

# Development Area Citizens Council (DACC)

JUNE 2022

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Downtown Development Authority  
City of Battle Creek





## **Development Area Citizens Council**

Thursday, June 9, 2022 at 4 pm

Battle Creek City Hall Commission Chambers  
10 N. Division Street

## **AGENDA**

- 1. Call to Order**
- 2. Roll Call**
- 3. Welcome and Introductions**
- 4. Staff Presentation – Development Plan**
- 5. Public Comment**
- 6. Adjourn**

Downtown Developmnet Authority  
Development Area Citizen's Council - Roster

First	Last	Subarea
1 Kristina	Smith	Columbia Ave. Lakefront
2 John	Bencsics	Columbia Ave. Lakefront
3 Chiezan Kyle	Tomczyk	Near Northside
4 Carol	Fix	Capital Ave. SW
5 Marge	Breitbach	Columbia Ave. Lakefront
6 Karrie	Kirkham	Near Northside
7 Mark	Barber	Near Northside
8 Danaisa	Henderson	West Side
9 Kevin	Partick	Core Downtown

Downtown Development Authority (DDA) – Plan Amendment 2022

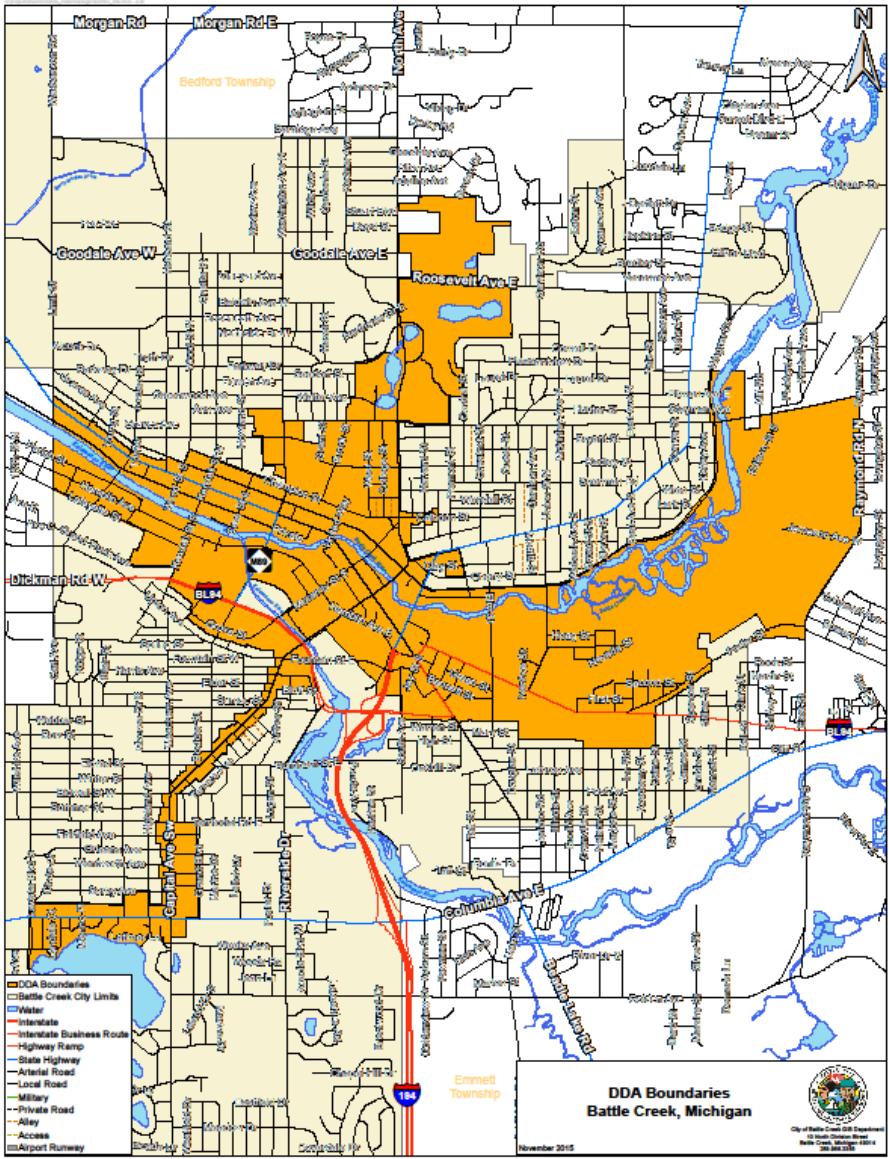
# Development Area Citizens Council

Welcome and introductions

# Downtown Development Authority (DDA) – Plan Amendment 2022

The City of Battle Creek's Downtown Development Authority (DDA) is a Tax Increment Financing Authority (TIFA) where property taxes are captured within the authority boundaries and reinvested to expedite private development projects, put underutilized property back to productive use, build streets and public infrastructure, and maintain and expand parks and other public amenities.

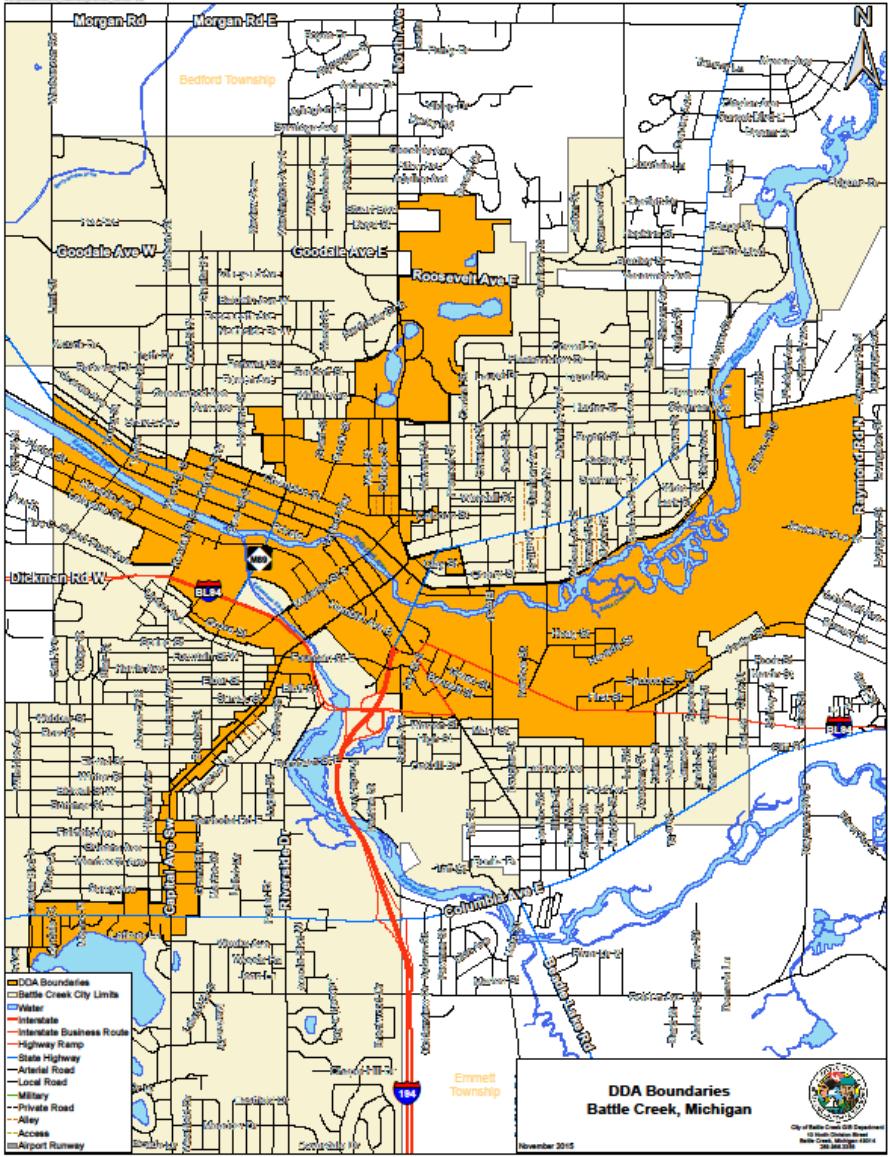
# Downtown Development Authority (DDA) – Plan Amendment 2022



## What is a TIFA?

A: Incremental tax are captured beyond a set base and reinvested within the boundaries of the Authority.

# Downtown Development Authority (DDA) – Plan Amendment 2022



## Downtown Development Authority (DDA)

- A separate Authority governed by its own board of directors with some oversight by the City.

# Downtown Development Authority (DDA) – Plan Amendment 2022

## **Powers of the Board**

- Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building.
- Acquire by purchase or otherwise, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, for the use, in whole or in part, of any public or private person or corporation, or a combination of them.
- Lease any building or property under its control.
- Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease.

# Downtown Development Authority (DDA) – Plan Amendment 2022

## **Components of the Development Plan**

- Boundaries.
- A description of existing improvements in the development area to be demolished, repaired, or altered.
- The location, extent, character, and estimated cost of the improvements
- A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.
- A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease.

## Components of the TIF Plan

- A detailed explanation of the tax increment procedure.
- The maximum amount of bonded indebtedness to be incurred, and the duration of the program.
- A statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions.

# Downtown Development Authority (DDA) – Plan Amendment 2022

## DDA Plan and Amendments -Timeline

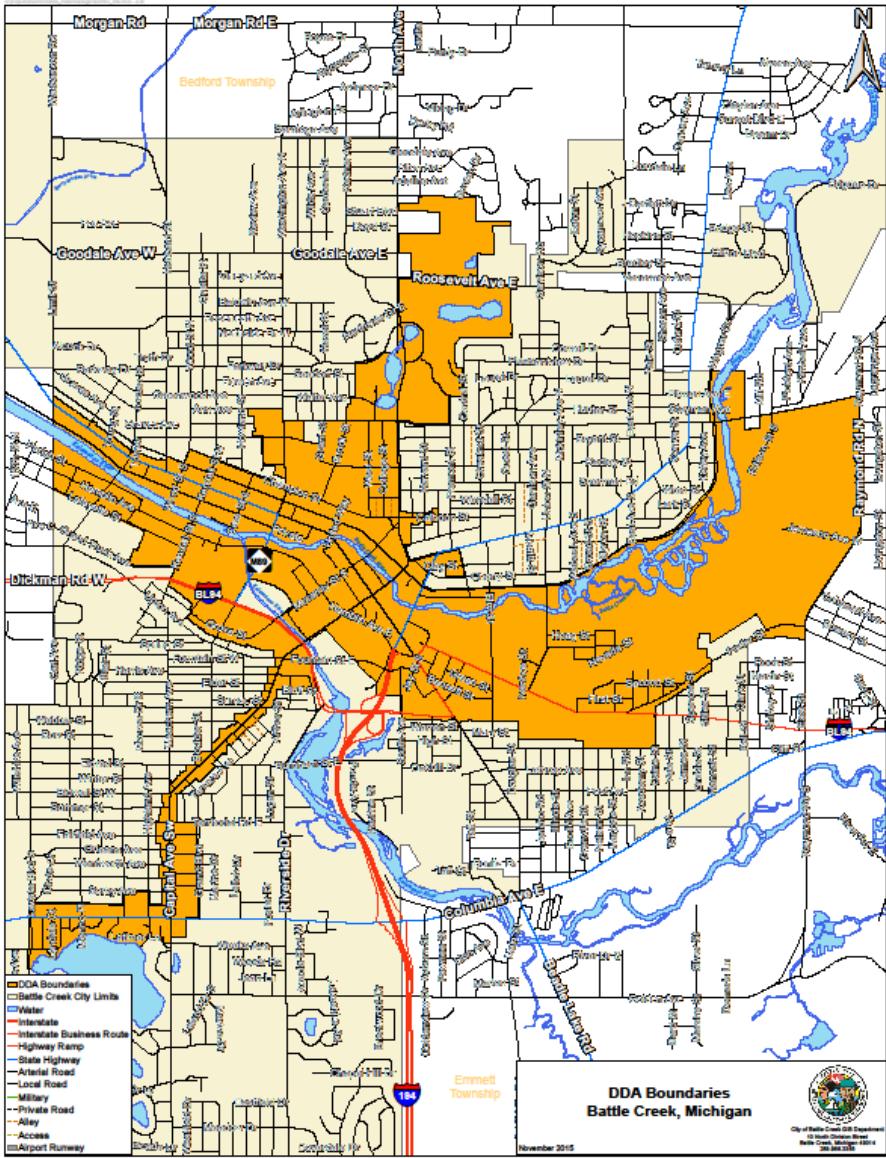
1980: Establishment of the District and adoption of the initial Development Plan

- Plan components
  - Adoption of Bylaws
- Project list
  - Construction and operation of the Kellogg Center (Kellogg Arena)
  - Commons Area/Atrium
  - Expanded parking facilities (surface parking for 300 cars)
  - Washington Ave overpass
  - Support and coordination for the building of Stouffers (McCamly) Hotel and retail shops

## Amendments

1983, 1984, 1987, 1989, 1992, 1993, 1997, 1999

# Downtown Development Authority (DDA) – Plan Amendment 2022



## Core Downtown

- W. Michigan Ave. downtown

## South End

- Dickman Rd./Kalamazoo River

## West End

- W. Michigan Ave. (west of Washington)

## Northern extension

- Bronson Battle Creek/KCC

## East End

- Kellogg's and Post

## Capital Ave S.W. Corridor

- Old Lakeview

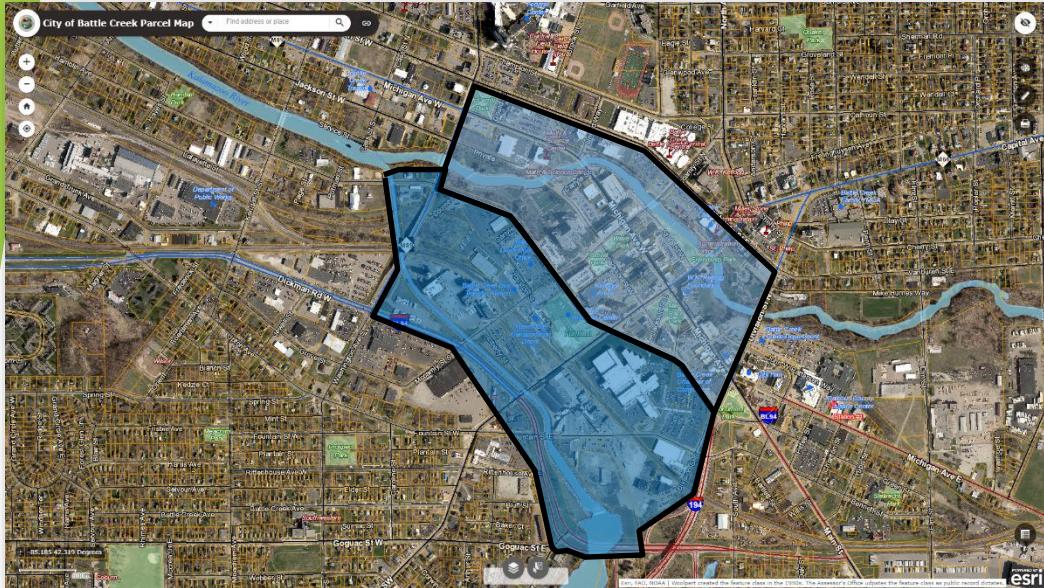
## Columbia Ave.

- Goguac lake (north end)

# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 1: Core Downtown

Development Focus: Mixed used and catalytic projects



### Boundaries (general)

- Division (east)
- Van Buren (north)
- Washington (west)
- Hamblin (south)

### Sub Area Specific Projects

- McCamly Plaza Hotel renovations
- K2 redevelopment
- Van Buren Lot infill project
- Riverwalk mixed use parking structure
- Food Reimagined accelerator
- Downtown Maintenance
- Policing
- Event programming

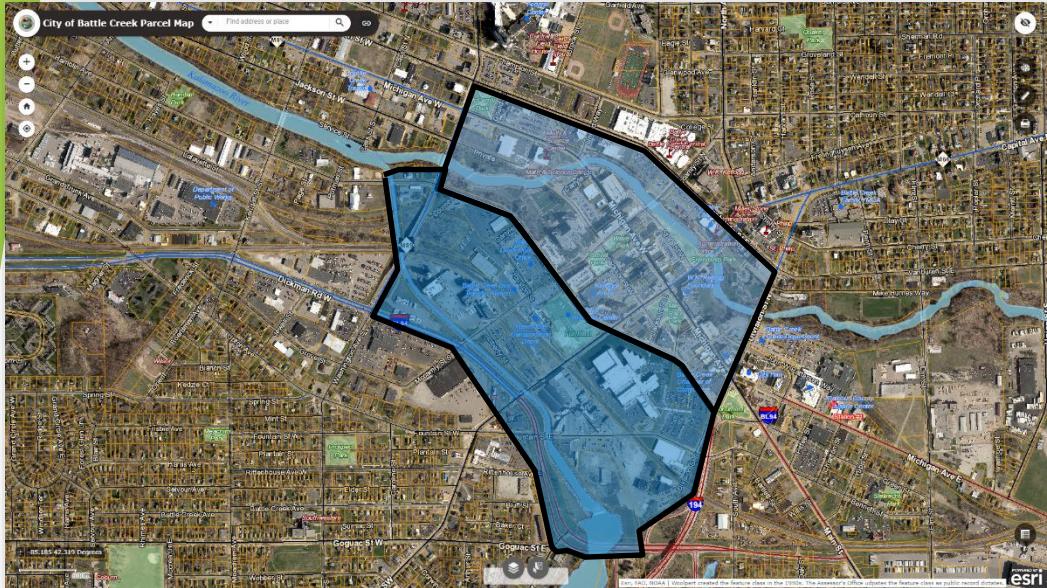
### Common elements (all sub areas)

- Property acquisition/demolition
- Environmental assessment
- Streets/streetscapes
- Sidewalks
- Storm water
- Fiber
- Parking
- Greenspace

# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 2: South End

Development Focus: River Restoration



### Boundaries (general)

- Division (east)
- Hamblin (north)
- Washington (west)
- Dickman (south)

### Sub Area Specific Projects

- River naturalization
- Kmart site redevelopment
- Horrocks site redevelopment
- Dickman Rd. realignment
- Dam removal
- River recreation amenities

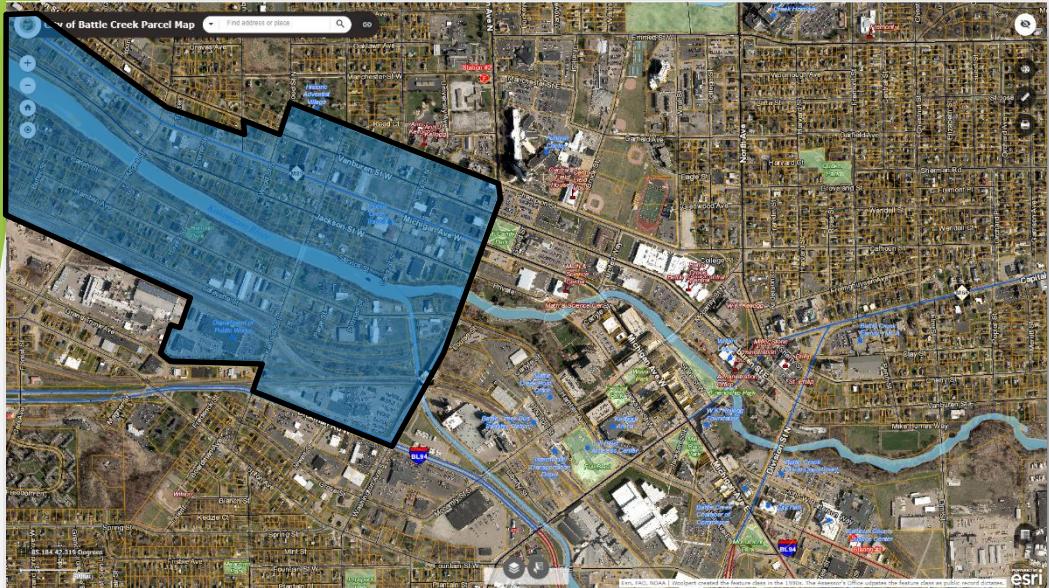
### Common elements (all sub areas)

- Property acquisition/demotion
- Environmental assessment
- Streets/streetscapes
- Sidewalks
- Storm water
- Fiber
- Parking
- Greenspace

# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 3: West End

Development Focus: Youth Village/Reemergence



### Boundaries (general)

- Washington (east)
- Van Buren/W. Michigan (north)
- Limit (west)
- Dickman/Lafayette (south)

### Sub Area Specific Projects

- Streets (construction, resurfacing, curb and gutter, striping)
- Utilities (water and sewer replacement and repair, relocation)
- Streetscapes (campus gateway treatments, lighting, trees, furniture, wayfinding, trails, bus shelters, etc.)

### Common elements (all sub areas)

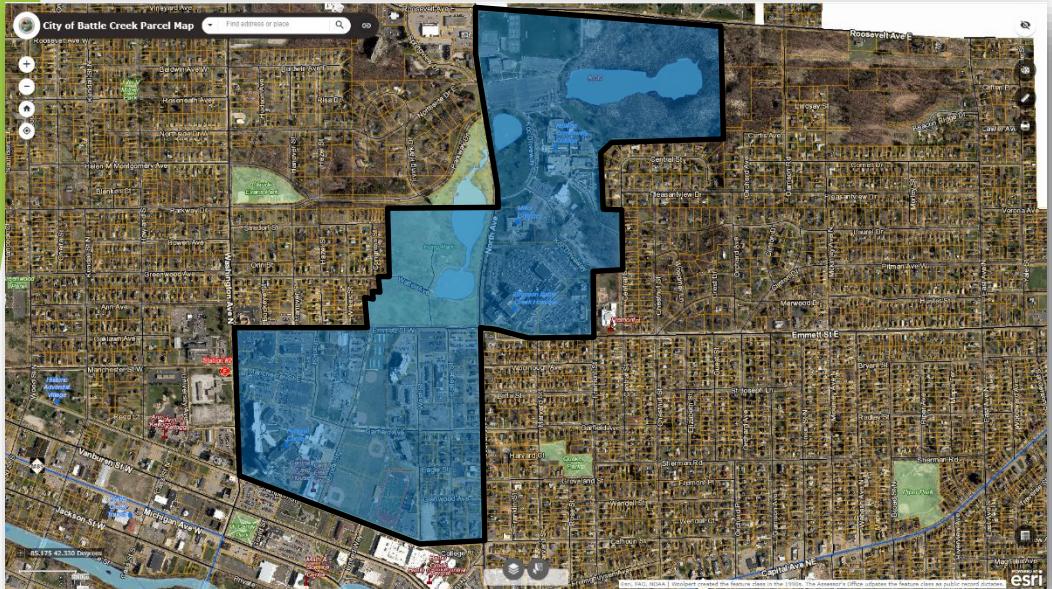
- Property acquisition
- Environmental assessment
- Demolition
- Sidewalks
- Storm water
- Fiber
- Parking
- Greenspace



# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 4: Near North Side

Development Focus: Affordable Housing/Greenspace



### Boundaries (general)

- North Ave./Freemont/KCC (east)
- Roosevelt (north)
- Washington/North Ave. (west)
- Champion (south)

### Sub Area Specific Projects

- Irving Park refreshing
- Linear Path repair
- Affordable Housing

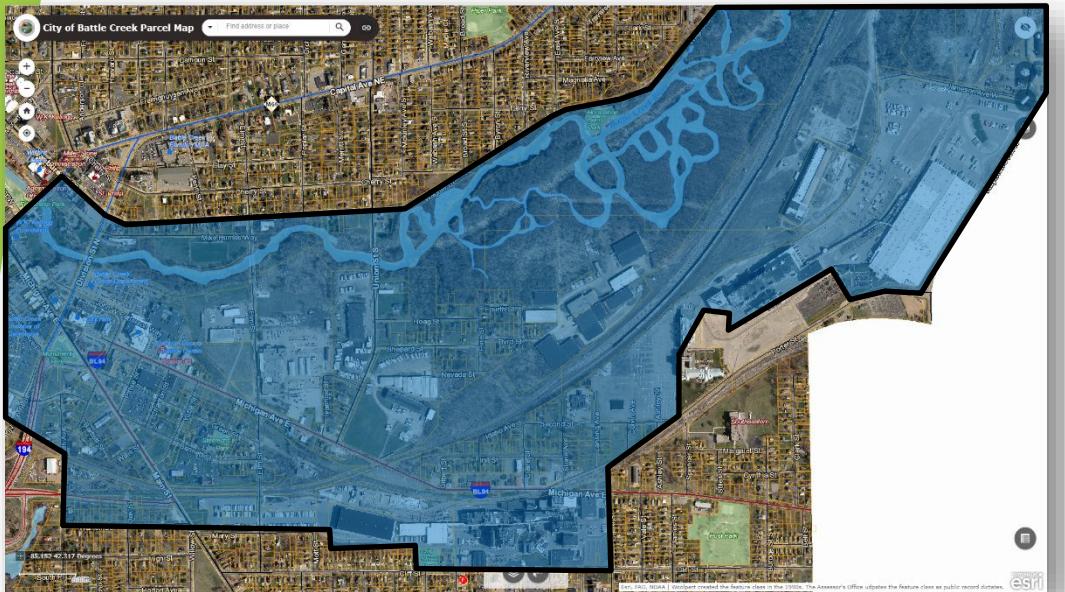
### Common elements (all sub areas)

- Property acquisition
- Environmental assessment
- Demolition
- Sidewalks
- Storm water
- Fiber
- Parking

# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 5: East End

Development Focus: Neighborhood Business Districts



### Boundaries (general)

- Porter Street (east)
- Van Buren/Wagner Dr. (north)
- Division. (west)
- Cliff Street (south)

### Sub Area Specific Projects

- Shouldice expansion
- Homeless shelter improvements
- Land assembly
- Calhoun County mound removal

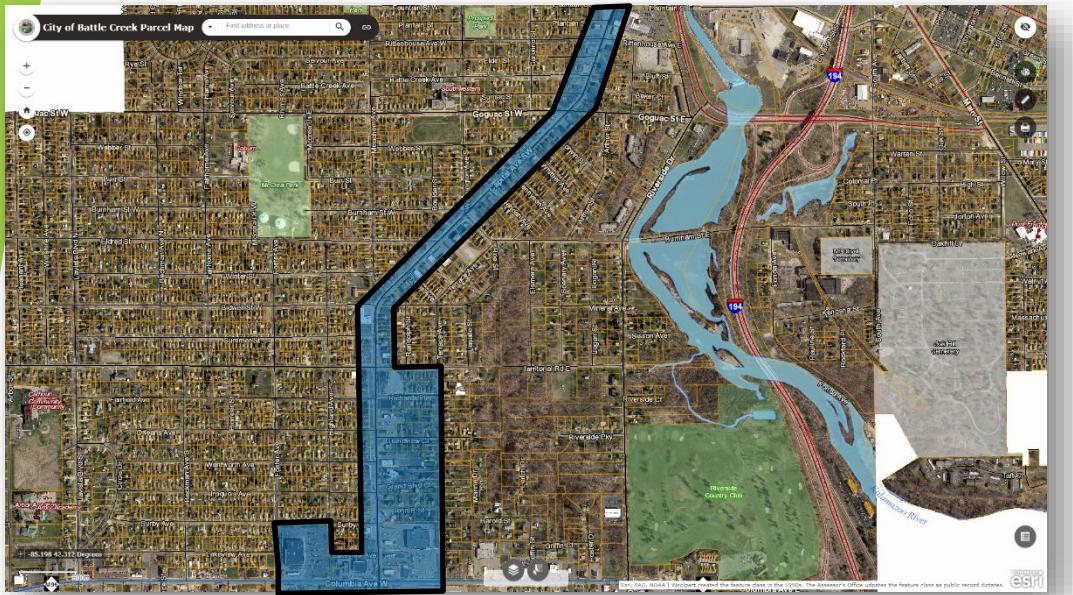
### Common elements (all sub areas)

- Property acquisition
- Environmental assessment
- Demolition
- Sidewalks
- Storm water
- Fiber
- Greenspace/greenscapes
- Linear Path

# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 6: Capital Ave. S.W Corridor

Development Focus: Neighborhood Business Districts



### Boundaries (general)

- Capital Ave. S.W. (east)
- Dickman Rd. (north)
- Capital Ave. S.W. (west)
- Columbia Ave. (south)

### Sub Area Specific Projects

- Corridor subarea plan
- Housing development (row housing)
- Façade program
- Corridor maintenance

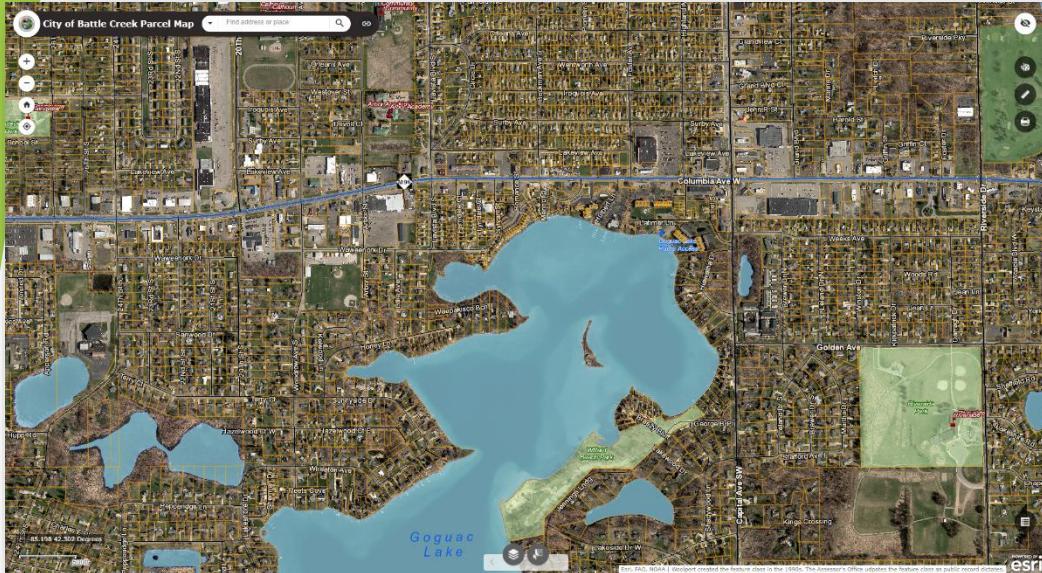
### Common elements (all sub areas)

- Property acquisition
- Environmental assessment
- Demolition
- Sidewalks
- Storm water
- Streetscapes
- Fiber
- Non-motorized connections

# Downtown Development Authority (DDA) – Plan Amendment 2022

## Sub Area 7: Columbia Ave. Lakefront

Development Focus: North Goguac Subarea Plan



### Boundaries (general)

- Capital Ave. S.W. (east)
- Columbia Ave. (north)
- La Vista Blvd. S.W. (west)
- Goguac Lake. (south)

### Sub Area Specific Projects

- Reference to Columbia Ave. Subarea plan

### Common elements (all sub areas)

- Property acquisition/demolition
- Environmental assessment
- Street/Sidewalks
- Storm water
- Fiber
- Greenspace/greenscapes
- Non-motorized connections

Downtown Development Authority (DDA) – Plan Amendment 2022

# Development Area Citizens Council

Questions and Comments

Next Meeting – July 13, 4:00pm

**RECODIFIED TAX INCREMENT FINANCING ACT (EXCERPT)**  
**Act 57 of 2018**

**PART 2**  
**DOWNTOWN DEVELOPMENT AUTHORITIES**

**125.4201 Definitions.**

Sec. 201. As used in this part:

- (a) "Advance" means a transfer of funds made by a municipality to an authority or to another person on behalf of the authority in anticipation of repayment by the authority. Evidence of the intent to repay an advance may include, but is not limited to, an executed agreement to repay, provisions contained in a tax increment financing plan approved prior to the advance, or a resolution of the authority or the municipality.
- (b) "Assessed value" means 1 of the following:
  - (i) For valuations made before January 1, 1995, the state equalized valuation as determined under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.
  - (ii) For valuations made after December 31, 1994, the taxable value as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.
- (c) "Authority" means a downtown development authority created pursuant to this part.
- (d) "Board" means the governing body of an authority.
- (e) "Business district" means an area in the downtown of a municipality zoned and used principally for business.
- (f) "Captured assessed value" means the amount in any 1 year by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision (aa), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.
- (g) "Catalyst development project" means a project that is located in a municipality with a population greater than 600,000, is designated by the authority as a catalyst development project, and is expected to result in at least \$300,000,000.00 of capital investment. There shall be no more than 1 catalyst development project designated within each authority.
- (h) "Chief executive officer" means the mayor or city manager of a city, the president or village manager of a village, or the supervisor of a township or, if designated by the township board for purposes of this part, the township superintendent or township manager of a township.
- (i) "Development area" means that area to which a development plan is applicable.
- (j) "Development plan" means that information and those requirements for a development plan set forth in section 217.
- (k) "Development program" means the implementation of the development plan.
- (l) "Downtown district" means that part of an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to this part. A downtown district may include 1 or more separate and distinct geographic areas in a business district as determined by the municipality if the municipality enters into an agreement with a qualified township under section 203(7) or if the municipality is a city that surrounds another city and that other city lies between the 2 separate and distinct geographic areas. If the downtown district contains more than 1 separate and distinct geographic area in the downtown district, the separate and distinct geographic areas shall be considered 1 downtown district.
- (m) "Eligible advance" means an advance made before August 19, 1993.
- (n) "Eligible obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority before August 19, 1993 and its subsequent refunding by a qualified refunding obligation. Eligible obligation includes an authority's written agreement entered into before August 19, 1993 to pay an obligation issued after August 18, 1993 and before December 31, 1996 by another entity on behalf of the authority.
- (o) "Fire alarm system" means a system designed to detect and annunciate the presence of fire, or by-products of fire. Fire alarm system includes smoke detectors.
- (p) "Fiscal year" means the fiscal year of the authority.
- (q) "Governing body of a municipality" means the elected body of a municipality having legislative powers.
- (r) "Initial assessed value" means the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(w) "Other protected obligation" means:

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

(ii) An obligation issued or incurred by an authority or by a municipality on behalf of an authority after August 19, 1993, but before December 31, 1994, to finance a project described in a tax increment finance plan approved by the municipality in accordance with this part before December 31, 1993, for which a contract for final design is entered into by or on behalf of the municipality or authority before March 1, 1994 or for which a written agreement with a developer, titled preferred development agreement, was entered into by or on behalf of the municipality or authority in July 1993.

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

undertaken and installed by that party in accordance with the development agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(y) "Qualified refunding obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority to refund an obligation if 1 or more of the following apply:

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

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

(A) The net present value of the principal and interest to be paid on the refunding obligation, including the

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

(B) The net present value of the sum of the tax increment revenues described in subdivision (cc)(ii) and the distributions under section 213b to repay the refunding obligation will not be greater than the net present value of the sum of the tax increment revenues described in subdivision (cc)(ii) and the distributions under section 213b to repay the obligation being refunded, as calculated using a method approved by the department of treasury.

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

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

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

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

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

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

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

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

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

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

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

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

(A) Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may

be excluded from captured assessed value or specific local taxes attributable to such ad valorem property taxes.

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

(C) Ad valorem property taxes exempted from capture under section 203(3) or specific local taxes attributable to such ad valorem property taxes.

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

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

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

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

(iv) The amount of tax increment revenues authorized to be included under subparagraph (ii) or (v), and required to be transmitted to the authority under section 214(1), from ad valorem property taxes and specific local taxes attributable to the application of the levy of the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, a local school district or an intermediate school district upon the captured assessed value of real and personal property in a development area shall be determined separately for the levy by the state, each school district, and each intermediate school district as the product of sub-subparagraphs (A) and (B):

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

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

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

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

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

### **125.4201a Legislative findings.**

Sec. 201a. The legislature finds all of the following:

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

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

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

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

(e) That it is necessary for the legislature to exercise its power to legislate tax increment financing as authorized in this part and in the exercise of this power to mandate the transfer of tax increment revenues by

city, village, township, school district, and county treasurers to authorities created under this part in order to effectuate the legislative government programs to eliminate property value deterioration and to promote economic growth.

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

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

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

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

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

Sec. 202. (1) Except as otherwise provided in this subsection, a municipality may establish 1 authority. If, before November 1, 1985, a municipality establishes more than 1 authority, those authorities may continue to exist as separate authorities. Under the conditions described in section 203a, a municipality may have more than 1 authority within that municipality's boundaries. A parcel of property shall not be included in more than 1 authority created by this part.

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

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

**125.4203 Resolution of intent to create and provide for operation of authority; public hearing on proposed ordinance creating authority and designating boundaries of downtown district; notice; exemption of taxes from capture; action by library board or commission; adoption, filing, and publication of ordinance; altering or amending boundaries; agreement with adjoining municipality; agreement with qualified township.**

Sec. 203. (1) When the governing body of a municipality determines that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of that deterioration, and to promote economic growth, the governing body may, by resolution, declare its intention to create and provide for the operation of an authority.

(2) In the resolution of intent, the governing body shall set a date for the holding of a public hearing on the adoption of a proposed ordinance creating the authority and designating the boundaries of the downtown district. Notice of the public hearing shall be published twice in a newspaper of general circulation in the municipality, not less than 20 or more than 40 days before the date of the hearing. Not less than 20 days before the hearing, the governing body proposing to create the authority shall also mail notice of the hearing to the property taxpayers of record in the proposed district and for a public hearing to be held after February 15, 1994 to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the authority is established and a tax increment financing plan is approved. Beginning June 1, 2005, the notice of hearing within the time frame described in this subsection shall be mailed by certified mail to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the authority is established and a tax increment financing plan is approved. Failure of a property taxpayer to receive the notice shall not invalidate these proceedings. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the proposed downtown district not less than 20 days before the hearing. The notice shall state the date, time, and place of the hearing, and shall describe the boundaries of the proposed downtown district. A citizen, taxpayer, or property owner of the municipality or an official from a taxing jurisdiction with millage that would be subject to capture has the right to be heard in regard to the establishment of the authority and the boundaries of the proposed downtown district. The governing body of the municipality shall not incorporate land into the downtown district not included in the description contained in the notice of public hearing, but it may eliminate described lands from the downtown district in the final determination of the boundaries.

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

remains effective until a copy of a resolution rescinding that resolution is filed with that clerk. If a separate millage for public library purposes was levied before January 1, 2017, and all obligations and other protected obligations of the authority are paid, then the levy is exempt from capture under this part, unless the library board or commission allows all or a portion of its taxes levied to be included as tax increment revenues and subject to capture under this part under the terms of a written agreement between the library board or commission and the authority. The written agreement shall be filed with the clerk of the municipality. However, if a separate millage for public library purposes was levied before January 1, 2017, and the authority alters or amends the boundaries of a downtown district or extends the duration of the existing finance plan, then the library board or commission may, not later than 60 days after a public hearing is held under this subsection, exempt all or a portion of its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality that created the authority. For ad valorem property taxes or specific local taxes attributable to those ad valorem property taxes levied for a separate millage for public library purposes approved by the electors after December 31, 2016, a library board or commission may allow all or a portion of its taxes levied to be included as tax increment revenues and subject to capture under this part under the terms of a written agreement between the library board or commission and the authority. The written agreement shall be filed with the clerk of the municipality. However, if the library was created under section 1 or 10a of 1877 PA 164, MCL 397.201 and 397.210a, or established under 1869 LA 233, then any action of the library board or commission under this subsection shall have the concurrence of the chief executive officer of the city that created the library to be effective, and, if the action of the library board or commission involves any bond issued by this state or a state agency, the concurrence of the state treasurer.

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

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

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

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

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

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

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

Sec. 203a. If a downtown district is part of an area annexed to or consolidated with another municipality, the authority managing that district shall become an authority of the annexing or consolidated municipality. Obligations of that authority incurred under a development or tax increment plan, agreements related to a development or tax increment plan, and bonds issued under this part shall remain in effect following the annexation or consolidation.

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

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

Sec. 203b. (1) An ordinance enacted by a municipality that has a population of less than 50,000 establishing an authority, creating a district, or approving a development plan or tax increment financing plan, or an amendment to an authority, district, or plan, and all actions taken under that ordinance, including the issuance of bonds, are ratified and validated notwithstanding that notice for the public hearing on the establishment of the authority, creation of the district, or approval of the development plan or tax increment financing plan, or on the amendment, was not published, posted, or mailed at least 20 days before the hearing, if the notice was published or posted at least 15 days before the hearing or the authority was established in 1984 by a village that filed the ordinance with the secretary of state not later than March 1986. This section applies only to an ordinance adopted by a municipality before February 1, 1991, and shall include any bonds or amounts to be used by the authority to pay the principal of and interest on bonds that have been issued or that are to be issued by the authority, the incorporating municipality, or a county on behalf of the incorporating municipality. An authority for which an ordinance or amendment to the ordinance establishing the authority has been published before February 1, 1991 is considered for purposes of section 203(4) to have promptly filed the ordinance or amendment to the ordinance with the secretary of state if the ordinance or amendment to the ordinance is filed with the secretary of state before October 1, 1991. As used in this section, "notice was published" means publication of the notice occurred at least once.

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

(3) A development plan and tax increment financing plan approved by a resolution adopted by the village council of a village having a population of less than 7,000 before June 1, 1998 rather than by adoption of an ordinance is ratified and validated if an amendment to the plans was adopted by the village council in compliance with sections 18 and 19.

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

### **125.4203c Proceedings or findings; validity.**

Sec. 203c. The validity of the proceedings or findings establishing an authority, or of the procedure, adequacy of notice, or findings with respect to the approval of a development plan or tax increment financing plan is conclusive with respect to the capture of tax increment revenues for an other protected obligation that is a bond issued after October 1, 1994.

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

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

Sec. 203d. An ordinance enacted by a municipality that has a population of greater than 1,000 and less than 2,000 establishing an authority, creating a district, or approving a development plan or tax increment financing plan, or an amendment to an authority, district, or plan, and all actions taken or to be taken under that ordinance, including the issuance of bonds, are ratified and validated notwithstanding that notice for the public hearing on the establishment of the authority, creation of the district, or approval of the development plan or tax increment financing plan, or on the amendment, was not published, posted, or mailed at least 20 days before the hearing, provided that the notice was either published or posted at least 10 days before the hearing or that the authority was established in 1990 by a municipality that filed the ordinance with the secretary of state not later than July 1991. This section applies only to an ordinance or an amendment adopted by a municipality before January 1, 1999 and shall include any bonds or amounts to be used by the authority to pay the principal of and interest on bonds that have been issued or that are to be issued by the authority or the incorporating municipality. An authority for which an ordinance or amendment to the ordinance establishing the authority has been published before February 1, 1991 is considered for purposes of section 203(3) to have promptly filed the ordinance or amendment to the ordinance with the secretary of state if the ordinance or amendment to the ordinance is filed with the secretary of state before December 31, 2002. The validity of the proceedings or findings establishing an authority described in this section, or of the procedure, adequacy of notice, or findings with respect to the approval of a development plan or tax increment financing plan for an authority described in this section is conclusive with respect to the capture of tax increment revenues for a bond issued after June 1, 2002 and before June 1, 2006. As used in this section, "notice was either published or posted" means either publication or posting of the notice occurred at least once.

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

### **125.4204 Board; appointment, terms, and qualifications of members; vacancy; compensation**

**and expenses; election of chairperson; appointment as public official; oath; conducting business at public meeting; public notice; special meetings; removal of member; review; expense items and financial records; availability of writings to public; single board governing all authorities; member as resident or having interest in property; planning commission serving as board in certain municipalities; modification by interlocal agreement.**

Sec. 204. (1) Except as provided in subsections (7), (8), and (9), an authority shall be under the supervision and control of a board consisting of the chief executive officer of the municipality or his or her designee from the governing body of the municipality and not less than 8 or more than 12 members as determined by the governing body of the municipality. Members shall be appointed by the chief executive officer of the municipality, subject to approval by the governing body of the municipality. Not less than a majority of the members shall be persons having an interest in property located in the downtown district or officers, members, trustees, principals, or employees of a legal entity having an interest in property located in the downtown district. Not less than 1 of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it. Of the members first appointed, an equal number of the members, as near as is practicable, shall be appointed for 1 year, 2 years, 3 years, and 4 years. A member shall hold office until the member's successor is appointed. Thereafter, each member shall serve for a term of 4 years. An appointment to fill a vacancy shall be made by the chief executive officer of the municipality for the unexpired term only. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chairperson of the board shall be elected by the board. The rules of procedure or the bylaws of the authority may provide that a person be appointed to the board in his or her capacity as a public official, whether appointed or elected. The rules of procedure or bylaws may also provide that the public official's term shall expire upon expiration of his or her service as a public official. In addition, the public official's membership on the board expires on his or her resignation from office as a public official.

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

(3) The business which the board may perform shall be conducted at a public meeting of the board held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The board shall adopt rules consistent with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, governing its procedure and the holding of regular meetings, subject to the approval of the governing body. Special meetings may be held if called in the manner provided in the rules of the board.

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

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

(6) In addition to the items and records prescribed in subsection (5), a writing prepared, owned, used, in the possession of, or retained by the board in the performance of an official function shall be made available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

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

(8) By ordinance, the governing body of a municipality that has a population of less than 5,000 may have the municipality's planning commission created pursuant to former 1931 PA 285 or the Michigan planning enabling act, 2008 PA 33, MCL 125.3801 to 125.3885, serve as the board provided for in subsection (1).

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

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

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

Sec. 205. (1) The board may employ and fix the compensation of a director, subject to the approval of the governing body of the municipality. The director shall serve at the pleasure of the board. A member of the board is not eligible to hold the position of director. Before entering upon the duties of his or her office, the

director shall take and subscribe to the constitutional oath, and furnish bond, by posting a bond in the penal sum determined in the ordinance establishing the authority payable to the authority for use and benefit of the authority, approved by the board, and filed with the municipal clerk. The premium on the bond shall be deemed an operating expense of the authority, payable from funds available to the authority for expenses of operation. The director shall be the chief executive officer of the authority. Subject to the approval of the board, the director shall supervise, and be responsible for, the preparation of plans and the performance of the functions of the authority in the manner authorized by this part. The director shall attend the meetings of the board, and shall render to the board and to the governing body of the municipality a regular report covering the activities and financial condition of the authority. If the director is absent or disabled, the board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of his or her office, the acting director shall take and subscribe to the oath, and furnish bond, as required of the director. The director shall furnish the board with information or reports governing the operation of the authority as the board requires.

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

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

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

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

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

#### **125.4206 Participation of employees in municipal retirement and insurance programs.**

Sec. 206. The employees of an authority shall be eligible to participate in municipal retirement and insurance programs of the municipality as if they were civil service employees except that the employees of an authority are not civil service employees.

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

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

Sec. 207. (1) The board may:

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

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

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

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

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

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

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

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

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

private person or corporation, or a combination of them.

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

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

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

(m) Acquire and construct public facilities.

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

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

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

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

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

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

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

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

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

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

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

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

#### **125.4208 Board serving as planning commission; agenda.**

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

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

#### **125.4209 Authority as instrumentality of political subdivision.**

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

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

#### **125.4210 Taking, transfer, and use of private property.**

Sec. 210. A municipality may take private property under 1911 PA 149, MCL 213.21 to 213.25, for the purpose of transfer to the authority, and may transfer the property to the authority for use in an approved development, on terms and conditions it deems appropriate, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.

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

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

Sec. 211. (1) The activities of the authority shall be financed from 1 or more of the following sources:

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

(b) Proceeds of a tax imposed pursuant to section 212.

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

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

(e) Proceeds of a tax increment financing plan, established under sections 214 to 216.

- (f) Proceeds from a special assessment district created as provided by law.
- (g) Money obtained from other sources approved by the governing body of the municipality or otherwise authorized by law for use by the authority or the municipality to finance a development program.
- (h) Money obtained pursuant to section 213b.
- (i) Revenue transferred pursuant to section 11a of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.611a.
- (j) Revenue transferred pursuant to section 11b of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.611b.

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

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

#### **125.4212 Ad valorem tax; borrowing in anticipation of collection.**

Sec. 212. (1) An authority with the approval of the municipal governing body may levy an ad valorem tax on the real and tangible personal property not exempt by law and as finally equalized in the downtown district. The tax shall not be more than 1 mill if the downtown district is in a municipality having a population of 1,000,000 or more, or not more than 2 mills if the downtown district is in a municipality having a population of less than 1,000,000. The tax shall be collected by the municipality creating the authority levying the tax. The municipality shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be paid to the treasurer of the authority and credited to the general fund of the authority for purposes of the authority.

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

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

#### **125.4213 Revenue bonds.**

Sec. 213. The authority may borrow money and issue its negotiable revenue bonds under the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140. Revenue bonds issued by the authority shall not except as hereinafter provided be deemed a debt of the municipality or the state. The municipality by majority vote of the members of its governing body may pledge its full faith and credit to support the authority's revenue bonds.

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

#### **125.4213a Borrowing money; issuing revenue bonds or notes; purpose; costs; security; pledge and lien of pledge valid and binding; filing or recordation not required; tax exemption; bonds or notes neither liability nor debt of municipality; statement; investment and deposit of bonds and notes.**

Sec. 213a. (1) The authority may with approval of the local governing body borrow money and issue its revenue bonds or notes to finance all or part of the costs of acquiring or constructing property in connection with the implementation of a development plan in the downtown district or to refund or refund in advance bonds or notes issued pursuant to this section. The costs which may be financed by the issuance of revenue bonds or notes may include the cost of purchasing, acquiring, constructing, improving, enlarging, extending, or repairing property in connection with the implementation of a development plan in the downtown district; any engineering, architectural, legal, accounting, or financial expenses; the costs necessary or incidental to the borrowing of money; interest on the bonds or notes during the period of construction; a reserve for payment of principal and interest on the bonds or notes; and a reserve for operation and maintenance until sufficient revenues have developed. The authority may secure the bonds and notes by mortgage, assignment, or pledge of the property and any money, revenues, or income received in connection therewith.

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

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

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

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

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

**125.4213b Insufficient tax increment revenues to repay advance or pay obligation; contents, time, and payment of claim; appropriation and distribution of aggregate amount; limitations; distribution subject to lien; obligation as debt or liability; certification of distribution amount; basis for calculation of distributions and claim reports.**

Sec. 213b. (1) If the amount of tax increment revenues lost as a result of the reduction of taxes levied by local school districts for school operating purposes required by the millage limitations under section 1211 of the school code of 1976, 1976 PA 451, MCL 380.1211, reduced by the amount of tax increment revenues received from the capture of taxes levied under or attributable to the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, will cause the tax increment revenues received in a fiscal year by an authority under section 215 to be insufficient to repay an eligible advance or to pay an eligible obligation, the legislature shall appropriate and distribute to the authority the amount described in subsection (5).

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

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

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

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

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

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

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

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

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

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

(4) After review and verification of claims submitted pursuant to this section, amounts appropriated by the state in compliance with this part shall be distributed as 2 equal payments on March 1 and September 1 after receipt of a claim. An authority shall allocate a distribution it receives for an eligible obligation issued on

behalf of a municipality to the municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

207.572, that are sited on property classified as either industrial or commercial.

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

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

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

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

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

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

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

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

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

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

Sec. 214. (1) When the authority determines that it is necessary for the achievement of the purposes of this part, the authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The plan shall include a development plan as provided in section 217, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, and the duration of the program, and shall be in compliance with section 215. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan. The authority or municipality may exclude from captured assessed value growth in property value resulting solely from inflation. The plan shall set forth the method for excluding growth in property value resulting solely from inflation.

(2) The percentage of taxes levied for school operating purposes that is captured and used by the tax increment financing plan shall not be greater than the plan's percentage capture and use of taxes levied by a municipality or county for operating purposes. For purposes of the previous sentence, taxes levied by a county for operating purposes include only millage allocated for county or charter county purposes under the property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a. For purposes of this subsection, tax increment revenues used to pay bonds issued by a municipality under section 216(1) shall be considered to be used by the tax increment financing plan rather than shared with the municipality. The limitation of this subsection does not apply to the portion of the captured assessed value shared pursuant to an agreement entered into before 1989 with a county or with a city in which an enterprise zone is approved under section 13 of the enterprise zone act, 1985 PA 224, MCL 125.2113.

(3) Approval of the tax increment financing plan shall be pursuant to the notice, hearing, and disclosure provisions of section 218. If the development plan is part of the tax increment financing plan, only 1 hearing and approval procedure is required for the 2 plans together.

(4) Before the public hearing on the tax increment financing plan, the governing body shall provide a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture to meet with the governing body. The authority shall fully inform the taxing jurisdictions of the fiscal and economic implications of the

proposed development area. The taxing jurisdictions may present their recommendations at the public hearing on the tax increment financing plan. The authority may enter into agreements with the taxing jurisdictions and the governing body of the municipality in which the development area is located to share a portion of the captured assessed value of the district.

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

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

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

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

Sec. 215. (1) The municipal and county treasurers shall transmit to the authority tax increment revenues.

(2) The authority shall expend the tax increment revenues received for the development program only pursuant to the tax increment financing plan. Surplus funds shall revert proportionately to the respective taxing bodies. These revenues shall not be used to circumvent existing property tax limitations. The governing body of the municipality may abolish the tax increment financing plan when it finds that the purposes for which it was established are accomplished. However, the tax increment financing plan shall not be abolished, allowed to expire, or otherwise terminate until the principal of, and interest on, bonds issued pursuant to section 216 have been paid or funds sufficient to make the payment have been segregated.

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

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

Sec. 216. (1) The municipality may by resolution of its governing body authorize, issue, and sell general obligation bonds subject to the limitations set forth in this subsection to finance the development program of the tax increment financing plan and shall pledge its full faith and credit for the payment of the bonds. The municipality may pledge as additional security for the bonds any money received by the authority or the municipality pursuant to section 211. The bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. Before the municipality may authorize the borrowing, the authority shall submit an estimate of the anticipated tax increment revenues and other revenue available under section 211 to be available for payment of principal and interest on the bonds, to the governing body of the municipality. This estimate shall be approved by the governing body of the municipality by resolution adopted by majority vote of the members of the governing body in the resolution authorizing the bonds. If the governing body of the municipality adopts the resolution authorizing the bonds, the estimate of the anticipated tax increment revenues and other revenue available under section 211 to be available for payment of principal and interest on the bonds shall be conclusive for purposes of this section. The bonds issued under this subsection shall be considered a single series for the purposes of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2801.

(2) By resolution of its governing body, the authority may authorize, issue, and sell tax increment bonds subject to the limitations set forth in this subsection to finance the development program of the tax increment financing plan. The tax increment bonds issued by the authority under this subsection shall pledge solely the tax increment revenues of a development area in which the project is located or a development area from which tax increment revenues may be used for this project, or both. In addition or in the alternative, the bonds issued by the authority pursuant to this subsection may be secured by any other revenues identified in section 211 as sources of financing for activities of the authority that the authority shall specifically pledge in the resolution. However, the full faith and credit of the municipality shall not be pledged to secure bonds issued pursuant to this subsection. The bond issue may include a sum sufficient to pay interest on the tax increment bonds until full development of tax increment revenues from the project and also a sum to provide a reasonable reserve for payment of principal and interest on the bonds. The resolution authorizing the bonds shall create a lien on the tax increment revenues and other revenues pledged by the resolution that shall be a statutory lien and shall be a first lien subject only to liens previously created. The resolution may provide the terms upon which additional bonds may be issued of equal standing and parity of lien as to the tax increment revenues and other revenues pledged under the resolution. Bonds issued under this subsection that pledge revenue received under section 211 for repayment of the bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(3) Notwithstanding any other provision of this part, if the state treasurer determines that an authority or municipality can issue a qualified refunding obligation and the authority or municipality does not make a

good-faith effort to issue the qualified refunding obligation as determined by the state treasurer, the state treasurer may reduce the amount claimed by the authority or municipality under section 213b by an amount equal to the net present value saving that would have been realized had the authority or municipality refunded the obligation or the state treasurer may require a reduction in the capture of tax increment revenues from taxes levied by a local or intermediate school district or this state by an amount equal to the net present value savings that would have been realized had the authority or municipality refunded the obligation. This subsection does not authorize the state treasurer to require the authority or municipality to pledge security greater than the security pledged for the obligation being refunded.

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

### **125.4217 Development plan; preparation; contents.**

Sec. 217. (1) When a board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 213 or tax increment financing as authorized in sections 214, 215, and 216, it shall prepare a development plan.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 218. (1) The governing body, before adoption of an ordinance approving or amending a development plan or approving or amending a tax increment financing plan, shall hold a public hearing on the development plan. Notice of the time and place of the hearing shall be given by publication twice in a newspaper of general circulation designated by the municipality, the first of which shall be not less than 20 days before the date set for the hearing. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the downtown district not less than 20 days before the hearing. Notice shall also be mailed to all property taxpayers of record in the downtown district not less than 20 days before the hearing. Beginning June 1, 2005, the notice of hearing within the time frame described in this subsection shall be mailed by certified mail to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the development plan or the tax increment financing plan is approved or amended.

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

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

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

Sec. 219. (1) The governing body after a public hearing on the development plan or the tax increment financing plan, or both, with notice of the hearing given in accordance with section 218, shall determine whether the development plan or tax increment financing plan constitutes a public purpose. If it determines that the development plan or tax increment financing plan constitutes a public purpose, it shall then approve or reject the plan, or approve it with modification, by ordinance based on the following considerations:

- (a) The findings and recommendations of a development area citizens council, if a development area citizens council was formed.
- (b) The plan meets the requirements set forth in section 217(2).
- (c) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.
- (d) The development is reasonable and necessary to carry out the purposes of this part.
- (e) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this part in an efficient and economically satisfactory manner.
- (f) The development plan is in reasonable accord with the master plan of the municipality.
- (g) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- (h) Changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the municipality.

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

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

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

**125.4220 Notice to vacate.**

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

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

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

Sec. 221. (1) If a proposed development area has residing within it 100 or more residents, a development area citizens council shall be established at least 90 days before the public hearing on the development or tax increment financing plan. The development area citizens council shall be established by the governing body and shall consist of not less than 9 members. The members of the development area citizens council shall be residents of the development area and shall be appointed by the governing body. A member of a development area citizens council shall be at least 18 years of age.

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

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

**125.4222 Development area citizens council; advisory body.**

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

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

**125.4223 Consultation.**

Sec. 223. Periodically a representative of the authority responsible for preparation of a development or tax increment financing plan within the development area shall consult with and advise the development area citizens council regarding the aspects of a development plan, including the development of new housing for relocation purposes located either inside or outside of the development area. The consultation shall begin before any final decisions by the authority and the governing body regarding a development or tax increment financing plan. The consultation shall continue throughout the preparation and implementation of the development or tax increment financing plan.

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

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

Sec. 224. (1) Meetings of the development area citizens council shall be open to the public. Notice of the time and place of the meetings shall be given by publication in a newspaper of general circulation not less than 5 days before the dates set for meetings of the development area citizens council. A person present at those meetings shall have reasonable opportunity to be heard.

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

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

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

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

**125.4225 Citizens district council as development area citizens council.**

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

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

**125.4226 Notice of findings and recommendations.**

Sec. 226. Within 20 days after the public hearing on a development or tax increment financing plan, the development area citizens council shall notify the governing body, in writing, of its findings and recommendations concerning a proposed development plan.

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

**125.4227 Development area citizens council; dissolution.**

Sec. 227. A development area citizens council may not be required and, if formed, may be dissolved in any

of the following situations:

- (a) On petition of not less than 20% of the adult resident population of the development area by the last federal decennial or municipal census, a governing body, after public hearing with notice thereof given in accordance with section 218 and by a 2/3 vote, may adopt an ordinance for the development area to eliminate the necessity of a development area citizens council.
- (b) When there are less than 18 residents, real property owners, or representatives of establishments located in the development area eligible to serve on the development area citizens council.
- (c) Upon termination of the authority by ordinance of the governing body.

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

#### **125.4228 Budget; cost of handling and auditing funds.**

Sec. 228. (1) The director of the authority shall prepare and submit for the approval of the board a budget for the operation of the authority for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. Before the budget may be adopted by the board, it shall be approved by the governing body of the municipality. Funds of the municipality shall not be included in the budget of the authority except those funds authorized in this part or by the governing body of the municipality.

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

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

#### **125.4228a Exemption.**

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

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

#### **125.4229 Historic sites.**

Sec. 229. (1) A public facility, building, or structure that is determined by the municipality to have significant historical interests shall be preserved in a manner as considered necessary by the municipality in accordance with laws relative to the preservation of historical sites. The preservation of facilities, buildings, or structures determined to be historic sites by a municipality shall include, at a minimum, equipping the historic site with a fire alarm system.

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

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

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

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

Sec. 230. (1) An authority that has completed the purposes for which it was organized shall be dissolved by ordinance of the governing body. The property and assets of the authority remaining after the satisfaction of the obligations of the authority belong to the municipality.

(2) An authority established under this part before December 31, 1988, that is dissolved by ordinance of the governing body before September 30, 1990 and that is reinstated by ordinance of the governing body after notice and public hearing as provided in section 203(2) shall not be invalidated pursuant to a claim that, based upon the standards set forth in section 203(1), a governing body improperly determined that the necessary conditions existed for the reinstatement of an authority under this part if at the time the governing body established the authority the governing body determined or could have determined that the necessary conditions existed for the establishment of an authority under this part or could have determined that establishment of an authority under this part would serve to promote economic growth and notwithstanding that the boundaries of the downtown district are altered at the time of reinstatement of the authority.

(3) In the resolution of intent, the municipality shall set a date for the holding of a public hearing on the adoption of a proposed ordinance reinstating the authority. The procedure for publishing the notice of hearing,

holding the hearing, and adopting the ordinance reinstating the authority shall be as provided in section 203(2), (4), and (5).

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

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

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

## **Downtown Development Authority**

### **Powers of the Board**

(1) The board may:

- (a) Prepare an analysis of economic changes taking place in the downtown district.
- (b) Study and analyze the impact of metropolitan growth upon the downtown district.
- (c) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the downtown district.
- (d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.
- (e) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- (f) Implement any plan of development in the downtown district necessary to achieve the purposes of this part, in accordance with the powers of the authority as granted by this part.
- (g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- (h) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority considers proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in property, which the authority determines is reasonably necessary to achieve the purposes of this part, and to grant or acquire licenses, easements, and options with respect to that property.
- (i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them.
- (j) Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part thereof, or facility therein, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.
- (k) Lease any building or property under its control, or any part of a building or property.
- (l) Accept grants and donations of property, labor, or other things of value from a public or private source.
- (m) Acquire and construct public facilities.
- (n) Create, operate, and fund marketing initiatives that benefit only retail and general marketing of the downtown district.
- (o) Contract for broadband service and wireless technology service in the downtown district.
- (p) Operate and perform all duties and exercise all responsibilities described in this section in a qualified township if the qualified township has entered into an agreement with the municipality under section 203(7).
- (q) Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
- (r) Create, operate, and fund retail business incubators in the downtown district.

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

- (a) The lease or rental rate that may be below the fair market rate as determined by the board.
- (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months.
- (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district.
- (d) A copy of the business plan of the tenant that contains measurable goals and objectives.
- (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board.

## **Downtown Development Authority Plan Development Components**

(1) When a board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 213 or tax increment financing as authorized in sections 214, 215, and 216, it shall prepare a development plan.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (n) Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 42 USC 4601.
- (o) A plan for compliance with 1972 PA 227, MCL 213.321 to 213.332.
- (p) Other material that the authority, local public agency, or governing body considers pertinent.

Downtown Development Authority  
Amendments  
1980 Original Plan

1983 boundary amendment?? (in text of 1987 amendment)

1984

- Specific cash payments for FY86 to certain jurisdictions
- 24% pass-through to units eligible to receive taxes
- Boundary modification
- Map replacements (for original attachments 3, 4 and 5)
- List of assessed values for real and personal property for modified portions of district- original attachments 8 and 9)
- Impact on amended plan on taxing jurisdictions

1987 (second major activity plan following completion of original plan)

- Expand the development area to the entire downtown district
- Eliminated Development Area Citizen's Council
- Modification to boundaries
- New projects (more varied use of funds)

1989

- Allowing DDA to lease public areas
- Eliminated jurisdictional pass-through

1992 (third major activity plan following completion of original plan)

- Restating of project list with minor modifications
- Set term of plan to 2022.

1993

- Amended boundaries to add several parcels
  - BC Sanitarium Hospital and Federal Center Parcel
  - United Steel and Wire
  - Y Center
  - Leila Hospital
  - Verona Dam Site

1997

- Boundary amendment impacting:
  - Miller College
  - Kimball House and 200 Capital Ave. NE (house next door)
  - Additional (unknown) parcel

1999

Boundary amendment to remove certain Kellogg property

## Project Listing

### 1980 Original Plan

- Construction and operation of the Kellogg Center (Kellogg Arena)
- Commons Area/Atrium
- Expanded parking facilities (surface parking for 300 cars)
- Washington Ave overpass
- Support and coordination for the building of Stouffers (McCamly) Hotel and retail shops

### 1987 Plan Amendment

- Principal and debt payments
- Marketing and promoting events (CCDC contract)
- Central business district maintenance
- Installation and maintenance of street lighting
- Construction/reconstruction of streets (1986 Engineering Study)
- Construction/reconstruction of sidewalks (1986 Engineering Study)
- Storm drainage improvements along Capital Ave. S.W. from Dickman Rd. to Columbia (1986 Storm Drainage Study)
- Construction of sanitary sewers and water mains
- Bridge repairs and improvements
- I-94 business loop extension (city share)
- Dickman connection to E. Michigan (city share)
- Public improvements to encourage the redevelopment of Goguac Lake area property
- Construction of parking structures and lots
- Olympic sized swimming pool and recreational facility to replace Youth Building (Full Blast)
- Battle Creek River and surround land improvements including the Linear Park
- Economic development and revitalization of the West End.
- Acquisition, demolition and redevelopment of property for economic development and acquisition of additional right-of-way as needed ( business/industrial incubator facilities)
- Construction of the Emmett Street overpass
- Construction or improvements to public buildings (Fire station 1, former PD building)
- Repairing and improving the Michigan Mall

### 1992 Plan Amendment (modifications to the 1987 project list)

- Principal and debt payments
- Acquiring, managing, improving property and Marketing and promoting events (CCDC contract)
- Central business district maintenance
- Installation and maintenance of street lighting
- Construction/reconstruction, closing, realignment and improving of streets
- Construction/reconstruction of sidewalks
- Storm drainage improvements along Capital Ave. S.W. from Dickman Rd. to Columbia, LaVista Outfall ad Austin Brook project
- Construction of sanitary sewers and water mains
- Bridge repairs and improvements
- I-94 business loop extension (city share)
- Dickman connection to E. Michigan (city share)
- Public improvements to encourage the redevelopment of Goguac Lake area property
- Construction of parking structures and lots
- Olympic sized swimming pool and recreational facility to replace Youth Building (Full Blast)

- Battle Creek River and surround land improvements including the Linear Park
- Economic development and revitalization of the West End.
- Acquisition, demolition and redevelopment of property for economic development and acquisition of additional right-of-way as needed ( business/industrial incubator facilities)
- Construction of the Emmett Street overpass
- Construction or improvements to public buildings (Fire station 1, former PD building)
- Repairing and improving **or removing** the Michigan Mall

#### 2022 Plan Amendment

- Principal and debt payments
- Acquiring, managing, improving property and marketing and promoting events
- Central business district maintenance
- Installation and maintenance of street lighting
- Construction/reconstruction, closing, realignment and improving of streets
- Construction/reconstruction of sidewalks
- Storm drainage improvements
- Construction of sanitary sewers and water mains
- Bridge repairs and improvements
- Public improvements to encourage the redevelopment of Goguac Lake area property
- Construction of parking structures and lots
- Battle Creek River and surround land improvements including the Linear Park
- Economic development and revitalization of the West End.
- Acquisition, demolition and redevelopment of property for economic development and acquisition of additional right-of-way as needed (business/industrial incubator facilities)
- Construction or improvements to public buildings

AMENDMENT TO THE TAX INCREMENTAL FINANCING  
AND DEVELOPMENT PLAN  
OF THE  
BATTLECREEKDOWNTOWN DEVELOPMENT AUTHORITY  
2022

DRAFT

## **Preamble**

The proposed amendments to the Battle Creek Downtown Development Authority Tax increment Financing and Development Plan are to provide for more and varied uses of tax incremental financing and to identify projects for funding. The boundaries of the downtown district remain unchanged in these amendments. A public hearing is necessary to adopt an ordinance approving the amendments to the proposed development plan.

*(Language drafted in 1992, amended in 2022)*

The Development Plan and Tax Increment Plan are amended as follows:

### **Section I. Introduction**

The introduction contained in the 1979, Development Plan, and the 1987 and 1992 amendments thereto remain unchanged. This amendment to the Development Plan represents the continued rehabilitation and revitalization of the entire downtown development district started by the original ordinance and the amendments thereto.

*(Language drafted in 1992, amended in 2022)*

#### A. Purpose of the Downtown Development Authority

The purpose of the Downtown Development Authority remains unchanged.

*(Language drafted in 1980, amended in 1987)*

#### B. Creation of the Battle Creek Downtown Development Authority and Battle Creek Downtown District

The Battle Creek Downtown District remains unchanged.

*(Language drafted in 1980, amended in 1987)*

#### C. Activities of the Battle Creek Downtown Development Authority

The activities of the Battle Creek Downtown Development Authority continue to expand the renovation and revitalization of the City, and are more fully outlined in the description of DDA projects set out hereafter in Section IV, D.

*(Language drafted in 1980, amended in 1987, 1992 and 2022)*

#### D. Purpose of this Tax Incremental Financing Plan for Battle Creek Downtown Development Area

The purpose of the Tax Incremental Financing Plan remains unchanged.

*(Language drafted in 1980, amended in 1987)*

### **Section II. Development Area**

The development Area encompasses the entire Downtown District, and remains unchanged. A map of the Downtown District is contained in the Attachment Number 1, and a legal description of the Downtown District and Development Area is contained in Attachment Number 2.

*(Language drafted in 1980, amended in 1987 and 2022)*

### **Section III. Development Plan**

Section 125.4217 of the Recodified Tax Incremental Financing Act of 2018, Part 2 Downtown Development Authorities, reproduced in Attachment Number 6 requires that when tax increment financing is used to finance a development a development plan must be prepared containing all of the information required by Section 125.4217. Therefore, this Development Plan will closely follow the requirements mandated by Section 125.4217 and each lettered paragraph will seek to supply the information required in the corresponding lettered paragraph of Section 125.4217.

#### **Section 217 (2)**

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

A map of the Downtown District showing the relationship of the Development Area to highways, streets and streams is contained in the Attachment A, and a legal description of the Downtown District and Development Area is contained in Attachment B.

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

Attachment A fully shows the location and extent of existing streets in the Development Area. The Development Area is primarily zoned for mixed commercial/residential and industrial use. Attachment C is a map of the Development Area showing the zoning. Attachments D and E are maps showing the location of public facilities and land use within the Development Area. The Development Area also includes the necessary public utilities to service mixed commercial/residential and industrial uses. This Development Plan envisions no zoning changes. The Development Plan envisions the construction of facilities which are described hereinafter to be used for commercial, recreation, residential and public purposes.

(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.

All of the proposed projects in the Development Area described in the original development plan and any amendments thereto, are replaced by the projects listed by development subareas as described in Section VI, D.

(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.

The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for all projects in the development area are listed in Section VI, D along with 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.

It is anticipated that all projects proposed by this amendment will replace all projects in the original Development Plan and any amendments thereto. The completion time for projects will depend upon the availability of funding in the year in which the project is commenced. This will be established by the DDA board, after review of projects and available funding during its annual budget setting process.

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

It is anticipated that certain properties adjacent to or in nearby proximity to the channelized portion of the Kalamazoo River within the Authority boundaries, will be purchased and remain open for passive recreation use to support river naturalization. Yet to be determined properties on the north end of Goguac Lake within the Authority boundaries will also be left open to support recreational use and Lake Access as presented in the Columbia Avenue Sub Area Plan in the City's Master Plan.

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

There is no change in this element of the Development Plan.

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

There are no zoning changes contemplated for the Development Area. Streets and utilities will be changed and as necessitated by the needs of the projects hereinafter set out. Generally, streets will be constructed, reconstructed, improved, realigned or closed to improve circulation around or access to project as set out it in Section IV, D.

(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.

Projects and activities outlined in this Plan are proposed to be funded through tax increment revenues and generated from within the DDA boundaries, and through the use of DDA bonds or other municipal bonds to be repaid with tax increment revenues. The estimated costs of the proposed projects are set out with the project descriptions in Section VI, D.

(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.

It is anticipated that certain properties will be leased, sold, or conveyed to persons, natural or corporate during the duration of the Development Plan, however not information regarding a lease, sale or conveyance is available to the authority at this time.

(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.

There is no change in this element of the Development Plan

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

No persons residing in the development area, no individuals and no families are expected to be displaced as a result of the development plan.

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

There is no change in this element of the Development Plan.

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

There is no change in this element of the Development Plan.

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

There is no plan to displace any persons by the Authority.

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

There is no change in this element of the Development Plan.

#### **Section IV. Tax Incremental Financing Plan for the Battle Creek Downtown Development Authority.**

##### **Section 214 (1)**

###### **A. Introduction.**

This Tax Increment Financing Plan is established to make possible the financing, operation, and maintenance of the public improvements necessary or desirable for the development of the Downtown Development Area in accordance with the Development Plan for that area.

###### **B. Detailed explanation of the tax increment procedure.**

**(PENDING)**

C. Maximum amount of bonded indebtedness to be incurred, and the duration of the program.

No additional bond indebtedness is anticipated as part of this amendment.

D. Expenditures for tax incremental revenue.

The tax increment revenues paid to the Authority by the municipal and county treasurers are to be disbursed by the Authority from time to time in such manner as the Authority may deem necessary and appropriate in order to carry out the purposes of the Development Plan, to pay for projects designated in the previous plan and amendments thereto, as well as projects established and approved between Plans and for the projects set forth in this amendment to the Plan.

The Downtown Development Authority proposes to finance projects through the Tax Increment Financing Plan and other available sources of funds authorized by law, including but not limited to any available federal, state or local grants or funds. These projects will stimulate the Development Area's economy by removing substantial obstacles to development and encourage new private capital investment, thus increasing the tax base and creating additional jobs. A complete list of proposed expenditures and improvements, identified by project name and including a project description, location estimated cost and time for completion is provided below.

All of the proposed projects in the Development Area described in the original development plan and any amendments thereto, are replaced by the projects listed in this section.

E. Statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located.

(PENDING)

F. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan.

The plan calls for the use of 100% of captured assess value.

G. Does the tax incremental procedure exclude from captured assessed value growth in property value resulting solely from inflation.

The plans does not call for the exclusion of captured assessed value growth in property value resulting solely from inflation.

H. The plan for excluding growth in property value resulting solely from inflation.

Not applicable.

## DDA Plan Amendment 2022

Development Subarea:	Core Downtown				
Development Focus:	Mixed use development and catalytic projects				
Project	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
Project Development					
McCamly Plaza Hotel renovations	Funding to redesign and construct the connecting infrastructure between McCamly Plaza Hotel and Festival Market Square to support the redevelopment of the Hotel Plaza area.	50 Capital Avenue S.W.	\$250,000.00	2023	MCL 125.4207(1)(c), (g), (i), (m)
K2 Redevelopment	Funding for the design and construction of public parking to support the redevelopment of 67 Michigan Ave. W from office to mixed use residential.	67 W. Michigan Avenue	\$250,000.00	2023	MCL 125.4207(1)(c), (g), (i), (m)
Van Buren lot infill development	Funding for design and construction of public parking and River amenities to support the redevelopment of vacant land for mixed-use residential.	Corner of McCamly Street N. and Van Buren Street W.	\$500,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Riverwalk infill development	Funding for design and construction of public parking and commercial/retail spaces to support the redevelopment of vacant land for mixed-use residential.	38 W. Jackson Street	\$500,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Jackson Street parking lot redesign and resurfacing	Funding for the design and redevelopment of public surface parking.	Corner of Carlyle Street And Michigan Avenue W.	\$250,000.00	2025	MCL 125.4207(1)(c), (g), (i), (m)
General Infrastructure					
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea area.	Public right-of-way throughout the development subarea area.	\$500,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea area.	Public right-of-way throughout the development subarea area.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea area.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea area.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking structures and parking lots including resurfacing, striping and landscaping in the development subarea area.	Existing parking areas throughout the development subarea.	\$300,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for streetscape improvements including, decorative gateways, specialty lighting, plantings, furniture and non-motorized infrastructure.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure including the intermodal transfer center (ITC) to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$75,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for the acquisition, demolition, and redevelopment of property for economic development, as well as acquisition of additional rights-of-way as may be necessary for public purposes.	Throughout the development subarea.	\$800,000.00	2027	MCL 125.4207(1)(h)
Park development	Funding for construction, reconstruction and maintenance and repair of the existing and additional public spaces in the development subarea area.	Existing and new park locations as may be added throughout the development subarea.	\$75,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
River and waterway enhancements	Funding for improving the Battle Creek and Kalamazoo Rivers and adjacent public lands.	Along the Battle Creek and Kalamazoo Rivers within the development subarea.	\$2,000,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Linear path (resurfacing and repair)	Funding for construction, reconstruction and maintenance and repair of the existing and additions to the Linear Path.	Along the existing Linear Path and including any additions within the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$80,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."
<b>Programming</b>					
Debt payments	Funding for Principal and interest payments on existing debt as a result of implementation of prior development plan projects.	Throughout the development subarea.	\$32,411,383.00	2034	Presumably the previous debt was issued for projects in Plan and permitted under DDA statute
Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interest loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$150,000.00	2027	MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."
Food Reimagined (Accelerator)	30 E. Van Buren Street.		\$250,000.00	2027	Need more information on this

Downtown Policing	Funding for a contract with the city to provide a patrol officer to the development subarea area.	Throughout the development subarea.	\$600,000.00	2027	MCL 125.4207(1)(g)
Downtown Maintenance	Funding for year-round routine maintenance and beautification of the downtown including mowing, landscaping, fertilizing, irrigation, flag operation, trash collection, and snow/ice control.	Public spaces throughout the development subarea.	\$4,500,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Real Estate and façade improvement programs	Funding for an exterior façade matching grant program.	Business locations within the development subarea.	\$75,000.00	2027	MCL 125.4207(1)(q) - Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
Business incubation	Funding for on going facility support (e.g. rent, facility improvements, signage, landscaping, programming and marketing) for the city sponsored BC Cargo Shops and Kitchen retail incubator located at 80 Michigan Avenue W. along with additional projects as they develop.	Corner of McCamly Street S. and Hamblin Avenue W., 80 Michigan Avenue W., and other locations within the development subarea as may be identified.	\$75,000.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district
<b>Marketing and Events</b>					
General subarea marketing	Funding for general marketing for the development subarea include a summer event brochure, week social media postings, website information, event marketing and retail business promotion.	Throughout the sub development area.	\$87,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including Q the Creek, disc golf, kayaking on the Battle Creek River and others to market and support the subarea	Throughout the development subarea.	\$25,000.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district
CCDC operating support	Funding for general operating support for programming at Kellogg Arena, Festival Market Square and at various Parks and open spaces to market and support the subarea	Kellogg Arena, Festival Market Square, Friendship Park and other locations to be determined.	\$1,850,000.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

Development Subarea:	South End				
Development Focus:	River Restoration				
Project	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
Project Development					
Dickman Rd realignment	Funding for the realignment of Dickman Rd between Division and McCamly Street to allow for the expansion and naturalization of the channelized portion of the Kalamazoo River.	Dickman Rd between Division and McCamly Street	\$300,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
McCamly/Capital SW roundabout	Funding for the removal of the Capital Avenue S.W. and McCamly bridge crossings over the Kalamazoo River to allow for the construction of a combined roundabout River crossing .	Capital Avenue S.W. and McCamly Street from the railroad tracks to Dickman Rd.	\$400,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fountain Bridge removal	Funding for the removal of the Fountain Street bridge crossing over the Kalamazoo River.	Fountain Street at Dickman Road.	\$200,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
McCamly/Capital SW realignment	Funding for the realignment of Capital Avenue S.W. and McCamly to service a new roundabout to allow for the expansion and naturalization of the channelized portion of the Kalamazoo River.	Capital Avenue S.W. and McCamly Street from the railroad tracks to Dickman Rd.	\$200,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Mill Pond dam removal	Funding for the removal of the dam located in the lower Mill Pond.	Lower Mill Pond at Dickman Road and Division Street.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Kalamazoo River naturalization	Funding for the naturalization of the channelized portion of the Kalamazoo River include expanding the current footprint.	Kalamazoo River between Dickman Road and Washington Avenue.	\$1,000,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property Acquisition and Development					
CSE Morese	Funding for the acquisition of property.	Parcel number 0612-29-222-0	\$400,000.00	2022	MCL 125.4207(1)(g) and (h)
Econo Lodge	Funding for the acquisition of property.	Parcel number: 8630-10-001-0	\$285,000.00	2023	MCL 125.4207(1)(g) and (h)
Pancake House	Funding for the acquisition of property.	Parcel number 8630-10-002-0	\$220,000.00	2024	MCL 125.4207(1)(g) and (h)
Horrocks	Funding for contracts to expand the existing fiber optic network in the development subarea area.	A portion of parcel number 9250-00-001-0	\$25,000.00	2024	MCL 125.4207(1)(g) and (h)
Farm Bureau	Funding for the acquisition of property.	A portion of parcel number 0390-00-173-0	\$25,000.00	2025	MCL 125.4207(1)(g) and (h)
SEMCO	Funding for the acquisition of property.	Parcel numbers 3140-00-041-0, 0612-28-651-0 and 3140-00-037-0.	\$150,000.00	2025	MCL 125.4207(1)(g) and (h)
Misc.	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure including the intermodal transfer center (ITC) to create attractive, place based transportation connections.	Certain parcels adjacent to the channelized section of the Kalamazoo River.	\$75,000.00	2027	MCL 125.4207(1)(g) and (h)
General Infrastructure					
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea.	Public right-of-way throughout the development subarea.	\$40,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea.	Public right-of-way throughout the development subarea.	\$100,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea.	Public right-of-way throughout the development subarea.	\$100,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking lots including resurfacing, striping and landscaping in the development subarea.	Existing parking areas throughout the development subarea.	\$250,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for streetscape improvements including, decorative gateways, specialty lighting, plantings, furniture and non-motorized infrastructure.	Public right-of-way throughout the development subarea.	\$100,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for the acquisition, demolition, and redevelopment of property for economic development, as well as acquisition of additional rights-of-way as may be necessary for public purposes.	Throughout the development subarea.	\$100,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Park development	Funding for construction, reconstruction and maintenance and repair of the existing and additional public spaces in the development subarea.	Existing and new park locations as may be added throughout the development subarea.	\$500,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Linear path (resurfacing and repair)	Funding for construction and additions to the Linear Path.	Along the Kalamazoo River and including any additions within the development subarea.	\$200,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$60,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."

#### Programming

Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interest loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$45,000.00	2027	<p>MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."</p>
Marketing and Events					
General subarea marketing	Funding for general marketing for the development subarea including printed materials, social media postings, website content, event marketing and business promotion.	Throughout the development subarea.	\$26,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including holiday celebrations, festivals, block parties, etc. to market and support the subarea	Throughout the development subarea.	\$7,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

Development Subarea:	West End				
Development Focus:	Village Reemergence Plan /Youth Village				
Project General Infrastructure	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea.	Public right-of-way throughout the development subarea.	\$250,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea.	Public right-of-way throughout the development subarea.	\$100,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea.	Public right-of-way throughout the development subarea.	\$200,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea.	Public right-of-way throughout the development subarea.	\$150,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking lots including resurfacing, striping and landscaping in the development subarea.	Existing parking areas throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for streetscape improvements including, decorative gateways, specialty lighting, plantings, furniture and non-motorized infrastructure.	Public right-of-way throughout the development subarea.	\$200,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for the acquisition, demolition, and redevelopment of property for economic development, as well as acquisition of additional rights-of-way as may be necessary for public purposes.	Throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Park development	Funding for construction, reconstruction and maintenance and repair of the existing and additional public spaces in the development subarea.	Existing and new park locations as may be added throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
River and waterway enhancements	Funding for improving the Battle Creek and Kalamazoo Rivers and adjacent public lands.	Along the Battle Creek and Kalamazoo Rivers within the development subarea.	\$300,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Linear path (resurfacing and repair)	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Along the Kalamazoo River and including any additions within the development subarea.	\$100,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$40,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."
Programming					
Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interests loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$45,000.00	2027	MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."
Marketing and Events					
General subarea marketing	Funding for general marketing for the development subarea including printed materials, social media postings, website content, event marketing and business promotion.	Throughout the development subarea.	\$26,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including holiday celebrations, festivals, block parties, etc. to market and support the subarea	Throughout the development subarea.	\$7,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

## DDA Plan Amendment 2022

Development Subarea:	Near Northside				
Development Focus:	Neighborhood business/green space				
Project	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
General Infrastructure					
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea.	Public right-of-way throughout the development subarea.	\$40,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking lots including resurfacing, striping and landscaping in the development subarea.	Existing parking areas throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for streetscape improvements including, decorative gateways, specialty lighting, plantings, furniture and non-motorized infrastructure.	Public right-of-way throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$5,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for the acquisition, demolition, and redevelopment of property for economic development, as well as acquisition of additional rights-of-way as may be necessary for public purposes.	Throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Park development	Funding for construction, reconstruction and maintenance and repair of the existing and additional public spaces in the development subarea.	Existing and new park locations as may be added throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
River and waterway enhancements	Funding for improving the Battle Creek and Kalamazoo Rivers and adjacent public lands.	Along the Battle Creek and Kalamazoo Rivers within the development subarea.	\$25,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Linear path (resurfacing and repair)	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Along the Kalamazoo River and including any additions within the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."
Programming					
Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interest loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."
Real Estate and façade improvement programs	Funding for an exterior façade matching grant program.	Business locations within the development subarea.			MCL 125.4207(1)(q) - Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
Marketing and Events					
General subarea marketing	Funding for general marketing for the development subarea including printed materials, social media postings, website content, event marketing and business promotion.	Throughout the development subarea.	\$8,750.00	2027	MCL 125.4207(1)(n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including holiday celebrations, festivals, block parties, etc. to market and support the subarea	Throughout the development subarea.	\$2,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

## DDA Plan Amendment 2022

Development Subarea:	East End				
Development Focus:	Neighborhood business/green space				
Project	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
General Infrastructure					
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea.	Public right-of-way throughout the development subarea.	\$40,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking lots including resurfacing, striping and landscaping in the development subarea.	Existing parking areas throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for streetscape improvements including, decorative gateways, specialty lighting, plantings, furniture and non-motorized infrastructure.	Public right-of-way throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$5,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for the acquisition, demolition, and redevelopment of property for economic development, as well as acquisition of additional rights-of-way as may be necessary for public purposes.	Throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Park development	Funding for construction, reconstruction and maintenance and repair of the existing and additional public spaces in the development subarea.	Existing and new park locations as may be added throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
River and waterway enhancements	Funding for improving the Battle Creek and Kalamazoo Rivers and adjacent public lands.	Along the Battle Creek and Kalamazoo Rivers within the development subarea.	\$25,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Linear path (resurfacing and repair)	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Along the Kalamazoo River and including any additions within the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."
Programming					
Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interest loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."
Real Estate and façade improvement programs	Funding for an exterior façade matching grant program.	Business locations within the development subarea.			MCL 125.4207(1)(q) - Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
Marketing and Events					
General subarea marketing	Funding for general marketing for the development subarea including printed materials, social media postings, website content, event marketing and business promotion.	Throughout the development subarea.	\$8,750.00	2027	MCL 125.4207(1)(n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including holiday celebrations, festivals, block parties, etc. to market and support the subarea	Throughout the development subarea.	\$2,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

## DDA Plan Amendment 2022

Development Subarea:	Capital Avenue S.W.				
Development Focus:	Commercial corridor and medium density housing				
Project	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
Project Development					
Corridor sub area plan	Funding for the development of a subarea plan to guide future growth and investment.	Along the Capital Avenue S.W. corridor within the development subarea.	\$100,000.00	2023	MCL 125.4207(1)(a), (b), (e) and (f)
Housing development	Funding for low interest loans for improvements to existing buildings located in the development subarea, including facade improvements, ADA infrastructure, architectural features, etc. to make them marketable for sale or lease.	Along the Capital Avenue S.W. corridor within the development subarea.	\$500,000.00	2027	MCL 125.4207(1)(q) - "Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board." - Need more information
Corridor maintenance	Funding for general public right-of-way maintenance including weed treatment, trash removal and mowing.	Along the Capital Avenue S.W. corridor within the development subarea.	\$25,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
General Infrastructure					
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea.	Public right-of-way throughout the development subarea.	\$40,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking lots including resurfacing, striping and landscaping in the development subarea.	Existing parking areas throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$5,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for the acquisition, demolition, and redevelopment of property for economic development, as well as acquisition of additional rights-of-way as may be necessary for public purposes.	Throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Park development	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure including the intermodal transfer center (ITC) to create attractive, place based transportation connections.	Existing and new park locations as may be added throughout the development subarea.	\$75,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
River and waterway enhancements	Funding for improving the Battle Creek and Kalamazoo Rivers and adjacent public lands.	Along the Battle Creek and Kalamazoo Rivers within the development subarea.	\$25,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Linear path (resurfacing and repair)	Funding for construction and additions to the Linear Path.	Along the Kalamazoo River and including any additions within the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."
Programming					
Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interest loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."
Real Estate and façade improvement programs	Funding for an exterior façade matching grant program.	Business locations within the development subarea.			MCL 125.4207(1)(q) - Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
Marketing and Events					
General subarea marketing	Funding for general marketing for the development subarea including printed materials, social media postings, website content, event marketing and business promotion.	Throughout the development subarea.	\$8,750.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including holiday celebrations, festivals, block parties, etc. to market and support the subarea	Throughout the development subarea.	\$2,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

## DDA Plan Amendment 2022

Development Subarea:	Columbia Ave. Lakefront				
Development Focus:	Lake Access and Resort Living				
Project	Description	Location	Estimated Cost*	Time for Completion*	Statutory Authority
Project Development					
Columbia Avenue Subarea Plan	Funding to support the implementation of the Columbia Avenue subarea plan including improvements to the public boat launch, mixed-use commercial and residential development, multifamily residential, a public beach, boat slips and docks.	Columbia Avenue W. along the north end of Goguac Lake between Capital Avenue S.W. and LA Vista Boulevard within the development subarea.	\$500,000.00	2023	MCL 125.4207(1)(c), (g), (i), (m)
<b>General Infrastructure</b>					
Streets	Funding for construction, reconstruction, closing, realignment and improvement of streets including curb and gutter and striping in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Sidewalks	Funding for construction, reconstruction, realignment and improvement of sidewalks in the development subarea.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Utilities	Funding for constructing, reconstructing, relocating, adding or improving sanitary sewers and water mains in the development subarea.	Public right-of-way throughout the development subarea.	\$40,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Stormwater	Funding for constructing, reconstructing, adding or improving stormwater infrastructure in the development subarea.	Public right-of-way throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Fiber	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Public right-of-way throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(o) permits "Contract for broadband service and wireless technology service in the downtown district."
Parking (construction, resurfacing, striping)	Funding for construction, reconstruction, maintenance and improvement of public parking lots including resurfacing, striping and landscaping in the development subarea.	Existing parking areas throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Streetscape	Funding for streetscape improvements including, decorative gateways, specialty lighting, plantings, furniture and non-motorized infrastructure.	Public right-of-way throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Public Transportation	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure to create attractive, place based transportation connections.	Existing public transportation locations throughout the development subarea.	\$5,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Property acquisition and development	Funding for contracts to expand the existing fiber optic network in the development subarea area.	Throughout the development subarea.	\$35,000.00	2027	MCL 125.4207(1)(h)
Park development	Funding for construction, reconstruction and maintenance and repair of the existing and additional public spaces in the development subarea.	Exiting and new park locations as may be added throughout the development subarea.	\$50,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
River and waterway enhancements	Funding for improving the Battle Creek and Kalamazoo Rivers and adjacent public lands.	Along the Battle Creek and Kalamazoo Rivers within the development subarea.	\$25,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)

Linear path (resurfacing and repair)	Funding to support the replacement and repair of public transportation bus stops, shelters and other infrastructure including the intermodal transfer center (ITC) to create attractive, place based transportation connections.	Along the Kalamazoo River and including any additions within the development subarea.	\$75,000.00	2027	MCL 125.4207(1)(c), (g), (i), (m)
Environmental assessment	Funding to provide for Phase I and II environmental assessment as well as the preparation of due care plans, etc. as needed for development projects.	Target development projects throughout the development subarea.	\$10,000.00	2027	MCL 125.4207(1)(g), (h) and (m) (if publicly owned land and public facilities); if privately-owned property, arguably permitted under MCL 125.4207(1)(i) - "Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them."
<b>Programming</b>					
Small Business Development	Funding for small business development support including business liaison services, small business incentives (e.g. grants and low interest loans for architectural drawings, code review, design and engineering, fire suppression, building rental, technical assistance, operations and marketing).	Throughout the development subarea.	\$15,000.00	2027	MCL 125.4207(1)(r) permits a DDA to "Create, operate, and fund retail business incubators in the downtown district." But, must comply with MCL 125.4207(2): "the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following: (a) The lease or rental rate that may be below the fair market rate as determined by the board. (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months. (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district. (d) A copy of the business plan of the tenant that contains measurable goals and objectives. (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board."
Real Estate and façade improvement programs	Funding for an exterior façade matching grant program.	Business locations within the development subarea.			MCL 125.4207(1)(q) - Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
<b>Marketing and Events</b>					
General subarea marketing	Funding for general marketing for the development subarea including printed materials, social media postings, website content, event marketing and business promotion.	Throughout the development subarea.	\$8,750.00	2027	MCL 125.4207(1)(n) - that benefit only retail and general marketing of the downtown district
Event programming	Funding for ongoing support for various city sponsored events including holiday celebrations, festivals, block parties, etc. to market and support the subarea	Throughout the development subarea.	\$2,500.00	2027	MCL 125.4207(1)(e), (g), and (n) - that benefit only retail and general marketing of the downtown district

\* Estimated costs and ranges reflect the best information available at the time of plan development and are subject to change.

**DDA Plan Amendment 2022**

Development Subarea: All  
Development Focus: All

**Project Total(s) by Subarea**

Core Downtown	\$45,903,883.00
South End	\$4,934,000.00
West End	\$1,629,000.00
Near Northside	\$376,250.00
East End	\$376,250.00
Capital Avenue S.W.	\$1,026,250.00
Columbia Avenue Lakefront	\$936,250.00
Total Project Cost (All Subareas)	\$55,181,883.00
Debt Service	\$32,411,383.00



Prepared by Houseal Lavigne Associates



7. Sidewalk extensions along the corridor should help create a complete sidewalk network which supports walkability and pedestrian access.
8. The existing boat launch should support increased water-based recreation as access to the waterfront is increased.
9. An expanded parking area for the boat launch should allow greater waterfront access and can accommodate boat trailers.
10. Mixed-use developments can provide waterfront dining and entertainment opportunities as well as housing.
11. Larger, multi-story professional offices could increase job opportunities along the Corridor and create a day-time population.
12. A public beach could provide waterfront recreation that is readily accessible to the Battle Creek community, allowing greater public access to Lake Goguac.
13. Commercial development should be consistent with recommendations from the Corridor Commercial Place Type.
14. A rear access roadway would improve circulation and help minimize congestion created by drivers turning off of and onto Columbia Avenue.
15. Multi-family developments provide higher density residential that capitalizes on access and views of the Lake Goguac waterfront.
16. A waterfront plaza could provide public space to support community gathering, social interactions, and pedestrian activity within the area.
17. Existing boat slips and docks should be incorporated within redevelopment to continue providing recreation opportunities for Battle Creek residents.
18. A new roadway connecting Columbia Avenue to the waterfront would allow greater access to Lake Goguac and potential public areas along the waterfront. In addition, investment along the roadway could provide a higher density pedestrian area that utilizes the lake as a picturesque terminal vista.



# REDEVELOPMENT CONCEPT

The intersection of Capital Avenue and Columbia Avenue, two of Battle Creek's highest traffic corridors, is one of the busiest intersections in the City. Surrounded by many of Battle Creek's core neighborhoods and adjacent to Lake Goguac, a key community asset, this area could be an important node and pedestrian friendly neighborhood center. However, existing development is largely auto-oriented and access to the waterfront is disrupted by private development. The following visualization was developed to build upon and extend the recommendations of the Battle Creek Master Plan to this key area of the City. This includes direction regarding several underutilized and vacant parcels in the area, roadway alignments and right-of-way improvements to enhance connectivity and walkability, and potential investment to help activate the area and allow greater public access to Lake Goguac.