

CHARTER TOWNSHIP OF OSHTEMO

TAX INCREMENT FINANCING

AND

DEVELOPMENT PLAN



May, 2004

CHARTER TOWNSHIP OF OSHTEMO

Tax Increment Financing and Development Plan

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PART I. INTRODUCTION

A. PURPOSE OF DOWNTOWN DEVELOPMENT AUTHORITY ACT

This plan has been developed under the provisions of Act 197 of Public Acts of 1975 of the State of Michigan, as amended, also known as the Downtown Development Authority Act (Act). Exhibit 1 is a copy of this Act and its amendments. The Act was developed to assist units of government in their encouragement of historic preservation; in the correction, elimination and prevention of blight and deterioration in the business districts; to encourage and promote economic development, growth and revitalization; to make provision for the acquisition and disposition of personal and real property; to authorize the creation of an authority; to authorize the levy and collection of taxes; to authorize the issuance of bonds and the use of tax increment financing (TIF); to provide for a development plan that sets forth specific Downtown Development Objectives/Activities, as described in a locally adopted development plan for older or traditional central business districts of Michigan municipalities.

The Act was set in motion to assist communities with financial, legal, and administrative tools to regenerate downtown areas through partnerships with the private sector. These publicly instigated projects represent the Act's goal of initiating collaboration and balance between public purposes and privately initiated projects.

The way in which a Downtown Development Authority makes use of the tools made available depends on the problems and priorities of each community. This development plan has been developed within the purposes of the Act; and the problems and priorities as perceived by the Downtown Development Authority (DDA) and as submitted for the approval of the Charter Township of Oshtemo, Township Board.

B. CREATION OF THE DOWNTOWN DEVELOPMENT AUTHORITY OF THE CHARTER TOWNSHIP OF OSHTEMO

In January, 1996, the Planning Commission of Oshtemo Charter Township adopted an amended Master Plan for the Township incorporating the Village focus Area Development Plan. The Plan deals with a broad range of issues and land use challenges and it outlines a set of overall goals for the Village Focus Area, centered at the intersection of 9th and Stadium Drive in the southeast portion of the Township.

In the fall of 2003, the Township Board and Township Planning Staff began a series discussions with residents and business owners in the Village Focus area to consider the establishment of a Downtown Development Authority (DDA) under Act 197, of 1975, as amended. The DDA was seen as an additional implementation tool for the strategies and policies outlined in the Master Plan.

On October 14, 2003, the Township Board adopted a resolution of intent to establish the Oshtemo Township DDA and on November 18, 2003 a hearing was held pursuant to Section 3(2) of the Act, to consider the formation of the authority.

Following an initial reading of the ordinance to create the DDA held at the hearing, a second reading of the ordinance was held on January 26, 2004. Oshtemo Charter Township Ordinance Number 443 establishing the DDA took effect on January 28, 2004 following publication in a newspaper of general circulation.

On January 26, 2004 the Township Board also appointed the members of the DDA Board of Directors and the Development Area Citizens Committee (DACC).

On _____, the Township Board received the recommendations of the DDA and the DACC pertaining to the adoption of this Downtown Development and Financing Plan. On _____, the Township Board held a hearing to consider the draft plan and on _____, the Township Board adopted Ordinance Number ____ to adopt this plan.

C. ACTIVITIES OF THE DOWNTOWN DEVELOPMENT AUTHORITY

The DDA and DACC began their work with an orientation meeting on February 3, 2004. That meeting included a discussion of the general roles and responsibilities of the various parties in the downtown planning activity and initial input from the participants on the needs of the area.

On February 17, 2004, the DDA was officially sworn in and it elected its officers. The DDA also adopted a set of bylaws which are attached to this Plan as Exhibit 4. Also on February 17, 2004, the DDA considered the land use and infrastructure challenges facing the development area and the initial draft of this plan was considered.

The DDA also adopted a general policy statement to serve as a primary goal for the Plan. That goal statement is as follows:

The Oshtemo Village area will be a vital center of commercial, light industrial and residential activity where residents and visitors may enjoy the benefits of a small community carefully integrated into the larger region. Land uses will be arranged to support one another and businesses and services in the community will serve both local and other residents of the community. Vehicular and pedestrian traffic will be accommodated to provide safe and convenient access to both residential areas and to local businesses.

At the February 17, 2004 meeting, the DDA also determined that the Development Area will be coterminous with the downtown district as established by the Township Board in Ordinance Number 443. In addition, at that meeting, the DDA discussed several design and development improvements desired in the area. Recognizing that some activities may be beyond the scope of this plan, these concepts are presented here to illustrate the range of proposals the DDA considered in the preparation of this downtown development and financing plan:

- ◆ “Back” circulation patterns (internal connections and non-arterial)
- ◆ Realistic setbacks for commercial land uses
- ◆ Historic village node
 - ◆ Design: public facilities
 - ◆ Design: private buildings
 - ◆ Streetscape design
- ◆ Define theme
- ◆ Set the pace or standards for future development
- ◆ Land assembly for development
- ◆ Trails and connections for pedestrians
- ◆ Park improvements
- ◆ Speed limits and lights
- ◆ Improve safety at 9th and Atlantic
- ◆ Code enforcement and rehabilitation of problem properties

On March 2, 2004, the DDA reviewed an initial draft of the development and financing plan and adopted a motion to forward the draft to the DACC for their review and comment. The DACC met on March 16, 2004 to review the draft and to provide their input.

On March 30, 2004, the DDA adopted a resolution recommending this Downtown Development and Financing Plan to the Township Board for adoption.

D. LEGAL BASIS FOR THE OSHTEMO TOWNSHIP DOWNTOWN DEVELOPMENT AREA

The adoption of the Act provides the legal mechanism for local officials to address the need for economic development in their central business district. The Oshtemo Township Downtown Development Area shown on Map 1 and described in Section II, is the first area designated by the DDA for implementing development activities and tax increment financing procedures set forth in the Act. For purposes of designating development areas and for establishing a tax increment financing plan, the Act refers to a “downtown district” as being in a business district which is specifically designated by ordinance of the governing body of the municipality and which is zoned and used principally for business.

The Act further defines a “development area” as meaning “an area to which a development plan is applicable.” For purposes of financing activities of an authority within a development area, tax increment plans may be established. By definition, a tax increment financing plan seeks to capitalize on and make use of the increased tax base created by economic development within the boundaries of a development area of the downtown district.

The Village Focus Area has shown signs of decline with some abandonment and disinvestment evident on some privately owned property. In addition, the businesses in the area have seen competition from

surrounding “big box” retailing. Residential areas in the vicinity have found that the traffic in the area tends to make life difficult and this fact may be impacting property values. As such, the development area clearly meets the intent of the Act and with the determination of necessity adopted by the Township Board in Ordinance Number 443, the community is taking affirmative action to reverse these negative trends.

E. BASIS OF AUTHORITY’S DETERMINATION FOR THE OSHTEMO TOWNSHIP DEVELOPMENT AREA

The development area as recommended by the Downtown Development Authority was developed after careful study and is based on the belief of the DDA that any successful efforts of the Charter Township of Oshtemo to revitalize the Village Focus Area business district will rely heavily on the willingness, capability and timeliness of its governmental structure to encourage, initiate, propose, and participate in the development of new and renovated private and public uses and projects that will bring about physical improvement to businesses; create new jobs; retain businesses; attract new business; and increase the Township’s tax base. The DDA has identified certain priority downtown improvement needs that require their attention, participation, support, involvement and encouragement and it is these priorities that this plan will address and toward which it is directed. These needs may include activities to:

- ◆ Improve traffic circulation and pedestrian safety in the area,
- ◆ Promote new commercial investment
- ◆ Encourage attractive and functional design
- ◆ Create improved pedestrian access between land uses in the area
- ◆ Foster the improvement of private property

F. PURPOSE OF TAX INCREMENT FINANCING PLAN FOR THE OSHTEMO TOWNSHIP DOWNTOWN DEVELOPMENT AREA

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

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

- ◆ Public improvements within and adjacent to the public road rights-of-way to address traffic speeds and congestion and pedestrian safety and convenience
- ◆ Land assembly, clearance and disposition
- ◆ Planning and design analysis and recommendations
- ◆ Economic development and market analysis

PART II. DEVELOPMENT PLAN

A. BOUNDARIES

The boundaries of the DDA development area are set forth in Map 1 and a legal description of the area may be found in Exhibit 14.

B. DEVELOPMENT PLAN OBJECTIVES

It is the objective of the Downtown Development Authority of the Charter Township of Oshtemo to prepare and implement a long range development and financing plan that will focus on the Oshtemo Township business area and result in the enhancement of the area's aesthetics, the improvement of community services, improved traffic and pedestrian circulation, as well as the expansion of development, residential and business opportunities. The improvement plan will seek to improve attractiveness, utility, accessibility, and usability of this area by addressing certain public improvement needs and encouraging and facilitating private sector improvements. The plan will be directed at physical improvements that will improve and expand community service, facilitate development, improve parking, and enhance the area's visibility and aesthetics.

To accomplish this objective, the DDA expects that it will engage in activities to:

- ◆ Improve traffic circulation and pedestrian safety in the area
- ◆ Promote new commercial and residential investment
- ◆ Encourage attractive and functional design
- ◆ Create improved pedestrian access between land uses in the area
- ◆ Foster the improvement of private property
- ◆ Promote green space within the district

C. LOCATION, CHARACTER AND EXTENT OF EXISTING PUBLIC AND PRIVATE LAND USES.

General: The Development Area covers an area of about 532 acres and contains a variety of public and private land uses including commercial, residential, industrial, community facilities and public street areas. The location of these land uses is shown on Map 2. The primary public features in the area are the roadways and a public park. Stadium Drive and 9th street intersect at the heart of the area and both carry significant traffic through it. Stadium Drive connects to US-131 to the east and extends ultimately into the City of Kalamazoo. Currently the road carries about 22,400 vehicles to the east of the intersection and 11,400 to the west. North-south traffic on 9th Street is fairly significant, as well, with about 22,900 vehicles using the road to the south of the intersection and about 10,500 to the north. That county section-line road connects the intense commercial development at M-43 to the north to the

interchange with I-94 about two miles to the south. Both roadways are configured as four-lane arteries with center left-turn lanes.

1. Existing Public Land Uses.
 - a. Township -
The Oshtemo Township Community Center
Flesher Field, a 30-acre park facility including ballfield, wooded areas, picnic pavilion and play area.
 - b. Public Streets - Within the Development Area, there are approximately 20,000 lineal feet of street rights-of-way, all of which are under the jurisdiction of the Kalamazoo County Road Commission. Including rights-of-way, there are approximately 70 acres of land currently in public uses. This represents approximately 11% of the total Development Area.
 - c. Kalamazoo Community Schools -
Chime Elementary School
2. Existing Private Uses. The development area is characterized by a range of private land uses. These include small businesses located in free-standing facilities, multiple-tenant buildings, single-family and multi-family residential development, industrial development and several formerly single-family homes that have been converted to businesses, especially along the Stadium Drive frontage. The following breaks down the privately owned parcels by their current use:
 - a. Commercial - There are a total of 47 parcels within the Development Area devoted to commercial purposes such as retailing, auto service and restaurants. These 47 parcels represent 22% of all parcels within the Development Area and comprise about 90 acres, in total.
 - b. Residential - There are a total of 132 residential lots and larger tracts within the Development area, representing about 60% of all parcels. These are developed as both single-family and multifamily housing and consist of about 148 acres, in total.
 - c. Industrial - There are a total of 30 industrial lots within the Development area, representing about 14% of all parcels. These are developed as a mix of processing, manufacturing and warehousing uses and they comprise about 160 acres.
 - d. Vacant Land - there are 8 privately owned vacant parcels within the Development Area. These represent 4% of all the parcels in the Area and comprise about 34 acres in total.

In all, there are approximately 432 acres of privately owned land, which comprise about 81% of the total Development Area.

D. LOCATION, CHARACTER AND EXTENT OF PROPOSED LAND USES.

The implementation of this plan will not fundamentally alter the nature of the land uses in the district, but it will clearly result in an overall improvement in the district. The following describes the nature of some of the public and private improvements anticipated.

1. **Proposed Public Use.** Within the public right-of-way, improvements are anticipated to address traffic speeds, congestion and safety as well as to provide improved pedestrian access and safety. In addition, the aesthetics of the area will be improved through enhanced lighting and streetscape elements, street trees and other plantings.
2. **Proposed Private Land Use.** Although this plan is not contingent upon specific private land use changes, it does anticipate further and high quality private investment as a result of the planned public improvements. In general, this plan is intended to encourage private development within the designated Development Area. More detail regarding privately supported improvements may be found under paragraph II, G of this Plan.

E. PROPERTY ACQUISITION

1. **General.** The DDA may acquire, either through purchase or donation, properties in the Development Area for public purposes and the Township may aid in the acquisition property through the use of its powers of eminent domain. No specific properties have been identified for acquisition under this plan, however, the DDA may seek to acquire lands that may be used in support of the plan's objectives.
2. **Legal Basis for Acquisition of Privately Owned Properties:** The legal basis under which the Charter Township of Oshtemo may take and transfer privately owned property to the DDA and the DDA may acquire such property and other private property for use in accordance with an approved Development Plan is provided in Section 7(h) and Section 10 of the Act which states respectively that, the DDA may . . .

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

“A municipality may take private property . . . 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.”

F. EXISTING IMPROVEMENTS TO BE ALTERED, REMOVED OR REPAIRED

Through the implementation of this Plan, the DDA may acquire private property and remove structures as a part of the redevelopment of the district. However, as indicated above, no specific properties have been identified for acquisition under this Plan. In the event parcels are identified in the future for acquisition in support of the Plan's objectives, any removal activity would be intended to also further those objectives.

Public structures that may be altered could include facilities within the right-of-way intended to improve safety and address traffic speeds or congestion. In addition, improvements within Flesher Field or other publicly-owned facilities may be altered, improved, removed or replaced.

G. LOCATION, EXTENT, CHARACTER, ESTIMATED COST AND ESTIMATED TIME OF COMPLETION AND IMPROVEMENTS, INCLUDING REHABILITATION CONTEMPLATED FOR THE DEVELOPMENT AREA.

Described below and illustrated on Map 3 is a summary of the location, extent, and character of the improvements to be undertaken and financed by the DDA pursuant to this Plan. The table on page 9 sets forth the estimated cost of these improvements and the approximate phasing of each element. The proposed improvements include the following:

1. **Non-Motorized Connections and Improvements.** The DDA may support the installation of sidewalks and bike paths along roadways; maintenance and widening of existing sidewalks; new pathway connections to the existing AT&T right of way (an informal trailway), Flesher Field and Chime Elementary School. It will also support an effort to improve pedestrian walkways in front of, and within properties. Working in conjunction with the Township's Park Committee, the DDA will encourage efforts to formalize this trail feature either to serve the immediate vicinity or as part of a larger regional trail system. While Map 3 provides a general location of the proposed connections, the illustrated locations should not be regarded as exact, as the DDA will continue to assess new developments to identify pedestrian access to and within sites to connect places to one another. Funding to build and maintain this walkway network will result from a combination of revenues, including tax increment resources, private investment, potential grants, and other sources. Implementation of this element will be conducted incrementally as opportunities arise.
2. **Lighting Enhancement.** This element will include the installation of lighting in the public realm that reflects a desired and established theme for the village area. Actual types, styles, and locations would be determined during the theme development project. The goal of the lighting improvements will be to create a unique identity for the Village, to enhance the Village as a destination and to create a sense of arrival at the primary entry points to the area. Initially, it is expected that such lighting will be parallel to walkways, and later the lighting theme will be extended along road rights-of-way. Subsequent private improvements that carry the theme to private lands will also be encouraged. The timeframe for such a task will be partly contingent upon the cooperation of the Kalamazoo County Road Commission. Financial support for

illumination improvements will be produced from a combination of sources, including tax increment resources, gas and weight revenues, private investment, and other sources.

3. **Theme Development.** A design study that addresses specific standards and characteristics should be prepared. The study should include evaluations, design recommendations and implementation techniques, including, but not limited to: building architecture, location and massing, building colors, building materials, landscaping, signage, banners, downtown area entry features, and site utilization and development. Standard guidelines will be prepared to facilitate continuity and character improvement for the Development Area. A design consultant would be funded from tax increment resources. Implementation of the theme development study improvements would occur following the study and may be supported by tax increment resources, or other funding.
4. **Market Study.** A market study should identify the trading region of the Development Area and provide detailed information regarding consumer-spending patterns and resident service desires within the market area. The market study will also analyze the feasibility of various types of commercial and residential development within the Development Area. The final result of such a study will include, in part, recommendations for improvement of the Development Area to better respond to the service needs of area residents, identification of new housing opportunities, and a marketing strategy to identify underserved market segments. Funding to pay the market study consultant will be generated from a combination of DDA revenues, including tax increment resources, private investment, and other sources.
5. **Land Acquisition.** It may be desirable for the DDA to purchase property to repair, develop, or market for development or redevelopment. Following acquisition, it may be necessary to undertake site preparation activities to effectively market the property, such as demolition, hauling debris, backfilling, drainage and grading, and excavation. The DDA may also act as developer of the property. Potential development projects should focus on establishing the Development Area as a sustainable, stable and desirable residential and commercial area. The theme development project and the market study should reveal proper design standards and project feasibility. Financial support to acquire land and properties will be generated from tax increment resources, private investment, grants, and other sources.
6. **Street Trees.** Street trees provide a sense of arrival and shelter for the pedestrian and motorist and should be planted along 9th Street and Stadium Drive. Trees will be planted in compliance with Road Commission policies. Location and species of trees should be determined in part by the design consultant (see project #3). Funding will be generated from tax increment resources, private investment, and other sources.
7. **Access Management, Pedestrian Safety and Vehicular Circulation.** The DDA will work with area property owners and the Kalamazoo County Road Commission to improve safety and accessibility within the development area. Specific improvements may include the following:

- a. Negotiating with the owners of frontage where driveways are present to encourage shared access to reduce the number of drive openings and the improvement of the frontage into a small open area for flowers and plantings. Decreasing the number of driveways along high-speed corridors will reduce the number of accidents and will preserve traffic flow. Cooperation with property and business owners, as well as with the Kalamazoo County Road Commission, will determine the timeframe of such projects. Funding to close driveways will come from tax increment resources, private investment, and other sources.
- b. Working with the Road Commission, undertake improvements to reduce traffic speeds and improve pedestrian safety within the development area. On Stadium Drive and 9th Street, such improvements as crossing signals, different pavement surfaces, reduced roadway travel widths, re-striping, traffic safety islands, and boulevards will be evaluated and undertaken if appropriate. In addition, the DDA will consider the overall circulation patterns in the development area and may seek to acquire right-of-way for new roads and/or pedestrian or bicycle lanes. Funding will come from tax increment resources, private investment, and other sources.

Therefore, the initial elements of these tasks will include a detailed traffic and pedestrian study looking at existing conditions, likely future growth patterns and improvement needs as well as the eventual funding of capital projects called for in such a study. The study will be funded from tax increment resources and other sources.

8. **Other Area Improvements.** The DDA will work with the Township Board, the Parks Committee and local property owners to undertake additional improvements in the Area. The nature of these improvements will emerge as opportunities arise. The DDA's involvement may be limited to planning and coordination activities or some subsequent investment in capital or operating projects may be contemplated. The DDA is committed to a flexible implementation process that will achieve the goals and objectives outlined in this Plan. It is further anticipated that as future opportunities materialize, this Plan may need to be adjusted or amended from time to time.

OSHTEMO TOWNSHIP DOWNTOWN DEVELOPMENT AREA PROJECT SUMMARY

Project Description	Estimated Cost	Sources of Funding	Approximate Timeframe
Non-Motorized Connections & Improvements	\$425,000	Tax Increment, private investment and other resources	2005 - 2008 +
Lighting Enhancement	\$150,000	Tax Increment and MEDC	2006 - 2008
Theme Development	\$275,000	Tax Increment and other resources	2004
Market Study	\$30,000	Tax Increment and other resources	2004
Land Acquisition	*	Tax Increment, private investment and other resources	2005 - 2012
Street Trees	\$50,000	Tax Increment, MEDC other resources	2006 - 2015
Access Management, Pedestrian Safety, Vehicular Circulation			2005 - 2015
◆ Driveway Abandonment	\$80,000	Tax Increment, private investment as well as Road Commission and MEDC resources	
◆ Roadway Improvements	\$980,000		
◆ Traffic/Pedestrian Study	\$10,000		
Other Area Improvements	Unknown	Tax Increment, other resources	2004 - 2033

* Note, to the extent that land acquisition occurs under this plan, the DDA will apply appropriate safeguards to assure adequate value in the property acquired for the amounts paid.

H. PLANNED NEW DEVELOPMENT

The objectives of this Plan are to encourage new development in the private sector. At the time this Plan was adopted, approximately 12,000 square feet of new construction was anticipated to occur within the Development Area. However, no other private sector development is immediately contemplated as a component of this plan. It is expected that as the proposed projects are implemented, additional private sector interest in the village area will be generated ultimately resulting in new private investment.

I. EXISTING AND PLANNED OPEN SPACE

As new developments are undertaken by the private sector, the DDA will work with the Planning Commission and the Township Board to encourage the incorporation of attractive landscaped areas and walking paths that will connect uses and provide green areas within the Village area.

J. LAND DISPOSITION

This plan does not contemplate the disposition of any real property by the Township. In the event such disposition is contemplated at a future date, disposition will occur through either a negotiated sale or through a sealed bid process, as determined at the time by the DDA and the Township Board to be in the best interests of the Township.

K. EXISTING ZONING AND PROPOSED CHANGES

The DDA may recommend some adjustments to the text of the Township Zoning Ordinance based on the results of the market study and the theme development activity. Zoning provisions govern the form and function of an area and can be very influential in the establishment of a consistent theme. Changes in the Township zoning map are not contemplated as of the adoption of this Plan, but may be recommended based on the outcome of the market study.

L. PROPOSED RIGHTS-OF-WAY ADJUSTMENTS AND CHANGES TO STREET GRADES, INTERSECTIONS AND UTILITIES

The development area is challenged by significant traffic flow and intersection designs that may add to traffic congestion. The DDA will work with the Road Commission as part of the Access Management, Pedestrian Safety and Vehicular Circulation activity to define any desired adjustments in rights-of-way, or changes to street grades or intersections. Such improvements may include the realignment of intersections, new pavement marking, traffic calming techniques, new rights-of-way, traffic signal improvements and similar features or facilities.

M. DEVELOPMENT COST ESTIMATES AND FINANCING

The total cost of completing all activities, projects and improvements proposed by the DDA Development Plan and to be undertaken and financed by the DDA and the Township is estimated to be \$2,000,000, including contingencies. The projects are set forth under Section II, G above. The costs include expenditures for activities associated with the accomplishment of each of the projects described in this plan plus administrative expenses and contingencies.

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

1. Bond Proceeds
2. Future Tax Increment Revenues
3. Interest on Investments

4. Donations received by the DDA
5. Proceeds from any property, building or facility owned, leased or sold by the DDA
6. Moneys obtained through Development Agreements with property owners benefiting from adjacent open space and other public improvements
7. Moneys obtained from other sources approved by the Oshtemo Charter Township Board
8. Ad valorem tax on properties in the development area.

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

N. IDENTIFICATION OF PRIVATE INTERESTS, PARTIES OR INDIVIDUALS TO WHOM THE DEVELOPMENT WILL BE SOLD OR IS BEING UNDERTAKEN

At the time of the adoption of this plan, there are no known private interests to whom land acquired hereunder will be conveyed.

O. PROPOSED LAND DISPOSITION TERMS AND BIDDING PROCEDURES

Any property that may be conveyed under terms of this plan, shall be sold, leased or otherwise conveyed to private development interests as determined by the DDA with the approval by the Township Board. It is anticipated that the Township will complete any such disposal of property in accordance with existing procedures and practices.

The DDA and the Township reserve the right to make dispositions without using the bidding process, if such sale is necessary, to bring about the intentions of this Development Plan and providing such sale is in the best interest of the DDA and the Charter Township of Oshtemo. As such, the DDA and the Township Board have the right to approve any development proposal and/or any developer whose proposal for purchase best furthers the intentions of this Development Plan and the Township.

P. ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE DEVELOPMENT AREA AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED

There are in excess of 100 persons residing in the Development Area. As such, the Township has formed a Development Area Citizens Committee (DACC) in accord with Section 21 of the Act. The DACC met to learn about the activities of the DDA and has provided the Township Board with comments on this development Plan. This Plan does not contemplate any actions that would result in the displacement of any residents of the development area. On the contrary, the plan seeks to encourage new development in the area, including additional residential development.

Q. A PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE DEVELOPMENT AREA

Since this plan does not contemplate the necessity to relocate any displaced persons from the development area, no plan for establishing priority for relocated persons is required.

R. PROVISION FOR THE COSTS OF RELOCATING PERSONS AND BUSINESSES DISPLACED BY THE DEVELOPMENT AND FINANCIAL ASSISTANCE AND REIMBURSEMENT OF EXPENSES

Since this plan does not contemplate the necessity to relocate any displaced persons or businesses from the development area, it is not necessary to provide for the costs of relocation persons or businesses.

S. PLAN PROVISIONS FOR COMPLIANCE WITH ACT 227 OF THE PUBLIC ACTS OF 1972

The relocation provisions described in "Q" and "R" above meet the requirements of Act 227 of the Public Acts of 1972.

PART III. TAX INCREMENT FINANCING PLAN FOR OSHTEMO CHARTER TOWNSHIP

This tax increment financing plan is created to facilitate the financing of all or a portion of the expenses associated with the implementation of those activities and improvements enclosed in the officially adopted Development Plan for the Development Area, as may be amended.

A. TAX INCREMENT FINANCING PROCEDURE

The tax increment financing procedure as outlined in the Act requires the adoption by the Township, by Ordinance, of a development plan and a tax increment financing plan. Following the adoption of that Ordinance, the municipal and County treasurers are required by law to transmit to the DDA that portion of the tax levy of all taxing bodies paid each year on the "Captured Assessed Value of all real and personal property located in the Development Area." The tax amounts to be transmitted are hereinafter referred to as "Tax Increment Revenue". The "Captured Assessed Value" is defined by the Act as "...the amount in any 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 (x), exceeds the initial assessed value..." The "initial assessed value" is defined by the Act as "...the value, as equalized, of all 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 property tax shall be determined as provided in subdivision (x)..."

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

Approval of the tax increment financing plan shall be pursuant to the notice, hearing, and disclosure provisions of Section 18 of the Act. If the development plan is part of the tax increment financing plan, only 1 hearing and approval procedure is required for the 2 plans together. Presented in Exhibit 6 is a

schedule of the current or 'initial' taxable values of all real and personal property in the Development Area.

The original tax increment financing plan was approved on _____, 2004 (see Exhibit 13). The most recent assessment of all taxable property in the Development Area at the time of the plan approval in 2004 occurred on December 31, 2002 for the tax year 2003. Since the tax increment financing plan was approved on May _____ (Exhibit 13), prior to the equalization of the tax roll based on the 2003 tax date, the most recent equalized dated to December 31, 2002. Thus, the December 31, 2002 tax roll forms the initial assessed value for the purposes of this Plan.

B. ESTIMATES OF CAPTURED ASSESSED VALUES AND TAX INCREMENT REVENUES

Provided in Exhibits 8 and 9 are schedules on estimated dollar amounts of captured taxable values and tax increment revenues to be realized from increases in real and personal property values, in the Development Area from 2003 through 2032. These estimates are based on the experience of the Township Assessor, but must be regarded as best estimates.

Under this tax increment financing plan, the entire tax increment amount is to be utilized by the DDA.

C. USE OF TAX INCREMENT REVENUE

The tax increment revenue paid to the DDA by the municipal and County treasurers is to be disbursed by the DDA from time to time in such manner as the DDA may deem necessary and appropriate in order to carry out the purposes of the Development Plan and pursuant to an adopted budget approved by the Township Board. Tax increment revenues may be dedicated to uses including, but not limited to, the following:

- ◆ The principal, interest and reserve payments required for any bonded indebtedness to be incurred in its behalf for purposes provided in the Development Plan.
- ◆ Cash payments for initiating and completing any improvements or activity called for in the Development Plan.
- ◆ Any annual operating deficits, that the DDA may incur from acquired and/or leased property in the Development Area.
- ◆ Interest payments on any sums that the DDA should borrow before or during the construction of any improvement or activity to be accomplished by the Development Plan, after approval by the Township Board.
- ◆ Payments required to establish and maintain a capital replacement reserve.
- ◆ Payments required to establish and maintain a capital expenditure reserve.
- ◆ Payments required to establish and maintain any required sinking fund.

- ◆ Payments to support the costs of any additional improvements to the development area that are determined necessary by the DDA and approved by the Charter Township of Oshtemo Township Board.
- ◆ Any administrative expenditure required to meet the cost of operation of the DDA and to repay any cash advances provided by the Charter Township of Oshtemo. The estimated administrative budget of the DDA is set forth as Exhibit 10.

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

D. INDEBTEDNESS TO BE INCURRED

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

1. Cash, and/or;
2. The issuance of one or more series of revenue bonds during the life of this plan when development activities are to be initiated and completed; and/or
3. Funds borrowed from the Charter Township of Oshtemo at rates and terms to be agreed upon or as set forth elsewhere in this Development and Financing Plan; and/or
4. Funds borrowed from the State of Michigan at rates and terms to be agreed upon.

Whichever of the financing mechanisms is used, the realized tax collections generated by the "Captured Assessed Value" are adequate to provide for payment of principal and interest on such revenue bonds or funds borrowed from the Township or the State.

For the purpose of this plan, the amounts of bonded indebtedness or indebtedness to be incurred by the DDA and/or the Charter Township of Oshtemo for all bond issues or loans including payments of capitalized interest, principal and required reserve shall be determined by the Township Board upon the recommendations of the DDA. At the time of adoption of this Plan, the DDA estimate of maximum indebtedness, if any, to be incurred by the projects is \$4 million, including project costs and any bonding expenses.

E. MILLAGE LEVY

Subject to the approval of the Oshtemo Charter Township Board, the DDA is empowered, pursuant to Section 12 of Act 197 of 1975, to levy an ad valorem tax on the real and tangible personal property in the development area. The DDA will implement this authority on a year-to-year basis with a recommendation to the Township Board which may approve or deny such recommendation.

F. ANNUAL SURPLUS OF TAX INCREMENT REVENUES

To the extent that the tax increment revenues of the DDA in any one year exceed the sum necessary for the DDA to meet the commitments, project requirements and payments as set forth above, said surplus funds shall revert proportionately to the respective taxing bodies as provided in Section 15 (2) of the Act.

G. DURATION OF PLAN

The tax increment financing plan shall last thirty (30) years except as the same may be amended or modified from time to time by the Township Board upon recommendation of the DDA and upon notice, public hearing and amendment as required by the Act.

H. IMPACT ON ASSESSED VALUES AND TAX REVENUES

The overall impact of the Development Plan is expected to generate increased economic activity in the Development Area. This increase in activity will, in turn, generate additional amounts of tax revenue to local taxing jurisdictions through increases in assessed valuations of real and personal property and from increases in personal income of new employment within the Development Area, the Charter Township of Oshtemo, and neighboring communities throughout Kalamazoo County. The projections set forth in Exhibits 8 and 9 include new construction from calendar year 2003 and confirmed new construction in 2004. The remainder of those projections are based on appreciation.

The expected increases in assessed valuation for existing property and new construction in the development area have been estimated for the 2003 through 2032 tax years.

For purposes of determining the estimated impact of this tax increment financing plan upon those taxing jurisdictions within the Development Area, estimates of captured assessed values (Exhibits 8 and 9) were used along with current 2004 tax millage allocations to determine tax increment revenue amounts that would be shifted from these jurisdictions to the DDA to finance the project activities called for in this Development Plan. The amounts for the first year are shown in Exhibit 7 for each taxing jurisdiction relating to the Development Area. The Township has determined that the Township's fire protection millage will not be subject to capture as provided in Section 3(3) of the Act.

I. USE OF THE CAPTURED ASSESSED VALUES

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

J. REPORTS

The DDA shall submit annually to the Township Board a report on the status of the tax increment financing account. Such report shall comply with the requirements of Section 15 (3) of the DDA Act, a copy of which is provided under Exhibit 1. Such report shall be prepared as of December 31, and be submitted to the Township Treasurer not later than May 31 each year.

K. BUDGET, FUND HANDLING AND AUDITING COSTS

In addition to any budget set forth in this plan the DDA shall prepare and submit for approval of the Township 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 by the Township Board. Before the budget may be adopted by the DDA, the Township Board shall approve it. Funds of the Township shall not be included in the budget of the DDA except those funds authorized in the act or by the Township Board. The Township Board 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.

L. EXPENSE PUBLICATION

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

MAPS

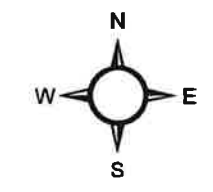
To illustrate this Development and Financing Plan, the following maps are provided:

Map 1: Development District and Development Area Boundaries

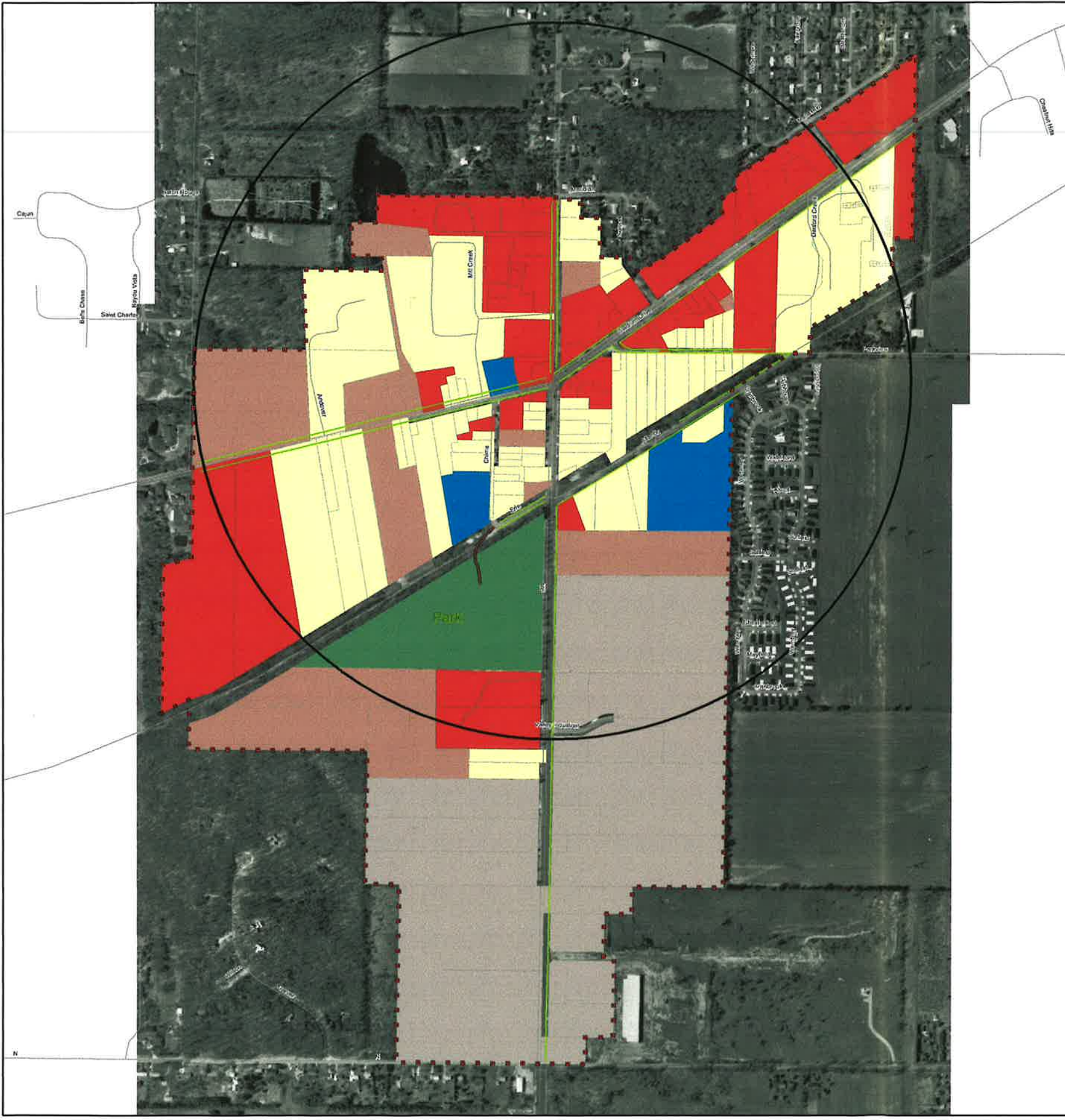
Map 2: Existing Land Use

Map 3: Project Map

Charter Township
of
Oshtemo
Kalamazoo County, Michigan
Downtown
Development
Authority
(DDA)



Map 2
Generalized Existing Land Use



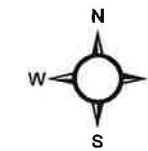
Legend

DDA Boundary	Commercial/Office
Half-mile Radius Downtown Center	Industrial
Roads	Public/Institutional
Proposed Walkway	Residential
Sidewalks and other Streetscape Improvements	Vacant
Parcels	Park

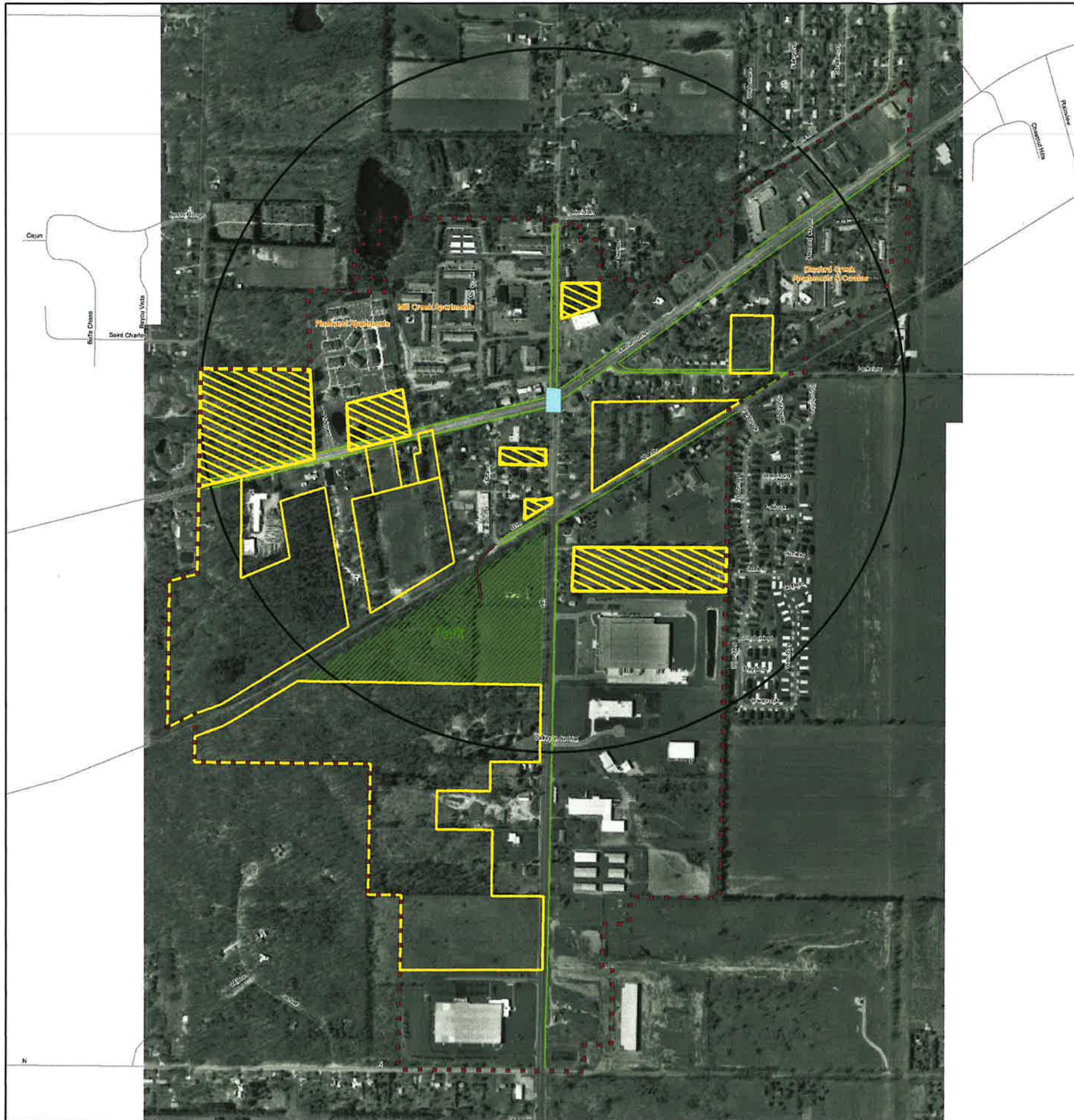
Charter Township of Oshtemo

Kalamazoo County, Michigan

Downtown Development Authority (DDA)



Map 3
Project Map



Legend

DDA Boundary	Parcels
Half-mile Radius Downtown Center	Crosswalk Intersection
Roads	Redevelopment Opportunities
Proposed Walkway	Land Division Opportunities
Sidewalks and other Streetscape Improvements	No Division Necessary

Williams & Works

549 Ottawa Ave., N. W. Grand Rapids, MI 49503
Phone (616) 224-1500 Fax (616) 224-1501






Map 1

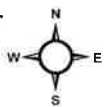
Development Area Boundary
 Charter Township
 of
 Oshtemo

Locator Map



Legend

-  Development District and Development Area Boundary
-  ROW Center Lines
-  Parcels



**Downtown
 Development
 Authority
 (DDA)**

Williams & Works

549 Ottawa Ave., N. W. Grand Rapids, MI 49503
 Phone (616) 224-1500 Fax (616) 224-1501

April 5, 2004

Exhibit 1

Act 197 of 1975, as amended, commonly referred to as the Downtown Development Authority Act, will be inserted here in the final plan.

EXHIBITS

To illustrate and support this Downtown Development and Financing Plan, the following Exhibits are provided: -

1. Public Act 197, of 1975 as amended
2. Charter Township of Oshtemo Ordinance No.443
3. Documentation of filing with Secretary of State
4. DDA By-laws
5. Notice of Public Hearing on Plan
6. Current Taxable Value in Development Area
7. Projection of Impact of Plan on Other Taxing Jurisdictions
8. Captured Value Projection
9. Tax Increment Projection
10. DDA Administrative Budget
11. Notice of Meeting with Taxing Jurisdictions
12. DDA Resolution Approving Plan
13. Charter Township of Oshtemo Ordinance No. ____ Adopting Plan (Minus Attachment)
14. Downtown Development Area Boundary Description

OSHTEMO CHARTER TOWNSHIP ORDINANCE NO. 443

Adopted: January 26, 2004

Effective: January 28, 2004

DOWNTOWN DEVELOPMENT AUTHORITY ORDINANCE

An Ordinance to establish a Downtown Development Authority in Oshtemo Charter Township, pursuant to Act 197, Public Act of Michigan 1975, as amended; to determine the necessity thereof; to provide for the creation of the Authority; to define the boundaries of the Downtown Development District; to provide for the establishment of the Board of Directors for the Authority; to provide for the severability of the Ordinance; to provide for the repeal of conflicting Ordinances; to provide for the Notice and effective date thereof.

THE CHARTER TOWNSHIP OF OSHTEMO ORDAINS:

SECTION I. TITLE OF ORDINANCE.

This Ordinance shall be known and may be cited as the "Oshtemo Charter Township Downtown Development Authority Ordinance".

SECTION II. DEFINITIONS.

The terms used in this Ordinance shall have the same meaning as given to them in Act 197 or hereinafter in this section provided, unless the context clearly indicates to the contrary. As used in this Ordinance:

"Act 197" means Act No. 197 of the Public Acts of Michigan of 1975, as now in effect or hereinafter amended.

"Authority" means the Oshtemo Charter Township Downtown Development Authority created by this Ordinance.

"Board" or **"Board of Directors"** means the Board of Directors of the Authority, the governing body of the Authority.

"Chief Executive Officer" means the Supervisor of the Township.

"Downtown District" means the Downtown District designated by this Ordinance as now existing or hereafter amended.

"Township" means the Oshtemo Charter Township, Kalamazoo County, Michigan.

"Township Board" means the Township Board of Oshtemo Charter Township.

SECTION III. DETERMINATION OF NECESSITY.

The Township Board hereby determines that it is necessary for the best interests of the public and the Township to halt property value deterioration and increase property tax valuation where possible in the business district of the Township, to eliminate the causes of the deterioration and to promote economic growth by establishing a downtown development authority pursuant to Act 197.

SECTION IV. CREATION OF AUTHORITY.

There is hereby created, pursuant to Act 197, a Downtown Development Authority for the Township. The Authority shall be a public body corporate and shall be known and exercise its powers under the title of "Oshtemo Charter Township Downtown Development Authority". The Authority may adopt a seal, may sue and be sued in any court of this State and shall possess all of the powers necessary to carry out the purpose of its incorporation as provided by this Ordinance and Act 197. The enumeration of a power in this Ordinance or in Act 197 shall not be construed as a limitation upon the general powers of the Authority.

SECTION V. DESCRIPTION OF DOWNTOWN DISTRICT.

The Downtown District in which the Authority shall exercise its powers as provided by Act 197 shall consist of the described territory in the Township, subject to this Ordinance and Act 197, as set forth in Exhibit A, attached hereto and made a part hereof.

SECTION VI. BOARD OF DIRECTORS.

The Authority shall be under the supervision and control of the Board of Directors consisting of the chief executive officer of the Township and not less than eight or more than twelve members as determined by the Township Board. The members shall be appointed by the chief executive officer of the Township, subject to the approval by the Township Board. Not less than a majority of the members shall be persons having interest in property located in the Downtown District. Not less than one 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, as near as is practical, shall be appointed for one year, two years, three years and four years. Members shall hold office until the members' successor is appointed. Thereafter, each member shall serve for a term of four years. An appointment to fill a vacancy shall be made by the chief executive officer of the Township for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

SECTION VII. POWERS OF AUTHORITY.

The Authority shall have all powers enumerated or implied by law in Act 197.

SECTION VIII. FISCAL YEAR; ADOPTION OF BUDGET.

- A) The fiscal year of the Authority shall begin on January 1 of each year and end on December 31 of the same year, or such other fiscal year as may hereafter be adopted by the Township.
- B) The Board shall annually prepare a budget and shall submit it to the Township Board on the same date that the proposed budget for the Township is required by law to be submitted to the Township Board. The Board shall not finally adopt a budget for any fiscal year until the budget has been approved by the Township Board. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the Ordinance authorizing the revenue bonds.

- C) The Authority shall be audited annually by the same independent auditors auditing the Township, and copies of the audit report shall be filed with the Township Board.

SECTION IX. SECTION HEADINGS; SEVERABILITY; REPEALER.

Section headings in this Ordinance are furnished for convenience only and shall not be considered to be part of this Ordinance. All other Ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, and each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision.

SECTION X. PUBLICATION, RECORDING, AND EFFECTIVE DATE.

This Ordinance is hereby determined by the Township Board to be immediately necessary for the interests of the Township and shall be in full force and effect upon publication after adoption.

DEBORAH L. EVERETT, Clerk
OSHTEMO CHARTER TOWNSHIP

CHARTER TOWNSHIP OF OSHTEMO
KALAMAZOO COUNTY, MICHIGAN

NOTICE OF ORDINANCE ADOPTION

TO: THE RESIDENTS AND PROPERTY OWNERS OF THE CHARTER TOWNSHIP OF OSHTEMO, KALAMAZOO COUNTY, MICHIGAN, AND ANY OTHER INTERESTED PERSONS:

PLEASE TAKE NOTICE that on the 26th day of January, 2004, at a regular meeting of the Township Board of the Charter Township of Oshtemo, Kalamazoo County, Michigan, the Township Board of said Township adopted a Downtown Development Authority Ordinance, which provides, in summary, as follows:

- SECTION I. TITLE OF ORDINANCE. The title is "Oshtemo Charter Township Downtown Development Authority Ordinance".
- SECTION II. DEFINITIONS. Definitions of pertinent terms are provided including: "**Act 197**", "**Authority**", "**Board**" or "**Board of Directors**", "**Chief Executive Officer**", "**Downtown District**", "**Township**", and "**Township Board**".
- SECTION III. DETERMINATION OF NECESSITY. The Township Board determines that it is in the best interests of the public to establish a Downtown Development Authority pursuant to Act 197.
- SECTION IV. CREATION OF AUTHORITY. The Oshtemo Charter Township Downtown Development Authority is created as a public body corporation with all of the powers and authorities provided by the Ordinance and by Act 197.
- SECTION V. DESCRIPTION OF DOWNTOWN DISTRICT. The district in which the Oshtemo Charter Township Downtown Development Authority shall exercise its powers is described as follows:

Part of Sections 26, 34 & 35, Oshtemo Township, Kalamazoo County, Michigan, described as follows: Beginning at the South 1/4 post of Section 35, T. 2 S., R. 12 W., Oshtemo Township, Kalamazoo County, Michigan; thence West along the South line of Section 35 to a point 250 feet East of the West line of the East 1/2 of the Southwest 1/4 of Section 35; thence North parallel with said West line to the South line of the North 1/2 of the Southwest 1/4 of Section 35; thence West along said South line, 250 feet to the West line of the East 1/2 of the Southwest 1/4 of Section 35; thence North along said West line to the South line of the North 10 Acres of the West 1/2 of the Southwest 1/4; thence West along said South line to

the Section line common to Sections 34 & 35; thence North along said common line to the North line of the AT&T Co. right-of-way; thence Southwesterly along said North line to the Southeast corner of Stahl Plat; thence North along the East line of Stahl Plat to a point 600 feet South of Stadium Drive; thence Easterly parallel with Stadium Drive to the Section line common to Sections 34 & 35; thence North along said common Section line to the Section line common to Sections 26 & 35; thence South 89°-37'-27" East along said common Section line, 1,492.36 feet; thence South 09°-40'-50" East, 57.5 feet; thence South 09°-40'-50" East, 175 feet; thence North 76°-04'-30" East, 2.5 feet; thence South 09°-40'-50" East, 209.86 feet to the Northerly right-of-way of Stadium Drive; thence North 76°-04'-30" East along said right-of-way, 30.08 feet; thence North 09°-40'-50" West, 209.86 feet; thence North 30°-16'-59" West, 233.80 feet to the South line of Section 26; thence North 09°-40'-50" West, 708.87 feet; thence South 89°-37'-27" East, 346.13 feet; thence North 10°-55'-42" West, 206.83 feet; thence North 83°-58'-33" West, 380.51 feet to the West line of the East ½ of the Southwest ¼ of Section 26; thence North 00°-38'-52" East along said West line, 209.1 feet; thence North 89°-32' West, 1,319.34 feet to the North and South ¼ line of Section 26; thence South along said ¼ line to the North line of Glittenberg Plat; thence East along the North line of said Plat to the Northeast corner of Lot 5 of said Plat; thence South along the East line of Lot 5 to the Southeast corner of Lot 5; thence East along the South line of Lots 6 & 7 of said Plat to the West line of Pioneer Acres; thence South along the West line of Pioneer Acres to the Southwest corner of Lot 3 of Pioneer Acres; thence East along the South line of said Lot 3 and its Easterly extension to the Easterly right-of-way of Sunset Road; thence Southerly along said Easterly right-of-way to the Southwesterly corner of Lot 14 of Pioneer Acres; thence Northeasterly along the Southerly line of said Lot 14, 203.88 feet to the Southeasterly corner of said Lot 14; thence Northeasterly parallel with Stadium Drive to a point 100 feet Southwesterly of the East line of the West ½ of the Southeast ¼ of Section 26; thence North parallel with said East line, 100 feet; thence Northeasterly parallel with Stadium Drive, 100 feet to said East line of the West ½ of the Southeast ¼; thence North along said East line to the Southerly line of Fairlane Plat; thence Northeasterly along the Southerly line of Fairlane Plat and the Southerly right-of-way of Wildemere Street to the East line of Section 26; thence South along the East line of Section 26 to a point 843.38 feet North of the Southeast corner of Section 26; thence West parallel with the South line of Section 26 to the East line of Danford Creek East; thence South along said East line to the Northerly line of former AT&T Co. right-of-way; thence South 58°-16' West along said Northerly line to the Section line common to Sections 26 & 35; thence East along said common Section line to the Northerly right-of-way line of Atlantic Avenue; thence Southwesterly along said Northerly right-of-way to the East line of the West ½ of the East ½ of Section 35; thence South along said East line to the North line of

Oshtemo Business Park; thence West along the North line of Oshtemo Business Park to the West line of Unit 2 of said Park; thence South along said West line, 202 feet; thence West 200 feet to the East line of Unit 1; thence South along said East line and its Southerly extension, 347.72 feet to the Southerly right-of-way line of Technology Avenue; thence East along said Southerly line to the East line of Unit 11 of said Park; thence South along the East line of Units 11 & 12, 567 feet to the South line of Unit 12 of said Park; thence West along said South line, 250 feet; thence South parallel with the North and South 1/4 line of Section 35, 200 feet to the South line of Section 35; thence West thereon, 330 feet to the place of beginning.

- SECTION VI. BOARD OF DIRECTORS. The Authority shall be under the supervision and control of the Board of Directors consisting of the chief executive officer of the Township and not less than eight or more than twelve members as determined by the Township Board. The appointment and membership of the Board is described.
- SECTION VII. POWERS OF AUTHORITY. The Authority shall have all powers enumerated or implied by law in Act 197.
- SECTION VIII. FISCAL YEAR; ADOPTION OF BUDGET. The Authority has a calendar year fiscal year, must adopt a budget annually subject to approval by the Township Board and is audited annually.
- SECTION IX. SECTION HEADINGS; SEVERABILITY; REPEALER. Section headings are for convenience and are not part of the Ordinance. If any Section or subsection is declared invalid it shall not affect the validity of any other. All ordinances or parts of ordinances in conflict are repealed.
- SECTION X. PUBLICATION, RECORDING, AND EFFECTIVE DATE. This Ordinance is determined by the Township Board to be immediately necessary for the interests of the Township and shall be in full force and effect upon publication after adoption.

PLEASE TAKE FURTHER NOTICE that the full text of this Ordinance has been posted in the Office of the Township Clerk and in the additional following five public places within the Township for public examination within the seven days preceding the publication of the within notice:

1. Laundromat at South Drake Road at KL Avenue
2. Village Video & Ice Cream, 3508 South 9th Street
3. Post Office, Oshtemo

4. Dougherty's Corners Grocery Store
5. Oshtemo Branch Library, 7265 West Main

PLEASE TAKE FURTHER NOTICE that this Ordinance will take effect January 28, 2004. A copy of this Ordinance may be purchased or inspected at the office of the Township Clerk at any time during regular business hours of regular business days at the following stated address.

DEBORAH L. EVERETT, CLERK
OSHTEMO CHARTER TOWNSHIP
7275 West Main Street
Kalamazoo, MI 49009
Telephone: (269) 375-4260

CERTIFICATE

I, DEBORAH L. EVERETT, the Township Clerk of the Charter Township of Oshtemo, Kalamazoo County, Michigan, do hereby certify that, in pursuance of law and statute provided, at a regular meeting of the Oshtemo Township Board held on January 26, 2004, at 7:00 p.m. at the Oshtemo Township Hall located within the Charter Township of Oshtemo, the Board enacted and passed Ordinance No. 443, hereinbefore recorded, to become effective on January 28, 2004, and that the members of said Board present at said meeting voted on the adoption of said Ordinance as follows:

John Van Dyke	Yes
Deborah L. Everett	Yes
Nancy Culp	Yes
Lois Brown	Yes
David Bushouse	Yes
Ted Corakis	Yes
Stanley Rakowski	Yes

I do further certify that all in accordance with Township Board direction the proposed Ordinance was duly published in summary in the Kalamazoo Gazette, a newspaper printed in Kalamazoo, Michigan, and circulated in Oshtemo Township on January 24, 2004; that a synopsis of the adopted Ordinance, including where the same could be examined or purchased, was published in said Kalamazoo Gazette on January 28, 2004; the final Ordinance was similarly posted on January 30, 2004; that said Ordinance No. 443 was duly recorded in this Ordinance Book on January 30, 2004.

Deborah L. Everett
DEBORAH L. EVERETT, Township Clerk

DATED: January 30, 2004

ATTEST:

John Van Dyke
JOHN VAN DYKE, Supervisor

CHARTER TOWNSHIP OF OSHTEMO
KALAMAZOO COUNTY, MICHIGAN

STATE OF MICHIGAN)
 : ss
COUNTY OF KALAMAZOO)

AFFIDAVIT OF POSTING NOTICE
OF ORDINANCE ADOPTION RE:
DOWNTOWN DEVELOPMENT
AUTHORITY ORDINANCE

I, DEBORAH L. EVERETT, being first duly sworn, depose and say that on the 30th day of January, 2004, I conspicuously posted a true and correct copy of the attached Ordinance and Notice in compliance with the provisions and requirements of MCL 42.8; MSA 5.46(8), as amended, in the following public places within the Township within the seven (7) days preceding the publication of the within Notice for public inspection:

1. Laundromat at South Drake Road at KL Avenue
2. Village Video & Ice Cream, 3508 S. 9th St.
3. Post Office, Oshtemo
4. Dougherty's Corners Grocery Store
5. Oshtemo Branch Library, 7265 West Main
6. Office of the Township Clerk, 7275 West Main

Deborah L. Everett
DEBORAH L. EVERETT
Oshtemo Charter Township Clerk

Subscribed and sworn to before me this 30th day of January, 2004.

DeAnna Janssen
notary public

Kalamazoo County, Michigan
My commission expires: _____

DE ANNA JANSSEN
NOTARY PUBLIC KALAMAZOO CO., MI
MY COMMISSION EXPIRES Jun 19, 2004



Exhibit 3

STATE OF MICHIGAN
THREE LYNN LAND, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

February 25, 2004

Bauckham, Sparks, Rolfe, Lohrstorfer & Thall
Patricia R. Mason, Attorney
458 West South Street
Kalamazoo, MI 49007-4621

RE: Oshtemo Charter Township Downtown Development Authority

Dear Ms. Mason:

This letter acknowledges receipt and filing by your office on February 24, 2004, with the Secretary of State, an ordinance creating the Oshtemo Charter Township Downtown Development Authority in accordance with Act 197 of the Public Acts of 1975.

Sincerely,

Joanie Kollek
Office of the Great Seal
(517) 335-0718

DOWNTOWN DEVELOPMENT AUTHORITY

BY-LAWS

ARTICLE I - NAME AND PURPOSE

1. The name of this organization shall be the Oshtemo Charter Township Downtown Development Authority (the "Authority").
2. The purposes of the Authority are to implement Act 197 of the Public Acts of Michigan of 1975, as amended (the "Act") and include, but are not limited to, the correction and prevention of deterioration in the downtown district, the encouragement of historic preservation, the creation and implementation of development plans in the downtown district, and the promotion of economic growth therein. The Authority shall have all the powers which now or hereafter may be conferred by law on authorities organized under the Act.

ARTICLE II - REGISTERED OFFICE

The registered office and the principal place of business of the Authority shall be 7275 West Main Street, Kalamazoo, MI 49009-9334, or such other location as may from time to time be designated by the Board of Directors of the Authority.

ARTICLE III - BOARD OF DIRECTORS

1. The Authority shall be under the supervision and control of a Board of Directors (the "Board") consisting of the Township Supervisor and 12 other members appointed by the Supervisor with approval of the Township Board, which Board may exercise all powers provided by the Act.
2. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.
3. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.
4. Members whose term of office have expired shall continue to hold office until a successor has been appointed.
5. Resignations of members of the Board shall be effective upon delivery of the resignation in writing to the Township Supervisor.

6. Pursuant to notice and an opportunity to be heard, a member of the Board may be removed from office for neglect of duty, including non-attendance at meetings, misconduct, malfeasance, or any other good cause by a majority vote of the Township Board.
7. A member of the Board who has a direct interest in any matter before the Authority shall disclose the interest prior to the Authority taking any action with respect to the matter, which disclosure shall become a part of the record of the Authority's official proceedings. Further, any member making such disclosure shall refrain from participating in the Authority's decision-making process relative to such matter.
8. The Authority shall not enter into any contract except with the approval of the Township Board.

ARTICLE IV - OFFICERS

1. The Board of the Authority shall elect from its membership a chairperson, vice chairperson, secretary, and a treasurer. In addition, the Board may appoint an assistant secretary and an assistant treasurer, who need not be members of the Board, to be charged with such duties as the Board deems appropriate. The election of any officer requires a majority vote of the members of the Board.
2. All officers shall hold office for one year or until a successor is elected and qualified. Nevertheless, no office created under this Article shall extend beyond the term of the member designated.
3. An officer may be removed by a majority vote of the Board whenever in its judgment the best interest of the Authority would be served.
4. A vacancy in any office shall be filled for its unexpired term by a member designated by a majority vote of the members of the Board.
5. Subject to the approval of the Township Board, the Board may authorize any officer, agent, employee or member to enter into any contract or execute and delivery any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, employee or member shall have any power or authority to bind the Authority by any contract or engagement or to ledge its credit or to render it liable pecuniary for any purpose or in any amount.
6. The Chairperson shall preside at all meetings of the Board and shall discharge the duties of a presiding officer. The Chairperson shall do and perform such other duties as may be from time to time assigned by him by the Board.

7. In the absence of the Chairperson or in the event of his inability or refusal to act, the Vice Chairperson shall perform the duties of the Chairperson and when so acting shall have all the power and be subject to all restrictions of the Chairperson. The Vice Chairperson shall do and perform such other duties as may be from time to time assigned to him by the Board.
8. The Treasurer shall have the following duties: The Treasurer shall keep account of all money, funds and property of the Authority and shall render such accounts and present such statements to the Board as may be required. The Treasurer shall approve all vouchers for the expenditure of the funds of the Authority, which funds shall be deposited with the Township Treasurer. However, the Board shall have the power, by resolution, to delegate any of the duties of the Treasurer to other officers or agents of the Authority. The Treasurer shall do and perform such other duties as may be from time to time assigned to him by the Board.
9. The Secretary 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 minutes of all meetings of the Board. The Secretary shall do and perform such other duties as may be from time to time assigned to him by the Board.

ARTICLE V - SUBMISSION OF BUDGET

On or before September 1st of each year, the Authority shall prepare a budget and submit it to the Supervisor for transmittal to the Township Board. The Board shall not finally adopt the budget until the budget has been approved by the Township Board. The Authority shall be audited annually by the same auditors auditing the Township and copies of the audit report shall be filed with the Township.

ARTICLE VI - MEETINGS

1. An annual meeting shall be held in January of each year at which meeting the election of officers shall occur. The Board shall adopt a schedule of regular meetings for that year.
2. Special meetings of the Authority may be called by the Chairperson or by any three members of the Board on at least 18 hours written notice to each member of the Board of the time and place of the meeting. Members of the Board may waive receipt of such notice.
3. All meetings shall be held in compliance with the Open Meetings Act, Act No. 267, P.A. 1976, as amended. Notice of all meetings shall be provided and posted in accordance with said Act 267 of the Public Acts of 1976, as amended.

4. Each member present at the meeting of the Authority shall be entitled to a single vote, but no member shall vote by proxy, unless his sealed vote is accepted by the majority of those present. A proxy vote shall not be used to make a quorum. A proxy vote shall be used only once on a question.
5. A majority of the members of the Board in office shall constitute a quorum for the transaction of business. The vote of a majority of the members present at a meeting at which a quorum is present shall constitute the action of the Board unless the vote of a large number is required by statute.

ARTICLE VII - AMENDMENTS

1. These By-laws are subject to the approval of the Township Board and shall not take effect until such approval by the Township Board has been provided. Until approved by the Township Board, these By-laws shall be the temporary By-laws of the Authority.
2. These By-laws may be altered, amended, or repealed only by the affirmative vote of a majority of the members of the Board of Authority, subject to notice and quorum requirements as set forth in these By-laws, provided, however, that any such alteration, amendment or repeal shall require the approval of the Township Board and shall be consistent with the provisions and requirements of the Act.

Approved by:

**BOARD OF DIRECTORS OF THE
DOWNTOWN DEVELOPMENT AUTHORITY
OF OSHTEMO CHARTER TOWNSHIP**

Date: _____, 2004

By _____

Its: Chairperson

**TOWNSHIP BOARD OF THE
CHARTER TOWNSHIP OF OSHTEMO**

Date: _____, 2004

By _____

Its: Township Supervisor

CHARTER TOWNSHIP OF OSHTEMO
KALAMAZOO COUNTY, MICHIGAN

NOTICE OF PUBLIC HEARING ON
PROPOSED DOWNTOWN DEVELOPMENT AUTHORITY
TAX INCREMENT FINANCING AND DEVELOPMENT PLAN

TO: PROPERTY TAXPAYERS WITHIN THE FOLLOWING DESCRIBED PLAN AREA AND PROPERTY OWNERS OF OSHTEMO CHARTER TOWNSHIP, AND ALL OTHER INTERESTED PERSONS

PLEASE TAKE NOTICE that the Oshtemo Charter Township Board shall conduct a public hearing on April 27, 2004, at 7:00 p.m. at the Oshtemo Charter Township Hall at 7275 West Main Street, Kalamazoo, Michigan, on a proposed Downtown Development Authority Tax Increment Financing and Development Plan. The proposed development area in the Plan is described as follows:

Part of Sections 26, 34 & 35, Oshtemo Township, Kalamazoo County, Michigan, described as follows: Beginning at the South 1/4 post of Section 35, T. 2 S., R. 12 W., Oshtemo Township, Kalamazoo County, Michigan; thence West along the South line of Section 35 to a point 250 feet East of the West line of the East 1/2 of the Southwest 1/4 of Section 35; thence North parallel with said West line to the South line of the North 1/2 of the Southwest 1/4 of Section 35; thence West along said South line, 250 feet to the West line of the East 1/2 of the Southwest 1/4 of Section 35; thence North along said West line to the South line of the North 10 Acres of the West 1/2 of the Southwest 1/4; thence West along said South line to the Section line common to Sections 34 & 35; thence North along said common line to the North line of the AT&T Co. right-of-way; thence Southwesterly along said North line to the Southeast corner of Stahl Plat; thence North along the East line of Stahl Plat to a point 600 feet South of Stadium Drive; thence Easterly parallel with Stadium Drive to the Section line common to Sections 34 & 35; thence North along said common Section line to the Section line common to Sections 26 & 35; thence South 89°-37'-27" East along said common Section line, 1,492.36 feet; thence South 09°-40'-50" East, 57.5 feet; thence South 09°-40'-50" East, 175 feet; thence North 76°-04'-30" East, 2.5 feet; thence South 09°-40'-50" East, 209.86 feet to the Northerly right-of-way of Stadium Drive; thence North 76°-04'-30" East along said right-of-way, 30.08 feet; thence North 09°-40'-50" West, 209.86 feet; thence North 30°-16'-59" West, 233.80 feet to the South line of Section 26; thence North 09°-40'-50" West, 708.87 feet; thence South 89°-37'-27" East, 346.13 feet; thence North 10°-55'-42" West, 206.83 feet; thence North 83°-58'-33" West, 380.51 feet to the West line of the East 1/2 of the Southwest 1/4 of Section 26; thence North 00°-38'-52" East along said West line, 209.1 feet; thence North 89°-32' West, 1,319.34 feet to the North and South 1/4 line of Section 26; thence South along said 1/4 line to the North line of Glittenberg Plat; thence East along the North line of said Plat to the Northeast corner of Lot 5 of said Plat; thence South along the East line of Lot 5 to the Southeast corner of Lot 5; thence East along the South line of Lots 6 & 7 of said Plat to the West line of Pioneer Acres; thence South along the West line of Pioneer Acres to the Southwest corner of Lot 3 of Pioneer Acres; thence East along the South line of said Lot 3 and its Easterly extension to the Easterly right-of-way of Sunset Road; thence Southerly along said Easterly right-of-way to the Southwesterly corner of Lot 14 of Pioneer Acres; thence Northeasterly along the Southerly line of said Lot 14, 203.88 feet to the Southeasterly corner of said Lot 14; thence Northeasterly parallel with Stadium Drive to a point 100 feet Southwesterly of the East line

of the West 1/2 of the Southeast 1/4 of Section 26; thence North parallel with said East line, 100 feet; thence Northeasterly parallel with Stadium Drive, 100 feet to said East line of the West 1/2 of the Southeast 1/4; thence North along said East line to the Southerly line of Fairlane Plat; thence Northeasterly along the Southerly line of Fairlane Plat and the Southerly right-of-way of Wildemere Street to the East line of Section 26; thence South along the East line of Section 26 to a point 843.38 feet North of the Southeast corner of Section 26; thence West parallel with the South line of Section 26 to the East line of Danford Creek East; thence South along said East line to the Northerly line of former AT&T Co. right-of-way; thence South 58°-16' West along said Northerly line to the Section line common to Sections 26 & 35; thence East along said common Section line to the Northerly right-of-way line of Atlantic Avenue; thence Southwesterly along said Northerly right-of-way to the East line of the West 1/2 of the East 1/2 of Section 35; thence South along said East line to the North line of Oshtemo Business Park; thence West along the North line of Oshtemo Business Park to the West line of Unit 2 of said Park; thence South along said West line, 202 feet; thence West 200 feet to the East line of Unit 1; thence South along said East line and its Southerly extension, 347.72 feet to the Southerly right-of-way line of Technology Avenue; thence East along said Southerly line to the East line of Unit 11 of said Park; thence South along the East line of Units 11 & 12, 567 feet to the South line of Unit 12 of said Park; thence West along said South line, 250 feet; thence South parallel with the North and South 1/4 line of Section 35, 200 feet to the South line of Section 35; thence West thereon, 330 feet to the place of beginning.

Maps, plats and a description of the proposed Plan, as well as the Plan itself, are available for public inspection at the office of the Township Clerk from the date of this Notice to the date of the Public Hearing and may be examined at the public hearing.

The proposed Plan does not contemplate the necessity to relocate any person from the proposed development area.

Oshtemo Charter Township will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting to individuals with disabilities at the meeting/hearing upon seven (7) days' notice to the Oshtemo Charter Township Clerk. Individuals with disabilities requiring auxiliary aids or services should contact the Oshtemo Charter Township Clerk by writing or calling the Township.

All interested persons are invited to be present at the aforesaid time and place to comment upon the proposed Downtown Development Authority Tax Increment Financing and Development Plan. All aspects of the proposed Plan will be open for discussion at this public hearing.

DEBORAH L. EVERETT, Township Clerk
Oshtemo Charter Township
7275 West Main Street
Kalamazoo, Michigan 49009
(269) 375-4260

Summary of Base Year Taxable Values

Exhibit 6

Parcel Class	Number of Properties	2002 Base Year Taxable Value
Commercial	73	14,416,278
Residential	115	3,376,706
Industrial	14	4,739,283
Subtotal- Parcels within the Oshtemo DDA		\$ 22,532,267

Summary of Tax Increment Impact by Jurisdiction

Oshtemo DDA

2003 Total Captured Value	\$	1,362,396	
2003 Residential Millage Rates			
Charter Township of Oshtemo	2000 Millage Rate	Tax Increment	
Kalamazoo RESA	0.0009798	\$ 1,334.88	
Fire Millage	N/A	\$ -	
Kalamazoo County	N/A	\$ -	
Kalamazoo Schools	0.0061362	8,359.94	
Kalamazoo Valley Community College	N/A	-	
Library	0.0028139	3,833.65	
Total:	0.0039583	5,392.77	
	0.0138882	\$ 18,921.23	

N/A: Millage rates not captured by the DDA

Oshtemo DDA Captured Value Projections

Assumed annual rate of growth in Taxable Values by Property Class: * Commercial 2.8%
 (2002-2003 rates) Residential 3.0%
 Industrial 2.90%

Exhibit 8

Year	Commercial Real Property		Residential Real Property		Industrial Real Property		Combined Captured Values
	Projected Total Values	Projected New Construction**	Projected Total Values	Projected New Construction**	Projected Total Values	Projected New Construction**	
Base '02	\$ 14,416,278	\$ -	\$ 3,376,706	\$ -	\$ 4,739,283	\$ -	\$ -
2003	14,819,934	720,000	3,478,007	-	4,876,722	137,439	1,362,396
2004	15,954,892	600,000	3,582,347	-	5,018,147	278,864	2,623,119
2005	17,001,629	-	3,689,818	-	5,163,673	424,390	3,322,853
2006	17,477,675	-	3,800,512	-	5,313,420	574,137	4,059,340
2007	17,967,049	-	3,914,528	-	5,467,509	728,226	4,816,819
2008	18,470,127	-	4,031,964	-	5,626,067	886,784	5,595,890
2009	18,987,290	-	4,152,922	-	5,789,223	1,049,940	6,397,169
2010	19,518,934	-	4,277,510	-	5,957,110	1,217,827	7,221,288
2011	20,065,465	-	4,405,835	-	6,129,866	1,390,583	8,068,900
2012	20,627,298	-	4,538,011	-	6,307,633	1,568,350	8,940,674
2013	21,204,862	-	4,674,151	-	6,490,554	1,751,271	9,837,300
2014	21,798,598	-	4,814,375	-	6,678,780	1,939,497	10,759,486
2015	22,408,959	-	4,958,807	-	6,872,465	2,133,182	11,707,963
2016	23,036,410	-	5,107,571	-	7,071,766	2,332,483	12,683,480
2017	23,681,429	-	5,260,798	-	7,276,847	2,537,564	13,686,807
2018	24,344,509	-	5,418,622	-	7,487,876	2,748,593	14,718,740
2019	25,026,155	-	5,581,181	-	7,705,024	2,965,741	15,780,093
2020	25,726,888	-	5,748,616	-	7,928,470	3,189,187	16,871,707
2021	26,447,241	-	5,921,074	-	8,158,396	3,419,113	17,994,444
2022	27,187,763	-	6,098,707	-	8,394,989	3,655,706	19,149,192
2023	27,949,021	-	6,281,668	-	8,638,444	3,899,161	20,336,865
2024	28,731,593	-	6,470,118	-	8,888,959	4,149,676	21,558,403
2025	29,536,078	-	6,664,221	-	9,146,738	4,407,455	22,814,771
2026	30,363,088	-	6,864,148	-	9,411,994	4,672,711	24,106,963
2027	31,213,255	-	7,070,072	-	9,684,942	4,945,659	25,436,002
2028	32,087,226	-	7,282,175	-	9,965,805	5,226,522	26,802,938
2029	32,985,668	-	7,500,640	-	10,254,813	5,515,530	28,208,854
2030	33,909,267	-	7,725,659	-	10,552,203	5,812,920	29,654,862
2031	34,858,726	-	7,957,429	-	10,858,217	6,118,934	31,142,105
2032	35,834,771	-	8,196,152	-	11,173,105	6,433,822	32,671,760

* These are the most recent rates of growth in the development area. As the improvements contemplated by the DDA are undertaken it is likely that these rates will increase.

** New construction in the development is not projected here to keep the financial projections very conservative. However, the overall purpose of this plan is to foster additional investment in the district which will, of course generate additional captured value to support the efforts outlined in this plan.

Tax Increment Projection

Exhibit 9

Year	Combined Captured Value	Combined Captured Millage*	Combined Tax Increment	Cumulative Tax Increment
		(based on 2003 millage)		
2003	\$ 1,362,396	0.0138882	\$ 18,921	\$ 18,921
2004	\$ 2,623,119	0.0138882	\$ 36,430	\$ 55,352
2005	\$ 3,322,853	0.0138882	\$ 46,148	\$ 101,500
2006	\$ 4,059,340	0.0138882	\$ 56,377	\$ 157,877
2007	\$ 4,816,819	0.0138882	\$ 66,897	\$ 224,774
2008	\$ 5,595,890	0.0138882	\$ 77,717	\$ 302,491
2009	\$ 6,397,169	0.0138882	\$ 88,845	\$ 391,336
2010	\$ 7,221,288	0.0138882	\$ 100,291	\$ 491,627
2011	\$ 8,068,900	0.0138882	\$ 112,062	\$ 603,689
2012	\$ 8,940,674	0.0138882	\$ 124,170	\$ 727,859
2013	\$ 9,837,300	0.0138882	\$ 136,622	\$ 864,481
2014	\$ 10,759,486	0.0138882	\$ 149,430	\$ 1,013,911
2015	\$ 11,707,963	0.0138882	\$ 162,603	\$ 1,176,514
2016	\$ 12,683,480	0.0138882	\$ 176,151	\$ 1,352,665
2017	\$ 13,686,807	0.0138882	\$ 190,085	\$ 1,542,750
2018	\$ 14,718,740	0.0138882	\$ 204,417	\$ 1,747,166
2019	\$ 15,780,093	0.0138882	\$ 219,157	\$ 1,966,324
2020	\$ 16,871,707	0.0138882	\$ 234,318	\$ 2,200,641
2021	\$ 17,994,444	0.0138882	\$ 249,910	\$ 2,450,552
2022	\$ 19,149,192	0.0138882	\$ 265,948	\$ 2,716,499
2023	\$ 20,336,865	0.0138882	\$ 282,442	\$ 2,998,942
2024	\$ 21,558,403	0.0138882	\$ 299,407	\$ 3,298,349
2025	\$ 22,814,771	0.0138882	\$ 316,856	\$ 3,615,205
2026	\$ 24,106,963	0.0138882	\$ 334,802	\$ 3,950,008
2027	\$ 25,436,002	0.0138882	\$ 353,260	\$ 4,303,268
2028	\$ 26,802,938	0.0138882	\$ 372,245	\$ 4,675,513
2029	\$ 28,208,854	0.0138882	\$ 391,770	\$ 5,067,283
2030	\$ 29,654,862	0.0138882	\$ 411,853	\$ 5,479,135
2031	\$ 31,142,105	0.0138882	\$ 432,508	\$ 5,911,643
2032	\$ 32,671,760	0.0138882	\$ 453,752	\$ 6,365,395

* This includes the 2003 millage rates for Oshtemo Charter Township, the Library, KVCC and Kalamazoo County.

CHARTER TOWNSHIP OF OSHTEMO DDA
PROJECTED ANNUAL OPERATING BUDGET

On an annual basis, the DDA will present to the Township Board a request for appropriation as a part of the Township's normal budget preparation process. This request shall include both capital and operating expenses for the DDA for the coming year. Capital expenses shall be in accord with the Downtown Development and Tax Increment Financing Plan, as approved by the Township Board and as may be amended from time to time. Operating expenses shall be estimated based on the operating needs of the DDA Board of Directors on an annual basis.

The following estimates the approximate amount of annual operating expenses of the DDA over the life of the Downtown Development and Tax Increment Financing Plan:

<u>Year</u>	<u>Projected Expenditures</u>
2004	\$5,000
2005	5,000
2006	5,000
2007	5,000
2008	5,000
2009	5,000
2010	5,000
2011	5,000
2012	5,000
2013	5,000
2014	5,000
2015	5,000
2016	5,000
2017	5,000
2018	5,000
2019	5,000
2020	5,000
2021	5,000
2022	5,000
2023	5,000
2024	5,000
2025	5,000
2026	5,000
2027	5,000
2028	5,000
2029	5,000
2030	5,000
2031	5,000
2032	5,000



7275 W. MAIN STREET, KALAMAZOO, MI 49009-9334
269-375-4260 FAX 375-7180 TDD 375-7198
www.oshtemo.org

April 6, 2004

To Whom It May Concern:

As you may recall from previous correspondence and discussion, the Charter Township of Oshtemo is in the process of establishing a Tax Increment Financing and Development Plan for the recently created Downtown Development Authority (DDA). The Township is exercising its power to undertake tax increment financing as authorized in Act 197 of the Public Acts of 1975, as amended, to reduce property value stagnation and to encourage economic development in a portion of the community generally surrounding 9th Street and Stadium Drive.

In compliance with Section 14 (4) of the Downtown Development Authority Act, the DDA must offer a reasonable opportunity for all effected taxing jurisdictions to review and comment on the plan prior to the public hearing. Said public hearing is scheduled for Tuesday, April 27, 2004. Following this hearing, the Township Board will consider the adoption of the plan.

A final draft of the Charter Township of Oshtemo proposed Tax Increment Financing and Development Plan is available for your review and comment at the Township Hall. Please contact me if you would like to schedule time to review the plan or have a copy of the plan sent to you.

Sincerely,

Mary Lynn B. Bugge
Planner

Cc: Dr. Marilyn Schlack and Mr. Mike Collins, Kalamazoo Valley Community College
Mr. Saul Amdursky, Kalamazoo Public Library
Mr. Don Gilmore, Kalamazoo County

CHARTER TOWNSHIP OF OSHTEMO
DOWNTOWN DEVELOPMENT AUTHORITY

RESOLUTION APPROVING AND RECOMMENDING THE ADOPTION OF THE
TOWNSHIP'S DOWNTOWN DEVELOPMENT AND FINANCING PLAN

Minutes of the Downtown Development Authority of the Charter Township of Oshtemo, County of Kalamazoo, Michigan, held in the Township Offices on the 30th day of March, 2004.

Present: Betzler, Brodasky, Brown, Gagliardo, Lutke, Schley, Siegel, Slocum, Van Dyke, Zuiderveen

Absent: Dylhoff, Seelye, Zanoni

The following resolution was offered by Slocum and supported by Betzler.

WHEREAS, pursuant to Act No. 197 of the Public Acts of Michigan of 1975, as amended (Act), the Downtown Development Authority (DDA) has prepared a development and financing plan to assist in the development and redevelopment of the Development Area; and

WHEREAS, pursuant to the Act, the DDA has prepared a tax increment financing plan to assist in the financial support for all or a part of the costs associated with the activities of the DDA as set forth in the development plan;

NOW, THEREFORE, BE IT RESOLVED, that the DDA hereby determines that:

1. The downtown development and tax increment financing plan constitutes a public purpose;
2. The downtown development and tax increment financing plan meets the requirements of section 17 (2) of the Act;
3. The proposed method of financing the development is feasible and the DDA has the ability to arrange the financing;
4. The development is reasonable and necessary to carry out the purposes of the Act;
5. Any land which may be included within the development area which may be acquired is reasonably necessary to carry out the purposes of the plan and of the Act in an efficient and economically satisfactory manner;
6. The development is in accord with the master plan of the Charter Township of Oshtemo;

7. Public services are or will be adequate to service the project area;
8. Any changes in zoning, streets, street levels, intersections and utilities recommended within the plan shall be reasonably necessary for the project and for the Charter Township of Oshtemo.

BE IT FURTHER RESOLVED, that the Downtown Development Authority hereby approves said downtown development and tax increment financing plan, and hereby recommends said plan to the Township Board of the Charter Township of Oshtemo for adoption and implementation in accordance with the Act.

BE IT FURTHER RESOLVED, that all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and are hereby rescinded.

AYES: Betzler, Brodasky, Gagliardo, Lutke, Schley, Siegel, Slocum, Van Dyke, Zuiderveen

NAYS: Brown

ABSENT Dylhoff, Seelye, Zanoni

RESOLUTION DECLARED ADOPTED

CERTIFICATE

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a meeting of the Charter Township of Oshtemo Downtown Development Authority on the 30th day of March, 2004.



Jean Gagliardo, Secretary

Charter Township of Oshtemo Ordinance ___ Adopting Plan

DESCRIPTION OF PROPERTY FOR
CHARTER TOWNSHIP OF OSHTEMO

Located in Sections 26, 34 & 35, Oshtemo Township
Kalamazoo County, Michigan

Proposed DDA Boundary Description

Part of Sections 26, 34 & 35, Oshtemo Township, Kalamazoo County, Michigan, described as follows: Beginning at the South 1/4 post of Section 35, T. 2 S., R. 12 W., Oshtemo Township, Kalamazoo County, Michigan; thence West along the South line of Section 35 to a point 250 feet East of the West line of the East 1/2 of the Southwest 1/4 of Section 35; thence North parallel with said West line to the South line of the North 1/2 of the Southwest 1/4 of Section 35; thence West along said South line, 250 feet to the West line of the East 1/2 of the Southwest 1/4 of Section 35; thence North along said West line to the South line of the North 10 Acres of the West 1/2 of the Southwest 1/4; thence West along said South line to the Section line common to Sections 34 & 35; thence North along said common line to the North line of the AT&T Co. right-of-way; thence Southwesterly along said North line to the Southeast corner of Stahl Plat; thence North along the East line of Stahl Plat to a point 600 feet South of Stadium Drive; thence Easterly parallel with Stadium Drive to the Section line common to Sections 34 & 35; thence North along said common Section line to the Section line common to Sections 26 & 35; thence South 89°-37'-27" East along said common Section line, 1,492.36 feet; thence South 09°-40'-50" East, 57.5 feet; thence South 09°-40'-50" East, 175 feet; thence North 76°-04'-30" East, 2.5 feet; thence South 09°-40'-50" East, 209.86 feet to the Northerly right-of-way of Stadium Drive; thence North 76°-04'-30" East along said right-of-way, 30.08 feet; thence North 09°-40'-50" West, 209.86 feet; thence North 30°-16'-59" West, 233.80 feet to the South line of Section 26; thence North 09°-40'-50" West, 708.87 feet; thence South 89°-37'-27" East, 346.13 feet; thence North 10°-55'-42" West, 206.83 feet; thence North 83°-58'-33" West, 380.51 feet to the West line of the East 1/2 of the Southwest 1/4 of Section 26; thence North 00°-38'-52" East along said West line, 209.1 feet; thence North 89°-32' West, 1,319.34 feet to the North and South 1/4 line of Section 26; thence South along said 1/4 line to the North line of Glittenberg Plat; thence East along the North line of said Plat to the Northeast corner of Lot 5 of said Plat; thence South along the East line of Lot 5 to the Southeast corner of Lot 5; thence East along the South line of Lots 6 & 7 of said Plat to the West line of Pioneer Acres; thence South along the West line of Pioneer Acres to the Southwest corner of Lot 3 of Pioneer Acres; thence East along the South line of said Lot 3 and its Easterly extension to the Easterly right-of-way of Sunset Road; thence Southerly along said Easterly right-of-way to the Southwesterly corner of Lot 14 of Pioneer Acres; thence Northeasterly along the Southerly line of said Lot 14, 203.88 feet to the Southeasterly corner of said Lot 14; thence Northeasterly parallel with Stadium Drive to a point 100 feet

(Continued)

Description of Property for
Charter Township of Oshtemo

Proposed DDA Boundary Description (Cont'd.)

Southwesterly of the East line of the West 1/2 of the Southeast 1/4 of Section 26; thence North parallel with said East line, 100 feet; thence Northeasterly parallel with Stadium Drive, 100 feet to said East line of the West 1/2 of the Southeast 1/4; thence North along said East line to the Southerly line of Fairlane Plat; thence Northeasterly along the Southerly line of Fairlane Plat and the Southerly right-of-way of Wildemere Street to the East line of Section 26; thence South along the East line of Section 26 to a point 843.38 feet North of the Southeast corner of Section 26; thence West parallel with the South line of Section 26 to the East line of Danford Creek East; thence South along said East line to the Northerly line of former AT&T Co. right-of-way; thence South 58°-16' West along said Northerly line to the Section line common to Sections 26 & 35; thence East along said common Section line to the Northerly right-of-way line of Atlantic Avenue; thence Southwesterly along said Northerly right-of-way to the East line of the West 1/2 of the East 1/2 of Section 35; thence South along said East line to the North line of Oshtemo Business Park; thence West along the North line of Oshtemo Business Park to the West line of Unit 2 of said Park; thence South along said West line, 202 feet; thence West 200 feet to the East line of Unit 1; thence South along said East line and its Southerly extension, 347.72 feet to the Southerly right-of-way line of Technology Avenue; thence East along said Southerly line to the East line of Unit 11 of said Park; thence South along the East line of Units 11 & 12, 567 feet to the South line of Unit 12 of said Park; thence West along said South line, 250 feet; thence South parallel with the North and South 1/4 line of Section 35, 200 feet to the South line of Section 35; thence West thereon, 330 feet to the place of beginning.

September 26, 2003

Revised: October 10, 2003

