419.60
IND. PERS. TAXABLE: 0	FIRE DIST	15,490.13	0.00	15,490.13
SPEC. ACT PERS. TAXABLE: 0	LIBRARY DIST	2,828.68	632.10	2,196.58
	LIBRARY BOND	2,556.67	0.00	2,556.67
	TOTALS----->	99,512.69	3,364.57	96,148.12
	-----CAPTURED TAXES BREAKDOWN-----			
		POSITIVE CAPTURE	NEGATIVE CAPTURE	
COM. PERS. CAPTURED: -170,300	CO-ROADS	2,941.22	-1,376.48	
IND. PERS. CAPTURED: 0	CO-SENIORS	1,449.80	-678.66	
SPEC. ACT PERS. CAPTURED: 0	CO MED CARE	745.80	-349.21	
	SCHOOL OP	0.00	0.00	
	SCHOOL OPER FC	0.00	0.00	
	SCHOOL DEBT	0.00	0.00	
	SCHOOL SUPPL	0.00	0.00	
	SCHOOL BLDG	0.00	0.00	
	TRANS AUTH	0.00	0.00	
	FIRE DIST	0.00	0.00	
	LIBRARY DIST	1,188.41	-556.31	
	LIBRARY BOND	0.00	0.00	
	TOTALS----->	6,325.23	-2,960.66	

Fund Balance

FY	FY	Projected	Projected	Nature of Service / Notes
18-19	19-20	<u>20-21</u>	<u>21-22</u>	

DDA	225-000	121,654.00	141,571.00	163,280.86	169,533.86	

Fund 225 DDA FUND

GL Number	Description	Balance
*** Assets ***		
225-000.000-000.005	PETTY CASH	24.56
225-000.000-003.100	CASH HUNT	171,532.48
225-000.000-123.000	PREPAID EXPENSES	270.00
Total Assets		171,827.04
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
225-000.000-390.000	Fund Balance	135,447.30
225-000.000-390.022	PRIDE FUND BALANCE	6,123.27
Total Fund Balance		141,570.57
Beginning Fund Balance		141,570.57
Net of Revenues VS Expenditures		30,256.47
Ending Fund Balance		171,827.04
Total Liabilities And Fund Balance		171,827.04

2019 ANNUAL BUDGET

Charter Township of Grand Blanc Downtown Development Authority

Revenue			Year to Date
Property Taxes	350,133		0
Loans (from Grand Blanc Twp)	200,000		200,000
Interest Income	100		0
Grants	0		0
Total Revenue	550,233		200,000

Expenses			
Administrative Expenses	5,000		0
Audit Fees	5,000		0
Legal	10,000		0
Engineering	10,000		0
Planning/marketing	45,000		0
Loan Repayment	0		0
Total Expenses	75,000		0

Balance			
	475,233		200,000

Downtown Development Authority

Local Tax Increment Only

Proposed FY2021 Revenue and Appropriation Request and FY2022 - 2025 Forecasts

Prepared on April 2, 2020

Table 1 - Projected Revenue	FY2019	FY2020		FY2021	FY2022	FY2023	FY2024	FY2025	FY2021-25	NOTES	
	Final	Budget	Thru 03/31/20	Estimate	Request	Forecast	Forecast	Forecast	Forecast		TOTAL
Local Tax Increment	\$ 5,718,230	\$ 5,738,550	\$ 6,303,104	\$ 6,200,000	\$ 6,262,000	\$ 6,324,620	\$ 6,387,866	\$ 6,451,745	\$ 6,516,262	\$ 31,942,493	FY2020 Estimate plus 1.0% growth annually
Public Transit Millage Increment	522,053	524,663	583,933	583,933	589,772	595,670	601,627	607,643	613,719	3,008,432	FY2020 Estimate plus 1.0% growth annually
Sub-Total Tax Increment Revenues	\$ 6,240,283	\$ 6,263,213	\$ 6,887,037	\$ 6,783,933	\$ 6,851,772	\$ 6,920,290	\$ 6,989,493	\$ 7,059,388	\$ 7,129,982	\$ 34,950,925	
Gainsharing Property Tax Rebates @ 10% or 15% (618,900)	(618,900)	(618,821)	(687,386)	(687,386)	(683,677)	(690,299)	(1,045,424)	(1,055,908)	(1,067,247)	(4,542,286)	City, County, GRCC, & The Rapid rebates.
Prior Year Tax Increment Adjustments	75,400	(75,000)	5,193	(30,000)	(15,000)	(20,000)	(20,000)	(20,000)	(15,000)	(90,000)	Reserve for reductions due to assessment appeals
Sub-Total Tax Increment Revenues - Net	\$ 5,696,783	\$ 5,569,392	\$ 6,204,844	\$ 6,066,547	\$ 6,153,095	\$ 6,210,261	\$ 5,924,069	\$ 5,983,480	\$ 6,047,734	\$ 30,318,639	
Interest on Investments	252,587	142,199	96,711	156,639	112,396	72,645	72,645	92,959	113,272	463,917	FY2020-25 City Treasurer estimates on 3/17/2020
Lyon Square Partner Contributions	250,000	900,000	-	-	-	-	-	-	-	-	Partial support for reconstruction; offset by expenditures
Reimbursements - GRKCCAA for Arena Improvements	59,851	440,000	440,148	440,148	-	-	-	-	-	-	Arena Plaza exterior improvements
Reimbursements - FEMA 2013 Grd River Flood Damage	4,608	-	-	-	-	-	-	-	-	-	Repairs made shortly after damages
Reimbursements & Fees - Miscellaneous	2,714	5,000	556	2,500	5,000	5,000	5,000	5,000	5,000	25,000	Bid packet fees, incentive applications, etc
TOTAL PROJECTED REVENUES	\$ 6,266,543	\$ 7,056,591	\$ 6,742,259	\$ 6,665,834	\$ 6,270,491	\$ 6,287,906	\$ 6,001,714	\$ 6,081,439	\$ 6,166,006	\$ 30,807,556	
Table 2 - Administration											
General Administration	1,131,589	1,250,000	1,111,652	1,250,000	1,300,000	1,339,000	1,379,170	1,420,545	1,463,161	6,901,877	Fixed costs, staff, supplies, tech, legal, A-87 costs, etc.
City of Grand Rapids Legacy Costs	37,863	-	-	-	-	-	-	-	-	-	Former emp pension/OPEB \$189,315 @ \$37,863/yr for 5 years
Sub-Total Administration	\$ 1,169,452	\$ 1,250,000	\$ 1,111,652	\$ 1,250,000	\$ 1,300,000	\$ 1,339,000	\$ 1,379,170	\$ 1,420,545	\$ 1,463,161	\$ 6,901,877	
Table 3 - Debt Service for Bond Issues											
Series 2003B/2013B CCBA Bonds - DeVos Place	324,225	326,125	302,625	326,125	321,400	315,100	318,400	316,200	-	1,271,100	Debt matures 12/01/2023. Final d/s pmt is in FY2024.
Series 2008 KCDC Bonds - Floodwall Refunding	15,782	15,683	15,373	15,683	15,810	-	-	-	-	15,810	Debt matures 11/01/2020. Final d/s pmt is in FY2021.
Series 2012A BRDA Bonds - Ionia South of Wealthy	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	375,000	Debt matures 06/01/2032. Final d/s pmt is in FY2032.
Series 2019 LTGO Bonds - Lyon Square Improvements	-	359,267	-	-	-	-	-	-	-	-	Debt financing no longer necessary
Debt Service Support for Debt Increment Fund	-	-	-	-	-	718,308	-	-	-	718,308	For projected cash shortfall in FY2022
Paying Agent Fees - Van Andel Arena & Floodwall Bonds	675	600	438	600	600	500	-	-	-	1,100	Paying agent fees for Floodwalls & Debt Increment Bonds
Sub-Total Debt Service	\$ 415,682	\$ 776,675	\$ 393,436	\$ 417,408	\$ 412,810	\$ 1,108,908	\$ 393,400	\$ 391,200	\$ 75,000	\$ 2,381,318	
Table 4 - Project Expenditures: Committed and Planned											
Goal #1: Restore the River as the Draw and Create a Connected and Equitable River Corridor											
Arena South Implementation	\$ 20,232	\$ 50,000	\$ 7,191	\$ 7,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Ionia Avenue festoon lighting
River Governance	-	-	-	-	150,000	150,000	200,000	-	-	500,000	Support to establish Grand River governance framework
Downtown Plan	104,956	250,000	190,157	250,000	100,000	-	-	-	-	100,000	Areas 7/8/9 planning
Grand River Activation	-	-	1,512	1,512	-	800,000	800,000	-	-	1,600,000	White water planning, engin, design, & implementation
Lyon Square Improvements	9,072	900,000	2,002	2,002	-	-	-	-	-	-	Expenditures offset by partner contributions
Pearl Street Gateway Enhancements	(10,094)	-	-	-	-	-	-	-	-	-	Pedestrian enhancements to gateway treatment
River Edge Improvements	41,147	-	5,916	5,916	1,500,000	500,000	-	-	-	2,000,000	Infrastructure improvements to River edges, including trails and A
Sub-Total	\$ 165,313	\$ 1,200,000	\$ 206,778	\$ 266,621	\$ 1,750,000	\$ 1,450,000	\$ 1,000,000	\$ -	\$ -	\$ 4,200,000	
Goal #2: Create a True Downtown Neighborhood Which is Home to a Diverse Population											
Affordable Housing Support	506	250,000	-	133,425	-	-	-	-	-	-	Two-year pilot to initiate direct DDA support program
Development Project Guidance	4,598	50,000	6,725	25,000	50,000	50,000	50,000	50,000	50,000	250,000	Legal / staff-time expended on behalf of development projects
Development Project Tax Increment Reimbursements	1,004,600	1,400,000	1,039,585	1,073,137	1,400,000	1,450,000	1,470,000	1,500,000	1,500,000	7,320,000	Partial reimbursements for development projects
Downtown Census	-	15,000	-	-	-	-	-	-	-	-	Build/update comprehensive residential demographic census
Downtown Enhancement Grants	411,162	250,000	31,969	50,000	75,000	75,000	75,000	75,000	75,000	375,000	Building re-use; areaway abatement; & streetscape improv
Weston Street - Sheldon to LaGrave Ave.	95,261	-	6,029	-	-	-	-	-	-	-	DDA contribution to street design upgrades and amenities
Sub-Total	\$ 1,516,127	\$ 1,965,000	\$ 1,084,308	\$ 1,281,562	\$ 1,525,000	\$ 1,575,000	\$ 1,595,000	\$ 1,625,000	\$ 1,625,000	\$ 7,945,000	
Goal #3: Implement a 21st Century Mobility Strategy											
Accessibility and Mobility Repairs	5,650	75,000	67,310	75,000	150,000	75,000	75,000	75,000	75,000	450,000	Inclusive design implementation; Collective impact plan
Bicycle Friendly Improvements	58,063	125,000	-	-	125,000	75,000	75,000	75,000	75,000	425,000	Bike parking, protected bike lane, bike share
DASH North Shuttles Services	100,381	120,000	120,000	120,000	175,000	175,000	150,000	150,000	150,000	800,000	DASH service from North Monroe area to main downtown
Michigan / Ottawa Gateway	10,000	50,000	-	-	-	-	-	-	-	-	Improvs to Michigan/Ottawa gateway on MDOT property
New Downtown Circulator Infrastructure	-	475,000	-	50,000	400,000	-	-	-	-	400,000	Bus wraps, digital / information infrastructure, etc.
Streetscape Improvements: CBD, Heartside, Arena S.	270,920	360,000	384,919	420,000	1,340,000	450,000	200,000	200,000	200,000	2,390,000	River Trail & crossing; Monroe Center Alley; Division TOD Pilot, €
Streetscape Improvements: Division - Fulton to Wealthy	-	310,000	47,252	310,000	340,000	-	-	-	-	340,000	Division Ave lighting & pedestrian improvements - 8/14/19
Wayfinding System Improvements	66,513	200,000	1,474	640	200,000	200,000	-	-	-	400,000	Wayfinding, updates & repairs to wayfinding system
Sub-Total	\$ 511,527	\$ 1,715,000	\$ 620,955	\$ 975,640	\$ 2,730,000	\$ 975,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 5,205,000	
Goal #4: Expand Job Opportunities and Ensure Continued Vitality of the Local Economy											
Economic Development and Innovation	35,689	450,000	227,777	250,000	750,000	450,000	450,000	450,000	450,000	2,550,000	Retail innovation, dntn biz support/recruitment/research
Goal #5: Reinvest in Public Space, Culture, and Inclusive Programming											
Arena Plaza Improvements - Local Tax Increment Share	-	672,000	8,968	500,000	500,000	-	-	-	-	500,000	Van Andel Arena public space
Calder Plaza Improvements - Local Tax Increment Share	-	672,000	14,000	20,000	-	250,000	-	-	-	250,000	Calder Plaza Improvements
Downtown Marketing and Inclusion Efforts	295,708	416,000	220,141	416,000	420,000	420,000	420,000	420,000	420,000	2,100,000	Grow vibrancy & diversity for a more welcoming downtown
Downtown Tree Plantings	76,894	100,000	74,954	100,000	150,000	100,000	75,000	50,000	50,000	425,000	Investments in urban tree canopy
Heartside Public Restroom Facility Construction	-	50,000	45,074	150,000	100,000	-	-	-	-	100,000	Facility construction only.
Parks Design	271,516	300,000	110,072	110,072	350,000	200,000	-	-	-	550,000	Calder & Lyon final design; Switchback & Heartside prelim
Public Realm Improvements - Local Tax Increment Share	276,989	200,000	10,422	-	150,000	150,000	-	-	-	300,000	Rosa Parks Reconstruction

Sheldon Boulevard - Fulton Street to Weston Street	57,742	200,000	34,065	-	-	-	-	-	-	-	-	DDA share of street design upgrades and amenities
Snowmelt System Capital Repairs	30,370	25,000	-	-	-	-	-	-	-	-	-	Implementation of system asset management plan
State of Downtown / Annual Report	3,887	25,000	27,901	30,000	25,000	25,000	25,000	25,000	25,000	25,000	125,000	Production of State-mandated reports and annual meeting
Urban Recreation Improvements	103,622	100,000	28,624	40,000	50,000	50,000	50,000	50,000	50,000	50,000	250,000	Parks programming, fitness equip, winter rec improv, etc
Veterans Park Improvements	14,909	-	-	-	-	-	-	-	-	-	-	Construct new park designed by Veterans' MP Committee
Sub-Total	\$ 1,131,637	\$ 2,760,000	\$ 574,221	\$ 1,366,072	\$ 1,745,000	\$ 1,195,000	\$ 570,000	\$ 545,000	\$ 545,000	\$ 545,000	\$ 4,600,000	

Total Project Expenditures \$ 3,360,293 \$ 8,090,000 \$ 2,714,039 \$ 4,139,895 \$ 8,500,000 \$ 5,645,000 \$ 4,115,000 \$ 3,120,000 \$ 3,120,000 \$ 24,500,000

Total Expenditures \$ 4,945,427 \$10,116,675 \$ 4,219,127 \$ 5,807,303 \$10,212,810 \$ 8,092,908 \$ 5,887,570 \$ 4,931,745 \$ 4,658,161 \$33,783,195

Table 4 - Excess / (Deficit) of Revenues Over Expenses

Fund Balance - Beginning	\$ 4,870,890	\$ 6,192,006	\$ 6,192,006	\$ 6,192,006	\$ 7,050,537	\$ 3,108,218	\$ 1,303,216	\$ 1,417,360	\$ 2,567,054	\$ 7,050,537
Plus: Projected Revenue	6,266,543	7,056,591	6,742,259	6,665,834	6,270,491	6,287,906	6,001,714	6,081,439	6,166,006	30,807,556
Less: Administration and Debt Service	(1,585,134)	(2,026,675)	(1,505,088)	(1,667,408)	(1,712,810)	(2,447,908)	(1,772,570)	(1,811,745)	(1,538,161)	(9,283,195)
Less: Project Expenditures	(3,360,293)	(8,090,000)	(2,714,039)	(4,139,895)	(8,500,000)	(5,645,000)	(4,115,000)	(3,120,000)	(3,120,000)	(24,500,000)
Fund Balance - Ending	\$ 6,192,006	\$ 3,131,922	\$ 8,715,138	\$ 7,050,537	\$ 3,108,218	\$ 1,303,216	\$ 1,417,360	\$ 2,567,054	\$ 4,074,899	\$ 4,074,899

Fund Balance Target - 15% of Annual Exps \$ 741,814 \$ 1,517,501 \$ 632,869 \$ 871,095 \$ 1,531,922 \$ 1,213,936 \$ 883,136 \$ 739,762 \$ 698,724

Hierarchy of Strategic Intent

