

PLAN AMENDMENTS

DEVELOPMENT AND TAX INCREMENT FINANCING PLAN OF THE
DOWNTOWN DEVELOPMENT AUTHORITY OF THE

CITY OF PLYMOUTH

Downtown Development Authority

Adopted -- July 13, 2006

City Commission

Adopted - October 2, 2006

City Commission

Honorable Dan Dwyer, Mayor

**Stella Greene, Michele Potter, Phil Pursell, Jerry Sabatini,
Ron Loiselle and David Workman**

Downtown Development Authority

**Mike Wright, Michael O'Grady, Tom Piotrowski,
Teri Allen, Jon Gary, Adam Covington, Mark Malcolm,
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Kelly Karadsheh, Jeffrey Schultz**

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Downtown Development Authority 2006 Plan Amendments

Purpose of the Amended Plan

The purpose of this amendment is to extend the Development and Tax Increment Financing Plan until through the latter of December 31, 2033, or upon the maturity of all bonds payable primarily from tax increment revenues, and to adjust the Development and Financial plans to reflect current circumstances and the vision for future projects and improvements.

Background

In 1983, Pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the “Act”), the City of Plymouth adopted a Tax Increment Finance Plan and formed the Downtown Development Authority to help spur development in the declining Downtown business district. Many of the goals of this plan have been accomplished but challenges remain for the future.

Successes of past 25 years:

1. Parking improvements, including the building and maintenance of the Central Parking Deck and improvements at the Penniman Lot and at the lot at Wing and Harvey Streets.
2. Streetscape, including bricks, light poles, benches, planter boxes.
3. Attraction of quality retailers, including national names like Starbucks, and nurturing of over 10 entrepreneurs with 20 year’s longevity.
4. Increase in property values in Downtown and surrounding areas due in part to the high quality of life possible when living near a thriving downtown.
5. Public Restrooms built.
6. New housing developments—Mayflower Center, Penniman Place, and 849 Penniman—have been stimulated.
7. New commercial developments have been encouraged, including the Mayflower Center, Penniman Place, 849 Penniman, 555 Forest, and 1007 Harvey.
8. Friday Night concerts now nearly self supporting with sponsorships.
9. Marketing efforts have been initiated, including a new Downtown image and brand effort, upgraded printed materials, walking map, and Downtown Plymouth Magazine.

The DDA has invested in long-term infrastructure improvements, and part of the rationale for extending the TIFA plan is to maintain and extend the life of those investments while developing new ways to attract people to the Downtown. Parking, streetscape and landscape upgrades and appropriate public facilities have been, and will continue to be, critical to this effort. Maintaining the charming, pedestrian-friendly, pleasant, relaxing experience as a “gathering place” that is perceived as Plymouth’s main draw requires a higher level of maintenance efforts--beyond what the city could afford using normal revenue streams alone. Finally, direct support for recreational, cultural, and promotional activities in excess of the City’s budget capabilities may be pursued when appropriate.

The streetscape, parking structure and other public improvements that were completed by the DDA through Tax Increment Financing have created an environment that encourages more private investment in the form of new residential and commercial developments and the introduction of national chains like Starbucks, and Panera Bread, Co. into the business mix.

The health and vibrancy of the Downtown is reflected in rising property values not only in the Downtown but also in the surrounding areas. Realtors list homes “within walking distance of Downtown” that are as far away as Haggerty Road & Ann Arbor Trail in Plymouth Township. The City of Plymouth’s Downtown serves as the “downtown” for Plymouth Township as well as for other surrounding communities that do not have an authentic downtown area.

Although, many of the objectives from the original plan have been attained, more remains to be done if the Downtown is to remain competitive in the current market and into the future. Downtown Northville, Laurel Park Mall, the new Cherry Hill Village, Twelve Oaks Mall, Westland Mall, and the Ford Road Corridor in Canton, all compete with Plymouth for shopping and entertainment dollars. According to a 2005 article by Patricia L. Kirk, published by the Urban Land Institute entitled Alternative Anchors, “With ambience becoming more important than ever, the gathering place is beginning to replace the anchor.” Maintaining and building upon the past work of the DDA will contribute to Plymouth’s ability to leverage its unique characteristics to take advantage of this growing trend.

Over the next twenty-five years the City will require additional infrastructure improvements in order to remain competitive and to attract new growth. This is especially important since the City has been fully “built out” for decades, and virtually all new growth in the tax base is occurring in the removal and replacement of existing developments. The maintenance and upkeep of existing infrastructure and the ability to provide new infrastructure as needs arise is crucial to the continued prosperity and success of the Downtown. Some issues that the City and particularly the Downtown are constantly contending with are aging infrastructure; recruitment of new businesses; retention of existing successful businesses; creation and maintenance of ample, convenient parking; and marketing the Downtown.

The TIFA should be extended through December 31, 2033 to ensure that Plymouth can continue to draw private investment and contribute to the continued prosperity of the Downtown, the City and the environs. The current plan is set to expire in January 2009 upon the completion of bond payments for the public improvements made under the 1983 plan. The plan as amended below would allow for up to 25 years to repay any new bonds issued to finance major infrastructure projects, including but not limited to the ones described in this plan amendment.

Downtown Plymouth is a special place; investing the resources made available by extending the TIFA plan will help ensure that the Downtown continues to meet the needs of area residents, businesses and visitors.

City of Plymouth Downtown Development Authority 2006 Plan Amendments

Introduction

Pursuant to Act 197, Public Acts of Michigan, 1975 as amended (the "Act"), the City of Plymouth established the Plymouth Downtown Development Authority (the "DDA"). Pursuant to Act 197, the City approved the Development Plan and Tax Increment Financing Plan (the "Plan") for the Downtown Development Area by an ordinance adopted on October 17, 1983.

Purpose of the Amended Plan

The substance of the amendment is:

1. To provide an estimate of the dollars to cover costs for facilities, operations and general improvement and enhancement of the Downtown through 2033. See Exhibit D-2006 for estimate.
2. To extend the duration of the Plan through the latter of December 31, 2033, or upon the maturity of all bonds payable primarily from tax increment revenues.

Amendments

1. The Development Plan (Section I.A. Boundary Description) is amended to reflect the boundaries of the Plymouth Michigan Downtown Development Authority as previously amended in April 1992 shown on the attached Exhibit A-2006.
2. The Development Plan (Section I. B. Boundary Map) is amended to reflect the boundaries of the above described area as shown on the "Boundary Map" Exhibit B-2006.
3. The Development Plan (Section III. Development District Objectives) is amended to include the description of improvements listed in the Development Plan Exhibit C-2006.
4. The Financial Plan should be amended to reflect the information found in Exhibit D-2006.
5. The adopted ordinances should be amended with Article II Sec. 30.26-35 and Article III Sec. 30-56-62 as shown in the attached Exhibit E-2006.

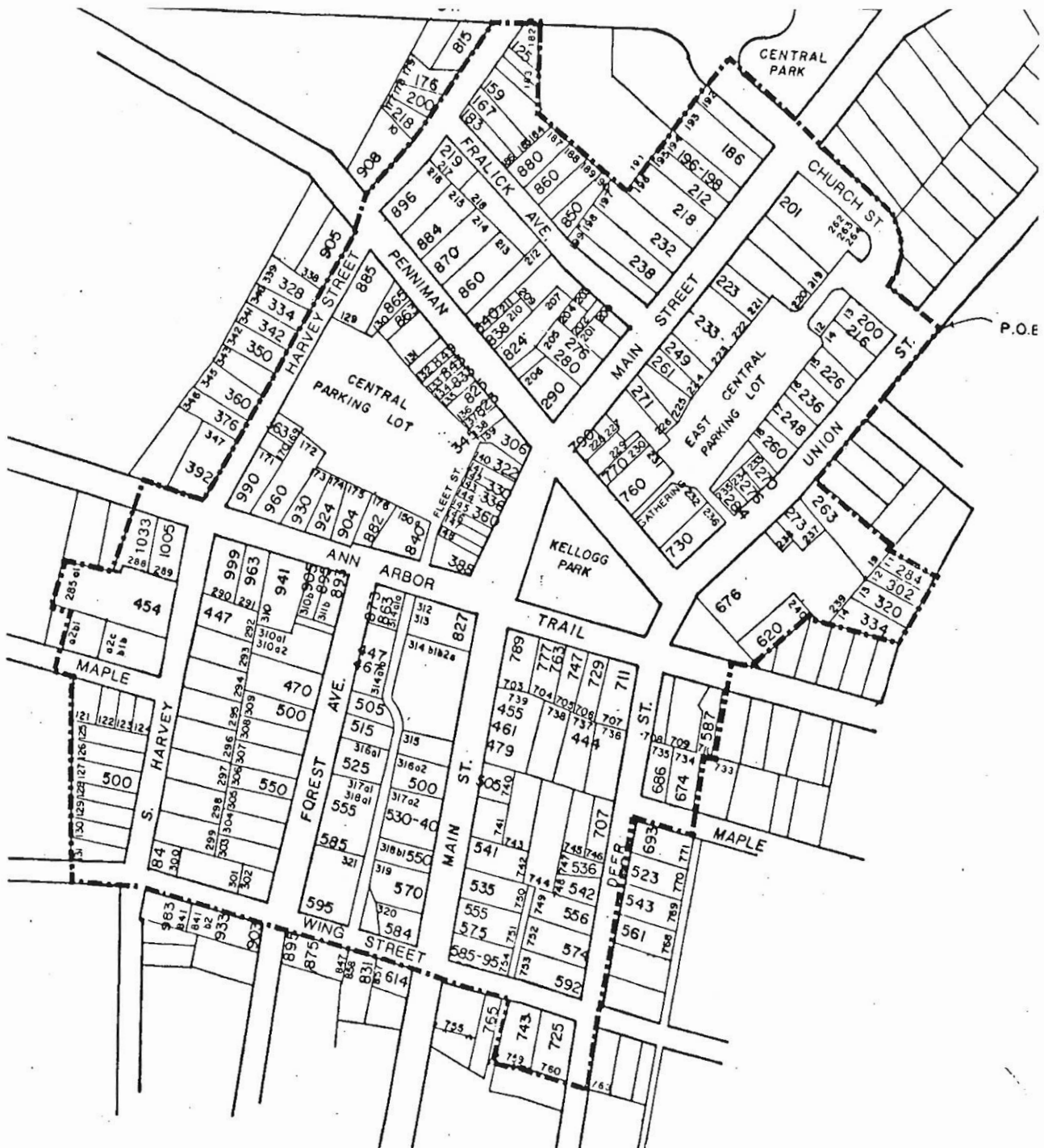
Exhibit A-2006

Boundaries

The current boundaries of the Plymouth Michigan Downtown Development District Authority have not changed from the last boundary amendment adopted April 10, 1992, and are as follows:

Beginning at the intersection of the north line of Church St. & the east line of Union St; thence south along the east line of Union St. to the north line of Lot 19, Fralick's Addition; thence east along the north line of above said lot 19 to the east line of Lot 19; thence south along the east line of above said lot to the north line of Lot 11, May Subdivision; thence east along the north line of above said lot 11 to the west line of Elizabeth St.; thence south along the west line of Elizabeth St. to the south line of Lot 14, May Subdivision; thence west along the north line of George B. Shafer's Subdivision, a distance of 204.6 ft. to the east line of Lot 240, Assessor's Plat No. 9; thence south along said lot a distance of 165.00 ft. to the north line of Ann Arbor Trail; thence west along the north line of Ann Arbor Trail to the east line of Lot 710, Assessor's Plat No. 20; thence south along the east line of said lot to the north line of Lot 733, Assessor's Plat No. 20; thence west along the north line of said lot to the east line of Lot 734, Assessor's Plat No. 20; thence south along the east line of said lot to the south line of Maple Avenue; thence west along the south line of Maple Avenue to the east line of Deer St.; thence south along the east line of Deer St. to the southwest corner of Lot 763, Plymouth Plat No. 21; thence west along the south line of Lots 759 and 760, Assessors Plymouth Plat No. 21, a distance of 130.94 ft.; thence north along the west line of said Lot 759 a distance of 132.65 ft. to the south line of Wing St.; thence west along the south line of Wing St. to the west line of Lot 131, Nash's Plymouth Subdivision; thence north along the west line of said lot to the south line of Maple Avenue; thence west to the west line of Lot 285a2b1, Plymouth Plat No. 12; thence north along the west line of said lot a distance of approximately 148 ft. to the south line of Lot 285a1, Plymouth Plat No. 12; thence west along the south line of said lot a distance of approximately 105 ft. to the west line of Lot 285a1, Plymouth Plat NO. 12; thence north along the west line of said lot a distance of approximately 82 ft. to the north line of Lot 285a1, Plymouth Plat No. 12; thence east along the north line of said lot to the southwest corner of lot 288, Plymouth Plat No. 12; thence north along the west line of Lot 288 to the north line of Ann Arbor Trail; thence east along the north line of Ann Arbor Trail to the southeast corner of lot 347, Plymouth Plat No. 13; thence northerly along the west line of S. Harvey St. to the south line of Church St.; thence east along the south line of Church St. to the west line of Lot 191, Plymouth Plat No. 8; thence southeast along the west line of said lot; thence east along the south line of said lot; thence northeast along the east line of said lot to the north line of Church St.; thence southeasterly along the north line of Church St. to the point of beginning at Church and union Streets.

Exhibit B-2006 Downtown Development Authority District Boundaries



District Boundary - - - - -

Exhibit C-2006
New Development Plan:

The focus of the Downtown Development Authority efforts through 2033 include:

1. Operation, maintenance and management of existing investments in:
 - The central parking deck, surface parking facilities and streetscape features, including brick pavers, light poles, flower boxes, trees, parks, benches, streets and sidewalks, and also including but not limited to power and utility costs for ornamental street lighting, parking lot lighting, and traffic signals
 - Signage and Wayfinding to facilitate visitors' travels to, from, and within the Downtown.
 - Kellogg Park and the Gathering
2. A specific project to increase parking supply in response to parking demand is expected early in the TIFA plan, probably in 2008. This project, as currently conceived will add a level to the current central parking deck, improve the aesthetics of this deck, and enhance the Fleet Street and deck entrances and exits stairways, etc. It may also include landscaping and improvements to other publicly owned parking lots. It is understood that this particular project, as currently described, might change, but that a major project to increase parking supply is expected early in the plan period.
3. Future enhancements including but not limited to additional parking, landscape enhancements, enhancement of spaces for public and family festivals, recreation, music, culture and enjoyment, signage and wayfinding systems, traffic signals improvements, and other efforts which contribute to the ambience of Downtown Plymouth.
4. Recruitment of quality businesses combined with a focus on developing a viable business mix, or the balance between restaurants, retailers , service-oriented businesses, national chains, local businesses and residential uses. The DDA may work with other City entities to promote placement of various business types (service, retail restaurant, etc.) in locations within the Downtown that will be most beneficial to the property owners, to the business owners and to the health of the Downtown overall.
5. Enhanced services required to keep the Downtown at the highest standard of visual appeal, physical operation and safety.
6. Enhanced Downtown public facilities serving the growing residential population in and around the Downtown.
7. Efforts to further enhance the business climate; attract people to the Downtown to live, work and play; and to support cultural, social, recreational and promotional activities that will build on the image of Downtown as a "gathering place" and stimulate activity and commerce.

Exhibit D-2006**New Financial Plan:**

The proposed amendment to the tax increment financing plan retains the district boundaries as presently established and also retains the base year values originally established in 1983. Millage capture will remain the same through the 2008-09 fiscal year for operating purposes and as supplemented by school taxes to the extent permitted to fund eligible advances and obligations by 1994 legislation passed in connection with the adoption of Proposal A. After the 2008-09 fiscal year no state, local or intermediate taxes may be captured with the expiration of debt service on these obligations.

The proposed plan envisions moderate growth from new construction for redevelopments within the DDA District in the next eleven years and conservative estimates of additions beyond the 2017-18 fiscal year. Changes in projected millage rates are based on past historical trends in growth. Other DDA operating revenues are projected with a 2% growth rate while operating expenditures are projected with a 2.5% growth rate, both based on historical trends. Capital outlay includes expenditures ranging from \$ 100,000 to \$ 250,000 per year for maintenance of the parking deck and streetscape infrastructure and includes a major cost of \$ 3,000,000 to be financed with bonds in the 2010-11 and 2011-12 fiscal years. Debt service for this major replacement is included based on level funding over 25 years with an interest cost of 4.9%.

The proposed plan will easily support a \$ 3 million dollar capital replacement program for the parking deck, other parking facilities and streetscape infrastructure. The structuring of alternative debt servicing for the capital improvement or use of operating revenues could permit a larger issue to support additional capital improvement. Table D-1 on the following page provides data relative to tax capture, other revenues, estimated expenditures and estimated capital reserves at fiscal year end based on the above projection variables.

TABLE D - 1
SOURCES OF DDA CAPTURED TAXES - REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BASED ON PROVISIONS OF 1994 PROPOSAL A & SUBSEQUENT LEGISLATION
ACTUAL THROUGH 6/30/2006 AND PROJECTED THROUGH 6/30/2034
NO BOUNDARY CHANGES, NO FACTORING OF TAX CAPTURE

Fiscal Year	DDA Captured S.E.V.			Homestead Mileage			Non-Homestead Mileage			DDA Captured Taxes			DDA Revenues			DDA Expenditures				
	Homestead S.E.V.	Non-Homestead S.E.V.	Total Captured S.E.V.	Non-School Mileage	State School Mileage	Local School Mileage	Non-School Mileage	State School Mileage	Local School Mileage	Operating Captured Taxes	School Captured Taxes	Total Tax Capture	Special Assessments	Other Revenues	Total Revenues	Admin/Oper Expenditures	Capital Outlay	Debt Service	Total Expenditures	Fiscal Year Fund Balance
2004-05	477,956	18,552,850	19,030,806	27.38	6.00	6.56	27.38	6.00	24.56	518,030	421,221	939,251	50,561	71,707	1,074,870	469,628	76,159	421,221	967,008	270,156
2005-06	405,202	20,464,566	20,869,768	27.36	6.00	6.89	27.36	6.00	24.89	567,604	405,425	973,029	38,141	78,142	1,100,212	596,219	116,535	405,368	1,117,122	283,346
2006-07	413,306	23,778,850	24,192,156	27.34	6.00	6.91	27.34	6.00	24.91	567,484	416,308	983,792		50,000	1,128,408	610,100	100,000	416,308	1,128,408	280,730
2007-08	421,572	25,959,922	26,380,992	27.37	6.00	6.88	27.37	6.00	24.88	717,757	373,128	1,090,885		51,500	1,142,385	625,350	100,000	373,128	1,098,478	284,537
2008-09	430,004	27,683,600	28,113,604	27.40	6.00	6.85	27.40	6.00	24.85	765,736	379,696	1,145,432		53,050	1,198,482	640,980	100,000	379,696	1,220,676	372,443
2009-10	438,604	28,942,250	29,380,854	27.61						806,213	0	806,213		3,054,640	3,860,853	657,000	100,000	210,730	967,730	3,265,566
2010-11	447,376	30,226,090	30,673,466	27.86						849,304	0	849,304		66,280	905,584	673,430	2,100,000	210,730	2,984,160	1,186,590
2011-12	456,323	31,593,500	31,991,923	28.11						893,760	0	893,760		67,970	961,730	690,270	1,100,000	210,730	2,001,000	1,137,721
2012-13	465,450	32,871,300	33,336,750	28.61						914,763	0	914,763		59,710	974,473	707,550	100,000	210,730	1,018,260	93,533
2013-14	474,759	34,133,720	34,608,479	27.88						959,156	0	959,156		61,500	1,020,656	725,220	110,000	210,730	1,045,950	68,539
2014-15	484,254	35,321,800	35,806,054	28.16						1,002,257	0	1,002,257		63,350	1,065,607	743,350	121,000	210,730	1,075,080	59,166
2015-16	493,539	36,432,800	36,926,339	28.44						1,043,975	0	1,043,975		65,250	1,109,225	761,930	133,100	210,730	1,105,760	62,531
2016-17	503,818	37,466,450	37,970,268	28.73						1,084,212	0	1,084,212		67,210	1,151,422	780,980	146,410	210,730	1,138,120	75,534
2017-18	513,894	38,520,770	39,034,664	29.01						1,125,751	0	1,125,751		69,230	1,194,981	800,500	151,051	210,730	1,172,281	98,534
2018-19	524,172	39,596,170	40,120,342	29.30						1,168,533	0	1,168,533		71,370	1,239,943	820,570	177,156	210,730	1,208,386	130,181
2019-20	534,655	40,693,080	41,227,735	29.60						1,212,898	0	1,212,898		73,450	1,286,348	841,020	194,672	210,730	1,246,622	169,907
2020-21	545,349	41,811,930	42,357,279	29.89						1,258,590	0	1,258,590		75,650	1,334,240	862,050	214,359	210,730	1,287,139	217,008
2021-22	556,256	42,953,160	43,509,416	30.19						1,305,752	0	1,305,752		77,920	1,383,672	883,600	235,795	210,730	1,330,125	270,555
2022-23	567,381	44,117,210	44,684,591	30.49						1,354,430	0	1,354,430		80,260	1,434,690	905,690	259,574	210,730	1,375,794	329,451
2023-24	578,728	45,304,540	45,883,268	30.80						1,404,671	0	1,404,671		82,670	1,487,341	928,330	285,512	210,730	1,424,372	382,420
2024-25	590,303	46,515,620	47,105,923	31.11						1,456,522	0	1,456,522		85,160	1,541,672	951,940	313,643	210,730	1,476,113	437,350
2025-26	602,109	47,760,920	48,363,029	31.42						1,510,034	0	1,510,034		87,700	1,597,734	975,330	345,227	210,730	1,531,287	524,427
2026-27	614,151	49,010,530	49,624,681	31.73						1,565,257	0	1,565,257		90,330	1,655,587	999,710	379,730	210,730	1,639,420	658,924
2027-28	626,434	50,296,140	50,922,574	32.05						1,622,244	0	1,622,244		93,040	1,719,284	1,024,700	417,725	210,730	1,853,155	811,589
2028-29	638,963	51,607,050	52,246,013	32.37						1,681,049	0	1,681,049		95,630	1,776,679	1,050,350	459,457	210,730	1,720,547	708,284
2029-30	651,742	52,944,180	53,595,922	32.69						1,741,728	0	1,741,728		98,700	1,840,428	1,076,580	505,447	210,730	1,792,757	755,565
2030-31	664,777	54,308,050	54,972,827	33.02						1,804,336	0	1,804,336		101,680	1,905,998	1,103,480	555,992	210,730	1,870,212	791,241
2031-32	678,072	55,699,200	56,377,272	33.35						1,868,940	0	1,868,940		104,710	1,973,650	1,131,080	611,597	210,730	1,953,407	811,980
2032-33	691,634	57,118,770	57,809,604	33.68						1,935,630	0	1,935,630		107,850	2,043,443	1,159,360	672,750	210,730	2,042,840	872,993
2033-34	705,466	58,565,520	59,270,986	34.02						2,004,362	0	2,004,362		111,080	2,115,442	1,188,340	740,025	210,730	2,139,095	788,350
TOTAL											7,049,476	4,892,186	11,942,341	6,627,850	19,053,266	6,307,259	4,339,797	5,960,795	16,507,851	

Assumptions:
 Captured value increase at 2% per year plus \$ 5.2 million new 06-07 through 08-09, \$ 2 million new 09-10 through 12-13, \$ 1 million new 13-14 through 16-17, \$ 100,000 per year thereafter
 Capture mileage rates after 08-09 exclude all state, local and intermediate school tax levies
 Other Revenues increase at 2% per year, administrative/operational expenditures increase at 2.5% per year
 Capital outlay after 08-09 includes \$ 3 million for debt and maintenance costs escalating from \$ 100,000 to annual maximum of \$ 250,000
 Debt service after 08-09 is a level cost financing of \$ 3 million over 25 years at 4.9%

ARTICLE II. TAX INCREMENT FINANCING PLAN

Sec. 30-26. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Base year assessment roll means the base year assessment roll prepared by the city assessor in accordance with section 30-29.

Captured assessed value means the amount in any one year by which the current assessed value as finally equalized of all taxable property in the development area exceeds the initial assessed value.

Development area means the following boundaries of the downtown development district:

Beginning at the intersection of the north line of Church Street and the east line of Union Street; thence south along the east line of Union Street to the north line of Lot 19, Fralick's Addition; thence east along the north line of Lot 19 to the east line of Lot 19; thence south along the east line of Lot 19 to the north line of Lot 11, May Subdivision; thence east along the north line of Lot 11 to the west line of Elizabeth Street; thence south along the west line of Elizabeth Street to the south line of Lot 14, May Subdivision; thence west along the north line of George B. Shafer's Subdivision, a distance of 204.6 feet to the east line of Lot 240, Assessor's Plat No. 9; thence south along Lot 240 a distance of 165.00 feet to the north line of Ann Arbor Trail; thence west along the north line of Ann Arbor Trail to the east line of Lot 710, Assessor's Plat No. 20; thence south along the east line of Lot 710 to the north line of Lot 733, Assessor's Plat No. 20; thence west along the north line of Lot 733 to the east line of Lot 734, Assessor's Plat No. 20; thence south along the east line of Lot 734 to the south line of Maple Avenue; thence west along the south line of Maple Avenue to the east line of Deer Street; thence south along the east line of Deer Street to the southwest corner of Lot 763, Plymouth Plat No. 21; thence west along the south line of Lots 759 and 760, Assessors Plymouth Plat No. 21, a distance of 130.94 feet; thence north along the west line of Lot 760, a distance of 132.65 feet to the south line of Wing Street; thence west along the south line of Wing Street to the west line of Lot 131, Nash's Plymouth Subdivision; thence north along the west line of Lot 131 to the south line of Maple Avenue; thence west to the west line of Lot 285a2b1, Plymouth Plat No. 12; thence north along the west line of Lot 285a2b1 a distance of approximately 148 feet to the south line of Lot 285a1, Plymouth Plat No. 12; thence west along the south line of Lot 285a1 a distance of approximately 105 feet to the west line of Lot 285a1, Plymouth Plat No. 12; thence north along the west line of Lot 285a1 a distance of approximately 82 feet to the north line of Lot 285a1; thence east along the north line of Lot 285a1 to the southwest corner of Lot 288, Plymouth Plat No. 12; thence north along the west line of Lot 288 to the north line of Ann Arbor Trail; thence east along the north line of Ann Arbor Trail to the southeast corner of Lot 347, Plymouth Plat No. 13; thence northerly along the west line of South Harvey Street to the south line of Church Street; thence east along the south line of Church Street to the west line of Lot 191, Plymouth Plat No. 8; thence southeast along the west line of Lot 191; thence east along the south line of Lot 191; thence northeast along the east line of Lot 191 to the north line of Church Street; thence southeasterly along the north line of Church Street to the point of beginning at Church and Union Streets.

Development plan means the Development Plan and Tax Increment Financing Plan, dated October 1983 as transmitted to the city commission by the downtown development authority for public hearing, as modified by action of the city commission and confirmed by this article, copies of which are on file in the office of the city clerk.

Downtown development authority (DDA) means the city downtown development authority.

Initial assessed value means the initial assessed value as defined in Act No. 197 of the Public Acts of Michigan of 1975 (MCL 125.1651 et seq., MSA 5.3010(1) et seq.).

Project fund means the downtown development authority project no. 1 fund established pursuant to section 30-31.

Taxing jurisdiction means each unit of government levying an ad valorem property tax on property in the development area.

(Ord. No. 83-5, § 1; Ord. No. 92-6, § 1, 4-6-92)

Cross references: Definitions generally, § 1-2.

Sec. 30-27. Approval and adoption of development plan.

The development plan as amended by the city commission is hereby approved and adopted. The duration of the plan shall be 20 years from the date of issuance of the last series of bonds pursuant to the development plan, except as it may be extended by subsequent amendment of the plan and this article. A copy of the plan and all amendments thereto shall be maintained on file in the city clerk's office and cross-indexed to this article.

(Ord. No. 83-5, § 2)

Sec. 30-28. Boundaries of development area.

The boundaries of development area no. 1 as set forth in the development plan are hereby adopted and confirmed.

(Ord. No. 83-5, § 3)

Sec. 30-29. Preparation of base year assessment roll.

(a) Within 60 days of the effective date of the ordinance from which this article was derived, the city assessor shall prepare the initial base year assessment roll. The initial base year assessment roll shall list each taxing jurisdiction in which the development area is located, the initial assessed value of the development area on such effective date and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the development area.

(b) The assessor shall transmit copies of the initial base year assessment roll to the city treasurer, county treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this article and the tax increment financing plan contained in the development plan approved by this article.

(Ord. No. 83-5, § 4)

Sec. 30-30. Preparation of annual base year assessment roll.

Each year within 15 days following the final equalization of property in the development area, the assessor shall prepare an updated base year assessment roll. The updated base year assessment roll shall show the information required in the initial base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual base year assessment roll shall be

transmitted by the assessor to the same persons as the initial base year assessment roll, together with a notice that it has been prepared in accordance with this article and the development plan.

(Ord. No. 83-5, § 5)

Sec. 30-31. Establishment of project fund; approval of depository.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a depository bank account or accounts in a bank or banks approved by the city treasurer, to be designated downtown development authority project no. 1 fund. All moneys received by the downtown development authority pursuant to the development plan shall be deposited in the project fund. All moneys in that fund and earnings thereon shall be used only in accordance with the development plan and this article.

(Ord. No. 83-5, § 6)

Sec. 30-32. Payment of tax increments to downtown development authority.

The city and county treasurer shall, as ad valorem taxes are collected on the property in the development area, pay that proportion of the taxes, except for penalties and collection fees, that the captured assessed value bears to the initial assessed value to the treasurer of the downtown development authority for deposit in the project fund. The payments shall be made on the date or dates on which the city and county treasurers are required to remit taxes to each of the taxing jurisdictions.

(Ord. No. 83-5, § 7)

Sec. 30-33. Use of moneys in the project fund.

(a) The money credited to the project fund and on hand therein from time to time shall annually be used in the following manner and following order of priority:

- (1) Pay into the debt retirement fund, or funds, for all outstanding series of bonds issued pursuant to this plan an amount equal to the interest and principal coming due (in the case of principal whether by maturity or mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.
- (2) Establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan, an amount, if any, required by the resolution authorizing a series of bonds. Any amounts to the credit of the reserve account at the beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.
- (3) Pay the city the amount of lease rental payments paid by the city to the municipal building authority for project elements acquired by the building authority. These payments shall be net of any revenues derived from the parking structure included in the project after paying of operating expenses from those revenues.
- (4) Pay the administrative and operating costs of the downtown development authority (DDA) and city for the development area, including planning and promotion, to the extent provided in the annual budget of the DDA.
- (5) Pay, to the extent determined desirable by the DDA and approved by the city, the cost of completing the remaining public improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

(6) Pay the cost of any additional improvements to the development as determined necessary by the DDA and approved by the city commission.

(7) Reimburse the city for funds advanced to acquire property, clear land, make preliminary plans, and improvements necessary for the development of the development area in accordance with this plan.

(b) Any tax increment receipts in excess of those needed under subsection (a) of this section shall revert to the taxing jurisdictions or used for future development activities within the development area, as defined in the development plan, pursuant to applicable provisions of Act No. 197 of the Public Acts of Michigan of 1975 (MCL 125.1651 et seq., MSA 5.3010(1) et seq.), as amended, and other laws.

(Ord. No. 83-5, § 8)

Sec. 30-34. Annual report.

Within 90 days after the end of each fiscal year, the downtown development authority shall submit to the city commission, with copies to each taxing jurisdiction, a report on the status of the project fund. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial assessed value of the development area, the captured assessed value of the development area, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the city commission or deemed appropriate by the downtown development authority. The secretary of the downtown authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the city.

(Ord. No. 83-5, § 9)

Sec. 30-35. Refund of surplus tax increments.

Any surplus money in the project fund at the end of a year, as shown by the annual report of the downtown development authority, shall be paid by the authority to the city or county treasurer, as the case may be, and rebated by them to the appropriate taxing jurisdiction.

(Ord. No. 83-5, § 10)

Secs. 30-36--30-55. Reserved.

ARTICLE III. DOWNTOWN DEVELOPMENT AUTHORITY

Sec. 30-56. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Authority means the downtown development authority of the city.

Act 197 means Act No. 197 of the Public Acts of Michigan of 1975 (MCL 125.1651 et seq., MSA 5.3010(1) et seq.), as amended.

Board or *board of directors* means the board of directors of the authority, the governing body of the authority.

Chief executive officer means the mayor of the city.

Downtown district means the downtown district designated by this article as now existing or hereafter amended.

(Ord. No. 83-2, § 2, 6-20-83)

Cross references: Definitions generally, § 1-2.

Sec. 30-57. Determination of necessity.

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

(Ord. No. 83-2, § 3, 6-20-83)

Sec. 30-58. Creation of authority.

There is hereby created pursuant to Act 197, a downtown development authority for the city. The authority shall be a public body corporate and shall be known and exercise its powers under the title of Downtown Development Authority of the City of Plymouth. 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 article and Act 197. The enumeration of a power in this article or in Act 197 shall not be construed as a limitation upon the general powers of the authority.

(Ord. No. 83-2, § 4, 6-20-83)

Sec. 30-59. Description of downtown district.

The boundaries of the downtown district in which the authority shall exercise its powers as provided in Act 197 shall consist of the following:

Beginning at the intersection of the north line of Church Street and the east line of Union Street; thence south along the east line of Union Street to the north line of Lot 19, Fralick's Addition; thence east along the north line of Lot 19 to the east line of Lot 19; thence south along the east

line of Lot 19 to the north line of Lot 11, May Subdivision; thence east along the north line of Lot 11 to the west line of Elizabeth Street; thence south along the west line of Elizabeth Street to the south line of Lot 14, May Subdivision; thence west along the north line of George B. Shafer's Subdivision, a distance of 204.6 feet to the east line of Lot 240, Assessor's Plat No. 9; thence south along Lot 240 a distance of 165.00 feet to the north line of Ann Arbor Trail; thence west along the north line of Ann Arbor Trail to the east line of Lot 710, Assessor's Plat No. 20; thence south along the east line of Lot 710 to the north line of Lot 733, Assessor's Plat No. 20; thence west along the north line of Lot 733 to the east line of Lot 734, Assessor's Plat No. 20; thence south along the east line of Lot 734 to the south line of Maple Avenue; thence west along the south line of Maple Avenue to the east line of Deer Street; thence south along the east line of Deer Street to the southwest corner of Lot 763, Plymouth Plat No. 21; thence west along the south line of Lots 759 and 760, Assessor's Plymouth Plat No. 21, a distance of 130.94 feet; thence north along the west line of Lot 760, a distance of 132.65 feet to the south line of Wing Street; thence west along the south line of Wing Street to the west line of Lot 131, Nash's Plymouth Subdivision; thence north along the west line of Lot 131 to the south line of Maple Avenue; thence west to the west line of Lot 285a2b1, Plymouth Plat No. 12; thence north along the west line of Lot 285a2b1 a distance of approximately 148 feet to the south line of Lot 285a1, Plymouth Plat No. 12; thence west along the south line of Lot 285a1 a distance of approximately 105 feet to the west line of Lot 285a1, Plymouth Plat No. 12; thence north along the west line of Lot 285a1 a distance of approximately 82 feet to the north line of Lot 285a1; thence east along the north line of Lot 285a1 to the southwest corner of Lot 288, Plymouth Plat No. 12; thence north along the west line of Lot 288 to the north line of Ann Arbor Trail; thence east along the north line of Ann Arbor Trail to the southeast corner of Lot 347, Plymouth Plat No. 13; thence northerly along the west line of South Harvey Street to the south line of Church Street; thence east along the south line of Church Street to the west line of Lot 191, Plymouth Plat No. 8; thence southeast along the west line of Lot 191; thence east along the south line of Lot 191; thence northeast along the east line of Lot 191 to the north line of Church Street; thence south easterly along the north line of Church Street to the point of beginning at Church and Union Streets.

(Ord. No. 92-5, § 1, 4-6-92)

Sec. 30-60. Board of directors.

(a) The authority shall be under the supervision and control of a board of directors consisting of the chief executive officer of the city and 12 members as provided by Act 197. The members shall be appointed by the chief executive officer subject to approval by the commission and shall hold office for the terms provided in Act 197. All members shall hold office until the member's successor is appointed.

(b) The authority may employ and fix the compensation of a director, subject to the approval of the city commission, and a treasurer and secretary. The director shall furnish bond in the amount of \$100.00, and the treasurer shall furnish bond in such amounts as prescribed by the board. The bonds shall be in such form as may be approved by the board including coverage in the form of a blanket policy carried by the authority or the city.

(Ord. No. 83-2, § 6, 6-20-83; Ord. No. 89-6, 10-16-89)

Sec. 30-61. Powers.

Except as specifically otherwise provided in this article, the authority shall have all powers provided by law subject to the limitations imposed by law and herein.

(Ord. No. 83-2, § 7, 6-20-83)

Sec. 30-62. Fiscal year; adoption of budget.

(a) The fiscal year of the authority shall begin on July 1 of each year and end on June 30 of the following year, or such other fiscal year as may hereafter be adopted by the city.

(b) The board shall annually prepare a budget and shall submit it to the commission on the same date that the proposed budget for the city, if required by the city Charter, is submitted to the commission. The board shall not finally adopt a budget for any fiscal year until the budget has been approved by the commission. 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 submit financial reports to the commission at the same time and on the same basis as departments of the city are required to submit reports. The authority shall be audited annually by the same independent auditors auditing the city, and copies of the audit report shall be filed with the commission.

(Ord. No. 83-2, § 8, 6-20-83)

Secs. 30-63--30-85. Reserved.

RESOLUTION

The following Resolution was offered by Comm. _____ and seconded by Comm. _____.

- WHEREAS The City of Plymouth Downtown Development Authority and Tax Increment Tax plan has been essential to the success of downtown, and
- WHEREAS The City Commission and the DDA Board have generally come to the agreement That the continued existence of the DDA and the TIFA is in the best Interest and vital to the continued prosperity of the City, and
- WHEREAS The Downtown Development Authority Board has recommended that an Amendment to extend the life of the TIFA until the latter of December 31, 2033 Or until the maturity of all bonds payable primarily from tax increment revenues, and
- WHEREAS The Public Act 197 of 1975 allows for the establishment of a Downtown Development Authority; to prescribe its powers and duties; to correct and prevent deterioration in Business districts; to authorize the acquisition and disposal of interests in real and Personal property; to authorize the creation and implementation of development Plans in the district; to promote the economic growth of the district; to create a Board; To prescribe its powers and duties; to authorize and levy and collection of taxes; to Authorize the issuance of bonds and other evidences of indebtedness; and to Authorize the use of tax increment financing;

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Plymouth does hereby establish a Public Hearing Date for Tuesday, September 5, 2006 at 7:00 p.m. at the Plymouth City Hall at 201 S. Main Street to hear comments on an ordinance to adopt the Plan Amendments to the DDA Ordinance.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby directed to notify the appropriate tax taxing jurisdictions affected, and provide for the posting, mailing, printing, and any other notification required by law, with at least 20 days notice all.