

^e *Downtown Development Plan*
Tax Increment Financing Plan

Revised
March 31, 1989
Muskegon, Michigan

**THE DOWNTOWN DEVELOPMENT PLAN
AND
TAX INCREMENT FINANCING PLAN**

Muskegon, Michigan

December, 1988

DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN
FOR THE
MUSKEGON DOWNTOWN DEVELOPMENT DISTRICT

Prepared by the
Muskegon Downtown Development Authority

Adopted by the
Muskegon Downtown Development Authority
on December 2, 1988

Adopted by the
Muskegon City Commission
on December 27, 1988
Revised March 31, 1989

Table of Contents

I.		Page
	<u>Introduction</u>	
A.	Purpose of the Downtown Development Authority Act	1
B.	Creation of the Muskegon Downtown Development Authority of the Muskegon Downtown Development District	2
C.	Activities of the Muskegon Downtown Development Authority .	2
D.	Legal Basis for the Muskegon Downtown Development Authority	2
E.	Basis of Authority's Determination of Necessity for the Muskegon Development Area	3
F.	Purpose of Tax Increment Financing Plan for the Muskegon Downtown Development Area	4
II.	<u>Development Plan</u>	
A.	Boundaries of the Muskegon Downtown Development Area .	6
B.	Development Plan Goal and Objectives	6
C.	Location, Character and Extent of Existing Public and Private Land Uses	6
	1. Existing Public Land Uses	8
	2. Existing Private Land Uses	8
D.	Location, Character and Extent of Proposed Land Uses ..	9
	1. Proposed Public Land Uses	10
	2. Proposed Private Land Uses	12
E.	Property Acquisition	12
	1. Identification of Properties to be Acquired ..	12
	2. Legal Basis for Acquisition of Private-Owned Properties	12
F.	Existing Improvements to be Altered, Removed or Repaired .	13
G.	Location, Extent, Character and Estimated Cost of Improvements, Including Rehabilitation Contemplated for the Development Area	14
H.	Planned New Development	14
I.	Existing and Planned Open Space Areas	15
J.	Acquisition and Disposition of Public Lands	15
K.	Description of Existing Zoning Changes and Proposed Changes	15
L.	Proposed Right-of-way Adjustments and Changes to Street Grades, Intersections and Utilities	15
M.	Development Cost Estimates and Financing	16
N.	Identification of Private Interests, Parties or Individuals to whom the Development will Be Sold or is Being Undertaken	16
O.	Proposed Land Disposition Terms and Bidding Procedures ..	16
P.	Estimates of the Number of Persons Residing in the Development District and the Number of Families and Individuals to be Displaced	17
Q.	A Plan for Establishing Priority for the Relocation of Persons Displaced by the Development in any New Housing in the Development Area	17

R.	Provision for the Costs of Relocating Persons and Businesses Displaced by the Development and Financial Assistance Reimbursement of Expenses	17
S.	Plan Provisions for Compliance with Act No. 227 of the Public Acts of 1972	18

III. Tax Increment Financing Plan for Muskegon Downtown Development District

A.	Tax Increment Financing Procedure	19
B.	Estimates of Captured Assessed Values and Tax Increment Revenues	20
C.	Use of Tax Increment Revenue	20
D.	Indebtedness to be incurred	21
E.	Duration of Plan	22
F.	Impact of Assessed values and Tax Revenues	22
G.	Use of the Captured Assessed Value	23
H.	Compliance with Section 15 of the ODA Act and Reports .	23
I.	Budget, Fund Handling and Auditing Costs	23
J.	Expense Publication	23

LIST OF EXHIBITS

	Page
1. City of Muskegon Ordinance Creating the Downtown Development Authority and the Downtown District	24
2. Acknowledgement Letter from the Secretary of State for Receipt of the Ordinance	26
3. Boundary Description of the Muskegon Downtown Development Authority District	27
4. DDA Bylaws	28
5. Boundary Description of the Muskegon DDA Development Area . .	36
6. Downtown Development Authority Project Description	37
7. Summary of Projected Revenues/Expenditures	39
8. Muskegon Downtown Development Authority Budget	41
9. Summary of Current Assessed Value (SEV) in Area by Classification	42
10. Estimates of Captured Assessed Values and Tax Revenues for 1989 - 1993 Based on Anticipated New Construction	48
11. Summary of Tax Increment Revenues according to Taxing Jurisdictions in the Downtown Development District for 1989 - 2018	58
12. Act No. 197 of the Public Acts of 1975, Downtown Development Authority Act	60
13. City of Muskegon Ordinance Approving Tax Increment Financing and Development Plan for Downtown Development District	78
14. Properties to Acquire	80
15. Muskegon Mall Redevelopment	81
16. Survey of Families & Individuals to be Displaced - The Durham Building Apartments	82
17. Ordinance Adopting the First Amendments to Development Plan and Tax Increment Financing Plan for the Muskegon Downtown Development District	83

List of Tables and Maps

	Page
1. Muskegon Downtown Development Authority District Map	85
2. Muskegon DOA Development Area Map	86
3. Existing Zoning Districts Map	87

I. INTRODUCTION

**THE DOWNTOWN DEVELOPMENT PLAN AND
TAX INCREMENT FINANCING PLAN
Muskegon, Michigan**

I. Introduction

Downtown Muskegon was once a thriving place to do business. As with many mature central cities, the advent of the automobile, and later the suburban shopping mall, caused deterioration to occur downtown. In an effort to combat the rapid decline in commercial and residential activity downtown, a group of community leaders spearheaded the development of the downtown Muskegon Mall. Although the \$33 million Mall, built in 1976, has been an asset to Muskegon, there remains a great deal to accomplish in the

revitalization of the downtown area. The Mall is now twelve years old and requires renovation. It suffers from incipient blight and economic obsolescence, as do several of the structures exterior of the Mall and in the Development Area (as hereafter described). Its tenants, even its major tenants, are facing stiff competition from new regional malls. Some of the tenants are being enticed to relocate to suburban centers. The Downtown Development Authority Act is a tool which can be used to give the City and its downtown district an opportunity to retain the Mall tenants and to blossom, rejuvenate itself and aggressively compete with the suburban office and commercial centers. Without prompt and effective action, using the powers granted the Downtown Development Authority by the legislature of the State of Michigan, the future of downtown Muskegon is imperiled.

A. Purpose of the Downtown Development Authority Act.

The Downtown Development Authority Act (Act) is Act 197 of Public Acts of 1975 of the State of Michigan, as amended. A copy of Act 197, as amended, is found in the Appendix. The purpose of the Act is to correct and prevent deterioration in the Downtown Development District, to encourage historic preservation, to create and implement development plans, to promote economic growth, to authorize the acquisition and disposal of interests in real and personal property, to authorize the creation of an authority board, to authorize the levy and collection of taxes, the issuance of bonds and the use of tax increment financing (TIE) in the accomplishment of specific downtown development activities contained in locally adopted development plans for older or traditional central business districts of Michigan municipalities.

The Act intends to assist municipalities in alleviating the existing conditions of urban decline, unemployment, underemployment and joblessness existing in many urban areas. It seeks to accomplish this goal by providing communities with the necessary legal, monetary and organizational tools to revitalize downtown districts either through public-initiated project undertakings or in concern with privately motivated development projects.

The manner in which a downtown development authority makes use of the tools available depends on the problems and opportunities facing each particular downtown district. This development plan has been developed within the purposes of the act; and the problems and priorities as perceived by the Muskegon Downtown Development Authority (DDA) and as submitted for the approval of the Muskegon City Commission.

B. Creation of the Muskegon Downtown Development Authority and the Muskegon Downtown Development District.

On July 12, 1988, the City Commission of the City of Muskegon adopted Ordinance Number 969 which created the Muskegon Downtown Development Authority, following the required public hearing. A copy of Ordinance Number 969 can be seen in Exhibit 1. A copy of the Ordinance was filed with the Secretary of State on July 21, 1988 (see Exhibit 2).

The DDA was given all of the powers and duties prescribed for a downtown development authority pursuant to the Act. The City Commission also designated the boundaries of the downtown development district within which the DDA may legally work. These boundaries are shown on Map 1 and a legal description can be found in Exhibit 3.

On September 27, 1988, the Muskegon City Commission approved the appointment of nine individuals to serve on the DDA Board of Directors. Two additional DDA Board member appointments were approved by the Muskegon City Commission on October 25, 1988. Therefore, there are eleven individuals serving on the DOA Board.

C. Activities of the Muskegon Downtown Development Authority.

The Authority was created July 12, 1988 and the first nine board members were appointed September 27, 1988 (with two more members being appointed October 25, 1988). The Authority's first meeting was held October 12, 1988. Since that time, public meetings have been scheduled and conducted weekly, for the purpose of establishing procedures under which to operate, to discuss downtown issues, goals and objectives to be addressed, to establish strategies for proceeding with future development of the downtown, and to review current ongoing and planned new public and private development projects within the downtown district.

On October 12, 1988, the Authority elected officers, appointed the DDA Depository and Legal Counsel, and adopted DDA bylaws (see Exhibit 4).

The Authority has concentrated its efforts on development for the core area of downtown, which includes the Muskegon Mall. It is recognized that the vitality of the Mall and its linkage to the lakefront, is essential for the economic health of the entire downtown. Primary areas of emphasis are on the Mall redevelopment, which includes the extension of Terrace Street to bring people directly into the downtown. Parking improvements are essential, as well as a physical linkage between the Mall and Muskegon Lake. The Authority desires to be directly involved in downtown projects and development, as well as to encourage private development.

D. Legal Basis for the Muskegon Downtown Development Authority.

The adoption of the Act provides the legal mechanism for local officials to address the need for economic development in the central business district. The Muskegon Downtown Development Area shown on Map 2 and

described in Exhibit 5, is the area designated by the DDA for implementing development activities and tax increment financing procedures set forth in the Act.

For purposes of designating a district and for establishing a tax increment financing plan, the State Act refers to a "downtown district" as "an area in a business district which is specifically designated by ordinance of the governing body of the municipality" and a "business district" as "an area in the downtown of a municipality zoned and used principally for business". For purposes of financing activities of the Authority within a district, tax increment plans can be established. By definition, a tax increment financing plan seeks to capitalize on and make use of the increased tax base created by economic development within the boundaries of a downtown district. The location of Muskegon's Development District clearly meets this requirement.

The legal basis or support for the Development Plan and Tax Increment Financing Plan are identified in Act 197 of the Public Acts of 1975. as amended.

E. Basis of Authority's Determination of Necessity for the Muskegon Development Area.

The development area as recommended by the Muskegon Downtown Development Authority was developed after careful consideration and is founded on the basis that the future success of downtown Muskegon's current efforts to revitalize its central area will greatly depend on the readiness and ability of the public sector to initiate projects and to work in coordination with the private sector on development where the creation of jobs, the retention, expansion and attraction of new businesses and the generation of additional tax revenues is clearly demonstrated.

The DDA has identified a list of priorities for downtown improvement needs which require their attention, participation, support and encouragement at this time and which this plan is directed toward accomplishing. These priorities are:

I Purchasing the Mall and adjacent lands by the DDA for the expansion

and redevelopment of the Mall is deemed a necessity. The potential sale or lease of the Mall to a single entity, namely, as presently planned, Equity Properties and Development Company, would then be possible, which would (1) provide unified Mall management, (2) enhance the future growth and success of the Mall and its environs, (3) relieve the City and its Economic Development Corporation of a serious financial and administrative burden, (4) add substantially to the tax base of the Downtown District, and (5) aid in the economic growth of the entire Downtown District. In the interim, however, there must be made continuing improvements to the Muskegon Mall. As the Mall is a major commercial interest within the downtown, it must continually be maintained and strengthened in order to compete with other shopping centers in the region.

2. Increasing parking opportunities in Downtown Muskegon through the construction of parking structures, parking lots and or redesign of existing parking lots. There is presently a need for more parking, particularly in the central business area where several major "people attractors" exist, i.e., the Muskegon Mall, the Harbor Hilton, the Frauenthal Center for Performing Arts and Walker Arena. During week days, there is a lack of parking due to employee parking and on weeknights and weekends, there is inadequate parking because of special events. In the past, it has been difficult to adequately address the parking problem due to financial limitations. Therefore, the DDA is clearly needed to participate in parking projects.
3. Creating a visual and physical link between the Central Business District (CBD) and the lakefront. Anticipated projects include pedestrian walkways from the Mall to the lakefront and walkways along the lakefront and extending Terrace Street more directly through the Mall and lakefront area, thereby improving traffic flow through the area. Additional waterfront development is anticipated.
4. Public improvements will be undertaken that encourage private investment in the district, which will provide additional jobs and attract more residents. Anticipated developments include commercial/retail/office and housing. Emphasis will also be placed on cultural and entertainment activities.
5. While accomplishing goals and objectives for the DDA, simultaneously encouraging the restoration, clarification and character of the original architectural design for all building facades, and encouraging the introduction of new housing in the downtown area. Properties may be acquired for public and private redevelopment and the availability of commercial land expanded for redevelopment.

F. Purpose of Tax Increment Financing Plan for the Muskegon Downtown Development Area.

The purpose of the Tax Increment Financing and Development Plan for the development area is to provide the legal authority and procedure for the public financial participation necessary to assist the Authority in accomplishing a number of public and private development activities.

The Tax Increment Financing Plan outlines financing for a number of activities which may include, as applicable:

1. Costs to acquire private property, to construct, reconstruct, rehabilitate, remove, restore and preserve, equip, improve, maintain, repair and operate public facilities, utilities and buildings that in the opinion of the Authority's Board, aid in the economic growth and preservation of existing property values of the Downtown District and/or is appropriate to the execution. of the Development Plan;
2. Property appraisals, title searches, legal services, purchase negotiations, eminent domain proceedings (if necessary), payment for real and personal property acquisitions;

3. Demolition and clearance of selected properties and buildings;
4. Relocation assistance payments and compensation payments to displaced businesses and individuals;
5. Street reconstruction and improvement including street vacation, utility relocation and replacement and railroad crossing repair;
6. Public open space and streetscape improvement work;
7. Parking structure construction, equipment, maintenance, and operation;
8. Administrative costs associated with carrying out the Development and Financing Plan.

II. DEVELOPMENT PLAN

II. Development Plan

A. Boundaries of the Muskegon Downtown Development Area

- I. Map of the Muskegon Downtown Development Area. The boundaries of the DDA development area are set forth in Map 2.
2. Legal Description of the Boundaries of the Muskegon Downtown Development Area. See Exhibit 4, Legal Description of the Downtown Development Area and Tax Increment Financing Area.

B. Development Plan Goal and Objectives

On November 28, 1988 the DOA approved the following goal toward which this plan is directed:

To correct and prevent deterioration in business districts; to encourage historic preservation; to acquire property when needed for development purposes; and to promote the economic growth of the district and enhance the aesthetic quality which, in turn, will create a better economic climate throughout the City of Muskegon.

The specific objectives determined, which are designed to accomplish the general goal, are as follows:

1. Participate in the consolidation of properties of the Mall into one ownership through purchase by the DDA and sale or lease to a private sector developer/manager, namely, as presently planned, Equity Properties and Development Company, on the renovation and expansion of the Mall and surrounding area.
2. Construct parking facilities to support existing and new developments.
3. Participate in projects to create a visual and physical link from the downtown Muskegon Mall to the lakefront, including the Terrace Street extension.
4. Expand the availability of commercial and industrial land for redevelopment.
5. Undertake improvements to existing streets, public utilities, signage, pedestrian areas, trees and other plantings, in order to stimulate new private investment in the area.
6. Improve traffic flow through the area.
7. Participate in programs to stimulate new, converted or renovated housing.
8. Retain historic and/or architecturally significant buildings having potential for activities consistent with development objectives.

C. Location, Character and Extent of Existing Public and Private Land Uses

The Development Area is a downtown district that includes the Muskegon Mall, Western Avenue, Ottawa Street commercial areas, as well as areas that connect and surround them. There are a variety of uses, both public and private in the area. According to the City of Muskegon Master Land Use Plan, adopted by the Planning Commission on October 18,

1984, the types of uses include residential, commercial, industrial, public, institutional (e.g., churches), water-oriented facilities, railroad right-of-way, streets and vacant land. Also included are office, PUD, residential, civic, entertainment, open space, parking, lakefront. There is approximately 882.27 acres of land in the development area. Approximately 11.74% is zoned commercial, 19.8% as Industrial, 3.56% residential, 3.20% water oriented. Of the total land area, 20.26% is dedicated to the public as street right-of-way (ROW) which is in addition of the Public Uses as described above.

Problems apparent with existing land uses, according to the Master Plan, include underutilization of Muskegon Lake frontage, aging industrial and commercial base in need of renovation and expansion, new businesses needed and mixed land uses and poor relationship between land use. Positive aspects of land use include unified (visually and functionally) geographic area; water - good views, natural beauty, good water quality; pleasant, clean, well-kept streets and parks; Muskegon Lake frontage is being opened for use and view through the removal of obsolete industrial buildings and historical preservation in Heritage District is being accomplished through the renovation of buildings.

The following table provides a breakdown of the Development Area Land Uses:

EXISTING LAND USE IN DEVELOPMENT AREA

Land Use Category	Approximate	
	Acreage	Percent
Commercial Retail/Service	103.59	11.74
Office	13.43	1.52
Industrial	174.69	19.80
Residential Multifamily	2.21	.25
Residential Single Family	29.16	3.31
Public	64.68	7.33
Vacant	183.95	20.85
Right-of-way (streets)	178.72	20.26
Right-of-way (railroad)	94.19	10.68
Water-Oriented	28.24	3.20
Institutional	9.41	1.06
TOTAL:	882.27	100.00

Public and private land uses are summarized as follows:

Category	Approximate	
	Acreage	Percent
Public	337.59	38.26
Private	544.68	61.74
TOTAL:	882.27	100.00

1. Existing Public Land Uses. Public land uses in the Development District include the following:

(a) Existing Developments:

- (1) The Muskegon Mall - Occupies 29.38 acres in the downtown area, serves as a regional Mall. Includes restaurants, department stores and basic goods stores. Contains both private and publicly owned buildings.
- (2) Walker Arena - Constructed in 1960 and used for sporting events and displays/shows.
- (3) Off-street Parking Facilities - The City-owned structure located on Clay at First Street has 565 parking spaces. The ramp is currently leased to APCOA. The City owns the Mall surface lots which contain almost 900 parking spaces.
- (4) Farmers' Market - The City-owned structure is used for the sale of farm goods.
- (5) Hartshorn Marina - The City-owned marina has 88 slips in the large boat basin, 44 slips in the small boat basin, and 102 buoys available to the public, and 12 slips leased to Waterfront Centre, as well as a launch ramp.
- (6) Fisherman's Landing
- (7) 272.91 acres of public rights-of way representing 30.9 percent of the districts area.
- (8) Other civic facilities including government buildings, historical buildings, Hackley Library, City of Muskegon Art Museum, County of Muskegon Museum.

(b) Anticipated developments:

- (1) MATS Transfer Station -- to be located west of the U.S. Post Office, off Morris Avenue, to be developed by Muskegon County.
- (2) Heritage Landing -- A Planned Unit Development (Recreational) to be developed by Muskegon County along the lakefront off Western Avenue.

In all, there are approximately 64.68 acres of land currently in public use, excluding public rights-of-way. This represents 7.33 percent of the district.

2. Existing Private Land Uses. Private uses in the Development District include the following:

(a) Existing Developments:

- (1) Frauenthal Center for the Performing Arts - Built in 1929, remodeling by the Community Foundation began in 1975, and now used for entertainment such as the Muskegon Civic Theatre and the Muskegon Symphony.
- (2) Commercial retail business establishments, including three department stores.
- (3) Commercial service-type establishments, including restaurants.
- (4) Greyhound Bus Line Downtown Terminal Station.

- (5) Main offices of 2 banking and savings and loan establishments.
- (6) Warehouse and industrial establishments.
- (7) Dwelling units.
- (8) The YFCA Building.
- (9) Waterfront Centre - retail and office development.
- (10) Marina.
- (11) Tax Exempt Properties, including 9 churches.

(b) Anticipated developments:

- (1) SPx Planned Unit Development to contain a corporate office facility, 3 additional office buildings. 2 marinas, restaurant and condominiums.
- (2) Addition to Coles Bakery Facility

In all, there are approximately 544.68 acres of land devoted to private use type activities representing 61.7 percent of the Development Area.

D. Location, Character and Extent of Proposed Land Uses

The location, character and extent of those public and private land uses which will result from these and other planned development activities and also from the retention of existing uses are based on the goals and objectives of the Muskegon Master Plan, as well as the perceived needs of business and building owners, residents, ODA Board members, City officials and others. These include promotion of development that is attractive and aesthetically pleasing; preservation of historic buildings and natural resource features of the City wherever possible; promotion of public access to waterfront areas to improve quality of life; and the provision for growth of Muskegon while maximizing and balancing the optimum and economical use of the community resources. Specific objectives of the Master Plan, which relate to the Downtown Development Authority Area, include the following:

Housing - promotion of quality housing, provision of a variety of housing types to make greater choices of housing opportunities available to all residents, provide public facilities and services of appropriate scale to meet the needs of all housing areas in the City;

Commercial - continue rehabilitation and redevelopment of the downtown area; continue and encourage attempts to provide screening and buffers between commercial and residential uses; encourage the provision of off-street parking facilities to make commercial facilities more easily accessible to potential customers; continue emphasis of new development in the downtown area that will complement present uses rather than conflict with established land use patterns;

Recreation - provide adequate park and recreation space; utilize natural features (with emphasis on the Lake Michigan Shoreline and the Muskegon Lake frontage);

Civic Center/Downtown Improvements - assure availability of adequate parking facilities that would be under City ownership in the downtown area; continue to modernize and improve the Civic Center and adapt to changing population levels and needs where appropriate;

Traffic and Transportation - provide a transportation system which is compatible with other activities and with the environment; continue to improve the existing transportation facilities to keep pace with increasing traffic volumes; assure high aesthetic standards in the design, routing and landscaping of existing and future improvement and additions to the circulation system by encouraging planting on all roads;

Mixed Land Use Development - new uses will be encouraged to provide a combination of housing, cultural, recreation and commercial uses designed to ensure a twelve month population, and to introduce a new set of investment opportunities for diversification throughout the City; housing coordinated with the recreation and lake orientation will be encouraged.

The proposed uses are described below:

1. Proposed Public Land Uses. Proposed public land uses include the following:

Phase I:

- (a) Improvements to the Muskegon Mall where desirable and necessary:
 - (1) Purchaser of the Mall and adjacent lands by the DDA for the expansion and redevelopment of the Mall, which will include two new anchor stores and an additional 80,000 square feet of shopping area. Sale of the Mall to a single entity, namely, Equity Properties and Development Company, will then be possible.
 - (2) Pedestrian improvements in the Mall including replacing exterior tile, replacing light fixtures, providing air lock doors, remodeling public restrooms, and installing street furniture.
 - (3) Redevelopment of exterior entryways, new identification signage.
 - (4) Improved exterior lighting, including parking ramp.
- (b) Terrace Street Extension
- (c) Capital Improvements:
 - (1) Hartford improvements from Pine to Terrabe.
 - (2) Heritage Landing improvements.
 - (3) Spring Street improvements from Muskegon to Webster.
 - (4) Sixth Street improvements.
 - (5) An additional 50 slips for large boat basin at Hartshorn Marina, 40 buoys, and 36 slips in the leased area.
- (d) Western Avenue:

Facade and Streetscape/Development Plan for Western Avenue.

Phase II:

- (a) Develop a pedestrian "connection" from the Mall to the Lakefront.
- (b) Capital Improvements:
 - (1) Jefferson Street improvements from Apple to Third.
 - (2) Western Avenue improvement from Terrace to Ottawa.
 - (3) Terrace Street extended West and East.
 - (4) Upgrade Heritage Village Area from Clay to Western on Fourth through Seventh Streets.
- (c) Improvements on Western Avenue, including:
 - (1) Streetscape extension from Fifth to Eighth Street.
 - (2) Develop and market the Depot.
 - (3) Develop property for full-time Farmer's Market, relocate existing market.
 - (4) Lakos Building development or demolition.
- (d) Ottawa Street:
 - Complete Facade and Streetscape/Development Plan for Ottawa Street.

Phase III:

- (a) Extend streetscape improvements along Western Avenue from Eighth Street to Waterfront Centre.
- (b) Provide additional parking facility in the vicinity of the Mall.
- (c) Streetscape improvements along Ottawa Street.
- (d) Provide improvements to the Mall, including lighting, entryways and landscaping.
- (e) Improvements to Western Avenue Area from Terrace to Ottawa.
- (f) Develop pedestrian/downtown pathway.
- (g) Build connector from existing parking structure to Mall and FMB Bank Building.

Continuing Activities:

- (a) Acquisition of Post Office for additional parking, retail and office development.
- (b) Acquisition of excess CSX trackage property.
- (c) Additional street improvements: Clay from Fourth to Eighth.
- (d) Heritage Landing Improvements.
- (e) Barrier-Free Improvements/Sidewalk ramping.
- (f) Coordinate with private owners to develop the waterfront for housing, marinas, business and/or public use.
- (g) Upgrade Heritage Village Area from Clay to Western on Fourth through Seventh Streets.
- (h) Develop and market the Depot.
- (i) Acquire, clear and promote development of State-reverted Reed Tire property.
- (j) Develop or demolish Lakos Building.
- (k) Develop a port and port facility.
- (l) Develop a Foreign Trade Zone.
- (m) Develop parking facility serving the Amazon/Arena area.
- (n) Westerly expansion of Hartshorn Park.
- (o) Continue efforts to enhance the northerly entrance to downtown.

2. Proposed Private Land Uses. Proposed private land uses include the following:
 - (a) Under construction:
 - (1) New SPx mixed use office/marina/restaurant/residential development on Muskegon Lake off Terrace.
 - (2) Humes Grocery Store at the Northeast corner of Third and Clay being renovated and converted for office space, 29,000 square feet.
 - (3) A new industrial use addition onto the existing Fisher • Steel facility, 259 Ottawa, 21,875 square feet.
 - (b) Proposed but not yet approved by the City:
 - (1) Purchase of the Mall and adjacent lands by the DDA for the expansion and redevelopment of the Mall, sale of the Mall to •a single entity, namely, as presently planned, Equity Properties and Development Company, will then be possible.
 - (2) New freezer and dry storage unit, 16,000 square feet, at Cole's Quality Foods, 1188 Lakeshore Drive.
 - (3) A new 75,000 square foot office building at the Northeast corner of Webster and Fifth.

The above-described planned public and private land uses for the Development Area are consistent with the City of Muskegon Master Land Use Plan, adopted October 18, 1984, and the "City Commission Goals" which included "Foster Economic Development" and "Improve Lakefront Recreational Properties" adopted by the City Commission in 1987.

• E. Property Acquisition

1. Identification of Properties to be Acquired. To implement the proposed land uses, public and private, as set forth in Section C of this plan, property acquisition may be necessary to consolidate ownership of all parcels within the Mall for its renovation, expansion, and possible sale to a private developer. Specific properties to acquire are listed in Exhibit 14. Also, property acquisition may be necessary to consolidate ownership of all parcels within the Mall for its renovation, expansion, and possible sale or lease to a private developer. Also, property acquisition may be necessary for the East and West extensions of Terrace Street. and for the pedestrian/bike path along the lakefront. Acquisition will also be necessary for excess CSX Trackage property and to accommodate the MATS Transfer Station to be operated by the Muskegon Area Transit Authority. In addition, any other such property in the development area which is determined a necessity to achieve the Downtown Development Authority's goals and objectives will be acquired. These properties may be privately owned, under City of Muskegon ownership, or under other public ownership. The City of Muskegon would act in behalf of the Authority in acquiring, at fair market value, any private-owned properties.
2. Legal Basis for Acquisition of Private-Owned Properties. The legal basis under which the City of Muskegon or the Muskegon Downtown Development Authority may take or transfer private-owned property

for use in accordance with an approved Development Plan is provided in Section 7, item (h) of the Downtown Development Authority Act (No. 197 of P.A. 1975) and Section 10 of the Act which state respectively that, the DDA may:

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

and also that:

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

Any taking of private property, if deemed necessary by the City of Muskegon, shall be acquired pursuant to the provisions of 1980 P.A. 87, as amended (MCL 213.51 et seq.).

The taking of property may be necessary in order to accomplish the land use and economic development objectives identified in the Plan, as creating more downtown jobs, the retention, expansion and attraction of businesses downtown, and the generation of additional tax revenues.

F. Existing Improvements to be Altered, Removed or Repaired

Demolition, removal and/or rehabilitation will need to be undertaken in the Development Area in order to achieve the objectives of the Plan. Detailed planning is required to determine specific needs in this area, but anticipated projects are:

Muskegon Mall

The acquisition and expansion of the Mall may require the alteration, removal, repair and rehabilitation of some of the buildings attached and adjacent to the existing Mall. The specific improvements, alterations and repairs and the time required for completion, as presently anticipated, are identified in Exhibit 15.

National Guard Armory

All, or a portion of the National Guard Armory may be cleared for a parking site or other redevelopment.

MichCon Gas Company

Relocation of MichCon from the downtown 3.4 acre site, City to accept title to downtown property, property anticipated to be used for Mall expansion and parking.

Reconstruction and Improvement of Streets

This project includes the reconstruction and paving of Clay from Fourth to Ninth; Western Avenue from Terrace to Ottawa; Hartford from Pine to Terrace; and Spring Street from Muskegon to Webster.

Streetscape

This project involves extending streetscape improvements along Western Avenue, including underground utilities, brick work, lighting and street furniture, from Fifth Street to Waterfront Centre.

Reed Tire

This project includes the acquisition and clearance of the State reverted Reed Tire property, and future redevelopment or sale.

G. Location, Extent, Character, and Estimated Cost of Improvements, Including Rehabilitation Contemplated for the Development Area

Presented in Exhibits 6, 7, and 8 is a summary description of the location, extent, character, estimated cost of Phase I, II and III improvements to be under taken and financed by the Authority. The timing, phasing, and implementation of proposed land uses may be reprioritized at the discretion of the Authority.

H. Planned New Development

It is anticipated that private development projects will result, due to the implementation of this Plan. Private development in office, commercial and residential will be spurred, whereas developers might otherwise have had a "wait-and-see" attitude.

1. As previously noted, private projects which have already begun or may soon begin, include:
 - SPx: A planned unit development to contain office, marinas, a restaurant and residential.
 - Humes Grocery: Existing building being converted to office space.
 - Fisher Steel: Addition to existing facility to be used for industrial.
 - Coles Bakery: Addition and rehabilitation of a new freezer and dry storage area.
 - Muskegon Mall: Rehabilitation and expansion.
2. Pedestrian Improvements - These improvements will strengthen linkages between activity centers to produce more effective pedestrian and non-motorist movement within the district. As a result, approved and proposed developments along these linkages will be encouraged.

I. Existing and Planned Open Space Areas

Existing public open space areas in the Development Area include Fisherman's Landing, Hartshorn Marina, and the Indian Cemetery.

Planned open space areas identified in this Plan include the development of a pedestrian waterfront/downtown pathway, a pedestrian "connection" from the Mall to the Lakefront, and development of Heritage Landing. The amenities to be included in any such open space will include walkways, landscaping, lighting and other amenities as needed. Where these developments do not have public rights-of-way in existence, easement agreements or land acquisition will be required.

J. Acquisition and Disposition of Public Lands

The Authority may wish to acquire title to the City of Muskegon owned parcels of land and other public properties such as the U.S. Post Office, the Armory, and the City-owned parking structure, for possible Mall expansion and for the creation of a pedestrian link between the Mall and the lakefront. Also, land may need to be acquired along the lakefront for a pedestrian/bicycle path. Disposition of these parcels after clearance would be done in accordance with specific terms and conditions to be established by the Authority.

K. Description of Existing Zoning Changes and Proposed Changes

The existing zoning of the City of Muskegon, as reflected in Map 3, shall be applied when proceeding with the projects identified in this Plan. -

L. Proposed Right-of-Way Adjustments and Changes to Street Grades, Intersections and Utilities

As this Plan is implemented, the following are anticipated:

I. Right-of-Way Adjustments.

- a. Street right-of-ways may need to be reconfigured in conjunction with future Mall expansion.
- b. Terrace Street extension. There will be adjustments to the right-of-way affiliated with the extension of Terrace Street.
- c. Vacation of portions of Western Avenue and portions of other streets in or near the Mall.

2 Street Grades.

There are no plans to alter existing street grades at the time this Plan was adopted. Some minor adjustments in grade may be necessary as final plans are completed.

3 Intersections.

There may be changes to intersections in connection with the Terrace Street extension. These changes will be included in final site plans.

4 Utilities.

Utilities may be replaced, improved upon and/or put under ground in connection with improvements to the Mall and the Western Avenue streetscape Fifth Street to Waterfront Centre.

M. Development Cost-Estimates and Financing

The total cost of completing all activities and improvements proposed by the DDA Development Plan and to be undertaken and financed by the DDA and the City is estimated to be \$24 million. The projects are set forth in Exhibit 6. Detailed accounting of those items and activities and their cost amounts chargeable to these projects, including administrative expenses, surveys and planning, real estate purchases, relocation expenses, site clearance, public project improvements and contingencies, will be determined after further project planning is undertaken. Although not included in Exhibits 6, 7, and 8, the estimated cost of the project described in II. D. 1. (a)(1) is \$20,000,000, which would be financed by the methods set forth in the succeeding paragraph. The estimated time of completion is 1994.

The method by which these costs will be financed will be from one or more of the following sources:

- Tax Increment Revenues - Received by the Authority and paid over pursuant to any tax increment financing contractual obligation.
- Bond Proceeds - From bonds issued pursuant to 1975 P.A. 197.
- Special Assessment
- Donations received by the DDA
- Revenues from any property, building or facility-owned, leased or sold by the DDA
- Interest on investments
- Moneys obtained from other sources approved by the Muskegon City Commission

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

N. Identification of Private Interests, Parties or Individuals to whom the Development will Be-Sold or is Being Undertaken

Equity Properties and Development Company is identified as a potential purchaser of the Mall and its environs. All improvements described in this Plan will remain under public ownership with the City of Muskegon or other public entity created by the City of Muskegon, unless specific resale plans are made and approved in the future. The property transactions, be they lease or sale to the private sector, are all being done for the benefit of the public and the continued and increased economic viability of the Downtown and for the benefit of the residents of the City at large. Other transactions with private entities may be necessary as the plan develops and expands. Such entities shall be identified by future amendment hereto.

O. Proposed Land Disposition Terms and Bidding Procedures

The terms under which any land designated for new development will be sold to, leased or otherwise conveyed to private development interests shall be determined by the DDA with approval by the Muskegon City Commission.

The procedures by which purchased are made and assets sold will be in accordance with existing procedures and practices currently used by the City of Muskegon in disposing of other City-owned property.

P. Estimates of the Number of Persons Residing in the Development Area and the Number of Families and Individuals to be Displaced and Renaming Data Required by Section 17 (2) 1. 1975 P.A. 197

An estimated 40 persons reside, in the Development Area. It is anticipated that 20 individuals, who dwell in 18 apartments, will be displaced. The average income of the families to be displaced is \$12,000. There are 14 Caucasians and 6 African Americans. The average rent being paid is \$240.00. For further details, see Exhibit 16. There are approximately eight private apartment complexes in the area with almost 900 apartments that are in good condition. There are nine publicly subsidized apartment complexes, with approximately 1,360

apartments in good condition. The range of rents is \$200 to \$600 a month. The vacancy rate in the complexes is approximately 7%. The total number of standard rental units is 4,531, while the total number of substandard units is 1,682, 1,242 of which are suitable for rehab. There is approximately a 9% vacancy rate for city-wide rental units. There are 7,204 standard owner units and 1,824 substandard owner units, 1,535 of which are suitable for rehab. There is approximately a 2% vacancy rate for owner units. The range of sales prices for homes is \$30,000 to \$90,000. The annual rate of turnover in housing is approximately 7%. The demand for housing units in the City is high, as evidenced by the low vacancy rates in owner units, although demand for rental units is somewhat lower, as there is a 9% vacancy rate. The estimated capacity of private and public housing available to displaced families is 387 standard vacant rental units and 74 standard owner units.

Q. A Plan for Establishing Priority for the Relocation of Persons Displaced by the Development in any New Housing in the Development Area

Any new housing in the development area will first be made known to the DDA who will immediately notify any persons displaced of the terms of its availability.

R. Provision for the Costs of Relocating Persons and Businesses Displaced by the Development and Financial Assistance Reimbursement of Expenses

It is necessary to relocate families, individuals and businesses, due to project land acquisition and clearance activities associated with the redevelopment and expansion of the Muskegon Mall. A plan for the provision of financial assistance and reimbursement of expenses will be in accordance with the requirements of Michigan Act No. 227 of the Public Acts of Michigan 1972.

The relocation plan will provide for a relocation assistance advisory services program for displaced persons, which shall determine the needs of the displaced persons for relocation assistance, assist owners of

displaced businesses in obtaining and becoming established in comparable facilities, supply information of federal, state and local programs offering assistance to displaced persons, assist in minimizing hardships to displaced persons in adjusting to relocation, coordinate the relocation activities with the plans and programs of other state agencies which may affect the carrying out of the relocation program, and assure that comparable dwellings may be available within a reasonable time prior to displacement. A person lawfully occupying a dwelling shall not be required to relocate until a replacement dwelling is available, and must be given at least 90 days written notice to vacate unless modified by court order for good cause.

Payments, assistance and reimbursement may be provided, but not in excess of the provisions of this Act. Persons entitled to financial assistance are those moving or discounting a business or moving other personal property, or moving their dwelling on or after the effective date of this Act as a direct result of code enforcement or rehabilitation of buildings; or those displaced by a project which receives federal financial assistance.

Payments and assistance authorized by this Act shall be administered fairly and reasonably. Any displaced person who makes application for a payment authorized by this Act shall be paid promptly after a move or in hardship cases, be paid in advance. Financial assistance and reimbursement allowed under this act is independent of and in addition to compensation for land, buildings or property rights and shall not be considered in condemnation proceedings. Payments to displaced persons under this Act shall not be deemed as income or resources under State or local law, nor shall such payments be subject to State or local tax.

The Federal Uniform Relocation assistance and Real Property Acquisition Policies Act of 1970, as amended, shall be complied with.

S. Plan Provisions for Compliance with Act No. 227 of the Public Acts of 1972

As there is a need to relocate families, individuals or businesses, the relocation shall be carried out in accordance with the statutory requirement and provisions of State of Michigan Act No. 227 of the Public Acts of 1972.

III. TAX INCREMENT FINANCING PLAN FOR MUSKEGON DOWNTOWN DEVELOPMENT DISTRICT

III. TAX INCREMENT FINANCING PLAN FOR MUSKEGON DOWNTOWN DEVELOPMENT DISTRICT

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, or any amendments thereto.

A. Tax Increment Financing Procedure

The tax increment financing procedure, as outlined in the Act, requires approval by the City, by Ordinance, of a development plan and a tax increment financing plan. Following the approval of that Ordinance, the municipal and county treasurers are required by law to transmit to the Downtown Development Authority that portion of 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" as defined in the Act, is "the amount in any one year, by which the current assessed value of the project area, including the assessed value of property for which a commercial facilities exemption certificate has been issued pursuant to Act No. 255 of the Public Acts of 1978, as amended, ... the assessed value of property for which an industrial facilities exemption certificate has been issued pursuant to Act No. 198 of the Public Acts of 1974, as amended. ... and the assessed value of property for which a commercial housing facilities exemption certificate has been issued pursuant to Act No. 438 of the Public Acts of 1976, as amended, and the assessed value of a new facility owned by a qualified existing business or of property located in an enterprise zone owned by a qualified new business as provided in the enterprise zone act ... exceeds the initial assessed value." 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 which 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 in MCL 125.1664(c)."

For this Plan, the initial assessed value is approximately \$39,074,650 State Equalized Value (SEV) for real and personal property 1988 tax year. Property exempt from taxation at the time of the determination of the initial assessed value has been included valued at \$.0. Presented in Exhibit 9 is a summary of the current or "initial" assessed values (SEV) of all real or personal property in the Development Area for 1988.

In order to provide for a more efficient and proper means of accounting assessed values on personal property in the Development Area, the City of Muskegon will, by adoption of this Plan, establish a tax report filing system requiring owners of personal property to file on a yearly basis a separate report to the City Assessor of the estimated dollar value of all personal property in their possession located within the boundaries of the Development Area.

B. Estimates of Captured Assessed Values and Tax Increment Revenues

Provided in Exhibits 10 & 11 are schedules on estimated dollar amounts of captured assessed value and tax increment revenues to be realized from increases in real and personal property values from new construction and improvements to existing buildings and from increases in P.A. 198 assisted industrial facilities exemption property values, in the Development Area from 1988 through 2018. These estimates are based on the experience of the City Tax Assessor, but must be regarded as best estimates.

The estimates have taken into account expected charges or adjustments (increases and decreases) in the base year of 1988 real and personal ad valorem property assessments, removals and additions of real and personal property, and changes in the assessment values of current and expected additional P.A. 198, certified *new* construction and restoration type industrial facilities exemption projects. The projections set forth in Exhibits 10 & 11 include new construction for 1988, with the projections for succeeding years being based on new construction/renovation and appreciation. The total of 70 mills were applied to the captured assessed totals for ad valorem real and personal property and P.A. 198 assisted restoration projects. For P.A. 198 assisted new construction projects, one half of the mills, or 35 mills were applied to the captured amounts of these projects.

C. Use of Tax Increment Revenue

The tax increment revenue paid to the DDA by the municipal and county treasurers are to be disbursed by the DDA from time to time in such a 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:

- The principal, interest and reserve payments required for any bonded or other indebtedness to be incurred in its behalf for purposes provided in the Development Plan.
- Cash payments for initiating and completing any improvement or activity called for in the Development Plan.
- Any annual operating deficits that the DDA may incur from acquired and/or leased property in the Development Area.
- 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, after approval by the Muskegon City Commission.

- Payments required to establish and maintain a capital replacement reserve.
- Payments required to establish and maintain a capital expenditure reserve.
- Payments required to establish and maintain any required sinking fund.
- Payments to pay the costs of any additional improvements to the Development Area that are determined necessary by the DDA and approved by the Muskegon City Commission.
- Any administrative expenditure required to meet the cost of operation of the DDA and to repay any cash advances provided by the City of Muskegon. The estimated administrative budget of the DDA is presented in Exhibit 8,

Bonds may be issued to finance the improvements called for in the Plan. This is not mandatory. However, should increments be sufficient to warrant the selling of bonds, several types of bonds could be issued pursuant to 1975 PA 197, or the tax increment revenues could be used to pay the debt service of other available methods of financing. The type of bonds issued will depend on the amount of tax increment revenues available, the cost of the various improvements, and the relative marketability of any type of bond issue.

Bonds which may be issued include the following:

1. Tax Increment Bonds of the DDA issued pursuant to Section 16(2) of 1975 PA 197.
2. General Obligation Limited Tax Development Bonds of the City Issued pursuant to Section 16(1) of 1975 PA 197.
3. Revenue Bonds of the DDA issued pursuant to Sections 13 and 13a of 1975 PA 197.
4. General Obligation Bonds, Special Assessment Bonds, Revenue Bonds issued pursuant to 1933 PA 94, Building Authority Bonds, and other bonds issued by the City or the City's agents or instrumentalities pursuant to other authorizing statutes. In the event bonds of this nature are issued by the City for projects specified in the Plan on behalf of the DDA, the DDA would then contract with the City to reimburse the City for payment of debt service on such bonds.

D. Maximum Amount of Bonded Indebtedness to be Incurred

To finance the Authority's portion of the cost to redevelop the Downtown Mall, it is estimated that the maximum amount of bonded indebtedness to be incurred will be \$24 million dollars.

In the event "captured assessed values" are not sufficient to sustain the maximum bonded indebtedness, the Authority's portion of the Mall redevelopment expense will be obtained from special assessments and available grants and/or loans from either the public or the private

sector. Any such loans shall be either subordinate to the bonded indebtedness or repaid from other revenue sources available to the Authority.

In the event "captured assessed values" exceed amounts due for the repayment of the Authority's portion of Mall redevelopment expense, such excess will be used to pay any subordinate indebtedness of the authority incurred for the foregoing purpose or will be used pursuant to Section C of this Tax Increment Financing Plan.

The Muskegon City Commission must approve any amounts for bonded indebtedness, or indebtedness to be incurred by the DDA and/or the City of Muskegon for all bond issues or loans including payments of capitalized interest, principal and required reserves.

E. Duration of Plan

The tax increment financing plan shall last thirty years except as the same may be amended or modified from time to time by the City Commission of the City of Muskegon upon recommendation of the DDA and upon notice and upon public hearing and amendment as required by the Act. Various projects within the Plan may be undertaken in phases other than those set forth in the Plan, depending on the urgency and opportunities presented from time to time. If the projects are not undertaken as described in the Plan, however, an amendment to the Plan will be required, with a public hearing and approval by the City Commission.

F. Estimated Impact of Tax Increment Financing on Assessed Values of All Taxing Jurisdictions In which the Development Area is Located

The overall impact of the Development Plan is expected to generate increased economic activity in the Development Area, the City of Muskegon and Muskegon 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 City of Muskegon, other neighboring communities, and throughout Muskegon County.

As identified earlier under Section 8 of this Plan, and Exhibits 10 & 11, the expected increases in assessed valuation for new construction and improvements to existing buildings in the Development Area have been estimated for 1988 through 2018.

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 were used along with current 1988 tax millage allocations to determine tax increment revenue amounts that would be shifted from these jurisdictions to the DDA to finance the project activities called for in this Development Plan. These estimated amounts are shown in Exhibit 11 according to each taxing unit operating the Development Area.

G. Use of the Captured Assessed Values

All of the captured assessed values in the Development Area will be used by the Authority to finance the specific objectives contained in the Development Plan.

H. Compliance with Section 15 of the DDA Act and Reports

The Plan shall at all. times comply with the provisions of Section 15 of the DDA Act and, pursuant thereto, the DDA shall submit annually to the Muskegon City Commission a report on the status of the tax increment financing account. Such report shall comply with the requirements of Section 15(3) of the DDA Act, a copy of which is provided under Exhibit 12.

Budget, Fund Handling and Auditing Costs

In addition to any budget set forth in this Plan, the DDA shall prepare and submit for 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 City departments.

Before the budget may be adopted by the board, it shall be approved by the City Commission. Funds of the municipality shall not be included in the budget of the authority except those funds authorized in the Act or by the City Commission. The City Commission may assess a reasonable prorated 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.

J. Expense Publication

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

EXHIBITS

EXHIBIT

ORDINANCE NO. 969

An ordinance to establish a downtown development authority in the City of Muskegon pursuant to 1975 PA 197 (MCL 125.1651, et seq.); designating the boundaries of the downtown district within which the authority shall exercise its powers; and to provide for other matters related thereto.

THE CITY OF MUSKEGON ORDAINS:

Section 1. Title of Ordinance. This ordinance shall be known and may be cited as the "Downtown Development Authority Ordinance".

Section 2. Definitions. The terms used in this ordinance shall have the same meaning as given to them in 1975 PA 197 or unless the context herein clearly indicates to the contrary.

Section 3. Determination of Necessity. The City Commission of the City hereby determines that it is necessary to halt property value deterioration and increase property tax valuation wherever possible in the business district of the City, to eliminate the causes of that deterioration and to promote economic growth by establishing a downtown development authority pursuant to 1975 PA 197.

Section 4. Creation of Authority. There is hereby established pursuant to 1975 PA 197 a downtown development authority for the City. The authority shall be a public body corporate and shall be known and exercise its powers under the title of "Downtown Development Authority of the City of Muskegon".

Section 5. Description of Downtown District. The Downtown District in which the authority shall exercise its powers as provided by 1975 PA 197 shall consist of the described territory in the City, subject to such changes as may hereinafter be made pursuant to this ordinance and 1975 PA 197, as set forth in Exhibit A, attached hereto and made a part hereof.

Section 6. Governing Board. The authority shall be under the supervision and control of a governing board which shall be appointed and which shall function in the manner provided 1975 PA 197.

Section 7. Powers of the Authority. Except as specifically otherwise provided in this ordinance, the authority shall have all the powers provided by 1975 PA 197 and any amendments thereto.

Section 8. Fiscal Year; Adoption of Budget.

(a) The fiscal year of the authority shall begin on January 1 of each year and end on December 31 of the following year, or such other fiscal year as may hereafter be adopted by the City.

(b) The Board shall annually prepare a budget and shall submit it to the Commission on the same date that the 'proposed budget for the City is required by the City Charter to be submitted to the City Commission. The Board shall not finally adopt a budget for any fiscal year until the budget has been approved by the Commission: The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by, the ordinance authorizing the revenue bonds.

(c) The authority shall submit financial reports to the Commission at the same time and on the same basis as departments of the City are required to submit reports. The authority shall be audited annually by the same independent auditors auditing the City and copies of the audit reports shall be filed with the Commission.

Section 9. Section Headings; Severability Repealer. Section headings are provided for convenience only and are not intended to be part of this ordinance. If any portion of this ordinance shall be held to be unlawful, the remaining portions shall remain in full force and effect. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 10. Publication; Recording and Filing. This ordinance shall be published once after its adoption in full in The Muskegon Chronicle, a newspaper of general circulation in the City of Muskegon and the City Clerk shall file a certified copy of this ordinance with the Michigan Secretary of State promptly after its adoption.

Section 11. Effective Date. This ordinance shall be effective ten (10) days after the date of its adoption.

First Reading: July 12, 1988

Adopted: July 12, 1988

Published: July-22, 1988

State of Michigan
County of Muskegon

I hereby certify that the attached is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a Regular meeting held on July 12, 1988, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976.

Dated this 15th day of July, 1988


James R. Hudson, City Clerk
CITY OF MUSKEGON

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE



LANSING

MICHIGAN 48918

July 22, 1988

RECEIVED
CITY OF MUSKEGON

AUG 4 1988

City Clerk

Mr. James R. Hudson, Clerk
City of Muskegon
City Hall
933 Terrace Street
Muskegon, Michigan 49443

Dear Mr. Hudson:

This will acknowledge receipt and filing today of a copy of Ordinance 969 adopted July 12, 1988, establishing a Downtown Development Authority for the City of Muskegon.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Gay".

Gay Meese, Supervisor
Great Seal and Registration
(517) 373-2531

GM:djs

ODA District Boundaries

All those properties lying SEly of Muskegon Lake and NWly of the following Streets in the City of Muskegon: Beg at Muskegon Lake and extension of Southern Avenue SEly to Lakeshore Drive, NEly to Michigan Avenue, Ely a distance of three blocks to Hudson St, Sly one block to Washington Ave. Ely on Washington three blocks to Seidler St, Nly to Webster Ave, NEly aig Webster Ave to Ninth St, SEly on Ninth to Muskegon Ave, NEly on Muskegon Ave a distance of four blocks to Fifth St, SEly on Fifth to Houston Ave, NEly on Houston to Fourth St, SEly on Fourth to Strong Ave, NEly on Strong one block to Jefferson St, Nly on Jefferson St to Houston Ave, Ely on Houston to Peck St, Nly on Peck to Apple Ave, Ely on Apple to Fork, Nly on Fork to Myrtle, NEly to Emerald, NWly on Emerald to Eastern Ave, Wly on Eastern to EB Seaway Dr, NEly on EB Seaway to Bayou, NWly on Bayou to WB Seaway Dr, NEly to S branch of Muskegon River, NWly to Ottawa St, SWly on Ottawa to River St, Wly to Muskegon Lake.

EXHIBIT 4

THE CITY OF MUSKEGON
DOWNTOWN DEVELOPMENT AUTHORITY
BYLAWS

ADOPTED BY DDA BOARD, OCTOBER 12, 1988
ADOPTED BY CITY COMMISSION, DECEMBER 13, 1988

These bylaws are adopted by the Authority members pursuant to Public Act No. 197 of the Michigan Compiled Laws 1975, effective August 25, 1983 (the "Act"), as amended by Public Act No. 229, effective October 1, 1986. These bylaws are consistent with Act No. 267 of the Public Acts of 1976, as required by Section 4(3) of the Act, and are subject to approval by the Muskegon City Commission ("City Commission"). Certain action taken by the Authority is also subject to the approval of the City Commission, as provided for in the Act.

ARTICLE I.
Name, Purpose and Powers

Section 1. Name. The name of this organization shall be the City of Muskegon Downtown Development Authority ("Authority").

Section 2. Purposes. The purpose for which the Authority is organized in accordance with Act 1975, as amended, include, but not limited to: to correct and prevent deterioration in the Downtown Development District, to encourage historic preservation, to create and implement development plans, and to promote economic growth. In furtherance of these purposes, the Authority shall have all of the powers which now or hereafter may be conferred by law on authorities organized under Act 197, Public Acts of 1975.

Section 3. Powers. The power of authority given under Public Act 197 is as follows:

- (a) Prepare an analysis of economic changes taking place in the downtown district.
- (b) Study and analyze the impact of area-wide growth upon the downtown district.
- (c) Plan and propose 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 Authority, aids in the economic growth of the downtown district.
- (d) Plan, propose and implement improvements to public facilities within the development area to comply with the barrier free design requirements of the state construction code.
- (e) Agency which is chiefly responsible for planning in the City of Muskegon, 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 plans for development in the downtown district necessary to achieve the purposes of this act, in accordance with the powers of the Authority as granted by this act.
- (g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.

- (h) Acquire by purchase or otherwise, on terms and conditions and in a manner the Authority deems proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights of interests therein, which the Authority determines is reasonably necessary to achieve the purposes of this Act, and to grant or acquire licenses, easements, and options with respect thereto.
- (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 thereto, within the downtown district for the use, in whole or part, of any public or private person or corporation, or a combination thereof.
- (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 thereof.
 - (1) Accept grants and donations of property, labor, or other things of value from a public or private source.
- (m) Acquire and construct public facilities.

ARTICLE II Registered Office

The registered office and the principal place of business of this organization shall be the Muskegon City Hall, 933 Terrace Street, Muskegon, Michigan 49443 or such other location as may from time to time be designated by the Board of the Authority.

ARTICLE III Boundaries

Section 1. Area of Authority. The Authority shall exercise its powers within the area designated by ordinance of the City Commission pursuant to Section 3 of the Act ("Downtown District").

Section 2. Change of Boundaries. The boundaries of the Downtown District may be changed by the City Commission in accordance with the procedures specified in the act.

ARTICLE IV Board of Directors

Section 1. General Powers. The Authority shall be under the supervision and control of a Board of Directors (the "Board").

Section 2. Number, Tenure, and Qualifications. The board of the Authority shall consist of fifteen Executive Officer of Muskegon and ten (10) members. The members shall be appointed for a term of four years except that of members first appointed, three shall be appointed for 1 year, three for 2 years, two for 3 years and two for 4 years. At least six of the members

shall be persons having an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district if it has one hundred or more persons residing within it.

Section 3. Selection of Board Members. The Chief Executive Officer of the City of Muskegon in the advice and consent of the City Commission shall appoint the members of the board. Subsequent board members shall be appointed in the same manner as the original appointments at the expiration of each member's term of office. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

Section 4. Compensation of Members. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

Section 5. Expiration of Term, Continuance in Office, Resignation, Reappointment, and Filling Vacancies. Members whose terms of office have expired shall continue to hold office until a successor has been appointed. Resignations of members of the Authority shall be made in writing to the Chief Executive, which resignation shall be effective upon receipt or upon such later date as indicated in the written notice. If a vacancy is created by the death, resignation, or removal of a member, a successor shall be appointed with the advice and consent of the City Commission within thirty days to hold office for the remainder of the term so vacated.

Section 6. Removal. After proper notice and an opportunity to be heard, a member of the Board may be removed for cause by the City Commission. The Board shall notify the City Commission of any actions by a member which might constitute cause for removal. The Board shall also provide notice to the member whose removal is being considered, not less than ten days prior to the consideration of the removal by the City Commission. Such notice shall be made by registered or certified mail, return receipt requested, and shall state the cause for the requested removal and the date on which the City Commission will consider the matter. Conduct constituting cause for removal includes, but is not limited to, misconduct, malfeasance, or failure to attend either three (3) consecutive regularly scheduled meetings, or thirty-three percent (33%) of the regularly scheduled meetings during any calendar year, unless such absences shall be excused by the Board. Removal of a member is subject to review by the Circuit Court.

Section 7. Disclosure of Interest. A Board member who has a conflict of interest in any matter before the Authority shall disclose the interest prior to the Authority taking any action with respect to the matter, which disclosure shall become a part of the record of the Authority's official proceedings. Further, any member making such disclosure shall refrain from participating in the Authority's decision making process relative to such matters.

ARTICLE V Officers

Section 1. Officers. The officers of the Authority shall be a Chairperson, Vice Chairperson, Secretary and Treasurer.

Section 2. Removal of Officers. An office may be removed by the Board whenever in its judgment the best interest of the Authority would be served.

Section 3. Filling of Vacancies. A vacancy may be filled by the Authority for the unexpired portion of the term.

Section 4. Chairperson and Vice Chairperson. The Board may elect a Chairperson and Vice Chairperson by majority vote. The Chairperson (the "Chair") shall preside at all meetings of the Board and shall discharge the duties of a presiding officer. The Chair shall vote on all matters. In the absence of the Chair or in the event of his or her inability or refusal to act, the Vice Chairperson shall perform the duties of the Chair and when so acting shall have all the powers and be subject to all restrictions of the Chair.

Section 5. Secretary. The Board may employ and fix the compensation of a Secretary. A Board member may be elected or appointed to serve as Secretary, but no compensation may be paid to that member. If the Secretary is a Board member, typical clerical duties may be assigned to the Staff Secretary. The Secretary shall maintain custody of the official seal and shall keep the minutes of Board proceedings, furnish Board members with copies of agendas and minutes for each meeting, be responsible for the care and preservation of the records of the Board, and be responsible for giving notice of meetings as required by the open meetings act, Act No. 267 of the Public Acts of 1976, as amended. The Secretary shall also attend to the typing and copying of all Board proposals, committee reports, resolutions, minutes and other documents the Chair orders to be written. The Secretary shall serve at the pleasure of the Board.

Section 6. Treasurer. 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 expenditures of funds of the Authority. The Treasurer may be a Board member, but if so then no compensation may be paid to that member. The Treasurer shall serve at the pleasure of the Board. The Treasurer shall publicize all expense items of the Authority monthly and shall keep the financial records of the Board open for public inspection during reasonable business hours.

Section 7. Term of Office. All officers shall serve for one-year terms, or until their successors are elected and qualified.

ARTICLE VI Meetings

Section 1. Annual and Regular Meetings. An annual meeting shall be held in January of each calendar year. The election of officers shall occur at the annual meeting. If the election of officers should not occur on the day designated, or any adjournment thereof, the Board shall cause the election to be held at a regular or special meeting of the Board within 90 days of the annual meeting. Regular meetings of the Board shall be held at a time and place to be set by the Board. At each regular meeting, all expense items of the authority shall be publicized. The financial records shall always be open to the public.

Section 2. Procedure. Robert's Rules of Order will govern the conduct of all meetings.

Section 3. Special Meetings. Special meetings of the Board may be called by the Chair, by the Vice Chairperson in the absence of the Chair, by the Executive Director, by any three Board members, or by the City Commission by giving twenty-four hours notice of the meeting stating the purpose of the meeting and by posting the notice eighteen hours prior to the meeting. The notice shall be sufficiently given and shall be deemed given when delivered to the respective business or residence addresses of the members.

Section 4. Open, Meetings. All meetings shall be preceded by public notice posted at least eighteen hours prior to the meeting in accordance with Act 267 of the Public Acts of 1976, as amended.

Section 5. Rights of Public. The public shall have the right to address the Board at the conclusion of its business at any regular or special meeting concerning matters affecting the Authority. Each person shall be permitted to speak for five minutes unless the Board extends the time by affirmative vote.

Section 6. Quorum and Voting. Any six (6) members of the Board shall constitute a quorum for the transaction of business. The vote of a majority of the members present at a meeting at which a quorum is present shall constitute the action of the Board unless the vote of the larger number is required by statute or elsewhere in these rules.

ARTICLE VII Employment of Personnel

Section 1. Executive Director. The Board may employ and fix the compensation of a director, subject to the approval of the City Commission. 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 the office, the director shall take and subscribe to the constitutional oath, and furnish bond as directed by the terms of Public Act No. 197 of the Michigan Compiled Laws 1975, effective August 25, 1983, as amended. The Director shall be the Executive Officer of the Authority, and shall supervise, and be responsible for the preparation of plans and the performance of the functions of the Authority in the manner authorized by the Act. The Director shall attend the meetings of the Board, and shall regularly report to the Board and to the City Commission concerning the activities and the financial condition of the Authority. The Director shall furnish the Board with information or reports governing the operation of the Authority as the Board requires. In addition, the Director shall prepare and submit to the Board for its approval a budget for the operation of the Authority for the ensuing fiscal year, in accordance with Section 28 of the Act.

Section 2. Acting Director. 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 the office, the Acting Director shall take and subscribe to the oath, and furnish bond, as required of the director.

Section 3. Legal Council. 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.

Section 4. Other Personnel. The Board may employ other personnel deemed necessary by the Board.

Article VIII Committees

Section I. Executive Committee. There shall be an executive committee composed of four (4) persons who shall be the current chairperson, vice chairperson, treasurer and secretary. Except as otherwise provided herein such committee shall, during the intervals between the meetings of the Downtown Development Authority, possess and may exercise all of the powers of the Downtown Development Authority in the management of the affairs of the Authority. Three members of the executive committee present at any meeting shall constitute a quorum. The executive committee shall keep full records and accounts of its proceedings and transactions. All action by the executive committee shall be reported to the Authority at its meeting next succeeding such action and shall be subject to control, revision, and alterations by the Authority, provided that no right of third persons shall be prejudicially affected thereby.

Section 2. Advisory Committees. The Board, by resolution adopted by a majority T51 the members present at any meeting, may designate and appoint one or more committees to advise the Board. Except as otherwise provided in such resolution, the members of such committee shall be members of the Authority and the Chairperson shall appoint the members thereof. Any member may be removed by the person or persons authorized to appoint such member whenever in their judgments the best interests of the Authority shall be served by such removal. Each member of the committee shall continue as such until the next annual meeting of the members of the authority and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof. One member of each committee shall be appointed chairperson by the person or persons authorized to appoint the members thereof. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the acts of a majority of the members present at a meeting at which a quorum is present shall be the acts of the committee.

ARTICLE IX Finances

Section 1. Budget. The Board shall annually prepare a budget and shall submit it to the City Commission on the same date that the proposed budget for the City is required by the City Charter to be submitted to the City Commission. The Board shall not finally adopt a budget for any fiscal year

until the budget has been approved by the Commission. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the ordinance authorizing the revenue bonds.

Section 2. Fiscal Year. The fiscal year of the Authority shall begin on January 1 of each year and end on December 31 of the following year, or such other fiscal year as may hereafter be adopted by the City.

Section 3. Financial Reports and Audits. The Authority shall submit financial reports to the CommisITT at the same time on the same basis as departments of the City are required to submit reports. The Authority shall be audited annually by the same independent auditors auditing the City and copies of the audit reports shall be filed with the Commission.

Section 4. Source of Funds. The activities of the Authority shall be financed from one or more of the sources which now or hereafter may be provided for under Act 197, Public Acts of 1975.

ARTICLE X Miscellaneous

Section 1. Offices. The Authority may have such offices as the Board may determine, or the affairs of the Authority may require from time to time.

Section 2. Corporate Seal. The Board shall adopt a Corporate seal.

Section 3. Books and Records. The Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board and committees having any of the powers of the Board, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Authority shall be open to the public at all times.

ARTICLE XI Amendments

Section 1. Approval. These bylaws governing the procedures, meetings, etc., are subject to the approval of the City Commission.

Section 2. Amendment. These bylaws may be altered, amended, or repealed by the affirmative vote of a majority of the members of the Board at an annual or special meeting of the Authority, subject to the approval of the City Commission. Revisions must be consistent with the provisions and requirements of Act 197_ of the Public Act 1975, as amended.

Approved by the City of Muskegon Downtown Development Authority on
October 12 _____, 1988 with a vote of 9 years, 0 days.

Approved by the Muskegon City Commission on December 13 , 1988 with a
vote of 7 years, 0 days..

I hereby certify that the foregoing constitutes a true and complete document adopted by the Muskegon City Commission at a regular meeting held on Tuesday, December 13, 1988. and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267 of the Public Acts of Michigan of 1976.



James Hudson, City Clerk

EXHIBIT 5

Muskegon Downtown Development Area Boundaries

All those properties lying SEly of Muskegon Lake and NWly of the following streets in the City of Muskegon: Beg. at Muskegon Lake and extension of Southern Avenue SEly to Lakeshore Drive, NEly to Michigan Avenue, Ely a distance of three blocks to Hudson Street, Sly one block to Washington Avenue, Ely on Washington Avenue one block to Division Street, Nly to Western Avenue, NEly along Western Avenue to Eighth Street, SEly on Eighth Street to Clay Avenue, NEly on Clay Avenue a distance of six and a half blocks to the vacated alley to the NW of 297 Clay Street, SEly a distance of one block to Webster Avenue, SWly one half block to Second Street, SEly on Second Street one block to Muskegon Avenue, NEly five blocks to Spring Street, NWly two blocks to Clay Avenue, NEly on Clay Avenue to Eastern Avenue, Ely on Eastern Avenue to EB Seaway Drive, NEly on EB Seaway Drive to Bayou Avenue, NWly on Bayou Avenue to WB Seaway Drive, NEly to S branch of Muskegon River, NWly to Ottawa Street, SWly on Ottawa Street, Wly to Muskegon Lake.

EXHIBIT 6

Downtown Development Authority
Project Descriptions

Purchase, Sale and/or Lease of the Muskegon Mall - To result in the removal of blight and to undertake renovation and expansion.

Improve signage and circulation patterns at the Muskegon Mall - Develop and implement a signage program for on-street and off-street parking (with Mall logo). Widen entrances to parking lots, especially at the West end of of the Mall to improve traffic flow and visibility.

Redevelopment of the former Michigan National Guard Armory for parking redevelopment - Retain and restore the building facade, if possible, reuse the structure or demolish for parking and possible other uses.

Replace light fixtures in common area of Mall - Replace light fixtures with 70-400 watt, high sodium to brighten the interior of the Mall, will save over \$3,000 per year in electric costs.

Air lock doors in the Mall - Air lock thirteen doors in the Mall, entrances 3, 4 and 5 (1989), entrances 2 and 6 (1990) and entrances 1 and 7 (1991), where heat in winter and cool air in summer is currently escaping from the Mall.

Pedestrian "connection" from the Mall to Lakefront .- Construct pedestrian walkway from the mall to the Lakefront, most likely to the SPX property.

Pedestrian Waterfront/Downtown Pathway - Develop pathway along the lakefront from Teledyne property on the East to Waterfront Centre on the West for walking/jogging/biking.

Replace exterior Mall tile with cement - Replace broken tile on exterior entrances to Mall (designated a public street) with cement that will have a scored pattern on it.

Remodel public restrooms at the Mall - Mall restrooms are in need of repair.

Streetscape Extension on Western Avenue from Fifth Street to Eighth Street - Extension of existing streetscape (Western Avenue from Third to Fifth Street) from Fifth to Eighth Street.

Preliminary design plans completed for exterior and interior of the Muskegon Mall - Have plan developed proposing design improvements to the interior corridors in the Mall, including storefronts and the exterior of the Mall, including rear building design and streetscape amenities. Included should be a design plan for link between the Mall and the lakefront, specifically the SPX development.

Redevelopment of exterior entryways to Mall - Redevelop entryways to Mall in accordance with the proposed/completed design plan to better identify Mall and entryways.

Complete facade and streetscape plan for Western Avenue - Develop plan proposing design improvements along Western Avenue, including building facades. The plan can then be used for future streetscape improvement recommendations, and as a tool to assist private owners in improving their building facades.

Improved exterior lighting to Mall and Parking Ramp - Include additional lighting to the exterior of the Mall and parking lots, as well as better lighting in the Clay Avenue parking ramp, in accordance with the proposed/completed design plan.

Complete facade and streetscape plan for Ottawa Street - Develop plan proposing design improvements along Ottawa Street, including building facades. The plan can be used for future streetscape improvement recommendations, and as a tool to assist private building owners with improving their building facades.

Install street furniture around Mall - Install street furniture (e.g., benches, trash containers) around exterior of Mall, in accordance with the proposed/completed design plan.

Terrace Street extended East and West - Terrace Street will be extended through the lakefront and shopping districts in order to bring the traffic flow directly downtown, rather than bypassing the downtown as it currently does. The intention is to expose people to downtown amenities, thus encouraging them to shop and invest in downtown. The project will be completed in four Phases, beginning at the West end.

Roadway Improvements: Hartford, from Pine to Terrace; Spring Street from Muskegon to Webster; Sixth Street - Street repaving and improvements to be undertaken by the City Department of Public Works.

Heritage Landing Improvements - Assist County in development of Heritage Landing as a tourist/recreation site.

Water-Born Commerce - Development of a foreign trade zone, cross-lake ferry service.

EXHIBIT 7**SUMMARY OF PROJECTED REVENUES/EXPENDITURES****City of Muskegon Downtown Development Area**DOA ExpendituresPhase I

1989

\$7,275,000 Terrace Street Extension, Phase I
 \$5,456,250 (MOOT) + \$1,818,750 (City)
 \$ 2,500 Replace Broken Exterior Tile (Mall) with cement, Phase I (CAM)
 \$ 20,000 Replace Light Fixtures in (Mall) Common Area (CAM)
 \$ 5,000 Air Lock Doors of Mall, Phase I (CAM)
 \$ 5,000 Remodel Mall Restrooms, Phase I (CAM)
 \$ 70,000 Roadway Improvements: Hartford, from Pine to Terrace;
 Spring Street from Muskegon to Webster (City)
 \$ 30,000 Mall Redevelopment and Expansion Project \$30,000
 \$30,000 (TIF)**

1990

\$ 2,500 Replace Broken Exterior Tile (Mall) with cement, Phase II (CAM)
 \$ 4,000 Air Lock Doors of Mall, Phase II (CAM)
 \$ 5,000 Remodel Mall Restrooms, Phase II (CAM)
 \$ 131,362 Roadway Improvements: Sixth Street (City)
 \$ 174,000 Mall Redevelopment and Expansion Project \$174,000
 \$174,000 (TIF)

1991

\$2,360,000 Terrace Street Extension, Phase III
 \$1,770,000 (MOOT) + \$590,000 (City)
 \$ 3,000 Replace Broken Exterior Tile (Mall) with cement, Phase III (CAM)
 \$ 5,000 Air Lock Doors of Mall, Phase III (CAM)
 \$ 5,000 Remodel Mall Restrooms, Phase III (CAM)
 \$ 363,000 Mall Redevelopment and Expansion Project \$363,000
 \$363,000 (TIF)

Phase II

1992

\$2,885,000 Terrace Street Extension, Phase IV
 \$2,163,750 (MOOT) + \$721,250 (City)
 \$ 5,000 Remodel Mall Restrooms, Phase IV (CAM)
 \$ 551,000 Mall Redevelopment and Expansion Project \$551,000
 \$551,000 (TIF)

1993

\$1,035,000 Mall Redevelopment and Expansion Project \$1,035,000
 \$1,035,000 (TIF)

Phase III

1994 & Beyond

Mall Redevelopment and Expansion Project
Terrace Street Extension

Continuing Activities

Mall Redevelopment Improvements

Parking Improvements

Facade and Streetscape/Development Plan for Western Avenue

Pedestrian "connection" from Mall to Lakefront

Facade and Streetscape/Development Plan for Ottawa Street

Develop pedestrian waterfront/downtown pathway

Streetscape extension on Western Avenue from Fifth Street to Waterfront Centre

Streetscape improvements along Ottawa Street

Improvements to Western Avenue from Terrace to Ottawa

Build connector from existing parking structure to Mall and FMB Bank Building

Acquisition of Post Office for additional parking, retail and office development

Acquisition of excess CSX trackage property

Additional street improvements: Clay from Fourth to Eighth

Heritage Landing Improvements

Barrier-Free Improvements/Sidewalk ramping

Coordinate with private owners to develop the waterfront for housing, marinas,
business and/or public use

Upgrade Heritage Village Area from Clay to Western on Fourth through Seventh Streets

Develop and market the Depot

Acquire, clear, and promote development of State-reverted Reed Tire property

Develop or demolish Lakos Building

Develop a port and port facility

Develop a Foreign Trade Zone

Develop parking facility serving the Amazon/Arena area

Westerly expansion of Hartshorn Park

Continue efforts to enhance the northerly entrance to downtown

* Revenue sources include: TIF = DDA Tax Increment Financing; City = City General Revenue or other sources, such as grants; CDBG = Community Development Block Grant; MOOT = Michigan Department of Transportation Economic Development Fund; CAM = Common Area Maintenance for properties in and around the Mall. Privately financed building improvements are not included.

** The TIF will be designated for repayment of bonds, but a special assessment on the Mall properties, not to exceed \$2.00 a square foot, will be used until adequate monies are available through the TIF.

EXHIBIT 8
Muskegon
Downtown Development Authority
Budget

Phase I**1989**

Administration	3,000
Repayment of Bonds* (Mall Redevelopment & Expansion)	24,000
Contingency	3,293
	<u>\$ 30,293</u>

1990

Administration	\$ 3,000
Repayment of Bonds (Mall Redevelopment & Expansion)	168,558
Contingency	3,000
	<u>\$ 174,558</u>

1991

Administration	3,000
Repayment of Bonds (Mall Redevelopment & Expansion)	357,584
Contingency	3,000
	<u>\$ 363,584</u>

Phase II**1992**

Administration	\$ 3,000
Repayment of Bonds (Mall Redevelopment & Expansion)	545,322
Contingency	3,000
	<u>\$ 551,322</u>

1993

Administration	\$ 3,000
Repayment of Bonds (Mall Redevelopment & Expansion)	1,029,266
Contingency	3,000
	<u>\$ 1,035,266</u>

TOTAL: \$ 2,155,023

* The TIE will be designated for repayment of bonds, but a special assessment on the Mall properties, not to exceed \$2.00 a square foot, will be used until adequate monies are available through the TIE.

EXHIBIT 9

CurrentPROJECT VALUATION ANALYSIS
BY CLASSIFICATION

<u>CLASSIFICATION</u>	<u>CATEGORY</u>	<u>VALUATION</u>
COMMERCIAL	REAL PROPERTY AD-VALOREM	s 13,071,500
COMMERCIAL	PERSONAL PROPERTY AD-VALOREM	5,516,600
COMMERCIAL	ACT 189 AD-VALOREM	1,477,300
TOTAL COMMERCIAL	AD-VALOREM	<u>s 20,065,400</u>
INDUSTRIAL	REAL PROPERTY AD-VALOREM	\$ 4,883,300
INDUSTRIAL	PERSONAL PROPERTY AD-VALOREM	4,407,800
TOTAL INDUSTRIAL	AD-VALOREM	<u>\$ 9,291,100</u>
RESIDENTIAL-HOUSING	REAL PROPERTY AD-VALOREM	\$ 374,100
RESIDENTIAL-BOAT SLIPS	REAL PROPERTY AD-VALOREM	777,400
TOTAL RESIDENTIAL	AD-VALOREM	<u>\$ 1,151,500</u>
INDUSTRIAL-ACT 198	REAL PROPERTY SPECIFIC TAX	\$ 4,686,750
INDUSTRIAL-ACT 198	PERSONAL PROPERTY SPECIFIC TAX	3,850,200
TOTAL INDUSTRIAL-ACT 198	SPECIFIC TAX	<u>\$ 8,536,950</u>
COMMERCIAL-ACT 255	REAL PROPERTY SPECIFIC TAX	29,700
GRAND TOTAL ALL CLASSIFICATIONS		\$ 39,074,650

ACT — 198 DATA (INDUSTRIAL EXEMPTIONS)

COMPANY NAME	CERTIFICATE	1988	1988	YEAR OF	CLASSI-
	NUMBER	PERS. VAL.	REAL VAL.	EXPIRATION	FICATION
1-SHAW WALKER COMPANY	75-037	489,000	919,000	12/31/88	REHAB FACILIT-
TERRACE PLAZA SPX	76-100	123,100	1,767,500	12/21/89	NEW FACILITY
TERRACE PLAZA . SPX	76-106	-0-	476,000	12/31/89	NEW FACILITY
MUSKEGON BOILER WORKS	76-167	10,200	37,150	12/31/89	REHAB FACILIT
COLES QUALITY FOODS	77-198	-0-	84,100	12/30/89	REHAB FACILIT
2-SHAW WALKER COMPANY	79-398	38,400	885,700	12/31/92	REHAB FACILIT
*FISHER STEEL	83-165	123,800	10,000	12/30/93	NEW FACILITY
3-SHAW WALKER COMPANY	84-162	1,740,100	140,400	12/30/98	NEW FACILITY
COLES QUALITY FOODS	85-448	93,600	63,200	12/30/97	NEW FACILITY
COLES QUALITY FOODS	85-572	1,093,000	291,000	12/30/98	NEW FACILITY
5-SHAW WALKER COMPANY	79-399	139,000	-0-	12/31/92	NEW FACILITY
		3,850,200	4,686,750		

ACT - 255 DATA (COMMERCIAL EXEMPTIONS)

		19es		<u>YEAR OF</u>		CLASSI-
<u>CERTIFICATE</u>		1988				
<u>COMPANY NAME</u>	<u>NUMBER</u>	<u>PE S.</u>	<u>VAL.</u>	<u>REAL VAL.</u>	<u>EXPIRATION</u>	<u>FICATION</u>
HOOKEr-DEJONG	83-019	-0-		3,700	12/31/95	REHAB FACILITY
LUMBERTOWN	84-025	-0-		23.500	12/31/96	REHAB FACILITY
LAKEVIEW DEVL.	84-035	-0-		2.500	12/31/96	REHAB FACILITY
				29,700		

PLATE NO.	ACT 189 – DATA (EXEMPT PROPERTY USED BY BUSINESS)	COMMENT
	BUSINESS NAME	1988 VALUATION
30000-189	SEARS	911,700
		EDC SHELL BLDG.
30250-189	JANIE'S COOKIES	18,900
		BLDG. ON CITY R/
30300-159	ZALE CORPORATION	14,500
		EDC SHELL BLDG.
30400-169	EGG ROLL HOUSE	12,600
		EDC SHELL BLDG.
30500-169	PEEPERS INC	10,400
		EDO SHELL BLDG.
30550-189	EXERCISE MADE EASY	10,300
		EDC SHELL BLDG.
30600-189	FOX'S JEWELRY	22,200
		EDC SHELL BLDG.
30700-189	LERNER'S SHOP	101,800
		EDO SHELL BLDG.
30800-189	MEYER INC SAGEBRUSH	22,900
		EDC SHELL BLDG.
30900-189	MAIN STREET CLINCO INC	24,000
		EDC SHELL BLDG.
31000-189	KINNEY SHOE CORP.	40,700
		EDO SHELL BLDG.
31100-189	THE APPLE SEED	20,400
		EDC SHELL BLDG.
31200-189	ENDICOTT JOHNSON CORP.	20,200
		EDC SHELL BLDG.
31300-189	3—WISHES	28,300
		EDC SHELL BLDG.
31400-189	CAFE SANTA MARIA	11,400
		EDC SHELL BLDG.
31500-189	DISC & TAPES	14,500
		EDC SHELL BLDG.
31600-189	PAYLESS SHOES	17,400
		EDC SHELL BLDG.
31700-189	LANE BRYANT	49,000
		EDC SHELL BLDG.
31800-189	GANTOS	100,500
		EDC SHELL BLDG,
31900-189	NATURALLY YOURS	9,400
		CITY LAND R/W
32000-189	SHOE SHINE STAND	-2,300
		CITY LAND R/W
32100-189	SWEET CART	2,900
		CITY LAND R/W
32200-189.	TREASURE ISLAND	11,000
		CITY LAND R/W
		1,477,300

PLATE	INDUSTRIAL	IMPROVED DATA	88-REAL	INDICATED	
	BUSINESS NAME	88-PERS			
		VALUATION	VALUATION	FUTURE TREND	
2095	FISHER INVESTMENT			STABLE -	PROGRESSIVE
			29,000		
83150,2158	FISHER INVESTMENT	5,000	35,800	STABLE -	PROGRESSIVE
83151,2165	FISHER INVESTMENT	447,800	225,000	STABLE -	PROGRESSIVE
2171	FISHER INVESTMENT		16,000	STABLE -	PROGRESSIVE
88490,7026	SHAW-WALKER CO	1, 2 ¹ 3, 400	270,000	POSSIBLE	TRANSITIONA
7028	SHAW-WALKER CO		35,600	POSSIBLE	TRANSITIONA
7045	CONSUMER'S POWER		60,400	STABLE	
7053	WHITTAKER ENTERPRISES		165,000	STABLE -	PROGRESSIVE
81940,7059	COLE BAKERY	390,700	104,400	STABLE -	F'KULzhEIVE
8172	CONSUMER'S FOWER		39,000	STABLE	
81380,8179	CANONIE (VERPLANKS)	50,500	482,000	STABLE -	PROGRESSIVE
8179-A	VERPLANK'S		125,000	STABLE -	PROGRESSIVE
8183	CANONIE (VERFLANKS)		60,000	STABLE -	PROGRESSIVE
8186	CONSUMER'S POWER		9,800	STABLE	
***8187,8187-B	SPX		150,000	STABLE -	PROGRESSIVE
8200	SPX		201,000	STABLE -	PROGRESSIVE
825e	SPX		136,500	STABLE -	PROGRESSIVE
8258-B	SPX		35,000	STABLE -	PROGRESSIVE
*8313-A	SHAW-WALKER CO		24,800	POSSIBLE	TRANSITIONA
85110,8314-A	LAKESHORE CONTRACTORS	250,000	111,300	POSSIBLE	CONVERSION
8319-8	SHAW-WALKER CO		63,000	POSSIBLE	TRANSITIONA
90142,8323	WEST MICH. STEEL	307,100	310,000	STABLE	
90191,8328	WESTRAN	4,000	462,000	UNSTABLE -	VACANT BL
8336	COLES BAKERY		13,500	STABLE -	PROGRESSIVE
**85615,4885	MUSKEGON BOILER WORKS	18,100	4,500	UNSTABLE	
***89170,8187	TELEDYNE CONTINENTAL	1,257,700	803,000	UNSTABLE	
82344	D & H MFG	374,700		STABLE	
82346	D & M TOOL	3,000		STABLE	
88330	SEALMORE CORP	11,600		STABLE	
*89800,8311-R	VANVORHUIZEN	3,300	17,400	STABLE	
* * * * 8 3 1 1 - T	WEST MICH. DOCK * MKT	60,900	871,000	STABLE	

CLASSIFICATION

1988 DDA

TAX REVENUE PROJECTION - C

	<u>VALUATION</u>	<u>RATE</u>	<u>REVENUE</u>
AD-VALOREM COMMERCIAL	20,065,400	69.9688	\$ 1,403,951.96
AD-VALOREM INDUSTRIAL	9,291,100	69.9688	650,087.12
AD-VALOREM RESIDENTIAL	1,151,500	69.9688	80,569.07
SPECIFIC ACT 198 REHAB FACILITIES	2,463,550	69.9688	172,371.64
SPECIFIC ACT 198 NEW FACILITIES	6,073,400	69.9688	212,474.25
SPECIFIC ACT 255 REHAB FACILITIES	29,700	69.9688	2,078.08
TOTAL REVENUE			<u>2,521,532.12</u>
CITY PORTION	ALL OF THE ABOVE		552,281.59
COUNTY OPER	ALL OF THE ABOVE		223,435.29
COMMUNITY COLLEGE	ALL OF THE ABOVE		86,491.08
COUNTY MUSEUM	ALL OF THE ABOVE		11,712.33
COUNTY MAISD	ALL OF THE ABOVE		108,113.85
CITY PUBLIC SCHOOLS	ALL OF THE ABOVE		1,539,497.98
GRAND TOTAL			<u>\$ 2,521,532.12</u>

EXHIBIT 10

DDA (PLAN-A) PROJECTION
 ASSUMING EQUITY DEVELOPMENT OF MALL
 1989 ASSESSMENT ESTIMATE PROJECTION AS RELATED
 TO THE BASE PROJECT VALUATION OF \$39,074,650

1	1989	NEW CONSTRUCTION IN PROGRESS	\$	125,000
2	1989	GENERAL INCREASE ON COMMERCIAL - REAL		650,000
3	1989	ANTICIPATED INCREASE ON COMMERCIAL - PERSONAL		210,000
4	1989	ANTICIPATED INCREASE ON INDUSTRIAL - REAL		-0-
5	1989	ANTICIPATED INCREASE ON INDUSTRIAL - PERSONAL		100,000
6	1989	ANTICIPATED INCREASE ON RESIDENTIAL - REAL		5,000
7	1989	ANTICIPATED INCREASE ON ACT 198 - REAL		7%75,000
8	1989	ANTICIPATED INCREASE ON ACT 198 - PERSONAL		100.000
9	1989	ANTICIPATED INCREASE ON ACT 189 - COMMERCIAL		75.000
		GRAND TOTAL 1989 ESTIMATED INCREASE	\$	<u>1,640,000</u>
		ESTIMATED MILLAGE LEVY		<u>70.00</u>
		REVENUE PROJECTION		114,800
		CAPTURED @ 807..		91,84Ki

DDA (PLAN-A) PROJECTION ASSUMING EQUITY DEVELOPMENT OF MALL			
1	1989	1989 - 1990 ASSESSMENT ESTIMATE PROJECTION AS RELATED TO THE BASE PROJECT VALUATION OF \$39,074,650	
		- 1990 NEW CONSTRUCTION COMPLETED	\$ 7.75,000
2	1989	- 1990 SPX INDUSTRIAL OFFICE COMPLEX ACT 198 - EFFECTIVE	2 000,000
3	1989	- 1990 INCREASE OF SURFACE & RAMP PARKING AREA ^{ttt1} 50%	400,000
4	1989	- 1990 ADDITION OF CITY PARKING LOTS TO EQUITY	:4;60, 000
5	1989	- 1990 ADDITION OF MALL CORRIDOR TO EQUITY	260,000
6	1989	- 1990 ANTICIPATED INCREASE ON COMMERCIAL - PERSONAL	570,000
7	1989	- 1990 ANTICIPATED INCREASE ON INDUSTRIAL - REAL	1, 055,000
8	1989	- 1990 ANTICIPATED INCREASE ON INDUSTRIAL - PERSONAL	640, 000
9	1989	- 1990 ANTICIPATED INCREASE ON RESIDENTIAL - REAL	55,000
10	1989	- 1990 ANTICIPATED LOSS ON ACT 198 - REAL	(555, 000)
11	1989	- 1990 ACT 198 - PERSONAL	100,000
12	1989	- 1990 ANTICIPATE!) INCREASE ON ACT 189 - COMMERCIAL	1'7,0,000
13	1989	- 1990 NEW CONSTRUCTION IN PROGRESS	500,000
14	1989	- 1990 GENERAL INCREASE ON COMMERCIAL - REAL	1 050,000
1989 - 1990 ESTIMATED INCREASE			\$ 6c.P.0,000
1990 ACQUISITION VALUATION LOSS			850 000
(MORRIS STREET PROPERTIES)			\$ 6,080,000
			70.00
NET OVERALL VALUATION INCREASE			• 425,600
ESTIMATED MILLAGE LEVY			• 7.40,480
TOTAL REVENUE GAIN			
CAPTURED @ 80%			

1

UDA (PLAN-A) PROJECTION
 ASSUMING EQUITY DEVELOPMENT OF MALL
 1969 - 1991 ASSESSMENT ESTIMATED PROJECTION AS RELATED
 TO THE BASE PROJECT VALUATION OF \$39,074,650

	1989 - 1991	NEW CONSTRUCTION COMPLETED	\$	1,375,000
	1989 - 1991	SPX OFFICE COMPLEX ACT 198 - DEPRECIATED		1,850,000
3	1989 - 1991	SPX 2ND PHASE DEVELOPMENT (MARINA) PARTIAL		400,000
4	1989 - 1991	PARTIAL CONSTRUCTION OF MALL ANCHOR STORES		720,000
5	1989 - 1992	EQUITY OWNED PARKING LOTS		375,000
6	1989 - 1992'	INCREASE OF 80,000 SQ. FT. OF MALL RETAIL AREA @ 25%		400,000
7	1989 - 1992	EQUITY OWNED MALL CORRIDOR		275,000
8	1989 - 1991	ANTICIPATED INCREASE ON COMMERCIAL - PERSONAL		1,700,000
9	1989 - 1991	ANTICIPATED INCREASE ON INDUSTRIAL - REAL		3,335,000
10	1989 - 1991	ANTICIPATED INCREASE ON INDUSTRIAL - PERSONAL		575,000
11	1989 - 1991	ANTICIPATED INCREASE ON RESIDENTIAL - REAL		60,000
12	1989 - 1991	ACT 198 - REAL ANTICIPATED LOSS		(2, 835 000)
13	1989 - 1991	ACT 198 - PERSONAL ANTICIPATED LOSS		(27.5,000)
14	1969 - 1991	ACT 189 - COMMERCIAL		1,700,000
15	1989 - 1991	NEW CONSTRUCTION IN PROGRESS		7,000,000
16	1989 - 1991	NO INCREASE ON COMMERCIAL - REAL		1,050,000
		1989 - 1991 ESTIMATED INCREASE	14	9,190,000
		1990 - 1991 ACQUISITION LOSS (MORRIS ST AND US 31 R/W)		<u>1,800,900</u>
		NET VALUATION INCREASE	\$	7,790,000
		ESTIMATED MILLAGE LEVY		70.00
		TOTAL REVENUE GAIN		
		CAPTURED 80%	\$	413,840

1989

DDA (PLAN-A) PROJECTION
 ASSUMING EQUITY DEVELOPMENT OF MALL
 - 1992 ASSESSMENT ESTIMATE PROJECTION AS RELATED
 TO THE BASE PROJECT VALUATION OF \$39.074,650

1	1989	- 1992	NEW CONSTRUCTION COMPLETED	\$	8,850,000
2	1989	- 1992	SPX OFFICE COMPLEX ACT 198 - DEPRECIATION		.750, 000
3	1989	- 1992	SPX 3RD PHASE DEVELOPMENT (CONDOS) PARTIAL		1, 200,000
4	1989	- 1992	EQUITY OWNED PARKING LOTS		400, 000
5	1989	- 1992	EQUITY OWNED MALL CORRIDOR		280 000
6	1989	- 1992	ANTICIPATED INCREASE ON COMMERCIAL - PERSONAL		2,1500300
7	1989	- 1992	ANTICIPATED INCREASE ON INDUSTRIAL - REAL		
8	1989	- 1992	ANTICIPATED LOSS ON INDUSTRIAL - PERSONAL		475,000
9	1989	- 1992	ANTICIPATED INCREASE ON RESIDENTIAL - REAL		65,000
10	1989	- 1992	ACT 198 - REAL LOSS		(2,835,000)
11	1989	- 1992	ANTICIPATED LOSS ON ACT 198 - PERSONAL		(7-.5,000)
12	1989	- 1992	ANTICIPATED INCREASE ACT 189 - REAL		145,000
13	1989	- 1992	NEW CONSTRUCTION IN PROGRESS		500,000
14	1989	- 1992	GENERAL INCREASE ON COMMERCIAL - REAL.		1,,075,000
			1989 - 1992 ESTIMATED INCREASE		
				\$	17,055,000
			1990 - 1992 ACQUISITION LOSS (MORRIS ST AND US 31 R/W)		2. 000 ono
			NET OVERALL VALUATION INCREASE	\$	15,055,000
			ESTIMATED MILLAGE LEVY		70.00
			TOTAL REVENUE GAIN	\$	1,05,850
			CAPTURED @ 80%		843,080

DDA (PLAN-A) PROJECTION
 ASSUMING EQUITY DEVELOPMENT OF MALL
 1989 - 1993 ASSESSMENT ESTIMATE PROJECTION AS RELATED
 TO THE BASE PROJECT VALUATION OF \$39.074,650

1	1989	- 1993	NEW CONSTRUCTION COMPLETED	\$ 15,850.000
2	1989	- 1993	SPX OFFICE COMPLEX ACT 198 - DEPRECIATED	1,6004000
3	1989	- 1993	SPX 4TH PHASE DEVELOPMENT (OFFICES RESTAURANTS)	5,000,000
4	1989	- 1993	EQUITY OWNED PARKING LOTS	420,000
5	1989	- 1993	EQUITY OWNED MALL CORRIDOR	290,000C)
6	1989	- 1993	ANTICIPATED INCREASE ON COMMERCIAL - PERSONAL	2,900,000
7	1989	- 1993	ANTICIPATED LOSS INDUSTRIAL - REAL	2,835,000
8	1989	- 1993	ANTICIPATED LOSS INDUSTRIAL - PERSONAL	100,000
9	1969	- 1993	ANTICIPATED INCREASE ON RESIDENTIAL - REAL	70 000
10	1989	1993	ANTICIPATED LOSS ACT 198 - REAL	(:3,000,000)
11	1989	- 1993	ANTICIPATED LOSS ON ACT 198 - PERSONAL	(400,000)
12	1989	- 1993	ACT 189 - COMMERCIAL	170,000
13	1989	- 1993	NEW CONSTRUCTION IN PROGRESS	500,000
14	1989	- 1993	GENERAL INCREASE ON COMMERCIAL	1_,_850,000
			1989 - 1993 ESTIMATED INCREASE	\$ 28,115,000
			1990 - 199• ACQUISITION LOSS	000 (wo
			NET VALUATION INCREASE	<u>\$ 26,115,000</u>
			ESTIMATED MILLAGE LEVY	<u>70.00</u>
			TOTAL REVENUE GAIN	s 1,828,050
			CAPTURED @ 807	1,462,440

BACK-UP FOR PAGE 1

- ITEM 1 NEW CONSTRUCTION IN PROGRESS - VARIOUS SMALL BUSINESS PERMITS FOR VARIED REHABILITATION OR ADDITION IMPROVEMENTS, THE BIGGEST OF WHICH IS THE "OLD HUME BLDG." PROJECT WHICH WILL BE APPROXIMATELY \$900,000 - TRUE CASH VALUE WHEN COMPLETED.
- ITEM 2 GENERAL INCREASE ON COMMERCIAL - REAL - PROPERTY CURRENTLY ASSESSED AT \$12.839,900 - EXPERIENCING AN AVERAGE OF ABOUT A 5% INFLATIONARY INCREASE.
- ITEM 3 USING THE GENERAL INCREASE FROM 1987 TO 1988, WHICH WAS ABOUT \$210,000, I HAVE BUILT IN THE SAME FOR 1989.
- ITEM 4 THERE ARE NO ACT 19S - REAL CERTIFICATES EXPIRING IN 1988 AND I HAVE NO PERMITS CURRENTLY FOR INDUSTRIAL AD-VALOREM.
- ITEM 5 USING THE GENERAL INCREASE FROM 1987 TO 1988 WHICH WAS APPROXIMATELY \$100,000, I HAVE BUILT IN THE AMOUNT FOR 1989.
- ITEM 6 THERE WILL BE VARIOUS SMALL IMPROVEMENTS EACH YEAR GARAGES, SHEDS. DECKS, ETC. THEY WILL REACH APPROXIMATELY THIS AMOUNT.
- ITEM 7 SPX OFFICE COMPLEX OF \$2,000,000 WILL BE PARTIALLY DONE AND FISHER STEEL WILL HAVE COMPLETED A \$300,000 INDUSTRIAL BLDG.
- ITEM 8 THE CURRENT ACT 198 ROLL WILL DEplete BY FACT OF APPLIED DEPRECIATION BY ABOUT \$200,000, BUT, DUE TO FISHER STEEL'S NEW CERTIFICATE, WILL ADD ABOUT \$300,000.
- ITEM 9 AN INFLATIONARY INCREASE ON ASSESSMENTS, THE SAME AS ALL OTHER COMMERCIAL REAL ESTATE.

BACK-UP FOR PAGE 2

- ITEM 1 THE HUME BLDG. PROJECT COMPLETE PLUS OTHER SMALLER IMPROVEMENTS THAT GENERALLY HAPPEN.
- ITEM 2 COMPLETION OF THE SPX ACT 198 OFFICE COMPLEX.
- ITEM 3 RECOGNIZING THE FACT OF THE SCARCITY OF PARKING SPACE, MORE WILL BE NEEDED. ESTIMATED AT 25% DONE.
- ITEM 4 CURRENT EXEMPT PARKING LOTS SURROUNDING THE MALL WILL BE OWNED BY "EQUITY" AND SUBJECT TO ASSESSMENT.
- ITEM 5 CURRENT EXEMPT MALL CORRIDOR WILL BE OWNED BY "EQUITY" AND SUBJECT TO ASSESSMENT.
- ITEM 65 ALONG WITH THE USUAL \$210000 INCREASE AND THE ADDITION OF SUBSTANTIALLY MORE OFFICE AND RETAIL SPACE SUCH AS THE "HUME BLDG." — I AM ADDING ANOTHER \$150.000.
- ITEM 7 THREE ACT 198 REAL PROPERTY CERTIFICATES ARE EXPIRING AND WILL BE TRANSFERRED TO THE REGULAR INDUSTRIAL — REAL \$1,055,000.
- ITEM 8 TWO ACT 198 PERSONAL CERTIFICATES WILL EXPIRE AND BE CONVERTED TO THE REGULAR AD-VALOREM PERSONAL PROPERTY ROLL.
- ITEM 9 AN ANTICIPATED 10% INCREASE ON ALL RESIDENTIAL REAL FOR 1990 INCLUDING BOAT SLIPS.
- ITEM 10 THREE ACT 198 REAL CERTIFICATES WILL EXPIRE.
- ITEM 11 COMBINING THE LOSS OF TWO CERTIFICATES, THE COMPLETION OF THE FISHER STEEL PROJECT AND POSSIBLY A NEW NEW FACILITY CERTIFICATE FOR COLE'S BAKERY, IT BALANCES OUT.
- ITEM 12 APPROXIMATELY 3% INCREASE.
- ITEM 13 SPX WILL MOST LIKELY HAVE ADDITIONAL OFFICE AND RESTAURANT DEVELOPMENTS.
- ITEM 14 ANOTHER ACROSS THE BOARD GENERAL INCREASE OF ABOUT \$400,000 — COMBINED WITH 1989 MAKES \$1,050,000.

BACK-UP FOR PAGE 3

- ITEM 1 THE COMPLETION OF THE OFFICES AND VARIOUS ENTERPRISES IN THE TERRACE POINT AREA, COUPLED WITH PARKING AREAS, AND SMALL ADDITIONS.
- ITEM 2 SPX OFFICE COMPLEX ACT 198 PERSONAL DEPRECIATION OF \$150,000.
- ITEM 3 SPX SECOND PHASE DEVELOPMENT OF MARINA (PARTIAL).
- ITEM 4 RECOGNIZING THE FACT OF THE SCARCITY OF PARKING SPACE, MORE WILL BE NEEDED, ESTIMATED AT 25Y. DONE.
- ITEM 5 UPDATED APPROXIMATELY 3%.
- ITEM 6 CURRENT EXEMPT PARKING LOTS SURROUNDING THE MALL WILL BE OWNED BY "EQUITY" AND SUBJECT TO ASSESSMENT.
- ITEM 7 UPDATED APPROXIMATELY 3%.
- ITEM 8 WITH THE COMPLETION OF THE ANCHOR STORES AND ADDITIONAL OFF-ICE SPACE, THERE SHOULD BE A SIGNIFICANT INCREASE IN PERSONAL PROPERTY.
- ITEM 9 THREE ACT 198 REAL CERTIFICATES EXPIRE. MAINLY THE TERRACE PLAZA OFFICE ABOUT \$2.243,500 CONVERTED TO INDUSTRIAL REAL.
- ITEM 10 TWO ACT 198 PERSONAL CERTIFICATES EXPIRE. I ANTICIPATE A SUBSTANTIAL LOSS FOR CONTINENTAL MOTORS.
- ITEM 11 THE USUAL MINOR IMPROVEMENT ADDITION FOR EACH YEAR. •
- ITEM 12 THREE CERTIFICATES EXPIRE @ \$2280,000 ADDED TO 1990 LOSSES.
- ITEM 13 TWO CERTIFICATES EXPIRE AT \$135,000 - WITH ADDED DEPRECIATION.
- ITEM 14 NO EXPECTED INCREASE FOR 1991.
- ITEM 15 NEW CONSTRUCTION IN PROGRESS WITH SMALL BUSINESS IN THE DISTRICT.
- ITEM 16 NO EXPECTED INCREASE, THE SAME AS 1990.

BACK-UP FOR PAGE 4

- ITEM 1 APPROXIMATELY \$1,225,000 ADDED FOR MARINA AND COMPLETION OF TWO
- ANCHOR STORES, ALSO AN ADDITIONAL 80,000 SQFT. OF RETAIL SHOPPING
AREA.
- ITEM 2 SPX OFFICE COMPLEX ACT 198, ADDED DEPRECIATION.
- ITEM 3 SPX POSSIBLY 3RD PHASE DEVELOPMENT (CONDOS).
- ITEM 4 UPDATED APPROXIMATELY 3Y,.
- ITEM 5 UPDATED APPROXIMATELY 3%.
- ITEM 6 AN ADDED \$450, 000 NET INCREASE.
- ITEM 7 SAME AS PAGE 3 COMMENT - NO CERTIFICATES EXPIRE.
- ITEM 8 CONTINUING LOSS ON PERSONAL FOR CONTINENTAL MOTORS OFF-SETTING
THE USUAL GAIN.
- ITEM 9 NO GENERAL INCREASE ONLY USUAL SMALL IMPROVEMENT, \$5,000.
- ITEM 10 SAME AS PAGE 7S COMMENT - NO CERTIFICATES EXPIRE.
- ITEM 11 ONLY USUAL DEPRECIATION LOSS.
- ITEM 12 A MODEST GENERAL INCREASE ABOUT 1.5%.
- ITEM 13 WITH THE NEW MALL IMPROVEMENT AND THE SPX DEVELOPMENT. IT IS
ANTICIPATED THAT MANY PRIVATE INVESTORS WILL BE WANTING TO GET
INTO THE DOWNTOWN AREA.
- ITEM 14 A MODEST INCREASE IN COMMERCIAL - REAL.

BACK-UP FOR PAGE 5

- ITEM 1 SPX CONDO PROJECT PLUS OTHER BUSINESS PROJECTS THAT WERE IN PROGRESS IN 1992.
- ITEM 2 SPX OFFICE COMPLEX ACT 198 DEPRECIATED.
- ITEM 3 SPX POSSIBLE LAST PHASE DEVELOPMENT OF MORE OFFICES, SHOPS, RETAIL SPACE AND RESTAURANTS.
- ITEM 4 APPROXIMATELY 5% INCREASE ON PARKING VALUATION.
- ITEM 5 APPROXIMATELY 3% INCREASE IN VALUATION.
- ITEM 6 WITH THE FULL COMPLETION OF THE MALL AND OTHER COMMERCIAL BUSINESS HOPEFULLY ATTRACTED, PLUS THE NEAR COMPLETION OF TERRACE POINT, A SUBSTANTIAL INCREASE IS EXPECTED.
- ITEM 7 ANTICIPATING PHASE OUT OF CONTINENTAL MOTORS.
- ITEM 8 ANTICIPATING A PHASE OUT OF CONTINENTAL MOTORS, OFF-SETT I NG THE TYPICAL INCREASES.
- ITEM 9 SIMPLY 5,000 - OF MINOR IMPROVEMENTS.
- ITEM 10 APPROXIMATELY \$165,000 - LOSS OF VALUATION.
- ITEM 11 ONE ACT 198 - PERSONAL EXPIRES FOR SHAW WALKER.
- ITEM 12 GENERAL MODEST INCREASE FOR 1993.
- ITEM 13 ANTICIPATING CONTINUING COMMERCIAL DEVELOPMENT WITH THE SUCCESS OF BOTH THE MALL AND TERRACE POINT DEVELOPMENT.
- ITEM 14 GENERAL MODEST INCREASE ON COMMERCIAL - REAL OF APPROXIMATELY 2%,

EXHIBIT II.

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1911	\$1,840,001	23.0894	137,167	94	\$17,147	110,2/3	17.4294	10	40	19	so	617,167	110,213
1190	6,010,011	21.1174	144,111	4	140,121	111,707	47.4476	77,014	0	77,8:4	42,2::	2111,142	174,050
499:	7,290,044	21.0814	170,811	0	170,631	131,505	44.1958	283,150	0	213,110	127,110	454,481	161,114
1992	15,055,001	23.0094	317,811	4	347,811	271,419	44.2110	341,541	4	141,541	273,211	019,21:	111,122
1993	21,15,N1	71.0694	102,110	0	802,160	412,184	41.115:	611,103	0	491,10:	552,112	4294,01:	11035,289
1194	26,87,875	23.0191	610,054	4	616,054	414,445	45.8559	1,191,527	0	1,197,527	918,020	1,011,502	1,452,141
1445	27,437,072	23.0814	633,540	4	633,504	544,144	43.3119	1,213,419	4	1,213,519	970,115	1,147,025	1,117,620
1198	21022,199	23.0194	441,113	1	449,143	119,475	45.3271	1,243,611	0	1,243,813	944,923	1,892,116	1,514,147
1197	78,826,074	21.0114	665,117	1	165,577	512,441	41.3141	1,274,345	0	1,274,341	1,119,492	1,139,142	1,551,951
1911	21,516,725	23.0194	812,216	0	142,216	115,771	44.18:7	1,292,707	0	1,211,712	1,031,010	1,175,178	1,511,713
1499	10,2115,344	23.0194	419,272	1	111,177	539,117	44.8753	1,324,041	0	1,324,041	1,009,113	2,021,1:3	1,421,150
2000	11,041,721	23.0114	716,713	1	711,753	573,403	44.1771	1,359,127	0	1,359,127	1,117,101	2,075,180	1,440,701
2001	31,811,542	23.0894	734,172	0	734,472	5,7,730	41.1751	1,313,031	0	1,373,031	1,114,411	2,127,711	1,702,069
2007	32,414,056	23.0814	753,035	1	733,011	192,431	14.1730	1,427,799	0	1,427,779	1,142,239	2,110,111	1,744,871
200:	11,421,108	23.4114	771,145	0	711,145	417,412	44.1711	1,461,421	1	1,461,421	1,170,747	2,235,111	2,718,714
2004	24,261041	27.0E94	711,16:	1	711,162	632,129	44.1491	1,499,947	0	1,411,147	1,199,216	2,791,201	1,112,087
2755	10::22,772	23.0034	114,941	0	110,011	641,751	44.1171	1,537,311	0	4351.1'0	1,221,441	2042,729	1,8,8,650
2116	11,1:8:8	21.0191	111,2:4	1	131,214	414,971	44.0452	1,175,146	0	1,575,744	1,240,517	2,494,440	1,921,561
2007	36,891,111	23.0894	1151,115	4	851,115	611,596	44.1623	1,115,072			1,242,057	2,487,044	1,973,151
2008	17,822,207	21.0114	171,211	0	173,244	411,615	44.1415	1,851,191	0	1,555,1721	1,224,105	2,521,473	2,021,940
2019	18,787,14	23.0894	113,127	0	111,127	716,101	41,1117	1,096,897	0	1,196,897	1,157,358	2,110,21	2,071,159
2010	31,717,061	21.0694	917,101	4	917,505	734,001	44.1579	1,739,048	0	1,729,446	1,391,217	2,654,552	2,125,240
2111	40,720,407	73.0804	944,443	4	940,443	102,154	14.8142	1,712,451	0	1,781,153	1,425,962	2,721,111	7,170,114
2112	41,741,712	23.0844	963,154	1	141,954	771,161	44.8141	1,124,445	0	1,126,445	1,461,554	2,710,211	2,212,719
7113	42,712,441	23.0214	188,052	0	111,052	790,442	44.8522	1,172,549			1,491,019	2,100,411	2,289,482
2014	43,1162,28.	23.0194	1,012,754	0	1,012,754	110,203	44.0512	1,919,293	:	1,172,101	1,535,424	2,932,011	1,145,131
2015	44,159,137	23.0194	1,118,971	4	1,018,073	110,458	44.1498	1,047,245	0	1,947,205	1,573,714	3,105,277	2,404,722
7016	44,062,101	23.0194	1,064,024	4	1,464,024	851,220	44.1410	2,014,311			1,611,051	3,480,331	2,444,721
2117	17,211,171	23.0874	10040,125	1	1,410,425	(72,500	44.1461	2,146,411	:	2014::1411	1,653,321	1,157,274	2,575,121
2111	441,111,750	23.4124	1,117,112	4	1,117,811	114,3:2	44.8444	2,119,241	1	2,111,246	1,694,597	3,234,136	2,566,929
2019	41,624,144	23.0894	1,148,830	0	1,141,128	914,170	44.1415	2,171,130	0	2,171,110	1,734,104	3,316,908	2,451,574
			123,351,651	44	823,556,858	41,1845,376		543,846,611.	40	03,846,819	44,917,295	167,203,272	451,112,822

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EXHIBIT 12

DOWNTOWN DEVELOPMENT AUTHORITY

Act 197, 1975, p. 435; Imd. Eff. Aug. 13

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

The People of the Slate of Alichie.an enact:

125.1651 Definitions.

Sec. 1. As used in..this act:

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

^(b) "Board" means the governing hod. of an authority.

lc) Business district means an area in the tIoNs ntown of a ▶ ▶ nivi ▶ ality zoned and used principally for hi ▶ shieNs.

(d) "Chief executive officer" means the mayor or city manager of a city, the president of a village or the supervisor of a township.

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

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

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

(h) "Downtown district" means an area in a business district which is specifically designated by ordinance of the governing body of the municipality pursuant to this act.

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

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

(k) "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.

(1) "Public facility" means a street, plaza, pedestrian mall, and any improvements thereto 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.

History: Nrn p 415. Art WT. intl. Eff. Aug. to

Cited in "Hort wrttns2 Section 1 3.11i51 it cord in II ar7.1501. 207A55. and 2.11:4

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

Sec. 2. (1) A municipality may establish an authority. No parcel of property shall be included in more than 1 authority created by this act.

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

Hiuts-2,1 Nru. WS. p 1:15 Art 14:.. bud Ell Avg 13

125.1653 Resolution of intent to create and provide for operation of authority; public hearing on proposed ordinance creating authority and designating boundaries of downtown district; notice; adoption, filing, and publication of ordinance; altering or amending boundaries.

Sec. 3. (1) When the governing body of a municipality determines that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of that deterioration, and to promote economic growth, the governing body of that municipality 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 nor more than 40 days before the date of the hearing. Notice shall also be mailed to the property taxpayers of record in the

proposed district not less than 20 days before the hearing. Failure 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 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 notice of public hearing, but it may eliminate described lands from the downtown district in *the final* determination of the boundaries.

(3) 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 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.

(4) 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 in accordance with the same requirements prescribed for adopting the ordinance creating the authority.

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p 4NS. Act IV. Send Eft Aug 13

125.1654 Board; appointment, terms, and qualifications of members; vacancy; compensation and expenses; election of chairperson; oath; conducting business at public meeting; public notice; special meetings; removal of members; review; expense Hems and financial records; availability of writings to public.

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

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

(3) The business *xy hid*) the board may perform shall be conducted at a public

meeting of the board held in compliance ▶ via) Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the *meeting* shall be given in the manner required by Act No. 267 of the Public Acts of 1976. The board shall adopt rules consistent with Act No. 267 of the Public Acts of 1976 governing its procedure and the holding of regular meetings. subject to the approval of the governing body. Special meetings may be held when 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 Act No. 4-12 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

HitinrItz 1975. p 45y. Art Intd Eff 13.—Ant p Art 521 Imd EU Drr

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

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

(3) The board may employ and *fix* the compensation of a secretary, who shall maintain custody of the official *seal* and of records, books, documents, or other papers not required to be maintained by the *treasurer*. The secretary shall attend

265

DOWNTOWN DEVELOPMENT AUTHORITY

§125.1657

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.

Fliactry: New 1973. p. 437. Act' 197, lmd. Elf. I. 13-

125.1656 Participation of employees In municipal retirement and insurance programs.

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

Hittorr 'tie.. 1975. p..1...15. Act 197. hnd Elf. ALIN 13.

125.1657 Powers of board.

Sec. 7. The board may:

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

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

(c) Plan and propose the construction, the 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) 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.

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

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

(g) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority deems 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 therein, which the authority determines *is* reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect thereto.

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

• (1) Fix, charge. and collect fees, rents, and charizes for the use of any building or property under its control or an. part thereof, or facility therein, and pledge

§ 1 25.1657 DOWNTOWN DEVELOPMENT AUTHORITY

266

the *fees, rents, and charges for the* payment of rep enue bonds issued by the authority.

(j) Lease any building or property under its control, or any part thereof.

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

(1) *Acquire and* construct public facilities.

Hilary: New 1975. p 456. An Hr. lasd Eff 414 13.

125.1659 Authority as Instrumentality of political subdivision.

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

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p 439. Aci 197.1rud Eft Aux 13

125.1660 Taking, transfer, and use of private property.

Sec. 10. A municipality may take private property under Act No. 349 of the Public Acts of 1911, as amended, being sections 213.21 to 213.41 of the Michigan Compiled Laws, for the purpose of transfer to the authority, and may transfer the property to the authority for use in and approved development, on terms and conditions is deems appropriate, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.

Hilour: New 1975. p 439. An 197.1md Eli Au* 13.

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

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

(a) Donations to the authority for the performance of its functions.

(b) Proceeds of a tax imposed pursuant to section 12.

(c) Money borrowed and to be repaid as authorized by section 13.

(d) *Revenues* from any property, building, or facility owned, leased, licensed, or operated by the authority or under its control, subject to the limitations imposed upon *the* authority by trusts or other agreements.

(e) Proceeds of a tax increment financing plan. established under sections 14 to 16.

(f) Proceeds from a special assessment district created as provided by law.

(g) Money obtained from other sources approved by the governing body of the municipality.

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

Hithwr NE% 19:3. p 439. Act 19:111w1 Eli Au* 13.—Am 1961. p

Act 34. Incl. Eff. Stay 11.

125.1662 Ad valorem tax; borrowing in anticipation of collection.

Sec. 12. (1) An authority with the approval of the municipal governing body may levy an ad valorem tax on the real and tangible personal property not exempt

by law and as finally equalized in the downtown district. The tax shall not be more than 1 mill if the downtown district is in a municipality having a population of 1,000,000 or more, or not more than 2 mills if the downtown district is in a municipality having a population of *less than* 1,000,000. The tax shall be collected by the municipality creating the authority levying the tax. The municipality shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be paid to the treasurer of the authority and credited to the general fund of the authority for purposes of financing only the operations of the authority.

(2) The municipality may at the request of the authority borrow money and issue its notes therefor pursuant to Act No. 202 of the Public Acts of 1943, as amended, being sections 131.1 to 138.2 of the Michigan Compiled Laws, in anticipation of collection of the ad valorem tax authorized in this section.

HiOorn N.. 19n. p 434 Act MT. Eff Suit 13

125.1663 Revenue bonds.

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

Minty: Nr. 1973.p 440. Act 197.1md EEL Aug 13.

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

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

(2) A pledge made by the authority shall be valid and binding from the time the pledge is made. The money or property pledged by the authority immediately shall be subject to *the* lien of the pledge without a physical delivery, filing, or further act. The lien of such a pledge shall be valid and binding as against parties having claims of any kind in tort, contract, or otherwise, against the authority irrespective of whether the parties have notice of the lien. Neither the resolution.

§ 125.1663a DOWNTOWN DEVELOPMENT AUTHORITY

268

the trust agreement, nor any other instrument by which a pledge is created need be filed or recorded.

(3) Bonds or notes issued pursuant to this section shall be exempt from all taxation in this state except inheritance and transfer taxes, and the interest on the bonds or notes shall be exempt from all taxation in this state, notwithstanding that the interest may be subject to federal income tax.

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

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

History: Add ISM. p ISI. mod Eff No.

125.1664 "Captured assessed value" and "initial assessed value" defined; tax increment financing plan; preparation and contents; public hearing; fiscal and economic implications; recommendations; agreements; modification of *plan*.

Sec. 14. (1) As used in this section and sections 15 and 16:

(a) "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 a commercial facilities exemption certificate has been issued pursuant to Act No. 255 of the Public Acts of 1978, as amended, being sections 207.651 to 207.668 of the Michigan Compiled Laws, the assessed value of property for which an industrial facilities exemption certificate has been issued pursuant to Act No. 19S of the Public Acts of 1974, as amended, being sections 207.551 to 207.571 of the Michigan Compiled Laws, and the assessed value of property for which a commercial housing facilities exemption certificate has been issued pursuant to Act No. -13S of the Public Acts of 1976, as amended, being sections 207.601 to 207.615 of the Michigan Compiled Laws, exceeds the initial assessed value.

(b) "Initial assessed value" means the most recently assessed value, as finally equalized by the state board of equalization, 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. 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 commercial facilities exemption certificate, an industrial facilities exemption certificate, or a commercial housing facilities exemption certificate, is in effect shall not be considered to be property which is exempt from taxation.

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

269 DOWNTOWN DEVELOPMENT AUTHORITY § 125.1665
 ment 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.

(3) Approval of the tax increment financing plan shall be pursuant to the notice, hearing, and disclosure provisions of section 1S. 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.

(-1) Before the public hearing on the tax increment financing plan, the governing body shall provide a reasonable opportunity to the members of the county board of commissioners of a county in which any portion of the development area is located and to the members of the school board of any school district in which any portion of the development area is located to meet with the governing body. The authority shall fully inform members of the county boards of commissioners and of the school boards of the fiscal and economic implications of the proposed development area. The members of the county boards of commissioners and of the school boards may present their recommendations at the public hearing on the tax increment financing plan. The authority may enter into agreements with the county board of commissioners, the school boards, and the governing body of the municipality in which the development area is located to share a portion of the captured assessed value of the district.

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

History: +4, 197,5. p 440. Aui 197. Iend EU. Amg 13:— Am. 1919. p.3-1. iv Ind Elf. lime IV41. p Imd.

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

Sec. 15. (1) The amount of tax increment to be transmitted to the authority by the municipal and county treasurers shall be that portion of the tax levy of all taxing bodies paid each year on real and personal property in the project area on the captured assessed value. For the purpose of this section, that portion of a commercial facilities tax levied pursuant to section 12 of Act No. 255 of the Public Acts of 197S, being section 207.662 of the Michigan Compiled Laws, that portion of an industrial facilities tax levied after December 30, 1950 pursuant to section 11 of Act No. 195 of the Public Acts of 197-1, as amended, being section 207.561 of the Michigan Compiled Laws, and that portion of a commercial housing facilities tax levied after December 30, 1950 pursuant to section 6 of Act No. 13S of the Public Acts of 1976, as amended, being section 207.606 of the Michigan Compiled Laws, which is attributable to the captured assessed value of the facility shall be included as a part of the tax increment to be transmitted to the authority.

(2) The authority shall expend the tax increments received for the development program only pursuant to the tax increment financing plan. Surplus funds shall revert proportionately to the respective taxing bodies. These re. entws 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. I low e'er, the tax increment financing plan shall not be ahnli.hrfl until the principal of, and interest on, hOillk issued pursuant to section 16 have been paid or funds NIHKtit to make. the pa; 11.1\c been segregated.'

§ 125.1665

DOWNTOWN DEVELOPMENT AUTHORITY

270

(3) Annually the authority shall submit to the governing body of the municipality a report on the status of the tax increment financing account. The report shall include: the amount and source of revenue in the account; the amount and purpose of expenditures from the account; the amount of principal and interest on any outstanding bonded indebtedness; the initial assessed value of the project area; the captured assessed value retained by the authority; the tax increments received; and any additional information the governing body considers necessary. The report shall be published in a newspaper of general circulation in the municipality.

Nru 1975, p. 1 Art 197. Irud Elf Aug. 13:—Am W79, p. 35. Ari fruti. Eff. Jum 6:—Am 1951, p. At Als1.

125.1666 General obligation bonds and tax increment bonds.

Sec. 16. (1) The municipality may by resolution of its governing body authorize, issue, and sell general obligation bonds subject to the limitations set forth in this subsection to finance the development program of the tax increment financing plan and shall pledge its full faith and credit for the payment of the bonds. The bonds shall mature in not more than 30 years and shall be subject to Act No. 202 of the Public Acts of 1943, as amended, being sections 131.1 to 138.2 of the Michigan Compiled Laws. *Before* the municipality may authorize the borrowing, the authority shall submit an estimate of the anticipated tax increment revenue 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, and when approved by the municipal finance commission shall be conclusive for purposes of this section. A municipality may not pledge for annual debt service requirements in any 1 year in excess of 50% of the estimated tax increment revenue to be received from a development *area* for that year, and the total aggregate amount of borrowing shall not exceed an amount which the 50% of the estimated tax increment will service as to annual principal and interest requirements. The bonds issued under this section shall be considered a single series for the purposes of Act No. 202 of the Public Acts of 1943, as amended.

(2) The authority may by resolution of its governing body 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 pursuant to this subsection shall pledge solely the tax increments of the project for which the bonds are issued and any other revenues which the authority shall specifically pledge in the resolution and shall not pledge the full faith and credit of either the authority or the municipality. The bonds shall mature in not more than 30 *years* and shall bear interest and be payable upon such terms and conditions as the authority shall determine in the resolution approving the bonds and shall be sold at public or private sale by the authority. The bond issue may include a sum sufficient to pay interest on the tax increment bonds until full development of tax increments 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 increments and other revenues pledged by the resolution which 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 increments and other revenues pledged pursuant to the resolution.

125.1667 Development plan; preparation; contents.

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

(2) The development plan shall contain:

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

(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 which 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, and 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.

(1) 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 under construction, the condition of those in existence, the number of owner-occupied and renter occupied units, the annual rate of turnover of the various

types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

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

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

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

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

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Act 197_ Fuld Eff Aug 0.

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

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

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

Muggy. Nev. 1517.1p 443 Ari 197. Entri 1:11 SuR 13

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

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

273

DOWNTOWN DEVELOPMENT AUTHORITY

§125.1672

development plan or tax increment financing plan constitutes a public purpose, it shall then approve or reject the plan, or approve it with modification, by ordinance based on the following considerations:

- (a) The findings and recommendations of a development area citizens council, if a development area citizens council was formed.
- (b) The plan meets the requirements *set forth* in section 17(2).
- (c) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.
- (d) The development is reasonable and necessary to carry out the purposes of this act.
- (e) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this act in an efficient and economically satisfactory manner.
- (f) The development plan is in reasonable accord with the master plan of the municipality.
- (g) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- (h) Changes in zoning, streets, *street* levels, intersections, and utilities are reasonably necessary for the project and for the municipality.

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

History: New 1915, p. 444, Act 197, lred. EH. At 13.

125.1670 Notice to vacate.

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

Hilton: New 1975, p. 441, Act 197, lmd Eft. Aug 13

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

Sec. 21. (1) If a proposed development area has residing within it 100 or more residents, a development area citizens council shall be established at least 90 days before the public hearing on the development or tax increment financing plan. The development area citizens council shall be established by the governing body and shall consist of not less than 9 members. The members of the development area citizens council shall be residents of the development *ifrea* 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: New 1975, p. 444: Act 197, kid Elf Aug 0

125.1672 Development area citizens council; advisory body.

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

Nru. 19:3. p. 44. 1.0 Nuj Ed lize 13

125.1573 Consultation.

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

History: Kew W75, p. 445, Art. 107, Imd. Aug. 13.

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

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

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

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

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

History: Nest 1E5, p. 445, Act. Imd. Eli Aug. 13

125.1675 Citizens district council as development area citizens council.

Sec. 25. In a development area where a citizens district council established according to Act No. 344 of the Public Acts of 1945, as amended, being sections 125.71 to 125.54 of the Michigan Compiled Laws, already exists the governing body may designate it as the development area citizens council authorized by this act.

1.-4. 1975, p. 445, Art. Imd. Eli Aug. 13

125.1676 Notice of findings and recommendations.

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

Mater., Nest 1975, p. 445, Art. Imd. Eli Aug. 13

125.1677 Development area citizens council; dissolution.

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

(a) On petition of not less than 20% of the adult resident population of the development area by the last federal decennial or municipal census, a governing

body, after public hearing with notice thereof given in accordance with section 18 and by a 2/3 vote, may adopt an ordinance for the development area to eliminate the necessity of a development area citizens council.

(b) When there are less than 13 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.

Hio,ryt Neuf 1973, p. 445. Ivo 197. Imd. Eff. Aug. 13.

125.1678 Budget; cost of handling and auditing funds.

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

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

Hitiorr Islru 1973. p 446. Sd 197. Imd- Elf Aug 13.

125.1679 Historic sites.

Sec. 29. (1) A public facility, building, or structure which is determined by the municipality to have significant historical interests shall be preserved in a manner as deemed necessary by the municipality in accordance with laws relative to the preservation of historical sites.

(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 Public Act No. 169 of the Public Acts of 1970, being sections 339.201 to 339.212 of the Michigan Compiled Laws, or the secretary of state for review.

Hittatr Neu, 1973. p. 40. Act 197. Imd Elf Aug 13

125.1680 Dissolution of authority; disposition of property and assets.

Sec. 30. An authority which 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 shall belong to the municipality.

Maury: \, 1973. p 446 krt l\$7, !rad Eft Aug 13.

which form the foundation of Michigan's economy; and

"WHEREAS, the vast majority of new jobs created in this state are created by small businesses; and

"WHEREAS, emphasis in Michigan's economy is undergoing a significant shift toward reliance on small, innovative technology and service-based companies; and

"WHEREAS, many of the newer technologies and innovations are created by Michigan's small businesses and entrepreneurs; and

"WHEREAS, the state's economy cannot thrive without a business climate that is conducive to the small entrepreneur; and

"WHEREAS, a partnership between Michigan's small businesses, entrepreneurs and state government will enable the Michigan economy to be rebuilt and diversified and enable all parties to share in moving Michigan forward;

"NOW, THEREFORE, I, JAMES J. BLANCHARD, Governor of the State of Michigan, pursuant to the authority vested in me by the Michigan Constitution of 1963, Article V, Section 4, do hereby order the establishment of the Governor's Entrepreneurial and Small Business Commission.

"It is further ordered that the commission be composed of at least 25 members to be appointed by the Governor. A majority of the members shall be entrepreneurs and small business owners or operators. All members shall be appointed by the Governor for a two-year term. Any member may be reappointed for an additional two-year term. Members shall serve without

compensation but shall be entitled to reasonable and necessary expenses incurred in the discharge of their duties.

"It is further ordered that the Governor's Entrepreneurial and Small Business Commission have the following duties and responsibilities:

"1. To advise and assist the Governor and the Commerce Department Director on issues, proposals, policies and appointments which impact small businesses and entrepreneurs.

To review existing and future business related statutes and regulations.

To advise the Governor and the Commerce Director on the role and impact of small business programs throughout state government.

"4. To advise and assist with the development and implementation of new programs for small businesses and entrepreneurs.

"5. To suggest potential vehicles to expand the role of small businesses and entrepreneurs throughout state government.

To perform such other related advisory functions as assigned by the Governor.

"It is further ordered that the commission be co-chaired by small business owners and entrepreneurs. Annual operating funds for the activities of the Commission shall be included in the budget of the Commerce Department.

"It is further ordered that all state departments and agencies cooperate with the Commission in the performance of its responsibilities and duties."

DOWNTOWN DEVELOPMENT AUTHORITY

125.1664. Assessed values; tax increment financing plan

Sec. 14. (1) As used in this section and section 15 • ":

(a) "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 a commercial facilities exemption certificate has been issued pursuant to Act No. 255 of the Public Acts of 1978, as amended, being sections 207.651 to 207.668 of the Michigan Compiled Laws, the assessed value of property for which an industrial facilities exemption certificate has been issued pursuant to Act No. 198 of the Public Acts of 1974, as amended, being sections 207.551 to 207.571 of the Michigan Compiled Laws, ' the assessed value of property for which a commercial housing facilities exemption certificate has been issued pursuant to Act No. 438 of the Public Acts of 1976, as amended, being sections 207.601 to 207.615 of the Michigan Compiled Laws, and the assessed value of a new facility owned by a Qualified existing business or of property located in an enterprise zone owned by a qualified new business as provided in the enterprise zone act, Act No. 224 of the Public Acts of 1985, being sections 125.2101 to 125.2122 of the Michigan Compiled Laws, exceeds the initial assessed value.

(b) "Initial assessed value" means the most recently assessed value, as finally equalized by the state board of equalization, of all the taxable property within the boundaries

Substantive changes In text Indicated by underline

of the development financing plan is approval of the initial assessment; initial assessed value of an industrial facilities exemption certificate " ' is existing business or new business under not be considered to

(2) When the authority purposes of this act, plan to the governing body as provided in section 15(1) maximum amount of program, and shall be of the estimated impact jurisdictions in which of part or all of the authority shall be clear

(3) Approval of the hearing, and disclosure tax increment financing plans together.

(4) Before the public shall provide a reasonable of a county in members of the schoolment area is located members of the county economic implication: boards of commission the public hearing or agreements with the body of the municipal captured assessed value

(5) A tax increment the governing body u for approval of the o

Amended by P.A.1986,

1 Section 125.1665.

2 Section 125.1667.

3 Section 125.1668.

1986 Legislation

The 1986 amendment tence of subset. (1), st section 15 for a referee in subsec. (1)(a), insert the assessed value of r

125.1665. Tax nacre

Sec. 15. (1) The municipal and count} Deletions from text h.

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COMPILED LAWS ANNOTATED

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paid each year on real and personal property in the project area on the captured assessed value. For the purpose of this section, that portion of a commercial facilities tax levied pursuant to section 12 of Act No. 255 of the Public Acts of 1978, being section 207.662 of the Michigan Compiled Laws, that portion of an industrial facilities tax levied after December 30, 1980 pursuant to section 11 of Act No. 198 of the Public Acts of 1974, as amended, being section 207.561 of the Michigan Compiled Laws, " • that portion of a commercial housing facilities tax levied after December 30, 1980 pursuant to section 6 of Act No. 438 of the Public Acts of 1976, as amended, being section 207.606 of the Michigan Compiled Laws, and that portion of the specific tax levied under section 21 of the enterprise zone act, Act No. 224 of the Public Acts of 1985, being section 125.2121 of the Michigan Compiled Laws, which is attributable to the captured assessed value of the facility shall be included as a part of the tax increment to be transmitted to the authority.

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

(3) Annually the authority shall submit to the governing body of the municipality a report on the status of the tax increment financing account. The report shall include: the amount and source of revenue in the account; the amount and purpose of expenditures from the account; the amount of principal and interest on any outstanding bonded indebtedness; the initial assessed value of the project area; the captured assessed value retained by the authority; the tax increments received; and any additional information the governing body considers necessary. The report shall be published in a newspaper of general circulation in the municipality.

Amended by P.A.1986, No. 229, § 1, Imd. Eff. Oct. 1.

Section 125.1666.

1986 Legislation

The 1986 amendment, in subsec. (1), included a reference to the specific tax levied following § 125.2121 of the enterprise zone act.

TAX INCREMENT FINANCE AUTHORITY ACT

Cross References

Local development finance authorities, see § 125.2151 et seq.

125.1802. Authority; body corporate, powers

Cross References

End to authority creation, see § 125.1829.

125.1803. Resolution of intent; hearing; resolution establishing authority; validity of proceedings

Cross References

Application of standards for authority creation; end to expansion, see § 125.1829.

Substantive changes **In text Indicated by underline**

125.1813. Tax if

Sec. 13. (1) k

(a) "Captured assessed value of: which a commercial redev. sections 207.651 t **property** for which to Act No. 198 of of the Michigan qualified existing qualified new bus Acts of 1985, being the initial assesse

(b) a s s e property within ; establishing the t assessment roll of the resolution is tion of the initial ing initial assesse is in effect, propel property that is a located in an enter act, Act No. 224 exempt from taxa

(2) When the a purposes of this plan to the goven include a developr following:

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(g) The costs (-) received.

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1987 P.P.

EXHIBIT 13

Ordinance No. 976

ORDINANCE ADOPTING THE DEVELOPMENT PLAN AND
TAX INCREMENT FINANCING PLAN FOR THE
MUSKEGON DOWNTOWN DEVELOPMENT DISTRICT

The City of Muskegon ordains:

(1) Preliminary Findings:

- (a) That a public hearing was held on the proposed Development Plan and Tax Increment Financing Plan for the Downtown District, following the giving of notice thereof, all in accordance with Act 197 of the Public Acts of 1975, as amended.
- (b) That the proposed Development Plan and Tax Increment Financing Plan meet the requirements set forth in Act 197 of the Public Acts of 1975, as amended.
- (c) That the proposed method of financing the proposed development is feasible and the Downtown Development Authority of the City of Muskegon has the ability to arrange the financing.
- (d) That the proposed development is reasonable and necessary to carry out the purposes of Act 197 of the Public Acts of 1975, as amended.
- (e) That any land included within the proposed development area which is deemed necessary to be acquired is reasonably necessary to carry out the purposes of the plan and of Act 197 of the Public Acts of 1975, as amended, in an efficient and economically satisfactory manner.
- (f) That the proposed Development Plan is in reasonable accord with the Master Plan of the City of Muskegon.
- (g) That public services, such as fire and police protection and utilities, are or will be adequate to service the proposed district.
- (h) That proposed changes in streets, street levels, intersections and utilities are reasonably necessary for the proposed project and for the City of Muskegon.

- (i) That the proposed modifications to the Development Plan and Tax Increment Financing Plan as contained in memoranda to the City Commission dated December 20, 1988 and December 22, 1988, are reasonable and both plans should be modified in accordance therewith.

(2) Findings and Determination:

- (a) That based upon the foregoing findings, it is hereby held and determined that the Development Plan and Tax Increment Financing Plan for the Downtown District, as modified, constitute a public purpose.
- (b) That the December 2, 1988 Development Plan and Tax Increment Financing Plan for the Downtown Development District, as modified, are hereby approved.

- (3) Immediate Effect: This ordinance approving the Development Plan and Tax Increment Financing Plan for the Downtown Development District with the aforesaid modifications is hereby determined to be immediately necessary for the preservation of public health, welfare and safety and shall become effective immediately.

Adopted this 27th day of December, 1988.

By Wm. F. Kruse
No man Wm. F. Kruse
F. Kruse, Mayor

Attest ._//
James R. u'son, City Clerk

First Reading: 11/22/88
Second Reading: 12/27/88
Adopted: 12/27/88
Published: 12/31/88

PROPERTIES TO ACQUIRE			
	<u>Name of Building</u>	<u>Property Owner</u>	<u>Optic</u>
<u>Plate No.</u>			
1. 4789	Comerica Drive-In	Comerica-Hackley	B
2. 4803	Old Hardy's Furniture	David L. Lebarron	A
3. 4801	Hardy's Child Store	McIntosh Est.	C
4. 4799-01	Mullally & Assoc.	Kenneth D. Harestad	A
5. 4799-02	Mullally DDS	John W. Mullally	A
6. 4799-03	Hale Bldg/Watkins Pharmacy	First of America	A-C
7. 8279	Durham Bldg.	Richard & Mary Ann Moulton	A-C
8. 8277	Social Security	McIntosh Est.	A
9. 8261	Post Office Parking	U.S. Post Office	A
10. 8265-A	Elston-Richards	Mike Sebastian, Bob Price	A
11. 8266	Elston-Richards	Mike Sebastian, Bob Price	A
12. 4800	Parking Lot & Garage	First of America	A
13. 8239	U.S. Post Office	U.S. Post Office	A
14. 8256	U.S. Post Office	U.S. Post Office	A
15. 4780	KLM Building	Harvey Martin	C
16. 4792	Walgreens Building	Howard & Julie Bruelback	C
17. 4793	Hosler's	Mark Abrahams: Musk. Abraham Bros.	B
18. 4794	Hardy's	McIntosh Est.	C
19. 4795	Hardy's	McIntosh Est.	C
20. 8275	Private Parking	McIntosh Est.	A
21. 8281	Brass Building	McIntosh Est.	A-C
22. 4793-A	Nobil Building	Akron Mtg. & Inv. Co.	A
23. 4796	Vacant Bldg.	First of America	A
24. 4798	Montgomery Bldg.	First of America Trust	C
25. 4797	Krautheims	Ed & Karl Krautheim	B
26. 4782	Ar-Jers	Arthur Freeman	B
27. 4783	Comerica Bank	Comerica Bank	B-C
28. 4784	Musk. Fed. Say. & Loan	Musk. Fed. Say. & Loan	B-C
29. 8297	Daniels Office Supply	Daniels Office Supply	B
30. 8298	Century Club	Century Club	B
31. 8299	Allen Bldg.	First of America	A-B
32. 4802	Dam Bldg.	Dorothy Boyden	C
33. 4804	Steketees	GMBL (Fred Culver)	
34. 8263	Morris Building	Morris Center Limited Partnership	A

EXHIBIT 15
MUSKEGON MALL REDEVELOPMENT

The redevelopment of the shopping center known as Muskegon Mall contemplates the following:

1. The acquisition of adjacent properties to consolidate the site as one.
2. The elimination of any buildings on that property that hinder access, egress and traffic flow on the property.
3. Once those buildings are eliminated, they would be replaced with new parking lot, new directional signage, new ring road and new landscaping areas to define the parking lot.
4. Phase I of the redevelopment contemplates the dressing up of the interior common areas of the shopping center, the squaring off of all entrances with new entrance courtways to be built and a treatment of the exterior of the shopping center to create a uniform image.
5. Upon completion of the Phase I work, the plan calls for an expansion of the shopping center by 80,000 sq. ft. of speciality stores and two anchor stores of 110,000 sq. ft. and 60,000 sq. ft. each. The redevelopment of the center is anticipated to take a period of three to five years.
6. Concurrent with these events taking place, the shopping center would have new pylon signage placed to identify the property and new vehicular entrances which would provide access to the property. The overall merchandising of the interior of the shopping center would be addressed in terms of merchants that are currently represented in the property and the addition of outside merchants that would enhance the merchant mix.
7. When completed, the shopping center would consist of approximately 680,000 sq. ft. of retail stores with a bus transfer station on site and pedestrian connection between the parking deck on Clay Street together with well designed access/egress ring roads and landscaping.

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EXHIBIT 16

Ordinance No. 982

ORDINANCE ADOPTING THE FIRST AMENDMENTS TO
DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN
FOR THE MUSKEGON DOWNTOWN DEVELOPMENT DISTRICT

The City of Muskegon ordains:

(1) Preliminary Findings:

- (a) That a public hearing was held before the City Commission on the proposed amendments to Development Plan and Tax Increment Financing Plan submitted by the Downtown Development Authority for the Downtown District, following the giving of notice thereof, all in accordance with Act 197 of the Public Acts of 1975, as amended.
- (b) That the proposed amendments to Development Plan and Tax Increment Financing Plan meet the requirements set forth in Act 197 of the Public Acts of 1975, as amended.
- (c) That the proposed technical modifications to the Development Plan and Tax Increment Financing Plan submitted by Staff at the hearing on March 30, 1989, are reasonable and both plans should be modified in accordance therewith.
- (d) That the proposed method of financing the proposed development as set forth in said amendments is feasible and the Downtown Development Authority of the City of Muskegon has the ability to arrange the financing.
- (e) That the proposed development as set forth in said amendments is reasonable and necessary to carry out the purposes of Act 197 of the Public Acts of 1975, as amended.
- (f) That any land included within the proposed development area which is deemed necessary to be acquired is reasonably necessary to carry out the purposes of the plan and of Act 197 of the Public Acts of 1975, as amended, in an efficient and economically satisfactory manner.
- (g) That the proposed Development Plan, as amended, is in reasonable accord with the Master Plan of the City of Muskegon.
- (h) That public services, such as fire and police protection and utilities, are or will, be adequate to service the proposed district. •

- (i) That proposed changes in streets, street levels, intersections and utilities are reasonably necessary for the proposed project and for the City of Muskegon.

(2) Findings and Determination:

- (a) That based upon the foregoing findings, it is hereby held and determined that the amendments to Development Plan and Tax Increment Financing Plan for the Downtown District, as modified, constitute a public purpose.
- (b) That the March 10, 1989 amendments and the technical modifications presented to the Commission on March 30, 1989, to the Development Plan and Tax Increment Financing Plan for the Downtown Development District, are hereby approved.

- (3) Immediate Effect: This ordinance approving the First Amendments to the Development Plan and Tax Increment Financing Plan for the Downtown Development District with the aforesaid modifications is hereby determined to be immediately necessary for the preservation of public health, welfare and safety and shall become effective immediately.

This ordinance adopted March 31 , 1989.

Ayes 7

Nays

First Reading: March 30, 1989
Second Reading: March 31, 1989
Adopted: March 31, 1989
Publish: April 12, 1989

CITY OF MUSKEGON

By Stephen E. Hildeman, Vice Mayor

ATTEST:

James Hudson, Clerk

CERTIFICATE

This Ordinance was adopted at a meeting of the City Commission, held on March 31 , 1989. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

James Hudson, City Clerk

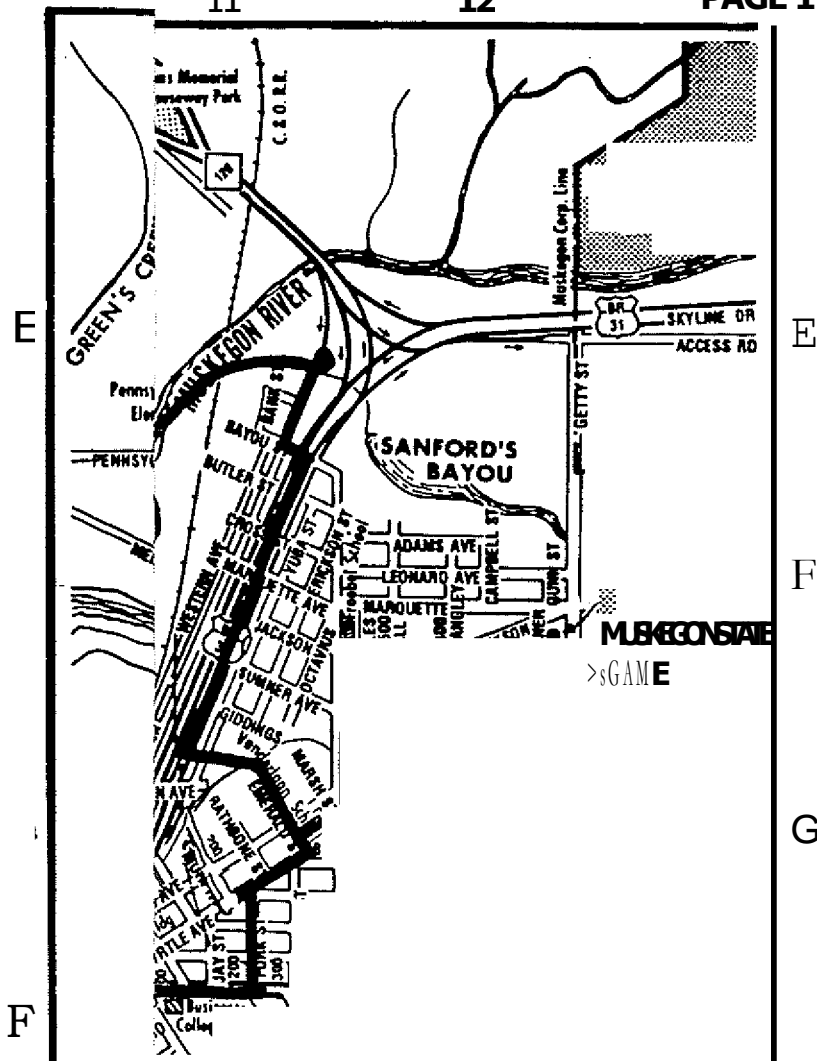
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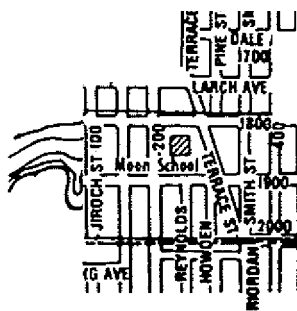


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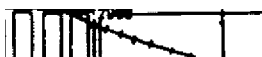
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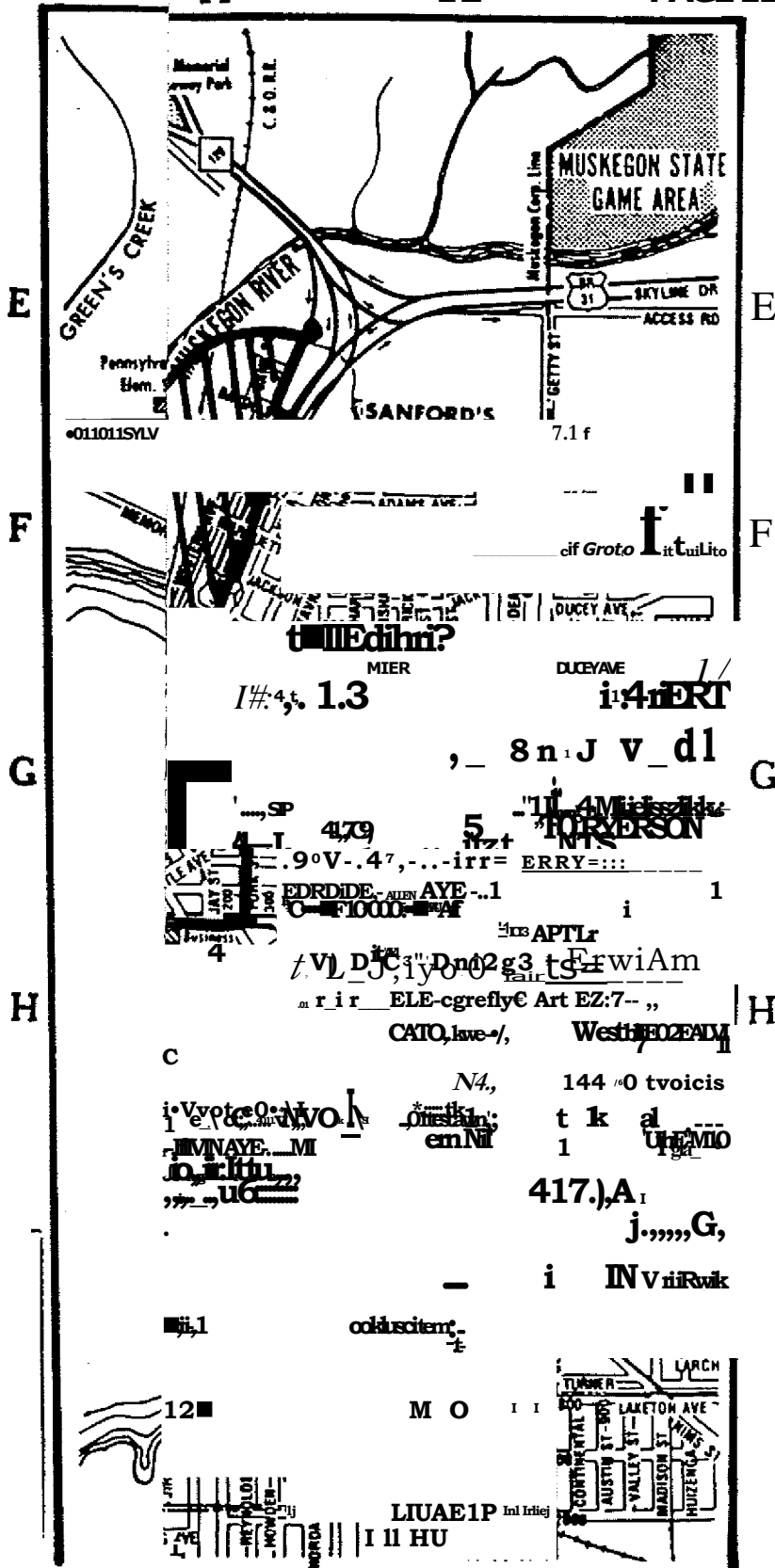
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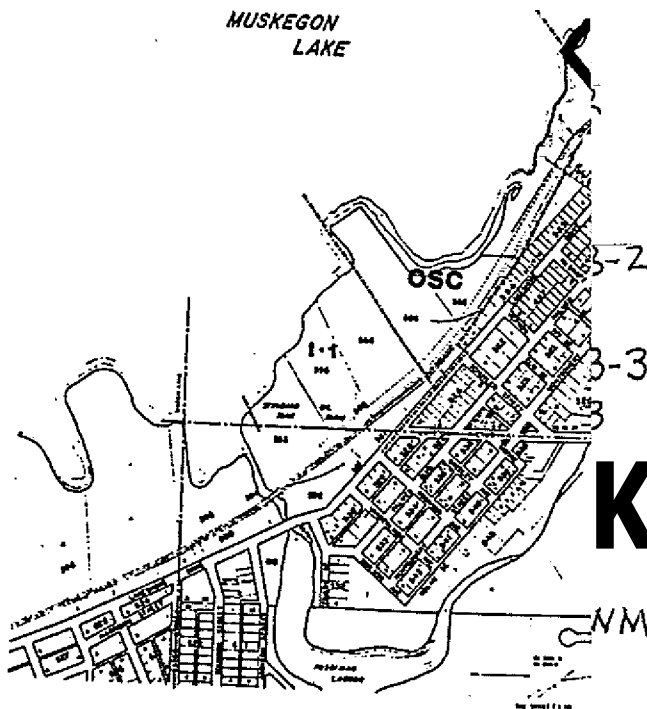
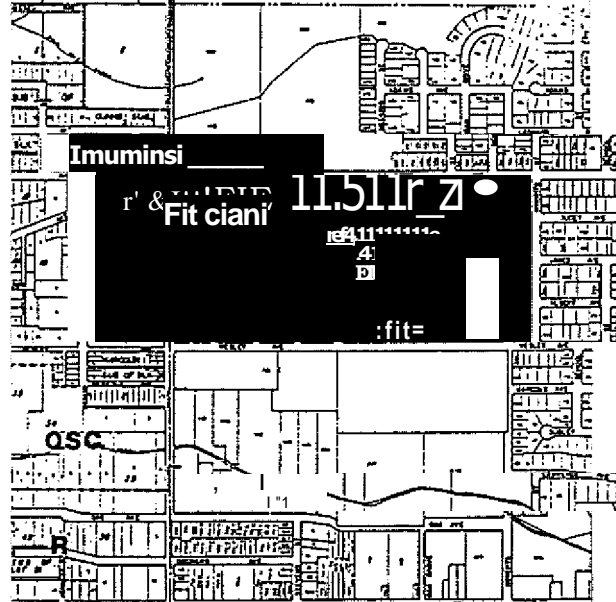
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City of Muskegon
County of Muskegon, Michigan
2001-109(c)
RESOLUTION CALLING PUBLIC HEARING
REGARDING AMENDMENT TO DOWNTOWN DEVELOPMENT PLAN
AND TAX INCREMENT FINANCING PLAN OF THE
MUSKEGON DOWNTOWN DEVELOPMENT AUTHORITY

Recitals

WHEREAS, the City of Muskegon (the "City") is authorized by the provisions of Act 197, Public Acts of Michigan, 1975, as amended ("Act 197"), to create a downtown development authority and to designate its boundaries; and,

WHEREAS, pursuant to Act 197, the City Commission of the City duly established the Muskegon Downtown Development Authority (the "Authority") which exercises its powers within the Downtown District designated by the City Commission (the "District"); and,

WHEREAS, the City Commission approved the Authority's Downtown Development Plan and Tax Increment Finance Plan (the "Plan"), for the Development Area described in the Plan on July 12, 1988, pursuant to Ordinance No. 969; and,

WHEREAS, the City Commission approved amendments to the Plan on March 31, 1989, (the "1989 Amendment") pursuant to Ordinance No. 982, and a further amendment to the Plan on August 28, 2001, pursuant to Ordinance No. 2050; and,

WHEREAS, the Authority approved a resolution amending the development plan (the "Plan Amendment") for the purpose of removing several parcels from the development area to further encourage economic growth and to correct and prevent deterioration in the business portions of the District; and,

WHEREAS, it is necessary to conduct a public hearing in connection with the consideration of such Plan Amendment as required by Act 197.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission determines that it is necessary for the best interests of the public to amend the development plan of the Authority pursuant to Act 197 in order to correct and prevent deterioration of property value in the business district in the City and to promote economic growth. The City Commission hereby declares its intention to adopt the Plan Amendment.

2. There shall be a public hearing on Tuesday, the 13th day of November, 2001, at 5:30 o'clock, p.m., prevailing Eastern Time, in the Muskegon City Hall to consider adoption by the City Commission of an ordinance amending the Authority boundaries.

3. The City Clerk shall cause notice of said public hearing to be published in the Muskegon Chronicle, a newspaper of general circulation in the City, twice before the public hearing, the first of which shall not be less than 20 days before the date set for the hearing. The notice shall be published as a display advertisement, prominent in size. The Clerk shall cause the notice to be mailed by first class mail not less than 20 days prior to the hearing to all property taxpayers of record in the District, as shown by the most recent tax roll of the City. Further, the Clerk, shall cause the notice to be mailed to the governing body of each taxing jurisdiction levying taxes subject to capture by the Authority, and shall cause the notice to be posted in 20 prominent places in the proposed amended district not less than 20 days prior to the date of hearing.

4. The notice of the hearing shall be in substantially the following form:

NOTICE OF PUBLIC HEARING

CITY OF MUSKEGON
COUNTY OF MUSKEGON, MICHIGAN

AN AMENDMENT TO THE DOWNTOWN DEVELOPMENT PLAN
AND TAX INCREMENT FINANCING PLAN OF
THE MUSKEGON DOWNTOWN DEVELOPMENT AUTHORITY

TO ALL INTERESTED PERSONS IN THE CITY OF MUSKEGON:

PLEASE TAKE NOTICE that the City Commission of the City of Muskegon, Michigan, will hold a public hearing on Tuesday, the 13th day of November, 2001, at 5:30 o'clock, p.m., prevailing Eastern Time in the City Commission Chambers, 933 Terrace Street, Muskegon, Michigan, to consider the adoption of an ordinance amending the development plan of the Downtown Development Plan and Tax Increment Finance Plan of the Muskegon Downtown Development Authority pursuant to Act 197 of the Public Acts of Michigan of 1975.

The boundaries of the development area to which the Plan applies are as follows:

All of those properties lying SEly of Muskegon Lake and NWly of the following Streets in the City of Muskegon: Beg at Muskegon Lake and extension of Southern Avenue SEly to Lakeshore Drive NEly to Michigan Avenue, Ely a distance of three blocks to Hudson Street, Sly one block to Washington Avenue, Ely on Washington three blocks to Beidler St., Nly to Webster Avenue, NEly along Webster to Ninth Street, SEly on Ninth to Muskegon Avenue, NEly on Muskegon Avenue a distance of four blocks to Fifth Street, SEly on Fifth to Houston Avenue, NEly on Houston to Fourth Street, SEly on Fourth to Strong Avenue, NEly on Strong one block to Jefferson Street, Nly on Jefferson to Houston Avenue, Ely on Houston to Peck Street, Nly on Peck to Apple Avenue, Ely on Apple to Fork Street, Nly on Fork to Myrtle, NEly to Emerald Avenue, NWly on Emerald to Eastern Avenue, Wly on Eastern to EB Seaway Drive, NEly on EB Seaway to Bayou, NWly on Bayou to WB Seaway Drive, NEly to S branch of Muskegon River, NWly to Ottawa Street, SWly on Ottawa to River Street, Wly to Muskegon Lake EXCEPT the property commonly known as the former Teledyne Continental Motors site.

The proposed ordinance to amend the Downtown Development Plan and the Tax Increment Financing Plan of the Muskegon Downtown Development Authority (the "Plan") will remove from the Plan the property generally described as follows:

Muskegon Mall Property located within the area bounded by Terrace Street, Clay Street, Third Street and Morris Street, City of Muskegon.

Lands located in the Revised Plat (of 1903 of the City of Muskegon) described as follows:

Parts of Blocks 309, 310, 311, 312, 559, 560, 561, 564 and 565, described in detail as follows:

Entire Block 309 lying Westerly of the Westerly line of Terrace Street as relocated (the Westerly line of Terrace Street relocated described at the end of the description), including the East/West and North/South alleys vacated in said Block 309;

Also Lots 1 to 11, inclusive, of Block 310, and the Northerly 1/2 of the vacated East/West alley adjacent thereto, and Lot 18 and the Southerly 1/2 of the East/West alley adjacent thereto of said Block 310;

Also the entire Block 311 except the East/West alley in said Block 311;

Also the entire Block 312, including all vacated alleys in said Block 312;

Also Lots 7 to 16, inclusive, of Block 559 lying Southerly of Morris Street and Westerly of Terrace Street as relocated (see description of relocated Morris/Terrace Street below);

Also the entire Block 560, including the vacated alley in said Block 560;

Also Lots 3 to 15 of Block 561 lying Southeasterly of the Southeasterly line of Morris Street, and the Southeasterly 1/2 of the vacated 18 foot alley that runs Southwest to Northeast in said Block 561;

Also Lots 1 and 2, Lot 7 and Lots 8 to 13, inclusive, of Block 564;

Also Lots 1 to 18, inclusive, of Block 565, and the entire vacated alley adjacent to Lots 3 to 15, inclusive, of said Block 565;

Also including the entire vacated Western Avenue Easterly of Third Street and Westerly of Terrace Street as relocated;

Also including vacated Jefferson Street North of Clay Avenue;

Also including vacated Jefferson Street North of Western Avenue and South of Morris Avenue;

Also including vacated Market Street Westerly of Terrace Street (relocated) and Easterly of a line described as beginning at the Southeast corner of Lot 2, Block 561, thence Southeasterly along the East line of said Lot 2, if extended, 33 feet, thence Southwesterly along the centerline of Market Street to the intersection of said line with Western Avenue for Point of Ending of said line;

Also including the Southwesterly 1/2 of vacated First Street adjacent to Lots 13, 14 and the alley in Block 311;

Also including the entire vacated First Street lying North of the Northerly alley of said Block 311, and South of a line described as: commencing at the Northeast corner of Lot 13, Block 564, thence Northeasterly along the extension of the North line of said Lot 13, 10 feet more or less, thence South 86°00'00" East 5.66 feet, thence South 41°33'00" East 43.1 feet, thence South 86°00'00" East 17.9 feet, thence North 49°00'00" East 199.83 feet to the Point of Ending of said line;

Also including that part of Second Street lying Southerly of the Southerly line of the alley in Block 565, if extended Easterly to the Northwest corner of Lot 8, Block 564;

Also including that part of the Southwesterly 1/2 of Second Street adjacent to Lot 18 of Block 565 and Lot 8 of Block 564.

Copies of the proposed amendments to the to the Development and Tax Increment Finance Plan, maps, etc., are on file at the office of the City Clerk for inspection.

At the public hearing, all citizens, taxpayers, and property owners of the City of Muskegon desiring to address the City Commission shall be afforded an opportunity to be heard in regard to the approval of the amendments to the Development and Tax Increment Finance Plan for the Muskegon Downtown Development Authority.

FURTHER INFORMATION may be obtained from the City Clerk at (231) 724-6705.

This notice is given by order of the City Commission of the City of Muskegon, Michigan.

CITY OF MUSKEGON

By Gail A. Kunding
Gail A. Kunding
City Clerk

5. The City administration shall provide reasonable opportunities to the taxing jurisdictions levying taxes subject to capture to meet with the City Commission.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Aslakson, Benedict, Buie, Nielsen, Schweifler,
Shepherd, Spataro

NAYS: Members None

RESOLUTION DECLARED ADOPTED.

CITY OF MUSKEGON

By Gail A. Kunding
Gail A. Kunding
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on September 25, 2001, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Gail A. Kunding
Gail A. Kunding
City Clerk

ORDINANCE NO. 2050
APPROVING AMENDMENTS TO DOWNTOWN DEVELOPMENT PLAN AND TAX
INCREMENT FINANCE PLAN OF THE
MUSKEGON DOWNTOWN DEVELOPMENT AUTHORITY

WHEREAS, the Muskegon Downtown Development Authority (the "Authority") has previously prepared and approved a Downtown Development Plan and Tax Increment Finance Plan (the "Plan") for the Development Area described in the Plan, which was approved by the City Commission on July 12, 1988, pursuant to Ordinance No. 969; and;

WHEREAS, the City Commission approved amendments to the Plan on March 31, 1989 (the "1989 Amendment") pursuant to Ordinance No. 982; and

WHEREAS, the Authority has prepared and recommended for approval an amendment attached hereto as Exhibit A (the "Plan Amendment") to the Plan; and

WHEREAS on August 28, 2001, the City Commission held a public hearing on the Plan Amendment pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the "Act"); and

WHEREAS, the purpose of the amendment is to amend the boundaries of the Development Area to remove certain parcels; and

WHEREAS the City Commission has given the taxing jurisdictions in which the Development Area is located an opportunity to meet with the City Commission and to express their views and recommendations regarding the Plan Amendment as required by the Act.

NOW, THEREFORE, THE CITY OF MUSKEGON ORDAINS:

1. Findings.

(a) The development plan portion of the Plan as amended by the Plan Amendment meets the requirements set forth in section 17(2) of the Act and the tax increment financing plan

portion of the Plan as amended by the Plan Amendment meets the requirements set forth in section 14(2) of the Act.

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

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) Any land included within the Development Area to be acquired is reasonably necessary to carry out the purposes of the Act.

(e) The Plan as amended by the Plan Amendment is in reasonable accord with the master plan of the City.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the Development Area.

(g) Changes in zoning, streets, street levels, intersections, and utilities, to the extent required by the Plan as amended by the Plan Amendment, are reasonably necessary for the Plan as amended by the Plan Amendment and for the City.

2. Public Purpose. The City Commission hereby determines that the Plan as amended by the Plan Amendment constitutes a public purpose.

3. Best Interest of the Public. The City Commission hereby determines that it is in the best interests of the public to halt property value deterioration, increase property tax valuation, eliminate the causes of the deterioration in property values, and to promote growth in the Downtown District to proceed with the Plan as amended by the Plan Amendment.

4. Approval and Adoption of Plan Amendment. The Plan Amendment is hereby approved and adopted. A copy of the Plan, the Plan Amendment and all later amendments thereto shall be maintained on file in the City Clerk's office.

5. Amendment to Ordinance No. 969; Conflict and Severability. Ordinance No. 969 is hereby amended by this Ordinance. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of the Ordinance are to the extent of such conflict hereby repealed, and each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of the Ordinance.

6. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of the Ordinance.

7. Publication and Recordation. The Ordinance shall be published in full promptly after its adoption in the Muskegon Chronicle, a newspaper of general circulation in the City, qualified under State law to publish legal notices, and shall be recorded in the Ordinance Book of the City, which recording shall be authenticated by the signature of the City Clerk.

8. Effective Date. The Ordinance is hereby determined by the City Commission to be immediately necessary for the interests of the City and shall be in full force and effect from and after its passage and publication as required by law.

Passed and adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, on August 28, 2001.

AYES: Members Buie, Spataro, Aslakson, Benedict, Nielsen,
Schweifler, Shepherd

ABSENT: Members None

NAYS: Members None

ORDINANCE DECLARED ADOPTED.

Gail A. Kundergei

City Clerk

Adoption Date: August 28, 2001

Effective Date: September 18, 2001

First Reading: August 28, 2001

Second Reading: N/A

I hereby certify that the foregoing is a true and complete copy of an Ordinance No. 2050 adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on August 28, 2001, and that said meeting was conducted and public notice of said meeting was given pursuant to an in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Gail Q. Kundergei
City Clerk

EXHIBIT A
DEVELOPMENT PLAN AMENDMENTS

The original Development Plan of 1988, as amended in 1989, is amended in section II.A. to amend the boundaries of the DDA development area by deleting the following parcels:

Parcel Description:

Block 554, and Lots 6, 7 and 8 of Block 558, of the Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, lying Northerly of a line described as: Commence at the intersection of the Northeasterly line of Terrace Street, being the Southwesterly line of Block 557 extended to the centerline of vacated Water Street; thence North 62°44'00" West 381.45 feet along the northeasterly right of way line of Terrace Street; thence Westerly 269.86 Feet, along said northeasterly right of way line, said line being a 302.48 foot radius curve to the left with a central angle of 51°07'00" and a chord which bears North 88°17'30" West 261.00 feet, to the line between Lots 5 and 6 of said Block 558; thence North 46°09'15" West 85.84 feet, along said line, to the PLACE OF BEGINNING OF THIS DESCRIPTION: Thence Northeasterly 635.15 feet along a 803.25 foot radius curve to the right, having a central angle of 45°18'19" and a chord which bears North 70°04'05" East 618.73 feet; thence South 87°16'46" East 222.59 feet; thence North 02°43'14" East 55.00 feet; thence South 87°16'46" East 120.00 feet; thence South 02°43'14" West 55.00 feet; thence South 87°16'46" East 904.15 feet; thence Northeasterly 548.72 feet, along a 1272.34 foot radius curve to the left, having a central angle of 24°42'35" and a chord which bears North 80°21'56" East 544.48 feet to the place of ending.

EXCEPT THE FOLLOWING

Part of Block 558, commence at the intersection of the Northeasterly line of Terrace Street extended to the centerline of vacated Water Street; thence North 62 degrees 44 minutes 00 seconds West along the Northeasterly line of Terrace Street extended 381.45 feet; thence Westerly along the arc of a 302.48 foot radius curve to the left 269.86 feet to the line between Lots 5 and 6 of said Block 558 (long chord bears North 88 degrees 17 minutes 30 seconds West 261 feet); thence North 46 degrees 9 minutes 15 seconds West along said line between Lots 5 and 6, 534.25 feet to the place of beginning; thence North 27 degrees 25 minutes 55 seconds East 925.82 feet to a point referred to as Point "A"; thence continue North 27 degrees 25 minutes 55 seconds East 5 feet, more or less, to the shore of Muskegon Lake; thence Northwesterly and Southwesterly along the shore of Muskegon Lake 1350 feet, more or less; thence South 46 degrees 9 minutes 15 seconds East along said line between Lots 5 and 6, 820 feet, more or less, to the place of beginning.

Property Commonly Known As: Former Teledyne Continental Motors Site

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City of Muskegon
County of Muskegon, Michigan

ORDINANCE NO. 2375

AN ORDINANCE APPROVING AMENDMENTS TO
THE DOWNTOWN DEVELOPMENT PLAN
AND TAX INCREMENT FINANCE PLAN OF THE CITY OF MUSKEGON
DOWNTOWN DEVELOPMENT AUTHORITY

Recitals

WHEREAS, the Muskegon Downtown Development Authority (the "Authority") has previously prepared and approved a Downtown Development Plan and Tax Increment Finance Plan (the "Plan") for the Development Area described in the Plan, which was approved by the City Commission on July 12, 1988, pursuant to Ordinance No. 969; and,

WHEREAS, the City Commission approved amendments to the Plan on March 31, 1989, (the "1989 Amendment") pursuant to Ordinance No. 982; and,

WHEREAS, the City Commission approved amendments to the Plan on August 28, 2001, pursuant to Ordinance No. 2050; and,

WHEREAS, the City Commission approved amendments to the Plan on November 13, 2001, pursuant to Ordinance No. 2060; and,

WHEREAS, the Authority has prepared and recommended for approval an amendment, attached hereto as Exhibit A (the "Plan Amendment"), to the Plan; and,

WHEREAS, on September 12, 2017, the City Commission held a public hearing on the Plan Amendment pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the "Act"); and,

WHEREAS, the purpose of the amendment is to amend the Development Plan and Tax Increment Financing Plan to remove certain parcels and to include certain parcels from the

development area set forth in those Plans and to extend the duration of the Development Plan and Tax Increment Financing Plan; and,

WHEREAS the City Commission has given the taxing jurisdictions in which the Development Area is located an opportunity to meet with the City Commission and to express their views and recommendations regarding the Plan Amendment as required by the Act,

NOW, THEREFORE, THE CITY OF MUSKEGON ORDAINS:

1. Findings

(a) The development plan portion of the Plan, as amended by the Plan Amendment, meets the requirements set forth in Section 17(2) of the Act, and the tax increment financing plan portion of the Plan, as amended by the Plan Amendment, meets the requirements set forth in Section 14(2) of the Act.

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

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) Any land included within the Development Area to be acquired is reasonably necessary to carry out the purposes of the Act.

(e) The Plan, as amended by the Plan Amendment, is in reasonable accord with the master plan of the City.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the Development Area.

(g) Changes in zoning, streets, street levels, intersections, and utilities, to the extent required by the Plan, as amended by the Plan Amendment, are reasonably necessary for the Plan, as amended by the Plan Amendment, and for the City.

2. Public Purpose. The City Commission hereby determines that the Plan, as amended by the Plan Amendment, constitutes a public purpose.

3. Best Interest of the Public. The City Commission hereby determines that it is in the best interests of the public to halt property value deterioration, increase property tax valuation, eliminate the causes of the deterioration in property values, and to promote growth in the Downtown District to proceed with the Plan, as amended by the Plan Amendment.

4. Approval and Adoption of Plan Amendment. The Plan Amendment is hereby approved and adopted. A copy of the Plan, the Plan Amendment, and all later amendments thereto shall be maintained on file in the City Clerk's office.

5. Amendment to Ordinance No. 969; Conflict and Severability. Ordinance No. 969 is hereby amended by this Ordinance. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of the Ordinance are, to the extent of such conflict, hereby repealed. Each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of the Ordinance.

6. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of the Ordinance.

7. Publication and Recordation. A Notice of Adoption shall be published promptly after the Ordinance is adopted in the Muskegon Chronicle, a newspaper of general circulation in the City, qualified under State law to publish legal notices, and shall be recorded in the Ordinance Book of the City, which recording shall be authenticated by the signature of the City Clerk.

8. Effective Date. The Ordinance is hereby determined by the City Commission to be immediately necessary for the interests of the City and shall be in full force and effect from and after its passage and publication as required by law.

Passed and adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, on September 12, 2017.

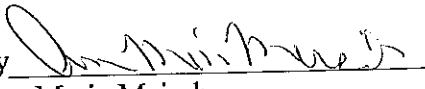
AYES: German, Rinsema-Sybenga, Turnquist, Johnson, Gawron, Hood, and Warren

NAYS: None

ABSENT: None

ORDINANCE DECLARED ADOPTED.

CITY OF MUSKEGON

By 
Ann Marie Meisch
City Clerk

I hereby certify that the foregoing is a true and complete copy of Ordinance No. 2375 adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan, at a regular meeting held on September 12, 2017, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

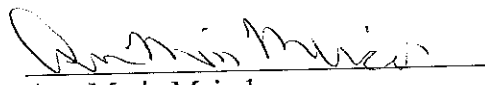

Ann Marie Meisch
City Clerk

EXHIBIT 1
DEVELOPMENT PLAN AMENDMENT

The original Development Plan of 1988, as amended in 1989 and twice in 2001, is further amended in Section II.A. to amend the boundaries of the DDA development area by deleting the parcels described in Exhibit A.

The original Development Plan of 1988, as amended in 1989 and twice in 2001, is further amended in Section II.A. to amend the boundaries of the DDA development area by including the parcels described in Exhibit B.

The original Development Plan of 1988, as amended in 1989 and twice in 2001, is further amended in Section III.E. to extend the term of the Plan by amending Section III.E. to read as follows:

E. Duration of Plan

The tax increment financing plan shall continue until October 1, 2042. Various projects within the Plan may be undertaken in phases other than those set forth in the Plan, depending on the urgency and opportunities presented from time to time. If the projects are not undertaken as described in the Plan, however, an amendment to the Plan will be required, with a public hearing and approval by the City Commission.

EXHIBIT A

PROPERTY TO BE DELETED FROM THE PLAN

Parcel ID Number	Address
24-205-574-0001-05	1060 W Western Ave
24-957-006-0002-00	1133 W Western Ave
24-958-006-0002-00	1133 W Western Ave
24-205-577-0004-00	1148 W Western Ave
24-520-000-0000-00	1200 Lakeshore Dr
24-205-581-0006-20	1250 Lakeshore Dr
24-900-251-3080-00	221 W Webster Ave 301
24-900-251-1840-00	221 W Webster Ave 400
	221 W Webster Ave Suite
24-900-251-4291-00	401
24-205-173-0002-00	30 E Clay Ave
24-792-000-0000-00	316 Morris Ave
24-900-251-2415-00	316 Morris Ave
24-967-213-0011-00	316 Morris Ave
24-968-213-0011-00	316 Morris Ave
24-900-251-4140-00	316 Morris Ave 170
24-900-251-2026-00	316 Morris Ave 230
24-900-251-2885-00	316 Morris Ave 410
24-900-251-0905-00	316 Morris Ave 500
24-900-251-1443-00	316 Morris Ave 520
24-900-251-6197-00	316 Morris Ave 610
24-900-251-3269-00	316 Morris Ave S220
24-900-251-5260-00	316 Morris Ave Ste 701
24-900-251-3348-00	316 Morris Ave Suite 260
24-900-251-5164-00	316 Morris Ave Suite 440
24-900-251-6854-00	316 Morris Ave Suite 655
24-900-251-0508-00	351 Morris Ave
24-205-313-0003-00	425 W Western Ave
24-205-313-0006-00	451 W Western Ave
24-900-251-0758-00	590 Ottawa St
24-900-251-1888-00	740 W Shoreline Dr
24-205-177-0004-00	820 Pine St
24-900-251-4700-00	820 Pine St
24-900-251-6561-00	820 Terrace St

24-900-251-1032-00	878 Jefferson St
24-485-000-0004-00	878 Jefferson St 1
24-485-000-0005-00	878 Jefferson St 5
24-205-574-0001-20	920 W Western Ave
24-900-251-5884-00	920 W Western Ave
24-900-251-1589-00	965 W Western Ave
24-900-351-0420-00	965 W Western Ave
24-205-173-0001-00	105 E Western
24-205-314-0007-00	1060 5th Ave
24-205-469-0003-00	1083 W Western Ave
24-205-315-0007-00	1104 6th St
24-205-496-0001-00	1133 W Western Ave
24-900-251-0335-00	1148 W Western Ave
24-900-351-0430-00	1148 W Western Ave
24-205-175-0018-00	118 W Clay Ave
24-900-251-3420-00	1189 Peck St
24-900-251-3407-00	120 W Apple Ave
24-900-251-3425-00	120 W Apple Ave
24-520-000-0001-00	1200 Lakeshore Dr
24-520-000-0002-00	1200 Lakeshore Dr
24-520-000-0003-00	1200 Lakeshore Dr
24-520-000-0004-00	1200 Lakeshore Dr
24-520-000-0005-00	1200 Lakeshore Dr
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24-520-000-0021-00	1200 Lakeshore Dr

24-520-000-0022-00	1200 Lakeshore Dr
24-520-000-0023-00	1200 Lakeshore Dr
24-520-000-0024-00	1200 Lakeshore Dr
24-520-000-0025-00	1200 Lakeshore Dr
24-520-000-0026-00	1200 Lakeshore Dr
24-520-000-0027-00	1200 Lakeshore Dr
24-520-000-0028-00	1200 Lakeshore Dr
24-520-000-0029-00	1200 Lakeshore Dr
24-520-000-0030-00	1200 Lakeshore Dr
24-520-000-0031-00	1200 Lakeshore Dr
24-520-000-0032-00	1200 Lakeshore Dr
24-520-000-0033-00	1200 Lakeshore Dr
24-520-000-0034-00	1200 Lakeshore Dr
24-520-000-0035-00	1200 Lakeshore Dr
24-520-000-0036-00	1200 Lakeshore Dr
24-520-000-0037-00	1200 Lakeshore Dr
24-520-000-0038-00	1200 Lakeshore Dr
24-520-000-0039-00	1200 Lakeshore Dr
24-520-000-0040-00	1200 Lakeshore Dr
24-520-000-0041-00	1200 Lakeshore Dr
24-520-000-0042-00	1200 Lakeshore Dr
24-520-000-0043-00	1200 Lakeshore Dr
24-520-000-0044-00	1200 Lakeshore Dr
24-520-000-0045-00	1200 Lakeshore Dr
24-520-000-0046-00	1200 Lakeshore Dr
24-520-000-0047-00	1200 Lakeshore Dr
24-520-000-0048-00	1200 Lakeshore Dr
24-520-000-0049-00	1200 Lakeshore Dr
24-520-000-0050-00	1200 Lakeshore Dr
24-520-000-0051-00	1200 Lakeshore Dr
24-520-000-0052-00	1200 Lakeshore Dr
24-520-000-0053-00	1200 Lakeshore Dr
24-520-000-0054-00	1200 Lakeshore Dr
24-520-000-0055-00	1200 Lakeshore Dr
24-520-000-0056-00	1200 Lakeshore Dr
24-520-000-0057-00	1200 Lakeshore Dr
24-520-000-0058-00	1200 Lakeshore Dr
24-520-000-0059-00	1200 Lakeshore Dr
24-520-000-0060-00	1200 Lakeshore Dr

24-520-000-0061-00	1200 Lakeshore Dr
24-520-000-0062-00	1200 Lakeshore Dr
24-520-000-0063-00	1200 Lakeshore Dr
24-900-251-3595-00	1200 Lakeshore Dr
24-205-317-0007-00	1208 8th St
24-205-176-0005-00	121 W Clay Ave
24-515-000-0000-00	1250 Lakeshore Dr
24-205-330-0003-00	163 Clay Ave
24-900-251-2635-00	183 W Clay Ave
24-205-187-0018-00	20 W Muskegon Ave
24-900-251-3925-00	20 W Muskegon Ave
24-205-186-0021-00	22 E Muskegon Ave
24-205-333-0001-00	221 W Webster Ave
	221 W Webster Ave 6th Floor
24-900-251-2850-00	Floor
24-900-251-3245-00	2300 Henry St
24-205-123-0001-00	259 Ottawa Street
24-205-135-0001-00	276 Ottawa Street
24-205-174-0009-00	28 E Clay Ave
24-205-135-0002-00	280 Ottawa Street
24-900-251-5245-00	297 W Clay Ave
24-205-173-0005-00	30 E Clay Ave
24-205-134-0004-00	313 Ottawa Street
24-792-000-0001-00	316 Morris Ave
24-900-251-0585-00	316 Morris Ave 200
24-900-251-2380-00	316 Morris Ave 260
24-900-251-6325-00	316 Morris Ave 700
24-900-251-2385-00	351 Morris Ave
24-205-186-0024-00	36 E Muskegon Ave
24-205-564-0003-00	365 Morris Ave
24-205-177-0003-00	39 W Clay Ave
24-205-313-0008-10	396 W Clay Ave
24-900-251-4375-00	396 W Clay Ave
24-205-173-0002-00	
(formerly 24-205-173-0005-10)	30 E Clay (formerly 4 W Clay) Ave
24-205-146-0001-00	400 Ottawa Street
24-205-146-0002-00	412 Ottawa Street
24-205-145-0003-00	423 Ottawa Street
24-900-251-4480-00	425 W Western Ave

24-900-251-6510-00	425 W Western Ave
24-205-146-0008-00	431 Seaway Drive
24-900-251-2560-00	442 W Western Ave
24-900-251-4410-00	451 W Western Ave
24-900-251-4440-00	470 W Western Ave
24-205-314-0002-00	479 W Western Ave
24-900-251-5025-00	490 W Western Ave
24-205-567-0001-40	500 W Western Ave
24-205-315-0010-00	504 W Clay Ave
24-205-314-0006-00	505 W Western Ave
24-205-156-0011-00	510 Ottawa Street
24-205-159-0002-00	538 Ottawa Street
24-205-158-0002-00	545 Ottawa Street
24-900-251-5860-00	545 Ottawa Street
24-205-316-0015-00 (formerly 24-205-316-0017-00)	570 W Clay (Formerly 552 W Clay Ave)
24-205-315-0005-00	561 W Western Ave
24-205-158-0005-00	575 E Western Ave
24-205-169-0001-10	590 Ottawa Street
24-900-251-5820-00	590 Ottawa Street
24-205-170-0003-00	635 Ottawa Street
24-205-169-0004-10	654 Ottawa Street
24-900-251-3180-00	71 W Webster Ave
24-205-571-0001-20	740 W Shoreline Dr
24-205-174-0004-00	750 Pine Street
24-205-175-0021-00	777 Pine St
24-900-251-4445-00	777 Pine St
24-900-251-4915-00	794 Pine St
24-900-251-1255-00	810 Terrace St
24-205-176-0015-00	813 Pine St
24-900-251-0305-00	813 Pine St
24-205-177-0005-00	820 Pine St
24-205-175-0016-00	820 Terrace St
24-205-176-0013-00	821 Pine St
24-205-567-0002-30	823 3rd St
24-205-187-0001-00	833 Pine St
24-900-251-2275-00	845 Pine St
24-900-251-4695-00	866 Pine St

24-205-331-0001-10	877 Terrace St
24-485-000-0001-00	878 Jefferson St 1
24-485-000-0002-00	878 Jefferson St 2
24-205-310-0012-00	880 1st St
24-205-187-0010-00	888 Terrace St
24-205-186-0001-00	9 E Webster Ave
24-205-187-0016-00	908 Terrace St
24-205-467-0001-00	920 Washington Ave
24-205-332-0008-00	935 Jefferson St
24-900-251-5610-00	939 Third Street
24-205-567-0001-30	955 4th Street
24-205-468-0001-10	965 W Western Ave
24-205-313-0007-00	981 3rd St
24-900-251-4415-00	981 3rd St
24-981-000-0001-00	Pre 1994 IFT/CFT
24-025-100-0001-00	W Western Ave

EXHIBIT B

PROPERTY TO BE ADDED TO THE PLAN

Parcel ID Number	Address
24-900-351-0250-00	1204 W Western Ave
24-900-251-3830-00	165 W Clay Ave
24-205-177-0010-00	4 W Webster Ave
24-205-313-0005-00	441 W Western Ave
24-900-251-6185-00	464 W Clay Ave
24-900-251-6615-00	465 Ottawa St
24-205-314-0001-00	471 W Western Ave
24-205-552-0001-30	559 E Western Ave
24-900-251-6810-00	67 W Western Ave
24-794-000-0001-00	770 Terrace Point Dr
24-900-251-3330-00	896 Jefferson St
24-900-251-1435-00	900 3rd St 204
24-900-251-335-00	976 1st St

City of Muskegon
County of Muskegon, Michigan

ORDINANCE NO. 2398

AN ORDINANCE APPROVING AMENDMENTS TO
THE DOWNTOWN DEVELOPMENT PLAN
AND TAX INCREMENT FINANCE PLAN OF THE CITY OF MUSKEGON
DOWNTOWN DEVELOPMENT AUTHORITY

Recitals

WHEREAS, the Muskegon Downtown Development Authority (the "Authority") has previously prepared and approved a Downtown Development Plan and Tax Increment Finance Plan (the "Plan") for the Development Area described in the Plan, which was approved by the City Commission on July 12, 1988, pursuant to Ordinance No. 969; and,

WHEREAS, the City Commission approved amendments to the Plan on March 31, 1989, (the "1989 Amendment") pursuant to Ordinance No. 982; and,

WHEREAS, the City Commission approved amendments to the Plan on August 28, 2001, pursuant to Ordinance No. 2050; and,

WHEREAS, the City Commission approved amendments to the Plan on November 13, 2001, pursuant to Ordinance No. 2060; and,

WHEREAS, the City Commission approved amendments to the Plan on September 12, 2017, pursuant to Ordinance No. 2375; and,

WHEREAS, the Authority has prepared and recommended for approval an amendment, attached hereto as Exhibit A (the "Plan Amendment"), to the Plan; and,

WHEREAS, on December 11, 2018, the City Commission held a public hearing on the Plan Amendment pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the "Act"); and,

WHEREAS, the purpose of the amendment is to amend the Development Plan and Tax Increment Financing Plan to include certain parcels from the development area set forth in those Plans; and,

WHEREAS the City Commission has given the taxing jurisdictions in which the Development Area is located an opportunity to meet with the City Commission and to express their views and recommendations regarding the Plan Amendment as required by the Act,

NOW, THEREFORE, THE CITY OF MUSKEGON ORDAINS:

1. Findings

(a) The development plan portion of the Plan, as amended by the Plan Amendment, meets the requirements set forth in Section 17(2) of the Act, and the tax increment financing plan portion of the Plan, as amended by the Plan Amendment, meets the requirements set forth in Section 14(2) of the Act.

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

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) Any land included within the Development Area to be acquired is reasonably necessary to carry out the purposes of the Act.

(e) The Plan, as amended by the Plan Amendment, is in reasonable accord with the master plan of the City.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the Development Area.

(g) Changes in zoning, streets, street levels, intersections, and utilities, to the extent required by the Plan, as amended by the Plan Amendment, are reasonably necessary for the Plan, as amended by the Plan Amendment, and for the City.

2. Public Purpose. The City Commission hereby determines that the Plan, as amended by the Plan Amendment, constitutes a public purpose.

3. Best Interest of the Public. The City Commission hereby determines that it is in the best interests of the public to halt property value deterioration, increase property tax valuation, eliminate the causes of the deterioration in property values, and to promote growth in the Downtown District to proceed with the Plan, as amended by the Plan Amendment.

4. Approval and Adoption of Plan Amendment. The Plan Amendment is hereby approved and adopted. A copy of the Plan, the Plan Amendment, and all later amendments thereto shall be maintained on file in the City Clerk's office.

5. Amendment to Ordinance No. 969; Conflict and Severability. Ordinance No. 969 is hereby amended by this Ordinance. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of the Ordinance are, to the extent of such conflict, hereby repealed. Each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of the Ordinance.

6. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of the Ordinance.

7. Publication and Recordation. A Notice of Adoption shall be published promptly after the Ordinance is adopted in the Muskegon Chronicle, a newspaper of general circulation in

the City, qualified under State law to publish legal notices, and shall be recorded in the Ordinance Book of the City, which recording shall be authenticated by the signature of the City Clerk.

8. Effective Date. The Ordinance is hereby determined by the City Commission to be immediately necessary for the interests of the City and shall be in full force and effect from and after its passage and publication as required by law.

Passed and adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, on December 18, 2018.

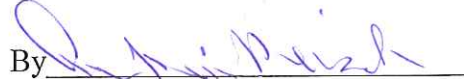
AYES: Turnquist, Gawron, Hood, Warren, German, Rinsema-Sybenga

NAYS: None

ABSENT: Johnson

ORDINANCE DECLARED ADOPTED.

CITY OF MUSKEGON

By 

Ann Marie Meisch
City Clerk

I hereby certify that the foregoing is a true and complete copy of Ordinance No. 2398 adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan, at a regular meeting held on December 18, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Ann Marie Meisch
City Clerk

EXHIBIT A
PROPERTY TO BE ADDED TO THE PLAN

PIN	ADDRESS NUMBER	STREET NAME
61-24-205-310-0012-00	880	1ST ST
61-24-233-000-0021-00	889	1ST ST
61-24-433-000-0003-00	926	2ND ST
61-24-433-000-0007-00	928	2ND ST
61-24-433-000-0002-00	930	2ND ST
61-24-433-000-0006-00	932	2ND ST
61-24-433-000-0001-00	934	2ND ST
61-24-433-000-0005-00	936	2ND ST
61-24-433-000-0008-00	940	2ND ST
61-24-433-000-0000-00		2ND ST
61-24-205-340-0001-00	1251	8TH ST
61-24-205-355-0001-00	1021	JEFFERSON ST
61-24-233-000-0001-00	387	MORRIS AVE
61-24-233-000-0002-00	401	MORRIS AVE
61-24-607-000-0000-00	600	SHORELINE DR
61-24-607-000-0008-00	601	TERRACE ST
61-24-607-000-0011-00	630	TERRACE ST
61-24-607-000-0010-00	633	TERRACE ST
61-24-607-000-0013-00	650	TERRACE ST
61-24-607-000-0012-00	655	TERRACE ST
61-24-607-000-0016-00	40	VIRIDIAN DR
61-24-607-000-0015-00	60	VIRIDIAN DR
61-24-607-000-0014-00	100	VIRIDIAN DR
61-24-607-000-0009-00	120	VIRIDIAN DR
61-24-817-000-0001-00	140	VIRIDIAN DR
61-24-817-000-0002-00	142	VIRIDIAN DR
61-24-817-000-0003-00	144	VIRIDIAN DR
61-24-817-000-0004-00	146	VIRIDIAN DR
61-24-607-000-0001-00	150	VIRIDIAN DR
61-24-817-000-0000-00	160	VIRIDIAN DR
61-24-607-000-0004-00	170	VIRIDIAN DR
61-24-607-000-0005-00	180	VIRIDIAN DR
61-24-607-000-0007-00	181	VIRIDIAN DR
61-24-607-000-0003-00	200	VIRIDIAN DR
61-24-607-000-0006-00	201	VIRIDIAN DR
61-24-431-000-0004-00	264	W CLAY AVE
61-24-431-000-0003-00	268	W CLAY AVE
61-24-431-000-0001-00	272	W CLAY AVE
61-24-431-000-0002-00	276	W CLAY AVE
61-24-431-000-0005-00	280	W CLAY AVE
61-24-431-000-0006-00	284	W CLAY AVE
61-24-431-000-0007-00	288	W CLAY AVE
61-24-431-000-0000-00	296	W CLAY AVE
61-24-433-000-0004-00	296	W CLAY AVE
61-24-233-000-0010-00	312	W CLAY AVE
61-24-233-000-0009-00	336	W CLAY AVE
61-24-234-000-0003-00	241	W WESTERN AVE
61-24-234-000-0002-00	255	W WESTERN AVE
61-24-234-000-0001-00	285	W WESTERN AVE
61-24-233-000-0024-00	292	W WESTERN AVE
61-24-233-000-0015-00	295	W WESTERN AVE
61-24-233-000-0014-00	299	W WESTERN AVE
61-24-233-000-0013-00	307	W WESTERN AVE
61-24-233-000-0012-00	325	W WESTERN AVE
61-24-204-000-0000-00	333	W WESTERN AVE
61-24-204-000-0001-00	333	W WESTERN AVE UNIT 1
61-24-204-000-0002-00	333	W WESTERN AVE UNIT 2

61-24-204-000-0003-00	333 W WESTERN AVE UNIT 3
61-24-204-000-0004-00	333 W WESTERN AVE UNIT 4
61-24-204-000-0005-00	333 W WESTERN AVE UNIT 5
61-24-204-000-0006-00	333 W WESTERN AVE UNIT 6
61-24-204-000-0007-00	333 W WESTERN AVE UNIT 7
61-24-233-000-0006-00	350 W WESTERN AVE
61-24-233-000-0007-01	351 W WESTERN AVE
61-24-233-000-0007-02	351 W WESTERN AVE
61-24-233-000-0007-03	351 W WESTERN AVE
61-24-233-000-0005-00	356 W WESTERN AVE
61-24-233-000-0004-00	360 W WESTERN AVE
61-24-233-000-0025-00	376 W WESTERN AVE
61-24-233-000-0008-00	379 W WESTERN AVE
61-24-432-000-0000-00	380 W WESTERN AVE
61-24-432-000-0001-00	380 W WESTERN AVE
61-24-205-566-0009-00	428 W WESTERN AVE
61-24-205-566-0013-00	442 W WESTERN AVE
61-24-205-566-0014-00	448 W WESTERN AVE
61-24-205-567-0001-10	450 W WESTERN AVE

**CITY OF MUSKEGON
NOTICE OF ADOPTION**

Please take notice that on December 18, 2018, the City Commission of the City of Muskegon adopted an ordinance to amend Ordinance 2375 to include more properties to be included for tax capture within the Downtown Development Authority.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published December 21, 2018.

CITY OF MUSKEGON

By


Ann Meisch, MMC
City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354