

***DEVELOPMENT AND TAX INCREMENT FINANCING PLAN
FOR
CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AREA NO. 1
AS AMENDED***

*CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY
CITY OF GRAND RAPIDS, MICHIGAN
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SECTION I
INTRODUCTION

I. INTRODUCTION

A. Purpose of the Downtown Development Authority Act

Downtown Grand Rapids is of great importance to the City of Grand Rapids (the “City”) and to the West Michigan Region. The economic vitality and stability of the Region would be threatened if vacancy, blight, deterioration and obsolescence were allowed to persist within the urban core. The City and the City of Grand Rapids Downtown Development Authority (the “Authority” or “DDA”) have recognized the need for a vigorous, well-coordinated program to secure Downtown Grand Rapids (Downtown) as the business, educational, medical, governmental and cultural heart of our community. These Plans provide a comprehensive framework to support the necessary development and redevelopment those goals.

Act 197 of the Public Acts of Michigan of 1975, as amended (“Act 197”), commonly referred to as the Downtown Development Authority Act, was created to: correct and prevent deterioration of the business districts; promote economic growth and revitalization; encourage historic preservation; authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the district; and authorize the levy and collection of taxes, the issuance of bonds, and the use of tax increment financing in the accomplishment of specific downtown development activities contained in locally adopted development plans for central business districts of Michigan cities.

Act 197 seeks to reverse historical trends that have led to loss of population, jobs, businesses, and the quality of life in our cities by attacking the problems of urban decline where they are most apparent, in the downtown districts of communities.

B. Creation of the City of Grand Rapids Downtown Development Authority and the City of Grand Rapids Downtown District

On October 16, 1979, the City Commission of the City adopted Ordinance No. 79-69, which created the Authority. The DDA was given all of the powers and duties prescribed for a downtown development authority, pursuant to Act 197, except that of taxation. On November 27, 1979, the City Commission approved the appointment of nine individuals to serve on the DDA’s Board of Directors (the “Board”).

The City Commission, in Ordinance No. 79-69, also designated the initial boundaries of the downtown district within which the DDA may carry out development plans. (These boundaries, as amended, are shown on Map 1, and a legal description can be found in Attachment 1.)

C. Creation of the Grand Rapids Development Area No. 1

In December, 1980, the City Commission approved the initial Tax Increment and Development Plan for the Grand Rapids Development Area No. 1. The Grand Rapids Development Area No. 1 is

the area in which the DDA can implement development activities, supported by tax increment financing. The location of Grand Rapids Development Area No. 1, as amended, is also shown on Map 1. In addition to this amendment, the original plan has been amended sixteen times, effective on the following dates:

December 15, 1981	June 23, 1987	September 13, 1995
November 23, 1982	May 24, 1988	May 7, 2002
October 4, 1983	August 29, 1989	April 19, 2005
December 20, 1983	October 10, 1990	December 18, 2007
October 16, 1984	November 18, 1992	
April 16, 1987	October 13, 1993	

D. Activities of the Grand Rapids Downtown Development Authority

Since its creation in 1979, the DDA Board has held monthly public meetings, carried out a number of projects, and kept its Tax Increment and Development Plan current. The DDA has accomplished much since 1980. Some of the major accomplishments since the latest amendment in 2007 are shown on Map 2 and described below.

1. Completion of the Downtown Market.
2. Financial assistance for Bridgewater and Riverhouse development.
3. Support for the completion of the new Vern Ehlers Amtrak station.
4. Construction of and improvements to several open space projects including Veteran's Memorial, Ah Nab Awen and Heartside Parks.
5. Continued support for the Downtown Area Shuttle (DASH) to encourage alternative transportation options.
6. Renovation of the Downtown pedestrian Blue Bridge.
7. Continued funding of three improvement incentive programs and approval of more than sixty incentive program grants, which have supported the renovation of many existing buildings located in the downtown district.
8. Reconstruction of several downtown street segments, including, Monroe, Pearl, Ionia, Fulton, Jefferson and Grandville.
9. Continued maintenance of Downtown wayfinding sign system.
10. Development and implementation of a marketing plan for downtown.
11. Assisted in the creation of Downtown Grand Rapids Inc., the Downtown place management organization charged with implementing the community's vision for Downtown.
12. Assembly of land and infrastructure improvements for the Grand Rapids Art Museum.

13. Preparation of GR Forward to establish a comprehensive plan and investment strategy for Downtown, including improvements to the Grand River. GR Forward has been incorporated as part of this Plan.

E. Determination of Necessity for Grand Rapids Development Area No. 1, as Amended

The success of current and future efforts to revitalize Downtown will depend, in large measure, on the readiness of the City, through its DDA to develop and construct public facilities and to encourage, initiate, and participate in the development of private development projects, which will result in the creation of new jobs, the attraction of new businesses, and the improvement of the downtown physical image.

The categories identified through GR Forward, adopted in December 2015 by the Grand Rapids City Commission as an amendment to the City's Master Plan, and available for review at the offices of Downtown Grand Rapids Inc. and online at downtowngr.org, reinforced the original and continuing goals of the DDA, which are:

1. Restore the River as the Draw & Create a Connected and Equitable River Corridor

The Grand River is the game-changer for Grand Rapids that can help to attract talent and elevate the City as a unique destination, a catalyst for development and an amenity for the region. The River corridor presents the opportunity to offer a range of connected, unique experiences around outdoor adventures not usually found within urban centers. It's time to re-establish the emotional and physical connections between Downtown Grand Rapids's neighborhoods, and the River that the City was built upon. The River must be accessible and welcoming to all Grand Rapiidians.

2. Create a True Downtown Neighborhood that is Home to a Diverse Population

Downtown was once home to four department stores and a mix of housing, retail and services. Throughout the GR Forward process, Grand Rapiidians indicated the desire to have "more" Downtown –more retail, more services and more activity. These amenities require more people living within the City's core. Housing is a driver to build more value Downtown and more demand for the services that people want. While welcoming new neighbors, Downtown must continue improving services for existing residents and ensure that living remains accessible and affordable to a range of incomes.

3. Implement a 21st Century Mobility Strategy

Owing both to change in travel behavior among the millennial generation and the limited ability to dedicate more land and right-of-way to personal vehicles, the future growth of Downtown will increasingly depend on a multi-modal transportation system that is safe, convenient and affordable to all Grand Rapiidians. This will be achieved by leveraging Downtown's existing transportation assets and providing additional options for the area's employees, residents, and visitors to get

around. The end result will be a Downtown where people can choose to drive, but are not required to.

4. Expand Job Opportunities & Ensure Continued Vitality of the Local Economy

Downtown Grand Rapids offers a sense of opportunity. The belief that young, creative entrepreneurs have lower barriers to entry to pursue their professional goals while enjoying the benefits of an urban lifestyle--all at a much more affordable cost of living than major urban centers--is one of the attractive things about the area. As important and necessary as it is to attract talent to the City, it is also critical to grow and retain talent from within Grand Rapids. Today there are a variety of organizations and initiatives dedicated to fostering the next generation of businesses and helping local residents attain quality jobs. In the future, their efforts to expand job opportunities and to grow the local economy will depend on four related factors: Space for business growth at all scales; recruitment and retention of talent; additional marketing to reposition Grand Rapids in a new class of cities and; expanding programs and services designed to link residents with job opportunities. These efforts must take place while Grand Rapids continues to evolve its Downtown as an excellent place to live, work and enjoy.

5. Reinvest in Public Space, Culture & Inclusive Programming

Downtowns across the country function differently than they did even a few decades ago. Successful downtowns, those that attract investment and jobs, are quickly adapting to meet today's opportunities. There are more people living, and excited to live in Downtown Grand Rapids than in almost a century. At the same time, businesses are competing for talent with cities across the country. A key factor in supporting both residential and job growth is the quality of the place. Downtown Grand Rapids needs to provide a unique experience that cannot be found regionally or even in other cities. Through both programming and design, public investment can make a big impact by creating a more inclusive City and Downtown.

6. Retain and Attract Families, Talent, and Job Providers with High Quality Public Schools

Attracting and retaining a diverse population that includes families from all socio-economic backgrounds is vital to achieving both resident and job growth Downtown. This begins with strategic investment in our City's schools, the expansion of successful K-12 programs, and the implementation of new and dynamic programs that can provide exceptional learning opportunities.

The DDA has determined that tax increment revenues from new private developments, when coupled with the other public and private sector funds, will, over time, produce revenues needed to finance the development of these new eligible public facilities and investments.

F. Purpose of Tax Increment Financing Plan for Grand Rapids Downtown Development Area No. 1, as Amended

The purpose of the Tax Increment Financing Plan is to establish procedures, requirements, and methods for the collection and use of tax increment revenues, in order to carry out Plan activities, which include:

1. Property appraisals, title searches, legal services, purchase negotiations, and eminent domain proceedings.
2. Payments for real and personal property acquisitions.
3. Relocation assistance payments and compensation payments to displaced businesses and individuals.
4. Demolition and clearance of selected properties and buildings.
5. Street vacation and removal work.
6. Streetscape reconstruction and improvement work including utility relocation and replacement.
7. Improve infrastructure where necessary to facilitate new redevelopment, improve circulation or reinforce the traditional street pattern.
8. Develop long-term plans designed to halt the deterioration of property values in the downtown district, address economic disparities in the downtown district, and promote the economic growth of the district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
9. Engineering, architectural, economic, financial and legal studies, and surveys associated with the identification, design, and development of new or restored commercial office, residential, cultural, open space, street and walkway facilities.
10. Acquisition, construction, reconstruction, rehabilitation, restoration and preservation, equipping improvement, maintenance, repair, and operation of buildings and other public facilities, including surface parking lots and public open space facilities, which, in the opinion of the DDA Board, aid in the economic growth of Grand Rapids Downtown Development Authority Area No. 1 (“Development Area No. 1”) and/or are appropriate to the execution of the Development Plan.
11. Public open space improvements, historic street and streetscape work.
12. Implementation of various projects within the broad categories identified by GR Forward, which is available for review at the offices of Downtown Grand Rapids Inc. and online at downtowngr.org Implementation is proposed through use of DDA funds exclusively, or in combination with funds from other public sector agencies, or from the private or philanthropic sectors.
12. To support the redevelopment of properties in Development Area No. 1 by entering into development agreements with private parties and reimbursing said private parties for eligible expenses as defined in Act 197.
13. Creating, operating and funding marketing initiatives that benefit Development Area No. 1.

14. Contracting for broadband services and wireless technology services in Development Area No. 1.
15. Planning and implementation of transit and mobility-related public facility improvements within Development Area No. 1.
16. Supporting the preservation and expansion of affordable housing through programs that include, but are not limited to, the creation of a housing set aside fund to aid in the development of new housing units within Development Area No. 1.
17. Supporting the expansion of diverse business growth opportunities, including but not limited to those for minority and women owned business enterprises in Development Area No. 1.
18. Supporting projects to restore the Grand River as a recreational and economic development amenity.
19. Any other purposes intended to implement a plan of development, promote economic growth, or historic preservation, as authorized by Act 197.

SECTION II
DEVELOPMENT PLAN

II. DEVELOPMENT PLAN

A. Boundaries of the Grand Rapids Downtown Development Area No. 1, as Amended

The boundaries of the Development Area No. 1, as amended, are shown on Map 1. A legal description of these boundaries is included in Attachment 2. Eleven different tax increment districts were created by earlier plan amendments. This amendment adds five additional districts. The areas within the sixteen tax increment financing districts are shown on Map 3 and can be further described as:

1. District A, established in 1980, includes a 46-acre, 10-block section of the east riverbank area. This district is generally bounded by the north line of the original Grand Center on the north, the rear lot lines of properties along the east side of Monroe Avenue (north of Pearl Street) and Ottawa Avenue on the east, Fulton Street on the south, and the Grand River on the west.
2. District B, added in 1981, includes a 10-acre, 6-block section of Monroe Center and is generally bounded by rear lot lines of properties on the north side of Monroe Center between Pearl Street and Division Avenue, on the north, Division Avenue on the east, Fulton Street on the south, and Ottawa Avenue and Monroe Center on the west.
3. District C, added in 1983, includes an 86-acre, 14-block section of the Heartside District and is generally bounded by Fulton Street on the north, Division Avenue and Ionia Avenue on the east, Wealthy Street on the south, and Grandville Avenue and the Grand River on the west.
4. District D, added in 1984, includes a 34-acre section of the west riverbank development area and adjoining river surface, located south of Pearl Street.
5. District E, added in 1990, includes a 46-acre section of the west river bank development area and adjoining river, located north of Pearl and extending to the I-196 expressway.
6. District F, added in 1995, includes a 36-acre, 10-block area, west of US 131, which passes in a north-south direction through the western edge of downtown. The District is generally bounded by Pearl Street and Lake Michigan Drive on the south, Seward Avenue on the west, Bridge Street on the north between Seward Avenue and Winter Avenue, Winter Avenue on the east between Bridge Street and Douglas Street, and then Douglas Street on the north between Winter Avenue and Scribner Avenue.
7. District G, added in 2002, includes a 14 acre area of 4 blocks plus portions of 3 other blocks bounded by Lyon Street on the north, Division on the east, and the boundary of District B on the

south and west. This boundary generally follows the rear of properties located on the north side of Monroe Center and the east side of Monroe Avenue.

8. District H, added in 2002, includes a 34 acre, 5-block area bounded by Michigan Street on the north, Division Avenue on the east, Lyon Street on the south, and the existing boundaries of District A and District E on the west. This area includes the governmental buildings located in the Calder Square and it includes the portion of the DeVos Place Convention Center site that is not already included within Grand Rapids Development Area No. 1. This area is also within the Grand Rapids Smart Zone Authority district, which also captures tax increment revenues.
9. District I added 279 acres to the district in 2007. District I includes: (a) a 38-block area located east of the previous DDA Downtown District, including the Grand Rapids Community College Campus, St. Mary's Health campus, Mary Free Bed facilities and the remainder of area commonly known as the Heartside Neighborhood; (b) a one-block area bounded by Ionia, Logan, Century, and Wealthy Street; (c) a five-block area located west of Grandville Avenue, between Wealthy and US -131; and (d) a five-block area bounded by Lake Michigan Drive, US-131, Watson Street and Lexington/Seward Avenues.
10. District J added 55 acres to the district in 2007. District J includes: (a) a six-block area located north and south of Bridge Street, NW; (b) a two-block area bounded by Scribner Avenue, Sixth Street, the east bank of the Grand River and I-196; and (c) a one-block area bounded by Monroe Avenue, Trowbridge Street, Bond Avenue, and I-196.
11. District K added 37 acres to the district in 2007. District K includes a four-block area located east of the Grand River, between Newberry Street and I-196. This area is also within the Grand Rapids Smart Zone Authority district, which also captures tax increment revenues.
12. District L added 35 acres to Development Area No. 1 in 2016. District L includes a three-block area west of US-131 and south of 2nd Street between Turner Avenue and Seward Avenue. It includes portions of US-131 and I-196, between Seward Avenue and the Grand River, and south of 4th Street. This area is within the Westside Corridor Improvement District which also captures tax increment revenues. There is a City of Grand Rapids Brownfield Redevelopment Authority plan amendment for the Bridge and Turner, LLC Project within this district.
13. District M added 17 acres to Development Area No. 1 in 2016. District M includes a two-block area west of the Grand River and east of Front Street between Leonard Street and 6th Street. This area is within the Westside Corridor Improvement District, which captures tax increment revenues.

14. District N added 100 acres to Development Area No. 1 in 2016. District N includes a 12-block area bounded by Leonard Street to the north, Division Avenue on the east, 6th Street on the south, and Grand River on the west. This area includes the hillside east of Division Avenue bordering the Belknap Neighborhood between Mason Street and I-196. The Monroe North Tax Increment Finance Authority, Grand Rapids Smart Zone Authority, and the North Quarter Corridor Improvement District are all within this area and capture tax increment revenues.
15. District O added four acres to the district in 2016. District O includes a three-block area at the southeast and southwest corners of Division Avenue and Wealthy Street. The southwestern portion borders the existing District I between Wealthy Street and Logan Street. The southeast corner includes the entire block east of Division Avenue, west to Sheldon Avenue, and south to Logan Street.
16. District P added 41 acres to the district in 2016. District P includes a 12-block area south of Wealthy Street, east of the Grand River, west of US-131, and bounded by the existing railroad tracks to the south from Century Avenue to the pedestrian bridge at 700 Chestnut Street that extends over Market Avenue and the Grand River. This area is within the City of Grand Rapids SmartZone Local Development Finance Authority District which captures tax increment revenues.

In all, Grand Rapids Development Area No. 1 contains approximately 873 acres of downtown land, inclusive of public street and expressway rights-of-way, and the Grand River.

B. Development Plan Objectives

As outlined in Section I, Part D, the DDA has successfully delivered many projects and outcomes consistent with the intent of the original Development Plan and prior amendments and in accordance with Act 197. The objectives of the Development Plan, as amended in 2016, are:

1. Assist private development in carrying out Development Plan objectives such as building re-use and rehabilitation, historic preservation, and public facility improvement.
2. Assist in the planning and development of new private development projects in Development Area No. 1.
3. Remove structurally and functionally deficient buildings, which are declared unsound for conversion or improvement, and/or which are either physical obstacles or blighting influences to Downtown programs and uses; and provide relocation assistance where necessary.
4. Construct or improve transportation facilities, inclusive of all modes, to support new and/or revitalized development.
5. Carry out improvements and modifications to existing streetscapes and utility infrastructure to accommodate pedestrians, improve traffic flow, support transit and mobility improvements,

provide improved utility services, and enhance the economic and ecological health of Development Area No. 1.

6. Carry out improvements to planned and existing public open space areas, the Grand River, pedestrian linkages, and support appropriate efforts to create new open spaces.
7. Complete a connected multi-use trail along the east and west banks of the Grand River to link planned and existing downtown activity centers.
8. Acquire, lease, improve, or otherwise retain historic and/or architecturally significant buildings, with the potential for adaptability for activities consistent with downtown land use and development objectives, and support appropriate reuse of structures in Development Area No. 1.
9. Ensure the maintenance of new downtown streetscape and other amenities, such as the ornamental lighting on downtown bridges, and the open space of Monroe Center and Campau Square or the river edge walkways, by creating an operations and maintenance reserve account.
10. Assist in the development of improved transit systems, including capital improvements related to planned fixed guideway systems, transit center improvements and train station improvements.
11. Provide financial assistance for the construction and expansion of or improvements to, public and private buildings.
12. Implement the recommendations of GR Forward.
13. Support the preservation and expansion of affordable housing within Development Area No.1.
14. Support the expansion of diverse business opportunities including, but not limited to, those for minority and women owned business enterprises in Development Area No.1.

C. Location, Extent, Character, and Estimated Cost of Proposed Improvements

The following is a summary description of the location, extent, character, and estimated cost of each improvement and activity to be accomplished by the Development Plan.

1. Committed Ongoing Expenditures

The DDA has incurred several debt obligations for the financing of now-completed projects that were carried out pursuant to previous Plan amendments. The DDA utilizes revenues from the local tax increment for payments. These projects are:

- **Floodwalls – Year 2008 Issue**

The DDA agreed to fund a portion of a Grand River floodwall reconstruction project. These Series 2008 Bonds refunded the Series 2000 Bonds and were issued through the Kent County Drain Commissioner.

Remaining Principal and Interest	\$98,562
Annual Payment Due	\$15,042
Final Payment	6/30/21

- **Devos Place Convention Center Series 2013B Refunding Bonds**

The Grand Rapids/Kent County Convention - Arena Authority (the “CAA”) completed a major expansion of the Convention Center, now known as DeVos Place. The DDA provided financial assistance to the expansion of the Convention Center through an agreement to make debt service payments on Bonds issued to complete the project.

Remaining Principal and Interest	\$2,248,550
Annual Payment Due	\$322,137
Final Payment	6/30/2024

- **Ionia Street Construction**

In 2012, the Brownfield Redevelopment Authority undertook construction of street improvements on Ionia Avenue south of Wealthy Street to facilitate development of the Downtown Market. The DDA agreed to assist in making debt service payments on bonds issued to finance a portion of the infrastructure improvements related to the project.

Remaining Principal and Interest	\$1,125,000
Annual Payment Due	\$75,000
Final Payment	6/1/2032

The DDA also incurred obligations for bonds that were issued prior to the adoption of Proposal A by Michigan voters in 1994. As a result, the DDA is entitled to utilize tax increment revenues from State and local school taxes for the payment of this debt. In the event that these revenues are insufficient, the DDA would be obligated to utilize local tax increment revenues for payment. The obligations are:

- **Van Andel Arena**

This project is the largest single undertaking of the DDA, and was completed in 1996. In order to complete the project the DDA issued its Series 1994 Bonds. Additionally, in 2009 the City of Grand Rapids issued its Series 2009 Bonds to partially refund the Series 1994 Bonds. The DDA is responsible for the debt service on both the Series 1994 Bonds and the Series 2009 Bonds.

Remaining Principal and Interest	\$39,773,215
Annual Payment Due	\$5,697,842
Final Payment	06/01/2024

Other ongoing expenditures of the DDA include the following:

- **Development Incentive Programs**

Continued funding to incentivize and support new development and rehabilitation projects in Downtown. Funds go toward eligible activities in qualifying projects.

Annual Cost:	\$1,140,000
Annual Increase:	2%

- **Planning and Design**

Funding to complete planning reports and analysis of the changing conditions in Downtown, and to provide guidance on future public investments.

Annual Cost:	\$1,100,000
Annual Increase:	2%

- **Public Infrastructure**

Funding for capital improvement projects in Downtown to further community goals and provide the necessary infrastructure to accommodate continued development.

Annual Cost:	\$2,700,000
Annual Increase:	2%

- **Urban Recreation**

Funding for recreation equipment for deployment in Downtown parks in partnership with the City of Grand Rapids Parks and Recreation Department.

Annual Cost:	\$100,000
Annual Increase:	None

- **Project and Fixed Maintenance**

The DDA has carried out several public improvement projects, including Grand River walkways, pedestrian bridge improvements, snowmelt installation and streetscape improvements in accordance with earlier Development Plan amendments. The DDA has agreed to provide financial assistance for the maintenance of these projects.

Annual Cost	\$100,000
Annual Increase	2%

- **Wayfinding Sign Maintenance**

The ongoing maintenance of the wayfinding sign system, including the repair to damaged signs, updating messages as necessary, and system enhancements.

Annual Cost	\$120,000
Annual Increase	None

- **Administration**

The DDA incurs staff and professional service costs for the administration of its programs.

The DDA staff continuously monitors changing conditions, and provides reports and recommendation to the DDA Board. These include planning, legal, financial, auditing, secretarial, executive, and rental costs.

Annual Cost	\$1,100,000
Annual Increase	3%

- **Marketing**
Creating, operating and funding marketing initiatives that benefits Development Area No. 1, including efforts to grow vibrancy and diversity to make Downtown more welcoming, and production of the State mandated annual report.

Annual Cost	\$295,000
Annual Increase	2%

2. Committed and Planned Projects

Committed and planned projects to be undertaken, include the construction and improvement of River’s edge walkways and other open spaces and parks, street and parking facility construction, utility extensions or upgrades, landscape and streetscape work, and public facilities in conjunction with major development projects located in Development Area No. 1. Selected site-specific improvements are shown on Map 4.

The DDA has developed multiple strategies for achieving the Development Plan objectives, including development support incentives, parks, open space and cultural improvements, streetscape improvements and infrastructure improvements. Each strategy is described in more detail below.

Development Support

Funds are allocated annually to enable the DDA to assist in private or public projects that would help to accomplish the developmental objectives of the DDA. Any use of DDA funds must meet the definition of “public facility” as defined in State law. The DDA expects to assist with the following in Development Area No. 1:

- a. Parking and Transportation Program Improvements
- b. Public Transit Projects
- c. Shuttle Bus Acquisition
- d. Economic Development Initiatives, including Retail Recruitment & Retention Programs
- e. Development-Related Public Facilities
- f. Areaway Removal Incentives
- g. Building Reuse Incentives
- h. Streetscape Improvement Incentives
- i. Affordable Housing Incentives

Estimated Costs for Development Support					
FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Future
1,225,000	1,234,000	1,225,000	1,273,000	1,320,000	\$63,723,000
				Total	\$70,000,000

Parks, Open Space and Cultural Improvements

The Downtown environment is greatly enhanced by providing public amenities to meet the needs for recreation, public assembly and pedestrian movement. Projects to be funded, in part, by the DDA include:

- a. Veteran's Memorial Park
- b. Heartside Park
- c. Calder Plaza
- d. Lyon Square
- e. Fish Ladder Park
- f. Switchback Park
- g. Interchange Park
- h. Multi-Use River Trail
- i. Sheldon Linear Park
- j. Restoration of the Grand River
- k. Rosa Parks Circle Improvements

Estimated Costs for Parks, Open Space and Cultural Improvements					
FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Future
\$1,500,000	5,000,000	2,000,000	2,000,000	2,000,000	\$12,500,000
				Total	\$25,000,000

Street and Streetscape Improvements

The DDA provides substantial financial support to street and streetscape improvements that would likely not occur without assistance. Streetscape improvements provide a high level of pedestrian amenity and comfort while providing an attractive urban environment and support to private investment. Some of these projects will also receive financial assistance from the State, City, and other local sources. Current projects are:

- a. Newberry Street from Monroe Avenue to Division Avenue
- b. Ottawa Avenue from Michigan Street to Hastings Street
- c. Ottawa Avenue from Cherry Street to Fulton Street
- d. Ionia Avenue from Michigan Street to I-196 WB
- e. Ionia Avenue /I-196 WB On Ramp/Division Avenue
- f. Abandoned RR Tunnel under I-196 and Pathway to Grand River, Monroe Avenue, Bond Avenue and Ottawa Avenue
- g. Michigan Street from Bostwick Avenue to Lafayette Avenue
- h. Michigan Street from Monroe Avenue to Ionia Avenue

- i. Wealthy Street from West of Commerce Avenue to Division Avenue
- j. Sheldon Street from Weston Street to Fulton Street
- k. Weston Street from LaGrave Avenue to Sheldon Boulevard
- l. Sheldon Boulevard from Wealthy Street to Library Street
- m. Crescent Street from Barclay Avenue to Lafayette Avenue
- n. Division Avenue from Wealthy Street to Cherry Street
- o. Lyon Street from Monroe Avenue to Division Avenue
- p. Monroe Avenue from I-196 to Newberry/6th Street
- q. Ottawa Avenue from Fulton Street to Michigan Street
- r. Butterworth Street from Gelock Place to Front Street
- s. Cherry Street from Sheldon Avenue to Jefferson Avenue

Estimated Costs for Streetscape Improvements					
FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Future
\$3,089,000	1,536,000	1,300,000	1,300,000	1,300,000	\$111,475,000
				Total	\$120,000,000

Infrastructure Improvements

Many areas of Downtown have antiquated public facilities and infrastructure in need of improvement to accommodate continued development. The DDA has assisted and proposes to continue to assist with these improvements by participating in the following projects:

- a. Lighting and Signaling Improvements
- b. Electrical and Substation Improvements
- c. Improvements to Bridges, including Decorative Lighting
- d. Utility System Improvements

Estimated Costs for Infrastructure Improvements					
FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Future
\$250,000	250,000	200,000	200,000	250,000	\$31,980,000
				Total	\$33,330,000

In addition to the above ongoing expenditures and planned and committed projects, the Development Plan seeks to implement GR Forward (adopted December 2015), the Arena South Visioning Plan (adopted June 2013), the DDA Framework Plan (adopted June 2011) and the Monroe North Area Specific Plan

(adopted June 2007), all of which are available at Downtown Grand Rapids Inc. and at downtowngr.org for review.

Each plan anticipates a wide range of improvements needed in Downtown, and to the extent financial resources permit, the DDA anticipates identifying additional specific projects from these plans for implementation. The DDA may also increase or decrease funding for the above listed projects based upon needs and financial capability. A summary of the ongoing expenditures and projects is shown in Table 1A.

TABLE 1A.

Summary of Ongoing Expenditures,
Proposed Improvements and Estimated Costs

Local Increment – Ongoing Expenditures, Proposed Improvements and Estimated Costs						
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	TOTAL (Including Future Expenditures)
Ongoing Expenditures	\$1,223,922	\$1,720,499	\$1,754,100	\$1,786,215	\$1,817,242	\$19,538,000
Development Support	\$1,225,000	\$1,234,000	\$1,225,000	\$1,273,000	\$1,320,000	\$70,000,000
Parks, Open Space & Culture	\$1,500,000	\$5,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$25,000,000
Streetscape	\$3,089,000	\$1,536,000	\$1,300,000	\$1,300,000	\$1,300,000	\$120,000,000
Infrastructure	\$250,000	\$250,000	\$200,000	\$200,000	\$250,000	\$33,330,000
Van Andel Arena Bonds (Series 1994 and 2009)	\$5,811,325	\$5,811,663	\$5,811,163	\$5,807,013	\$5,808,263	\$10,139,017
Ionia Avenue Improvement Bonds (BRA 2012A)	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$750,000
Devos Place Convention Center Refunding Bonds (Series 2013B)	\$328,550	\$327,100	\$324,225	\$326,125	\$321,400	\$949,700
Kent County Drain Commission Floodwall Refunding (Series 2008 Bonds)	\$51,187	\$51,287	\$15,782	\$15,683	\$15,810	-
					Total Expenditures for Duration of the Plan	\$279,706,717

D. Location, Character and Extent of Existing Public and Private Land Uses

Development Area No. 1 contains public and privately-owned development uses and activities, including retail, commercial services, hotels, entertainment centers, restaurants, cultural facilities, residential uses, open space areas, public parks, parking facilities, vacant lots and public streets. A detailed description of the land use in existing districts was described in earlier plan amendments when those districts were added, and are incorporated herein by reference.

There are approximately 190 acres of land currently in public use, and approximately 238 acres of land currently devoted to private use and activities in Development Area No. 1. The remainder of the total 445 acres is either public right of way or the Grand River. Map 5 shows the existing land use pattern for Development Area No. 1. Described below are the existing and proposed public and private land uses in the expansion areas. Map 6 identifies all the public and private lands for all development areas districts in Downtown Development Area No. 1. The expansion areas includes the public and private land uses described below.

District L

Public Uses

1. MDOT Right-of Way

Private Uses

1. St. Mary's Catholic Church
2. Holy Trinity Presbyterian Church
3. Chesapeake and Ohio Railroad
4. Several commercial properties, including vacant lots

District M

Public Uses

1. City of Grand Rapids River Trail north of 6th Street Bridge

Private Land Uses

1. Several industrial and commercial business.
2. Former Ryder Truck site (currently vacant)

District N

Public Uses

1. Canal Street Park
2. City of Grand Rapids Property at 1101 Monroe
3. City of Grand Rapids Property at 1120 Monroe
4. City of Grand Rapids and MDOT owned parcels along Belknap Hillside

Private Land Uses

1. Landmark Lofts
2. 1001 Monroe, site of proposed mixed use Riverfront development
3. 820 Monroe, residential apartments and commercial building
4. Boardwalk Condominiums
5. Several industrial and commercial buildings, including surface parking lots.

District O

Public Uses

1. N/A

Private Uses

1. Vacant commercial property
2. Existing commercial property

District P

Public Uses

1. Pedestrian Bridge
2. Amtrak Station
3. City Parking Lot at 427 Market Avenue SW

Private Uses

1. Napa Auto Parts
2. Sherwin Williams
3. DTE Energy Facilities
4. Gelock Industries
4. Several commercial and industrial facilities

E. Location, Character and Extent of Proposed Land Uses

The location, character and extent of public and private land uses, which will result from currently planned development activities and the retention of a number of existing uses, are shown on Map 7 and described below.

Proposed Public Land Uses

1. A mixed use project including housing, commercial space, and public plaza is anticipate for the Area 4 and 5 parking lots owned by the DDA south of Van Andel Arena, and bound by Oakes Street to the north, Ionia Avenue to the east, Cherry Street to the south, and Ottawa Avenue to the west. The DDA anticipates providing development support for this project.
2. A mixed use project including housing, commercial space, and open space is planned for the City of Grand Rapids owned property at 201 Market Avenue. It is anticipated the Brownfield Redevelopment Authority and the DDA will provide funding incentives for this project.

Proposed Private Land Uses

The proposed private land uses for Development Area No. 1, as amended, are consistent with the land uses and activities proposed in GR Forward. Also attached is a Future Land Use Plan illustrating the desired mixed-use development pattern within downtown (see Map 7).

It is also contemplated that some or all of the DDA-owned surface parking lots will be sold for private development. No schedule has been established for such sale.

F. Existing and Planned Open Space Areas (Map 8)

Development Area No. 1 presently contains sixteen existing public open space areas, including: (a) Rosa Parks Circle; (b) the Arcade Pedestrian Way (located easterly of and parallel to Monroe Avenue between Lyon Street and Pearl Street); (c) Lyon Square; (d) the Louis Campau Promenade; (e) Ah Nab Awen Park; (f) the River Edge Boardwalk; (g) Oakes Street Park at Oakes Street and Ionia Avenue; (h) Calder Plaza; (i) Heartside Park; (j) Pekich Park; (k) Monument Park; (l) Crescent Park; (m) Veteran's Memorial Park; (n) 6th Street Bridge Park; (o) Fish Ladder Park; and (p) Bostwick Mall on the GRCC Campus.

The 2016 expansion of the Development Area No. 1 includes two additional existing public open space areas: (q) Canal Street Park and (r) Westside River Edge Trails

Those open space areas being planned for addition or improvement through actions called for in this Plan, include:

1. Grand River Multiuse Trail
2. Switchback Park
3. Interchange Park
4. Sheldon Linear Park
5. Ionia Linear Park
6. Renovate and improve Veteran's Memorial Park.
7. Renovate and improve Lyon Square
8. Renovate and improve Calder Plaza.
9. Renovate and improve Heartside Park
10. Public walkways and bikeways throughout the district.
11. Any additional open space projects which help to implement the goals of GR Forward.

G. Description of Existing Zoning and Proposed Changes (Map 9)

The City Planning Commission and City Commission adopted a major amendment to the City-wide Zoning Ordinance in October 2007. These changes renamed the former City Center District Zone, now known as the Traditional Neighborhood – City Center (TN-CC) and Traditional Neighborhood – Transitional City Center (TN-TCC) zones, and expanded the adjacent areas regulated by these districts. Additional changes will be considered by the Planning and City Commissions in the

future, all of which are meant to further the goals of GR Forward. The proposed changes include an expansion of the TN-CC to the area west of US-131 and east of the existing railroad line, revisions to existing and creation of new targeted retail corridors, amendments to height incentives, changes to parking requirements and increases to allowable heights in some of the Downtown Height Overlay Districts.

H. Street Changes (Map 10)

An overview of planned resurfacing and reconstruction projects in the Downtown was provided in Street and Streetscape description. Other potential projects, which are currently envisioned or are planned to be made either by actions called for by this Development Plan (see also Map 7) or by other planned public or private improvement activities, including the following:

Planned Projects

1. In partnership with Michigan Department of Transportation and the City of Grand Rapids, vacation of the US 131 Business Route between Cherry Street and Oakes Street to assist in the development of the Area 4 and 5 parking lots south of Van Andel Arena.
2. The extension of Ottawa Avenue from Cherry Street to Oakes Street SW to improve traffic flow from Rapid Central Station, and support redevelopment of the Area 4 and 5 parking lots south of Van Andel Arena.
3. Vacation of a portion of Sheldon Boulevard between Wealthy Street and Fulton Street to create a linear park.
4. Vacation of a portion of Ionia Avenue between I-196 and 6th Street to create a linear park.

I. Development Cost Estimates and Financing

Project activities, including the ongoing activities and committed and planned listed in this Plan have an estimated total cost of \$122,272,341, including current planned projects and new projects identified in ongoing and past planning efforts. Projects identified in GR Forward, the DDA Framework Plan, Arena South Visioning, and the Monroe North Neighborhood Area Specific Plan will be initiated at the appropriate time and when the financial opportunity permits. The sources from which these costs of financing will include one or more of the following:

- Tax increment bond proceeds
- Tax increment revenues
- Revenue bond proceeds
- Donations and sponsorships received by the DDA
- Parking revenue
- Investment income
- Proceeds from any property, building or facility owned, leased, or sold by the DDA

- Monies obtained through development agreements with property owners benefiting from adjacent open space improvements
- Monies obtained from other sources approved by the City Commission
- Monies provided by the State to indemnify DDA's against losses resulting from possible tax restructuring

The proceeds to be received from tax increment revenues in Development Area No. 1, plus funds from other sources, will be sufficient to finance all activities and improvements to be carried out under this Plan.

J. Identification of Private Development Entities to Which Acquired Properties Have Been or Will Be Sold or Leased

A description and identification of private development entities, to which properties previously acquired by the DDA have been sold or leased prior to this latest plan amendment, can be obtained at the offices of the DDA. These properties are listed in Section K. The final agreements for other properties which are proposed to be sold will also be obtainable from the offices of the DDA.

K. Land Disposition Terms

1. City Centre Plaza

The terms, under which land was acquired by the DDA for the City Centre Plaza project, are set forth in Memorandum of Development Contract, executed in August 1981, between the City and City Centre Limited Partnership. A copy of the Memorandum is on file with the offices of the DDA.

2. West Riverbank Hotel

The terms, under which West Riverbank land was acquired by the DDA and sold to Grand River 1990, are set forth in a land contract sale agreement executed in December 1984. A copy of the agreement is on file with the offices of the DDA.

3. East Riverbank Housing Site

The terms, under which East Riverbank land, designated for new housing and hotel uses, was sold or otherwise conveyed, are set forth in a land development agreement executed between United Southwest and the City and DDA. A copy of this agreement is on file with the offices of the DDA.

4. Bridgewater Place

The terms under which land was sold to the developer for use in this mixed-use project are contained in a development agreement on file with the offices of the DDA.

5. GUS West - Parking

The terms under which the City acquired the property for the GUS West (now known as DASH West) surface parking lot, and subsequently transferred the property to the DDA, are contained in documents on file with the offices of the DDA.

6. Old Railroad Warehouse, 201 Ionia

The terms of the sale of this building to Design Plus, Inc. can be obtained from offices of the DDA.

7. Former Peck Building

The terms under which the building was acquired and sold to the Kent County Council for Historic Preservation are contained in documentation on file with the offices of the DDA.

8. Ionia/Heartside Park

This property was transferred to the City on the condition that the land would be developed as a public park. The City received a State grant to assist in funding the project, Development was completed in 2003.

9. Art Museum/Wurzburg Block

The DDA acquired approximately 55,000 square feet in the Wurzburg Block as a result of a trade of land with the City. The trade was based upon independent appraisals to assure that properties of equal value are being traded. The property was then transferred to the Grand Rapids Art Museum with several conditions assuring the construction of a new Art Museum facility and its availability for public use and other public benefits.

10. Transit Center Site

The DDA completed a trade for a portion of the DASH 6 parking needed for Phase I of the Transit Center to the City for the Wurzburg Block. The City subsequently sold this site to ITP for construction of Rapid Central Station. The DDA subsequently sold the remainder of DASH South to ITP and received compensation based upon current appraisals.

11. YMCA

This site, located at Lake Michigan Drive and Winter, NW, was originally acquired and developed for surface parking in 1997. The YMCA acquired the property for market value and completed a state-of-the art community facility in 2005.

12. Tall House/Bank of Holland

The Area 3 parking area has been sold, subject to terms of a purchase and development agreement. The terms of the agreement can be viewed at the office of the DDA.

13. Arena Place

The Area 1 parking area has been sold, subject to the terms of a purchase and development agreement. The terms of the agreement can viewed at the office of the DDA.

14. Area 4 and 5 Parking Lots

The Area 4 and 5 parking lots are agreed to be sold, pending the execution of a purchase and development agreement. The term sheet can be viewed at the office of the DDA.

L. Estimates of the Number of Persons Residing in the Development Area and the Number of Families and Individuals to be Displaced

The estimated population living within the downtown district boundaries is estimated at 5,000. This Plan amendment does not contemplate acquisition of any parcels that would cause relocation of residents.

SECTION III
TAX INCREMENT FINANCING PLAN

III. TAX INCREMENT FINANCING PLAN FOR GRAND RAPIDS DOWNTOWN DEVELOPMENT AREA NO. 1, AS AMENDED

This Tax Increment Financing Plan sets forth the procedures, requirements, amounts, and methods by which costs associated with the initiation and completion of project activities and improvements described in the Development Plan for Development Area No. 1, as amended, shall be financed.

A. Tax Increment Financing Procedure

The tax increment financing procedure, as outlined in Act 197, requires the adoption by the City, by ordinance, of a Development Plan and a Tax Increment Financing Plan. Following the adoption of that ordinance, the City Treasurer transmits to the DDA that portion of the tax levy of taxing bodies paid each year on the “Captured Assessed Value” of real and personal property located in the Development Area No. 1 as provided for in this Tax Increment Financing Plan.

Presented in Tables B and C are schedules of the estimated captured, assessed value (taxable value) of real and personal property in Development Area No. 1, as amended. Also included are assessment values on properties for which an industrial facilities exemption certificate has been issued and were in effect pursuant to Act 198 of the Public Acts of 1974, as amended (“Act 198”).

The Tax Increment Financing Plan for District A was approved in 1980. The most recent assessment of all taxable property in District A, at the time of the Plan approval in 1980, occurred on December 31, 1979, for tax year 1980. The Tax Increment Financing Plan for District B was approved in 1981. The most recent assessment of all taxable property in District B, at the time of the Plan approval in 1981, occurred on December 31, 1980, for tax year 1981. The Tax Increment Financing Plan for District C was approved in 1983. The most recent assessment of all taxable property in District C, at the time of Plan approval in 1983, occurred on December 31, 1982, for the tax year 1983. The Tax Increment Financing Plan for District D was approved in 1984. The most recent assessment of all taxable property in District D, at the time of Plan approval in 1984, occurred on December 31, 1983 for the tax year 1984. The Tax Increment Financing Plan for District E was approved in 1990. The most recent assessment of all taxable property in District E, at the time of Plan approval in 1990, occurred on December 31, 1989, for the tax year 1990. The most recent assessment of all taxable properties in District F occurred on December 31, 1996, for the tax year 1997. The Tax Increment Plan for Districts G and H were approved on May 7, 2002. The most recent assessment of all taxable properties in District G and District H, at the time this Plan takes effect in 2002, occurred on December 31, 2000 for the tax year 2001. The Tax Increment Plan for Districts I, J, and K were approved in 2007. The Tax Increment Plan for Districts L, M, N, O and P were approved in 2016. The most recent assessment of all taxable properties occurred on December 31, 2016 for the tax year 2017.

To provide for an accounting of assessed values on personal property in all sixteen districts of the Grand Rapids Development Area No. 1 (Development Area No. 1), the City has established a tax report filing system, requiring owners to file an annual report with the City Assessor. The report contains, among

other information, the estimated dollar value of all personal property, in each owner's possession, which is located within the boundaries of Development Area No. 1, as amended.

Provided under Attachment 3 is the procedure for preparing the assessment rolls for Development Area No. 1, as amended, and the districts.

B. Estimates of Captured Assessed Values and Tax Increment Revenues

Provided in Table D are schedules on estimated dollar amounts of Captured Assessed Values and Tax Increment Revenues to be realized. These revenue estimates are based upon changes or adjustments (increases and decreases) in base-year real and personal ad valorem property assessments; removals and additions of real and personal property, and changes in the assessment values of current Act 198 certified new construction and restoration-type commercial/industrial facilities exemption projects. Initial assessed values for real and personal property and for Act 198 assisted tax exemption properties within Grand Rapids Development Area No. 1, as amended, are shown under Attachment 4 of this Plan.

In estimating tax increment revenues, the 2016 combined local tax levy of 17.9915 mills and combined school levy of 34.5352 mills were utilized. These rates were applied to the captured taxable value totals for ad valorem real and personal property and Act 198 assisted restoration projects. For Act 198 assisted new construction projects, one-half of the rate was applied to the captured value.

Under this Tax Increment Financing Plan, the entire tax increment amount captured is to be utilized by the DDA, except as described in Section E., below. However, in District H and District K, the first priority in the capturing of all local tax increments and 50% of school tax increments for 15 years will be for use in accordance with the Grand Rapids SmartZone Local Development Finance Authority's Development and Tax Increment Financing Plans.

Additionally, there are existing capturing entities in Districts L, M, N and P, which were added in 2016. District L is within the Westside Corridor Improvement District which also captures tax increment revenues. There is also a City of Grand Rapids Brownfield Redevelopment Authority plan amendment for the Bridge and Turner, LLC Project within this district. District M is within the Westside Corridor Improvement District, which captures tax increment revenues. District N is in the Monroe North Tax Increment Finance Authority, Grand Rapids SmartZone Local Development Finance Authority, and the North Quarter Corridor Improvement District. District P is within the City of Grand Rapids SmartZone Local Development Finance Authority District which captures tax increment revenues. In all Districts, the State and local school tax increment revenues may only be used for payment of eligible advances, eligible obligations and other protected obligations as defined in Act 197.

As described in Section E below, a portion of the tax increment revenues from tax levies of some or all tax levying entities in Development Area No. 1 and collected and received by the DDA may be returned to the Tax Levying Entities in accordance with the conditions and schedule contained in said Section E.

Over the current 30-year life of this Tax increment Financing Plan it is estimated that the DDA will receive \$319,543,808 in captured tax increment revenues. Of this amount, \$40,178,577.50 will be tax increment revenues from taxes levied by the Grand Rapids Public Schools and the Kent Intermediate School District and the state education tax levied by the State of Michigan. These tax increment revenues will be used to pay the outstanding debt service on the DDA's Tax Increment Bonds, Series 1994 (after applying \$5,404,160 in the debt service reserve fund for such Bonds towards debt service) and the City's Limited Tax General Obligation Downtown Development Refunding and Improvement Bonds, Series 2009, both of which are an "other protected obligation" under Act 197. A portion of the tax increment revenues received by the DDA will be returned to the tax levying entities pursuant to the gainsharing provisions of Section III.E. of this Plan.

C. Use of Tax Increment Revenues

The Tax Increment Revenues, paid to the DDA shall be used by the DDA in such manner as the DDA may deem necessary and appropriate, based on the Development Plan, including, but not limited to, the following:

- The principal and interest 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.
- Any annual operating deficits, which the DDA may incur from acquired and/or leased property in the Development Area.
- Interest payments on any sums, which the DDA should borrow before, or during, the construction of any improvement or activity to be accomplished by the Development Plan.
- Payments required to establish and maintain a capital replacement reserve, and payments to create a maintenance fund to minimize replacement.
- Payments required to establish and maintain a capital expenditure reserve.
- Payments to pay the costs of any additional improvements to Development Area No. 1, which are determined necessary by the DDA.
- Payments for management and administration; survey and planning services; consultant fees for authorized studies and investigations; and fees for legal counsel and advice; and staff services.
- Payments to reimburse private parties for eligible expenses incurred to install public facilities related to the construction of a building or redevelopment project.

The DDA may modify its priority of payments at any time if, within its discretion, such modification is necessary to facilitate the Development Plan.

D. Bonded Indebtedness to be Incurred

The future project costs for accomplishing all activities described in the Development Plan for Development Area No. 1, excluding debt service payments, are estimated to be \$267,868,000. These costs are to be financed, in whole or in part, through cash payments and may in part be financed through the issue of one or more series of bonds. Estimated revenues to be realized from taxes on captured assessed value are adequate to provide for payment of principal and of interest on said bonds.

To the extent that cash payments or bond proceeds are insufficient to carry out all the projects contained within the Development Plan, the DDA will be required to secure additional funds from private sector or grant sources, or set priorities as to the amount and timing of DDA support for individual projects.

E. Annual Surplus of Tax Increment Revenues

All tax increment revenues realized from the captured assessed value of property located in the DDA Districts, as amended from time to time, shall be pledged as security for the payment of the debt service on the outstanding DDA Tax Increment Revenue Bonds, Series 1994 (the “Series 1994 Bonds”) maturing on June 1, 2017 (the “Series 1994 Bonds Maturing in 2017”). A portion of the debt service on the Series 1994 Bonds Maturing on June 1, 2017 and all of the remaining debt service on the remaining outstanding Series 1994 Bonds, i.e. the June 1, 2018, and June 1, 2019, maturities, will be paid from the proceeds of a Bond Reserve Fund established for the Series 1994 Bonds.

Annual debt service on (i) such Series 1994 Bonds Maturing in 2017 and (ii) the outstanding City of Grand Rapids, Michigan Limited Tax General Obligation Downtown Development Refunding and Improvement Bonds, Series 2009, both of which are eligible obligation as defined in Act 197 (collectively, the “Protected Obligations”), shall be paid first from annual tax increment revenues collected and received by the DDA from tax levies of Grand Rapids Public Schools and Kent Intermediate School District and the state education tax levy of the State of Michigan (collectively, the “School Tax Increment Revenues”) and Grand Rapids Public Schools, Kent Intermediate School District and the State of Michigan with respect to the state education tax levy (collectively the “School Tax Levying Entities” or individually a “School Tax Levying Entity”). The DDA shall only capture and collect annually School Tax Increment Revenues from the School Tax Levying Entities in an amount necessary in such annual period necessary to pay debt service on the Protected Obligations. Such amount captured and collected shall be proportional to each School Tax Levying Entity’s tax levy to the total tax levy in such year of all School Tax Levying Entities.

Subject to the preceding two paragraphs and as hereinafter provided, beginning with the 2017 tax levy year (DDA fiscal year 2018) of the DDA, tax increment revenues from tax levies of all tax levying entities except the School Tax Levying Entities in the DDA Districts (the “Local Tax Levying Entities” or

individually a “Local Tax Levying Entity”) collected and received by the DDA (the “Local Tax Increment Revenues”) shall be returned to the Local Tax Levying Entities in accordance with the following schedule:

<u>Tax Levy Years</u>	<u>DDA Fiscal Years</u>	<u>Revenue Annual Return</u>
2017 through 2021	2018 through 2022	10%
2022 through 2026	2023 through 2027	15%
2027 through 2031	2028 through 2032	20%
2032 through 2046	2033 through 2047	25%

provided, however, (a) the DDA shall not return any tax increment revenues to a Local Tax Levying Entity who (i) prior to the effective date of the Plan Amendment elected to exempt its taxes from capture as tax increment revenues pursuant to Section 3(3) of Act 197 and has not reversed its election within **60** days of the Plan Amendment’s effective date or (ii) elects after the effective date of the Plan Amendment to exempt its taxes from capture as tax increment revenues pursuant to Section 3(3) of Act 197 in connection with any expansion of the DDA Districts, (b) if, in any fiscal year of the DDA, annual School Tax Increment Revenues are not sufficient to pay the annual debt service on the Protected Obligations and it is necessary to use the annual Local Tax Increment Revenues, the amount required to make up such difference shall be paid proportionately (the percent of each Local Tax Levying Entity’s tax levy subject to capture by the DDA to the total tax levy subject to capture from all Local Tax Levying Entities) from Local Tax Increment Revenues and the amount of the Local Tax Increment Revenues returned to the Local Tax Levying Entities shall be reduced by such amount of Local Tax Increment Revenues used to pay the debt service on the Protected Obligations, (c) so long as there are Protected Obligations outstanding (e.g. they have not either matured, been redeemed early or defeased) and pursuant to the provisions of Section 14(2) of Act 197 during any tax levy year the percentage of taxes levied for school operating purpose by Grand Rapids Public Schools or Kent Intermediate School District captured and used by the DDA to pay debt service on the Protected Obligations shall not be greater than the percentage of taxes levied for operating purposes by the City of Grand Rapids or Kent County captured and used by the DDA and not returned to such Local Tax Levying Entities pursuant to the Plan Amendment, and (d) the return of tax increment revenues to Local Tax Levying Entities shall be subordinate to the pledge of DDA tax increment revenues as security for the payment of existing and future debt obligations of the DDA including, but not limited to, (i) the obligations of the DDA pursuant to a Reimbursement Agreement dated as of June 1, 2013, between the Authority and Kent County, as may be amended, related to the payment of debt service on the \$5,000,000 City of Grand Rapids and County of Kent Joint Building Authority, Building Authority Refunding Bonds, Series 2013B (DeVos Place Project) and (ii) the obligations of the DDA pursuant to a Payment and Repayment Agreement dated April 12, 2012, between the Authority and the City of Grand Rapids Brownfield Redevelopment Authority (the “Brownfield Authority”, as may be amended, related to the payment of debt service on the Brownfield Authority’s \$2,325,000 Tax Increment Bonds, Series 2012A. Pursuant to the provisions of Section 14(4) of Act 197, the DDA may enter into agreements with Local Tax Levying Entities to implement the provisions of this paragraph III.E.

F. Special Millages

A tax levy approved after November 7, 2016, by the electors of the taxing unit levying the tax (i) for the sole purpose of repaying bonds, notes or other debt identified in the ballot proposal, (ii) for a specified purpose other than the payment of general operating expenses and for a specific time period identified in the ballot proposal, provided, the levying of the tax has not resulted in the reduction of the taxing unit's general operating millage except to the extent such reduction is required by the State Constitution or statutory requirements, and (iii) for use to pay for specific capital improvements and for a specific time period identified in the ballot proposal, provided, the levying of the tax has not resulted in the reduction of the taxing unit's general operating millage except to the extent such reduction is required by the State Constitution or statutory requirements shall be exempt from the capture of tax increment revenues, *provided, however*, in the case of an elector approved renewal of a tax levy that was subject to capture on the effective date of this Plan Amendment and which would be exempt from capture as provided above, only the portion of the tax levy above the previously approved levy is exempt from the capture of tax increment revenues.

Further, provided, subject to the Kent County Board of Commissioners (i) within 60 days after December 6, 2016, (a) not adopting a resolution to exempt the County's taxes from the capture of the increment revenues in District L, M, N, O and P and (b) adopting a resolution rescinding its prior resolution(s) to exempt the County's taxes from the capture of tax increment revenues in Districts F, I, J and K and filing such resolution with the City Clerk and (ii) not adopting a future resolution to exempt the County's taxes from the capture of tax increments from future DDA development area districts established by the City, the Kent County Millage for Senior Citizen Services approved by the electors on August 5, 2014, and the Kent County Dedicated Millage for Veterans Services each approved by the electors of the County on November 4, 2014, and as each may be renewed, shall be exempt from capture of tax increment revenues after December 31, 2024.

G. Duration of Plan

This tax increment financing plan shall be for a term ending December 13, 2046, unless otherwise extended by an amendment hereto.

H. Impact on Assessed Values and Tax Revenues

The overall impact of the Development Plan is expected to generate increased economic activity in Development Area No. 1, the downtown district, the City, and Kent County at large. This increase in activity will, in turn, generate additional amounts of tax revenue to local taxing jurisdictions, through increases in assessed valuations of property, and from increases in personal income from new employment within Development Area No. 1, the downtown district, the City, other neighboring communities, and throughout Kent County.

For purposes of determining the estimated impact of this Tax Increment Financing Plan upon those taxing jurisdictions within Development Area No. 1, estimates of captured assessed values were used,

along with 2016 tax year millage allocations. These estimates show tax increment revenue amounts that would be shifted, from these jurisdictions to the DDA, to finance the project activities called for in the Development Plan. These estimated amounts are shown in Table E.

I. Use of the Captured Assessed Values

The Development and Tax Increment Financing Plan provides for the use of all of the captured assessed value by the DDA for the purpose herein set forth, except as provided in Section E., hereof.

J. Reports

The DDA shall submit annually, to the City Commission and the State Tax Commission, a report on the status of the tax increment financing account. Such report shall comply with the requirements of Act 197.

Table 1
CITY OF GRAND RAPIDS, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
EXPANSION DISTRICT INITIAL ASSESSED VALUES BY PROPOSED DISTRICT
INITIAL VALUE YEAR = 2016
2016 TAXABLE VALUES AS OF SEPTEMBER 26, 2016

SUB-DISTRICT OVERLAPS		2016 ASSESSED VALUES ¹										AVAILABLE FOR CAPTURE?	TOTAL ASSESSED VAL AVAILABLE FOR CAPTURE		
		AD VALOREM						ACT 198 IFT							
		REAL			PERSONAL PROPERTY			POST 1993		REAL				PERSONAL	
		PRE	NON-PRE	UTILITY	INDUSTRIAL	COMMERCIAL									
DDA L	DDA L - No Overlaps	\$ 164,528	\$ 722,413	\$ -	\$ -	\$ 26,100		\$ -	\$ -	Yes, @ 100%	\$ 913,041				
	DDA L - Overlaps Brownfield - Bridge & Turner project	-	299,947	-	-	-		-	-	No, BRA captures 100% except School Debt mills	-				
	DISTRICT L SUB-TOTAL	\$ 164,528	\$ 1,022,360	\$ -	\$ -	\$ 26,100		\$ -	\$ -		\$ 913,041				
DDA M	DDA M - No Overlaps	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	Yes, @ 100%	-				
	DDA M - Overlaps WestSide CID	-	5,317,400	-	306,200	401,300		-	-	No, CID captures 100% Local so no DDA School capture	-				
	DISTRICT M SUB-TOTAL	\$ -	\$ 5,317,400	\$ -	\$ 306,200	\$ 401,300		\$ -	\$ -		\$ -				
DDA N	DDA N - No Overlaps	\$ -	\$ 4,000	\$ -	\$ -	\$ 6,800		\$ -	\$ -	Yes, @ 100%	10,800				
	DDA N - Overlaps Tax Increment Financing Authority Only	-	-	-	-	-		-	-	No, CID captures 100% Local so no DDA School capture	-				
	DDA N - Overlaps TIFA and SmartZone LDFA	10,680,167	20,259,279	-	1,423,100	614,900		228,571	2,803,000	No, TIFA captures 100% Local; SZ captures 50% School	-				
	DDA N - Overlaps SmartZone LDFA Only	-	1,469,806	-	74,000	-		-	-	No, SZ captures 100% Local & 50% School	-				
	DDA N - Overlaps TIFA, LDFA, & Brownfield - Irish Twins III	-	339,800	-	-	-		-	-	No, TIFA captures 100% Local; SZ captures 50% School	-				
	DDA N - Overlaps North Quarter CID	-	3,203,728	-	-	403,800		-	-	No, CID captures 100% Local so no DDA School capture	-				
	DISTRICT N SUB-TOTAL	\$ 10,680,167	\$ 25,276,613	\$ -	\$ 1,497,100	\$ 1,025,500		\$ 228,571	\$ 2,803,000		\$ 10,800				
DDA O	DDA O - No Overlaps	\$ -	\$ 540,886	\$ -	\$ 354,600	\$ -		\$ -	\$ -	Yes, @ 100%	895,486				
	DDA N - Overlaps Southtown CID	-	643,191	-	-	48,300		-	-	No, CID captures 100% Local so no DDA School capture	-				
	DISTRICT O SUB-TOTAL	\$ -	\$ 1,184,077	\$ -	\$ 354,600	\$ 48,300		\$ -	\$ -		\$ 895,486				
DDA P	DDA P - No Overlaps	\$ -	\$ 6,358,004	\$ -	\$ 156,800	\$ 3,147,000		\$ -	\$ -	Yes, @ 100%	9,661,804				
	DDA P - Overlaps SmartZone LDFA	-	330,600	-	-	-		-	-	No, SZ captures 100% Local & 50% School	-				
	DISTRICT P SUB-TOTAL	\$ -	\$ 6,688,604	\$ -	\$ 156,800	\$ 3,147,000		\$ -	\$ -		\$ 9,661,804				
Total 2016 Expansion Initial Assessed Values (IAV)		\$ 10,844,695	\$ 39,489,054	\$ -	\$ 2,314,700	\$ 4,648,200		\$ 228,571	\$ 2,803,000						
2016 Capturable Initial Assessed Values (IAV)		\$ 164,528	\$ 7,625,303	\$ -	\$ 511,400	\$ 3,179,900		\$ -	\$ -		\$ 11,481,131				
2017 Estimated Assessed Values @ 2% Growth		\$ 167,819	\$ 7,777,809	\$ -	\$ 521,628	\$ 3,243,498		\$ -	\$ -		\$ 11,710,754				
2017 ESTIMATED CAPTURED ASSESSED VALUES (CAV)		\$ 3,291	\$ 152,506	\$ -	\$ 10,228	\$ 63,598		\$ -	\$ -		\$ 229,623				

Note 1: 2016 assessed values as of September 26, 2016 summarized from data compiled by Jordan DeWeerd, Grand Rapids City Assessing Department.
ddaplannend2016.xls jmw 11/04/2016

Table 2
CITY OF GRAND RAPIDS, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
SUMMARY OF ESTIMATED 2017 CAPTURED ASSESSED VALUES AVAILABLE FOR CAPTURE
NOVEMBER 30, 2016

Values for existing districts include a 2% increase in 2016 MBOR assessed values

Values for existing districts include a 2% increase in 2016 MBOR assessed values										
DISTRICT	AD VALOREM					IFT NEW Post-1993		VALUE		
	REAL PRE /	REAL NON-PRE	PERSONAL PROPERTY			Real	Personal	BY DISTRICT		
	HOMESTEAD	NON-HOMESTEAD	Utility	Industrial	Commercial					
	\$	\$	\$	\$	\$	\$	\$	\$		
1	A	9,481,048	112,916,332	(26,754)	(47,922)	18,476,178	-	-	\$ 140,798,882	
1	B	5,320,229	32,814,886	609,756	-	1,926,882	-	-	40,671,753	
1	C	721,229	64,164,685	3,100,494	(437,276)	8,397,048	-	-	75,946,180	
1	D	-	3,971,512	1,040,094	(35,280)	283,152	-	-	5,259,478	
1	E	21,050,649	23,797,013	1,236,036	-	3,615,900	-	-	49,699,598	
2	F	(23,165)	129,064	96,084	(49,000)	(155,526)	175,249	-	172,706	
1	G	-	6,807,391	-	-	(1,750,966)	-	-	5,056,425	
3	H	-	-	-	-	-	-	-	-	
4	I	(124,793)	5,706,424	-	484,704	(183,260)	705,534	493,578	7,082,186	
4	J	-	(1,401,027)	-	-	102,000	-	-	(1,299,027)	
4,5	K	-	-	-	-	-	-	-	-	
1	New District L	3,291	14,448	-	-	522	-	-	18,261	
6	New District M	-	-	-	-	-	-	-	-	
1	New District N	-	80	-	-	136	-	-	216	
1	New District O	-	10,818	-	7,092	-	-	-	17,910	
1	New District P	-	127,160	-	3,136	62,940	-	-	193,236	
TOTAL		\$ 36,428,487	\$ 249,058,786	\$ 6,055,710	\$ (74,546)	\$ 30,775,006	\$ 880,783	\$ 493,578	\$ 323,617,804	
Totals by Capture Category										
A - G		\$ 36,549,989	\$ 244,600,882	\$ 6,055,710	\$ (569,478)	\$ 30,792,668	\$ 175,249	\$ -	\$ 317,605,021	
A - G minus F		36,573,155	244,471,819	5,959,626	(520,478)	30,948,194	-	-	317,432,316	
District F only		(23,165)	129,064	96,084	(49,000)	(155,526)	175,249	-	172,706	
Districts I and J only		(124,793)	4,305,397	-	484,704	(81,260)	705,534	493,578	5,783,160	
L, N, O, and P		3,291	152,506	-	10,228	63,598	-	-	229,623	

Note 1: Non-overlapping areas of this district may capture all school and local mills to the extent allowed by the DDA Act.

Note 2: Kent County opted out of this district so the DDA may only capture City of Grand Rapids, Interurban Transit Partnership, & Grand Rapids Community College mills.

Note 3: This district overlaps the SmartZone LDFA which captures all local mills and 50% of school mills. Since the DDA isn't capturing City and County mills here, it may also not capture any school mills.

Note 4: Kent County and GR Community College opted out of this district so the DDA may only capture City of Grand Rapids and Interurban Transit Partnership mills.

Note 5: Although District K may legally capture City of Grand Rapids and Interurban Transit Partnership mills for this District, the SmartZone LDFA existed prior to the DDA in this district, so the SmartZone captures those tax increment revenues rather than the DDA.

Note 6: This district overlaps the WestSide CID which captures all local mills. Since the DDA isn't capturing City and County mills here, it may also not capture school mills. capture any school mills.

Table 3
CITY OF GRAND RAPIDS, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
ESTIMATED TAX INCREMENT REVENUE CALCULATION - 2017 / FY2018 WITHOUT EXPANSION PARCELS
NOVEMBER 30, 2016

CURRENT DDA BOUNDARIES									
		AD VALOREM REAL PROPERTY		AD VALOREM PERSONAL PROPERTY		IFT POST 1993 NEW @ 50%			
		PRE	NON-PRE	Utility	Industrial	Commercial	Real	Personal	TOTALS
ESTIMATED CAPTURED TAXABLE VALUES¹									
Districts A thru G not including District F ²		\$ 36,573,155	\$ 244,471,819	\$ 5,959,626	\$ (520,478)	\$ 30,948,194	\$ -	\$ -	\$ 317,432,316
District F only ³		(23,165)	129,064	96,084	(49,000)	(155,526)	175,249	-	172,706
Districts I and J only ⁴		(124,793)	4,305,397	-	484,704	(81,260)	705,534	493,578	5,783,160
ESTIMATED 2017 / FY2018 PROPERTY TAX INCREMENT REVENUES BASED ON 2016 MILLAGE RATES									
School Increment^{2,3}									
State (6.0000 mills)		\$ 219,439	\$ 1,466,831	\$ 35,758	n/a	\$ 185,689	\$ -	n/a	\$ 1,907,717
Local - 2007 Operating (18.0000 mills)		n/a	4,400,493	107,273	n/a	185,689	-	n/a	4,693,455
- Sinking Fund (0.9949 mills)		36,387	243,225	5,929	(518)	30,790	-	\$ -	315,813
- Debt (4.7500 mills)		173,722	1,161,241	28,308	(2,472)	147,004	-	-	1,507,803
KISD - All Millages (4.7903 mills)		175,196	1,171,093	28,548	(2,493)	148,251	-	-	1,520,596
ESTIMATED SCHOOL INCREMENT REVENUES		\$ 604,744	\$ 8,442,883	\$ 205,817	\$ (5,483)	\$ 697,424	\$ -	\$ -	\$ 9,945,385
Local Increment									
City - General (2.8381 mills) & Promotional (0.0112)		\$ 103,786	\$ 709,209	\$ 17,255	\$ (242)	\$ 87,506	\$ 1,255	\$ 703	\$ 919,472
- Capital (1.2500 mills)		45,531	311,133	7,570	(106)	38,389	550	308	403,376
- Refuse (1.6000 mills)		58,280	398,250	9,689	(136)	49,138	705	395	516,322
- Parks (0.9754 mills)		35,529	242,783	5,907	(83)	29,956	430	241	314,763
- Library - Operating (2.0632 mills)		75,152	513,543	12,494	(175)	63,364	909	509	665,797
- Capital (0.3787 mills)		13,794	94,261	2,293	(32)	11,630	167	93	122,207
GR Community College (1.7865 mills)		65,297	436,979	10,819	(1,017)	55,011	157	-	567,245
Interurban Transit Partnership (1.4688 mills)		53,501	365,594	8,895	(125)	45,109	647	362	473,983
Kent County (5.6196 mills) ⁵		205,527	1,373,834	33,491	(2,925)	173,916	-	-	1,783,843
ESTIMATED LOCAL INCREMENT REVENUES		\$ 656,398	\$ 4,445,586	\$ 108,411	\$ (4,840)	\$ 554,020	\$ 4,818	\$ 2,612	\$ 5,767,007

Note 1: Districts H and K are not part of this calculation since tax increment revenues for these districts are captured by other tax increment financing authorities.
Note 2: All mills legally available to the DDA will be captured for these districts.
Note 3: Since Kent County opted out of District F, the DDA may also not capture any school tax increment for this district.
Note 4: Since Kent County and Grand Rapids Community College opted out of Districts I, J, and K, the DDA may also not capture any school tax increment for these districts.
Note 5: Does not include the 0.4400 Zoo and Public Museum levy which was approved by voters on the November 8, 2016 ballot.

Table 4
CITY OF GRAND RAPIDS, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
ESTIMATED TAX INCREMENT REVENUE CALCULATION - 2017 / FY2018 PROPOSED FIRST YEAR OF CAPTURE
NOVEMBER 30, 2016

REVENUE CALCULATIONS ARE FOR ILLUSTRATIVE PURPOSES ONLY AND ASSUME THAT NO TAXING UNIT WILL "OPT OUT" OF THE EXPANSION DISTRICT CAPTURES

ESTIMATED CAPTURED TAXABLE VALUES ¹	AD VALOREM REAL PROPERTY		AD VALOREM PERSONAL PROPERTY		IFT POST 1993 NEW @ 50%		TOTALS
	PRE	NON-PRE	Utility	Industrial	Commercial	Real	Personal
Districts A thru G, not including District F ²	\$ 36,573,155	\$ 244,471,819	\$ 5,959,626	\$ (520,478)	\$ 30,948,194	\$ -	\$ -
District F only ³	(23,165)	129,064	96,084	(49,000)	(155,526)	175,249	-
Districts I and J only ⁴	(124,793)	4,305,397	-	484,704	(81,260)	705,534	493,578
Districts L, N, O, & P (proposed expansion districts) ²	3,291	152,506	-	10,228	63,598	-	-
							229,623
ESTIMATED 2017 / FY2018 PROPERTY TAX INCREMENT REVENUES BASED ON 2016 MILLAGE RATES							
School Increment ^{2,3}	\$ 219,459	\$ 1,467,746	\$ 35,758	n/a	\$ 186,071	\$ -	n/a
	n/a	4,403,238	107,273	n/a	186,071	-	n/a
	36,390	243,377	5,929	(508)	30,854	-	\$ -
	173,738	1,161,966	28,308	(2,424)	147,306	-	-
	175,212	1,171,824	28,548	(2,444)	148,556	-	-
ESTIMATED SCHOOL INCREMENT REVENUES	\$ 604,799	\$ 8,448,150	\$ 205,817	\$ (5,376)	\$ 698,857	\$ -	\$ -
ESTIMATED REVENUES							
Local Increment	\$ 103,796	\$ 709,643	\$ 17,255	\$ (212)	\$ 87,687	\$ 1,255	\$ 703
	45,536	311,323	7,570	(93)	38,469	550	308
	58,286	398,494	9,689	(119)	49,240	705	395
	35,532	242,932	5,907	(73)	30,018	430	241
	75,159	513,858	12,494	(154)	63,495	909	509
GR Community College (1.7865 mills) Interurban Transit Partnership (1.4688 mills) Kent County (5.6196 mills) ⁵	13,795	94,319	2,293	(28)	11,654	167	93
	65,302	437,252	10,819	(999)	55,125	157	-
	53,506	365,818	8,895	(109)	45,202	647	362
	205,545	1,374,691	33,491	(2,867)	174,274	-	-
	\$ 656,458	\$ 4,448,330	\$ 108,411	\$ (4,656)	\$ 555,164	\$ 4,818	\$ 2,612
ESTIMATED LOCAL INCREMENT REVENUES						\$ 5,771,138	\$ 5,767,007
							\$ 4,131
							\$ 6,862

Note 1: Districts H, K and M are not part of this calculation since tax increment revenues for these districts are captured by other tax increment financing authorities.

Note 2: All mills legally available to the DDA will be captured for these districts.

Note 3: Since Kent County opted out of District F, the DDA may also not capture any school tax increment for this district.

Note 4: Since Kent County and Grand Rapids Community College opted out of Districts I, J, and K, the DDA may also not capture any school tax increment for these districts.

Note 5: Does not include the 0.4400 Zoo and Public Museum levy which was approved by voters on the November 8, 2016 ballot.

Table 5
CITY OF GRAND RAPIDS, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS
DEBT OBLIGATIONS AS OF JULY 2, 2016

Source >	School			Local			School			Local			Total Annual Requirements			Payments by	
	Downtown Development Authority			Kent County			MMBA / MFA LGLP			City / County Joint			435 Ionia SW Street			Property Tax Increment	
	Van Andel Arena Series 1994 Bonds			Floodwall Refunding Series 2008 Bonds			Van Andel Arena Partial Refunding Series 2009 Bonds			DeVos Place Conv Ctr Series 2013B Refgd Bnds			Improvements Brownfield Series 2012A				
FY	Principal	Interest		Principal	Interest		Principal	Interest		Principal	Interest		Principal	Interest	Combined	School	Local
2017	\$ 789,572	\$ 3,205,428		\$ 46,500	\$ 4,687		\$ 330,000	\$ 1,484,525		\$ 255,000	\$ 73,550		\$ 75,000		\$ 6,264,262	\$ 5,809,525	\$ 454,737
2018	734,601	3,260,399		48,500	2,787		345,000	1,471,325		260,000	67,100		75,000		6,284,712	5,811,325	453,387
2019	144,554	700,446		14,250	1,532		3,510,000	1,456,663		265,000	59,225		75,000		6,226,669	5,811,663	415,007
2020	-	-		14,750	933		4,530,000	1,281,163		275,000	51,125		75,000		6,227,971	5,811,163	416,808
2021	-	-		15,500	310		4,775,000	1,032,013		280,000	41,400		75,000		6,219,223	5,807,013	412,210
2022	-	-		-	-		5,015,000	793,263		285,000	30,100		75,000		6,198,363	5,808,263	390,100
2023	-	-		-	-		5,265,000	542,513		300,000	18,400		75,000		6,200,913	5,807,513	393,400
2024	-	-		-	-		4,660,000	256,275		310,000	6,200		75,000		5,307,475	4,916,275	391,200
2025	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2026	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2027	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2028	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2029	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2030	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2031	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
2032	-	-		-	-		-	-		-	-		75,000	-	75,000	-	75,000
TOTAL	\$1,668,727	\$ 7,166,273		\$ 139,500	\$ 10,249		\$ 28,430,000	\$ 8,317,738		\$ 2,230,000	\$ 347,100		\$ 1,200,000		\$ 49,509,587	\$ 45,582,738	\$ 3,926,849

Table 6
CITY OF GRAND RAPIDS, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
ESTIMATES OF FUTURE TAX INCREMENT REVENUES, 30 YEAR PROJECTION
PREPARED DECEMBER 1, 2016

Tax Year	Fiscal Year ¹	Estimated Local				Estimated School				SCHOOL AND LOCAL ESTIMATED REVENUE COMBINED	Protected ⁵ Eligible Debt Obligations	Estimated Excess Capture to be Returned to Schools								
		Tax Increment Revenue			Total	Tax Increment Revenue ⁴			Total											
		Boundaries		Current		Boundaries		Current												
		Current	Expansion ³			Expansion ³	Total													
2017	2018	²	\$	5,767,007	\$	4,131	\$	5,771,138	\$	9,945,385	\$	6,862	\$	9,952,247	\$	15,723,385	\$	5,811,325	\$	4,140,922
2018	2019			5,882,347		4,214		5,886,561		10,144,293		6,999		10,151,292		16,037,853		5,811,663		4,339,629
2019	2020			5,999,994		4,298		6,004,292		10,347,178		7,139		10,354,318		16,358,610		5,811,163		4,543,155
2020	2021			6,119,994		4,384		6,124,378		10,554,122		7,282		10,561,404		16,685,782		5,807,013		4,754,392
2021	2022			6,242,393		4,472		6,246,865		10,765,204		7,428		10,772,632		17,019,498		5,808,263		4,964,370
2022	2023			6,367,241		4,561		6,371,803		10,980,509		7,576		10,988,085		17,359,887		5,807,513		5,180,572
2023	2024			6,494,586		4,652		6,499,239		11,200,119		7,728		11,207,847		17,707,085		4,916,275		6,291,572
2024	2025			6,624,478		4,746		6,629,223		-		-		-		6,629,223		-		-
2025	2026			6,253,974		4,480		6,258,454		-		-		-		6,258,454		-		-
2026	2027			6,379,053		4,570		6,383,623		-		-		-		6,383,623		-		-
2027	2028			6,506,635		4,661		6,511,296		-		-		-		6,511,296		-		-
2028	2029			6,636,767		4,754		6,641,522		-		-		-		6,641,522		-		-
2029	2030			6,769,503		4,849		6,774,352		-		-		-		6,774,352		-		-
2030	2031			6,904,893		4,946		6,909,839		-		-		-		6,909,839		-		-
2031	2032			7,042,990		5,045		7,048,036		-		-		-		7,048,036		-		-
2032	2033			7,183,850		5,146		7,188,997		-		-		-		7,188,997		-		-
2033	2034			7,327,527		5,249		7,332,776		-		-		-		7,332,776		-		-
2034	2035			7,474,078		5,354		7,479,432		-		-		-		7,479,432		-		-
2035	2036			7,623,559		5,461		7,629,021		-		-		-		7,629,021		-		-
2036	2037			7,776,031		5,570		7,781,601		-		-		-		7,781,601		-		-
2037	2038			7,931,551		5,682		7,937,233		-		-		-		7,937,233		-		-
2038	2039			8,090,182		5,795		8,095,978		-		-		-		8,095,978		-		-
2039	2040			8,251,986		5,911		8,257,897		-		-		-		8,257,897		-		-
2040	2041			8,417,026		6,030		8,423,055		-		-		-		8,423,055		-		-
2041	2042			8,585,366		6,150		8,591,516		-		-		-		8,591,516		-		-
2042	2043			8,757,073		6,273		8,763,347		-		-		-		8,763,347		-		-
2043	2044			8,932,215		6,399		8,938,614		-		-		-		8,938,614		-		-
2044	2045			9,110,859		6,527		9,117,386		-		-		-		9,117,386		-		-
2045	2046			9,293,076		6,657		9,299,734		-		-		-		9,299,734		-		-
2046	2047			9,478,938		6,790		9,485,728		-		-		-		9,485,728		-		-
TOTALS				\$ 220,225,172		\$ 157,761		\$ 220,382,933		\$ 73,936,809		\$ 51,015		\$ 73,987,825		\$ 294,370,758		\$ 39,773,213		\$ 34,214,612

Note 1: Plan expires December 6, 2046.

Note 3: Estimated first year captured value growth for property in the expansion boundaries: 2.0%

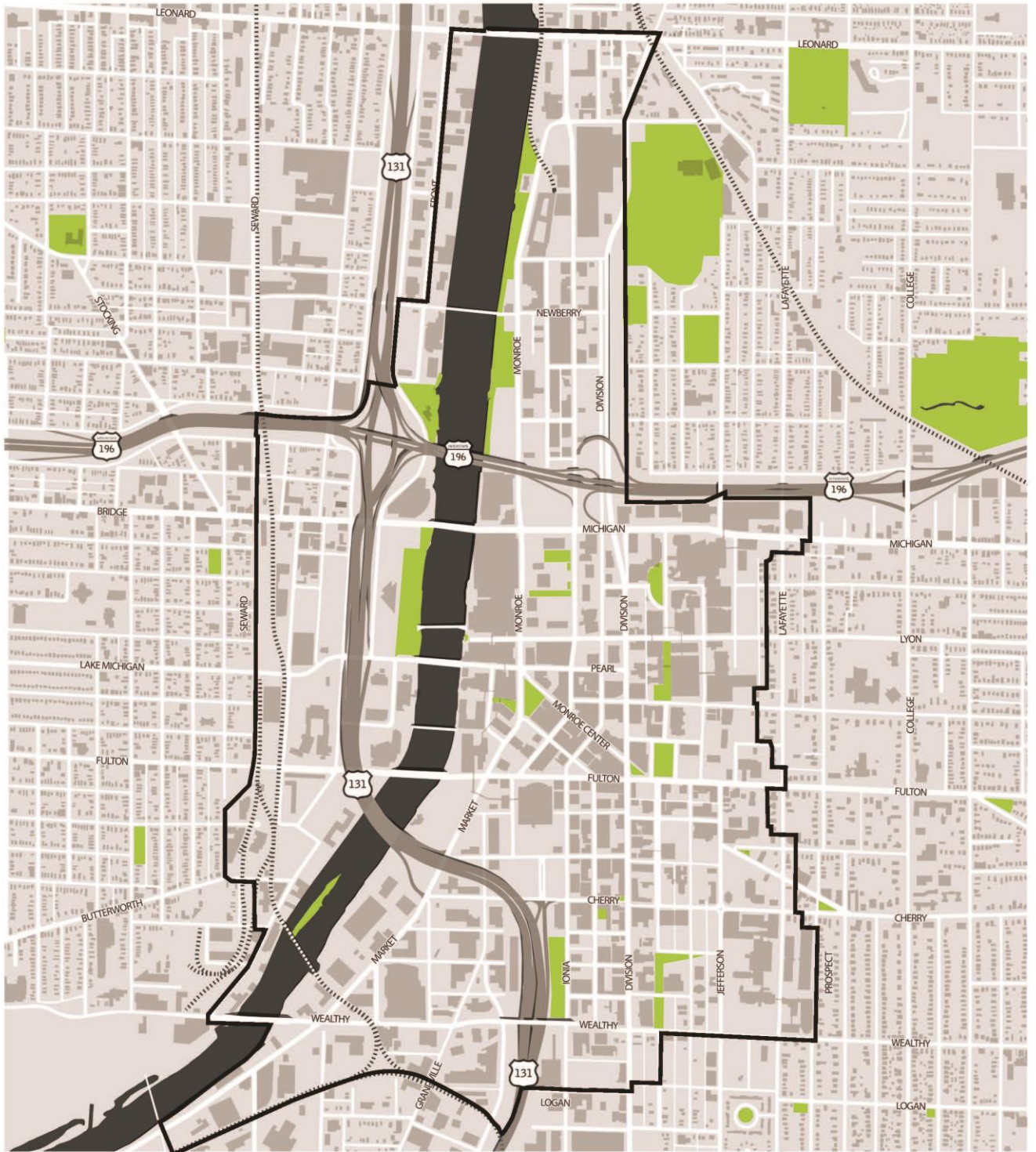
Note 2: Annual tax increment revenue growth estimated at 2% per year. All estimates are subject to change.

Note 4: "Schools" include State of Michigan Education Tax, Grand Rapids Public Schools mills, and all Kent Intermediate School District mills.

Note 5: Eligible obligations include the Series 1994 and Series 2009 Van Andel Arena bonds.

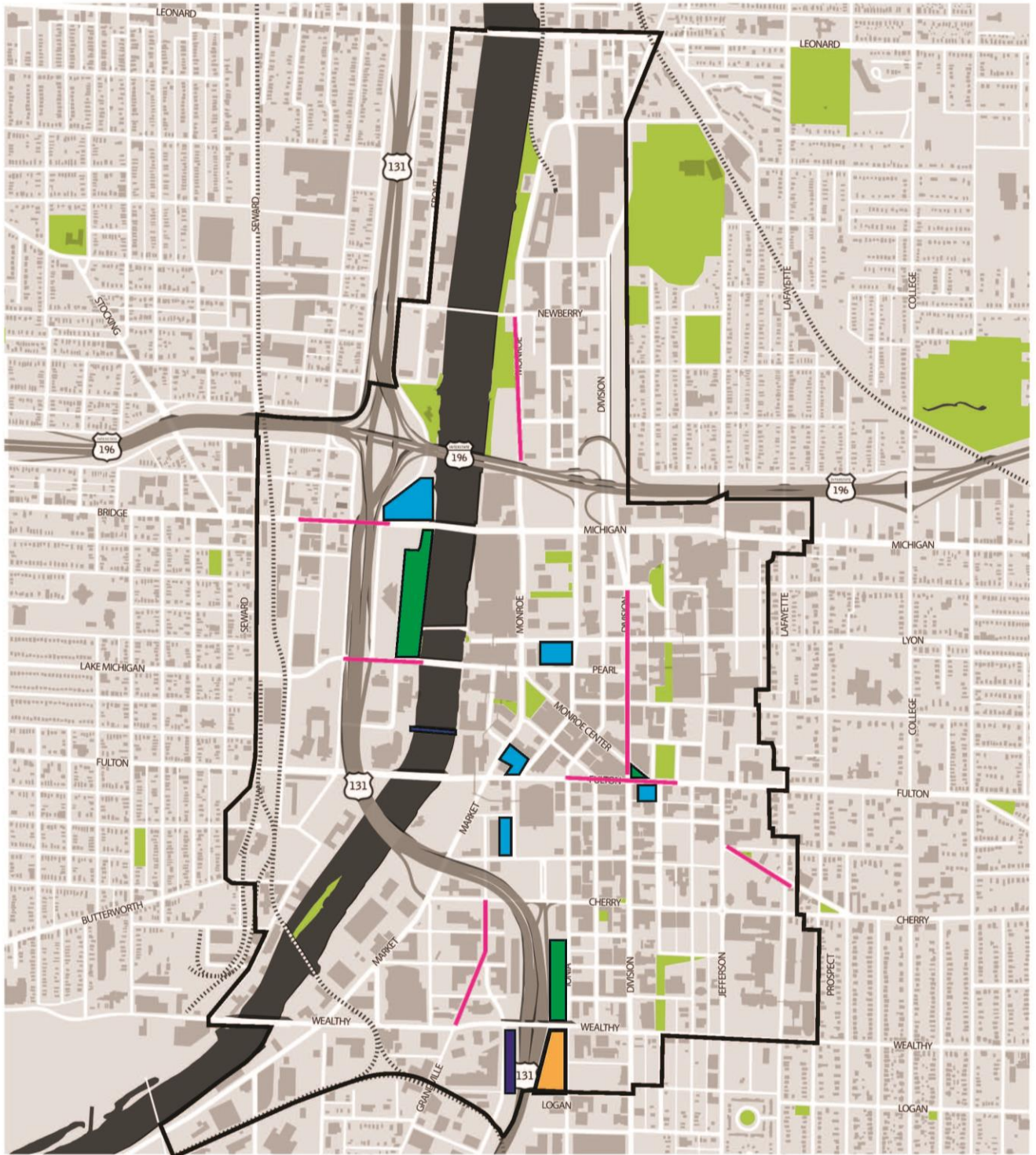
Note 6: DDA ceases capture of Kent County voted mills - Senior Citizen Services levy, Veterans' Services levy, and County Jail Bond levy.

Grand Rapids Downtown Development Area No. 1



Grand Rapids Downtown Development Area No. 1

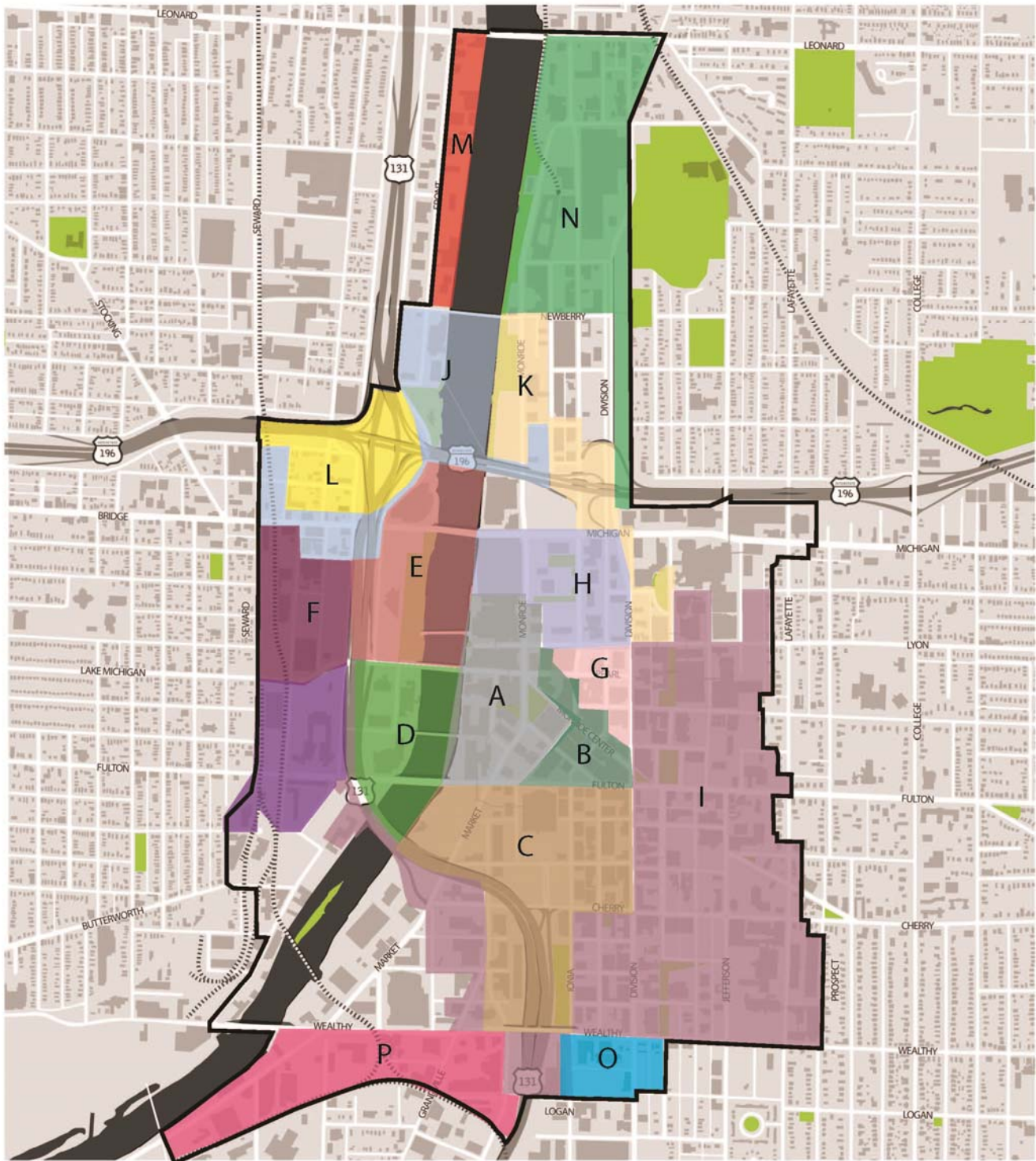
Map 2 – DDA Activities



- Infrastructure – Blue Bridge and Amtrak
- Infrastructure – Street Improvements
- Development Support Projects
- Downtown Market
- Park Improvements

Grand Rapids Downtown Development Area No. 1

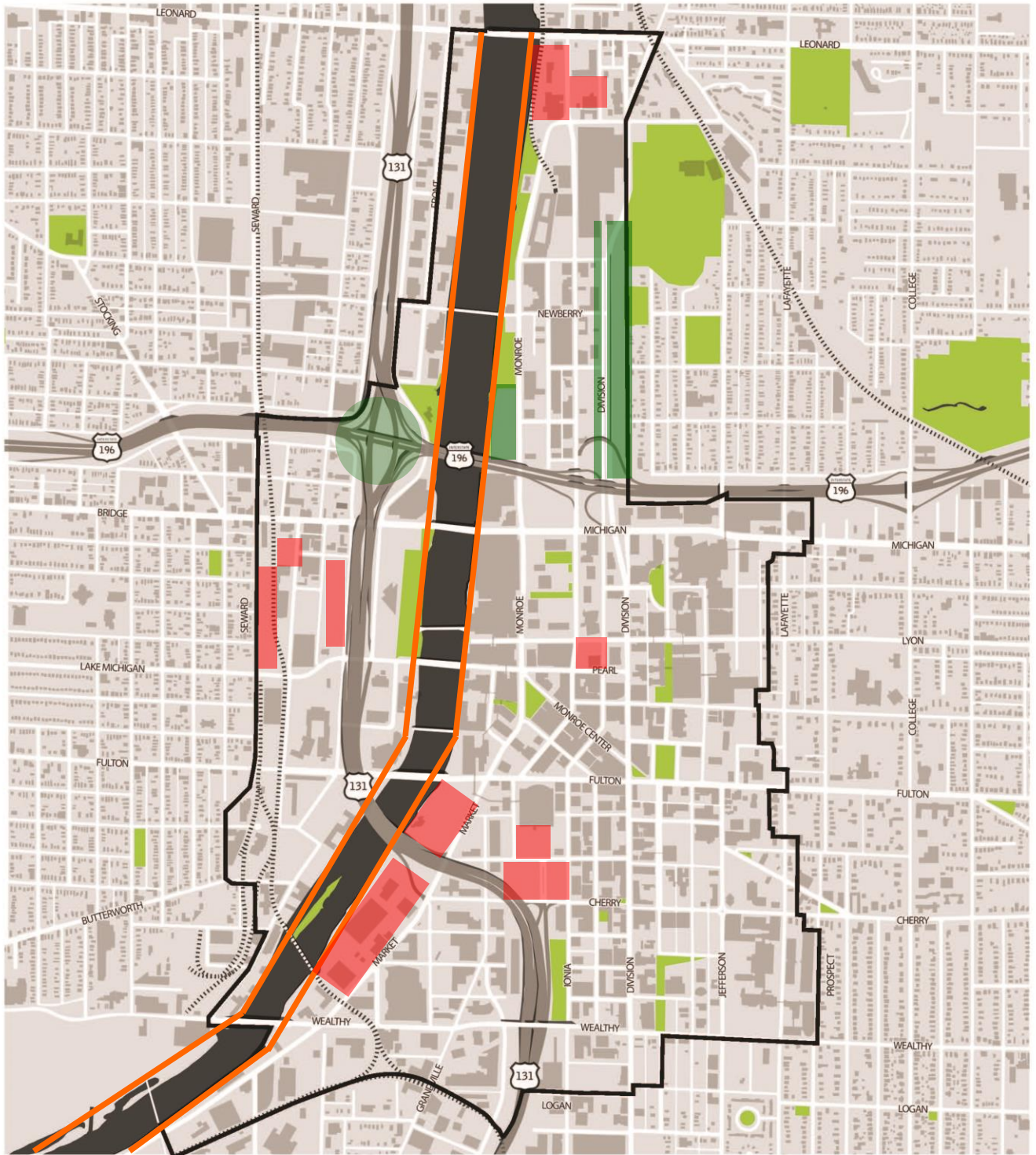
Map 3 – Tax Increment Districts






A - 1980	B - 1981	C - 1983	D - 1984	E - 1990	F - 1995
G - 2002	H - 2002	I - 2007	J - 2007	K - 2007	L - 2016
M - 2016	N - 2016	O - 2016	P - 2016		

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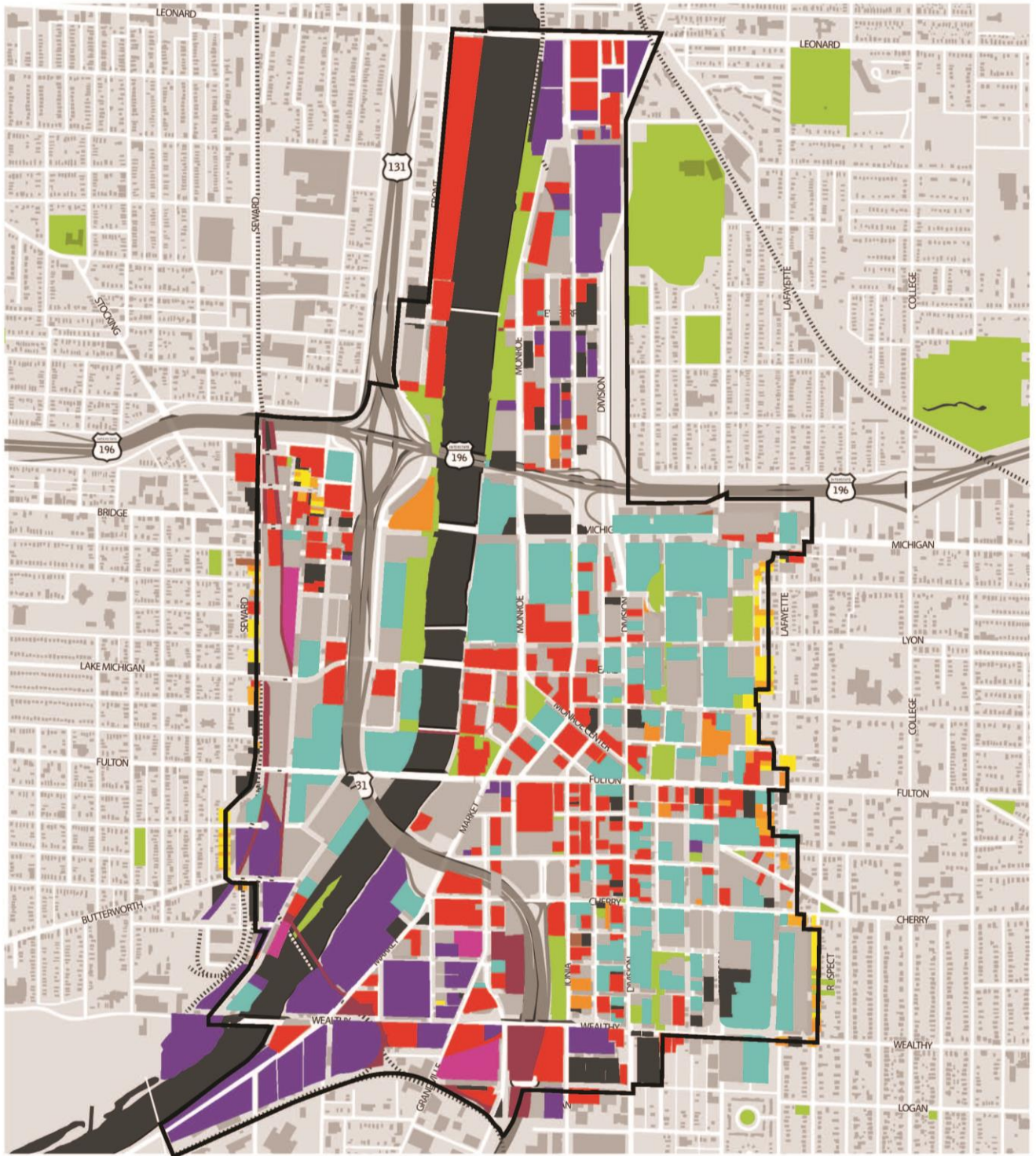
Map 4 – Proposed Improvements



-  Parks and Open Space
-  Commercial Development
-  River Trail

Grand Rapids Downtown Development Area No. 1

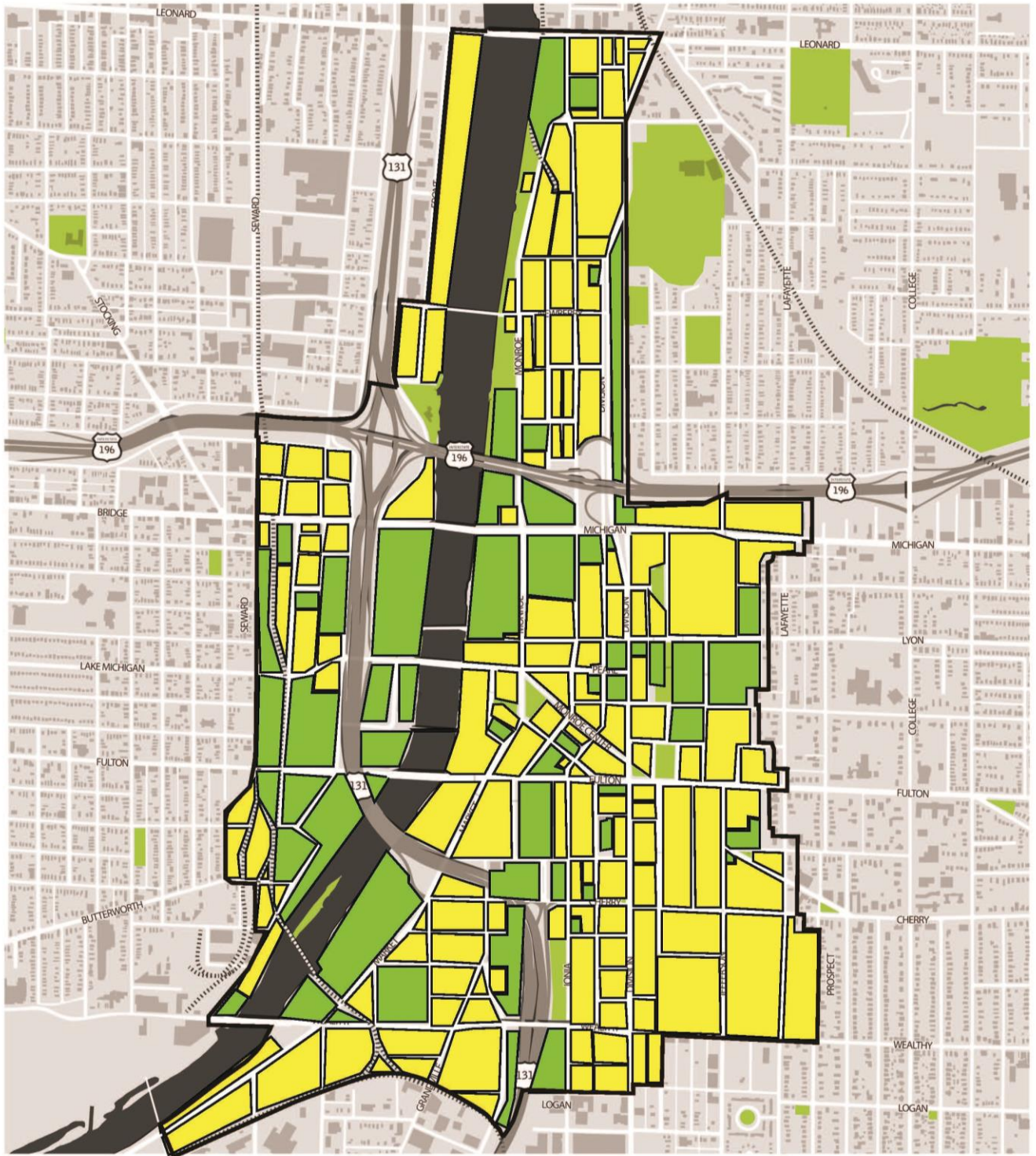
Map 5 – Existing Land Uses



- | | | | |
|---|--|---|---|
| ■ Commercial | ■ Commercial + Industrial | ■ Institutional | ■ Industrial |
| ■ Single Family Residential | ■ Multi-Family Residential (2-4 Units) | ■ Multi-Family (5+ Units) | |
| ■ Parks | ■ Parking | ■ Vacant | ■ Right of Way |
| | | ■ Other | |

Grand Rapids Downtown Development Area No. 1

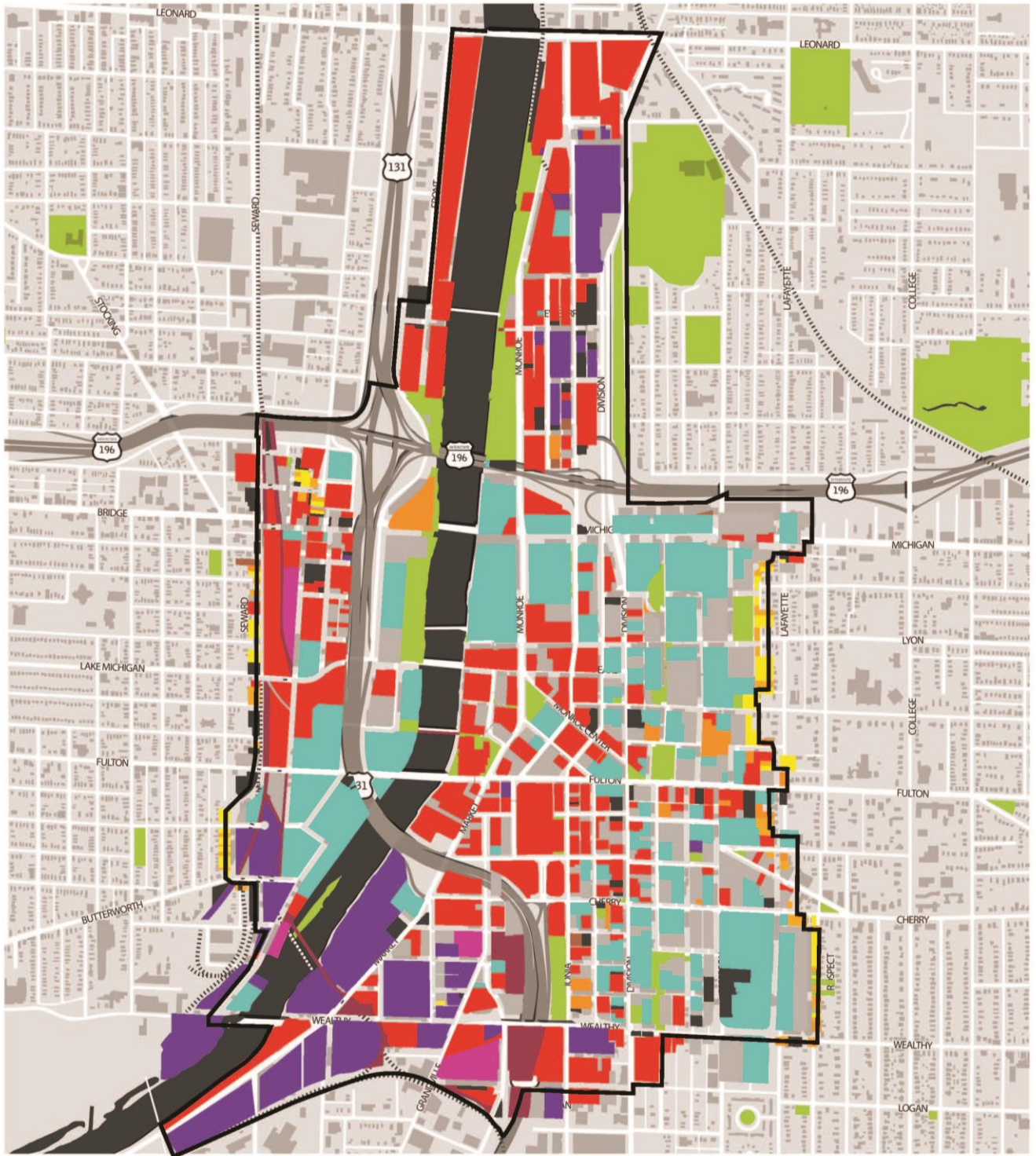
Map 6 – Public and Private Lands



- Public Ownership
- Private Ownership

Grand Rapids Downtown Development Area No. 1

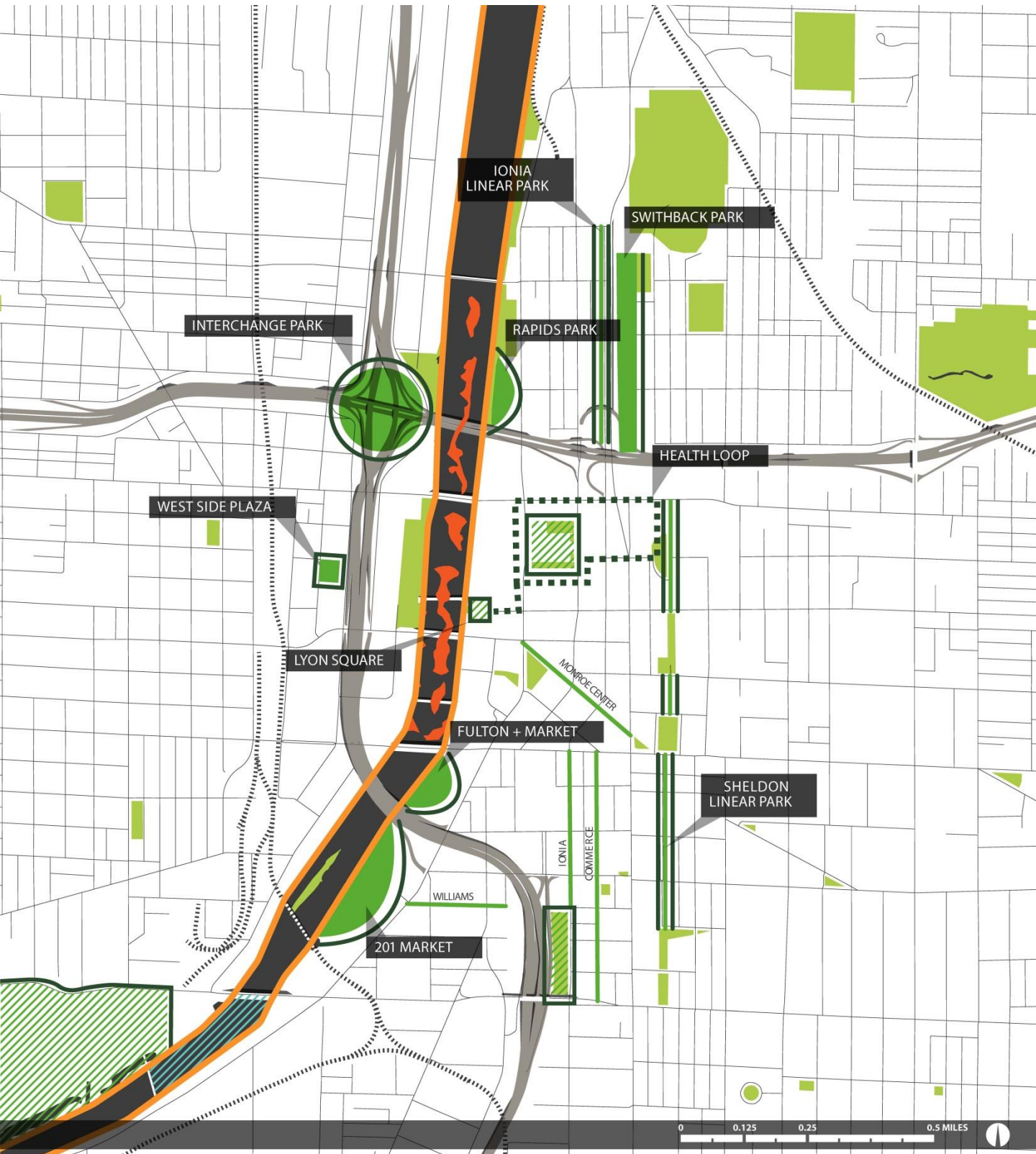
Map 7 – Proposed Land Uses



- | | | | |
|---|--|---|---|
| ■ Commercial | ■ Commercial + Industrial | ■ Institutional | ■ Industrial |
| ■ Single Family Residential | ■ Multi-Family Residential (2-4 Units) | ■ Multi-Family (5+ Units) | |
| ■ Parks | ■ Parking | ■ Vacant | ■ Right of Way |
| | | ■ Other | |

Grand Rapids Downtown Development Area No. 1

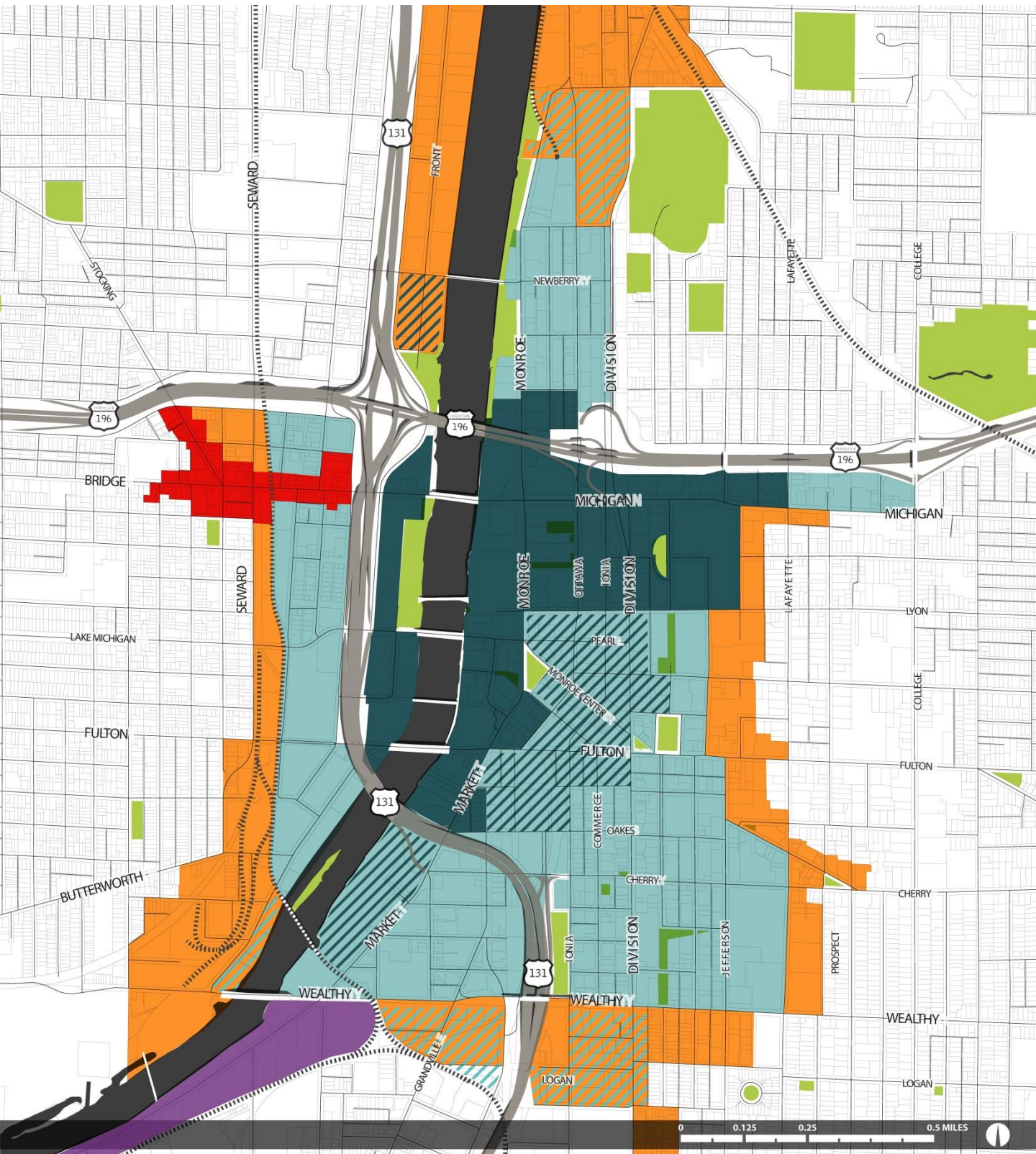
Map 8 – Open Space Areas



- Park Space
- River Trail

Grand Rapids Downtown Development Area No. 1

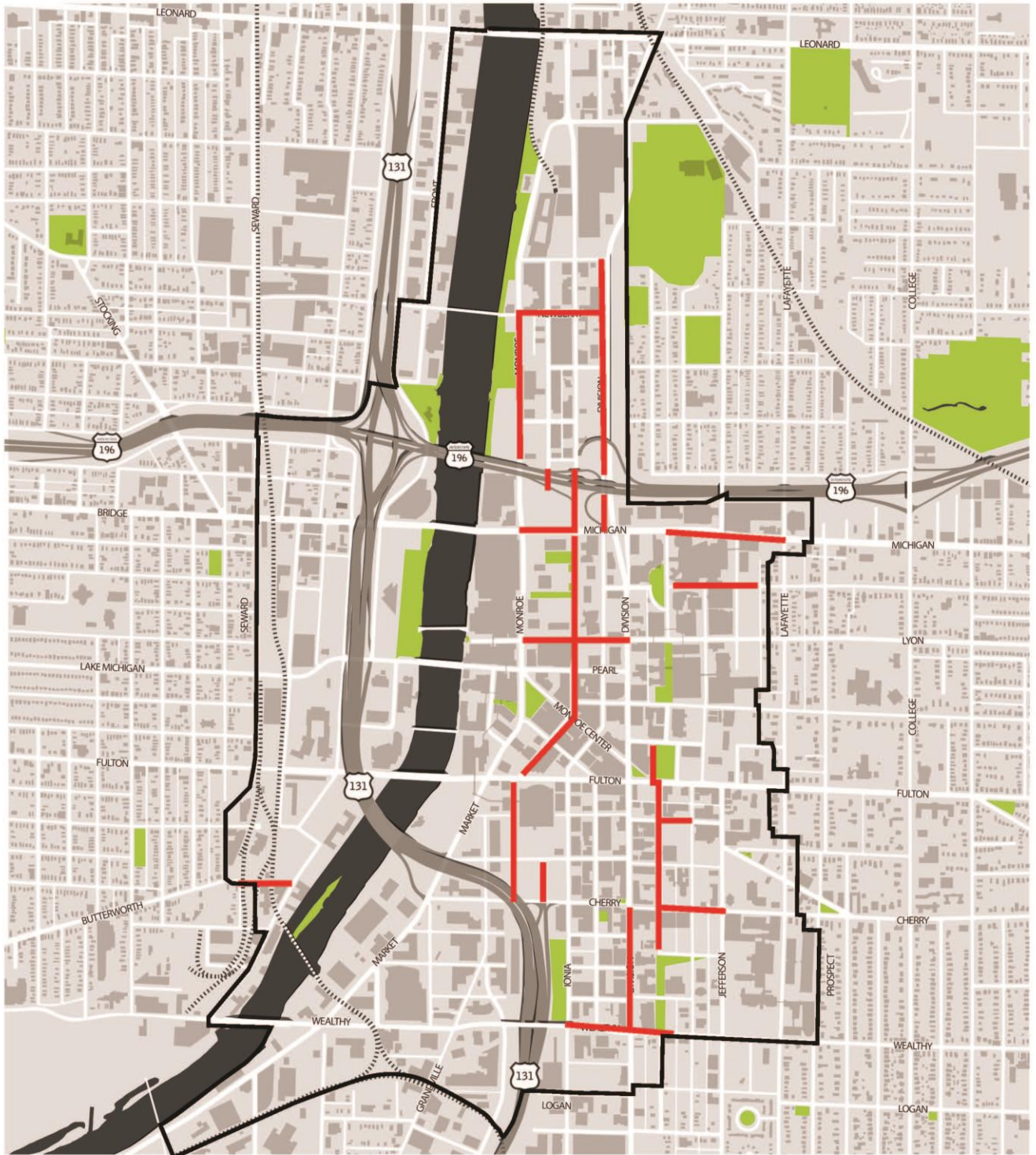
Map 9 – Zone Districts



- Height Overlay A
- City Center
- Transitional City Center
- Traditional Business Area
- Intermediate Height Overlay
- Intermediate Height Overlay
- Parks
- Industrial

Grand Rapids Downtown Development Area No. 1

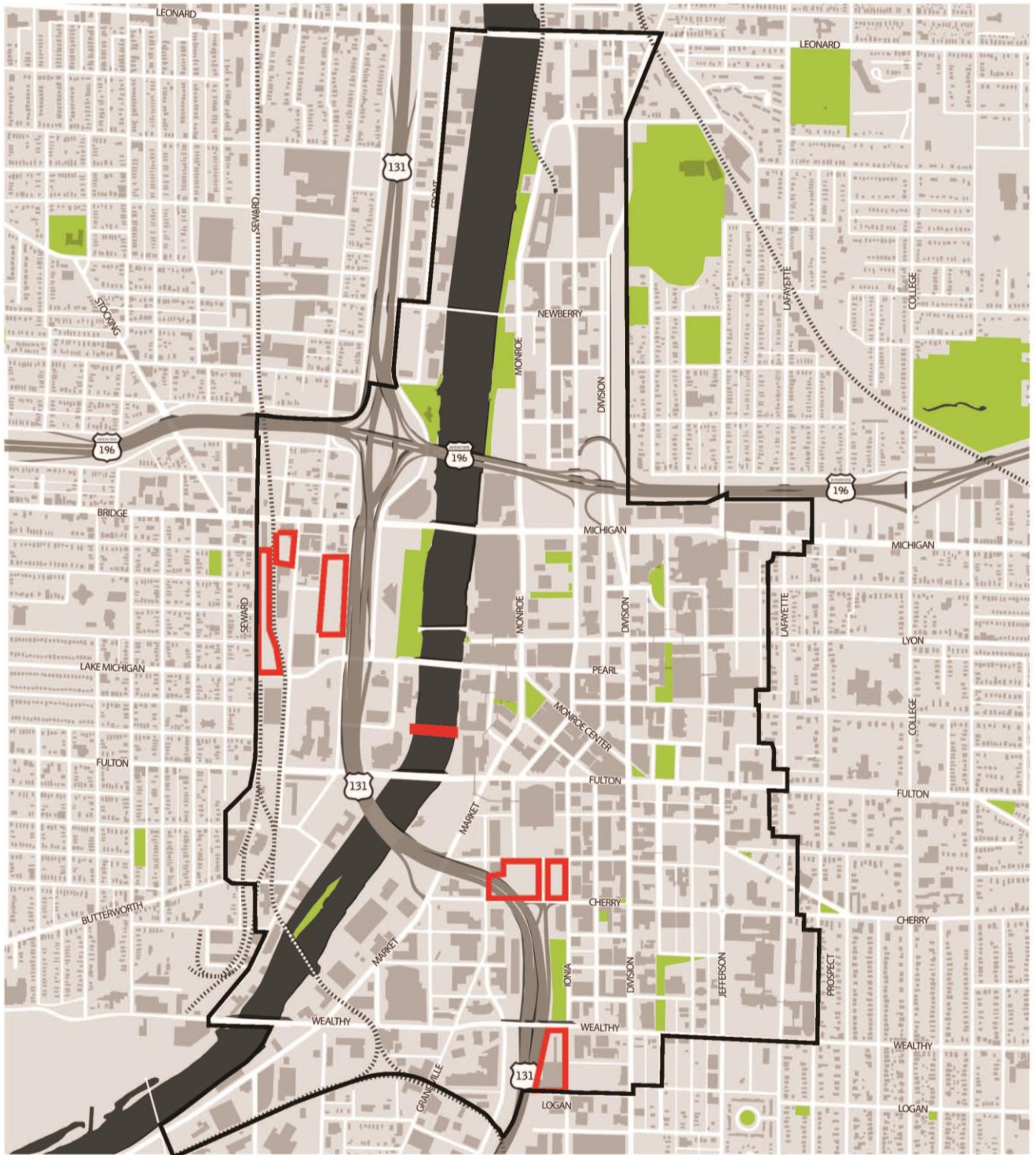
Map 10 – Street Changes



 Proposed Street Improvements

Grand Rapids Downtown Development Area No. 1

Map 11 – DDA Owned Land



 DDA Owned Land