

Local Development Finance Authority

Regular Meeting Agenda

Monday, September 19, 2016
4:00 p.m., Council Chambers
South Haven City Hall



1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes – August 8, 2016
5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda
6. Financial Report
7. Contribution to Capital Projects
8. General Comments
9. Adjourn

RESPECTFULLY SUBMITTED,

Kate Hosier
Secretary, Local Development Finance Authority

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 days' notice to the South Haven City Clerk.

Local Development Finance Authority

Regular Meeting Minutes

Monday, August 8, 2016
4:00 p.m., Council Chambers
South Haven City Hall



1. Call to Order by Bolt at 4:04 p.m.

2. Roll Call

Present: Barbara Craig, Tom Erdmann, Tom Fleming, Andy Klavins, Stephanie Timmer, Chris Valentine, Art Bolt

Absent: Laura Bos, Eugen Gawreliuk, Mike Henry, Robert Herrera

Also present: Brian Dissette, City Manager; Jack McCloughan, Economic Development; Jill Bland, Southwest Michigan First

3. Approval of Agenda

Motion by Timmer, second by Klavins to approve the August 8, 2016 Regular Meeting Agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – May 16, 2016 Regular Meeting minutes and June 27, 2016 Special Meeting minutes

Motion by Klavins, second by Timmer to approve the May 16, 2016 Regular Meeting Minutes and the June 27, 2016 Special 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. Financial Report

Hosier reviewed the financial report.

Motion by Erdmann, second by Klavins to accept the financial report.

All in favor. Motion carried.

7. Update from Southwest Michigan First

Jill Bland, CEcD and Executive Vice President, Southwest Michigan First:

Spoke about the progress made in this region by Southwest Michigan First. Reviewed information in the handout. Described hosting an agricultural site tour for which three site consultants who specialize in food processing were in attendance.

Discussed unemployment, work force needs and the necessity of proving that the work force needs, such as residential and housing opportunities, of an interested business can be met.

Explained their outreach to site consultants, including monthly conferences, many of which Southwest Michigan First hosts. Stated that research helps them choose the location of conferences which will attract the most site consultants.

Noted that as a region Southwest Michigan lacks shovel-ready sites; that the Tragna property is probably the closest we can get. Southwest Michigan First gets a lot of requests for 50 to 100 acre sites. From a building perspective, we need 100,000 square foot buildings to market.

Explained that the State of Michigan has decided not to provide retention incentives. Since there is such a labor shortage companies are threatening to pick up and move because they cannot find workers. Spoke about the trend to provide incentives for projects on the main downtown street but not three to four blocks away from the main downtown street.

Spoke about generating leads that will come to South Haven; matching how many jobs are open on Michigan Talent Bank and how many people are available in the labor force. Noted that Michigan Works puts together stats about each county.

Klavins asked for an update about the SHARA site to which Dissette responded that SHARA is looking at a grant to purchase an alternate site which is 40 acres. Dissette also noted that farmers are interested in the SHARA property which is valuable as farmland.

Dissette explained how valuable the city's relationship with Southwest Michigan First is, noting that the city has a very important restaurant/brewery potential but it is not in the CBD. The state told the city there were no incentives available but when Jill spoke with them, there was a difference in attitude. Dissette noted that one potential business is very, very happy we're working with Jill and her team.

8. Albemarle Proclamation

Hosier noted we wanted to recognize Albemarle for some of their accomplishments and thank them for staying in the community; they are great ballast for our community and provide jobs for a lot of local people.

Dissette added that the city was thrilled to get the transfer from DSM to Albemarle and thrilled that they are staying here. Explained that these proclamations are a point of pride for local businesses; they are posted on walls inside the businesses.

Motion by Erdmann, second by Valentine to present this proclamation.

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All in favor. Motion carried.

9. General Comments

Dissette introduced what he calls “economic gardening,” noting his desire to make the board aware of upcoming capital projects. “We are building on the south side, north side and east side of town. Monroe Boulevard, Kalamazoo Street, Black River Street, North Shore Drive and extremely important projects for the Waste Water Treatment Plant. Working with Abonmarche investing in studies mostly funded by the State of Michigan. We have a variety of issues, including pumping issues and failing sewers.”

Dissette spoke about the planned reconstruction of the Indian Grove lift station, which has been experiencing issues since 2008; minor repairs which have helped stop some of the overflows but more needs to be done. Noted efforts to do as much of the work during the winter months as possible so streets aren’t under construction during the summer season. Dissette stated he is here to ask the LDFA to consider something; not asking for formal action today but would like to come back in a month.

Dissette stated this is the largest special assessment the city has ever contemplated, and noted, “We have a number of businesses who are going to see significant rate increases and special assessments. Trelleborg is looking at over \$40,000 in assessments; System Components Inc., about \$10,000; Albemarle just under \$20,000. East Jordan Plastics, who the city was very happy to have locate here, about \$37,000. In addition, they are looking at changes in their commodities that will mean 10% a year for years to come. I’m asking if this board could commit to some help. For the average homeowner it’s an extra one to four dollars a month; and \$123 per month for industrial and commercial businesses. If this board were to consider a \$50,000 annual payment, these special assessments could be wiped out.

Dissette introduced Chris Cook, President of Albemarle, who has been working with the city for years to help with these projects. “If the LDFA is willing to consider annual contributions, we can help the average citizen and make a huge impact for our industrial/commercial customers.”

Dissette pointed at LDFA 1, noting that all of those businesses flow into the Indian Grove Lift Station; all will see improvements via the Kalamazoo Street Reconstruction. “If there is to be a partnership it makes sense that it would be with LDFA 1. In the past city hall may have been presumptuous in “assigning” such with the board. I want to engage the board in conversation; walk you through any questions and concerns and hopefully be invited back in a month. This board has assisted in the past, has been very good about helping local businesses within the industrial parks. Special assessments have already been approved; if the LDFA is willing to assist, the special assessments for these businesses will be negated. We will be having similar conversations with the Downtown Development Authority (DDA); we are doing whatever we can to lessen the monthly impact. If we are able to collect \$100,000 between the TIF districts it will mean \$1.50 less per month for residential customers and \$125 per month for local businesses.”

Klavins asked about the handout and Dissette explained that if LDFA does \$50,000 per year those assessments are negated. Bolt asked, “If you erase the assessments for the people on this sheet, what about the businesses not listed?” Dissette explained these were just examples; some he grabbed from LDFA 1 and added, “As soon as we are selling that property to the new buyers of 229 Elkenburg, we are going to hit them with a multi-thousand

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dollar assessment. When the LDFA/DDA has helped in capital projects, we have been able, in the past, to wipe out the assessments.” Dissette clarified that the request would be \$50,000 from the LDFA and \$50,000 from the DDA.

Dissette said the special assessment list affects thousands of properties. We are trying to set the tone for the future; anyone receiving the benefit of the upgrades to the lift station will be assessed. Dissette added that there are about thirty pump stations throughout the district (the majority in the townships) and what we do with this pump station will set the tone for future ones. The county drain system has used districts for years and it totally makes sense.

Bolt asked about complaints from commercial customers if we only help the industrial. Dissette compared it to the residential benefit of refuse removal not being extended to commercial and industrial.

Valentine reminded that in the past for street projects the LDFA has just been kind of “told” what our contribution will be. Valentine asked, “If we do the \$50,000 will we not be asked to contribute more?” Dissette’s response was, “In LDFA 1, Kalamazoo and Lovejoy are both receiving major upgrades. Without a doubt this is the LDFAs money so that’s why I’m asking. Anything the LDFA does, lowers the cost to the utility and all of the rate payers will see less of an annual adjustment.”

Erdmann would like to see what our budgets look like with this change and Dissette said he will happily provide numbers for LDFA 2 & LDFA 3.

Craig asked about the condition of the other pumping stations and that of the ones that will be done now. Dissette noted one is an existing station from the 1950s and the other involves building a new one. “The city is about 3.5 square miles and doesn’t have that many pumping stations; most are gravity fed, but when you get into the townships, those sections were added piece-meal so they are much more reliant on pump stations. The good news is we are about halfway through their life, but when those projects come it will include numerous pump stations. We are trying to create a good funding system. We don’t have to address this today but will have to in the future.”

Klavins put in a plug for the adult pie-eating competition this Friday during Blueberry Festival, noting that it’s the first time and it’s my fault. “So come on down, pay \$25 a head, it’s at 3:00 p.m. Friday. Klavins said he thinks the LDFA needs to eat some pie. Dissette said Chemical Bank will be there with their whole management team. Timmer noted that she volunteered.

Hosier gave an update on the Bohn building, noting that things are moving along; the emergency signs and doors are in place. Dissette echoed that the lease agreement and buy-sell agreement were done, thanks to the heavy lifting done by your chair and Kate Hosier sitting in negotiations with both parties and legal representation.

10. Adjourn

Motion by Klavins, second by Erdmann to adjourn at 4:44 p.m.

All in favor. Motion carried.

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RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

September 15, 2016

TO: Local Development Finance Authority

FR: Kate Hosier

RE: Financing for Proposed Sewer/Water Improvements in LDFAs #1, #2, and #3

Background Information:

The Local Development Finance Authority (LDFA) will be asked to consider authorizing financing contributions for proposed sewer/water improvements in the LDFAs. Capital improvements to the city's sewer/water system have begun this fall. These improvements and correlating costs will substantially benefit companies in those business parks.

The following is provided to outline the current estimated costs associated with the City's upcoming Sewer/ WWTP Improvements. Currently six major projects have been let for construction of improvements to the City's infrastructure, including the sewage collection system, wastewater treatment facility, lift stations, storm sewers, roads, watermains, and electrical system. All of the proposed improvements should positively impact the City's ability to grow the tax base. The locations of the projects and total estimated project costs are as follows:

1. Monroe Blvd/Indian Grove LS & Forcemain	\$2,913,426
2. Main LS/ WWTP	\$6,935,575
3. North Shore Drive	\$4,451,531
4. Dunkley/Black River Street	\$6,772,500
5. Kalamazoo St.- Phase 4	<u>\$1,058,842</u>
	\$22,131,874

The construction work that will benefit the LDFA includes: Kalamazoo Street Improvements and Indian Grove Lift Station and Forcemain improvements for LDFA #1 totaling \$2,023,952. Additionally, all of the LDFAs will benefit from the Main Lift Station/Wastewater Treatment Plant improvements totaling \$6,935,575. The total project costs are expected to be financed through numerous sources including:

State Revolving Funds	\$13.29M, 2 3/4 % over 30 years
Capital Improvement Bonds	\$4.3M for sewer/water/road work
SAW Grant (Design)	\$582,977
MTF Bonds/Road Funds	\$2.5M

Electrical Department Funds	\$522,000
Building Authority/Parks Funds	\$1.5M

Special Assessments have been implemented for the eligible sewer, water, and sidewalk work will help pay back the debt along with sewer/water rates. The Special Assessments in the LDFA #1 area for the Kalamazoo Street Phase 4 water/sewer improvements and Indian Grove Lift Station/Forcemain improvements would be in excess of \$80,000 with the bulk of that being charged to Albelmarle and Trelleborg. Since the LDFA will also benefit from the project through improvements to the District and improved opportunities for development it appears that a contribution toward the project could make sense.

Staff Recommendation:

The LDFA should approve the resolutions authorizing financing contributions for proposed sewer/water improvements in the LDFAs.

**CITY OF SOUTH HAVEN
LOCAL DEVELOPMENT FINANCE AUTHORITY
(Van Buren and Allegan Counties, Michigan)**

Resolution No. _____ - _____

**RESOLUTION RECOMMENDING A FOURTH AMENDMENT TO THE
DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN
(LDFA #1) TO THE CITY COUNCIL OF THE CITY OF SOUTH HAVEN**

Minutes of a regular meeting of the Board of Directors of the City of South Haven Local Development Finance Authority, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan, on September 19, 2016, at _____ .m., local time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Member _____ and supported by Member _____:

WHEREAS, pursuant to Act 281, Public Acts of Michigan, 1986, as amended (the "Act"), the City of South Haven did, on June 19, 1989, by Resolution No. 89-33, create and establish the City of South Haven Local Development Finance Authority (the "LDFA"); and

WHEREAS, by Resolution No. 90-23, the City adopted the LDFA Development Plan and Tax Increment Financing Plan Industrial Park Improvement Project (commonly referred to as LDFA #1) (the "Plan") on April 16, 1990; and

WHEREAS, by Resolution No. 2000-1, the City adopted the First Amendment to the Plan on January 3, 2000; and

WHEREAS, by Resolution No. 2001-21, the City adopted the Second Amendment to the Plan on May 7, 2001; and

WHEREAS, by Resolution No. 03-01, the City adopted the Third Amendment to the Plan on January 6, 2003; and

WHEREAS, in compliance with the provisions of the Act, the LDFA has prepared the LDFA's Fourth Amendment to the Plan (the "Fourth Amendment"); and

WHEREAS, attached to this Resolution as Exhibit A, and incorporated by reference, is the Fourth Amendment that has been prepared by the Board.

NOW, THEREFORE, BE IT HEREBY RESOLVED that:

1. The Fourth Amendment, attached as Exhibit A, is hereby approved by the Board of the LDFA and recommended to the City Council for its approval.

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

YEAS: _____

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED ADOPTED.

_____, Secretary
City of South Haven Local Development
Finance Authority

CERTIFICATION

I, _____, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the City of South Haven Local Development Finance Authority at a meeting held on September 19, 2016, and that public notice of said meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976, as amended, including, in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

_____, Secretary
City of South Haven Local Development
Finance Authority

Date: September 19, 2016

EXHIBIT A

FOURTH AMENDMENT TO THE CITY OF SOUTH HAVEN LOCAL DEVELOPMENT FINANCE AUTHORITY DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN INDUSTRIAL PARK IMPROVEMENT PROJECT (LDFA #1)

The Local Development Finance Authority of the City of South Haven (the “Authority”) hereby amends its Development Plan and Tax Increment Financing Plan Industrial Park Improvement Project (commonly referred to as LDFA #1) (the “Plan”), which was approved by the City Council of the City of South Haven, Michigan (the “City”), pursuant to the provisions of Act 281, Public Acts of Michigan, 1986, as amended (“Act 281”), and also pursuant to Resolution No. 90-23 enacted by the City Council on April 16, 1990, and which was amended by a First Amendment approved by the City Council on January 3, 2000; by Resolution No. 2000-1 and which was amended by a Second Amendment approved by the City Council on May 7, 2001; by Resolution No. 2001-21; and a Third Amendment approved by the City Council on January 6, 2003, by Resolution 03-01.

This Fourth Amendment to the Development Plan and Tax Increment Financing Plan (the “Fourth Amendment”) was adopted by the Authority on September 19, 2016, and approved by the City Council on _____, 2016, by Resolution No. _____ - _____.

References herein to the “Plan” shall mean the Original Plan as amended.

Section 1. Sections III.B. and III.C. are amended to add the estimate of captured assessed values and Increment Revenues for each year covered by this Amendment, which is attached as Schedule I.

Section 2. Section III.H. is amended in its entirety to read as follows:

H. Duration of the development plan and tax increment plan
Section 12(2)(h).

The Development Plan and Tax Increment Financing Plan shall remain in effect until December 31, 2048, or until such later time as all debts and obligations of the Authority under this Plan are paid in full. However, the City and the Authority may amend or alter the Plans to the extent to do so is permitted by the Articles of Incorporation and the Act.

Section 3. Except as provided above, the Development Plan and Tax Increment Financing Plan Industrial Park Improvement Project originally approved on April 16, 1990 (commonly referred to as LDFA #1), as amended, is ratified and confirmed, as further amended. This Plan, the First, Second, Third, and Fourth Amendments do not alter the development plans and tax increment financing plans in effect for the Authority’s districts (development areas) #2 and #3, commonly referred to as LDFA #2 and LDFA #3.

**SCHEDULE I
to Fourth Amendment**

Plan Year	1989 Initial Assessed Value (Adjusted)	Plan Year Assessed/ Taxable Value	Captured Assessed/ Taxable Value	Tax Increment Revenue
	11,215,650			
2016	11,215,650	11,898,904	683,254	8,740
2017	11,215,650	12,017,893	802,243	8,827
2018	11,215,650	12,138,453	922,422	8,916
2019	11,215,650	12,259,453	1,043,803	9,005
2020	11,215,650	12,382,047	1,166,397	9,095
2021	11,215,650	12,505,868	1,290,218	9,186
2022	11,215,650	12,630,926	1,415,276	9,278
2023	11,215,650	12,757,236	1,541,586	9,370
2024	11,215,650	12,884,808	1,669,158	9,464
2025	11,215,650	13,013,656	1,798,006	9,559
2026	11,215,650	13,143,793	1,928,143	9,654
2027	11,215,650	13,275,231	2,059,581	9,751
2028	11,215,650	13,407,983	2,192,333	9,848
2029	11,215,650	13,542,063	2,326,413	9,947
2030	11,215,650	13,677,483	2,461,833	10,046
2031	11,215,650	13,814,258	2,598,608	10,147
2032	11,215,650	13,952,401	2,736,751	10,248
2033	11,215,650	14,091,925	2,876,275	10,351
2034	11,215,650	14,232,844	3,017,194	10,454
2035	11,215,650	14,375,172	3,159,522	10,559
2036	11,215,650	14,518,924	3,303,274	10,664
2037	11,215,650	14,664,113	3,448,463	10,771
2038	11,215,650	14,810,755	3,595,105	10,879
2039	11,215,650	14,958,862	3,743,212	10,988
2040	11,215,650	15,108,451	3,892,801	11,097
2041	11,215,650	15,259,535	4,043,885	11,208
2042	11,215,650	15,412,131	4,196,481	11,321
2043	11,215,650	15,566,252	4,350,602	11,434
2044	11,215,650	15,721,914	4,506,264	11,548
2045	11,215,650	15,879,134	4,663,484	11,664
2046	11,215,650	16,037,925	4,822,275	11,780
2047	11,215,650	16,198,304	4,982,654	11,898
2048	11,215,650	16,360,287	5,144,637	12,017

**CITY OF SOUTH HAVEN
LOCAL DEVELOPMENT FINANCE AUTHORITY
(Van Buren and Allegan Counties, Michigan)**

Resolution No. _____ - _____

**RESOLUTION RECOMMENDING A FOURTH AMENDMENT TO THE
DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN
(LDFA #2) TO THE CITY COUNCIL OF THE CITY OF SOUTH HAVEN**

Minutes of a regular meeting of the Board of Directors of the City of South Haven Local Development Finance Authority, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan, on September 19, 2016, at _____ .m., local time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Member _____ and supported by Member _____:

WHEREAS, pursuant to Act 281, Public Acts of Michigan, 1986, as amended (the "Act"), the City of South Haven did, on June 19, 1989, by Resolution No. 89-33, create and establish the City of South Haven Local Development Finance Authority (the "LDFA"); and

WHEREAS, by Resolution No. 94-54, the City adopted the LDFA Development Plan and Tax Increment Financing Plan Industrial Development District #2 (commonly referred to as LDFA #2) (the "Plan") on October 17, 1994; and

WHEREAS, by Resolution No. 95-10, the City adopted a first Amendment to the Plan on March 20, 1995; and

WHEREAS, by Resolution No. 96-50, the City adopted a second Amendment to the Plan on December 16, 1996; and

WHEREAS, by Resolution No. 2009-42, the City adopted a third Amendment to the Plan on August 17, 2009; and

WHEREAS, in compliance with the provisions of the Act, the LDFA has prepared the LDFA's Fourth Amendment to the Plan (the "Fourth Amendment"); and

WHEREAS, attached to this Resolution as Exhibit A, and incorporated by reference, is the Fourth Amendment that has been prepared by the Board.

NOW, THEREFORE, BE IT HEREBY RESOLVED that:

1. The Fourth Amendment, attached as Exhibit A, is hereby approved by the Board of the LDFA and recommended to the City Council for its approval.

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

YEAS: _____

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED ADOPTED.

_____, Secretary
City of South Haven Local Development
Finance Authority

CERTIFICATION

I, _____, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the City of South Haven Local Development Finance Authority at a meeting held on September 19, 2016, and that public notice of said meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976, as amended, including, in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

_____, Secretary
City of South Haven Local Development
Finance Authority

Date: September 19, 2016

EXHIBIT A

FOURTH AMENDMENT TO THE CITY OF SOUTH HAVEN LOCAL DEVELOPMENT FINANCE AUTHORITY DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN INDUSTRIAL DEVELOPMENT DISTRICT #2 (LDFA #2)

The Local Development Finance Authority of the City of South Haven (the “Authority”) hereby amends its Development Plan and Tax Increment Financing Plan Industrial Development District #2 (commonly referred to as LDFA #2) (the “Plan”), which was approved by the City Council of the City of South Haven, Michigan (the “City”), pursuant to the provisions of Act 281, Public Acts of Michigan, 1986, as amended (“Act 281”), and also pursuant to Resolution No. 94-54 enacted by the City Council on October 17, 1994, and which was amended by a first Amendment approved by the City Council on March 20, 1995; by Resolution No. 95-10 and which was amended by a second Amendment approved by the City Council on December 16, 1996, by Resolution No. 96-50; and a third Amendment approved by the City Council on August 17, 2009, by Resolution 2009-42.

This Fourth Amendment to the Development Plan and Tax Increment Financing Plan (the “Fourth Amendment”) was adopted by the Authority on September 19, 2016, and approved by the City Council on _____, 2016, by Resolution No. _____ - _____.

References herein to the “Plan” shall mean the Original Plan as amended.

Section 1. Sections II.B. and II.C. are amended to add the estimate of captured assessed values and Increment Revenues for each year covered by this Amendment, which is attached as Schedule I.

Section 2. Section II.H. is amended in its entirety to read as follows:

H. Duration of the development plan and tax increment plan
Section 12(2)(h).

The Development Plan and Tax Increment Financing Plan shall remain in effect until December 31, 2048, or until such later time as all debts and obligations of the Authority under this Plan are paid in full. However, the City and the Authority may amend or alter the Plans to the extent to do so is permitted by the Articles of Incorporation and the Act.

Section 3. Except as provided above, the Development Plan and Tax Increment Financing Plan Industrial Development District #2 originally approved on October 17, 1994 (commonly referred to as LDFA #2), as amended, is ratified and confirmed, as further amended. This Plan, the First, Second, Third, and Fourth Amendments do not alter the development plans and tax increment financing plans in effect for the Authority’s districts (development areas) #1 and #3, commonly referred to as LDFA #1 and LDFA #3.

**SCHEDULE I
to Fourth Amendment**

Plan Year	Initial Assessed Value	Plan Year Assessed/ Taxable Value	Captured Assessed/ Taxable Value	Tax Increment Revenue
	1,336,027			
2016	1,336,027	1,951,555	615,528	13,466
2017	1,336,027	1,971,071	635,044	13,601
2018	1,336,027	1,990,781	654,754	13,737
2019	1,336,027	2,010,689	674,662	13,874
2020	1,336,027	2,030,796	694,769	14,013
2021	1,336,027	2,051,104	715,077	14,153
2022	1,336,027	2,071,615	735,588	14,295
2023	1,336,027	2,092,331	756,304	14,438
2024	1,336,027	2,113,254	777,227	14,582
2025	1,336,027	2,134,387	798,360	14,728
2026	1,336,027	2,155,731	819,704	14,875
2027	1,336,027	2,177,288	841,261	15,024
2028	1,336,027	2,199,061	863,034	15,174
2029	1,336,027	2,221,052	885,025	15,326
2030	1,336,027	2,243,262	907,235	15,479
2031	1,336,027	2,265,695	929,668	15,634
2032	1,336,027	2,288,352	952,325	15,790
2033	1,336,027	2,311,235	975,208	15,948
2034	1,336,027	2,334,348	998,321	16,108
2035	1,336,027	2,357,691	1,021,664	16,269
2036	1,336,027	2,381,268	1,045,241	16,432
2037	1,336,027	2,405,081	1,069,054	16,596
2038	1,336,027	2,429,131	1,093,104	16,762
2039	1,336,027	2,453,423	1,117,396	16,929
2040	1,336,027	2,477,957	1,141,930	17,099
2041	1,336,027	2,502,737	1,166,710	17,270
2042	1,336,027	2,527,764	1,191,737	17,442
2043	1,336,027	2,553,042	1,217,015	17,617
2044	1,336,027	2,578,572	1,242,545	17,793
2045	1,336,027	2,604,358	1,268,331	17,971
2046	1,336,027	2,630,401	1,294,374	18,151
2047	1,336,027	2,656,705	1,320,678	18,332
2048	1,336,027	2,683,272	1,347,245	18,516

**CITY OF SOUTH HAVEN
LOCAL DEVELOPMENT FINANCE AUTHORITY
(Van Buren and Allegan Counties, Michigan)**

Resolution No. _____ - _____

**RESOLUTION RECOMMENDING A SECOND AMENDMENT TO THE
DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN
(LDFA #3) TO THE CITY COUNCIL OF THE CITY OF SOUTH HAVEN**

Minutes of a regular meeting of the Board of Directors of the City of South Haven Local Development Finance Authority, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan, on September 19, 2016, at _____ .m., local time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Member _____ and supported by Member _____:

WHEREAS, pursuant to Act 281, Public Acts of Michigan, 1986, as amended (the "Act"), the City of South Haven did, on June 19, 1989, by Resolution No. 89-33, create and establish the City of South Haven Local Development Finance Authority (the "LDFA"); and

WHEREAS, by Resolution No. 95-11, the City adopted the LDFA Development Plan and Tax Increment Financing Plan Industrial Development District #3 South Haven I-96 Industrial Park (commonly referred to as LDFA #3) (the "Plan") on March 20, 1995; and

WHEREAS, by Resolution No. 2010-03, the City adopted an amendment of the Plan on January 18, 2010; and

WHEREAS, in compliance with the provisions of the Act, the LDFA has prepared the LDFA's Second Amendment to the Plan (the "Second Amendment"); and

WHEREAS, attached to this Resolution as Exhibit A, and incorporated by reference, is the Second Amendment that has been prepared by the Board.

NOW, THEREFORE, BE IT HEREBY RESOLVED that:

1. The Second Amendment, attached as Exhibit A, is hereby approved by the Board of the LDFA and recommended to the City Council for its approval.

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

YEAS: _____

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED ADOPTED.

_____, Secretary
City of South Haven Local Development
Finance Authority

CERTIFICATION

I, _____, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the City of South Haven Local Development Finance Authority at a meeting held on September 19, 2016, and that public notice of said meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976, as amended, including, in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

_____, Secretary
City of South Haven Local Development
Finance Authority

Date: September 19, 2016

EXHIBIT A

SECOND AMENDMENT TO THE CITY OF SOUTH HAVEN LOCAL DEVELOPMENT FINANCE AUTHORITY DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN INDUSTRIAL DEVELOPMENT DISTRICT #3 SOUTH HAVEN I-96 INDUSTRIAL PARK (LDFA #3)

The Local Development Finance Authority of the City of South Haven (the “Authority”) hereby amends its Development Plan and Tax Increment Financing Plan Industrial Development District #3 South Haven I-96 Industrial Park (commonly referred to as LDFA #3) (the “Plan”), which was approved by the City Council of the City of South Haven, Michigan (the “City”), pursuant to the provisions of Act 281, Public Acts of Michigan, 1986, as amended (“Act 281”), and also pursuant to Resolution No. 95-11 enacted by the City Council on March 20, 1995, and which was amended by an Amendment approved by the City Council on January 18, 2010; by Resolution No. 2010-03.

This Second Amendment to the Development Plan and Tax Increment Financing Plan (the “Second Amendment”) was adopted by the Authority on September 19, 2016, and approved by the City Council on _____, 2016, by Resolution No. _____ - _____.

References herein to the “Plan” shall mean the Original Plan as amended.

Section 1. Sections II.B. and II.C. are amended to add the estimate of captured assessed values and Increment Revenues for each year covered by this Amendment, which is attached as Schedule I.

Section 2. Section II.H. is amended in its entirety to read as follows:

H. Duration of the development plan and tax increment plan Section 12(2)(h).

The Development Plan and Tax Increment Financing Plan shall remain in effect until December 31, 2048, or until such later time as all debts and obligations of the Authority under this Plan are paid in full. However, the City and the Authority may amend or alter the Plans to the extent to do so is permitted by the Articles of Incorporation and the Act.

Section 3. Except as provided above, the Development Plan and Tax Increment Financing Plan Industrial Development District #3 South Haven I-96 Industrial Park originally approved on March 20, 1995 (commonly referred to as LDFA #3), as amended, is ratified and confirmed, as further amended. This Plan, the Amendment and the Second Amendment do not alter the development plans and tax increment financing plans in effect for the Authority’s districts (development areas) #1 and #2, commonly referred to as LDFA #1 and LDFA #2.

**SCHEDULE I
to Second Amendment**

Plan Year	1995 Initial Assessed Value	Plan Year Assessed/ Taxable Value	Captured Assessed/ Taxable Value	Tax Increment Revenue
	\$ 0.00			
2016	0	2,586,911	2,586,911	47,297
2017	0	2,612,780	2,612,780	47,770
2018	0	2,638,908	2,638,908	48,247
2019	0	2,665,297	2,665,297	48,730
2020	0	2,691,950	2,691,950	49,217
2021	0	2,718,869	2,718,869	49,709
2022	0	2,746,058	2,746,058	50,206
2023	0	2,773,519	2,773,519	50,708
2024	0	2,801,254	2,801,254	51,215
2025	0	2,829,266	2,829,266	51,728
2026	0	2,857,559	2,857,559	52,245
2027	0	2,886,135	2,886,135	52,767
2028	0	2,914,996	2,914,996	53,295
2029	0	2,944,146	2,944,146	53,828
2030	0	2,973,587	2,973,587	54,366
2031	0	3,003,323	3,003,323	54,910
2032	0	3,033,357	3,033,357	55,459
2033	0	3,063,690	3,063,690	56,014
2034	0	3,094,327	3,094,327	56,574
2035	0	3,125,270	3,125,270	57,139
2036	0	3,156,523	3,156,523	57,711
2037	0	3,188,088	3,188,088	58,288
2038	0	3,219,969	3,219,969	58,871
2039	0	3,252,169	3,252,169	59,460
2040	0	3,284,691	3,284,691	60,054
2041	0	3,317,537	3,317,537	60,655
2042	0	3,350,713	3,350,713	61,261
2043	0	3,384,220	3,384,220	61,874
2044	0	3,418,062	3,418,062	62,493
2045	0	3,452,243	3,452,243	63,118
2046	0	3,486,765	3,486,765	63,749
2047	0	3,521,633	3,521,633	64,386
2048	0	3,556,849	3,556,849	65,030