

# Downtown Development Authority

## Regular Meeting Agenda

Wednesday, March 13, 2013  
Noon, City Hall



City of South Haven

**MISSION STATEMENT:** The Downtown Development Authority (DDA) is to be a leader in helping to fulfill the City of South Haven Municipal Plan; through planning, funding, and development of projects within the DDA District which promote, encourage and contribute to the overall economic growth and development of the community.

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Approval of Minutes**
  - September 5, 2012 Regular Meeting
  - October 3, 2012 Workshop
  - December 3, 2012 Special Meeting with City Council
  - January 30, 2013 Special Meeting
  - February 6, 2013 Workshop
5. **DDA will be asked to consider approving a Resolution to amend the “DDA Development & Tax Increment Financing Plan”.**
6. **Adjourn**

RESPECTFULLY SUBMITTED,

Deb Davidson  
DDA Director

South Haven City Hall is Barrier-free and the City of South Haven will provide the necessary reasonable auxiliary aids and services for persons with disabilities, 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 upon seven (7) days notice to the South Haven City Clerk. Individuals with disabilities requiring services should contact the City Clerk by writing or calling South Haven City Hall at (269) 637-0700.

# Downtown Development Authority

## Regular Meeting Minutes

Wednesday, September 5, 2012  
Noon, Council Chambers



City of South Haven

**MISSION STATEMENT:** The Downtown Development Authority (DDA) is to be a leader in helping to fulfill the City of South Haven Municipal Plan; through planning, funding, and development of projects within the DDA District which promote, encourage and contribute to the overall economic growth and development of the community.

### 1. Call to Order by Olson at noon

### 2. Roll Call

Present: Burr, Marcoux, Marple, Olson, Whiteford, Zuckerman

Absent: Braun

### 3. Approval of Agenda

Motion by Burr, second by Whiteford to approve the Agenda as presented.

All in favor. Motion carried.

### 4. Approval of Minutes – May 2, 2012

Motion by Whiteford, second by Marcoux to approve the May 2, 2012 Regular Meeting Minutes as written.

All in favor. Motion carried.

### 5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

None at this time.

### 6. DDA will be asked to appoint a board member to serve as Chairperson to fill the vacancy left by term-limited past Chair George Sass.

Davidson explained that George Sass was term-limited in May and therefore a Board member should be appointed to fill his vacancy as Chair.

Motion by Marcoux, second by Whiteford to nominate Andrea Olson as DDA Chair.

All in favor. Motion carried.

Davidson pointed out that since Andrea Olson was past Vice Chair and now has been appointed Chair, that a Board member should be appointed to the vacant Vice Chair seat.

Motion by Burr, second by Olson to nominate Mary Whiteford as DDA Vice Chair.

All in favor. Motion carried.

**7. DDA will be asked to consider support of a change to the City of South Haven “Outdoor Sidewalk Café License Agreement”**

Davidson reported: In recent years, several restaurant owners have made inquiries to city staff about the possibility of allowing alcohol to be served at their sidewalk cafes which are on city property. It was recently discovered that it is not prohibited in the City Code of Ordinances. However, serving alcohol is prohibited in the “Outdoor Sidewalk Café License Agreement” between the City and the business owner.

The City Manager recommended that the first step in the process of making a change to the agreement is to present this item to the DDA Board to find out if there is support. The resulting action will be sent to the Planning Commission and the City Council for their consideration.

It is important to note that the restaurateur holding the liquor license must adhere to the Michigan Liquor Control Commission (MLCC) requirements, both for indoors and outdoor serving. Additional MLCC requirements must be met for outdoor serving including installation of a fence around the area of the sidewalk café. Also, the City Code of Ordinances requires five feet of clear space (for pedestrians.)

Davidson noted that the DDA Board is being asked to consider a recommendation of support to allow alcohol to be served at outdoor sidewalk cafés on City property. The Board is not the entity with authorization to approve alcohol use on City property.

Discussion ensued regarding allowing alcohol on public property during festivals and events.

Motion by Marcoux, second by Marple to support alcohol use for sidewalk outdoor cafés using City property provided those establishments follow City of South Haven and Michigan Liquor Control Commission requirements.

All in favor. Motion carried.

Motion by Marcoux, second by Marple that DDA encourages the City Council and Planning Commission to develop a policy that allows licensing of alcoholic beverages on city property at special events and festivals adhering to City of South Haven and Michigan Liquor Control Commission rules for those festivals which the festival operators apply.

All in favor. Motion carried.

**8. DDA will be asked to review the priority list and discuss future projects.**

Davidson reported: DDA has financed several large projects over the last 2-3 years. The funds were reserved for these projects and therefore, there was no business to conduct while the

projects were ongoing. With projects complete, the DDA Board should now meet to review the list of projects in the "Plan", review the Priority List, and determine future projects.

The Finance Director, Wendy Hochstedler, was in attendance and reviewed the financial projections with the Board.

The Board agreed that it may be a good idea to review small projects to improve the area, such as trees, benches, trash receptacles, bike racks, and additional signage to public restrooms. A goal for spending funds could be to keep the downtown area clean and vibrant.

Davidson suggested to the Board to hold a workshop to discuss future projects and update the priority list. Board members agreed and Davidson will send notification of meeting. A noon workshop meeting at the Water Filtration Plant Conference Room was suggested.

## **9. Other Business**

Davidson reported that a trash disposal survey is being conducted by Abonmarche staff. Survey will provide feedback to address trash problems. Davidson will share results when received.

## **10. Adjourn**

Motion by Marple, second by Marcoux to adjourn the meeting at 12:40 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Deb Davidson  
DDA Director

# Downtown Development Authority

## Workshop Meeting Minutes

Wednesday, October 3, 2012

Noon, Water Filtration Plant Conference Room



City of South Haven

**MISSION STATEMENT:** The Downtown Development Authority (DDA) is to be a leader in helping to fulfill the City of South Haven Municipal Plan; through planning, funding, and development of projects within the DDA District which promote, encourage and contribute to the overall economic growth and development of the community.

**1. Call to Order by Chair Olson at noon.**

**2. Roll Call**

Present: Burr, Marcoux, Marple, Maxwell, Whiteford, Zuckerman, Olson

Absent: Braun

The Board welcomed new member Scott Maxwell.

**3. DDA will be asked to discuss future projects.**

Steve Oosting, City Engineer, gave a presentation of proposed improvements to Phoenix Street. Davidson explained that City staff would like to work with the Board over the coming months to get a plan in place. The plan would be used to apply for a State of Michigan DIG grant. The DIG grant is the same grant that was awarded to the City for the Williams Street project. This project is 2-3 years in the future.

Many items were discussed regarding the proposed Phoenix Street project:

- At the intersection of Center and Phoenix – concerns regarding the turning radius; the lanes appear to be smaller but they are the width that currently exists; if lanes are widened, then it will cut into the sidewalk; remove high curb since it interferes with snow removal; major repair needed in brick crosswalks
- Phoenix Street is in need of infrastructure replacement and storm/sewer replacement in some spots; basements of some buildings go under Phoenix St.
- Trees are a problem in front of Clementine's; Need to remove or replace; do not object to removing some trees downtown

Discussion: Is Phoenix Street the DDA priority? Why not Center Street? The intersection into town needs fixing up (Phoenix/Broadway); it is the entrance into downtown and not very welcoming; focus improvements on Phoenix and Broadway intersection; review O'Boyle Streetscape Master Plan which proposed improvements at this intersection; it is difficult to do much since the two buildings at the corners are privately owned; Oosting and Halberstadt

stated that they have been working with MDOT for quite some time to make improvements in that area since much of it is MDOT controlled;  
The Board asked Oosting to return with costs to improve the Phoenix St/Broadway intersection.

The Board would like additional streetscape items placed in the downtown: benches, bike racks, signage to restrooms, etc. Davidson will bring ideas to next meeting.

**4. Adjourn**

Motion by Marcoux, second by Marple to adjourn the meeting at 1:20 p.m.  
All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Deb Davidson  
DDA Director

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# DRAFT

## Joint Meeting

### Special Meeting Minutes

City Council

Downtown Development Authority

Monday, December 3, 2012  
6:00 p.m., Council Chambers



#### 1. Call to Order

The meeting was called to order by Mayor Burr at 6:00 p.m.

#### 2. Roll Call

City Council

Present: Arnold, Fitzgibbon, Gruber, Klavins, Kozlik Wall, Patterson, Burr  
Absent: None

Downtown Development Authority

Present: Braun (6:09), Burr, Marcoux, Marple, Maxwell, Zuckerman, Olson  
Absent: Whiteford

#### 3. The City Manager will review the proposed Phoenix Street Improvement Project and the potential application to the MEDC Downtown Infrastructure Grant.

*Background Information:* The City Council and the Downtown Development Authority (DDA) Board were asked to consider approving resolutions of support for the submission of a grant application, which seeks \$750,000, to assist with the cost to reconstruct portions of Phoenix Street, between Broadway and Williams Street.

On November 13, 2012, the Michigan Economic Development Corporation (MEDC) announced a new round of a community development block grant program. The program, which is titled the Downtown Infrastructure Grant (DIG), is designed to assist communities seeking to improve their downtown district infrastructure quality and reduce redevelopment costs to make a project feasible. The program is restricted to providing public infrastructure improvement funding for areas located in a traditional downtown or traditional commercial center. Only those communities on the Low and Moderate Income Communities and Project Area list are eligible to participate in the program. The City of South Haven is included in the eligible communities listing.

The City of South Haven has successfully sought DIG funds in recent years. The City of South Haven received a grant from the MEDC to provide grant funding to assist with the

reconstruction of Williams Street, between Dyckman Avenue and Phoenix Street. That project allowed the City of South Haven to construct a new street that features new driving lanes, updated infrastructure, underground electric services, bicycle lanes, pedestrian walkways, and a variety of streetscape improvements.

For the past two years, the DDA Board has been actively planning for the reconstruction of the streets within the city's Central Business District. In 2010, the DDA completed the streetscape plan document. Using the streetscape plan as a template, staff has developed construction plans for Phoenix Street. Over the past several months, the DDA Board has been reviewing those plans with the city's staff. Based on the feedback from the DDA Board and the city's staff, the city's Engineering Department has finalized construction plans for the impacted section of Phoenix Street.

Based on the construction plans, the city's Engineering Department has been able to develop cost estimates for the project, which are estimated at \$2,400,000. Staff plans to seek \$750,000 in grant funds from the MEDC. The remaining project costs will be funded from a long term borrowing, with the debt service to be funded by annual payments from the DDA.

Downtown Development Authority Member John Braun arrived at 6:09 p.m.

- 4. The Downtown Development Authority will be asked to consider approving the Phoenix Street Improvement Project and approving a resolution to recommend application to the MEDC's Downtown Infrastructure Grant program.**

The Downtown Development Authority was given an opportunity to discuss the item.

Moved by Marple to approve Resolution 2012-01: A Resolution supporting approval of the Phoenix Street Improvement Project and recommendation of application to the Michigan Economic Development Corporation Downtown Improvement Grant. Seconded by Braun.

Voted Yes: All. Motion carried.

- 5. City Council will be asked to consider approving a resolution authorizing the City Manager to apply for a MEDC Downtown Infrastructure Grant program for the Phoenix Street Improvements Project.**

City Council was given an opportunity to discuss the item.

Moved by Kozlik Wall to approve Resolution 2012-46: A Resolution authorizing the City Manager to apply for a Michigan Economic Development Corporation Downtown Improvements Grant for the Phoenix Street Improvements Project. Seconded by Patterson.

Voted Yes: All. Motion carried.

- 6. Adjourn**

Meeting adjourned at 6:43 p.m.

City of South Haven  
Special Joint Meeting City Council & DDA  
City Hall, Council Chambers  
6:00 p.m., Monday, December 3, 2012

**DRAFT**

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script that reads "Amanda Morgan".

Amanda Morgan, CMC  
City Clerk

Approved by City Council: December 17, 2012  
Approved by DDA: **DRAFT**

# Downtown Development Authority

## Special Meeting Minutes

Wednesday, January 30, 2013  
Noon, Council Chambers



City of South Haven

**MISSION STATEMENT:** The Downtown Development Authority (DDA) is to be a leader in helping to fulfill the City of South Haven Municipal Plan; through planning, funding, and development of projects within the DDA District which promote, encourage and contribute to the overall economic growth and development of the community.

**1. Call to Order by Olson at 12:00 noon.**

**2. Roll Call**

Present: Braun, Burr, Marcoux, Maxwell, Whiteford, Olson

Absent: Zuckerman

Also present: Steve Oosting, City Engineer

**3. Approval of Agenda**

Motion by Marcoux, second by Burr to approve the January 30, 2013 Special Meeting Agenda as presented.

All in favor. Motion carried.

**4. DDA will be asked to consider application to Michigan State Housing Development Authority (MSHDA) Community Development Grant.**

Davidson gave background information:

On January 4<sup>th</sup>, City staff was informed that a new grant opportunity became available through MSHDA for funding through the Michigan Housing and Community Development Fund (MHCD). A settlement of mortgage servicers' foreclosure practices led to an appropriation of \$3,785,000 to MSHDA. They plan to award 10-15 communities between \$25,000 - \$500,000 for development projects. One of the requirements is that a project must be located in a traditional downtown.

Davidson stated that now would be a good time to pursue the crosswalk relocation for a couple of reasons. The project is listed in the DDA Downtown Streetscape Master Plan. Also, the DDA Board had discussed their desire to do this project at their October Workshop meeting. Now there is a funding opportunity to try to complete the project. Given the Phoenix Street project is designed and planned, this project complements that plan.

Elements of the proposed project include improvements to City Hall grounds and relocation of the Welcome Island. City Hall grounds improvements include tree replacement; landscaping upgrades; addition of a rain garden and pedestrian areas; addition of a monument memorial area; and universally accessible paths between City Hall, parking lots, and downtown. The proposal includes the relocation of the Welcome Island to the east of its current location, in front of City Hall and connecting to Dyckman Park. The City General Fund will fund the City Hall grounds improvements.

Steve Oosting, City Engineer, explained the current conceptual design. This crosswalk will lead to City Hall, and includes eliminating the stairs into the front lobby and providing a ramp with a very gradual slope of 5% making the entranceway ADA (Americans with Disabilities Act) compliant. Oosting informed the board that MSHDA looks positively on projects that include barrier free improvements and improvements that benefit citizens. The proposal is to combine this plan and the Phoenix Street project and apply for the grant for the entire project.

Dissette noted that South Haven Area Emergency Services (SHAES) funded the firefighters monument in the island and preliminary discussion with them affirms that they support the moving of the monument into the proposed monument garden.

Motion by Marcoux to approve Resolution 2013-01, a resolution approving submission of Michigan State Housing Development Authority application for Phoenix Street Accessibility and Public Green Space Improvements. Second by Braun.

All in favor. Motion carried.

## **5. Adjourn**

Motion by Burr, second by Braun to adjourn at 12:14 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom  
Recording Secretary

# Downtown Development Authority

## Workshop Meeting Minutes

Wednesday, February 6, 2013

Noon, Water Filtration Plant Conference Room



City of South Haven

**MISSION STATEMENT:** The Downtown Development Authority (DDA) is to be a leader in helping to fulfill the City of South Haven Municipal Plan; through planning, funding, and development of projects within the DDA District which promote, encourage and contribute to the overall economic growth and development of the community.

**1. Call to Order by Chair Olson at noon.**

**2. Roll Call**

Present: Burr, Marcoux, Maxwell, Whiteford, Olson

Absent: Braun, Zuckerman

Others Present: Dissette, Hochstedler, Davidson

**3. Approval of Agenda**

Moved by Whiteford, supported by Marcoux to approve the agenda. All in favor. Motion carried.

**4. DDA will be asked to review the “DDA Development Plan” Capital Projects List and consider future projects.**

DDA Director Davidson explained that the purpose of the workshop was to allow the Board to review and hold discussion of the current capital projects listed in the DDA Development & Tax Increment Financing Plan. Davidson stated that a review of the financials should be presented before making any decisions on projects. Davidson explained that the FY 2013-2014 phase-out of parcels in the northern-most area of the District would have an effect on the finances. Davidson explained the 2009 Plan Amendment which called for removal of several parcels in DDA District #2.

City staff suggested the reconstruction of Kentucky Avenue as an additional project to the Plan. The City Engineers have conducted a brief investigation into a possible pavement reconstruction of Kentucky Avenue. Based on construction plan records and existing surface conditions, the engineers strongly recommend that Kentucky Avenue be considered for full reconstruction. It appears that the pavement section is too thin and constructed over poor soils. Any kind of resurfacing attempt would begin to fail very quickly. An estimated project cost is \$370,000. It was noted that in order to complete this project, the parcels would have to remain in the District.

Finance Director Hochstedler reviewed the financials with the Board. The DDA Board proceeded to discuss the need for Kentucky Avenue reconstruction and therefore, to keep the DDA boundary as it is currently. The Board agreed to proceed with the necessary steps to begin the process to amend the DDA Plan.

Davidson explained that now is the time to add projects or make changes to the Plan. The Board asked Davidson and City Manager Dissette to confer and offer additions/changes at the March 6<sup>th</sup> regular meeting.

The Board will be presented a resolution to amend the Plan at their regular meeting on March 6<sup>th</sup>.

**5. Adjourn**

Motion by Marcoux, second by Burr to adjourn the meeting at 1:20 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Deb Davidson  
DDA Director

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## Agenda Item 5

**DDA will be asked to consider approving a Resolution to amend the “DDA Development & Tax Increment Financing Plan”.**

**The approval of Resolution 2013-01 by the DDA Board will allow the DDA District boundary to remain as it currently is; would allow additional projects to be included in the Plan; and allow production of communications materials before/during capital improvements projects.**

Background:

At the DDA February 6<sup>th</sup> Workshop, the DDA Board discussed and agreed that a plan amendment process should begin immediately to keep the DDA boundary as it is currently. The amendments include retaining the parcels in DDA District #2 of which are scheduled to be removed FY 2013-2014 per the 2009 Plan Amendment.

On February 7, 2013, the Development Area Citizens Council (DACC) convened to review the proposed Plan amendments. The members unanimously agreed that the DDA District boundary should be kept as they are currently.

The DDA Board asked Davidson and Dissette to consider other changes and/or additional projects in the Plan. Additional projects and changes are listed below for your review.

Please note that by adding projects, it does not imply that the projects will be completed – only that they are in the “Plan” if the decision is made to complete them in the future. The following is a summary of the proposed changes/additions:

A summary of the Plan Amendment additions and changes is below.

- 1) The Year 2009 Amendment, which was adopted in order to phase out certain parcels of the Development Area, is rescinded and revoked, therefore the boundaries of the Area shall remain as they currently are.
- 2) Additional projects include: South Beach Building Project; Bicycle Connections; Trash Removal.
- 3) General Street Repair is amended to increase the estimated cost to \$5,000,000.
- 4) Streetscape Improvements component is amended to add: green initiatives; planning, design, acquisition, and construction or areas and infrastructure for, cultural

improvements/public art; and public wireless internet or other technology improvements.

- 5) Ice Skating Rink component to add: Installation of underground grid system; and to increase estimated cost to \$600,000.
- 6) Marketing Efforts for Downtown District to add: Production and distribution of communications materials in an effort to sustain economic activity in the Development Area; add: production of communication materials during planning and implementation of capital improvement projects; remove: sunset clause which currently restricts production and distribution of communications materials for future capital improvement projects.

Recommendation:

The DDA Board is asked to consider approving Resolution 2013-01 which amends the DDA Development & Tax Increment Financing Plan.

Support Material:  
Resolution

RESPECTFULLY SUBMITTED,

Deb Davidson  
DDA Director

**DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF SOUTH HAVEN  
VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN**

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**RESOLUTION NO. 2013-01**

**A RESOLUTION RECOMMENDING THE  
YEAR 2013 AMENDMENT TO THE  
DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN  
TO THE CITY COUNCIL OF THE CITY OF SOUTH HAVEN**

Minutes of a rescheduled regular meeting of the Board of Directors of the Downtown Development Authority of the City of South Haven, Counties of Van Buren and Allegan, State of Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan 49090-1499 on March 13, 2013, at 12:00 p.m., local time.

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_.

WHEREAS, pursuant to Act No. 197, Public Acts of Michigan, 1975, as amended (the "Act"), the City of South Haven is authorized to establish a downtown development authority; and

WHEREAS, by ordinance the City Council of the City of South Haven has established the Downtown Development Authority of the City of South Haven ("DDA") and this Board to supervise and control the DDA and has adopted the Development Plan and Tax Increment Financing Plan (the "Plan"); and

WHEREAS, pursuant to Section 14 of the Act, the Plan may be modified if the modification is approved by the South Haven City Council after complying with such notice and public hearing requirements as were required for the approval of the original Plan; and

WHEREAS, a representative of the DDA has consulted with and advised the Development Area Citizens council regarding the Year 2013 Amendment; and

WHEREAS, the DDA Board has prepared the Year 2013 Amendment to the Plan which is attached to this Resolution as Exhibit A and incorporated by reference (the “Year 2013 Amendment”).

NOW, THEREFORE, BE IT RESOLVED that:

1. The Year 2013 Amendment, attached as Exhibit A, is hereby approved by the Board of the Downtown Development Authority of the City of South Haven and recommended to the City Council for its approval.

2. The Year 2013 Amendment shall be submitted to the City Council of the City of South Haven for approval and adoption in accordance with the provisions of the Act.

YEAS: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

\_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_

\_\_\_\_\_, Secretary

**CERTIFICATION**

STATE OF MICHIGAN )  
 ) SS  
COUNTIES OF VAN BUREN AND ALLEGAN )

I, \_\_\_\_\_, the duly qualified and acting Secretary of the Board of the Downtown Development Authority of the City of South Haven, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board at a meeting held on March 13, 2013, the original of which is on file in the office of the Downtown Development Authority. Public notice of said meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan, 1976, as amended.

IN WITNESS WHEREOF, I have hereto affixed my official signature on March 13, 2013.

\_\_\_\_\_  
\_\_\_\_\_, Secretary

**EXHIBIT A**

**YEAR 2013 AMENDMENT TO THE  
DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF SOUTH HAVEN  
DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN**

The Downtown Development Authority of the City of South Haven (the “Authority”) hereby amends its Development Plan and Tax Increment Financing Plan (the “Plan”) which was approved by the City Council of the City of South Haven, Michigan (the “City”) pursuant to the provisions of Act 197, Public Acts of Michigan, 1975, as amended (“Act 197”) and also pursuant to Ordinance No. 717 adopted by the City Council on December 19, 1988. The Plan was amended by the Year 2000 Amendment to the Development Plan and Tax Increment Financing Plan as approved by Ordinance No. 887 adopted by the City Council on November 20, 2000 (the “Year 2000 Amendment”); the Year 2002 Amendment to the Development Plan and Tax Increment Financing Plan as approved by Ordinance No. 909 adopted by the City Council on December 16, 2002 (the “Year 2002 Amendment”); by the Year 2007 Amendment to the Development Plan and Tax Increment Financing Plan as approved by Ordinance No. 957 adopted by the City Council on October 15, 2007 (the “Year 2007 Amendment”); by the Year 2009 Amendment to the Development Plan and Tax Increment Financing Plan as approved by Ordinance No. 972 adopted by the City Council on July 20, 2009 (the “Year 2009 Amendment”); and by the Year 2009A Amendment to the Development Plan and Tax Increment Financing Plan as approved by Ordinance No. 978 adopted by the City Council on December 13, 2009 (the “Year 2009A Amendment”).

This Year 2013 Amendment to the Development Plan and Tax Increment Financing Plan (the “Amendment”) was adopted by the Authority on \_\_\_\_\_, 2013, and approved by the City Council on \_\_\_\_\_, 2013, by Ordinance No. \_\_\_\_\_.

References herein to the “Plan” shall mean the original Plan as amended by the Year 2013 Amendment and any previous amendments, except as provided herein. References to “Development Plan” shall mean the Development Plan portion of the Plan and Tax Increment Plan shall mean the Tax Increment Financing Plan Portion of the Plan. Terms used in this amendment shall have the definitions set forth in the original Plan, as amended.

Section 1. The Year 2009 Amendment, which was adopted in order to phase out certain areas of the Development Area, is rescinded and revoked, and the boundaries of the DDA’s Development Area shall remain as they were described prior to the Year 2009 Amendment, and the Plan shall be administered without regard to the Year 2009 Amendment.

Section 2. The following description of the additional development efforts contemplated by this Year 2013 Amendment is added to Section I, C of the Plan, entitled “Overview of the Development”:

In 2013, the Downtown Development Authority reviewed the Plan and recommended additions to the Plan. This amendment to the Plan as approved by the City Council is referred to as the “Year 2013 Amendment.”

The following additional projects were identified to promote economic growth and eliminate the causes of property value deterioration, and the new projects are referred to as the Year 2013 Development Plan Projects:

**South Beach Building Project.** This project will include the design, acquisition, and construction of a multipurpose community event center, including public restrooms, private family restrooms, changing rooms, outdoor showers, concession facilities, conference and banquet facilities, a children's splash pad, and other improvements to the City's South Beach.

**Bicycle Connections.** This project will include the design, acquisition, and construction of bicycle trails, lanes, and pathways within the Development Area and the acquisition and installation of amenities to serve bicycle traffic within the Development Area.

**Trash Removal.** This project will include research and planning to study and plan how to improve trash removal in the Development Area (both private and public) in order to enhance the appearance and business atmosphere of the Development Area. This project will also include the design, acquisition, and construction of infrastructure necessary to implement the trash removal plans.

Section 3. Year 2000 Development Plan Project 10, General Street Repair, contained in Section 6 of the Year 2000 Amendment is amended to increase the estimated cost of the General Street Repair to \$5,000,000.

Section 4. Year 2000 Development Plan Project 12, Streetscape Improvements, contained in Section 6 of the Year 2000 Amendment is amended to add the following components to the list of new improvements authorized as part of the project:

- Green initiatives including, but not limited to, porous pavement, storm water pretreatment, rain gardens and energy efficient lights.
- Planning, design, acquisition, and construction of areas and infrastructure for, cultural improvements and public art.
- Public wireless internet and other technology improvements.

Section 5. Year 2000 Development Plan Project 14, Ice Skating Rink, contained in Section 6 of the Year 2000 Amendment as amended by the year 2007 Amendment is further amended to increase the estimated cost of the project to \$600,000 and to add the following component to the list of new improvements authorized as part of the project:

- Installation of underground grid system.

Section 6. The year 2009A Development Plan Project contained in Section 2 of the Year 2009A Amendment is amended to read in its entirety as follows:

The following description of the location, extent, character and estimated cost of the Year 2009A Development Plan Project and an estimate of the time required for completion is added to Section II, D of the Original Plan:

The Year 2009A Development Plan Project will be ongoing during the term of the Plan.

1. Marketing Efforts for Marketing of Downtown District \$10,000 per year

This component includes:

- The production and distribution of informational material to market the Development Area of the downtown district to attract new businesses to the downtown, to further the economic development of the downtown, and to sustain economic activity in the Development Area.
- The marketing initiatives should promote the Development Area as a whole and not individual businesses.
- The marketing may be done by the DDA acting alone or through collaboration with other entities, including collaboration with the City economic development efforts on production and distribution of informational material.
  - (a) The production and distribution of informational material about the downtown and available properties and development potential in the downtown.
  - (b) Efforts to identify potential businesses for relocation to the Development Area and efforts to inform those businesses of available business opportunities in the Development Area and to encourage their location in the Development Area.
  - (c) Efforts to identify and promote grant, low interest loan and other funding, and other assistance for existing and potential businesses.
- The production of communication materials to stimulate economic activity in the Development Area during the planning and implementation of capital improvement projects in the Development Area.
- As part of this project, the DDA Director will be directly engaged in marketing efforts consistent with this section.
- The following goals are established for the specific marketing initiatives that will be implemented by the DDA. The marketing should:
  - (a) Provide a public benefit.
  - (b) Stimulate private investment in the Development Area.
  - (c) Stimulate job creation.
  - (d) Support the development of a year-round economy.
  - (e) Seek to fill empty store fronts, vacant lots, and other underutilized areas within the Development Area.
  - (f) Should be consistent with the City's overall goals for the downtown.

All marketing activities included in this project include all factors necessary and incidental to the project. The Year 2009A Development Plan Project will be undertaken during the term of this plan as economic development needs and available funding allow.

Section 7. The following description of the location, extent, character and estimated cost of the Year 2013 Development Plan Projects and an estimate of the time required for completion is added to Section II, D of the Original Plan:

1. South Beach Building Project \$750,000

The project will include the construction of a multipurpose community event center on the City's South Beach Property that would include conference and banquet facilities and amenities to serve the South Beach, including restrooms, private family restrooms, outdoor showers, concession facilities, a children's splash pad, and parking. This component will include such building improvements and park/beach enhancements as are determined desirable as the planning and design work for this project proceeds.

New improvements may include:

- Demolition, filling, grading, and site work.
- Engineering, legal, and other professional fees.
- Environmental remedial and due diligence work.
- Construction of a multipurpose conference and banquet facility with beach amenities.
- Infrastructure improvements, including water, sewer, and drainage.
- Parking improvements.
- Landscaping improvements, decorative amenities and site amenities.
- Park improvements.
- Installation of benches, trash receptacles, lighting, signage, banners, *etc.*
- Such other improvements as the DDA Board deems to be necessary or incidental to the items set forth above.

2. Bicycle Connections \$100,000

This component involves the construction of bicycle trails, lanes, and pathways in the Development Area to provide bicycle access throughout downtown and to connect bicycle access to other parts of the City and to provide bicycle amenities, including bike racks, bike lockers, and all things to do with biking.

New improvements may include:

- Removal of plant material, bituminous material, sidewalk, curb and gutter.
- Filling, grading, and other site preparation.

- Construction of bicycle trails, lanes, and pathways.
- Installation of curb, gutter, sidewalks, boardwalk, and other paving.
- Landscape improvements and site amenities, including, but not limited to, grass, trees, other plantings, and other decorative items.
- Installation of benches, trash receptacles, lighting, signage, banners, tree grates, etc.
- Engineering, landscape architects, easements, legal and other profession fees.
- Such other improvements as the DDA Board deems to be necessary or incidental to the items set forth above.

3. Trash Removal \$100,000

This component includes research and planning to determine how trash removal (both public and private) can be improved in the Development Area in order to enhance the appearance and business climate in the Development Area. This component will also include implementation of the trash removal recommendations.

New improvements may include:

- Research, planning, and design work.
- Acquisition and installation of trash receptacles, dumpsters, compactors, and other trash removal equipment.
- Acquisition of trash removal equipment and/or infrastructure.
- Screening, landscaping, signage, and other items to enhance the appearance of the Development Area.
- Engineering, landscape architect, legal and other professional fees.
- Such other improvements and acquisition as the DDA Board deems necessary or desirable to implement the findings of the plans that are developed.

All improvements included in this Year 2013 Amendment include all factors necessary and incidental to the principal development elements. The Year 2013 Development Plan Projects covered in this section will be undertaken during the term of this Plan as available funding allows. It is estimated that the projects will be completed in a time period of 27 years.

Section 8. Section II, E of the Plan, as amended, regarding the stages of construction planned in accordance with Section 17(2)(e) of Act 197, is amended to add the following statement:

The Year 2013 Development Plan Projects covered in this Section will be undertaken during the term of this Plan as development pressure and available funding allow. It is estimated that the projects will be completed in a time period of twenty-seven years.

Section 9. Section II, I of the Plan, as amended, regarding the method of financing, in accordance with Section 17(2)(i) of Act 197 is amended to add the following language with respect to the year 2013 Development Plan Projects:

The costs of the year 2013 development Plan Projects are set forth in the amended Section II, D.

Financing for the year 2013 Development Plan Projects to be undertaken on public owned lands and rights-of-way will come from the following potential sources:

- Bond Proceeds
- Future Tax Increment Revenues
- Interest on Investments
- Grant funds and low interest loans obtained from State and Federal Agencies.
- Moneys obtained from other sources approved by the South Haven City Council

Section 10. Section III, C of the Plan, as amended, regarding the duration of the program pursuant to Section 14(2) of Act 197 is further amended to read in its entirety as follows:

C. The duration of the program. Section 14(2).

The Tax Increment Financing Plan will remain in effect to the end of fiscal year 2040. However, if repayment of the Bonds or any future bonds issued by the Authority has not been completed by 2040, the Development Plan will be extended until the Bonds and future bonds have been retired.

The City may abolish this Plan when it finds that the purposes for which this Plan was approved have been accomplished.”

Section 11. Section III, E of the Plan, as amended, regarding the impact of tax increment financing on the assessed values of the various taxing jurisdictions, is amended to add the following language with respect to the Year 2013 Amendments:

The tax increment revenues will continue to be collected by the DDA from the Development Area for the extended term of the Plan from the various taxing jurisdictions; provided, however, that tax increment revenues of a local school district and the State Education Tax shall only be captured as authorized by Act 197. The impact of this capture is shown on Exhibit A attached hereto, which is a supplement to Exhibit E of the Original Plan.

Section 12. Section III, F of the Plan, as amended, is amended in its entirety to read as follows:

Under this Tax Increment Financing Plan, the entire tax increment amount is to be utilized by the DDA.

The tax increment revenue paid to the DDA is to be disbursed by the DDA from time to time in such a manner as the DDA may deem necessary and appropriate in order to carry out the purposes of the Development Plan, including, but not limited to, the following:

- The principal, interest, and reserve payments required for any bonded indebtedness to be incurred in its behalf for purposes provided in the Development Plan.
- Cash payments for initiating and completing any improvement or activity called for in the Development Plan.
- Cash payments for professional fees incurred by the DDA in connection with its operation and in the planning and implementation of projects provided for in this Plan.
- Cash payments to public or private entities for services rendered in drafting and developing grant applications.
- Payments to the city of South Haven to reimburse the City for services, materials, and other assistance provided to the DDA.
- Any annual operating deficits that the DDA may incur from acquired and/or leased property in the development area.
- Payments of principal and interest 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 City Council of the City of South Haven.
- Payments required to establish and maintain a capital replacement reserve.
- Payments required to establish and maintain a capital expenditure reserve.
- Payments of the costs of any additional improvements to the development area that are determined necessary by the DDA and approved by the City Council of the City of South Haven.

The DDA may modify its priority of payments at any time if within its discretion such modification is necessary.

Instead of financing a project, the DDA may accumulate funds that it receives from tax capture in order to build up a fund balance that is sufficient to pay the cost of a project. To the extent that the tax increment revenues of the DDA in any one year exceed the sum necessary for the DDA to implement the

projects listed in the Development Plan to meet the commitments and payments as set forth above, such surplus funds shall revert proportionately to the respect taxing bodies as provided in Section 15(2) of the Act.

Section 13. Except as provided in this 2013 Amendment, the original Plan, as amended, is ratified and confirmed.

EXHIBIT A  
DDA TAX INCREMENT REVENUES  
2013 DDA PLAN AMENDMENT

	Tax Yr 2013 FY 2014	Tax Yr 2014 FY 2015	Tax Yr 2015 FY 2016	Tax Yr 2016 FY 2017	Tax Yr 2017 FY 2018	Tax Yr 2018 FY 2019	Tax Yr 2019 FY 2020	Tax Yr 2020 FY 2021	Tax Yr 2021 FY 2022	Tax Yr 2022 FY 2023	Tax Yr 2023 FY 2024	Tax Yr 2024 FY 2025
<b>TIF Revenues:</b>												
<b>Taxes</b>												
DDA #1 - Real Property	948,517	953,260	576,260	579,141	582,037	584,947	587,872	590,811	593,765	596,734	599,717	602,716
DDA #1 - Personal Property	31,638	15,819	7,910	-	-	-	-	-	-	-	-	-
DDA #2 - Real Property	510,052	512,602	515,165	517,741	520,330	522,931	525,546	528,174	530,815	533,469	536,136	538,817
DDA #2 - Personal Property	10,762	5,381	2,691	-	-	-	-	-	-	-	-	-
<b>Total Captured TIF Revenues</b>	<u>1,500,969</u>	<u>1,487,062</u>	<u>1,102,025</u>	<u>1,096,882</u>	<u>1,102,366</u>	<u>1,107,878</u>	<u>1,113,418</u>	<u>1,118,985</u>	<u>1,124,580</u>	<u>1,130,203</u>	<u>1,135,854</u>	<u>1,141,533</u>

School and education taxes are only captured for the payment of eligible obligations as allowed by Act 197 through FY 2015.

The total non-school captured TIF revenues are projected to be captured from the following taxing jurisdictions in the following percentages:

Van Buren County:	36.6%
City of South Haven:	56.8%
Lake Michigan College:	6.6%

These projections are based on a projection of 0.5% growth in the values of real property and a phase out of personal property tax capture

EXHIBIT A  
DDA TAX INCREMENT REVENUES  
2013 DDA PLAN AMENDMENT

	Tax Yr 2025 FY 2026	Tax Yr 2026 FY 2027	Tax Yr 2027 FY 2028	Tax Yr 2028 FY 2029	Tax Yr 2029 FY 2030	Tax Yr 2030 FY 2031	Tax Yr 2031 FY 2032	Tax Yr 2032 FY 2033	Tax Yr 2033 FY 2034	Tax Yr 2034 FY 2035	Tax Yr 2035 FY 2036	Tax Yr 2036 FY 2037	Tax Yr 2037 FY 2038	Tax Yr 2038 FY 2039	Tax Yr 2039 FY 2040
<b>TIF Revenues:</b>															
<b>Taxes</b>															
DDA #1 - Real Property	605,730	608,758	611,802	614,861	617,935	621,025	624,130	627,251	630,387	633,539	636,707	639,890	643,090	646,305	649,537
DDA #1 - Personal Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDA #2 - Real Property	541,511	544,218	546,940	549,674	552,423	555,185	557,961	560,750	563,554	566,372	569,204	572,050	574,910	577,785	580,674
DDA #2 - Personal Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Captured TIF Revenues</b>	<u>1,147,240</u>	<u>1,152,977</u>	<u>1,158,742</u>	<u>1,164,535</u>	<u>1,170,358</u>	<u>1,176,210</u>	<u>1,182,091</u>	<u>1,188,001</u>	<u>1,193,941</u>	<u>1,199,911</u>	<u>1,205,910</u>	<u>1,211,940</u>	<u>1,218,000</u>	<u>1,224,090</u>	<u>1,230,210</u>

School and education taxes are only captured for the payment of eligible obligations as allowed by Act 197 through FY 2015.

The total non-school captured TIF revenues are projected to be captured from the following taxing jurisdictions in the following percentages:

Van Buren County:	36.6%
City of South Haven:	56.8%
Lake Michigan College:	6.6%

These projections are based on a projection of 0.5% growth in the values of real property and a phase out of personal property tax capture