



# **CITY OF PORTAGE DOWNTOWN DEVELOPMENT AUTHORITY**

**2020 Amended Development Plan/  
Tax Increment Finance Plan**

**Phase IV Development Agreement**

EXHIBIT A

**2020 Amended Tax Increment Finance Plan  
/2020 Amended Development Plan**

**City of Portage  
Downtown Development Authority**

April 23, 2020

**Department of Community  
Development**

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## **PART I: DEVELOPMENT PLAN**

**A. DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA IN  
RELATION TO HIGHWAYS, STREETS, STREAMS, OR OTHERWISE.**

The property to which the Development Plan applies is the north portion of the South Westnedge Avenue Commercial Corridor in the City of Portage. The area includes approximately 97 acres of land and is bounded by Kilgore Road on the north, the city of Kalamazoo wellfield to the west, I-94 to the south and the business zoning districts to the east of South Westnedge Avenue on the east.

The legal description of the boundaries of the development area is attached hereto as Appendix 1 and included in this appendix is a map showing the area.

B. THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA AND DESIGNATION OF THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES NOW EXISTING AND PROPOSED FOR THE RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES AND A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

See Appendix 1, Legal Description and DDA District Map

See Appendix 2, Existing Street, Water and Sewer Map

See Appendix 3, Existing Land Use Map

See Appendix 4, Future Land Use Map

C. 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.

**1998** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
INFRASTRUCTURE IMPROVEMENT PROJECTS (COMPLETED)

	<u>Original Estimated Time Required for Completion</u>	<u>Original Estimated Cost</u>
<u>Roadway Improvements</u>		
1. Andy Avenue Extension	12 months	\$487,000
Construct a new 1400 feet long and thirty-six foot wide public street intersecting South Westnedge Avenue at the Andy Avenue signalized intersection, with necessary storm water facilities. Repave 1000 feet of DeHaan Street with intersection improvements at South Westnedge Avenue.		
2. DeHaan Drive Sanitary Sewer Relocation	12 months	\$307,000
Relocate approximately 2100 feet of existing sanitary sewer trunk main located west of DeHaan Drive to the south, paralleling the I-94 right-of-way.		
3. South Westnedge Avenue Property Acquisition	12 Months	\$850,000

Purchase the property addressed along South Westnedge Avenue and DeHaan Drive which is necessary for the extension of Andy Avenue.

Note: Additional right-of-way and/or easements was provided by property owners for minimal consideration in order to construct the necessary public street and to relocate the sanitary sewer.

With regard to the identified projects, the Andy Avenue extension (renamed to be Market Place) and repaving of DeHaan Drive (renamed Trade Centre Way) was completed in 1999. The DeHaan Drive sanitary sewer relocation was subsequently completed in 1999. Finally, after lengthy litigation concerning the acquisition of land necessary for the construction of Market Place, the acquisition was completed in 2001. Bonds were subsequently sold in 2001 in the amount of \$3,100,000 to finance street improvements of \$521,342; sanitary sewer relocation of \$292,429; and property acquisition of \$2,286,229. (Lead underwriter is Morgan Stanley Dean Witter).

**2003** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - (COMPLETED)

Not applicable to the 2003 amendment because there were no existing improvements in the development area to be demolished, repaired, or altered.

**2011** AMENDED DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
(COMPLETED)

Widening (repair; alteration) of South Westnedge Avenue to facilitate safe and efficient traffic flow will be accomplished. Water main replacement activities are planned as part of the public infrastructure work.

The realignment of a portion of Trade Centre Way and West Fork Crossing intersection (repair; alteration) is planned to ensure safe and efficient traffic flow. This alteration will necessitate street and utility removal and reconstruction and cooperation between the City of Portage and the State of Michigan regarding right-of-way and subsequent construction actions will be necessary.

The 2011 activities are explained in the following sections D and E.

**2020** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - PUBLIC  
INFRASTRUCTURE IMPROVEMENT PROJECTS (Proposed)

	Estimated time Required for Completion	Estimated Cost
1. Storm Water Retention Basin Demolition.	6-24 months	\$161,778
Demolition and removal of storm water pond and drainage system, removal of pond liner, removal of infrastructure piping to be abandoned. Soil removal, soil addition, site balancing and compaction.		
2. Storm Water Retention Basin Construction	6-24 months	\$422,112
Design, engineering, soil testing, surveying, and staking to facilitate construction of a new public storm water pond and drainage system. Includes site clearing, dewatering, excavation, soil removal and additions, soil balancing, new pond liner, rip rap, relocation and connection of piping infrastructure, water main utility work, compaction and seeding.		
3. Removal of Trade Center Way (portion thereof)	6-24 months	\$69,338
Removal of concrete curbing, sidewalk, asphalt in the public right of way involving the cul-de-bulb of Trade Center Way.		
4. Transfer of property	6 months	N/A
Transfer of property between the City of Portage and developer involving a portion of 850 Trade Center Way (city-owned) and 950 Trade Center Way (developer-owned)		
The preliminary site plan and property exchange/ property line adjustments are further described on Page 24 and illustrated in Appendix 5 and Appendix 6, respectively.		

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.

**1998** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
INFRASTRUCTURE IMPROVEMENT PROJECTS (COMPLETED)

	<u>Estimated Time Required for Completion</u>	<u>Estimated Cost</u>
<u>Public Improvements</u>		
1. Andy Avenue Extension	12 months	\$487,000
Construct a new 1400 feet long and thirty-six foot wide public street intersecting South Westnedge Avenue at the Andy Avenue signalized intersection, with necessary storm water facilities. Repave 1000 feet of DeHaan Street with intersection improvements at South Westnedge Avenue.		
2. DeHaan Drive Sanitary Sewer Relocation	12 months	\$307,000
Relocate approximately 2100 feet of existing sanitary sewer trunk main located west of DeHaan Drive to the south, paralleling the I-94 right-of-way.		
3. South Westnedge Avenue Property Acquisition	12 Months	\$850,000
Purchase the property addressed along South Westnedge Avenue and DeHaan Drive which is necessary for the extension of Andy Avenue.		

Note: Additional right-of-way and/or easements will be provided by property owners for minimal consideration in order to construct the necessary public street and to relocate the sanitary sewer.

With regard to the identified projects, the Andy Avenue extension (Market Place) and repaving of DeHaan Drive (Trade Centre Way) was completed in 1999. The DeHaan Drive sanitary sewer relocation was subsequently completed in 1999. Finally, after lengthy litigation concerning the acquisition of land necessary for the construction of Market Place, the acquisition was completed in 2001. Bonds were subsequently sold in 2001 in the amount of \$3,100,000 to finance street improvements of \$521,342; sanitary sewer relocation of \$292,429; and property acquisition of \$2,286,229. (Lead underwriter is Morgan Stanley Dean Witter).

**2003** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - PROPERTY ACQUISITION AND PUBLIC IMPROVEMENT PROJECTS (COMPLETED)

	<u>Estimated Time Required for Completion</u>	<u>Estimated Cost</u>
<u>Public Improvements</u>		
1. The acquisition of 5.44 acres of land for public street right-of-way and stormwater retention	Fall 2003\$	\$909,000
2. The construction of an approximate 2200-foot long, 36-foot wide public cul-de-sac street, with pavement, curb and gutter, sidewalk, conduit for the installation of telecommunications fibre, street lighting and landscaping	Fall 2003/ Spring 2004	\$689,000
3 The construction of public water main from the Milham Well Field to the DDA under I-94, to be looped with public water utilities in Holiday Lane	Fall 2003/ Spring 2004	\$300,000
4. To facilitate "way finding" by customers from South Westnedge and West Fork Crossing the financing and construction of identification sign at South Westnedge and orientation sign at West Fork Crossing	Summer 2004	\$30,000
5. The acquisition of 2.81 acres of land in the DeHaan Drive and West Fork Crossing vicinity of the DDA for stormwater or other public use	2004	\$500,000
6. The annual maintenance, monitoring Of the retention facility mitigation facility	Annually (Not Bonded)	\$5,000 (\$100,000 over 20 yrs.)

Note: The public right-of-way and stormwater retention area to be purchased by the City of Portage through the DDA is shown on the accompanying map and is generally situated adjacent to and lying immediately north of I-94.

**2011** AMENDED DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
PROPERTY ACQUISITION AND PUBLIC IMPROVEMENT PROJECTS (Completed)

To further encourage private sector investment and the further development within the DDA and along South Westnedge Avenue when the DDA was established in 1998, public street, stormwater, and water main replacement projects identified in the South Westnedge Enhancement Projects (SWEPS) program are planned.

Additionally, to foster new private sector investment and the development of office, motel/accommodations, restaurant/retail and office uses in the Trade Centre that was also envisioned when the DDA was established, eligible activities will be financed and constructed as part of the 2011 amended DDA Tax Increment Finance Plan / Development Plan.

The following public improvements and projects are proposed:

	<u>Estimated Time Required for Completion</u>	<u>Estimated Cost</u>
<u>Public Improvements</u>		
1. SWEPS project improvements:		
a) The widening of portions of South Westnedge Avenue from north of Market Place to Kilgore Road including related land acquisition, design, and street and utility construction activities.	FY2018/FY2020	\$1,250,000
b) Traffic signal upgrades, overhead utility relocation activities, and access management activities along South Westnedge Avenue in the DDA district to facilitate safe and efficient traffic flow.		
2. Agreement to Purchase. The City agrees to purchase approximately 8,400 sq. ft. from the Developer to be used for public roadway purposes. Closing on the sale shall occur at a mutually agreeable time but not later than FY2011. At closing Developer agrees to provide City a Special Warranty Deed conveying title to such property, a survey showing the location of such property and an owner's policy of title insurance in the amount of the purchase price of such property.	FY2011	\$191, 623
3. Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements:	FY2011	\$1,148,377
a) Trade Centre Way will be realigned and improved from South Westnedge Avenue west 900 feet to just west of West Fork Crossing.		

(3. continued)

The realignment will include curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction.

- b) West Fork Crossing will be realigned and improved to intersect with realigned Trade Centre Way easterly of the existing street intersection. The realignment and improvement will match existing West Fork Crossing street cross section characteristics. Private storm drainage will be relocated to adjacent property.
  
- b) The Trade Centre Way and West Fork Crossing intersection will be reconstructed incorporating additional right-of-way from the State of Michigan. The intersection improvement will match existing Trade Centre Way and West Fork Crossing cross section characteristics. Excess public street right-of-way not necessary for reconstruction of Trade Centre Way and West Fork Crossing shall be vacated or disposed of by the City. Former State of Michigan right-of-way will be retained by the City for transportation purposes.
  
- c) A portion of South Westnedge Avenue south of Trade Centre Way will be reconstructed to Facilitate left turn-in and right turn-in movements from South Westnedge Avenue to Trade Centre Way and right turnout movements from Trade Centre Way to South Westnedge Avenue. The improvements will match existing South Westnedge Avenue cross section characteristics.

Note: The Costs To Be Paid By City of Portage of this 2011 Plan Amendment, includes the:

- 1. SWEPS project improvements; and
- 2. The Phase III Development Agreement with Trade Center Holdings, LLC and includes a planned land purchase and Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements contemplated to facilitate private investment to be accomplished by Trade Center Holdings, LLC.

**2020** AMENDED DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
PROPERTY EXCHANGE AND PUBLIC IMPROVEMENT PROJECTS (PROPOSED)

**SEE EXPLANATIONS ON PAGE 12**

E. **A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.**

**1998** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
INFRASTRUCTURE IMPROVEMENT PROJECTS (COMPLETED)

	<u>Estimated Time Required for Completion</u>	<u>Estimated Cost</u>
<u>Roadway Improvements</u>		
1. Andy Avenue Extension	12 months	\$487,000
Construct a new 1400 feet long and thirty-six foot wide public street intersecting South Westnedge Avenue at the Andy Avenue signalized intersection, with necessary storm water facilities. Repave 1000 feet of DeHaan Street with intersection improvements at South Westnedge Avenue.		
2. DeHaan Drive Sanitary Sewer Relocation	12 months	\$307,000
Relocate approximately 2100 feet of existing sanitary sewer trunk main located west of DeHaan Drive to the south, paralleling the I-94 right-of-way.		
3. South Westnedge Avenue Property Acquisition	12 Months	\$850,000
Purchase the property addressed along South Westnedge Avenue and DeHaan Drive which is necessary for the extension of Andy Avenue.		

Note: Additional right-of-way and/or easements will be provided by property owners for minimal consideration in order to construct the necessary public street and to relocate the sanitary sewer.

With regard to the identified projects, the Andy Avenue extension (Market Place) and repaving of DeHaan Drive was completed in 1999. The DeHaan Drive sanitary sewer relocation was subsequently completed in 1999. Finally, after lengthy litigation concerning the acquisition of land necessary for the construction of Market Place, the acquisition was completed in 2001. Bonds were subsequently sold in 2001 in the amount of \$3,100,000 to finance street improvements \$521,342; sanitary sewer relocation \$292,429; and property acquisition \$2,286,229). (Lead underwriter is Morgan Stanley Dean Witter).

**2003** DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN - PROPERTY ACQUISITION AND PUBLIC IMPROVEMENT PROJECTS (COMPLETED)

	<u>Estimated Time Required for Completion</u>	<u>Estimated Cost</u>
<u>Public Improvements</u>		
1. The acquisition of 5.44 acres of land for public street right-of-way and stormwater retention	Fall 2003\$	\$909,000
2. The construction of an approximate 2200-foot long, 36-foot wide public cul-de-sac street, with pavement, curb and gutter, sidewalk, conduit for the installation of telecommunications fibre, street lighting and landscaping	Fall 2003/ Spring 2004	\$689,000
3. The construction of public water main from the Milham Well Field to the DDA under I-94, to be looped with public water utilities in Holiday Lane	Fall 2003/ Spring 2004	\$300,000
4. To facilitate "way finding" by customers from South Westnedge and West Fork Crossing the financing and construction of identification sign at South Westnedge and orientation sign at West Fork Crossing	Summer 2004	\$30,000
5. The acquisition of 2.81 acres of land in the DeHaan Drive and West Fork Crossing vicinity of the DDA for stormwater or other public use	2004	\$500,000
6. The annual maintenance, monitoring Of the retention facility mitigation facility	Annually (Not Bonded)	\$5,000 (\$100,000 over 20 yrs.)

Note: The public right-of-way and stormwater retention area to be purchased by the City of Portage through the DDA is shown on the accompanying map and is generally situated adjacent to and lying immediately north of I-94.

**2011 AMENDED DDA TAX INCREMENT FINANCE PLAN / DEVELOPMENT PLAN -  
PROPERTY ACQUISITION AND PUBLIC IMPROVEMENT PROJECTS (Completed)**

To further encourage private sector investment and the further development within the DDA and along South Westnedge Avenue when the DDA was established in 1998, public street, stormwater, and water main replacement projects identified in the South Westnedge Enhancement Projects (SWEPS) program are planned.

Additionally, to foster new private sector investment and the development of office, motel/accommodations, restaurant/retail and office uses in the Trade Centre that was also envisioned when the DDA was established, eligible activities will be financed and constructed as part of the 2011 amended DDA Tax Increment Finance Plan / Development Plan.

The following public improvements and projects are proposed:

<u>Public Improvements</u>	<u>Estimated Time Required for Completion</u>	<u>Estimated Cost</u>
1. SWEPS project improvements:		
c) The widening of portions of South Westnedge Avenue from north of Market Place to Kilgore Road including related land acquisition, design, and street and utility construction activities.	FY2018/FY2020	\$1,250,000
d) Traffic signal upgrades, overhead utility relocation activities, and access management activities along South Westnedge Avenue in the DDA district to facilitate safe and efficient traffic flow.		
2. Agreement to Purchase. The City agrees to purchase approximately 8,400 sq. ft. from the Developer to be used for public roadway purposes. Closing on the sale shall occur at a mutually agreeable time but not later than FY2011. At closing Developer agrees to provide City a Special Warranty Deed conveying title to such property, a survey showing the location of such property and an owner's policy of title insurance in the amount of the purchase price of such property.	FY2011	\$191, 623
3. Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements:		
a) Trade Centre Way will be realigned and improved from South Westnedge Avenue west 900 feet to just west of West Fork Crossing.	FY2011	\$1,148,377

(3. continued)

The realignment will include curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction.

- b) West Fork Crossing will be realigned and improved to intersect with realigned Trade Centre Way easterly of the existing street intersection. The realignment and improvement will match existing West Fork Crossing street cross section characteristics. Private storm drainage will be relocated to adjacent property.
- c. The Trade Centre Way and West Fork Crossing intersection will be reconstructed incorporating additional right-of-way from the State of Michigan. The intersection improvement will match existing Trade Centre Way and West Fork Crossing cross section characteristics. Excess public street right-of-way not necessary for reconstruction of Trade Centre Way and West Fork Crossing shall be vacated or disposed of by the City. Former State of Michigan right-of-way will be retained by the City for transportation purposes.
- d) A portion of South Westnedge Avenue south of Trade Centre Way will be reconstructed to Facilitate left turn-in and right turn-in movements from South Westnedge Avenue to Trade Centre Way and right turnout movements from Trade Centre Way to South Westnedge Avenue. The improvements will match existing South Westnedge Avenue cross section characteristics.

Note: The Costs To Be Paid By City of Portage of this 2011 Plan Amendment, includes the:

- 3. SWEPS project improvements; and
- 4. The Phase III Development Agreement with Trade Center Holdings, LLC and includes a planned land purchase and Trade Centre Way/West Fork Crossing/South Westnedge Avenue improvements contemplated to facilitate private investment to be accomplished by Trade Center Holdings, LLC.

F. A DESCRIPTION OF ANY PARTS OF THE DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE.

Not Applicable

- 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.

**2011** PLAN AMENDMENT (COMPLETED)

The public facilities to be constructed and acquired by the issuance of bonds in this 2020 Plan Amendment by the Authority will be retained and/or transferred to the City of Portage. The public facilities will be constructed and acquired by the city, using as revenues to retire bonds to be issued by the city, payments from the Authority to the city, which will be provided for in a contract between the city and the Authority.

## **2020 PLAN AMENDMENT (PROPOSED)**

In order to facilitate development of the proposed hotel, an exchange of land needs to occur between the City of Portage and 750 Trade Centre, LLC, 850 Trade Centre, LLC and 950 Trade Centre, LLC (collectively the "Developer"). As such, the City of Portage will transfer to the Developer the southern .73 acres of 850 Trade Centre Way. The City of Portage will retain the northern portion of this parcel of land. The Developer will transfer to the City of Portage the northern .87 acres of 950 Trade Centre Way. The .87 acres transferred to the City of Portage will then be combined to the northern portion of 850 Trade Centre Way retained by the city. The existing storm water retention basin will be located to this new parcel of land. The Developer will convey to the City of Portage an easement to access this new storm water retention basin location.

Included with the property transfer is removal of the northern approximate one-half of the Trade Centre Way cul-de-sac turnaround area. In exchange for this land area, the Developer will provide to the City of Portage an easement that will allow city vehicles and the public to turnaround on the newly created hotel property.

Included in Appendix 6 are several maps that illustrate the land exchange, creation of the new storm water retention parcel and the new hotel parcel. Below is a brief description of each map contained in Appendix 6:

1. Drawing No. 1: This drawing illustrates the three parcels of land that are included in this plan amendment. Two parcels are owned by the Developer (750 and 950 Trade Centre Way) and one parcel is owned by the City of Portage (850 Trade Centre Way)
2. Drawing No. 2: Property shaded in green is that .73-acre portion of 850 Trade Centre Way the city will convey to the Developer. The existing storm water retention basin is located on this property, which is proposed to be relocated.
3. Drawing No. 3: Property shaded in pink is currently owned by the Developer but will be conveyed to the City of Portage. The storm water retention basin will be relocated to this parcel.
4. Drawing No. 4: The property shaded in purple will be the property owned by the City of Portage after the transaction is complete.
5. Drawing No. 5: The property shaded in tan will be a new parcel that will be occupied by the proposed hotel. It's a combination of the .73-acres city-owned parcel (850 Trade Centre Way) transferred to the Developer, the west portion of 750 Trade Centre Way and the east portion of 950 Trade Centre Way.
6. Drawing No. 6: The light green shaded area shows the property split from 750 Trade Centre Way and 950 Trade Centre Way to create the new hotel parcel as described No. 5 above.

7. Drawing No. C-2: This drawing shows the storm water basin at its new location and the site layout for the new hotel.

H. **A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES.**

**1998 DDA TAX INCREMENT FINANCE PLAN/DEVELOPMENT PLAN (COMPLETED)**

Zoning Changes

Approximately 60 acres of land was rezoned to CPD, commercial planned development and OS-1, office service by the City of Portage in June 1998. No additional zoning changes are contemplated.

Street Changes

As part of the original Tax Increment Finance / Development Plan, Andy Avenue extension (now Market Place) was completed. DeHaan Drive was resurfaced.

A new public cul-de-sac street was constructed that is identified on the preceding pages of D. and E. in the Amended 2003 Plan.

Street Intersections

No additional intersection improvements were undertaken.

Utilities

No additional sanitary sewer utilities were undertaken.

New public utilities were constructed to serve the planned development and future development within the DDA in the Amended 2003 Plan. These public utilities include public water mains, stormwater facilities and street appurtenances (landscaping, sidewalks, street lighting, traffic control and related facilities).

## **2003 TAX INCREMENT FINANCE PLAN/DEVELOPMENT PLAN (COMPLETED)**

### Zoning Changes

No additional zoning changes are contemplated.

### Street Changes

A new public cul-de-sac street was constructed that is identified on the preceding pages of D. and E. in the Amended 2003 Plan.

### Street Intersections

Consistent with the street changes above, related intersection work at DeHaan Drive (now Trade Centre Way) was completed as generally described on pages of D. and E in the Amended 2003 Plan.

### Utilities

New public utilities were constructed to serve the planned development and future development within the DDA in the Amended 2003 Plan. These public utilities include public water mains, stormwater facilities and street appurtenances (landscaping, sidewalks, street lighting, traffic control and related facilities).

## **2011 AMENDED TAX INCREMENT FINANCE PLAN/DEVELOPMENT PLAN (COMPLETED)**

### Zoning Changes

No additional zoning changes are contemplated.

### Street Changes

Reconstruction of part of South Westnedge Avenue has occurred.

A realigned intersection of two public streets will be constructed that is explained on the preceding pages of D. and E. in the 2020 Amended Plan.

In the future, additional improvements including widening along South Westnedge Avenue are planned as part of the SWEPS program.

### Street Intersections

Consistent with the street changes above, related intersection work at Trade Centre Way and West Fork Crossing will be completed as generally described on pages of D. and E.

### Utilities

New public utilities will be constructed to serve the planned development and future development within the DDA in the 2020 Amended Plan. These public utilities include street and street appurtenances (landscaping, sidewalks, street lighting, fencing, undergrounding of overhead utilities where possible), stormwater facilities as needed, traffic control and related facilities.

## **2020 AMENDED TAX INCREMENT FINANCE PLAN/DEVELOPMENT PLAN (PROPOSED)**

### Zoning Changes

No additional zoning changes are contemplated.

### Street Changes

The northern approximate one-half of the Trade Centre Way cul-de-sac turnaround area will be removed and this land area transferred to the Developer. In exchange for this land area, the Developer will provide to the City of Portage an easement that will allow city vehicles and the public to turnaround on the newly created hotel property.

### Street Intersections

No changes to any street intersections are contemplated.

### Utilities

Demolition and removal of the existing storm water retention basin and drainage system, removal of pond liner, removal of infrastructure piping. A new storm water retention basin and associated improvements will be constructed on the new parcel of land located to the northwest.

**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.**

It is anticipated that the 2020 Amended Plan will cost an additional \$653,228, which does not include annual maintenance of the relocated storm water retention basin. The costs associated with the public infrastructure improvements are summarized below:

\$150,000	Paid for or reimbursed from the City of Portage Water Fund. This \$150,000 had already been budgeted to rehabilitate the existing storm water basin.
\$450,000	Reimbursed by the DDA to Developer with tax increment revenue generated by the project.
\$53,228	Paid for by Developer (any amount over \$600,000 in total)
\$653,228	Total Cost associated with relocation of the storm water retention basin and removal of the northern portion of the Trade Centre Way turnaround area.

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.**

Additional public improvements will be undertaken to foster economic development and job creation in the Trade Centre Way area within the DDA. Joseph Gesmundo and Roger Hinman, being principals in 750 Trade Center, LLC, 850 Trade Centre, LLC, and 950 Trade Centre, LLC are referenced and 2020 Phase IV Development Agreement with terms with this entity.

Other property owners/developers may also express interest in land purchase and subsequent development of office, motel/accommodations and/or retail development, which will also be consistent with applicable city requirements.

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 PERSON, NATURAL OR CORPORATE, THAT ALL OR A PORTION OF THE DEVELOPMENT WILL BE LEASED, SOLD, OR CONVEYED, IN ANY MANNER, TO THOSE PERSONS.

Not applicable

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; 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.

Not Applicable

M. PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE DEVELOPMENT IN ANY NEW HOUSING IN THE DEVELOPMENT AREA.

Not Applicable

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.

Not Applicable

- . A PLAN FOR COMPLIANCE WITH ACT NO. 227 OF THE PUBLIC ACTS OF 1972, BEING SECTIONS 213.321 TO 213.332 OF THE MICHIGAN COMPLIED LAWS.

Not Applicable

P. OTHER MATERIAL THAT THE AUTHORITY, LOCAL PUBLIC AGENCY,  
OR GOVERNING BODY CONSIDERS PERTINENT.

None

**PART II - TAX INCREMENT FINANCING PLAN**

## A. DETAILED EXPLANATION OF THE TAX INCREMENT PROCEDURE.

Tax increment financing permits the Authority to capture tax revenues attributable to increases in the value of real and personal property resulting from the acquisition and construction of eligible property as defined in the Act. Property value increases, in the case of the development within the district boundaries, will be attributable to the construction of projects.

At the time the tax increment financing plan is approved by the City Council, the value of the eligible property to which the plan pertains (the initial value) is established. The initial value is the taxable value of the eligible property on that date.

In each subsequent year for the duration of the tax increment financing plan the "current value" of the eligible property will be determined. The current value for each year is the taxable value of the eligible property for that year.

The amount by which the current value exceeds the initial value in any one year is the captured value. For the duration of the tax increment financing plan, the local taxing jurisdictions will continue to receive tax revenues based upon the initial value. The Authority, however, receives that portion of the tax levy of the City of Portage, Portage District Library, Kalamazoo County and Kalamazoo Valley Community College (as taxing jurisdictions) paid each year on the captured value of the eligible property included in the tax increment financing plan; provided, however, that the Authority does not receive any part of millage specifically levied for the payment of principal of and interest on obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

For example, in year one a tax increment financing plan relating to eligible property having a taxable value of \$500,000 is established. The initial value is \$500,000. Assume that the tax rate applicable to the eligible property is 52 mills and, of the 52 mills, 2 mills are levied for the payment of principal and interest on obligations described above. In year one, the taxes on the eligible property will be 52 mills times \$500,000 or \$26,000. None of those taxes will be paid to the Authority. In year two, because of the construction of eligible property, the taxable value of the eligible property is \$750,000. The current value in year two is \$750,000 and the captured value in year two is \$250,000 (\$750,000 less than the initial value of \$500,000). If there were no agreements for the sharing of captured value, the Authority would receive tax increments of \$13,000 (52 mills times \$250,000). The taxing jurisdictions would receive \$26,500 (52 mills time \$500,000 which represents the initial value, plus 2 mills times \$250,000 which represents the captured value). In each subsequent year for the duration of the tax increment financing plan a similar computation would be made.

If agreements to share captured value were in place the calculations would be adjusted to reflect the terms of those agreements.

**B. MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED.**

NONE

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**C. DURATION OF THE PROGRAM.**

The development plan and the tax increment financing plan are to continue for the period of time needed to complete the plan and collect and disburse tax increments as may be needed to reimburse the Developers for their expenses making the necessary improvements to relocate the storm water system.

It is anticipated that the program identified in the amended plan will extend through the year 2031.

**[SEE CHART ON NEXT PAGE]**



D. STATEMENT OF THE ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON THE ASSESSED VALUES OF ALL TAXING JURISDICTION IN WHICH THE DEVELOPMENT AREA IS LOCATED.

See Appendix 7

**E. STATEMENT AS TO WHETHER PLAN PROVIDES FOR THE USE OF  
SOME OR ALL OF THE CAPTURED VALUE.**

The use of all of the captured value is contemplated.

F. **METHOD FOR EXCLUDING GROWTH IN PROPERTY VALUE RESULTING SOLELY FROM INFLATION.**

Not Applicable

## APPENDICES

## APPENDIX 1





## APPENDIX 2



## APPENDIX 3



## APPENDIX 4



## APPENDIX 5



## APPENDIX 6















## APPENDIX 7



## APPENDIX 8

















## APPENDIX 9