



**THE CITY OF THE VILLAGE OF DOUGLAS
DOWNTOWN DEVELOPMENT AUTHORITY
WEDNESDAY, MARCH 01, 2023 AT 2:00 PM
86 W CENTER ST., DOUGLAS MI**

AGENDA

To attend and participate in this remote meeting of the City of the Village of Douglas Downtown Development Authority, please consider joining online or by phone.

Join online by visiting: <https://us02web.zoom.us/j/83702351510>

Join by phone by dialing: +1 (312) 626-6799 | **Then enter “Meeting ID”:** 837 0235 1510

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT CALENDAR

A. Approval of Agenda - March 1, 2023

B. Approval of Minutes - January 25, 2023

C. Secretary (Balmer)
Written Communications
Notice of Board Vacancy (1 vacant seat)

D. Treasurer (Laakso)
Financial Update
Accounts Payable

E. Vice Chair (Postilion)

F. Chair (Ketelhut)

Motion to approve the Consent Calendar of March 1, 2023 – roll call vote

4. PUBLIC COMMUNICATION - VERBAL (LIMIT OF 3 MINUTES)

5. PUBLIC COMMUNICATION - WRITTEN

A. Lebenart Gallery: Douglas Entrance Signs

B. John Thomas, Owner, Mixed Media Gallery: Letter

6. UNFINISHED BUSINESS

A. TIF Plan

B. Welcome Center Literature -

Motion to approve the placement of Douglas Downtown Development Authority visitor guide literature at Michigan Welcome Centers for 2023 - roll call vote

C. Budget Priorities for FY 23-24 - Discussion item

7. NEW BUSINESS

A. Holiday Lighting FY 23-24 -

Motion to consider amending the Chips Groundcover Agreement and recommend City Council support decorative structure lighting at City Hall, the Police Department, Beery Field bathrooms, and the gateway sign at a cost not greater than \$5,900 for FY 23-24 - roll call vote

8. REPORTS

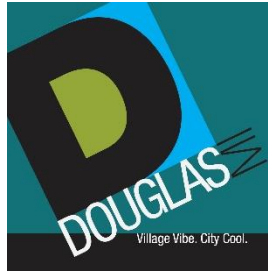
9. PUBLIC COMMUNICATION – VERBAL (LIMIT OF 3 MINUTES)

10. BOARD COMMENTS

11. CHAIR COMMENTS

12. ADJOURNMENT

Please Note – The City of the Village of Douglas (the “City”) is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of this meeting or the facilities, are requested to contact Pamela Aalderink, City Clerk, at (269) 857-1438, or clerk@douglasmi.gov to allow the City to make reasonable accommodations for those persons. CITY OF THE VILLAGE OF DOUGLAS, ALLEGAN COUNTY, MICHIGAN



**THE CITY OF THE VILLAGE OF DOUGLAS
DOWNTOWN DEVELOPMENT AUTHORITY
WEDNESDAY, JANUARY 25, 2023 AT 2:00 PM
86 W CENTER ST., DOUGLAS MI**

MINUTES

1. **CALL TO ORDER:** Chair Walker called the meeting to order at 2:00 pm
2. **ROLL CALL:** Present: Balmer, Donovan, Ketelhut, Martyniek, Postilion, Stefanchik, Walker

Absent: Laakso
3. **ELECTION OF OFFICERS**
 - A. At the direction of the City Council written ballots were cast for Chair / Vice-Chair / Treasurer / Secretary. City Manager LaBombard then read into the record the Authority members name and who they cast their ballot for.

Balmer - Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Donovan - Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Ketelhut – Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Martyniek - Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Postilion - Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Stefanchik - Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Walker - Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

2023 Elected Offices: Chair Ketelhut, Vice-Chair Postilion, Secretary Balmer, Treasurer Laakso

Motion by Martyniek, with support from Balmer, to approve the election of officers for 2023. –
Motion carried by unanimous roll call vote.
4. **CONSENT CALENDAR**
 - A. Approval of Agenda – January 25, 2023

B. Approval of Minutes – December 28, 2022

C. Secretary Report (Balmer)

Written Communications - none

Notice of Board Vacancy (1 vacant seat)

D. Treasurer (Laakso) – Report included in packet

E. Vice-Chair (Postilion) – No report

F. Chair (Ketelhut) – Thanked Walker for past two years of leadership.

Motion by Martyniek, with support from Balmer, to approve the January 25, 2023 Consent Agenda. –
Motion carried by unanimous roll call vote.

5. PUBLIC COMMUNICATION - VERBAL (LIMIT OF 3 MINUTES): No comments

6. PUBLIC COMMUNICATION – WRITTEN: No comments

7. UNFINISHED BUSINESS

A. Gateway Signage and Low-Profile Signage Examples - Discussion Item – City Manager LaBombard discussed the clear vision easement and will be providing the City Engineer and City Attorney with the easement language to determine if it can be used for signage purposes. The next step will be to determine if the easement can be utilized by the City for signage purposes following the City's zoning ordinance. The Members discussed some highlight elements to incorporate for low profile signs, which will be shared with the designer.

B. DRAFT DDA TIF Plan - Discussion Item – The draft plan was included in the packet. There was discussion about what items included in the plan needed to be updated. Members mentioned some of the business addresses or names may not be accurate. City Manager LaBombard will be connecting with the Assessor to assist with address updates. Walker questioned the bicycle amenities and altering the wording on page 15 of the plan under events and festivals. On page 11 of the plan, Postilion questioned changing the colors of benches on map.

C. DDA Priorities, Budget Development, Project List - Discussion Item – The priority list provided in the agenda memo from City Manager LaBombard was discussed. Items included gateway signage, grant writer, Wades Bayou improvements, holiday lighting/décor, sidewalks/ADA improvements, and acquisition of vacant property. Chair Ketelhut had asked if each Member can take an item from the list to focus on. City Manager LaBombard also stated to Members that when discussion involving acquisition of property occurs, it can only be done in closed session.

Motion by Balmer, with support from Walker, to extend the meeting by 15 minutes. – Motion carried by unanimous roll call vote.

8. NEW BUSINESS

A. DDA Welcome Center Literature Orders 2023 – Members discussed the need for a new design for the DDA visitor guide. Chair Ketelhut will be designing a new one to present at the next meeting.

Motion by Postilion, with support from Stefanchik, to table item for next meeting – Motion carried by unanimous roll call vote.

- B. Community Events Funding Application - Art in Douglas – Members reviewed the application and discussed available funds.

Motion by Donovan, with support from Stefanchik, to approve the Community Events Funding request from Maggie Bandstra in the amount of \$2,500 for Art in Douglas event. – Motion carried by unanimous roll call vote.

Motion by Martyniek, with support from Donovan, to extend the meeting by 5 minutes. – Motion carried by unanimous roll call vote.

9. **REPORTS:** City Manager LaBombard – mentioned addition of new electric to Berry Field and Wades sidewalk extension with DDA being included in discussion.

10. **PUBLIC COMMUNICATION – VERBAL (LIMIT OF 3 MINUTES):** No comments

11. **BOARD COMMENTS:** Walker- mentioned City staff working on Wayfinding, and overpass 196 signage.

12. **CHAIR COMMENTS:** Chair Ketelhut- Thanked members for welcoming him.

13. **ADJOURNMENT:**

Motion by Balmer, with support from Walker, to adjourn the meeting. Motion carried by voice vote.

Submitted on January 27, 2023, By Deputy Clerk Kasper

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DDA TREASURER'S REPORT for February 22, 2023 Meeting

Expenses totaling \$5,446.95 were incurred during January including the recurring \$650.00 monthly allocation of Douglas staff expenses, \$626.50 of Prein & Newhoff expenses for work related to the Gateway signage and clear vision easement project, and an accrual of \$4,170.70 of TIF audit expenses from Williams & Works. Revenue of \$4,422.02 was recorded during January representing the last installment of TIF recapture for the fiscal year.

At January 31, 2023, the DDA had cash on hand of \$114,195.34. Accounts payable of \$4,796.95 were recorded for Prein & Newhoff and Williams & Works outstanding invoices detailed above, leaving an ending fund balance of \$109,398.39.

2/17/23

DDA BUDGET - 2022-2023 FISCAL YEAR as of July 1, 2022

	2022-2023 Approved Budget	Activity for January 2023	2022-2023 YTD Activity	Budget Remaining to Earn/Spend	Comments
REVENUES					
TAX INCREMENT RECAPTURE	\$ 39,188.00	\$ 4,422.02	\$ 40,423.98	\$ (1,235.98)	TIF Recapture
OTHER INCOME	8,000.00		8,000.00	-	\$8,000 Grant from CVB for Holiday Lighting
TOTAL Revenues	\$ 47,188.00	\$ 4,422.02	\$ 48,423.98	\$ (1,235.98)	
EXPENSES					
TRAINING FUNDS				\$ -	
DDA ADMINISTRATION	7,800.00	650.00	4,550.00	3,250.00	Allocation of Douglas Staff Expenses
WEBSITE	550.00			550.00	
BUSINESS INCENTIVE PROGRAM	5,000.00			5,000.00	
					Prein & Newhof Expenses of \$5,851 reclassified to Contractual Planning Study; balance represents TIF audit expenses of \$4,170.70 and \$626.25 for P&N Clear visioning Gateway easement review work
CONTRACTUAL ENGINEERING	9,800.00	(1,054.05)	2,061.50	7,738.50	
PROMOTIONS/COMMUNITY	18,000.00	-	9,703.44	8,296.56	Art on Center Commercial Record and Urban Street Ads; Holiday Lighting
DUES/FEES/PUBLICATIONS	450.00			450.00	
CONTRACTUAL PLANNING STUDY	-	5,851.00	5,851.00	(5,851.00)	Prein & Newhof Expenses of \$5,851 reclassified from Contractual Engineering during January
TOTAL Expenditures	\$ 41,600.00	\$ 5,446.95	\$ 22,165.94	\$ 19,434.06	
SUMMARY:	-	-	-		
REVENUES:	\$ 47,188.00	\$ 4,422.02	\$ 48,423.98	\$ (1,235.98)	
EXPENDITURES	<u>41,600.00</u>	<u>5,446.95</u>	<u>22,165.94</u>	<u>19,434.06</u>	
BUDGET NET INCOME (LOSS)	<u>\$ 5,588.00</u>	<u>\$ (1,024.93)</u>	<u>\$ 26,258.04</u>	<u>\$ (20,670.04)</u>	Excludes Capital Expenditures
Memo: Including Proposed Capital Expenditures					
Proposed Capital Expenditures	\$ 34,000.00			\$ 34,000.00	
Total Expenditures	\$ 75,600.00	5,446.95	22,165.94	\$ 53,434.06	
Net of Revenues & Expenditures	<u>\$ (28,412.00)</u>	<u>\$ (1,024.93)</u>	<u>\$ 26,258.04</u>	<u>\$ (54,670.04)</u>	

12/28/2022

February 7, 2023

To: Douglas City Council & DDA
From: Marcia & John Leben

RECEIVED
FEB 08 2023
By: _____

We are the owners of LebenArt Gallery at 23 Center Street. Our gallery has been located there for 6 years.

During those 6 years we have witnessed the two signs for "Douglas" currently on Blue Star Highway disintegrate into something we can only describe as embarrassing. These signs should be directing our potential customers to turn off of Blue Star Hwy so that they can discover the quaint little shopping and eating district of Downtown Douglas. But these two signs have proven to be less than inviting.

These two signs are basically falling down in front of our eyes. They have peeling paint, cobwebs, rust and an overall message of neglect. Why would someone follow these signs? In fact, the sign on Center and Blue Star actually did fall down in a wind storm and was patched back together. This winter it was haphazardly decorated with lights which might remind someone of a brothel. The sign on Main St & Blue Star has been repainted many times but continues to peel and rust and is overall dark and depressing. Everyday when we drive to work at our gallery we are embarrassed.....and the officials of the City of Douglas should be embarrassed too!

We are writing to ask you to please consider the immediate replacement of the two Douglas signs that are currently on Blue Star Highway. The business owners on Center Street in Downtown Douglas cannot wait for 2, 3, or 10 more years for a solution. The livelihood of the businesses and the town of Douglas depends on potential customers finding our hidden gem. The purpose of this sign should be to invite drivers to turn off of Blue Star Hwy and discover Downtown Douglas. In our opinion the new sign needs an arrow to help accomplish this.

We know that there are long range plans in place for signage. Unfortunately the businesses on Center Street cannot wait that long. We urge you to plan for replacement of these signs for the 2023 Tourist Season.

Respectfully Submitted.
Marcia & John Leben
Lebenart Gallery
23 Center Street
Douglas MI 49406
marcia@bumbley.com
jleben@lebenart.com

RECEIVED
JAN 30 2023

To the Douglas City Council and the Douglas DDA,

Over 20 years ago, the Douglas DDA was formed to try and resurrect the dying Douglas downtown. Anyone who was here then can tell you what I mean by that, so I won't go into detail about it here. But back then, a handful of individuals took a chance on resurrecting the downtown. I was one of them, and I am still here and committed to being here.

Early on, we had great success. Our turnaround was written up in the media; some businesses won regional awards and people were talking about the "Douglas Renaissance". Local TV stations even started referring to our area as "Saugatuck Douglas," which was concrete evidence of what was happening. It was our downtown that helped put Douglas on the map!

But, as time went on, we encountered several bumps in the road; the whole downtown was torn up for months for infrastructure improvements, we weathered multiple recessions like 2007, we also lived through the impact of 9/11, and of course COVID. Those things have taken a toll. As a result, I am now the longest surviving retailer from those early days and I have compiled a long list of fellow business owners who have thrown in the towel out of economic necessity. It has not been easy! And it will not be any easier going forward.

In fact, today we face the greatest threat to the survival of our downtown that I have seen. Like so many other brick and mortar business districts around the world, our existence is threatened by multiple changes in our culture, technology and behavior patterns of the customers we rely upon in order to stay in business and keep our downtown viable.

Each of us who own businesses has to find our own solutions to those challenges. And those solutions will vary depending on the type of business we own.

Many things are beyond our control and we need to understand which ones are. Most of them are also beyond the ability of the Council and the DDA to effect.

But there is one very specific thing that you can help with and that is the signage for downtown and its potential to drive more traffic to our businesses. It is not the "sign" that is important, it is the "purpose" of the sign that is important. And unfortunately that has been lost in all of the debates about the sign FOR YEARS and has resulted in immeasurable lost opportunity for our business community during this dragged out process.

If you have been on the Council or the DDA for any length of time, you know that I have addressed this issue in person, by zoom, through multiple letters on the subject, and at focus groups on this topic. Mostly to little or no avail.

But, here I am again because I refuse to give up on Douglas' potential and future.

First, let me repeat why this topic is so critical to the survival of our downtown.

To begin with, let me remind everyone why the DDA was formed. It was formed because it had been proven that small town business districts were dying everywhere and that their survival would ONLY happen if they were given the attention and support of government to do things that individual businesses were incapable of doing by themselves.

And a perfect example is the sign for our downtown at the corner of Center and Blue Star. That sign is owned and controlled by our city government. We, as business owners can't do anything with that critical piece of infrastructure without your permission and approval. So we are at your mercy when it comes to using that tool to get people downtown to our businesses. Period!

Yes, we can take out ads in the paper. We can even pay for billboards on the highway. But the single most effective means of getting people downtown, is by having an "effective" sign at Center and Blue Star to convince people to turn when they are at that intersection!

And we need that sign because our downtown is practically invisible to people when they are driving on Blue Star. So much so, that we constantly hear from people who have been coming here for years and who tell us that they never knew we had a downtown.

But, we are at risk of missing out on the full potential of that sign if current plans for signage at that location move forward as envisioned in the concepts that were part of the DDA's packet for it's January 25th meeting. I have been saying this since the early planning stages of the new Douglas signage was shared with people.

My issue is not with things like color, inches, fonts, herons, etc. What I am talking about is that we are missing the mark when it comes to understanding how important that sign is to the survival of our downtown and we are missing "what the sign needs to accomplish."

For starters, people keep referring to the sign at Blue Star and Center as a "gateway" sign (See Rich LaBombard's December 28 message to the DDA, Re: Gateway Signage and Low-Profile Signage Examples). By definition, a "gateway" sign is a sign that denotes boundaries, e.g. "Entering Douglas." But we don't need a gateway sign at that intersection saying DOUGLAS. We do need a much better welcome to Douglas sign than we currently have where you enter town - but not at Center and Blue Star. What we Do Need for downtown is a sign that will ENTICE, MOTIVATE, AND COMPEL people to turn at that corner!

A gateway sign at Center and Blue Star will not motivate anyone! We have had a downtown sign with an arrow for years and that hasn't been enough. A new sign has to be creative, compelling and not just a cookie-cutter sign like the ones being proposed and considered.

In an era when people are buying everything on the internet, we have to give people more of a reason to visit our downtown - because they don't need "downtowns" anymore.

So, I am asking you again to do better. And to urgently come up with a solution that is specifically designed to meet the goals of driving more traffic downtown. Anything less will not help us. And dragging this out for years longer, until the DDA has the funds to build the grandiose "arch" (which is just a different form of a gateway sign) is not the answer either.

From my point of view, this situation deserves the same kind of problem solving and urgency that we saw when the restaurants in town appealed to the Council for special consideration during COVID. Everyone pulled out all of the stops to come up with SOLUTIONS. The focus was on CAN not CAN'T. And it needs to happen in time for this season - not "eventually."

My argument is that this issue deserves special commitment and focus in order to keep our business district alive today. This can't continue to drag on indefinitely. We don't want our downtown to go back to what it was before we created the DDA. Yet, from my perspective, that's what is at stake.

John Thomas,



owner, Mixed Media Gallery
1/29/2023

MEMORANDUM

To: City of the Village of Douglas Downtown Development Authority
Date: February 17, 2023
From: Nathan Mehmed, AICP
RE: **DDA Development & TIF Plan Adoption Next Steps**

The purpose of this memo is to provide an overview of the adoption process required by Michigan Public Act 57 of 2018. Once the Douglas Downtown Development Authority is satisfied with the updated Development & TIF Plan, it should recommend the Plan to the City Council. The following are step by step instructions of the required process:

1. The Downtown Development Authority shall recommend the Development Plan and Tax Increment Financing Plan to the City Council.
2. City Council is required to set a public hearing.
3. Notice of the time and place of the hearing shall be given by publication twice in a newspaper of general circulation designated by the City, 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. Notice shall also be mailed not less than 20 days before the hearing by certified mail to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the development plan or the tax increment financing plan is approved or amended.
 - a. 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, and that all aspects of the development plan will be open for discussion at the public hearing; and other information that City Council considers appropriate. At the time set for hearing, City Council shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference to the development plan. 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. City Council shall make and preserve a record of the public hearing, including all data presented thereat.

4. City Council, after a public hearing on the development plan and the tax increment financing plan, shall determine whether the development plan and 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 (Douglas does not require a citizens council, so this is not applicable).
 - b. The plan meets the requirements set forth in section 217(2) of Michigan Public Act 57 of 2018.
 - 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 part.
 - 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 part 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.

Per our scope of work, we can provide templates of public notices and the ordinance related to the Plan amendment; but we recommend that the City have the City's Attorney give a final review of the documents. Additionally, the City will be responsible for mailing and posting of all notices.

Please feel free to contact us if there are questions or comments.

City of the Village of
Douglas, Michigan

DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN

Adopted: May 1, 2006
Updated:

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

Table of Contents:

INTRODUCTION

Purpose of the Recodified Tax Increment Financing Act.....	1
Creation of the Downtown Development Authority and Update of the Development Plan and Tax Increment Financing Plan....	1
Overview of the Development Plan.....	2

DEVELOPMENT PLAN

Section 217(2)(a).....	3
Section 217(2)(b).....	3
Section 217(2)(c).....	4
Purpose of this Development Plan and Tax Increment Financing Plan.....	7
Development Projects.....	8
Description of Desired Zoning Changes and Changes in Streets, Street Levels, Intersections, or Utilities.....	26
Planned New Development.	26
Existing and Planned Open Space.	26
Identification of Private Interests.	26
Dispositions of Property To or From the City.....	26
Proposed Land Disposition Terms and Bidding Procedures...	26
Development Cost Estimates and Financing.....	27
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.	27

Plan for Establishing Priority for Relocation of Displaced Persons.....	28
Provision for the Costs of Relocating Displaced Persons.....	28
Compliance With Act 227 of the Michigan Public Acts of 1972.....	28

TAX INCREMENT FINANCING PLAN

Tax Increment Financing Procedure.....	29
Estimates of Captured Assessed Values and Tax Increment Revenues.....	30
Use of Tax Increment Revenue.....	31
Bonded Indebtedness to be Incurred (if any).....	32
Duration of Plan.....	32
Impact on Assessed Values and Tax Revenues.....	32
Use of the Captured Assessed Values.....	33
Reports.....	33

EXHIBITS

1. Legal Description of Downtown District & Development Area
2. Schedule of Taxable Values and Property List (2, 2A, 2B, 2C)
3. Schedules of Anticipated Tax Increment Revenues and Projected Impact on Taxing Jurisdictions (3A, 3B)
4. Part 2, Downtown Development Authorities, Recodified Tax Increment Financing Act 57 of 2018

MAPS

1. Map 1 | Downtown District & Development Area Boundaries
2. Map 2 | Zoning

City of the Village of Douglas Downtown Development Authority Development Plan and Tax Increment Financing Plan

INTRODUCTION

A. Purpose of the Recodified Tax Increment Financing Act.

Michigan Public Act 57 of 2018, as amended, referred to as the Recodified Tax Increment Financing Act ("the Act"), is an Act to provide for the recodification and establishment of certain tax increment financing authorities; to prescribe the powers and duties of the authorities; to correct and prevent deterioration in residential, commercial, and industrial areas and certain other areas; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas; to promote residential and economic growth; to create certain boards; to prescribe the powers and duties of certain boards; to authorize the issuance of bonds and other evidences of indebtedness; to levy certain taxes; to authorize the use of tax increment financing; to prescribe powers and duties of certain state officials; to provide for rule promulgation; to provide for enforcement of this act; and to repeal acts and parts of acts. Michigan Public Act 57 of 2018 replaced Michigan Public Act 197 of 1975, commonly referred to as the Downtown Development Authority Act. A copy of Part 2 of Act 57 is attached as exhibit 4 in this plan.

Part 2 of 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 and Update of the Development Plan and Tax Increment Financing Plan.

On November 3, 1997, the City Council of the City 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.

In 2021, the City of the Village of Douglas Downtown Development Authority initiated an update to the first Development Plan and Tax Increment Financing Plan to re-evaluate and re-prioritize projects and goals of the Plan. On (INSERT DATE), an update to the 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 updated Plan was adopted by the City Council on (INSERT DATE).

C. *Overview of the Development Plan.*

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 remains underutilized and contains several buildings and sites 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 217(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 217(2)(b).*

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

1. Streets and rights-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 rights-of-ways within the DDA district include portions of:

- Blue Star Highway from St. Peters Drive to a 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 park land. 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 217(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.

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. To improve the overall business climate of the DDA District through planning, promotion, coordination of activities, and implementation of specific improvement projects.
5. To accommodate residential uses within the DDA District to create a continuum of activity.
6. To establish facility design that reflects the character and heritage of the DDA district while promoting compatibility between new and existing developments
7. To 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 function and 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, such as establishing community Wi-Fi or installing green infrastructure systems for stormwater management.

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.

Improvements have been completed on Center Street and Blue Star Highway in recent years, so now the DDA's focus will turn primarily to the maintenance and repair of corridor enhancements already undertaken.

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, gathering and entertainment spaces, walking paths, boating improvements, and other amenities normally associated with parks and 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. The support of additional events and festivals should be proposed to take place in different areas of the DDA throughout the year as regularly scheduled events. Adequate promotion of these events should take place by publicizing them in newspapers, on 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.

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. There is consensus among business owners that the downtown is a healthy and functioning business district, but directing patrons to downtown has long since been a challenge. Prominent gateway feature(s) near Blue Star Highway and Center Street have been identified as a key element to addressing this challenge. 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 community's assets.

v. DDA District Planning, Promotion & Staffing

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.

Webpage: The City's website is in the process of being updated to enhance the page devoted to the Douglas DDA. This page needs to be regularly updated and should 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.

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 manage projects taken on by the DDA, 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 57 of 2018, 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 217(2) of the Act, followed by the tax increment financing plan as described in Sections 214, 215, and 216 of the Act.

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 prioritizes listed in the subsequent tables. 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 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 2022 and do not take into account an inflation factor of 3-4% per year for each year period after the 2022 actual value. Costs should include all construction, engineering, and legal expenses anticipated by each potential project. The cost of the various parts of the Development Plan are estimated to follow the date ranges provided in the subsequent tables and anticipated approximate costs are variable based on market conditions, cost of construction materials, and final design or scope of the development project.

Development Projects

The following tables summarize the various projects and activities proposed, including an estimated cost and priority for each. This section includes figures from other applicable planning documents in an effort to “weave” them into this plan. As noted previously, the costs are generalized estimates only and are subject to change without further amendment to this Plan. Costs assume the total funds needed to complete a project, although it is unlikely that the DDA would be responsible to fund the total amount needed for any one project. For example, the DDA may contribute matching funds to a grant, partial funds to a City road or park project, or may supplement work with donations or volunteers.

These priorities and estimates may vary because of private investment decisions, financing opportunities, market shifts or other factors.

Projects are organized by priority. **High Priority Projects** are tasks that the DDA intends to focus on in the near future. These include:

- Beery Field General Improvements
- Wade’s Bayou General Improvements
- Gateway Treatment
- Street Signage Improvements and Way-finding System
- Grants Coordinator/Project Administration
- DDA Promotion

Supplemental projects are illustrated as well for when opportunities, such as funding or technical support, arise.

High priority projects are expected to be completed between 2022 and 2032; Medium Priority projects between 2032 and 2042; and Low Priority projects between 2042 and 2052. Projects that are anticipated to be continuous throughout the duration of the Plan are also considered “ongoing” and are specified as such in the following tables.

Medium and Low Priority projects have been identified as supplemental to High Priority projects, but are still considered valuable projects the DDA may undertake.

Medium Priority Projects:

- Non-Motorized Circulation Maintenance & Improvement Projects
- Corridor Enhancements
- Establish Free District Wide High-Speed Internet/Wi-Fi
- Creative Art and Design Projects
- Events and Festivals
- Property/Structure Acquisition
- Elements of the Street Signage Improvements and Wayfinding System
- Technical Support for Businesses
- Increase Neighborhood Communication of Planning Activities
- Coordinate Activities with Local Institutions and Businesses
- Market Available Properties in the District
- Identify Strategic Locations for Bicycle Amenities
- Provide Consistent, Low-Energy and Dark-Sky Compliant Lighting

Low Priority Projects:

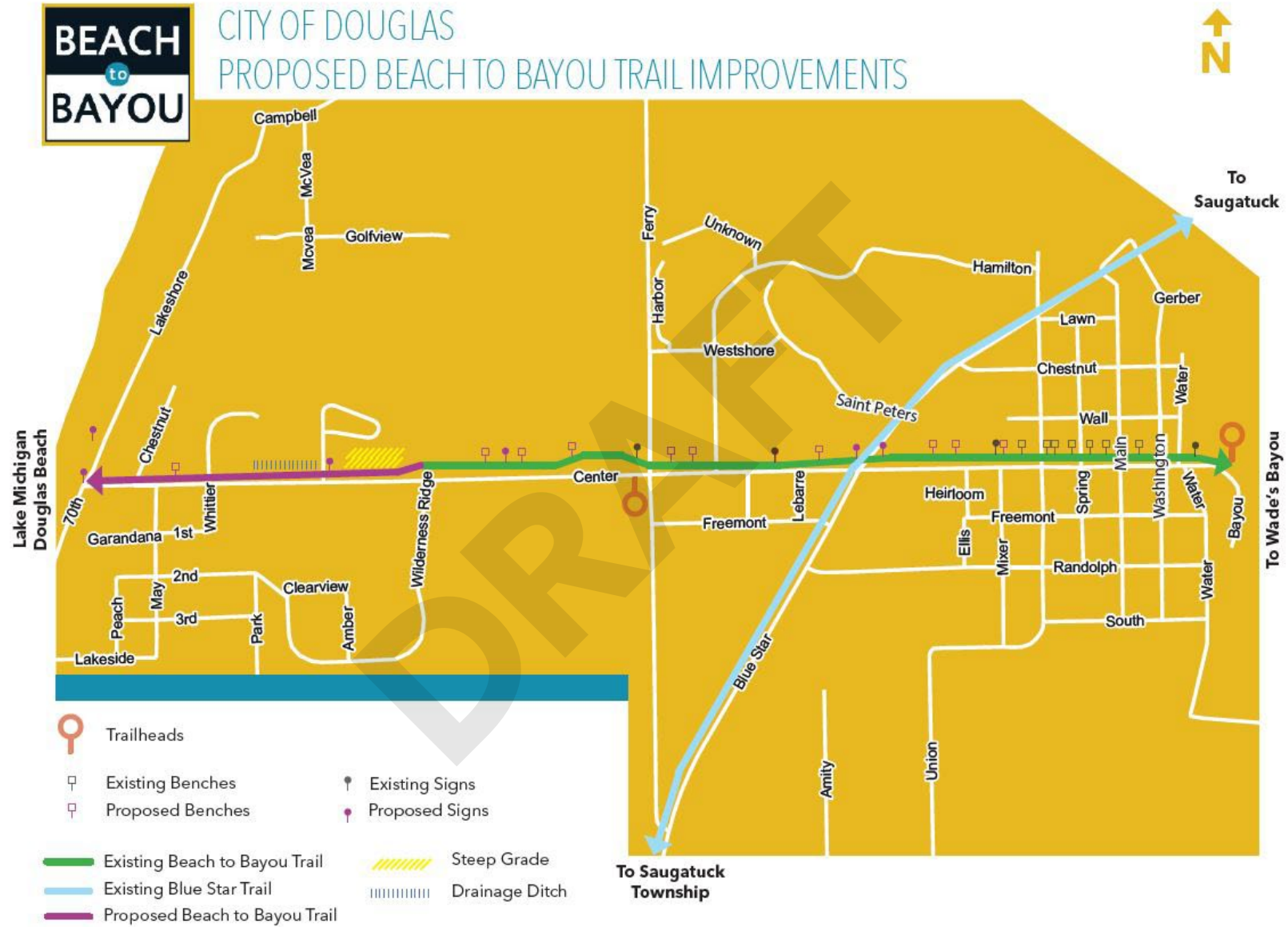
- Assist the City with Maintenance of Streets Within the DDA
- Install Rain Gardens and Green Infrastructure
- Complete a Parking Study
- City Hall/Dutcher Lodge Updates
- Acquisition & Development of District Parking
- Facade Improvement Projects

Public Infrastructure. Focuses on maintenance, road & sidewalk improvement projects, utility improvements, aesthetic elements, corridor enhancement, water main, sanitary sewer, and storm water drainage improvements, and engineering and legal support.

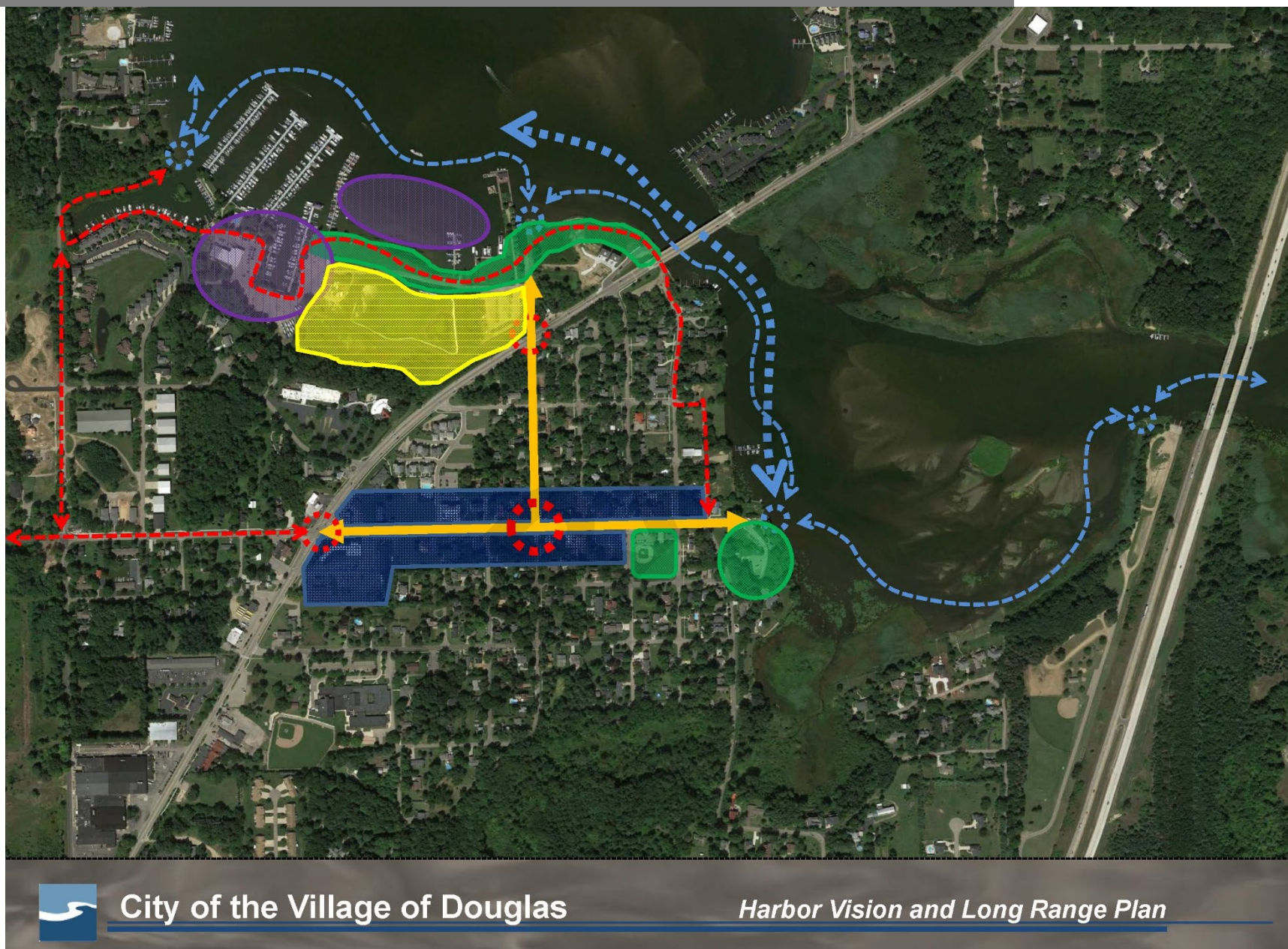
Public Infrastructure Project	Potential Costs	Priority
Identify Strategic Locations for and Installation of Bicycle Amenities - Such as bike parking, bike repair stations, or signage, to encourage non-motorized travel and emphasize the Beach to Bayou Trail	\$100,000	Medium
Provide Consistent, Low-Energy, and Dark-Sky Compliant Lighting Where Appropriate	\$250,000	Medium
Non-Motorized Circulation Maintenance & Improvement Projects - Such as sidewalk connections, repair, and replacement, and pathways to connect the DDA and surrounding areas	\$375,000	Medium (Ongoing)
Corridor Enhancement - General streetscape improvements or replacements including: <ul style="list-style-type: none"> • Street trees • Sidewalks/pathways • Parking • Decorative street lighting • Specialty paving • Crosswalk enhancements • Benches/trash receptacles • Banners for decorative lights • Irrigation 	\$300,000	Medium (Ongoing)
Establish Free District Wide High-Speed Internet/Wi-Fi	\$100,000	Medium (Ongoing)
Assist the City with Maintenance of Streets within the DDA <ul style="list-style-type: none"> • Center Street - from Blue Star Highway to Wade's Bayou (Priority Street) • Water Street - from 150 feet south of Wall Street to Fremont Street • 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 	\$765,000	Low (Ongoing)
Install Rain Gardens and Green Infrastructure - Where appropriate to capture, detain, and/or treat stormwater	\$45,000	Low (Ongoing)
Complete a Parking Study - To determine parking demand and capacity during different hours and seasons	\$15,000	Low

Note: These generalized costs assume the full amount of a project. A project may include money from TIF dollars, grants, private contributions, City partnerships, and bonds.

Trail Improvements Illustrated in the City's Master Plan



Waterfront Connections and Areas of Focus as Illustrated in the Douglas Waterfront Public Marina

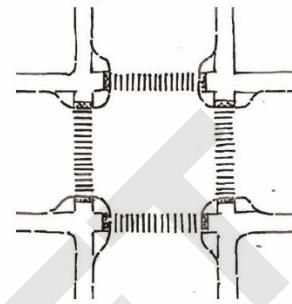


Blue Star Highway & Center Street Intersection Improvements Illustrated in the City's Master Plan

Recommendations

- Redesign the Center Street and Blue Star Highway intersection to minimize the crosswalk distance
- Add a bike lane to west Center Street from Blue Star Highway to Lakeshore Drive.
- Add mid-block crossings along Blue Star Highway at St. Peter's, Union Street and Main Street.

"Bump-Out" Example

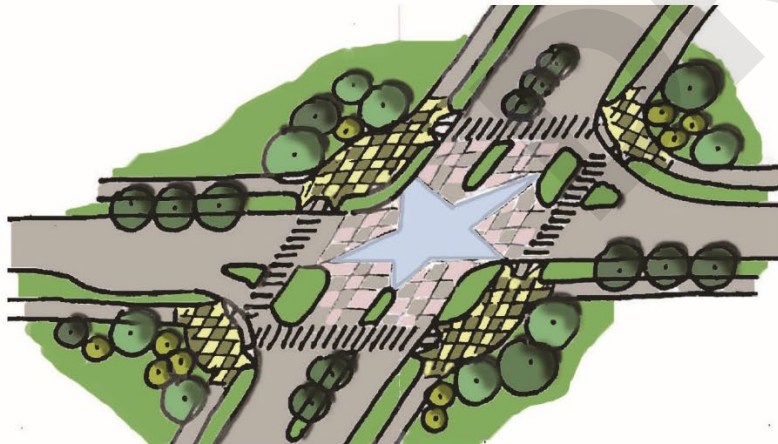


- Tactile Surfacing
- ADA-Accessible Ramps
- Marked Crosswalks
- Pedestrian Signalization

"Roundabout Example"

- Larger land mass; additional right-of-way required
- Not as bicycle and pedestrian-friendly (increases blind spots); may need additional pedestrian signals

"Bump-Out" Example
Center Street and Blue Star Highway



Center Street Corridor Enhancements Illustrated in the Blue Star Highway Technical Memorandum



Parks, Recreation & Culture. Focuses on creative art and design projects, parks & recreation development, non-motorized circulation improvement projects, and events and festivals.

Parks, Recreation & Culture Project	Potential Costs	Priority
Beery Field General Improvements – Projects may include: <ul style="list-style-type: none"> • Year-round and ADA compliant restroom • Fire pits with seating to facilitate year-round use of the downtown • Splash pad/ice rink to facilitate year-round use of the downtown • Any other park related uses or recreational facilities deemed appropriate 	\$725,000	High
Wade's Bayou General Improvements – Projects may include: <ul style="list-style-type: none"> • Waterfront focused projects • Transient slips • Improved water access and dredging of channel • Recreational facilities • Band shell • Parking • Any other park related uses or recreational facilities deemed appropriate 	\$637,500	High
Creative Art and Design Projects – Projects may include: <ul style="list-style-type: none"> • Public art and other outdoor design enhancements • Commission local artists to enhance/hide utilities through public art • Commission local artists to create bronze or other permanent sculptures that are durable and easily maintained • Establish a program for winter window displays or sidewalk ice sculptures to stimulate year-round tourism 	\$75,000	Medium (Ongoing)
Events and Festivals – Support and facilitate events year-round, distributed throughout the DDA, and collaborate with business owners	\$150,000	Medium (Ongoing)

Note: These generalized costs assume the full amount of a project. A project may include money from TIF dollars, grants, private contributions, City partnerships, and bonds.

Boat Ramp & Street Activation Illustrated in the Xtreme LA Plan



Boat ramp conceptual rendering for Douglas Harbor.



Conceptual rendering of an activated Center Street or festival space, like Beery Field.

Wade's Bayou Entry Illustrated in the City's Master Plan

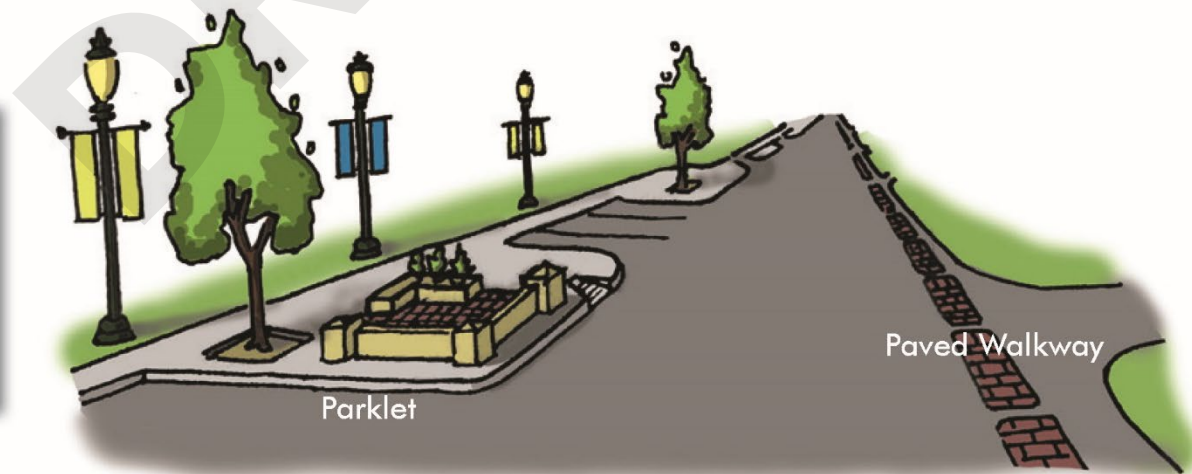
Recommendations

- Pursue acquisition of vacant and underutilized properties or use for temporary activity space.
- Create focal point at waterfront
- Remove city repository
- Enhance pedestrian connections to waterfront (Washington Street, Water Street and Center Street)

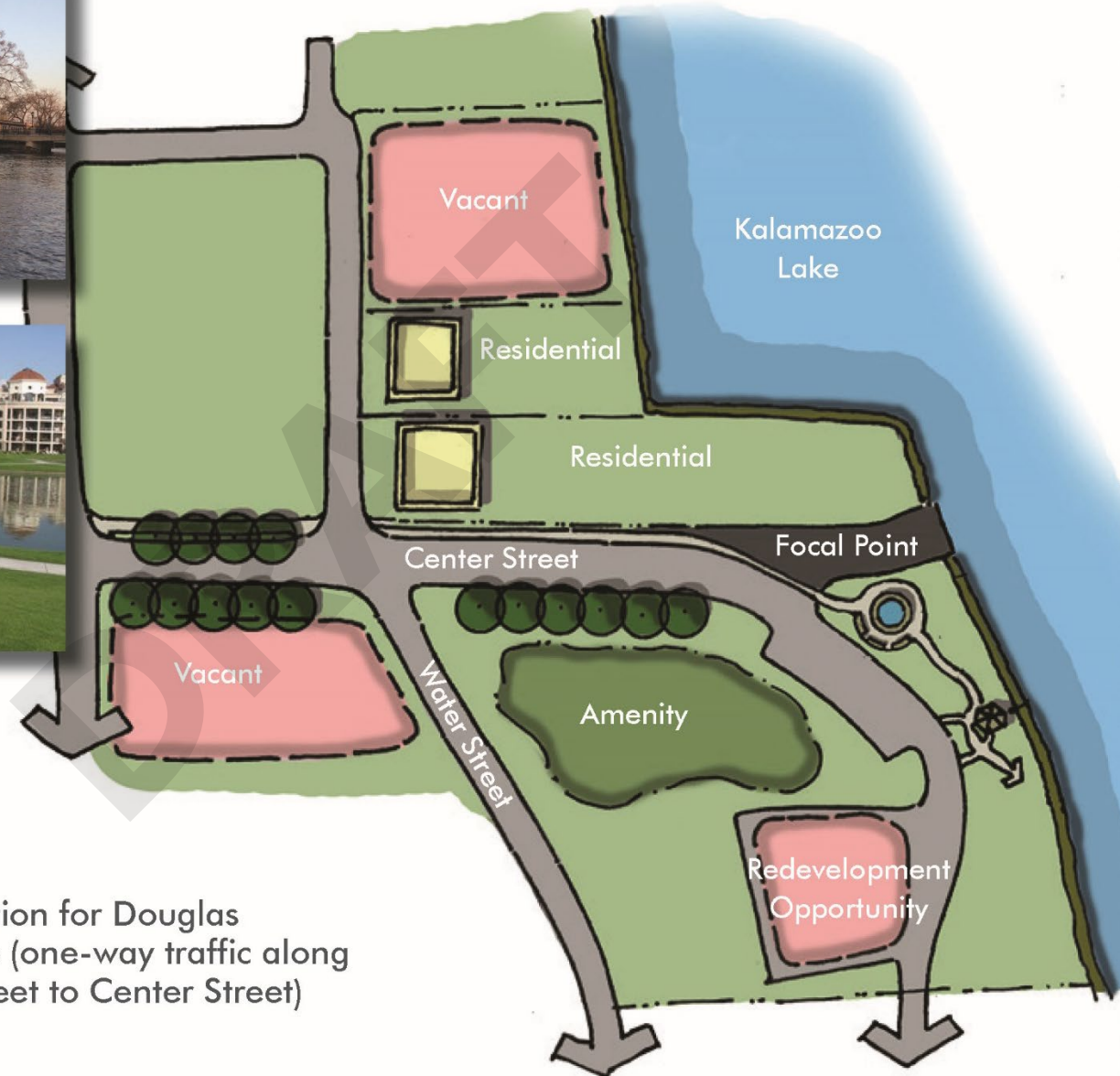
Remove "No Outlet" sign on Center Street (discourages access)



Recommended Washington Street enhancement: (between Center Street and Blue Star Highway)

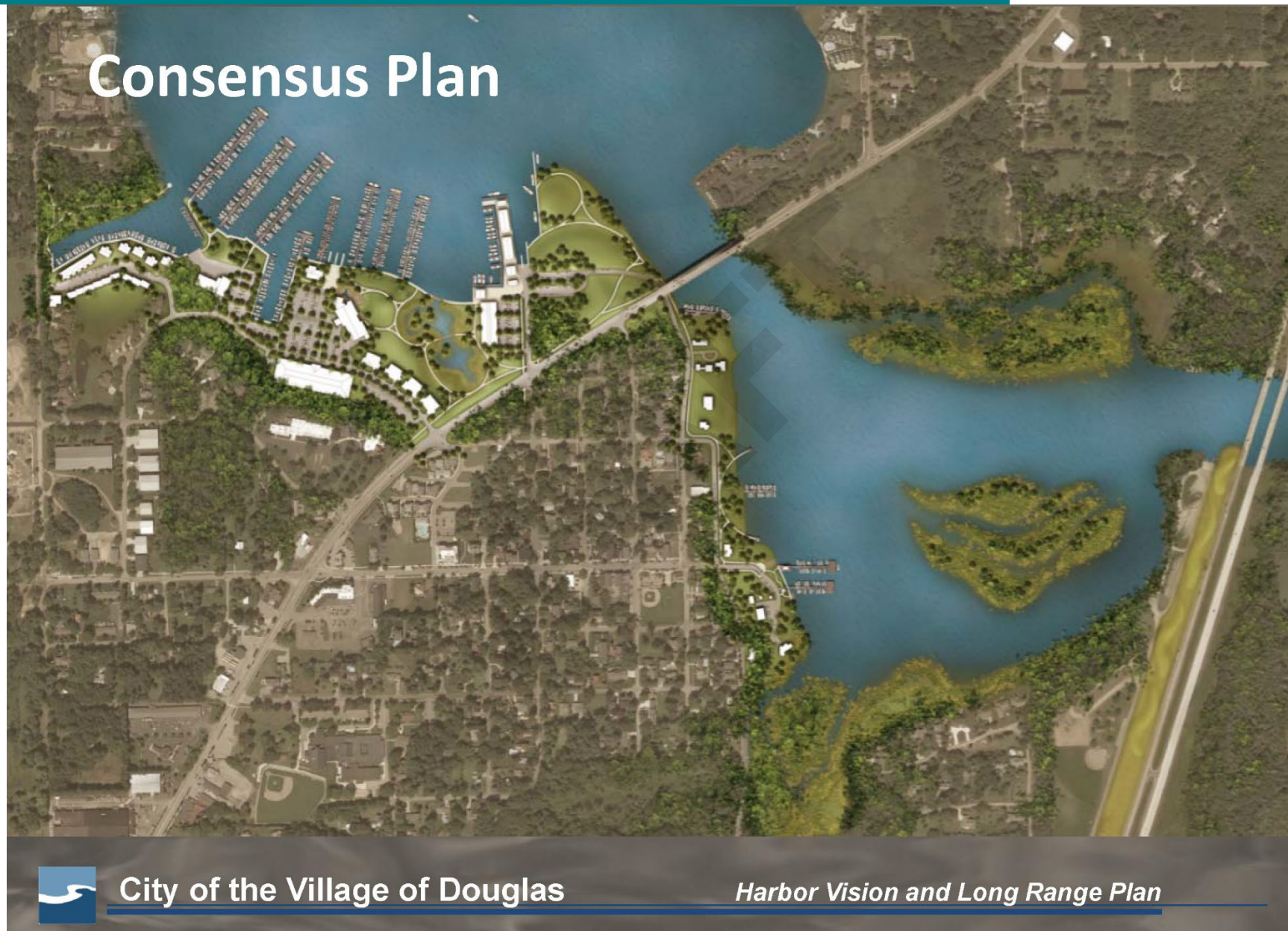


Wade's Bayou Sub Area Plan Illustrated in the City's Master Plan



Possible recommendation for Douglas Harbor enhancements (one-way traffic along southbound Water Street to Center Street)

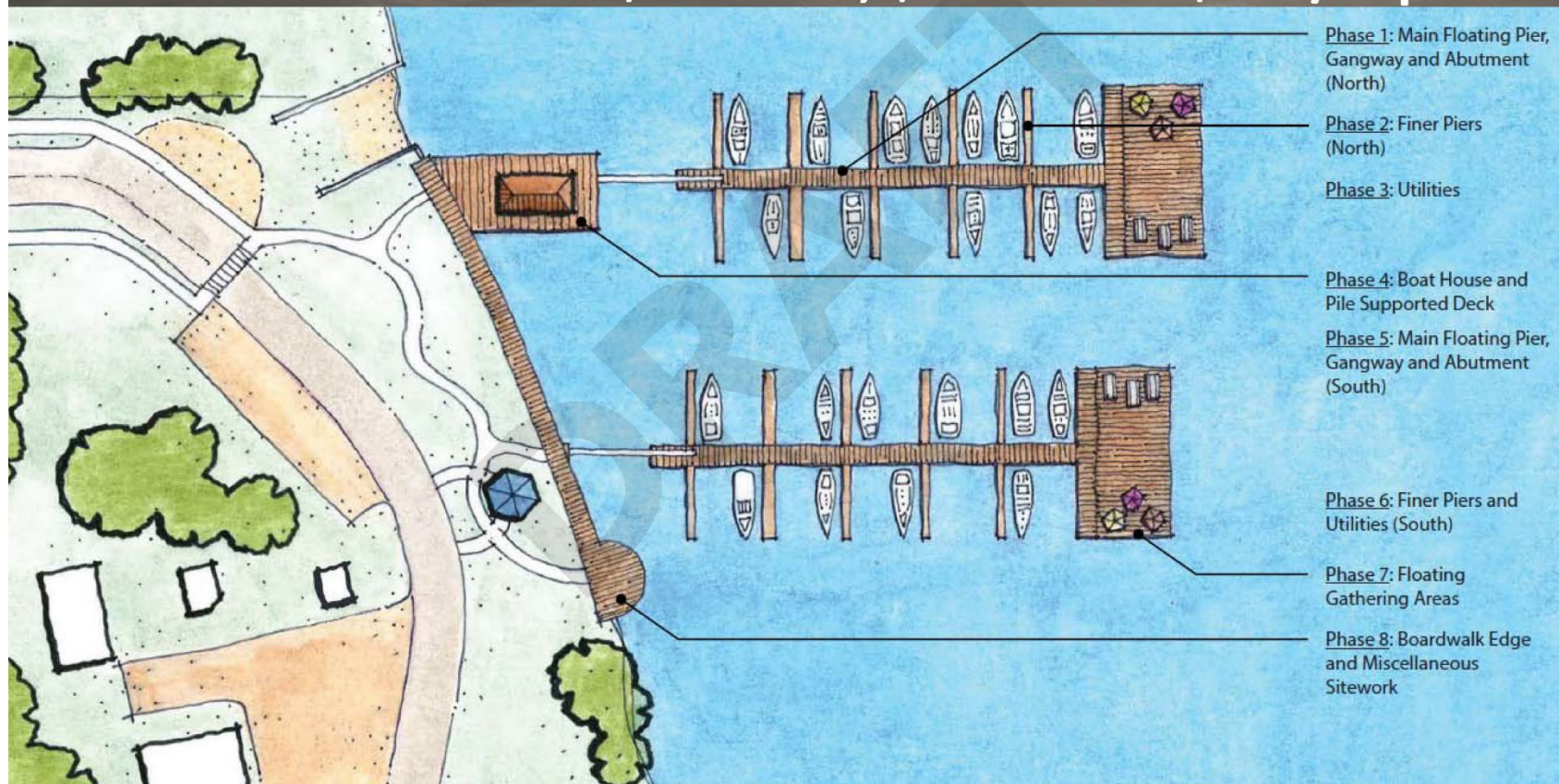
Consensus Plan as Illustrated in the Douglas Waterfront Public Marina Plan



Wades Bayou Marina Plan as Illustrated in the Douglas Waterfront Public Marina Plan

Wades Bayou Memorial Park New Marina

- 24 Slips Phase One, 50 Slips Full Build Out
- Construction Cost \$1.2M P1, \$2.3M FBO \$50k/Slip



City of the Village of Douglas

Harbor Vision and Long Range Plan

Purchase & Renovation of Real Estate. Focuses on property/structure acquisition, facade improvement projects, City Hall/Dutcher Lodge, and public parking.

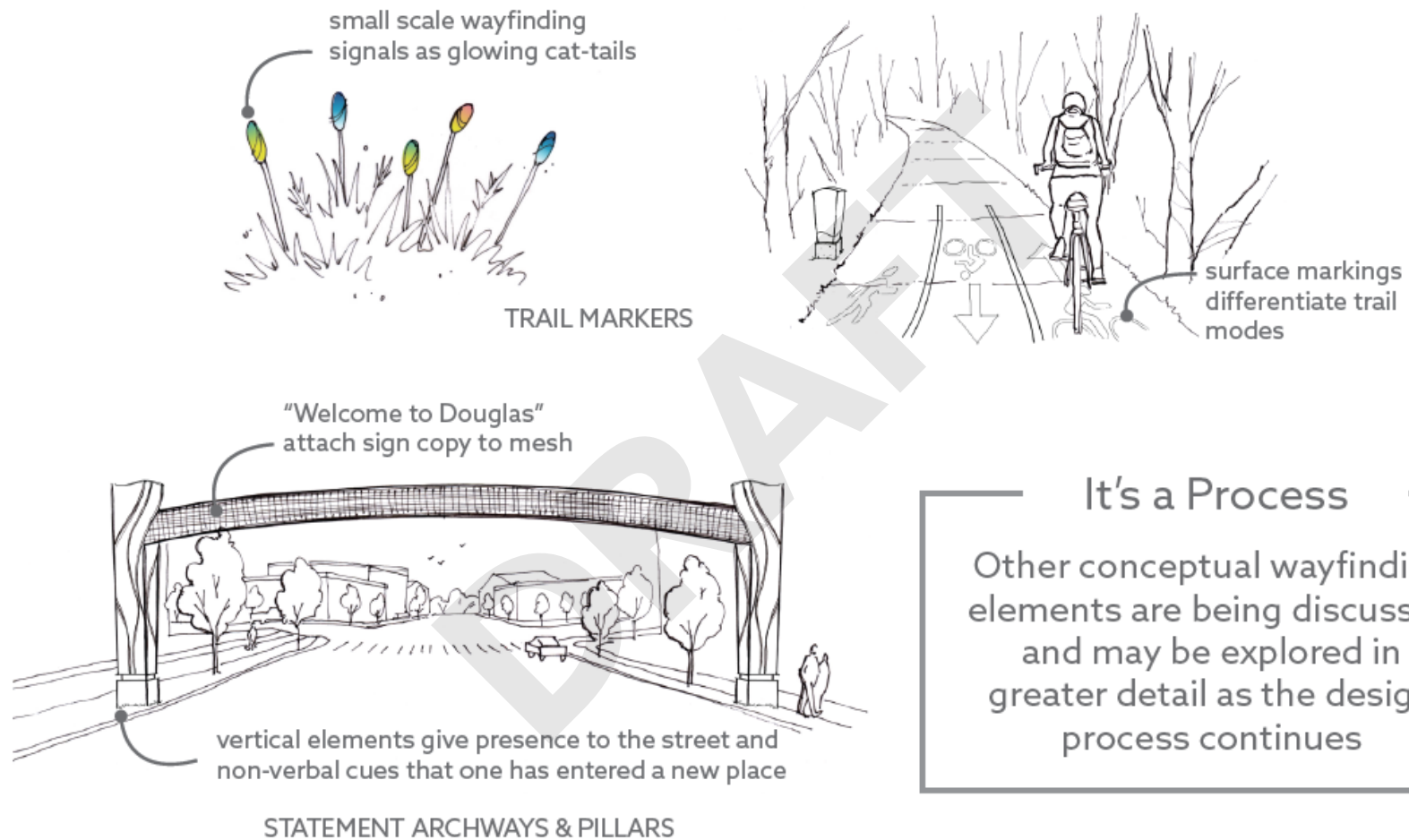
Purchase & Renovation of Real Estate	Potential Costs	Priority
Property/Structure Acquisition - Coordinate efforts with the City of the Village of Douglas and assist in the acquisition and removal or redevelopment of structures (i.e. the old village hall/police station) and uses within the DDA boundary	\$375,000	Medium (Ongoing)
City Hall/Dutcher Lodge - Technological updates as well as interior and exterior enhancements as needed	\$150,000	Low
Acquisition & Development of District Parking - This component involves the improvement of existing public off-street and on-street parking facilities, acquisition and development of future parking areas, and/or shared parking agreements, if the need arises	\$300,000	Low
Facade Improvement Projects - In coordination with the City, develop and maintain a façade improvement program to improve the facades of existing buildings	\$150,000	Low (Ongoing)

Gateway Improvements. Focuses on gateway treatments, street signage improvements, and way-finding system development.

Gateway Improvements Project	Potential Costs	Priority
Gateway Treatment - Explore design/feasibility options for major downtown gateway elements, such as archways, pillars, art, statement signs, plazas, as appropriate, in conjunction with City road reconstruction efforts	\$150,000	High
Street Signage Improvements and Wayfinding System - Projects may include: <ul style="list-style-type: none"> Implement the downtown wayfinding program, including directional post-mounted signs, parking signs, and a kiosk Construct a downtown monument sign at the corner of Center Street and Blue Star Highway Install wayfinding pavement markings and trail signs for the Beach to Bayou Trail Replace the park entry signs at Beery Field and Wade's Bayou Install interpretive signage at Beery Field and Wade's Bayou, as needed Establish locations for a Douglas Statement Sign 	\$75,000	High/Medium (Ongoing)

Note: These generalized costs assume the full amount of a project. A project may include money from TIF dollars, grants, private contributions, City partnerships, and bonds.

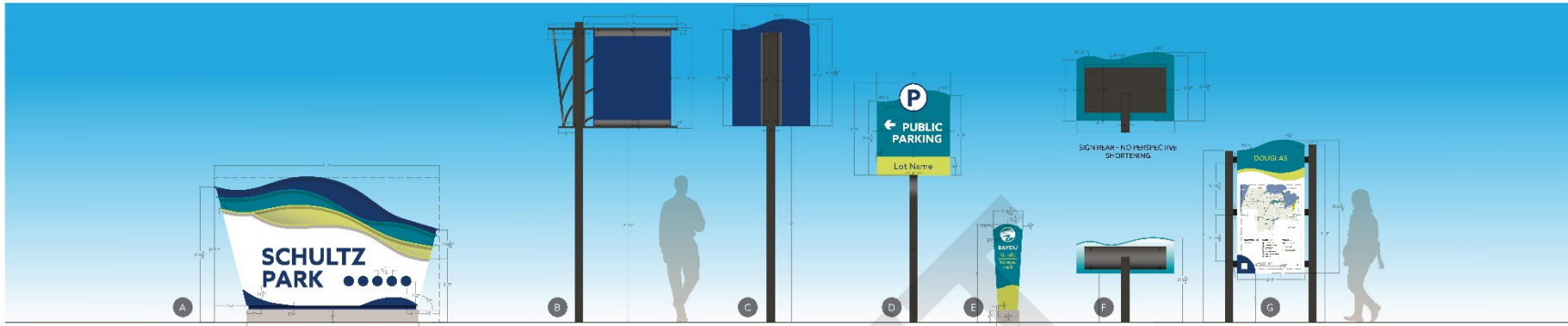
Gateway Treatments and Trail Markers as Shared During the Douglas Wayfinding Planning Process



It's a Process

Other conceptual wayfinding elements are being discussed and may be explored in greater detail as the design process continues

Wayfinding Signage as Illustrated in the Douglas Final Wayfinding Suite



REAR VIEW

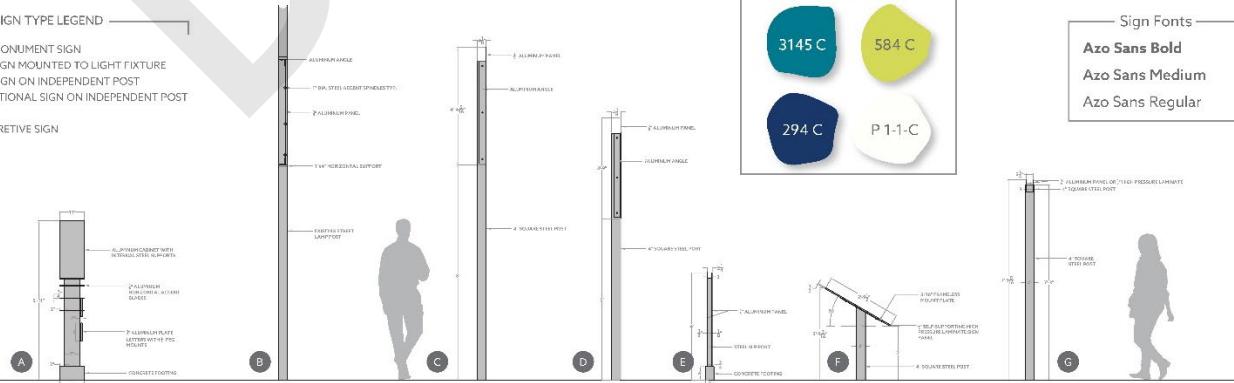


FRONT VIEW



Signs shall maintain content for all signs (including any alterations).

- SIGN TYPE LEGEND**
- A. DESTINATION MONUMENT SIGN
 - B. DIRECTIONAL SIGN MOUNTED TO LIGHT FIXTURE
 - C. DIRECTIONAL SIGN ON INDEPENDENT POST
 - D. PARKING DIRECTIONAL SIGN ON INDEPENDENT POST
 - E. TRAIL SIGN
 - F. MAP OR INTERPRETIVE SIGN
 - G. KIOSK SIGN



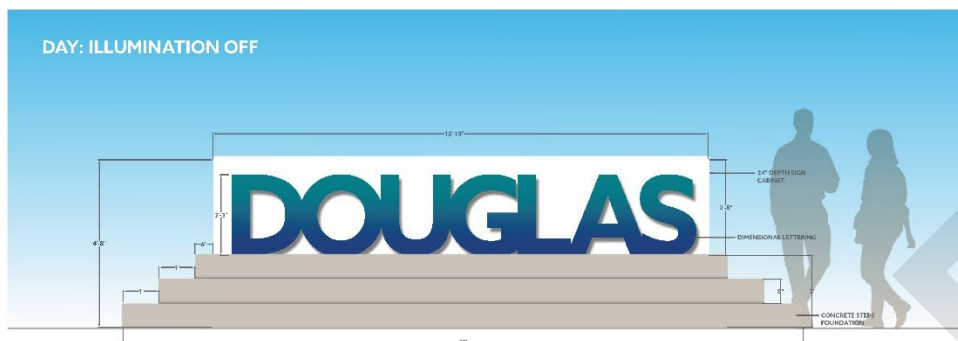
SIDE VIEW



- Sign Fonts**
- Azo Sans Bold
 - Azo Sans Medium
 - Azo Sans Regular

Statement Sign as Illustrated in the Douglas Final Wayfinding Suite

Douglas Statement Sign



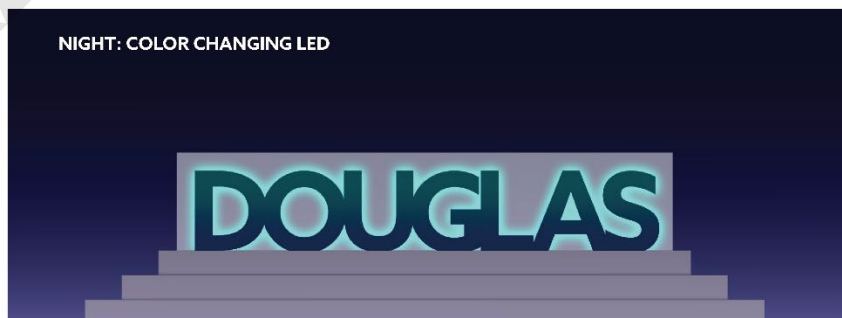
ILLUMINATION:
REVERSE CHANNEL

LED lights to be programmed for various backlit color displays. To the right is a sample of illuminated reverse channel lettering with opaque, painted aluminum sign copy.



ILLUMINATION: REVERSE CHANNEL

Backlit LED illuminated sign copy with opaque dimensional lettering. Light display to emit from behind the lettering, casting on the cabinet face.



DDA District Planning, Promotion & Staffing. Focuses on DDA representation on the City's webpage, DDA promotion, market study analysis, grants coordinator/assistant, and a business recruitment program.

DDA District Planning, Promotion & Staffing Project	Potential Costs	Priority
Grants Coordinator/Project Administration - Create a new position to provide facilities coordination in lieu of DDA coordination "by committee". It is expected that this person will oversee and coordinate the DDA's infrastructure, and maintenance needs, assist in grant writing, and manage projects.	\$945,000	High (Ongoing)
DDA Promotion - Develop and maintain a strategic promotion and marketing campaign to attract more visitors, newspaper articles, travel magazine articles, etc., and inform the public about development progress and local events <ul style="list-style-type: none"> • Dedicated DDA webpage on the City's website with district events and information • Coordinate with local organizations such as Saugatuck-Douglas Area Convention & Visitors Bureau, Rotary Club, and others on the promotion of downtown and local events • Prepare a Market Study Analysis that includes 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 	\$960,000	High (Ongoing)
Technical Support - Provide resources for existing businesses for promotion, marketing, and social media	\$60,000	Medium (Ongoing)
Increase Neighborhood Communication of Planning Activities - Improve or establish techniques for improved communication between business owners and residents and the DDA.	\$30,000	Medium (Ongoing)
Coordinate Activities with Local Institutions and Businesses - work with area visitors bureaus, business organizations, and other groups on marketing, tourism, and promotional campaigns	\$30,000	Medium (Ongoing)
Market Available Properties in the District	\$15,000	Medium (Ongoing)

Note: These generalized costs assume the full amount of a project. A project may include money from TIF dollars, grants, private contributions, City partnerships, and bonds.

E. *Description of Desired Zoning Changes and Changes in Streets, Street Levels, Intersections, or Utilities.*

The existing zoning for the area is set forth on the attached Map 2. It is not expected that any zoning changes 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. In addition, no new streets, street levels, or intersections are proposed as part of this Plan. Utility and streetscape changes may occur as needed to implement Development Plan projects and goals.

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 \$6,777,500. 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 57, a Development Area Citizens Council has been 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 217(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.

On (INSERT DATE), the DDA recommended to the City Council that an updated Downtown Development Plan and Tax Increment Financing Plan be approved. After public notice and a hearing, the City Council approved the updated Downtown Development Plan and Tax Increment Financing Plan on (INSERT DATE).

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). An updated list of properties has also been provided reflecting conditions in 2022.

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 2022 through 2052 is set forth in **Exhibit 3**. The projected revenue after 2022 is based on appreciation only. The millage rates levied by the local taxing jurisdictions within the Development Area in 2022 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, 2052 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 2022 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 2023 through 2052 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 2022 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.

EXHIBITS

1. Legal Description of Downtown District and Development Area
2. Schedule of Taxable Values, Tax Classifications, and Addresses for Property Included in the Development Area (2, 2A, 2B, 2C)
3. Schedules of Anticipated Tax Increment Revenues and Projected Impact on Taxing Jurisdictions (3A, 3B)
4. Part 2, Downtown Development Authorities, Recodified Tax Increment Financing Act 57 of 2018

MAPS

1. Map 1 | Downtown District and Development Area Boundaries
2. Map 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. *Schedule of Taxable Values , Tax Classifications, and Addresses for Property Included in the Development Area.*

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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
59-016-039-00	Klage William & Elizabeth (2004)	229 Center	4,700	4,808	108
	Village Entertainment (2005)				
59-016-039-10	Leonard, John M & Donna K	201 Center	111,041	113,594	2,553
59-016-039-11	Keller, Bonnie & Looman	Ellis Vacant	33,600	34,372	772
59-016-039-20	Mark Peter	Center Street	72,500	72,500	0
59-100-009-00	Cala Properties LLC	50 Center	199,544	200,000	456
59-100-009-50	Group West Michigan	11 N Water Street	26,000	26,598	598
59-100-011-00	Sheridan Stephen E &	32 Center	105,555	107,982	2,427
59-100-011-50	WPH Land Holdings LLC	20 Center	131,485	133,800	2,315
59-100-012-00	Starrett Dewey & Susan C	21 Main Street	105,000	107,415	2,415
59-100-014-51	22 Main St LLC	22 Main Street	53,800	53,800	0
59-100-015-00	Group West Michigan	24 Center	650,000	650,000	0
59-100-016-00	The People's Store Of	36 Center	171,878	175,831	3,953
59-100-017-00	Reaume Center Street	48 Center	133,900	133,900	0
59-100-018-00	Douglas Professional	62 Center	92,552	94,680	2,128
59-100-019-00	Bekken Gerald &	70 Center	72,681	74,352	1,671
59-125-001-00	Putnam Kevin & Blodgett (2004)	39 Ellis St 1	55,000	72,500	17,500
	Bonacorsi Steven (2005)				
59-125-002-00	Barkman David A Trust	39 Ellis St 2	52,435	68,800	16,365
59-125-003-00	Cole John V & Susan E	39 Ellis St 3	52,435	53,641	1,206
59-125-004-00	McCaleb Robert E &	39 Ellis St 4	22,997	23,525	528
59-125-005-00	Roerig Christopher &	39 Ellis St 5	52,435	53,641	1,206
59-150-001-00	DelFosse Trust	13 Union	37,092	37,945	853
59-150-002-00	Village of Douglas	47 Center	0	0	0
59-150-004-00	Matteson, Max	35 E Center	76,414	78,171	1,757
59-150-005-00	Village of Douglas	Main St. Parking Lot	0	0	0
59-150-005-10	Peregrine-Douglas	25 Center	180,000	180,000	0
59-150-005-20	Eggert Susan K Trust	23 Center	180,000	180,000	0
59-150-006-00	Balmer Margaret Elaine	11 Center	108,143	110,630	2,487
59-150-007-00	Village of Douglas	Center Street	0	0	0
59-150-010-00	Malott Leslie & Cross	7 S. Washington	79,930	81,768	1,838
59-501-001-00	Schumacher Wm Jr	25 Mixer Street	20,598	21,071	473
59-501-002-00	Schumacher Wm Jr	25 Mixer Street	48,652	49,770	1,118
59-502-001-00	Douglas Village	137 Center	0	0	0
59-502-003-00	Floral Maria N & Eklof SH	147 Center	55,554	56,831	1,277
59-530-001-00	Oxford Holding Company	8 Center	260,046	266,027	5,981
59-530-002-00	Cadwallader Kenneth & K	10 Center	63,400	59,300	-4,100
59-530-003-00	Laughner Steven T ET	12 Center	44,998	46,032	1,034
59-551-001-00	Village of Douglas	86 Center Street	0	0	0
59-551-002-00	Laughner Steven T ET	98 Center Street	190,000	190,000	0
59-551-003-00	Schoeneich Eugene A &	112 Center	74,696	76,414	1,718
59-551-004-50	Budd Nancy J Trustee	130 Center	117,233	119,929	2,696
59-600-005-00*	Douglas Development		100,000	100,000	0
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	Cadwallader Fine Arts, LLC	10 Center	0	900	900
59-900-080-00	Sheridan Law Offices PC	62 Center	8,000	6,800	-1,200
59-900-087-00	Wolbrink Lievense	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	Philip & 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	Gnn & Bear It	50 E. Center	1,700	1,500	-200
59-900-963-00	Cascade Interiors	10 Center	2,800	2,300	-500
59-900-966-00	Pacelli & Crews, LTD	23 Center	1,300	1,100	-200
59-900-971-00	Canon Financial Services	23 Center	3,200	2,800	-400
59-900-981-00	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**

59-016-037-00	Kiama Properties	29 Blue Star Hwy	142,047	145,314	3,267
59-016-038-00	Alexander Jerry	41 Blue Star Hwy	66,797	68,333	1,536
59-016-041-00	Demond'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	26 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
59-600-006-00*	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. 59-600-006-00 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
<u>Personal Property</u>					
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

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Exhibit 2A
City of the Village of Douglas
Schedule of Taxable Values by Property 2022
Original District

Owner	Parcel	Class	Property Address	Zoning	Taxable Value
229 CENTER ST LLC	5901603900	202	227 W CENTER ST	C-1A VILL CTR C	\$41,175.00
LEONARD JOHN M & DONNA K	5901603910	201	201 W CENTER ST	C-1A VILL CTR C	\$161,544.00
JOHNSON JERRY - VACANT	5901603911	402	44 ELLIS ST	R-3 NBHD CONSER	\$31,300.00
DOUGLAS FLATS, LLC	5901603920	202	225 W CENTER ST	C-1A VILL CTR C	\$39,500.00
REDEFINE PROPERTIES LLC	5910000900	201	50 E CENTER ST	C-1A VILL CTR C	\$146,995.00
SCHIPPER BRIAN J 2009 TRUST	5910000950	201	11 N WASHINGTON ST	C-1A VILL CTR C	\$45,865.00
PFAFFHOUSE LLC	5910001100	1	32 E CENTER ST	N/A	\$64,149.00
NEEDHAM, LLC	5910001150	202	14 E CENTER ST	C-1A VILL CTR C	\$45,658.00
DROZ MARIA T	5910001200	201	21 N MAIN ST	C-1A VILL CTR C	\$81,193.00
22 MAIN ST LLC	5910001451	201	22 N MAIN ST	C-1A VILL CTR C	\$40,982.00
HUNT PROPERTIES OF DOUGLAS	5910001500	201	24 W CENTER ST	C-1A VILL CTR C	\$313,930.00
COLSEN RONALD E & CAROLE J	5910001700	201	48 W CENTER ST	C-1A VILL CTR C	\$109,601.00
COLSEN RONALD E & CAROLE J	5910001800	201	62 W CENTER ST	C-1A VILL CTR C	\$151,231.00
ALB 21, LLC	5910001900	201	70 W CENTER ST	C-1A VILL CTR C	\$105,731.00
WINSTON HOLDINGS LLC	5912500100	401	39 ELLIS ST 1	C-1A VILL CTR C	\$71,483.00
GILES LEANNE	5912500200	401	39 ELLIS ST 2	C-1A VILL CTR C	\$69,500.00
COLE JOHN V & SUSAN E	5912500300	401	39 ELLIS ST 3	C-1A VILL CTR C	\$69,500.00
ALEXANDER MARLEE KAY	5912500400	401	39 ELLIS ST 4	C-1A VILL CTR C	\$69,500.00
JADE MOON LLC	5912500500	401	39 ELLIS ST 5	C-1A VILL CTR C	\$71,483.00
DOUGLAS DEVELOPMENT PARTNERS LLC	5913000000	6	150 W CENTER ST	C-2 GEN COMM	\$0.00
RAMSEY TRUST	5913000100	201	150 W CENTER ST A	C-2 GEN COMM	\$128,066.00
GACK LLC	5913000200	201	150 W CENTER ST B	C-2 GEN COMM	\$135,406.00
SCE PROPERTIES LLC	5913000300	201	150 W CENTER ST C	C-2 GEN COMM	\$172,372.00
150 CENTER ST LLC	5913000400	201	150 W CENTER ST D	C-2 GEN COMM	\$118,000.00
HAWCO JAMES E & PATRICIA	5913000500	401	150 W CENTER ST E	C-2 GEN COMM	\$157,071.00
WELSH ADAM B	5913000600	401	150 W CENTER ST F	C-2 GEN COMM	\$120,613.00
FAIRMAN DONALD & REGINA	5913000700	401	150 W CENTER ST G	C-2 GEN COMM	\$98,389.00
KLING JOANNA N & KLING JULIA ET AL	5913000800	401	150 W CENTER ST H	C-2 GEN COMM	\$102,469.00
LANNING TERESA M	5913000900	401	150 W CENTER ST I	C-2 GEN COMM	\$172,900.00
STEFANCHIK BETH A TRUST	5913001000	401	150 W CENTER ST J	C-2 GEN COMM	\$87,779.00
THOMPSON LESLIE B TRUST	5913001100	401	150 W CENTER ST K	C-2 GEN COMM	\$110,044.00
TIERNEY MICHAEL	5913001200	401	150 W CENTER ST L	C-2 GEN COMM	\$155,858.00
TOMPKINS DEBORAH A	5913001300	401	150 W CENTER ST M	C-2 GEN COMM	\$110,277.00
DELFOSSSE LAWRENCE ET AL	5915000100	401	13 S UNION ST	C-1A VILL CTR C	\$53,955.00
CITY OF THE VILLAGE OF DOUGLAS - POLICE DEPARTMENT	5915000200	201	47 W CENTER ST	C-1A VILL CTR C	\$0.00
SANDY FEET COTTAGE RENTALS LLC	5915000400	201	35 W CENTER ST	C-1A VILL CTR C	\$195,467.00
VILLAGE OF DOUGLAS	5915000500	202	S MAIN ST	R-3 NBHD CONSER	\$0.00
PEREGRINE-DOUGLAS LLC	5915000510	1	25 W CENTER ST	C-1A VILL CTR C	\$0.00
STAN01, LLC	5915000520	1	23 W CENTER ST	C-1A VILL CTR C	\$0.00

BALMER MARGARET & BALMER MATTHEW	5915000600	201	11 W CENTER ST	C-1A VILL CTR C	\$215,023.00
CITY OF THE VILLAGE OF DOUGLAS - BEERY FIELD	5915000700	402	9 E CENTER ST	C-1A VILL CTR C	\$0.00
RANDALL MARK C ET AL	5915001000	401	15 S WASHINGTON ST	C-1A VILL CTR C	\$202,317.00
STOLTZNER KYLE J REV TRUST	5915001010	401	19 S WASHINGTON ST	R-3 NBHD CONSER	\$132,123.00
SCHUMACHER WM JR	5950100100	401	25 S MIXER ST	C-1A VILL CTR C	\$100,738.00
DDA REF SCHUMACHER WM JR	5950100200	1	25 S MIXER ST	N/A	\$0.00
CITY OF THE VILLAGE OF DOUGLAS - OLD LIBRARY	5950200100	201	137 W CENTER ST	C-1A VILL CTR C	\$0.00
CITY OF THE VILLAGE OF DOUGLAS - PRIDE GARDEN	5950200300	202	147 W CENTER ST	C-1A VILL CTR C	\$52,373.00
MBSM LLC	5953000100	201	8 W CENTER ST	C-1A VILL CTR C	\$200,042.00
TRUONG TRI & DONNA	5953000200	201	10 W CENTER ST	C-1A VILL CTR C	\$62,703.00
RETROGETAWAY INC	5953000300	201	12 W CENTER ST	C-1A VILL CTR C	\$91,833.00
CITY OF THE VILLAGE OF DOUGLAS - CITY HALL	5955100100	201	86 W CENTER ST	C-1A VILL CTR C	\$0.00
LAUGHNER STEVEN T ET AL	5955100200	201	98 W CENTER ST	C-1A VILL CTR C	\$148,855.00
DINGES BRYN M &	5955100300	401	112 W CENTER ST	C-1A VILL CTR C	\$108,665.00
SAUGATUCK DOUGLAS HISTORICAL SOCIETY	5955100450	201	130 W CENTER ST	R-3 NBHD CONSER	\$0.00
THE PEOPLE'S STORE OF DOUGLAS LLC	5956000000	6	34 W CENTER ST	C-1A VILL CTR C	\$0.00
SADIE ENTERPRISES LLC	5956000100	201	36 W CENTER ST 1	C-1A VILL CTR C	\$50,125.00
SADIE ENTERPRISES LLC	5956000200	201	36 W CENTER ST 2	C-1A VILL CTR C	\$95,937.00
SADIE ENTERPRISES LLC	5956000300	201	36 W CENTER ST 3	C-1A VILL CTR C	\$48,492.00
STEINER DEAN B	5956000400	401	36 W CENTER ST 4	C-1A VILL CTR C	\$111,005.00
BAUER ROBERT H & SHARON A	5956000500	401	36 W CENTER ST 5	C-1A VILL CTR C	\$79,852.00
HUGHES ANTHONY & TULA	5956000600	401	36 W CENTER ST 6	C-1A VILL CTR C	\$121,756.00
RAY FRANCES A	5956000700	401	29 N SPRING ST 7	C-1A VILL CTR C	\$79,348.00
DDA REF DOUGLAS DEVELOPMENT PARTNER	5960000500	1	160 W CENTER ST	N/A	\$0.00
STAN01, LLC	5972000100	201	23 W CENTER ST UNIT 1	C-1A VILL CTR C	\$46,794.00
STAN01, LLC	5972000200	201	23 W CENTER ST UNIT 2	C-1A VILL CTR C	\$46,794.00
STAN01, LLC	5972000300	401	23 W CENTER ST UNIT 3	C-1A VILL CTR C	\$45,761.00
STAN01, LLC	5972000400	401	23 W CENTER ST UNIT 4	C-1A VILL CTR C	\$45,658.00
PEREGRINE-DOUGLAS LLC	5973000100	201	25 W CENTER ST UNIT 1	C-1A VILL CTR C	\$44,645.00
PEREGRINE-DOUGLAS LLC	5973000200	201	25 W CENTER ST UNIT 2	C-1A VILL CTR C	\$44,645.00
PEREGRINE-DOUGLAS LLC	5973000300	401	25 W CENTER ST UNIT 3	C-1A VILL CTR C	\$45,654.00
PEREGRINE-DOUGLAS LLC	5973000400	401	25 W CENTER ST UNIT 4	C-1A VILL CTR C	\$45,654.00
PAFFHOUSE LLC	5982000101	201	22 E CENTER ST	C-1A VILL CTR C	\$0.00
DDA REF RIVERVIEW LEASE/LOAN	5990000300	3	216 ST PETERS DR	N/A	\$0.00
THE COVE	5990000400	251	41 N BLUE STAR HWY	N/A	\$0.00
229 CENTER ST LLC	5990000600	251	229 W CENTER ST	N/A	\$0.00
DDA REF VFS LEASE RESIDUAL HOLDING	5990001400	3	62 W CENTER ST	N/A	\$0.00
DDA REF VON DER HEIDE ARCHITECTS	5990002100	3	20 E CENTER ST	N/A	\$0.00
EVERYDAY PEOPLE CAFE	5990002400	251	11 W CENTER ST	N/A	\$0.00
DDA REF CIRCA AND YUM YUM	5990003800	3	98 W CENTER ST	N/A	\$0.00
DDA REF KEN CADWALLADER INC	5990004400	3	10 W CENTER ST	N/A	\$0.00
CENTURY 21 AFFILIATED	5990007500	251	62 W CENTER ST	N/A	\$0.00
DDA REF SHERIDAN LAW OFFICES PC	5990008000	3	62 W CENTER ST	N/A	\$0.00
LIGHTHOUSE INSURANCE GROUP INC	5990008700	3	150 W CENTER ST	N/A	\$0.00
STATE FARM MUTUAL INS CO	5990016600	251	201 W CENTER ST	N/A	\$0.00

DDA REF V & S FLOWERS	5990020000	3	2914 S BLUE STAR HWY	N/A	\$0.00
DDA REF DELONG & BROWER	5990021300	3	201 W CENTER ST	N/A	\$0.00
RESPITE CAPPUCCINO COURT	5990022500	251	48 W CENTER ST	N/A	\$0.00
JOHN M LEONARD LLC	5990023700	251	201 W CENTER ST	N/A	\$0.00
BRACKETT AND COMPANY INC	5990025300	251	34 W CENTER ST 2	N/A	\$0.00
POSSESSIONS	5990026500	251	25 W CENTER ST	N/A	\$0.00
WILD DOG	5990031900	251	24 W CENTER ST	N/A	\$0.00
DDA REF KUBIAK GALLERY	5990032000	3	48 W CENTER ST	N/A	\$0.00
DDA REF HADDOCK & ASSOC PLC	5990032400	3	62 W CENTER ST	N/A	\$0.00
FIRST DATA MERCHANT SERVICES-POS	5990032500	251	35 W CENTER ST	N/A	\$0.00
HAWKINS WATER TECH INC	5990032600	251	237 W CENTER ST	N/A	\$0.00
WATER STREET GALLERY	5990038311	251	98 W CENTER ST	N/A	\$0.00
PREMIER LAKESHORE TITLE LLC	5990041212	251	202 W CENTER ST 2	N/A	\$0.00
CENTER STAGE SALON	5990042513	251	12 W CENTER ST	N/A	\$0.00
ASHBOURNE CARLTON E	5990047617	251	201 W CENTER ST #3	N/A	\$0.00
KIM NEUENS DESIGN & INTERIORS LLC	5990047817	251	25 W CENTER ST	N/A	\$0.00
MR MILLERS ART EMPORIUM	5990048717	251	48 W CENTER ST	N/A	\$0.00
DDA REF ROCKING BEAR, INC	5990081300	3	34 W CENTER ST	N/A	\$0.00
DDA REF BENTLEYS	5990082500	3	50 E CENTER ST	N/A	\$0.00
DDA REF CHAPS	5990082800	3	8 W CENTER ST	N/A	\$0.00
JOHN THOMAS	5990083100	251	23 W CENTER ST	N/A	\$0.00
BACK ALLEY PIZZERIA INC	5990083600	251	22 N MAIN ST	N/A	\$0.00
DDA REF LUOMA ART GALLERY	5990083900	3	48 W CENTER ST	N/A	\$0.00
DDA REF GRIN & BEAR IT	5990084500	3	50 EAST CENTER ST	N/A	\$0.00
DDA REF CASCADE INTERIORS	5990096300	3	10 E CENTER ST	N/A	\$0.00
DDA REF PACELLI & CREWS, LTD	5990096600	3	23 W CENTER ST	N/A	\$0.00
CANON FINANCIAL SERVICES, INC.	5990097100	251	23 W CENTER ST	N/A	\$0.00
DDA REF 13 HAWKS STUDIO	5990098100	3	50 E CENTER ST	N/A	\$0.00

Property lists were provided by the assessor in Fall of 2022 and Winter of 2023.
These lists have been cross-referenced to verify property addresses and ownership.

Exhibit 2B
City of the Village of Douglas
Schedule of Taxable Values by Property 2022
Expanded District

Owner	Parcel	Class	Property Address	Zoning	2022 Taxable Value
KIAMA PROPERTIES LLC	5901603700	201	29 N BLUE STAR HWY	C-2 GEN COMM	\$161,783.00
ALEXANDER JERRY L TRUST	5901603800	201	41 N BLUE STAR HWY	C-2 GEN COMM	\$97,171.00
DEMOND'S SUPER VALUE INC	5901604100	201	237 W CENTER ST	C-2 GEN COMM	\$606,240.00
229 CENTER STREET LLC	5901604200	201	229 W CENTER ST	C-1A VILL CTR C	\$197,944.00
CITY OF THE VILLAGE OF DOUGLAS - WADES BAY	5915007200	402	26 BAYOU DR	R-3 NBHD CONSER	\$0.00
DOUGLAS FLATS, LLC	5960000300	202	200 W CENTER ST	C-1A VILL CTR C	\$58,700.00
HS45BS LLC	5960000330	201	45 N BLUE STAR HWY	C-2 GEN COMM	\$188,633.00
DANJO PROPERTIES LLC	5960000340	201	202 W CENTER ST	C-2 GEN COMM	\$215,072.00
SAUGATUCK-DOUGLAS DISTRICT LIBRARY	5960000600	201	174 W CENTER ST	C-2 GEN COMM	\$0.00
LAKE VISTA SUPERVALUE	5990000500	251	237 W CENTER ST	N/A	\$0.00
EDWARD D JONES & CO	5990001800	251	45 N BLUE STAR HWY	N/A	\$0.00
DDA REF FIRST AMERICAN TITLE INS	5990022900	3	45 N BLUE STAR HWY	N/A	\$0.00
SHORELINE REALTORS	5990080900	251	202 W CENTER ST	N/A	\$0.00
DDA REF CHICAGO TITLE OF MICHIGAN	5990083800	3	2987 S BLUE STAR HWY 101	N/A	\$0.00
LIGHTHOUSE REALTY	5990097200	251	29 N BLUE STAR HWY	N/A	\$0.00

Property lists were provided by the assessor in Fall of 2022 and Winter of 2023.
These lists have been cross-referenced to verify property addresses and ownership.

Exhibit 2C
State of Michigan Tax Commission Classification
Codes

Property Classification Code	Description
1	Retired Split / Combined
2	New Split / Combine
3	Reference Personal
4	Reference Special Acts Real
5	Reference Special Acts Personal
6	Non-Assessable Permanent Reference
201	Commercial - Improved
202	Commercial - Vacant
251	Commercial - Personal Property
301	Industrial - Improved
302	Industrial - Vacant
351	Industrial - Personal Property
401	Residential - Improved
402	Residential - Vacant
551	Utility - Personal Property
703	Exempt - County, City, Township, or Village
708	Exempt - Religious

Exhibit 3. *Schedules of Anticipated Tax
Increment Revenues and Projected Impact on
Taxing Jurisdictions*

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Exhibit 3A
Tax Increment Finance District Capture for City of the Village of Douglas Downtown Development Authority (Original Boundary)
Based on 3% annual growth

Year	Taxable Value	Captured Value	City (13.0818M)	Captured by TIF	County (6.9483M)	Captured by TIF	ITA (0.5M)	Captured by TIF	Library (0.4350M)	Captured by TIF	All Mills	Captured by TIF
1997 (Base)	\$3,952,452.00	\$0		\$0		\$0		\$0		\$0		\$0
2022 (Actual)	\$5,915,778.00	\$1,963,326.00	\$77,389.02	\$25,683.37	\$41,104.60	\$13,639.56	\$2,957.89	\$981.38	\$2,573.36	\$853.64	\$124,024.88	\$41,157.95
2023	\$6,093,251.34	\$2,140,799.34	\$79,710.70	\$28,005.51	\$42,337.74	\$14,874.92	\$3,046.63	\$1,070.40	\$2,650.56	\$931.25	\$127,745.62	\$44,882.07
2024	\$6,276,048.88	\$2,323,596.88	\$82,102.02	\$30,396.83	\$43,607.87	\$16,145.05	\$3,138.02	\$1,161.80	\$2,730.08	\$1,010.76	\$131,577.99	\$48,714.44
2025	\$6,464,330.35	\$2,511,878.35	\$84,565.08	\$32,859.89	\$44,916.11	\$17,453.28	\$3,232.17	\$1,255.94	\$2,811.98	\$1,092.67	\$135,525.33	\$52,661.78
2026	\$6,658,260.26	\$2,705,808.26	\$87,102.03	\$35,396.84	\$46,263.59	\$18,800.77	\$3,329.13	\$1,352.90	\$2,896.34	\$1,177.03	\$139,591.09	\$56,727.54
2027	\$6,858,008.06	\$2,905,556.06	\$89,715.09	\$38,009.90	\$47,651.50	\$20,188.68	\$3,429.00	\$1,452.78	\$2,983.23	\$1,263.92	\$143,778.82	\$60,915.27
2028	\$7,063,748.31	\$3,111,296.31	\$92,406.54	\$40,701.36	\$49,081.04	\$21,618.22	\$3,531.87	\$1,555.65	\$3,072.73	\$1,353.41	\$148,092.19	\$65,228.64
2029	\$7,275,660.76	\$3,323,208.76	\$95,178.74	\$43,473.55	\$50,553.47	\$23,090.65	\$3,637.83	\$1,661.60	\$3,164.91	\$1,445.60	\$152,534.96	\$69,671.40
2030	\$7,493,930.58	\$3,541,478.58	\$98,034.10	\$46,328.91	\$52,070.08	\$24,607.26	\$3,746.97	\$1,770.74	\$3,259.86	\$1,540.54	\$157,111.00	\$74,247.45
2031	\$7,718,748.50	\$3,766,296.50	\$100,975.12	\$49,269.94	\$53,632.18	\$26,169.36	\$3,859.37	\$1,883.15	\$3,357.66	\$1,638.34	\$161,824.33	\$78,960.78
2032	\$7,950,310.95	\$3,997,858.95	\$104,004.38	\$52,299.19	\$55,241.15	\$27,778.32	\$3,975.16	\$1,998.93	\$3,458.39	\$1,739.07	\$166,679.06	\$83,815.51
2033	\$8,188,820.28	\$4,236,368.28	\$107,124.51	\$55,419.32	\$56,898.38	\$29,435.56	\$4,094.41	\$2,118.18	\$3,562.14	\$1,842.82	\$171,679.44	\$88,815.88
2034	\$8,434,484.89	\$4,482,032.89	\$110,338.24	\$58,633.06	\$58,605.33	\$31,142.51	\$4,217.24	\$2,241.02	\$3,669.00	\$1,949.68	\$176,829.82	\$93,966.27
2035	\$8,687,519.43	\$4,735,067.43	\$113,648.39	\$61,943.21	\$60,363.49	\$32,900.67	\$4,343.76	\$2,367.53	\$3,779.07	\$2,059.75	\$182,134.71	\$99,271.16
2036	\$8,948,145.02	\$4,995,693.02	\$117,057.84	\$65,352.66	\$62,174.40	\$34,711.57	\$4,474.07	\$2,497.85	\$3,892.44	\$2,173.13	\$187,598.76	\$104,735.20
2037	\$9,216,589.37	\$5,264,137.37	\$120,569.58	\$68,864.39	\$64,039.63	\$36,576.81	\$4,608.29	\$2,632.07	\$4,009.22	\$2,289.90	\$193,226.72	\$110,363.17
2038	\$9,493,087.05	\$5,540,635.05	\$124,186.67	\$72,481.48	\$65,960.82	\$38,497.99	\$4,746.54	\$2,770.32	\$4,129.49	\$2,410.18	\$199,023.52	\$116,159.97
2039	\$9,777,879.66	\$5,825,427.66	\$127,912.27	\$76,207.08	\$67,939.64	\$40,476.82	\$4,888.94	\$2,912.71	\$4,253.38	\$2,534.06	\$204,994.22	\$122,130.67
2040	\$10,071,216.05	\$6,118,764.05	\$131,749.63	\$80,044.45	\$69,977.83	\$42,515.01	\$5,035.61	\$3,059.38	\$4,380.98	\$2,661.66	\$211,144.05	\$128,280.50
2041	\$10,373,352.53	\$6,420,900.53	\$135,702.12	\$83,996.94	\$72,077.17	\$44,614.34	\$5,186.68	\$3,210.45	\$4,512.41	\$2,793.09	\$217,478.37	\$134,614.82
2042	\$10,684,553.11	\$6,732,101.11	\$139,773.19	\$88,068.00	\$74,239.48	\$46,776.66	\$5,342.28	\$3,366.05	\$4,647.78	\$2,928.46	\$224,002.72	\$141,139.17
2043	\$11,005,089.70	\$7,052,637.70	\$143,966.38	\$92,261.20	\$76,466.66	\$49,003.84	\$5,502.54	\$3,526.32	\$4,787.21	\$3,067.90	\$230,722.81	\$147,859.25
2044	\$11,335,242.39	\$7,382,790.39	\$148,285.37	\$96,580.19	\$78,760.66	\$51,297.84	\$5,667.62	\$3,691.40	\$4,930.83	\$3,211.51	\$237,644.49	\$154,780.94
2045	\$11,675,299.66	\$7,722,847.66	\$152,733.94	\$101,028.75	\$81,123.48	\$53,660.66	\$5,837.65	\$3,861.42	\$5,078.76	\$3,359.44	\$244,773.82	\$161,910.27
2046	\$12,025,558.65	\$8,073,106.65	\$157,315.95	\$105,610.77	\$83,557.19	\$56,094.37	\$6,012.78	\$4,036.55	\$5,231.12	\$3,511.80	\$252,117.04	\$169,253.49
2047	\$12,386,325.41	\$8,433,873.41	\$162,035.43	\$110,330.25	\$86,063.90	\$58,601.08	\$6,193.16	\$4,216.94	\$5,388.05	\$3,668.73	\$259,680.55	\$176,817.00
2048	\$12,757,915.18	\$8,805,463.18	\$166,896.49	\$115,191.31	\$88,645.82	\$61,183.00	\$6,378.96	\$4,402.73	\$5,549.69	\$3,830.38	\$267,470.97	\$184,607.42
2049	\$13,140,652.63	\$9,188,200.63	\$171,903.39	\$120,198.20	\$91,305.20	\$63,842.37	\$6,570.33	\$4,594.10	\$5,716.18	\$3,996.87	\$275,495.10	\$192,631.55
2050	\$13,534,872.21	\$9,582,420.21	\$177,060.49	\$125,355.30	\$94,044.35	\$66,581.53	\$6,767.44	\$4,791.21	\$5,887.67	\$4,168.35	\$283,759.95	\$200,896.40
2051	\$13,940,918.38	\$9,988,466.38	\$182,372.31	\$130,667.12	\$96,865.68	\$69,402.86	\$6,970.46	\$4,994.23	\$6,064.30	\$4,344.98	\$292,272.75	\$209,409.20
2052	\$14,359,145.93	\$10,406,693.93	\$187,843.48	\$136,138.29	\$99,771.65	\$72,308.83	\$7,179.57	\$5,203.35	\$6,246.23	\$4,526.91	\$301,040.93	\$218,177.38
TOTAL				\$2,241,113.87		\$1,190,350.83		\$85,657.70		\$74,522.20		\$3,591,644.61
MILLS			13.0818		6.9483		0.5		0.435		20.9651	

(1) Estimated taxable values and captured values are based on taxable value for base year and 2022. Growth assumed at a rate of 3% per year.

(2) Tax levies for each taxing jurisdiction have been assumed to stay the same.

Exhibit 3B

Projected Tax Increment Finance District Capture for City of the Village of Douglas Downtown Development Authority (Expanded Boundary)

Based on 3% annual growth

Year	Taxable Value	Captured Value	City (13.0818M)	Captured by TIF	County (6.9483M)	Captured by TIF	All Mills	Captured by TIF
2005 (Base)	\$1,562,167.00	\$0.00		\$0		\$0		\$0
2022 (Actual)	\$1,525,543.00	-\$36,624.00	\$19,956.85	-\$479.11	\$10,599.93	-\$254.47	\$30,556.78	-\$733.58
2023	\$1,571,309.29	\$9,142.29	\$20,555.55	\$119.60	\$10,917.93	\$63.52	\$31,473.48	\$183.12
2024	\$1,618,448.57	\$56,281.57	\$21,172.22	\$736.26	\$11,245.47	\$391.06	\$32,417.69	\$1,127.33
2025	\$1,667,002.03	\$104,835.03	\$21,807.39	\$1,371.43	\$11,582.83	\$728.43	\$33,390.22	\$2,099.86
2026	\$1,717,012.09	\$154,845.09	\$22,461.61	\$2,025.65	\$11,930.32	\$1,075.91	\$34,391.92	\$3,101.56
2027	\$1,768,522.45	\$206,355.45	\$23,135.46	\$2,699.50	\$12,288.22	\$1,433.82	\$35,423.68	\$4,133.32
2028	\$1,821,578.12	\$259,411.12	\$23,829.52	\$3,393.56	\$12,656.87	\$1,802.47	\$36,486.39	\$5,196.03
2029	\$1,876,225.47	\$314,058.47	\$24,544.41	\$4,108.45	\$13,036.58	\$2,182.17	\$37,580.98	\$6,290.62
2030	\$1,932,512.23	\$370,345.23	\$25,280.74	\$4,844.78	\$13,427.67	\$2,573.27	\$38,708.41	\$7,418.05
2031	\$1,990,487.60	\$428,320.60	\$26,039.16	\$5,603.20	\$13,830.50	\$2,976.10	\$39,869.67	\$8,579.30
2032	\$2,050,202.23	\$488,035.23	\$26,820.34	\$6,384.38	\$14,245.42	\$3,391.02	\$41,065.76	\$9,775.39
2033	\$2,111,708.29	\$549,541.29	\$27,624.95	\$7,188.99	\$14,672.78	\$3,818.38	\$42,297.73	\$11,007.37
2034	\$2,175,059.54	\$612,892.54	\$28,453.69	\$8,017.74	\$15,112.97	\$4,258.56	\$43,566.66	\$12,276.30
2035	\$2,240,311.33	\$678,144.33	\$29,307.30	\$8,871.35	\$15,566.36	\$4,711.95	\$44,873.66	\$13,583.30
2036	\$2,307,520.67	\$745,353.67	\$30,186.52	\$9,750.57	\$16,033.35	\$5,178.94	\$46,219.87	\$14,929.51
2037	\$2,376,746.29	\$814,579.29	\$31,092.12	\$10,656.16	\$16,514.35	\$5,659.94	\$47,606.47	\$16,316.10
2038	\$2,448,048.68	\$885,881.68	\$32,024.88	\$11,588.93	\$17,009.78	\$6,155.37	\$49,034.66	\$17,744.30
2039	\$2,521,490.14	\$959,323.14	\$32,985.63	\$12,549.67	\$17,520.07	\$6,665.66	\$50,505.70	\$19,215.34
2040	\$2,597,134.84	\$1,034,967.84	\$33,975.20	\$13,539.24	\$18,045.67	\$7,191.27	\$52,020.87	\$20,730.51
2041	\$2,675,048.88	\$1,112,881.88	\$34,994.45	\$14,558.50	\$18,587.04	\$7,732.64	\$53,581.50	\$22,291.14
2042	\$2,755,300.35	\$1,193,133.35	\$36,044.29	\$15,608.33	\$19,144.65	\$8,290.25	\$55,188.94	\$23,898.58
2043	\$2,837,959.36	\$1,275,792.36	\$37,125.62	\$16,689.66	\$19,718.99	\$8,864.59	\$56,844.61	\$25,554.25
2044	\$2,923,098.14	\$1,360,931.14	\$38,239.39	\$17,803.43	\$20,310.56	\$9,456.16	\$58,549.95	\$27,259.59
2045	\$3,010,791.09	\$1,448,624.09	\$39,386.57	\$18,950.61	\$20,919.88	\$10,065.47	\$60,306.45	\$29,016.09
2046	\$3,101,114.82	\$1,538,947.82	\$40,568.16	\$20,132.21	\$21,547.48	\$10,693.07	\$62,115.64	\$30,825.28
2047	\$3,194,148.26	\$1,631,981.26	\$41,785.21	\$21,349.25	\$22,193.90	\$11,339.50	\$63,979.11	\$32,688.75
2048	\$3,289,972.71	\$1,727,805.71	\$43,038.77	\$22,602.81	\$22,859.72	\$12,005.31	\$65,898.48	\$34,608.12
2049	\$3,388,671.89	\$1,826,504.89	\$44,329.93	\$23,893.97	\$23,545.51	\$12,691.10	\$67,875.44	\$36,585.08
2050	\$3,490,332.05	\$1,928,165.05	\$45,659.83	\$25,223.87	\$24,251.87	\$13,397.47	\$69,911.70	\$38,621.34
2051	\$3,595,042.01	\$2,032,875.01	\$47,029.62	\$26,593.66	\$24,979.43	\$14,125.03	\$72,009.05	\$40,718.69
2052	\$3,702,893.27	\$2,140,726.27	\$48,440.51	\$28,004.55	\$25,728.81	\$14,874.41	\$74,169.32	\$42,878.96
TOTAL MILLS			13.0818	\$364,860.33	6.9483	\$193,792.83	20.0301	\$558,653.16

(1) Estimated taxable values and captured values are based on taxable value for base year and 2022. Growth assumed at a rate of 3% per year.

(2) Tax levies for each taxing jurisdiction have been assumed to stay the same.

Exhibit 4. *Part 2, Downtown Development
Authorities, Recodified Tax Increment Financing
Act 57 of 2018*

DRAFT

RECODIFIED TAX INCREMENT FINANCING ACT
Act 57 of 2018

AN ACT to provide for the recodification and establishment of certain tax increment finance authorities; to prescribe the powers and duties of the authorities; to correct and prevent deterioration in residential, commercial, and industrial areas and certain other areas; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas; to promote residential and economic growth; to create certain boards; to prescribe the powers and duties of certain boards; to authorize the issuance of bonds and other evidences of indebtedness; to levy certain taxes; to authorize the use of tax increment financing; to prescribe powers and duties of certain state officials; to provide for rule promulgation; to provide for enforcement of this act; and to repeal acts and parts of acts.

History: 2018, Act 57, Eff. Jan. 1, 2019.

The People of the State of Michigan enact:

PART 1
GENERAL PROVISIONS

125.4101 Short title.

Sec. 101. This act shall be known and may be cited as the "recodified tax increment financing act".

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4102 Repeal of statute or section of law; effect.

Sec. 102. (1) The repeal of a statute or section of law by this act does not relinquish any penalty, forfeiture, or liability, whether criminal or civil in nature, and that statute or section of law shall be treated as still remaining in force as necessary for the purpose of instituting or sustaining any proper action or prosecution for the enforcement of the penalty, forfeiture, or liability.

(2) A bond, note, or any other obligation or refunding of any obligation issued by an authority or by the municipality that created the authority under a statute or section of law repealed by this act shall continue in effect under its original terms under the corresponding part of this act.

(3) A contractual right, duty, or obligation relating to an authority under a statute or section of law repealed by this act shall continue and remain with the authority under the corresponding part of this act.

(4) A development plan or a tax increment financing plan developed by an authority under a statute or section of law repealed by this act shall remain in effect with the authority under the corresponding part of this act.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4103 Board of authority created under repealed statute or section of law; continuation in office; duration; appointment.

Sec. 103. Members of a board of an authority created under a statute or section of law repealed by this act with the same or similar name and functions shall continue in office for the duration of the terms of office for which they were appointed. Members shall be appointed under this act only as terms of the former members expire or vacancies occur. Members of the board of an authority created under a statute or section of law repealed by this act may be appointed to the new board to succeed themselves subject to any limits for the total period of service set forth in this act.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4104 Act as recodification of certain existing acts.

Sec. 104. As this act is a recodification of certain existing tax increment financing acts, the recodification of 1975 PA 197, MCL 125.1651 to 125.1681, in part 2 is a continuation of the taxing authority authorized in section 12 of 1975 PA 197, MCL 125.1662, for purposes of section 31 of article IX of the state constitution of 1963.

History: 2018, Act 57, Eff. Jan. 1, 2019.

PART 2
DOWNTOWN DEVELOPMENT AUTHORITIES

125.4201 Definitions.

Rendered Wednesday, May 19, 2021

Page 1

Michigan Compiled Laws Complete Through PA 13 of 2021

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Sec. 201. As used in this part:

(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 211.155.

(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 part.

(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 (aa), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

(g) "Catalyst development project" means a project that is located in a municipality with a population greater than 600,000, is designated by the authority as a catalyst development project, and is expected to result in at least \$300,000,000.00 of capital investment. There shall be no more than 1 catalyst development project designated within each authority.

(h) "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 part, the township superintendent or township manager of a township.

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

(j) "Development plan" means that information and those requirements for a development plan set forth in section 217.

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

(l) "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 part. 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 enters into an agreement with a qualified township under section 203(7) or 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.

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

(n) "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.

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

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

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

(r) "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 (aa). 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.

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

(t) "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 part. 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.

(u) "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.

(v) "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.

(w) "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 part 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 part 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.

(ix) An obligation incurred after July 31, 2012 by an authority, municipality, or other governmental unit to pay for costs associated with a catalyst development project.

(x) "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. Public facility also includes the acquisition, construction, improvement, and operation of a building owned or leased by the authority to be used as a retail business incubator.

(y) "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 1 or more of the following apply:

(i) 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 obligation is issued to refund a qualified refunding obligation issued on May 15, 1997 and any subsequent refundings of that obligation issued before January 1, 2010 in an authority in which 1 parcel or group of parcels under common ownership represents 50% or more of the taxable value captured within the tax increment finance district and that will ultimately provide for at least a 40% reduction in the taxable value of the property as part of a negotiated settlement as a result of an appeal filed with the state tax tribunal. Qualified refunding obligations issued under this subparagraph are not subject to the requirements of section 611 of the revised municipal finance act, 2001 PA 34, MCL 141.2611, if issued before January 1, 2010. The duration of the development program described in the tax increment financing plan relating to the qualified refunding obligations issued under this subparagraph is hereby extended to 1 year after the final date of maturity of the qualified refunding obligations.

(ii) The refunding obligation meets both of the following:

(A) 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.

(B) The net present value of the sum of the tax increment revenues described in subdivision (cc)(ii) and the distributions under section 213b 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 (cc)(ii) and the distributions under section 213b to repay the obligation being refunded, as calculated using a method approved by the department of treasury.

(iii) The obligation is issued to refund an other protected obligation issued as a capital appreciation bond delivered to the Michigan municipal bond authority on December 21, 1994 and any subsequent refundings of that obligation issued before January 1, 2012. Qualified refunding obligations issued under this subparagraph are not subject to the requirements of section 305(2), (3), (5), and (6), section 501, section 503, or section 611 of the revised municipal finance act, 2001 PA 34, MCL 141.2305, 141.2501, 141.2503, and 141.2611, if issued before January 1, 2012. The duration of the development program described in the tax increment financing plan relating to the qualified refunding obligations issued under this subparagraph is extended to 1 year after the final date of maturity of the qualified refunding obligations. The obligation may be payable through the year 2025 at an interest rate not exceeding the maximum rate permitted by law, notwithstanding the bond maturity dates contained in the notice of intent to issue bonds published by the municipality. An obligation issued under this subparagraph is a qualified refunding obligation only to the extent that revenues described in subdivision (cc)(ii) and distributions under section 213b to repay the qualified refunding obligation do not exceed \$750,000.00.

(iv) The obligation is issued to refund a qualified refunding obligation issued on February 13, 2008, and any subsequent refundings of that obligation, issued before December 31, 2018. Qualified refunding obligations issued under this subparagraph are not subject to the requirements of section 305(2), (3), (5), and (6), 501, 503, or 611 of the revised municipal finance act, 2001 PA 34, MCL 141.2305, 141.2501, 141.2503, and 141.2611. The duration of the development program described in the tax increment financing plan relating to the qualified refunding obligations issued under this subparagraph is extended to 1 year after the final date of maturity of the qualified refunding obligations. Revenues described in subdivision (cc)(ii) and distributions made under section 213b in excess of the amount needed for current year debt service on an obligation issued under this subparagraph may be paid to the authority to the extent necessary to pay future years' debt service on the obligation as determined by the board.

(z) "Qualified township" means a township that meets all of the following requirements:

(i) Was not eligible to create an authority prior to January 3, 2005.

(ii) Adjoins a municipality that previously created an authority.

(iii) Along with the adjoining municipality that previously created an authority, is a member of the same joint planning commission under the joint municipal planning act, 2003 PA 226, MCL 125.131 to 125.143.

(aa) "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.

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

(cc) "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 part.

(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 203(3) or specific local taxes attributable to such ad valorem property taxes.

(D) Ad valorem property taxes levied under 1 or more of the following or specific local taxes attributable to those ad valorem property taxes:

(I) The zoological authorities act, 2008 PA 49, MCL 123.1161 to 123.1183.

(II) The art institute authorities act, 2010 PA 296, MCL 123.1201 to 123.1229.

(III) Except as otherwise provided in section 203(3), ad valorem property taxes or specific local taxes attributable to those ad valorem property taxes levied for a separate millage for public library purposes approved by the electors after December 31, 2016.

(iv) The amount of tax increment revenues authorized to be included under subparagraph (ii) or (v), and required to be transmitted to the authority under section 214(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) or (v).

(v) Tax increment revenues include ad valorem property taxes and specific local taxes, in an annual amount and for each year approved by the state treasurer, attributable to the levy by this state under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and by local or intermediate school districts, upon the captured assessed value of real and personal property in the development area of an authority established in a city with a population of 600,000 or more to pay for, or reimburse an advance for, not more than \$8,000,000.00 for the demolition of buildings or structures on public or privately owned property within a development area that commences in 2005, or to pay the annual principal of or interest on an obligation, the terms of which are approved by the state treasurer, issued by an authority, or by a city on behalf of an authority, to pay not more than \$8,000,000.00 of the costs to demolish buildings or structures on public or privately owned property within a development area that commences in 2005.

(vi) Tax increment revenues include ad valorem property taxes and specific local taxes attributable to the levy by this state under the state education tax act, 1993 PA 331, MCL 211.201 to 211.906, and by local or intermediate school districts which were levied on or after July 1, 2010, upon the captured assessed value of real and personal property in the development area of an authority established in a city with a population of 600,000 or more to pay for, or reimburse an advance for, costs associated with the land acquisition, preliminary site work, and construction of a catalyst development project.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4201a Legislative findings.

Sec. 201a. 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 part 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 part 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 part 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4202 Authority; establishment; restriction; public body corporate; powers generally.

Sec. 202. (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 203a, 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 part.

(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 part shall not be construed as a limitation upon the general powers of an authority.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4203 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; action by library board or commission; adoption, filing, and publication of ordinance; altering or amending boundaries; agreement with adjoining municipality; agreement with qualified township.

Sec. 203. (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, 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 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. Beginning June 1, 2005, the notice of hearing within the time frame described in this subsection shall be mailed by certified mail 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. If a separate millage for public library purposes was levied before January 1, 2017, and all obligations and other protected obligations of the authority are paid, then the levy is exempt from capture under this part, unless the library board or commission allows all or a portion of its taxes levied to be included as tax increment revenues and subject to capture under this part under the terms of a written agreement between the library board or commission and the authority. The written agreement shall be filed with the clerk of the municipality. However, if a separate millage for public library purposes was levied before January 1, 2017, and the

authority alters or amends the boundaries of a downtown district or extends the duration of the existing finance plan, then the library board or commission may, not later than 60 days after a public hearing is held under this subsection, exempt all or a portion of its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality that created the authority. For ad valorem property taxes or specific local taxes attributable to those ad valorem property taxes levied for a separate millage for public library purposes approved by the electors after December 31, 2016, a library board or commission may allow all or a portion of its taxes levied to be included as tax increment revenues and subject to capture under this part under the terms of a written agreement between the library board or commission and the authority. The written agreement shall be filed with the clerk of the municipality. However, if the library was created under section 1 or 10a of 1877 PA 164, MCL 397.201 and 397.210a, or established under 1869 LA 233, then any action of the library board or commission under this subsection shall have the concurrence of the chief executive officer of the city that created the library to be effective, and, if the action of the library board or commission involves any bond issued by this state or a state agency, the concurrence of the state treasurer.

(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.

(7) A municipality that has created an authority may enter into an agreement with a qualified township to operate its authority in a downtown district in the qualified township under an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512. The interlocal agreement between the municipality and the qualified township shall provide for, but is not limited to, all of the following:

- (a) Size and makeup of the board.
- (b) Determination and modification of downtown district, business district, and development area.
- (c) Modification of development area and development plan.
- (d) Issuance and repayment of obligations.
- (e) Capture of taxes.
- (f) Notice, hearing, and exemption of taxes from capture provisions described in this section.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4203a Authority of annexing or consolidated municipality; obligations, agreements, and bonds.

Sec. 203a. 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 part shall remain in effect following the annexation or consolidation.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4203b Ratification and validation of ordinance and actions; compliance.

Sec. 203b. (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 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 203(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.

(3) 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 7,000 before June 1, 1998 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4203c Proceedings or findings; validity.

Sec. 203c. 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4203d Establishment or amendment of authority, district, or plan; notice; publication or posting.

Sec. 203d. 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 203(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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4204 Board; appointment, terms, and qualifications of members; vacancy; compensation and expenses; election of chairperson; appointment as public official; oath; conducting business at public meeting; public notice; special meetings; removal of member; 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; modification by interlocal agreement.

Sec. 204. (1) Except as provided in subsections (7), (8), and (9), an authority shall be under the supervision

and control of a board consisting of the chief executive officer of the municipality or his or her designee from the governing body 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 or officers, members, trustees, principals, or employees of a legal entity 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. The rules of procedure or the bylaws of the authority may provide that a person be appointed to the board in his or her capacity as a public official, whether appointed or elected. The rules of procedure or bylaws may also provide that the public official's term shall expire upon expiration of his or her service as a public official. In addition, the public official's membership on the board expires on his or her resignation from office as a public official.

(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, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The board shall adopt rules consistent with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, 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, 1976 PA 442, MCL 15.231 to 15.246.

(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 former 1931 PA 285 or the Michigan planning enabling act, 2008 PA 33, MCL 125.3801 to 125.3885, serve as the board provided for in subsection (1).

(9) If a municipality enters into an agreement with a qualified township under section 203(7), the membership of the board may be modified by the interlocal agreement described in section 203(7).

History: 2018, Act 57, Eff. Jan. 1, 2019;—Am. 2019, Act 29, Imd. Eff. June 25, 2019.

125.4205 Director; acting director; treasurer; secretary; legal counsel; other personnel.

Sec. 205. (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 or her 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 part. 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 or her office, the acting director shall take and subscribe to the oath, and furnish bond, as required of 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 or her 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4206 Participation of employees in municipal retirement and insurance programs.

Sec. 206. 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4207 Powers of board; creation, operation, or funding of retail business incubator.

Sec. 207. (1) 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 part, in accordance with the powers of the authority as granted by this part.
- (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 part, 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.

(p) Operate and perform all duties and exercise all responsibilities described in this section in a qualified township if the qualified township has entered into an agreement with the municipality under section 203(7).

(q) Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.

(r) Create, operate, and fund retail business incubators in the downtown district.

(2) If it is the express determination of the board to create, operate, or fund a retail business incubator in the downtown district, the board shall give preference to tenants who will provide goods or services that are not available or that are underserved in the downtown area. If the board creates, operates, or funds retail business incubators in the downtown district, the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following:

(a) The lease or rental rate that may be below the fair market rate as determined by the board.

(b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months.

(c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district.

(d) A copy of the business plan of the tenant that contains measurable goals and objectives.

(e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4208 Board serving as planning commission; agenda.

Sec. 208. If a board created under this part serves as the planning commission under the Michigan planning enabling act, 2008 PA 33, MCL 125.3801 to 125.3885, the board shall include planning commission business in its agenda.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4209 Authority as instrumentality of political subdivision.

Sec. 209. The authority shall be deemed an instrumentality of a political subdivision for purposes of 1972 PA 227, MCL 213.321 to 213.332.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4210 Taking, transfer, and use of private property.

Sec. 210. A municipality may take private property under 1911 PA 149, MCL 213.21 to 213.25, 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4211 Financing activities of authority; disposition of money received by authority; municipal obligations.

Sec. 211. (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 212.

(c) Money borrowed and to be repaid as authorized by sections 213 and 213a.

(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 214 to 216.

(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 213b.

(i) Revenue transferred pursuant to section 11a of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.611a.

(j) Revenue transferred pursuant to section 11b of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.611b.

(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 part. Except as provided in this part, the municipality shall not obligate itself, nor shall it ever be obligated to pay any sums from public funds, other than money received by the municipality pursuant to this section, for or on account of the activities of the authority.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4212 Ad valorem tax; borrowing in anticipation of collection.

Sec. 212. (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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4213 Revenue bonds.

Sec. 213. The authority may borrow money and issue its negotiable revenue bonds under the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140. 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4213a 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. 213a. (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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4213b 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. 213b. (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 215 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 part 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 part 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4213c Retention and payment of taxes levied under state education tax act; conditions; application by authority for approval; information to be included; approval, modification, or denial of application by department of treasury; appropriation and distribution of amount; calculation of aggregate amount; lien; reimbursement calculations; legislative intent.

Sec. 213c. (1) If the amount of tax increment revenues lost as a result of the personal property tax exemptions provided by section 1211(1) and (4) of the revised school code, 1976 PA 451, MCL 380.1211, section 3 of the state education tax act, 1993 PA 331, MCL 211.903, section 14(4) of 1974 PA 198, MCL 207.564, and section 9k of the general property tax act, 1893 PA 206, MCL 211.9k, will reduce the allowable school tax capture received in a fiscal year, then, notwithstanding any other provision of this part, the authority, with approval of the department of treasury under subsection (3), may request the local tax collecting treasurer to retain and pay to the authority taxes levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, to be used for the following:

- (a) To repay an eligible advance.
- (b) To repay an eligible obligation.
- (c) To repay an other protected obligation.

(2) Not later than June 15, 2008, not later than September 30, 2009, and not later than June 1 of each subsequent year, except for 2011, not later than June 15, an authority eligible under subsection (1) to have taxes levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, retained and paid to the authority under this section, shall apply for approval with the department of treasury. The application for approval shall include the following information:

(a) 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.

(b) 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.

(c) The tax increment revenues the authority estimates it would have received for that fiscal year if the personal property tax exemptions described in subsection (1) were not in effect.

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

(e) 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, the repayment of an eligible advance, or the payment of an other protected obligation. 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 plan.

(f) The amount of a distribution received pursuant to this part 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.

(3) Not later than August 15, 2008; for 2009, not later than February 3, 2010; for 2011 only, not later than 30 days after the effective date of the amendatory act that amended this sentence; and not later than August 15 for 2010, 2012, and each subsequent year, based on the calculations under subsection (5), the department of treasury shall approve, modify, or deny the application for approval to have taxes levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, retained and paid to the authority under this section. If the application for approval contains the information required under subsection (2)(a) through (f) and appears to be in substantial compliance with the provisions of this section, then the department of treasury shall approve the application. If the application is denied by the department of treasury, then the department of treasury shall provide the opportunity for a representative of the authority to discuss the denial within 21 days after the denial occurs and shall sustain or modify its decision within 30 days after receiving information from the authority. If the application for approval is approved or modified by the department of treasury, the local tax collecting treasurer shall retain and pay to the authority the amount described in subsection (5) as approved by the department. If the department of treasury denies the authority's application for approval, the local tax collecting treasurer shall not retain or pay to the authority the taxes levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906. An approval by the department does not prohibit a subsequent audit of taxes retained in accordance with the procedures currently authorized by law.

(4) Each year the legislature shall appropriate and distribute an amount sufficient to pay each authority the following:

(a) If the amount to be retained and paid under subsection (3) is less than the amount calculated under subsection (5), the difference between those amounts.

(b) If the application for approval is denied by the department of treasury, an amount verified by the department equal to the amount calculated under subsection (5).

(5) Subject to subsection (6), the aggregate amount under this section shall be the sum of the amounts determined under subdivisions (a) and (b) minus the amount determined under subdivision (c), as follows:

(a) The amount by which the tax increment revenues the authority would have received and retained for the fiscal year, excluding taxes exempt under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, if the personal property tax exemptions described in subsection (1) were not in effect, exceed the tax increment revenues the authority actually received for the fiscal year. For fiscal years beginning January 1, 2019 and thereafter, the amount under this subdivision shall be calculated using the greater of the following:

(i) The captured assessed value of industrial personal property, commercial personal property, and the personal property component of exemption certificates granted under 1974 PA 198, MCL 207.551 to 207.572, that are sited on property classified as either industrial or commercial, for the authority's fiscal year ending in the current year.

(ii) The 2013 captured assessed value of industrial personal property, commercial personal property, and the personal property component of exemption certificates granted under 1974 PA 198, MCL 207.551 to 207.572, that are sited on property classified as either industrial or commercial.

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

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

(6) A distribution or taxes retained under this section replacing tax increment revenues pledged by an authority or a municipality are subject to any lien of the pledge described in subsection (1), whether or not there has been physical delivery of the distribution.

(7) Obligations for which distributions are made under 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.

(8) Not later than September 15 of each year, the authority shall provide a copy of the application for approval approved by the department of treasury to the local tax collecting treasurer and provide the amount of the taxes retained and paid to the authority under subsection (5).

(9) Calculations of amounts retained and paid and appropriations to be distributed under this section shall be made on the basis of each development area of the authority.

(10) 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.

(11) It is the intent of the legislature that, to the extent that the total amount of taxes levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, that are allowed to be retained under this section and section 411b, section 15a of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665a, and section 312b, exceeds the difference of the total school aid fund revenue for the tax year minus the estimated amount of revenue the school aid fund would have received for the tax year had the tax exemptions described in subsection (1) and the earmark created by section 515 of the Michigan business tax act, 2007 PA 36, MCL 208.1515, not taken effect, the general fund shall reimburse the school aid fund the difference.

History: 2018, Act 57, Eff. Jan. 1, 2019;—Am. 2018, Act 481, Imd. Eff. Dec. 27, 2018.

125.4214 Tax increment financing plan; preparation and contents; limitation; public hearing; fiscal and economic implications; recommendations; agreements; modification of plan; catalyst development project.

Sec. 214. (1) When the authority determines that it is necessary for the achievement of the purposes of this part, 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 217, 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 215. 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. 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, 1933 PA 62, MCL 211.201 to 211.217a. For purposes of this subsection, tax increment revenues used to pay bonds issued by a municipality under section 216(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, 1985 PA 224, MCL 125.2113.

(3) Approval of the tax increment financing plan shall be pursuant to the notice, hearing, and disclosure provisions of section 218. 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.

(6) Under a tax increment financing plan that includes a catalyst development project, an authority may pledge available tax increment revenues of the authority as security for any bonds issued to develop and

construct a catalyst development project.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4215 Transmitting and expending tax increments revenues; reversion of surplus funds; abolishment of tax increment financing plan; conditions.

Sec. 215. (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, allowed to expire, or otherwise terminate until the principal of, and interest on, bonds issued pursuant to section 216 have been paid or funds sufficient to make the payment have been segregated.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4216 General obligation bonds and tax increment bonds; qualified refunding obligation.

Sec. 216. (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 211. 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 211 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 211 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 211 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 211 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 part, 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 213b 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4217 Development plan; preparation; contents.

Sec. 217. (1) When a board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 213 or tax increment financing as authorized in sections 214, 215, and 216, 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, Public Law 91-646, 42 USC 4601.

(o) A plan for compliance with 1972 PA 227, MCL 213.321 to 213.332.

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

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4218 Ordinance approving or amending development plan or tax increment financing plan; public hearing; notice; record.

Sec. 218. (1) The governing body, before adoption of an ordinance approving or amending a development plan or approving or amending a 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. Beginning June 1, 2005, the notice of hearing within the time frame described in this subsection shall be mailed by certified mail to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the development plan or the tax increment financing plan is approved or amended.

(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 considers 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 to the development plan. 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4219 Development plan or tax increment financing plan as constituting public purpose; determination; ordinance; considerations; amendments; incorporation of catalyst development project plan.

Sec. 219. (1) The governing body after a public hearing on the development plan or the tax increment financing plan, or both, with notice of the hearing given in accordance with section 218, 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 217(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 part.

(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 part 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.

(3) Proposed amendments made to an approved development plan to incorporate a catalyst development project plan shall be submitted by the authority to the Michigan strategic fund for approval or rejection of that part of the plan relating to the catalyst development project. Amendments not approved or rejected under this subsection by the Michigan strategic fund within 45 days of submission for approval shall be considered approved.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4220 Notice to vacate.

Sec. 220. A person to be relocated under this part shall be given not less than 90 days' written notice to vacate unless modified by court order for good cause.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4221 Development area citizens council; establishment; appointment and qualifications of members; representative of development area.

Sec. 221. (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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4222 Development area citizens council; advisory body.

Sec. 222. A development area citizens council established pursuant to this part shall act an advisory body to the authority and the governing body in the adoption of the development or tax increment financing plans.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4223 Consultation.

Sec. 223. 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4224 Development area citizens council; meetings; notice; record; information and technical assistance; failure to organize, consult, or advise.

Sec. 224. (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 part, shall not preclude the adoption of a development plan by a municipality if the municipality complies with the other provisions of this part.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4225 Citizens district council as development area citizens council.

Sec. 225. In a development area where a citizens district council established according to 1945 PA 344, MCL 125.71 to 125.84, already exists the governing body may designate it as the development area citizens council authorized by this part.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4226 Notice of findings and recommendations.

Sec. 226. 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4227 Development area citizens council; dissolution.

Sec. 227. 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 218 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4228 Budget; cost of handling and auditing funds.

Sec. 228. (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 part 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: 2018, Act 57, Eff. Jan. 1, 2019.

125.4228a Exemption.

Sec. 228a. Beginning January 1, 2010, the authority shall be exempt from all taxation on its earnings or property. Instruments of conveyance from an authority are exempt from transfer taxes under 1966 PA 134, MCL 207.501 to 207.513, and the state real estate transfer tax act, 1993 PA 330, MCL 207.521 to 207.537.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4229 Historic sites.

Sec. 229. (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 Michigan state housing development authority for review.

History: 2018, Act 57, Eff. Jan. 1, 2019.

Compiler's note: For transfer of powers and duties of the state historic preservation office relating to the identification, certification, and preservation of historical sites from the Michigan state housing development authority to the Michigan strategic fund, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

125.4230 Dissolution of authority; disposition of property and assets; reinstatement of authority; contesting validity of proceedings, findings, and determinations.

Sec. 230. (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 part 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 203(2) shall not be invalidated pursuant to a claim that, based upon the standards set forth in section 203(1), a governing body improperly determined that the necessary conditions existed for the reinstatement of an authority under this part 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 part or could have determined that establishment of an authority under this part 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 203(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:

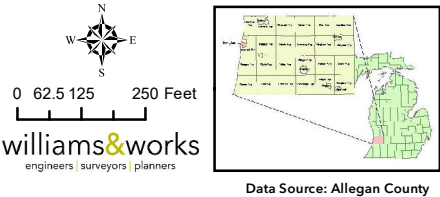
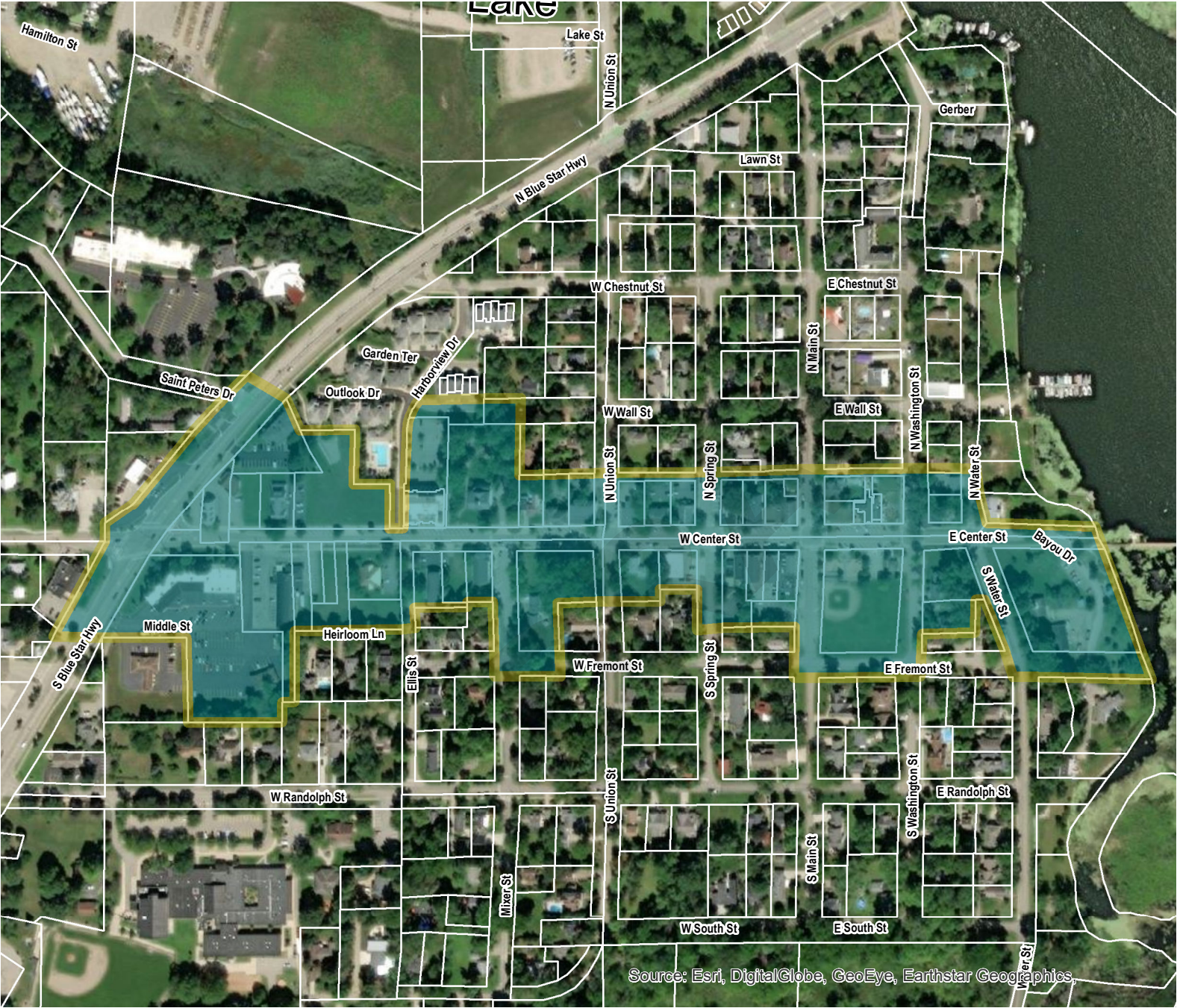
- (a) Publication of the ordinance reinstating the authority as adopted.
- (b) Filing of the ordinance reinstating the authority with the secretary of state.
- (c) May 27, 1993.

Map 1. *Downtown District and Development
Area Boundaries*

DRAFT

The City of the Village of
DOUGLAS
Allegan County, Michigan

MAP 1 | DDA Boundary



Map 2 Zoning

DRAFT

The City of the Village of

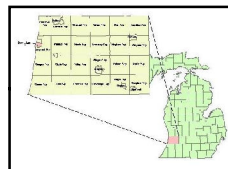
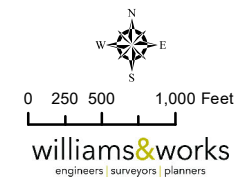
DOUGLAS

Allegan County, Michigan

MAP 2 | Zoning MapEffective Date:
July 16, 2014

- DDA Boundary
- PUD Overlays
- R-1, Residential District
 - R-2, Residential District
 - R-3, Neighborhood Conservation District
 - R-4, Harbor Residential District
 - R-5, Multiple Family District
 - R-6, Mobile Home Park District
 - C-1, Village Commercial District
 - C-2, General Commercial District
 - L-1, Light Industrial District

This is to certify that this is the Official Zoning Map of the City Zoning Ordinance adopted on the 18th day of May, 2009. If, in accordance with the provisions of this ordinance, changes are made in district boundaries or other matters portrayed on the Official Zoning Map, such changes shall be made on the Official Zoning Map after amendment has been approved by the City Council together with an entry on the Official Zoning Map.

Mayor_____
Clerk

Data Source: Allegan County



MEMORANDUM

To: Douglas Downtown Development Authority

From: Rich LaBombard
City Manager

Date: February 22, 2023

RE: DDA Welcome Center Literature Orders 2023

Michigan Department of Transportation is providing information to renew the placement of visitor's guides at Michigan Welcome Centers at Coldwater, Mackinaw City, Monroe, and New Buffalo. The placement of the literature at four welcome centers supports the DDA's objective to market Douglas' downtown and local events. The DDA should consider providing up to 2,300 visitor's guides to MDOT for placement at the centers.

This item was tabled in the January meeting to allow the literature to be redesigned. The redesigned literature is attached.

Sample Motion: I motion to approve the placement of Douglas Downtown Development Authority visitor guide literature at Michigan Welcome Centers for 2023.



Douglas is a picturesque recreational harbor
2-1/2 hours from Chicago, in a resort area that has
become known as "The Art Coast of Michigan".
Come see what we have going on in 2023!

Derby Day
May 6th

Community Pride Parade and events
June 1st-4th



Venetian Festival
July 28th-29th

Bridge Walk
September 4th

Community Pride Oktoberfest
October 13th-15th

Douglas Halloween Parade
October 28th

Holiday Lighting Ceremony
November 25th



**Scan me for more
information!**





MEMORANDUM

To: Douglas Downtown Development Authority

From: Rich LaBombard
City Manager

Date: February 22, 2023

RE: DDA Priorities, Budget Development, Project List

During the December DDA meeting, members discussed budget priorities for fiscal year 23-24. The following items were identified as the upcoming fiscal year priorities.

- Gateway signage improvements – design and easement discussion in progress
- Grant writer – potentially a non-profit management degree intern
- Wades Bayou Improvements – need a list of proposed improvements to quote
- Holiday lighting and décor – plan for next holiday season to quote
- Sidewalk and ADA improvements in the district – identify a list of proposed improvements to quote
- Acquisition of vacant property – discuss feasibility in closed session

Projected revenues from fiscal year 22-23 were \$39,188. I'd anticipate the revenues will increase by approximately two percent for fiscal year 23-24 to \$40,000±.

The DDA was budgeted to spend \$34,000 in fiscal year 22-23, allowing approximately \$5,000 of available revenue to be added to the fund balance. The projected fund balance going into fiscal year 23-24 is estimated to be \$88,000±.

The DDA should begin to identify projects that they'd like to accomplish for the next fiscal year with the funds available. City administration will obtain quotes for the work and bring back a proposed budget at a future meeting.

At the January meeting, DDA members self-assigned the following budget priorities:

- Ketelhut – Intern, Wades Bayou
- Postilion – Grant writer
- Balmer – Sidewalks, ADA, Michigan Main Street Training
- Martyniek – Social Media, holiday display, Michigan Main Street Training
- Walker – Gateway
- Stefanchik – Vacant property

Discussion item



MEMORANDUM

To: Douglas Downtown Development Authority

From: Rich LaBombard
City Manager

Date: February 22, 2023

RE: Holiday Lighting Agreement Amendment

The DDA received numerous positive remarks about the improved holiday lighting display in the downtown this year. City Hall received one concern about the added electric cost incurred by the duration of operational holiday lighting display on City facilities and trees. New this year was the lighting of municipal structures in the downtown. A few residents even suggested that the structure lighting on City Hall, Police Department, Beery Field bathrooms, and the gateway sign stay lit all year because they felt it added charm to the downtown. City staff contacted Chips Groundcover to provide a quote to keep the structure lighting in place and Chips responded with a quote of \$470 for two years of service. The agreement with Chips expires in 2024. Chips is able to offer this reduced price because they will not need to rent equipment to install and remove the roofline lights. With this quote, the DDA could realize a cost savings of \$4,290 over the two-year period. However, if the lights need to be replaced for some reason, additional costs will need to be incurred for labor and equipment rental.

Should the DDA agree to amend Chips Groundcover's Agreement, a request for financial support to pay the cost of electric consumption must be approved by City Council. The municipality owns the facilities and therefore pays the added electric costs associated with the holiday lighting. A potential electric cost reducing measure may be to purchase and install timers on any long term installed structure lighting.

There are no ordinances that restrict holiday lighting displays other than on trees located in the right-of-way. Municipal ordinance 98.08 "Limited Lighting of Trees on Public Rights-of-Way" requires "trees located in the public street rights-of-way or otherwise on public property shall not be decorated with strings of lights placed or maintained on or within them, nor shall such trees otherwise be lighted by other types of lighting placed on or within the trees; provided, however, that during the annual holiday season lights in observance of the season may be placed on such trees, in a manner that will not harm or damage the trees, but they shall not be placed on the trees earlier than November 1 and they shall be removed from the trees not later than the following March 31; but provided further, that such lights placed on trees in the public street rights-of-way in observance of the annual holiday season may remain on the trees after March 31 if approved by the Tree Board, subject to terms and conditions imposed by the Tree Board, and if the lights are placed only on

or around the tree trunk, not the crown of the tree, and if the tree will not be harmed or damaged thereby.”
Therefore, tree lighting in the right of way is not viable without permission from the Planning Commission (acting Tree Board).

Item 7A.

Sample Motion: I recommend the Downtown Development Authority consider amending the Chips Groundcover Agreement and recommend City Council support decorative structure lighting at City Hall, the Police Department, Beery Field bathrooms, and the gateway sign.