

**CITY OF PORTAGE
BROWNFIELD REDEVELOPMENT AUTHORITY
Board Meeting**

AGENDA

Tuesday, April 8, 2025

CALL TO ORDER:

8:00 a.m., Portage City Hall, Conference Room 1, 7900 South Westnedge Avenue, Portage MI, 49002

INTRODUCTIONS

APPROVAL OF MINUTES:

1. February 27, 2025 *

STAFF REPORT: Financial Update for Portage Brownfield Redevelopment Authority.

OLD BUSINESS:

1. none

NEW BUSINESS:

1. City of Portage Act 381 Brownfield Plan – “Stanwood Crossings”, 9617 Portage Rd. *

STATEMENT OF CITIZENS:

ADJOURNMENT:

MATERIALS TRANSMITTED

Star (*) indicates printed material within the agenda packet.

CITY OF PORTAGE BROWNFIELD REDEVELOPMENT AUTHORITY

Thursday, February 27, 2025

7:30 AM

Portage City Hall, Conference Room 1
7900 S. Westnedge Ave, Portage MI 49002

The City of Portage Brownfield Redevelopment Authority meeting of February 27, 2025, was called to order by Chair Lewandowski at 7:33 am.

In Attendance

Board: Chair Keith Lewandowski (yes), Vice Chair Eric Alburtus (no), Secretary/Treasurer William Lenehan (no), Todd Campbell (yes), Bradley Galin (yes), Karen Gallagher (yes), John Herberg (excused), Michelle Karpinski (yes).

Staff: Peter Dame, Chief Development Officer; Andrew Falkenberg, Deputy Assessor; Jonathon Hallberg, Deputy Director of Economic Development; Grant Taylor, Deputy Director of Treasury.

Guests: Joe Agostinelli, Michigan Growth Advisors; Greg Dobson, AVB; Brian Farkas, Allen Edwin Homes; Rick Freiman, Planning Commissioner; Mike West, Allen Edwin Homes.

Introductions

Introduction of Authority members, staff, and guests was conducted. The board also reviewed the agenda.

Approval of Minutes

Motion by Gallagher, seconded by Campbell, to approve the BRA Meeting Minutes of October 25, 2024, as submitted. Motion carried, 5-0.

Staff Report – none

Old Business – none

1. City of Portage Brownfield Redevelopment Plan Amendment No. 10, 3413 W. Centre Ave. (Tall Timbers LLC) – Request for Reimbursement

Hallberg outlined and summarized the memorandum pertaining to the request for reimbursement by Tall Timbers of Portage, LLC. He indicated that the project is substantially complete, with certificates of occupancy issued for two of the three buildings and temporary certificates of occupancy for the third building. Hallberg confirmed that all work has been completed for any eligible cost items and that the applicant has submitted substantial documentation to verify completion and payment.

Hallberg referenced the motion recommended in the board packet indicates the applicant is allowed to submit additional requests for eligible expenses up until the deadline of March 27, 2026 in accordance with the Development and Reimbursement Agreement.

Motion by Karpinski, seconded by Campbell, to approve the request for reimbursement up to an amount of \$10,175,954, plus interest allowance, per the approved Brownfield Redevelopment Plan, and subject to any verified increases as permitted by the Development Agreement & Reimbursement Agreement and upon further review by the Brownfield Redevelopment Authority at future meetings between now the three-year deadline of March 27, 2026.

Discussion: Chair Lewandowski asked Mr. Dobson if there would be more eligible expenses. Dobson stated that all capital elements were submitted and no additional expenses would be submitted for reimbursement, but that the eligible 3% interest was not included in the total. Hallberg and Agostinelli confirmed that the motion, if carried, would also cover the 3% interest provision as interest accrues annually.

Gallagher asked what would happen if interest brought the total reimbursement above the \$11,182,806 estimate in the Brownfield Plan. Hallberg stated that the Development & Reimbursement Agreement for Tall Timbers did not have a cap. Therefore, the maximum reimbursement is limited only by the amount of interest that accrues on unpaid eligible costs until they are paid off or 25 years passes, whichever is first.

Lewandowski asked about the completion status of the entire project. Dobson provided details and shared photos of the substantially completed project. He also stated that the board is invited to the tentatively-planned ribbon cutting to commemorate the Grand Opening on June 11, 2025 at 11:00 a.m. Dobson shared that a formal invitation would be forthcoming.

Karpinski asked about the difference between the rental rates for the rent-controlled workforce units and the market rate units. Dobson indicated that the studio units already qualified but that the larger units had some modest gaps. Agostinelli shared the required MSHDA rental rates for 100% of area median income. Dobson indicated that rental rates are listed on the Tall Timbers website for the market rate units.

Motion Carried, 5-0

Summary discussions occurred about tornado damage costs and cleanup, about the project's consideration of wetlands protection, and about the LEED Gold certification that the project will be eligible for after the board voted.

New Business

1. ***Green Development Ventures, LLC d.b.a. Allen Edwin Homes Act 381 Brownfield Plan – “Oakland Commons and Creekside Commons”, 9581 Oakland Drive and 8150 Creekside Drive***

Hallberg summarized the contents of the memorandum pertaining to the Oakland Commons and Creekside Commons Act 381 Brownfield Plan, Application, and Draft Development & Reimbursement Agreement. He indicated that the project is complex and unique for the Portage BRA Board because it is their first MSHDA Housing TIF application and there are additional eligible expenses not seen before related to housing income subsidies and infrastructure on private property, such as landscaping and driveways. He said it is also unique because it consists of two housing developments submitted under one brownfield plan, each of which qualifies for brownfield funding independently.

Hallberg showed the draft elevations, renderings, approved site plans, location maps, Tax Increment Finance Capture Tables and reimbursement tables for each development. He explained the breakdown between both projects. He shared that the combined developments will result in 114 for-lease housing units with a \$35,464,608 estimated capital investment. Hallberg shared an outline of how the MSHDA control rent structure works in comparison with the MSHDA rent-by-income for Kalamazoo County and how the new amendments to PA 381 allow for the gap in potential revenue is an eligible annual expense for rent-controlled units.

Oakland Commons will be for 58 new residential units consisting of 26 single family homes that are anticipated to be 1,640-square foot 3-bedroom homes, three duplex buildings for a total of six residential units, six 3-plex buildings for a total of 18 residential units, and two 4-plex buildings for a total of eight residential units. Of the 58 for-lease housing units at Oakland Commons, 46 will be market rate housing units and 12 will be income qualified workforce housing units for a period of fifteen (15) years. The total capital investment for Oakland Commons is estimated at \$19,000,000.

Creekside Commons will be for 46 new residential units, consisting of 38 single family homes that are anticipated to be 1,640-square foot 4-bedroom homes, and two 4-plex buildings resulting in eight attached residential units. Of the 46 for-lease housing units at Creekside Commons, 36 will be market rate housing units and 10 will be income qualified workforce housing units for a period of ten (10) years. The total capital investment for Creekside Commons is estimated at \$16,000,000.

Hallberg went through the Brownfield Plan step-by-step and outlined the unique aspects of the draft development agreement and reimbursement agreement. He reminded the board that the agreement is the key document dictating the terms of assistance in accordance with the Brownfield Plan and is still under negotiation. He shared that, historically, the board entrusts the Board Chair to execute the final version, which is typically reviewed and approved by the City Council, with the help of legal counsel and city administration.

Finally, Hallberg shared draft board motion language for the Board's consideration. Galin recommended alterations from Allen Edwin Homes to Green Development Ventures LLC.

Motion by Galin, seconded by Gallagher to approve the Act 381 Brownfield Plan and application by Green Development Ventures LLC for “Oakland Commons and Creekside Commons”, 9581 Oakland Drive and 8150 Creekside Drive, to recommend Portage City Council approval of Brownfield Plan Amendment 13 by resolution at their next appropriate meeting, and to authorize the BRA Board Chair to finalize and execute a Development Agreement and Reimbursement Agreement in support of the Plan.

Discussion: Campbell asked what the next step are. Agostinelli shared that the item would presumably go before City Council at their first meeting in March to call a public hearing. The public hearing would likely be held during the second meeting in March. If approved, the applicant would submit an Act 381 Work Plan to MSHDA, in a form similar to the Brownfield Plan the BRA Board reviewed. MSHDA would have up to 60 days to make a determination. The Development Agreement would be finalized and executed and sent to MSHDA prior to their decision as it is part of how they structure their own agreement.

Gallagher asked for clarification on what the State of Michigan captures through participation. Taylor shared details about the six-mill State Equalization Tax, of which three mills are contributed to the State Brownfield Fund throughout the developer's reimbursement period annually. He shared details about other school millage funds that are contributed to the project via the State School Aid fund, which guarantees that all schools are made whole on their funding.

Chair Lewandowski shared concerns about the timeline. Farkas indicated the construction is ready to start, with bids and contracts ready. The City Council public hearing will be the signal to start. While the timeline is going to be close, what was submitted is a general guideline and it could take a little longer. Lewandowski asked when houses would be ready for occupancy. Farkas shared the expectation is that home construction can begin in the fall of 2025, with leases signed for occupancy sometime in the spring of 2026.

Motion carried, 5-0.

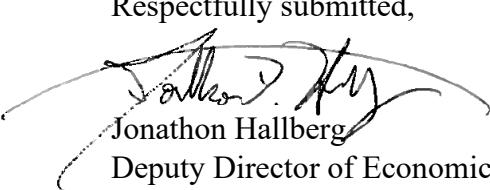
Staff Report: none

Statements of Citizens: General remarks by attendees about how different the scope and complexity of the projects has become since the start of the Brownfield program.

Adjournment:

Motion by Campbell, seconded by Karpinski, to adjourn. Motion carried, 5-0. The meeting was adjourned at 9:17 am.

Respectfully submitted,


Jonathon Hallberg
Deputy Director of Economic Development



Department of Community Development

April 3, 2025

To: City of Portage Brownfield Redevelopment Authority

FROM: Jonathon Hallberg, Deputy Director of Economic Development

SUBJECT: City of Portage Act 381 Brownfield Plan Amendment #14 – “Stanwood Crossings”, 9617 Portage Rd.

I. INTRODUCTION:

The [Brownfield Redevelopment Financing Act \(PA 381 of 1996, as amended\)](#) ("Act") allows a city, village, township or county to establish a Brownfield Redevelopment Program for the purposes of facilitating the reuse of contaminated, blighted, or functionally obsolete properties; historic resources; land bank properties; properties in targeted redevelopment areas, housing properties; and parcels that are adjacent and contiguous with qualified properties.

Per the resolution adopted by the City Council in July 2001, the City of Portage Brownfield Redevelopment Program was established to facilitate reuse of environmentally distressed, functionally obsolete, and/or blighted buildings and property in the community. This economic development program is intended to place vacant and/or underutilized/blighted properties back into productive use, fostering reinvestment in the city and, also, discouraging sprawl development.

The City of Portage has submitted a brownfield plan and P.A 381 work plan for a housing subdivision at 9617 Portage Road called “Stanwood Crossings”. The Developer intends to redevelop and improve the Property by establishing 42 owner-occupied single-family homes with an estimated total capital investment of **\$18,659,618**.

Stanwood Crossings involves the construction of 42 new residential units utilizing four different floor plans; two ranch-style two-bedroom, 1.5 bath, plans and two two-story three-bedroom, two-bath, plans. The developer anticipates construction of 12 ranch units at 1206 square feet, nine ranch units at 1353 square feet, 12 two-story units at 1504 square feet, and nine two-story units at 1696 square feet. Buyer households will be income qualified as between 80% - 120% of Area Median Income (AMI) for Kalamazoo County. All 42 units at Stanwood Crossings will be constructed on land which will be owned by the Portage Community Land Trust on a long-term ground lease. The measure will include provisions that ensure that subsequent homebuyers will be income qualified in perpetuity for the life of the homes.

As discussed below, the City of Portage’s Brownfield Redevelopment Plan Application is eligible for tax incremental financing under the Act.

II. PROPOSED BROWNFIELD REDEVELOPMENT PLAN

Attached is a copy of the City of Portage Stanwood Crossings Act 381 Brownfield Plan. The plan outlines various eligible site preparation, infrastructure improvements, environmental activities, contingency costs, and housing subsidy financing gap costs at the subject properties. In accordance with the Act, the City of Portage has identified specific housing needs through the Kalamazoo



Department of Community Development

County Housing Plan prepared by the Upjohn Institute in 2022. Review of the plan indicates a five-year increase of 8.3% in population growth and an estimated 3,900 single-family dwellings, similar to those in the Stanwood Crossings development, needed throughout the county in order to maintain pace with demand. The property is eligible under the Act because of being defined as a "Housing Property."

Eligible activities associated with the site remediation efforts proposed to be funded through state and local tax reimbursement include the following:

Michigan State Housing Development Authority (MSHDA) and Local Tax Capture Eligible Activities

- Infrastructure Improvements Necessary for Housing: underground electric and natural gas, relocation of powerlines, municipal water and sewer, stormwater detention, asphalt paving, driveway replacement for property owners at Woodbine entrance, nature trail to Portage Rd, sidewalks along public areas (excluding home frontages), driveway aprons, concrete curbs, CBU mailboxes, landscape entry statement and seeding of exposed areas, tree installations, development street signage, and soft costs (inclusive of environmental).
- Site Preparation: stripping, mass grading, road balancing, respreading of topsoil, site balancing, dewatering, conduit, gravel and subgrade, tree removal, soil erosion prevention, temporary construction drives, traffic control, general conditions.
- Contingency of 15%
- Interest of 2.9% on unreimbursed eligible expenses.
- Brownfield Plan/Act 381 Work Plan Preparation, Brownfield Plan and Administrative Expenses related to implementing the plan.
- Housing Financing Gap: comprised of the sales discount passed on to new purchasers of housing units. Additionally, gap financing or downpayment assistance measures for subsequent income-qualified purchasers of structures, renovations to structures to deferred maintenance by initial buyers in preparation for subsequent acquisitions by income-qualified purchasers.

The City of Portage seeks reimbursement for eligible activities through capture of both local and school tax dollars:

1. Specifically, the City anticipates capture of \$4,756,735 over 25 years based on a 1.0% inflation rate from school tax increment revenues for costs associated with the MSHDA Eligible Activities above, including: housing-specific infrastructure, water and sewer mains, stormwater management facility, site preparation, and brownfield/Act 381 work plan expenses. Therefore, the City has prepared an Act 381 Work Plan for approval by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) and the Michigan State Housing Development Authority (MSHDA). Total school tax increment revenue capturable for eligible expenses is estimated at \$625,446.
2. The Affordable Housing Financing Gap payment is estimated at \$3,354,043, based upon an average discount per unit of \$79.858. Additional eligible costs may be incurred as a result of deferred maintenance repairs and gap financing for future homebuyers.

3. In addition, the Act 381 Brownfield Plan anticipates capture of \$270,192 for Authority administrative cost, \$408,031 for the State Brownfield Redevelopment Fund, and \$1,002,365 for the Local Brownfield Revolving Fund.
4. As shown in Table 1 (Eligible Activity Costs) in the Act 381 Brownfield Plan, the estimated cost to complete all eligible activities, including a 15% contingency (\$586,765), and estimated interest of 2.9% on unpaid balances (\$4,495,199) is \$12,367,280.
5. The base year taxable value for purposes of capture of Tax Increment Revenue (TIR) is proposed to be 2026.

Consistent with the [City of Portage Brownfield Redevelopment Incentive Policy](#) and state statute, capture of tax increment revenue for reimbursement of eligible expenses is limited to 30 years (including any projected capture of tax increment revenue for the Local Brownfield Revolving Fund, which is projected to occur after year 25 of the Act 381 Brownfield Plan). Capture of tax increment revenue for the LBRF involves an additional five full years of capture after the developer reimbursement period.

III. CONCLUSION:

The City of Portage's Brownfield Redevelopment Plan Application is eligible for tax incremental financing under the Act. In accordance with the [City of Portage Brownfield Redevelopment Incentive Policy](#) ("Policy") and State Statute, the project is eligible for up to a 30-year TIF capture period for reimbursement of Eligible Expenses.

Notwithstanding the above, approval of any Brownfield Redevelopment Plan Application is discretionary, and the ultimate decision to approve, or deny, an application lies with the Brownfield Redevelopment Authority ("Authority"). MCL § 125.2657. Though each plan is unique, the Authority should generally consider the following when evaluating each plan:

- **Meeting Goals of City of Portage Plans** (primarily City of Portage Comprehensive Plan, City of Portage Housing Needs Assessment and/or Market Analysis, or City of Portage Attainable Housing Plan of 2022)
- **Job Creation** (quality of the jobs created by a plan, generally for non-housing applications)
- **Investment** (how much it will cost to implement a plan)
- **Location** (whether a plan is in a blighted area where the Authority seeks redevelopment, and whether the proposed use is consistent with zoning and urban planning)
- **Project Type** (whether the plan is a project that the City wants to encourage in the community).

Along with the above considerations, the [City of Portage Brownfield Redevelopment Incentive Policy](#) ("Policy") lists a number of factors for the Authority to consider. While this is a City of Portage project, the City Council generally uses the following criteria when reviewing applications:

- The financial incentives to be provided for the plan will not result in the impairment of the operation or the financial soundness of any affective taxing unit.
- A public purpose will be served (expanded tax base, additional employment, income and capital investment in the community).

- The plan will provide for an expansion of the employment base in the community.
- The plan's proposed facilities will be compatible with the present and future requirements for city services such as roads, utilities, and public safety.
- The applicant meets current financial obligations to the city, is in compliance with all applicable state and city codes and ordinances and has no pending or current litigation against the City.
- That the project pro forma, financial structure and financing commitments justify the project need and financial viability.
- That the applicant will actively pursue State of Michigan funding through an Act 381 Work Plan and will collaborate with the Community Development Department throughout the application process.
- That the requested level of incentive is commensurate with the number of Investment Criteria met within the Policy.

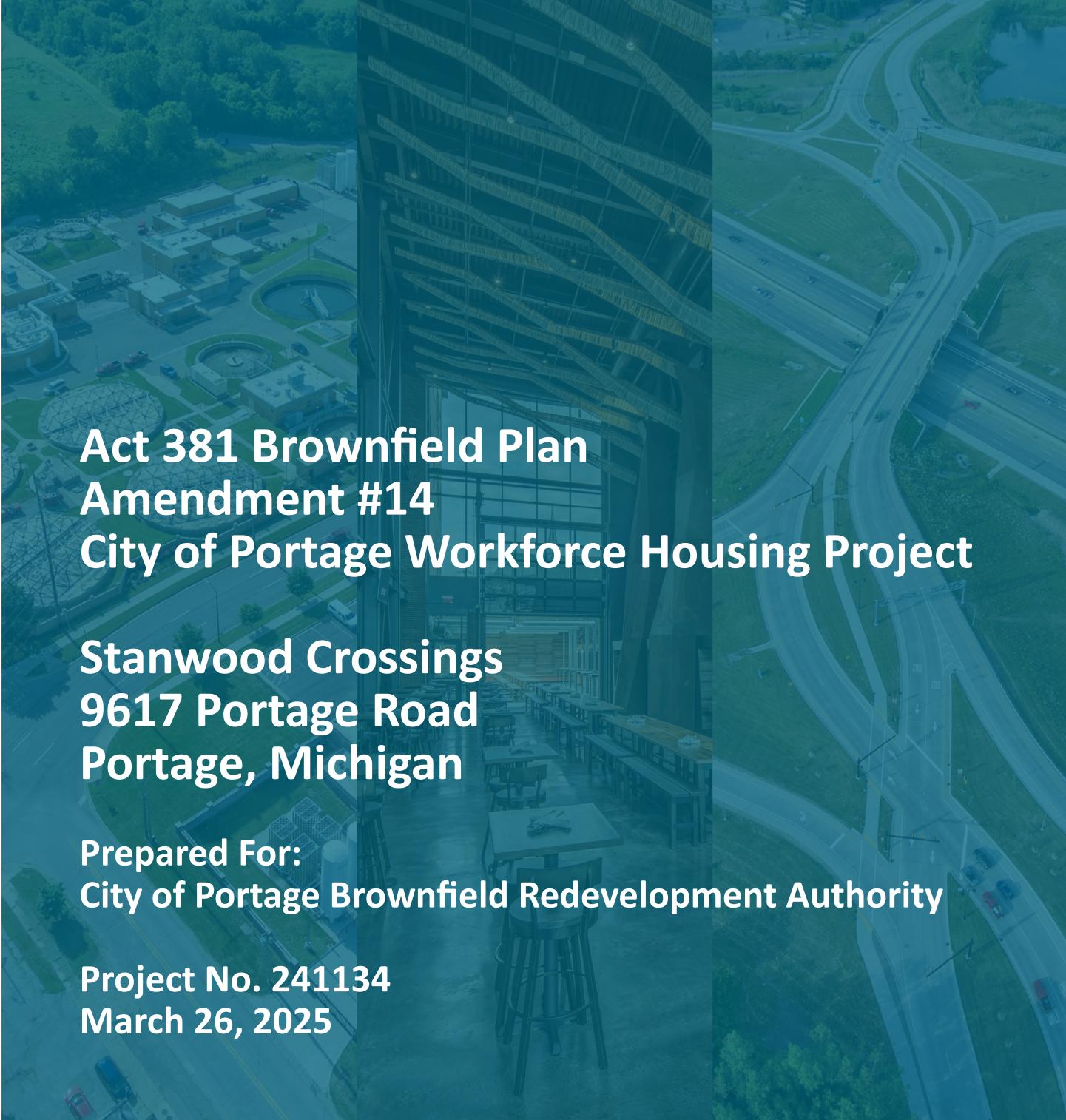
IV. RECOMMENDATION:

In accordance with the Policy, the application qualifies for a Brownfield of up to 25 years for purposes of reimbursement of Eligible Expenses along with an additional five-year capture period contributing to the Local Brownfield Revolving Fund. It is recommended that the Authority condition approval of any application upon the execution of a mutually agreed upon development and reimbursement agreement. The Authority will review the subject Brownfield Redevelopment Plan application and related documents and develop a recommendation that will be forwarded to City Council through a formal vote by the Authority.

Attachments:

Stanwood Crossings Act 381 Brownfield Plan
Draft Development and Reimbursement Agreement

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Act 381 Brownfield Plan Amendment #14 City of Portage Workforce Housing Project

**Stanwood Crossings
9617 Portage Road
Portage, Michigan**

**Prepared For:
City of Portage Brownfield Redevelopment Authority**

**Project No. 241134
March 26, 2025**

Act 381 Brownfield Plan

Amendment #14

City of Portage Workforce Housing Project

Stanwood Crossings
9617 Portage Road
Portage, Michigan

Prepared For:
City of Portage Brownfield Redevelopment Authority
Portage, Michigan

March 26, 2025
Project No. 241134

Recommended for Approval by the Brownfield Redevelopment Authority on: _____
Adopted by the City Council on: _____

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Appendix 3 – MSHDA Total Housing Subsidy (THS) Calculation

Appendix 4 – Draft Development and Reimbursement Agreement

List of Abbreviations/Acronyms

Act 381	Brownfield Redevelopment Financing Act, 1996 Public Act 381, as amended
AMI	Area Median Income
Authority	City of Portage Brownfield Redevelopment Authority
City	City of Portage
Developer	City of Portage
LBRF	Local Brownfield Revolving Fund
MSHDA	Michigan State Housing Development Authority
Plan	Brownfield Plan
Property	9617 Portage Road, Portage, MI 49002

1.0 Introduction

The City of Portage Brownfield Redevelopment Authority (Authority) was established pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, as amended (Act 381). Act 381 enables the Authority to help facilitate the redevelopment of brownfields.

This Brownfield Plan (Plan) permits the use of tax increment financing to reimburse the City of Portage (Developer) for the cost of eligible activities required to develop a property commonly referred to as Stanwood Crossings addressed 9617 Portage Road, Portage, Michigan (Eligible Property, Site, or Property); see Site Location Map (Figures 1 and 2).

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The City intends to redevelop the Site for residential purposes. The proposed redevelopment, Stanwood Crossings, will include 42 newly constructed owner-occupied dwellings. The project focuses on providing affordable housing for individuals and families earning up to 120% of Kalamazoo County's Area Median Income (AMI) and serves an important public purpose in Kalamazoo County and the City of Portage. It will expand the tax base, result in significant capital investment into the community, and most importantly create new housing opportunities in a community where quality year-round housing is needed. There will be a mix of four different model homes available including two types of two-bedroom ranch homes and two types of two-story three-bedroom dwellings. The homes will be sold at a discounted rate to qualifying households that make 80–120% of AMI. The Proposed Site Plan is included as Figure 3.

1.2 Eligible Property Information

Parcel ID No: 00026-070-J

Address: 9617 Portage Road, Portage, MI 49002

Size: Approximately 13.36 acres

Over the course of development, the property will be split into multiple parcels of property with each parcel assigned its own unique property identification number. All future new parcel IDs, streets, right-of-ways, and undeveloped land within the property boundaries described below are included in this Brownfield Plan Amendment.

Basis of Eligibility

The Property qualifies as "Eligible Property" under Act 381, on the basis of meeting the definition of a "Housing Property." Act 381 defines Housing Property, in part, as property on which one or more units of residential housing are proposed to be constructed. The project will have 42 newly constructed residential buildings upon completion, all sold to qualifying households making up to 120% of Kalamazoo County's AMI.

Pursuant to Section 2(o)(ii) of Act 381, the Housing Property must be "located in a community that has identified a specific housing need and has absorption data or job growth data included in the brownfield plan." The project meets these criteria based on the following:

1. **Specific Housing Need:** A July 2022 Housing Plan completed by the Upjohn Institute for Kalamazoo County indicates that "according to the State of Michigan population projections, Kalamazoo County is expected to grow by 8.3% between 2020 and 2030; this will result in the formation of an estimated 8,655 new households. Developers will need to build an average of 866 new units each year to keep pace with demand from household growth." The Housing Plan indicates 3,900 single-family dwellings, similar to those in the Stanwood Crossings project, are needed by 2030 to meet demand.
2. **Job Growth Data:** From 2021 to 2022, employment in the City of Portage, Michigan, increased at a rate of 1.42%, from 25,000 employees to 25,400 employees (Data USA, Census Bureau).

Relevant housing data from the sources above is provided in Appendix 2. MSHDA's Total Housing Subsidy Site-Specific Calculation demonstrating project congruence with meeting specific housing needs is provided in Appendix 3.

2.0 Information Required by Section 13(2) of the Statute

2.1 Description of Costs to be Paid for with Tax Increment Revenues

This Plan has been developed to reimburse eligible brownfield costs incurred by the Developer to support the redevelopment of the Property for new affordable housing that meets community needs. New local and state tax increment revenues will be captured for reimbursement of eligible expenses following approval of this Brownfield Plan and a MSHDA Act 381 Work Plan. No local debt or special assessment taxes will be captured to reimburse eligible activity costs. The Developer has sufficient fund balance within its Capital Improvement Fund available for property development, and reimbursable eligible activity purchases will be initially funded by the Capital Improvement Fund. The eligible activities allowed under this Plan are any activities that are considered "Housing Development Activities" as that term is defined in Act 381 of 1996. Eligible activities must benefit "income qualified households," defined in Act 381 Section 2(z) as "a person, a family, or unrelated persons living together, whose annual household income is not more than 120% of the area median income."

The total cost of eligible activities, including contingencies and interest expense, is anticipated to be \$12,367,280 and is further described below in Section 2.2 and summarized in Table 1. At this time, this Brownfield Plan intends to capture tax increment for the full 30 years allowed under statute. The total cost of eligible activities is expected to exceed the available tax increment revenues, meaning that only a portion of the eligible costs are projected to be fully reimbursed. However, the Authority intends to place the final five years of tax capture into the Local Brownfield Revolving Fund (LBRF).

2.1.1 *Infrastructure Improvements Necessary for Housing*

Infrastructure necessary to serve the housing will include utilities, roads, sidewalks, curb and gutter, replacement driveways, trees, landscaping, and signage. Related soft costs include landscape architect, civil engineering, legal, etc. Total infrastructure costs are estimated at \$2,572,098.

MSHDA Eligible Activities – Infrastructure Improvements	Cost
Underground electric and natural gas	\$ 70,000
Relocate powerlines along Stanley on poles	\$180,000
Municipal water	\$308,514
Stormwater	\$255,000
Municipal sewer	\$313,726
Staking	\$45,000
Asphalt paving	\$193,750
Replace driveways for woodbine owners (adjacent to entry)	\$26,050
Sidewalks along entry roads & storm pond trail & mailbox area	\$62,500
Concrete curbs	\$110,325
Landscape architect	\$10,000
CBU mailboxes – required by post office	\$13,575
Landscape, entry statement, seed roadside, etc.	\$44,677
Trees	\$59,020
Fencing	\$39,018
Development and street signage	\$40,020
General conditions	\$177,840

MSHDA Eligible Activities – Infrastructure Improvements	Cost
Soft costs (environmental, surveying, legal, planning)	\$623,083
Subtotal	\$2,572,098

2.1.2 Site Preparation Necessary for Housing

Site preparation will include at a minimum stripping the land of vegetation, grading and balancing the Site, spreading topsoil, constructing roads, and sedimentation and erosion control. Site preparation costs are estimated to be \$1,339,675.

MSHDA Eligible Activities – Site Preparation	Cost
Stripping, mass grading, road balance, respread topsoil, etc.	\$804,000
Site demo	\$10,000
Dewatering	\$225,000
Conduit	\$28,000
22A gravel in place & subgrade for curb	\$160,000
Tree removal	\$79,375
SESC silt fence, straw, blankets, silt sacks, etc.	\$33,300
Subtotal	\$1,339,675

2.1.3 Development of Housing Financing Gap and Other Housing Development Activities

Act 381 Section 2(x)(iv) permits reimbursement from tax increment revenues “to fill a financing gap associated with the development of housing units priced for income qualified households” in order to provide affordable housing in communities throughout the state of Michigan. The Potential Development Loss is the total sales discount that will be passed on to the new purchasers. An average price discount per unit of \$79,858 is anticipated, which in total is estimated to be \$3,354,043. The Total Housing Subsidy is calculated in Appendix 3. This cost may also be utilized to provide gap financing or downpayment assistance to subsequent income-qualified purchasers of a structure. Additionally, should it be necessary to make renovations to a structure due to deferred maintenance by the first buyer, such repairs could be made by the City as an eligible Housing Development Activity to support subsequent acquisition of the structure by an income-qualified buyer.

2.1.4 Brownfield Plan/Work Plan Preparation and Implementation

Preparation and implementation of the Brownfield Plan and Act 381 Work Plan are also included and expected to be a cost of \$19,500.

2.1.5 Contingency

A 15% contingency on infrastructure improvements and site preparation costs is included to cover unexpected cost overruns encountered during construction on future costs. The total contingency cost is anticipated at \$586,765.

2.1.6 Interest

Interest on the unreimbursed expenses at a rate of 2.9% is an eligible expense. This cost is expected to be \$4,495,199 over the life of the Plan.

2.1.7 Authority Administration Cost

Eligible administrative costs incurred by the Authority are included in this Plan as an eligible expense at a flat fee of 5% of local tax capture. These expenses will be reimbursed with local tax increment revenues only.

2.2 Summary of Eligible Activities

Housing Development Activities

Because the project is “Housing Property” as defined by Act 381, housing development costs defined in Section 2(o)(ii) of Act 381 can be reimbursed through a Brownfield Plan. This Plan will provide for reimbursement of any of the following eligible activities including eligible infrastructure improvements, site preparation, future building renovations, the development of housing financing gap, development and implementation of the Brownfield Plan and Act 381 Work Plan, and interest expense. These costs will be reimbursed with state and local tax increment revenues following the approval of a MSHDA Act 381 Work Plan.

Authority Expenses

Eligible administrative costs incurred by the Authority are included in this Plan as an eligible expense at 5% of local tax capture. These expenses will be reimbursed with local tax increment revenues only.

Contingencies

A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction on future costs. These costs will be reimbursed with state and local tax increment revenues following the approval of a MSHDA Act 381 Work Plan.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

The initial taxable value will be the 2025 taxable value of \$0 as the Property is currently tax exempt. An estimate of the captured taxable value for this redevelopment by year is depicted in Tables 2 and 3. This Plan captures real property tax increment revenues and assumes a 1% annual increase in the taxable value of the Eligible Property.

Project activities will commence in 2025. Construction of the 42 units will occur over the following two years with the project expected to be fully built out by the end of 2027. Tax increment revenue collection will start within five years of the adoption of this Plan and is anticipated to begin as early as 2026. After the completion of the project, the projected taxable value is estimated at \$5,145,943.

Reimbursements will be made based on actual tax increment revenues. The estimated captured taxable value for this redevelopment by year and in aggregate for each taxing jurisdiction is depicted in tabular form (Tables 2 and 3). The Plan also includes a flat fee of 5% of the local tax increment for administrative and operating expenses of the Authority. The Authority intends to capture local tax increment revenues from the final five years of the Plan for placement into an LBRF, provided the amount does not exceed the total cost of eligible activities. A summary of the estimated reimbursement schedule by year and in aggregate is presented in Table 4.

2.4 Method of Financing and Description of Advances Made by the Municipality

The eligible activities contemplated under this Plan will be financed by the Developer. As the Developer has sufficient fund balance within its Capital Improvement Fund available for property development, reimbursable eligible activity purchases will be initially funded by the Capital Improvement Fund. Reimbursement of approved Developer eligible costs will conform to a Development and Reimbursement Agreement between the Developer and the Authority. Tax increment financing utilizing new local and state tax increment revenue from the project will be the source of the reimbursement, as outlined in this Plan.

2.5 Maximum Amount of Note or Bonded Indebtedness

At this time, there are no plans by the Authority to incur indebtedness to support the development of this Site, but such plans could be made in the future to assist in the development if the Authority so chooses.

2.6 Duration of Brownfield Plan

The Authority intends to begin the capture of tax increment revenue in 2026. It is anticipated that Developer reimbursement will continue over the following 30 years, the maximum length of tax capture allowed by the statute. In the final five years of the Plan, the tax increment will be deposited into the LBRF provided the amount does not exceed the total cost of eligible activities. An analysis showing the reimbursement schedule is attached in Table 4.

2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail in Table 2.

2.8 Legal Description, Property Map, Statement of Qualifying Characteristics, and Personal Property

The Property consists of one parcel addressed as 9617 Portage Road, occupying approximately 13.36 acres. The parcel ID number for the Property is below. A Site Map is attached as Figure 2. No personal property is included as eligible property. For a Statement of Qualifying Characteristics, see Section 1.2 of this Plan.

The legal description is as follows:

Parcel ID No.: 00026-070-J

LAND SITUATED IN THE CITY OF PORTAGE, COUNTY OF KALAMAZOO, STATE OF MICHIGAN, DESCRIBED AS FOLLOWS:

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 3 SOUTH, RANGE 11 WEST, CITY OF PORTAGE, KALAMAZOO COUNTY, MICHIGAN, DESCRIBED AS: COMMENCING AT THE SOUTHWEST CORNER OF LOT 46, SUPERVISOR'S PLAT OF MCCAMLEY BEACH AS RECORDED IN LIBER 13 OF PLATS, PAGE 5, KALAMAZOO COUNTY RECORDS; THENCE NORTH 88° 55' 53" WEST (RECORDED AS WEST) ON THE NORTH RIGHT OF WAY LINE OF STANLEY DRIVE 1944.85 FEET (RECORDED AS 1945.00 FEET) TO A CAPPED IRON ID

#16935 AND THE POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED: THENCE CONTINUING NORTH 88° 55' 53" WEST (RECORDED AS WEST) ON SAID NORTH RIGHT OF WAY LINE 383.05 FEET (RECORDED AS 382.08 FEET MORE OR LESS) TO A CAPPED IRON ID #16935 AND A POINT THAT IS 329.88 FEET (RECORDED AS 330 FEET) EAST OF THE EAST RIGHT OF WAY LINE OF PORTAGE ROAD; THENCE NORTH 11° 15' 06" EAST ON A LINE PREVIOUSLY DESCRIBED AS BEING PARALLEL WITH SAID EAST RIGHT OF WAY LINE 134.18 FEET (RECORDED AS 134.13 FEET) TO A CAPPED IRON #16935; THENCE NORTH 88° 57' 58" WEST (RECORDED AS WEST) ON A LINE PREVIOUSLY DESCRIBED AS BEING PARALLEL WITH THE NORTH LINE OF SAID STANLEY DRIVE 164.99 FEET

(RECORDED AS 165.15 FEET) TO A CAPPED IRON; THENCE NORTH 11° 21' 52" EAST ON A LINE PREVIOUSLY DESCRIBED AS BEING PARALLEL WITH SAID EAST RIGHT OF WAY LINE 64.88 FEET (RECORDED AS 64.94 FEET) TO A RECTANGULAR IRON ROD; THENCE NORTH 89° 08' 55" WEST (RECORDED AS WEST) ON A LINE PREVIOUSLY DESCRIBED AS BEING PARALLEL WITH THE NORTH RIGHT OF WAY LINE OF SAID STANLEY DRIVE 164.91 FEET (RECORDED AS 165 FEET) TO A CAPPED IRON ID #38116 ON THE EAST RIGHT OF WAY LINE OF SAID PORTAGE ROAD; THENCE NORTH 11° 19' 08" EAST ON SAID EAST RIGHT OF WAY LINE 67.00 FEET

(RECORDED AS 67.13 FEET) TO A ½" REBAR WITH BROKEN CAP; THENCE SOUTH 89° 08' 55" EAST (RECORDED AS EAST) ON A LINE PREVIOUSLY DESCRIBED AS BEING PARALLEL WITH THE NORTH RIGHT OF WAY LINE OF STANLEY DRIVE 164.90 FEET (RECORDED AS 165 FEET) TO A CAPPED IRON ID #38116; THENCE NORTH 11° 19' 08" EAST PARALLEL WITH SAID EAST RIGHT OF WAY LINE 369.20 FEET TO A CAPPED IRON ID #38116; THENCE NORTH 11° 01' 52" EAST 67.20 FEET TO A ½" SQUARE IRON; THENCE NORTH 11° 19' 52" EAST 221.63 FEET

(RECORDED AS 221.72 FEET) TO A CONCRETE MONUMENT AT THE SOUTHWEST CORNER OF LOT 32 OF THE RECORDED PLAT OF MCCAMLEY MANOR AS RECORDED IN LIBER 25 OF PLATS, PAGE 42 KALAMAZOO COUNTY RECORDS; THENCE SOUTH 89° 13' 17" EAST (RECORDED AS EAST) ON THE SOUTH LINE OF SAID LOT 32 A DISTANCE OF 106.86 FEET (RECORDED AS 106.92 FEET) TO A CONCRETE MONUMENT AT THE SOUTHWEST CORNER OF OUTLOT "B", SAID MCCAMLEY MANOR; THENCE NORTH 00° 50' 02" EAST (RECORDED AS NORTH) ON THE WEST LINE OF SAID OUTLOT "B" 144.91 FEET (RECORDED AS 145 FEET) TO A ½" REBAR ON THE NORTH LINE OF SAID OUTLOT "B"; THENCE SOUTH 89° 12' 16" EAST (RECORDED AS EAST) ON SAID NORTH LINE 66.00 FEET TO A CAPPED IRON ID #16935 AT THE NORTHEAST CORNER OF SAID OUTLOT "B"; THENCE SOUTH 00° 49' 40" WEST (RECORDED AS SOUTH) ON THE EAST LINE OF SAID OUTLOT "B" 144.89 FEET (RECORDED AS 145 FEET) TO A CONCRETE MONUMENT AT THE SOUTHEAST CORNER OF SAID OUTLOT "B"; THENCE SOUTH 89° 13' 17" EAST (RECORDED AS EAST) ON THE SOUTH LINE OF SAID MCCAMLEY MANOR 431.01 FEET TO A CAPPED IRON ID #16935 AT A POINT THAT IS 968 FEET WEST OF THE SOUTHEAST CORNER OF LOT 50, SAID MCCAMLEY MANOR; THENCE SOUTH 01° 02' 52" WEST (RECORDED AS SOUTH) ON A LINE PREVIOUSLY DESCRIBED AS BEING PERPENDICULAR TO THE NORTH RIGHT OF WAY LINE OF SAID STANLEY DRIVE 712.20 FEET (RECORDED AS 712.60 FEET) TO A CAPPED IRON ID #16935; THENCE NORTH 88° 55' 15" WEST (RECORDED AS WEST) ON A LINE PREVIOUSLY DESCRIBED AS BEING PARALLEL WITH THE NORTH RIGHT OF WAY LINE OF SAID STANLEY DRIVE 220.11 FEET (RECORDED AS 220 FEET) TO A CAPPED IRON ID #16935; THENCE SOUTH 01° 04' 25" WEST (RECORDED AS SOUTH) ON A LINE PREVIOUSLY DESCRIBED AS BEING PERPENDICULAR TO SAID NORTH RIGHT OF WAY LINE 200.20 FEET (RECORDED AS 200 FEET) TO THE POINT OF BEGINNING. CONTAINING 13.30 ACRES MORE OR LESS.

BEARINGS ARE RELATED TO THE MICHIGAN STATE PLANE COORDINATE SYSTEM, SOUTH ZONE.

Over the course of development, the property will be split into multiple parcels of property with each parcel assigned its own unique property identification number. All future new parcel IDs, streets, right-of-ways, and undeveloped land within the property boundaries described below are included in this Brownfield Plan Amendment.

The Property is located in the City of Portage, a Qualified Local Government Unit. The Property qualifies as Eligible Property under Act 381 on the basis of meeting the definition of a "Housing Property."

2.9 Estimates of Residents and Displacement of Individuals/Families

There are no residents or families residing at this Property; thus, no residents, families, or individuals will be displaced by the project.

2.10 Plan for Relocation of Displaced Persons

No persons reside on the Eligible Property. Therefore, this section is not applicable.

2.11 Provisions for Relocation Costs

No persons reside on the Eligible Property. Therefore, this section is not applicable.

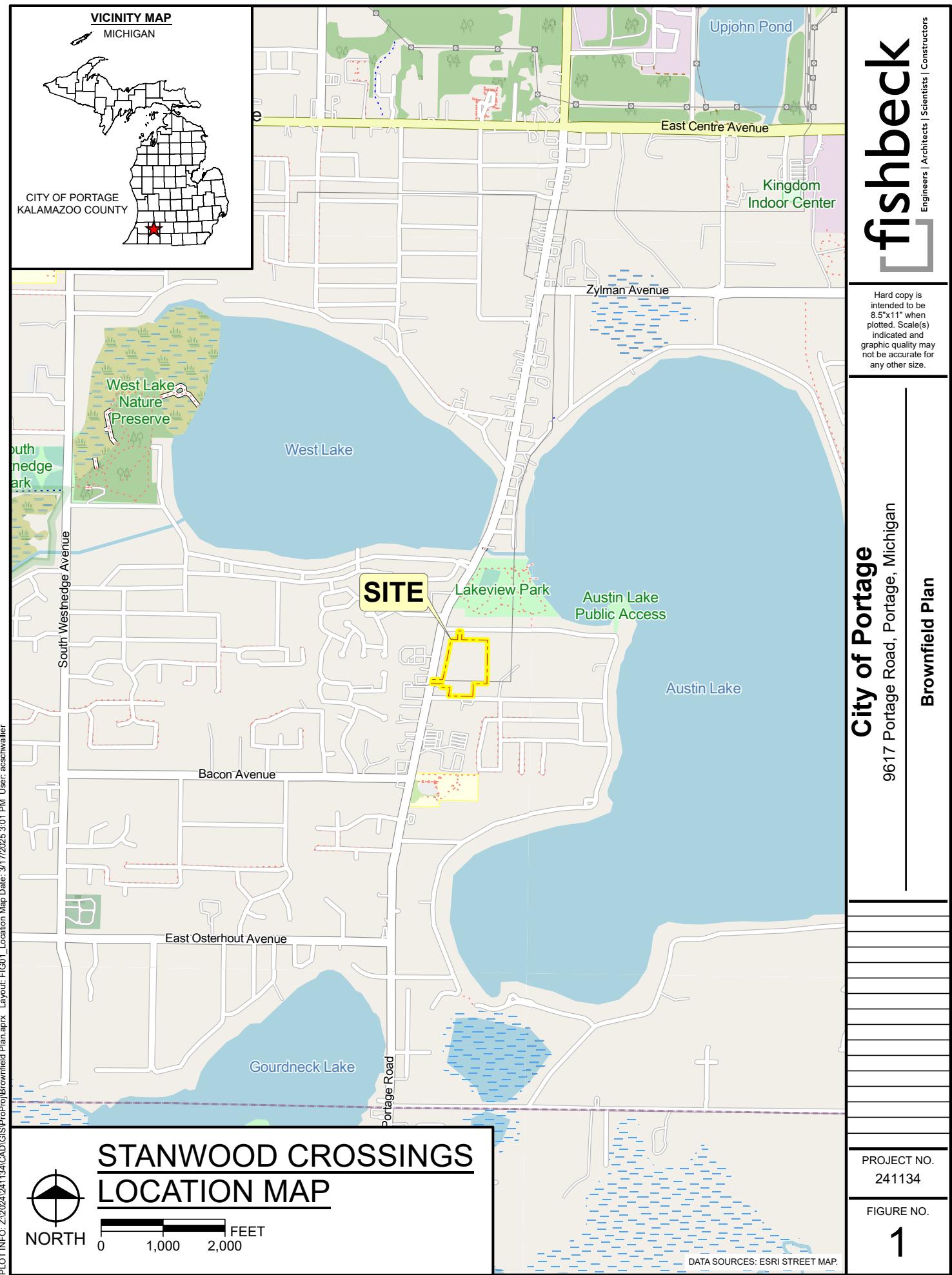
2.12 Strategy for Compliance with Michigan's Relocation Assistance Law

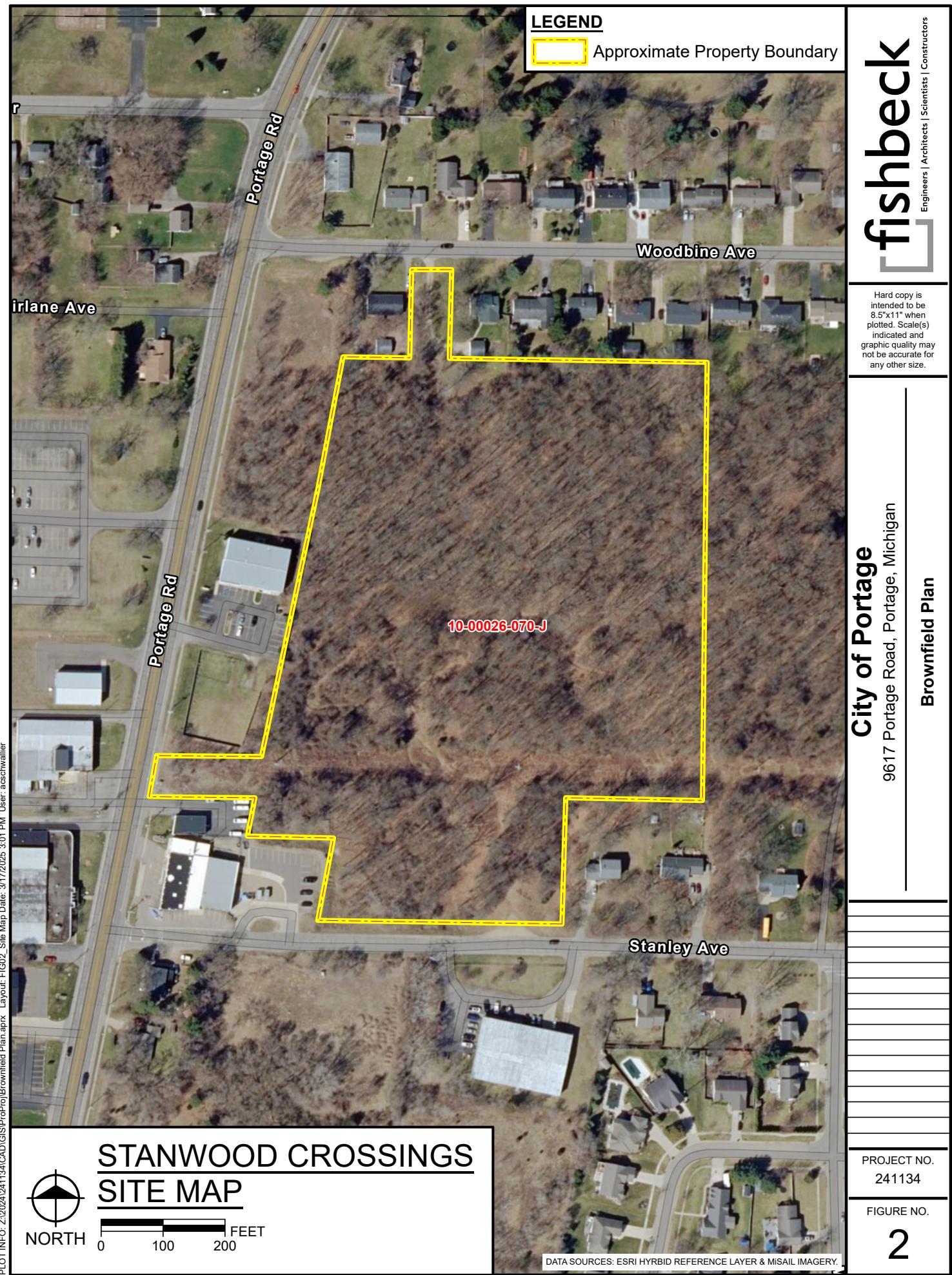
No persons reside on the Eligible Property. Therefore, this section is not applicable.

2.13 Other Material that the Authority or Governing Body Considers Pertinent

This Plan helps to offset the cost of eligible activities associated with the redevelopment of the Property using tax increment financing. The resulting project will increase affordable housing opportunities, increase the tax base of the City, and transition vacant/underutilized land to a new viable use in accordance with local planning efforts.

Figures





Tables

Table 1 – Summary of Eligible Costs
 Act 381 Brownfield Plan
 Stanwood Crossings

MSHDA Eligible Activities Costs and Schedule

MSHDA Eligible Activities	Cost	Completion Season/Year
Infrastructure Improvements	\$ 2,572,098	
UNDERGROUND ELECTRIC AND NATURAL GAS	\$ 70,000	
RELOCATE POWERLINES ALONG STANLEY ON POLES	\$ 180,000	
MUNICIPAL WATER	\$ 308,514	
STORMWATER	\$ 255,000	
MUNICIPAL SEWER	\$ 313,726	
STAKING	\$ 45,000	
ASPHALT PAVING	\$ 193,750	
REPLACE DRIVEWAYS FOR WOODBINE OWNERS (ADJACENT TO ENTRY)	\$ 26,050	
SIDEWALKS ALONG ENTRY ROADS & STORM POND TRAIL & MAILBOX AREA	\$ 62,500	
CONCRETE CURBS	\$ 110,325	
LANDSCAPE ARCHITECT	\$ 10,000	
CBU MAILBOXES - REQUIRD BY POST OFFICE	\$ 13,575	
LANDSCAPE AND SEEDING	\$ 44,677	
TREES	\$ 59,020	
FENCING	\$ 39,018	
DEVELOPMENT AND STREET SIGNAGE	\$ 40,020	
GENERAL CONDITIONS	\$ 177,840	
SOFT COSTS (SURVEYING, LEGAL, PLANNING)	\$ 623,083	
Site Preparation	\$ 1,339,675	
STRIPPING, MASS GRADING, ROAD BALANCE, RESPREAD TOPSOIL, ETC	\$ 804,000.00	
SITE DEMO	\$ 10,000.00	
DEWATERING	\$ 225,000.00	
CONDUIT	\$ 28,000.00	
22A GRAVEL IN PLACE & SUBGRADE FOR CURB	\$ 160,000.00	
TREE REMOVAL -	\$ 79,375.00	
SESC SILT FENCE, STRAW, BLANKETS, SILT SACKS, ETC.	\$ 33,300.00	
Potential Development Loss	\$ 3,354,043	
Potential Development Loss	\$ 3,354,043	
MSHDA Eligible Activities Subtotal	\$ 7,265,816	
Contingency (15%)	\$ 586,765	
Interest Expense	\$ 4,495,199	
Brownfield Plan/Work Plan Preparation and Implementation	\$ 19,500	
MSHDA Eligible Activities Total Costs	\$ 12,367,280	

Table 2 – Total Captured Incremental Taxes Schedule

(Buildings)

Act 381 Brownfield Plan

Stanwood Crossings, Portage, MI

Estimated Taxable Value (TV) Increase Rate: 1% increase per year																																
Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	Totals	
Calendar Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055		
*Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Future Taxable Value-(Bldgs)	\$ 668,250	\$ 2,673,000	\$ 4,677,750	\$ 4,724,528	\$ 4,771,773	\$ 4,819,491	\$ 4,867,685	\$ 4,916,362	\$ 4,965,526	\$ 5,015,181	\$ 5,065,333	\$ 5,115,986	\$ 5,167,146	\$ 5,218,818	\$ 5,271,006	\$ 5,323,716	\$ 5,376,953	\$ 5,430,723	\$ 5,485,030	\$ 5,539,880	\$ 5,595,279	\$ 5,651,232	\$ 5,707,744	\$ 5,764,821	\$ 5,822,470	\$ 5,880,694	\$ 5,939,501	\$ 5,998,896	\$ 6,058,885	\$ 6,119,474	\$ 6,180,669	
Incremental Difference (New TV - Base TV)	\$ 668,250	\$ 2,673,000	\$ 4,677,750	\$ 4,724,528	\$ 4,771,773	\$ 4,819,491	\$ 4,867,685	\$ 4,916,362	\$ 4,965,526	\$ 5,015,181	\$ 5,065,333	\$ 5,115,986	\$ 5,167,146	\$ 5,218,818	\$ 5,271,006	\$ 5,323,716	\$ 5,376,953	\$ 5,430,723	\$ 5,485,030	\$ 5,539,880	\$ 5,595,279	\$ 5,651,232	\$ 5,707,744	\$ 5,764,821	\$ 5,822,470	\$ 5,880,694	\$ 5,939,501	\$ 5,998,896	\$ 6,058,885	\$ 6,119,474	\$ 6,180,669	
School Capture	Millage Rate																															
State Education Tax (SET)	\$ 6,000	\$ 4,010	\$ 16,038	\$ 28,067	\$ 28,347	\$ 28,631	\$ 28,917	\$ 29,206	\$ 29,498	\$ 29,793	\$ 30,091	\$ 30,392	\$ 30,696	\$ 31,003	\$ 31,313	\$ 31,626	\$ 31,942	\$ 32,262	\$ 32,584	\$ 32,910	\$ 33,239	\$ 33,572	\$ 33,907	\$ 34,246	\$ 34,589	\$ 34,935	\$ 35,284	\$ 35,637	\$ 35,993	\$ 36,353	\$ 36,717	\$ 848,729
School Operating Tax (Assumes all structures are PRE)	\$ 0,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
School Total	\$ 6,000	\$ 4,010	\$ 16,038	\$ 28,067	\$ 28,347	\$ 28,631	\$ 28,917	\$ 29,206	\$ 29,498	\$ 29,793	\$ 30,091	\$ 30,392	\$ 30,696	\$ 31,003	\$ 31,313	\$ 31,626	\$ 31,942	\$ 32,262	\$ 32,584	\$ 32,910	\$ 33,239	\$ 33,572	\$ 33,907	\$ 34,246	\$ 34,589	\$ 34,935	\$ 35,284	\$ 35,637	\$ 35,993	\$ 36,353	\$ 36,717	\$ 848,729
Local Capture	Millage Rate																															
City of Portage	\$ 10,400	\$ 7,110	\$ 28,441	\$ 49,771	\$ 50,369	\$ 50,772	\$ 51,279	\$ 51,792	\$ 52,310	\$ 52,833	\$ 53,362	\$ 53,895	\$ 54,424	\$ 54,978	\$ 55,528	\$ 56,064	\$ 56,644	\$ 57,211	\$ 57,783	\$ 58,361	\$ 58,944	\$ 59,534	\$ 60,129	\$ 60,730	\$ 61,338	\$ 61,931	\$ 62,571	\$ 63,196	\$ 64,467	\$ 65,111	\$ 1,595,079	
KVCC	\$ 2,7729	\$ 1,853	\$ 7,412	\$ 12,971	\$ 13,101	\$ 13,232	\$ 13,364	\$ 13,496	\$ 13,626	\$ 13,769	\$ 13,907	\$ 14,046	\$ 14,186	\$ 14,328	\$ 14,471	\$ 14,616	\$ 14,762	\$ 15,059	\$ 15,209	\$ 15,351	\$ 15,505	\$ 15,650	\$ 15,805	\$ 16,145	\$ 16,307	\$ 16,470	\$ 16,634	\$ 16,801	\$ 16,969	\$ 17,249		
KRESA ISD	\$ 6,9785	\$ 4,663	\$ 18,654	\$ 33,644	\$ 33,970	\$ 33,900	\$ 33,633	\$ 33,466	\$ 33,309	\$ 33,240	\$ 33,173	\$ 33,106	\$ 33,041	\$ 33,073	\$ 33,099	\$ 33,035	\$ 33,071	\$ 33,027	\$ 33,077	\$ 33,027	\$ 33,077	\$ 33,027	\$ 33,077	\$ 33,027	\$ 33,077	\$ 33,027	\$ 33,077	\$ 33,027	\$ 33,077	\$ 33,027	\$ 33,077	
School Site Sinking Fund	\$ 0,4983	\$ 333	\$ 1,322	\$ 2,331	\$ 2,354	\$ 2,378	\$ 2,402	\$ 2,426	\$ 2,450	\$ 2,474	\$ 2,504	\$ 2,524	\$ 2,557	\$ 2,601	\$ 2,627	\$ 2,653	\$ 2,679	\$ 2,706	\$ 2,733	\$ 2,761	\$ 2,788	\$ 2,816	\$ 2,837	\$ 2,901	\$ 2,930	\$ 2,960	\$ 2,989	\$ 3,019	\$ 3,049	\$ 70,487		
County Oper	\$ 4,6202	\$ 3,087	\$ 12,350	\$ 21,612	\$ 21,828	\$ 22,047	\$ 22,267	\$ 22,490	\$ 22,715	\$ 23,035	\$ 23,357	\$ 23,773	\$ 24,112	\$ 24,453	\$ 24,597	\$ 25,091	\$ 25,342	\$ 25,585	\$ 26,110	\$ 26,371	\$ 26,635	\$ 26,901	\$ 27,176	\$ 27,442	\$ 27,716	\$ 28,273	\$ 28,654	\$ 28,715	\$ 28,776	\$ 28,837		
CCTA Transport	\$ 0,8933	\$ 597	\$ 2,388	\$ 4,179	\$ 4,220	\$ 4,263	\$ 4,305	\$ 4,348	\$ 4,392	\$ 4,436	\$ 4,480	\$ 4,525	\$ 4,570	\$ 4,616	\$ 4,662	\$ 4,709	\$ 4,756	\$ 4,803	\$ 4,849	\$ 4,998	\$ 5,048	\$ 5,150	\$ 5,205	\$ 5,253	\$ 5,306	\$ 5,359	\$ 5,412	\$ 5,467	\$ 5,523	\$ 5,580		
KCTA Transport	\$ 0,3102	\$ 207	\$ 829	\$ 1,451	\$ 1,466	\$ 1,495	\$ 1,510	\$ 1,530	\$ 1,556	\$ 1,571	\$ 1,587	\$ 1,603	\$ 1,619	\$ 1,635	\$ 1,650	\$ 1,668	\$ 1,685	\$ 1,701	\$ 1,718	\$ 1,736	\$ 1,753	\$ 1,771	\$ 1,788	\$ 1,806	\$ 1,824	\$ 1,842	\$ 1,861	\$ 1,879	\$ 1,898	\$ 43,879		
Library	\$ 1,6942	\$ 998	\$ 3,994	\$ 6,989	\$ 7,059	\$ 7,121	\$ 7,186	\$ 7,253	\$ 7,319	\$ 7,386	\$ 7,451	\$ 7,516	\$ 7,581	\$ 7,644	\$ 7,711	\$ 7,776	\$ 7,841	\$ 7,906	\$ 7,971	\$ 8,034	\$ 8,115	\$ 8,186	\$ 8,257	\$ 8,328	\$ 8,394	\$ 8,464	\$ 8,532	\$ 8,601	\$ 8,669	\$ 9,053	\$ 9,144	\$ 211,362
Library Ext	\$ 0,4980	\$ 333	\$ 1,331	\$ 2,330	\$ 2,353	\$ 2,376	\$ 2,400	\$ 2,424	\$ 2,448	\$ 2,473	\$ 2,498	\$ 2,523	\$ 2,548	\$ 2,573	\$ 2,605	\$ 2,625	\$ 2,651	\$ 2,678	\$ 2,704	\$ 2,732	\$ 2,759	\$ 2,786	\$ 2,814	\$ 2,842	\$ 2,871	\$ 2,900	\$ 2,929	\$ 2,958	\$ 3,047	\$ 70,444</		

Table 3 – Total Captured Incremental Taxes Schedule

(Land)

Act 381 Brownfield Plan

Stanwood Crossings, Portage, MI

Estimated Taxable Value (TV) Increase Rate: 1% increase per year																																	
Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	Totals		
Calendar Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055			
*Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Future Taxable Value- (Land)	\$ 66,885	\$ 267,539	\$ 468,193	\$ 472,874	\$ 477,603	\$ 482,379	\$ 487,203	\$ 492,075	\$ 496,996	\$ 501,966	\$ 506,985	\$ 512,055	\$ 517,176	\$ 522,348	\$ 527,571	\$ 532,847	\$ 538,175	\$ 543,557	\$ 548,993	\$ 554,482	\$ 560,027	\$ 565,628	\$ 571,284	\$ 576,997	\$ 582,767	\$ 588,594	\$ 594,480	\$ 600,425	\$ 606,429	\$ 612,494	\$ 618,619		
Incremental Difference (New TV - Base TV)	\$ 66,885	\$ 267,539	\$ 468,193	\$ 472,874	\$ 477,603	\$ 482,379	\$ 487,203	\$ 492,075	\$ 496,996	\$ 501,966	\$ 506,985	\$ 512,055	\$ 517,176	\$ 522,348	\$ 527,571	\$ 532,847	\$ 538,175	\$ 543,557	\$ 548,993	\$ 554,482	\$ 560,027	\$ 565,628	\$ 571,284	\$ 576,997	\$ 582,767	\$ 588,594	\$ 594,480	\$ 600,425	\$ 606,429	\$ 612,494	\$ -		
School Capture	Millage Rate																																
State Education Tax (SET)	6.0000	\$ 401	\$ 1,605	\$ 2,809	\$ 2,837	\$ 2,866	\$ 2,894	\$ 2,923	\$ 2,952	\$ 2,982	\$ 3,012	\$ 3,042	\$ 3,072	\$ 3,103	\$ 3,134	\$ 3,165	\$ 3,197	\$ 3,229	\$ 3,261	\$ 3,294	\$ 3,327	\$ 3,360	\$ 3,394	\$ 3,428	\$ 3,462	\$ 3,497	\$ 3,532	\$ 3,567	\$ 3,603	\$ 3,639	\$ 3,675	\$ 84,949	
School Operating Tax (Land not subject to PRE)	17.5995	\$ 1,175	\$ 4,701	\$ 8,226	\$ 8,308	\$ 8,391	\$ 8,475	\$ 8,560	\$ 8,646	\$ 8,732	\$ 8,819	\$ 8,907	\$ 9,077	\$ 9,269	\$ 9,362	\$ 9,455	\$ 9,550	\$ 9,646	\$ 9,742	\$ 9,839	\$ 9,938	\$ 10,037	\$ 10,138	\$ 10,239	\$ 10,341	\$ 10,445	\$ 10,549	\$ 10,655	\$ 10,761	\$ 248,751			
School Total	Millage Rate	\$ 23.995	\$ 1,576	\$ 6,306	\$ 11,035	\$ 11,145	\$ 11,257	\$ 11,369	\$ 11,483	\$ 11,598	\$ 11,714	\$ 11,831	\$ 11,949	\$ 12,069	\$ 12,180	\$ 12,311	\$ 12,435	\$ 12,559	\$ 12,685	\$ 12,811	\$ 12,939	\$ 13,069	\$ 13,200	\$ 13,322	\$ 13,465	\$ 13,600	\$ 13,726	\$ 13,873	\$ 14,012	\$ 14,152	\$ 14,293	\$ 14,436	\$ 333,699
Local Capture	Millage Rate																																
City of Portage	10.6400	\$ 712	\$ 2,847	\$ 4,982	\$ 5,031	\$ 5,082	\$ 5,133	\$ 5,184	\$ 5,236	\$ 5,288	\$ 5,341	\$ 5,503	\$ 5,558	\$ 5,613	\$ 5,669	\$ 5,726	\$ 5,783	\$ 5,841	\$ 5,900	\$ 5,959	\$ 6,018	\$ 6,078	\$ 6,139	\$ 6,201	\$ 6,263	\$ 6,325	\$ 6,482	\$ 6,557	\$ 6,624	\$ 6,692			
KVCC	2.7729	\$ 185	\$ 742	\$ 1,298	\$ 1,311	\$ 1,324	\$ 1,338	\$ 1,351	\$ 1,364	\$ 1,378	\$ 1,406	\$ 1,420	\$ 1,434	\$ 1,448	\$ 1,463	\$ 1,478	\$ 1,493	\$ 1,507	\$ 1,522	\$ 1,538	\$ 1,553	\$ 1,568	\$ 1,584	\$ 1,600	\$ 1,616	\$ 1,632	\$ 1,648	\$ 1,665	\$ 1,682	\$ 1,698	\$ 39,259		
KRESA ISD	6.9785	\$ 467	\$ 1,867	\$ 3,267	\$ 3,300	\$ 3,333	\$ 3,366	\$ 3,400	\$ 3,434	\$ 3,468	\$ 3,503	\$ 3,538	\$ 3,565	\$ 3,609	\$ 3,645	\$ 3,682	\$ 3,718	\$ 3,756	\$ 3,793	\$ 3,831	\$ 3,869	\$ 3,908	\$ 3,947	\$ 3,987	\$ 4,027	\$ 4,067	\$ 4,108	\$ 4,149	\$ 4,190	\$ 4,232	\$ 4,274	\$ 98,802	
School Site Sinking Fund	0.4983	\$ 33	\$ 133	\$ 233	\$ 236	\$ 238	\$ 240	\$ 243	\$ 245	\$ 250	\$ 253	\$ 255	\$ 260	\$ 263	\$ 266	\$ 271	\$ 274	\$ 279	\$ 282	\$ 285	\$ 288	\$ 290	\$ 296	\$ 302	\$ 305	\$ 308	\$ 311	\$ 315	\$ 318	\$ 321	\$ 325		
County Oper	4.6202	\$ 309	\$ 1,236	\$ 2,163	\$ 2,185	\$ 2,207	\$ 2,229	\$ 2,251	\$ 2,273	\$ 2,296	\$ 2,319	\$ 2,342	\$ 2,366	\$ 2,389	\$ 2,413	\$ 2,437	\$ 2,462	\$ 2,486	\$ 2,511	\$ 2,536	\$ 2,562	\$ 2,587	\$ 2,613	\$ 2,639	\$ 2,666	\$ 2,692	\$ 2,719	\$ 2,747	\$ 2,774	\$ 2,802	\$ 2,830	\$ 65,413	
CCTA Transport	0.8933	\$ 60	\$ 239	\$ 418	\$ 422	\$ 427	\$ 431	\$ 435	\$ 440	\$ 444	\$ 448	\$ 453	\$ 457	\$ 462	\$ 467	\$ 471	\$ 476	\$ 481	\$ 490	\$ 500	\$ 505	\$ 510	\$ 515	\$ 521	\$ 526	\$ 531	\$ 536	\$ 542	\$ 547	\$ 552	\$ 12,647		
KCTA Transport	0.3102	\$ 21	\$ 83	\$ 145	\$ 147	\$ 148	\$ 150	\$ 151	\$ 153	\$ 154	\$ 156	\$ 160	\$ 162	\$ 164	\$ 165	\$ 167	\$ 169	\$ 170	\$ 172	\$ 174	\$ 175	\$ 177	\$ 179	\$ 181	\$ 183	\$ 184	\$ 186	\$ 188	\$ 190	\$ 192	\$ 194	\$ 196	
Library	1.4942	\$ 100	\$ 400	\$ 700	\$ 707	\$ 714	\$ 721	\$ 728	\$ 735	\$ 743	\$ 750	\$ 758	\$ 765	\$ 773	\$ 780	\$ 788	\$ 796	\$ 804	\$ 812	\$ 820	\$ 829	\$ 837	\$ 845	\$ 854	\$ 862	\$ 871	\$ 879	\$ 888	\$ 897	\$ 906	\$ 915	\$ 21,155	
Library Extrn	0.4980	\$ 33	\$ 133	\$ 233	\$ 235	\$ 238	\$ 240	\$ 243	\$ 245	\$ 248	\$ 250	\$ 252	\$ 255	\$ 258	\$ 260	\$ 263	\$ 265	\$ 268	\$ 271	\$ 273	\$ 276	\$ 279	\$ 282	\$ 284	\$ 287	\$ 290	\$ 293	\$ 302	\$ 305	\$ 7,051			
County Put Safety	1.4344	\$ 96	\$ 384	\$ 672	\$ 678	\$ 682	\$ 686	\$ 692	\$ 699	\$ 705	\$ 713	\$ 720	\$ 727	\$ 734	\$ 742	\$ 749	\$ 757	\$ 764	\$ 772	\$ 780	\$ 787	\$ 795	\$ 803	\$ 811	\$ 819	\$ 828	\$ 836	\$ 844	\$ 853	\$ 861	\$ 870	\$ 879	\$ 20,308
County Housing	0.7434	\$ 50	\$ 199	\$ 348	\$ 352	\$ 355	\$ 359	\$ 362	\$ 366	\$ 369	\$ 373	\$ 377	\$ 381	\$ 384	\$ 388	\$ 392	\$ 395	\$ 400	\$ 404	\$ 408	\$ 412	\$ 416	\$ 420	\$ 425	\$ 429	\$ 433	\$ 446	\$ 451	\$ 455	\$ 459	\$ 465	\$ 1	

4 – Estimated Reimbursement Schedule

81 Brownfield Plan

Crossings, Portage, MI

Developer Maximum Embursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total	Estimated Total Years of Plan:	Estimated Capture																									
State	19.2%	\$ 2,374,735	\$ -	\$ 2,374,735	30	Administrative Fees \$ 270,192																									
Local	80.8%	\$ 9,992,545	\$ -	\$ 9,992,545		State Brownfield Redevelopment Fund \$ 408,031																									
TOTAL						Local Brownfield Revolving Fund \$ 1,002,365																									
EGCF	0.0%	\$ -	\$ -	\$ -																											
MEDC	0.0%	\$ -	\$ -	\$ -																											
MSHDA	100.0%	\$ 12,367,280	\$ -	\$ 12,367,280																											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	
\$ 5,586	\$ 22,344	\$ 39,102	\$ 39,493	\$ 39,888	\$ 40,286	\$ 40,689	\$ 41,096	\$ 41,507	\$ 42,341	\$ 42,765	\$ 43,192	\$ 43,624	\$ 44,061	\$ 44,501	\$ 44,946	\$ 45,396	\$ 45,850	\$ 46,308	\$ 46,771	\$ 47,239	\$ 47,711	\$ 48,188	\$ 48,670	\$ 49,157	\$ 49,649	\$ 50,145	\$ 50,647	\$ 51,153	\$ 1,284,228		
\$ 1,205	\$ 8,622	\$ 15,438	\$ 15,592	\$ 15,748	\$ 15,906	\$ 16,065	\$ 16,225	\$ 16,388	\$ 16,551	\$ 16,717	\$ 16,884	\$ 17,053	\$ 17,223	\$ 17,396	\$ 17,570	\$ 17,745	\$ 17,923	\$ 18,102	\$ 18,283	\$ 18,466	\$ 18,651	\$ 18,837	\$ 19,025	\$ 19,216	\$ -	\$ -	\$ -	\$ -	\$ 408,031		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 3,381	\$ 13,522	\$ 23,664	\$ 23,900	\$ 24,139	\$ 24,381	\$ 24,625	\$ 24,871	\$ 25,120	\$ 25,371	\$ 25,624	\$ 25,881	\$ 26,139	\$ 26,401	\$ 26,665	\$ 26,932	\$ 27,201	\$ 27,473	\$ 27,748	\$ 28,025	\$ 28,305	\$ 28,588	\$ 28,874	\$ 29,163	\$ 29,455	\$ 49,157	\$ 49,649	\$ 50,145	\$ 50,647	\$ 51,153	\$ 876,197	
\$ 23,505	\$ 94,019	\$ 165,534	\$ 166,179	\$ 167,841	\$ 169,519	\$ 171,215	\$ 172,927	\$ 174,656	\$ 176,402	\$ 178,167	\$ 179,948	\$ 181,748	\$ 183,565	\$ 185,401	\$ 187,255	\$ 189,127	\$ 191,019	\$ 192,929	\$ 194,858	\$ 196,807	\$ 198,775	\$ 200,762	\$ 202,770	\$ 204,798	\$ 206,846	\$ 208,914	\$ 211,003	\$ 213,113	\$ 215,245	\$ 5,403,845	
\$ 1,175	\$ 4,701	\$ 8,277	\$ 8,309	\$ 8,476	\$ 8,561	\$ 8,645	\$ 8,733	\$ 8,820	\$ 8,908	\$ 8,997	\$ 9,087	\$ 9,178	\$ 9,363	\$ 9,456	\$ 9,646	\$ 9,743	\$ 9,840	\$ 9,939	\$ 10,032	\$ 10,139	\$ 10,240	\$ 10,342	\$ 10,446	\$ 10,550	\$ 10,656	\$ 10,762	\$ 270,192				
\$ 22,330	\$ 89,318	\$ 153,307	\$ 157,870	\$ 159,449	\$ 161,043	\$ 162,654	\$ 164,280	\$ 165,923	\$ 167,582	\$ 169,258	\$ 170,951	\$ 172,666	\$ 174,387	\$ 176,131	\$ 177,892	\$ 181,468	\$ 183,282	\$ 185,115	\$ 186,966	\$ 188,836	\$ 190,724	\$ 192,632	\$ 194,558	\$ 196,504	\$ 198,469	\$ 200,453	\$ 202,458	\$ 204,482	\$ 5,133,654		
\$ 25,710	\$ 102,840	\$ 179,971	\$ 181,771	\$ 183,588	\$ 185,424	\$ 187,278	\$ 189,151	\$ 191,043	\$ 192,953	\$ 194,883	\$ 196,831	\$ 198,800	\$ 200,788	\$ 202,796	\$ 204,824	\$ 206,872	\$ 208,941	\$ 211,030	\$ 213,140	\$ 215,272	\$ 217,424	\$ 219,599	\$ 221,795	\$ 224,013	\$ 245,661	\$ 248,117	\$ 250,598	\$ 253,104	\$ 6,009,851		
Beginning Balance																															
7,872,081	\$ 8,073,915	\$ 8,195,637	\$ 8,235,010	\$ 8,267,311	\$ 8,292,471	\$ 8,310,417	\$ 8,321,078	\$ 8,324,381	\$ 8,320,252	\$ 8,308,617	\$ 8,289,401	\$ 8,262,528	\$ 8,227,922	\$ 8,185,504	\$ 8,135,198	\$ 8,076,924	\$ 8,010,602	\$ 7,936,153	\$ 7,853,494	\$ 7,762,543	\$ 7,663,219	\$ 7,555,436	\$ 7,439,111	\$ 7,314,158	\$ 7,180,490	\$ 7,220,253	\$ 7,258,084	\$ 7,293,964	\$ 7,327,874	\$ 7,359,795	\$ -
7,872,081	\$ 7,872,081	\$ 7,846,371	\$ 7,743,530	\$ 7,563,559	\$ 7,381,789	\$ 7,198,201	\$ 7,012,776	\$ 6,825,498	\$ 6,636,347	\$ 6,445,304	\$ 6,252,351	\$ 6,057,468	\$ 5,860,637	\$ 5,661,837	\$ 5,461,049	\$ 5,258,254	\$ 5,053,430	\$ 4,846,558	\$ 4,637,618	\$ 4,426,588	\$ 4,213,448	\$ 3,998,176	\$ 3,780,752	\$ 3,561,153	\$ 3,339,358	\$ 3,115,346	\$ 3,066,189	\$ 3,016,540	\$ 2,966,395	\$ 2,915,748	
1,511,578	\$ 3,381	\$ 13,522	\$ 23,664	\$ 23,900	\$ 24,139	\$ 24,381	\$ 24,625	\$ 24,871	\$ 25,120	\$ 25,371	\$ 25,624	\$ 25,881	\$ 26,139	\$ 26,401	\$ 26,665	\$ 26,932	\$ 27,201	\$ 27,473	\$ 27,748	\$ 28,025	\$ 28,305	\$ 28,588	\$ 28,874	\$ 29,163	\$ 29,455	\$ 49,157	\$ 49,649	\$ 50,145	\$ 50,647	\$ 51,153	\$ 876,197
6,360,503	\$ 22,330	\$ 89,318	\$ 156,307	\$ 157,870	\$ 159,449	\$ 161,043	\$ 162,654	\$ 164,280	\$ 165,923	\$ 167,582	\$ 169,258	\$ 170,951	\$ 172,666	\$ 174,387	\$ 176,131	\$ 177,892	\$ 181,468	\$ 183,282	\$ 185,115	\$ 186,966	\$ 188,836	\$ 190,724	\$ 192,632	\$ 194,558	\$ 196,504	\$ 198,469	\$ 200,453	\$ 202,458	\$ 204,482	\$ 4,131,289	
\$ 7,846,371	\$ 7,743,530	\$ 7,563,559	\$ 7,381,789	\$ 7,198,201	\$ 7,012,776	\$ 6,825,498	\$ 6,636,347	\$ 6,445,304	\$ 6,252,351	\$ 6,057,468	\$ 5,860,637	\$ 5,661,837	\$ 5,461,049	\$ 5,258,254	\$ 5,053,430	\$ 4,846,558	\$ 4,637,618	\$ 4,426,588	\$ 4,213,448	\$ 3,998,176	\$ 3,780,752	\$ 3,561,153	\$ 3,339,358	\$ 3,115,346	\$ 3,066,189	\$ 3,016,540	\$ 2,966,395	\$ 2,915,748	\$ 5,07,485		
4,495,199	\$ 227,545	\$ 452,107	\$ 672,450	\$ 885,523	\$ 1,094,270	\$ 1,297,641	\$ 1,495,580	\$ 1,698,084	\$ 1,874,948	\$ 2,056,268	\$ 2,231,933	\$ 2,401,891	\$ 2,566,084	\$ 2,724,455	\$ 2,875,944	\$ 3,032,494	\$ 3,194,044	\$ 3,358,535	\$ 3,426,906	\$ 3,585,043	\$ 3,774,685	\$ 3,877,059	\$ 3,974,800	\$ 4,055,145	\$ 4,154,064	\$ 4,241,544	\$ 4,327,559	\$ 4,412,126			
227,545	\$ 224,562	\$ 219,345	\$ 214,072	\$ 208,748	\$ 203,371	\$ 197,939	\$ 192,454	\$ 186,914	\$ 181,318	\$ 175,667	\$ 169,958	\$ 164,193	\$ 158,370	\$ 152,489	\$ 146,549	\$ 140,550	\$ 134,491	\$ 128,371	\$ 122,150	\$ 115,947	\$ 109,642	\$ 103,273	\$ 96,042	\$ 90,345	\$ 86,919	\$ 82,740	\$ 86,023	\$ 84,557	\$ 83,073	\$ 4,495,199	
863,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
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\$ 227,545	\$ 452,107	\$ 671,450	\$ 885,522	\$ 1,094,270	\$ 1,297,641	\$ 1,495,580	\$ 1,688,034	\$ 1,874,948	\$ 2,056,266	\$ 2,231,933	\$ 2,401,891	\$ 2,566,084	\$ 2,724,455	\$ 2,876,944	\$ 3,032,494	\$ 3,164,044	\$ 3,329,535	\$ 3,426,906	\$ 3,665,043	\$ 3,774,685	\$ 3,877,958	\$ 3,974,800	\$ 4,065,145	\$ 4,154,064	\$ 4,241,544	\$ 4,327,569	\$ 4,412,126	\$ 4,495,199			
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* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from state and local

Appendix 1

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Brownfield Plan Resolution(s) and Notices to Taxing Jurisdictions Pending

Appendix 2

Kalamazoo County Housing Plan

July 2022

Report prepared by W.E. Upjohn Institute and the Southcentral Michigan Planning Council
for the Kalamazoo County Board of Commissioners



Lee Adams, Gerrit Anderson, Dakota McCracken, Emily Petz, Brian Pittelko

5

Housing Supply and Demand

For brevity, only the relevant section of the Housing Plan is appended to this Brownfield Plan.

Housing Supply and Demand

Current Demand

In order to determine housing needs, we must first examine the current state of supply and demand. It is important to understand both the current and future demand so that housing strategies can account for pent-up demand as well as demand stemming from future residents (discussed later in this chapter). To account for the current pent-up demand, we will show three different elements of the housing market in order to better demonstrate the current needs. First, we will show housing cost-burden levels for renters and owners. Next, we will look at housing preference types. Finally, we will look at household formation levels and how those compare to past building trends.

Housing Supply and Demand

Cost Burden

Tables 11 and 12 show the total households in the area by income and housing cost burden. According to the Housing and Urban Development (HUD) standard, households are considered overburdened when they are paying more than 30% of their income toward housing costs. Charts 31 and 32 further separate the overburdened, showing the “heavily burdened” as those paying 50% or more toward housing. Overburdened households need more appropriate housing, demonstrating a need for additional housing units that meets their budget. The survey showed that 62% of renters and 15% of owners considered their housing to be “not affordable.” These results are not necessarily tied to the HUD standard of 30% of income, as some respondents paying more considered their housing affordable and some paying less did not.

There are over 15,000 overburdened renting households in Kalamazoo County. As shown in Chart 31, these households are concentrated on the lower end of the income spectrum, most below \$35,000 per year. These households would need rental units below \$875 per month in order to not be burdened by housing expenses. Table 11 shows the number of units needed by price in order to relieve housing burden. While it is unrealistic to expect that any area can completely eliminate housing burden, it is important to understand the magnitude of need.

Chart 31 shows that a smaller number (and proportion) of homeowners are overburdened. Over 65% of the county owns their home, and over 12,000 are overburdened. Overburdened homeowners are spread through more income ranges than renters. Over 1,100 homeowner households are overburdened at \$35,000

to \$49,999 per year; these households would need a home price of between \$108,000 and \$143,000 (depending on property taxes and loan parameters) to afford payments of \$875 to \$1,275 per month.

Table 11: Affordable Units to Alleviate Overburdened Renters, Estimate 2021

Annual Income	Units	Rent Per Month (\$)
<\$20,000	7,877	<\$500
\$20,000 to 34,999	4,986	500 to 874
\$35,000 to 49,999	1,620	875 to 1,249
\$50,000 to 74,999	573	1,250 to 1,874
\$75,000 to 99,999	274	1,875 to 2,499
\$100,000 or more	0	2,500 and higher

Source: U.S. Census American Community Survey, 2015–2019 average, and Claritas.

Table 12: Affordable Units to Alleviate Overburdened Homeowners, Estimate 2021

Household Annual Income	Units	Payment Per Month (\$)	Estimated Home Price (\$)*
<\$20,000	3,678	<\$500	Less than 75,000
\$20,000 to 34,999	2,968	500 to 874	75,000 to 132,000
\$35,000 to 49,999	2,286	875 to 1,249	133,000 to 187,000
\$50,000 to 74,999	1,474	1,250 to 1,874	188,000 to 283,000
\$75,000 to 99,999	426	1,875 to 2,499	284,000 to 377,000
\$100,000 or more	354	2,500 and higher	378,000 and higher

*Purchase price with 5% down, 4.3% interest, 30 year fixed, PMI, and property taxes.
Source: U.S. Census American Community Survey, 2015–2019 average, and Claritas.

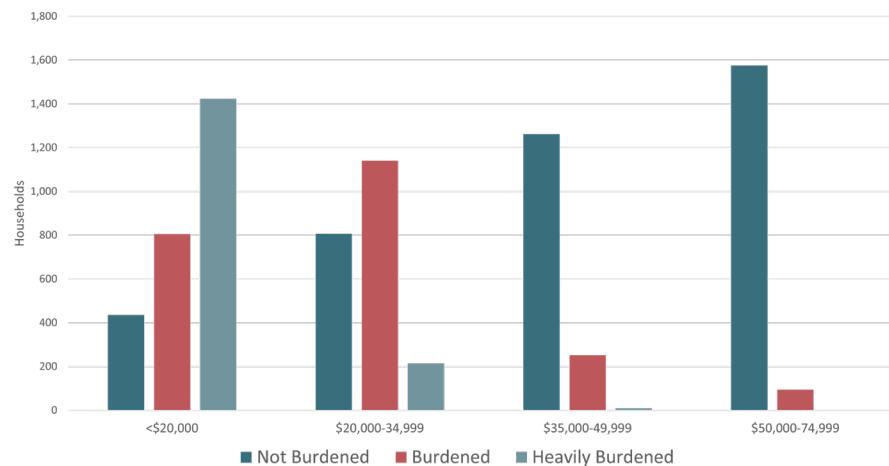
Housing Supply and Demand

Housing Preferences

The types of homes preferred are different than existing homes. The housing survey suggests that the primary demand is for single-family homes. A closer look reveals that there is more interest in tiny homes, accessory dwelling units, cottage courts, and live/workspaces than the current housing stock supplies. Furthermore, national surveys point to a higher share of respondents preferring housing types other than detached single-family homes.

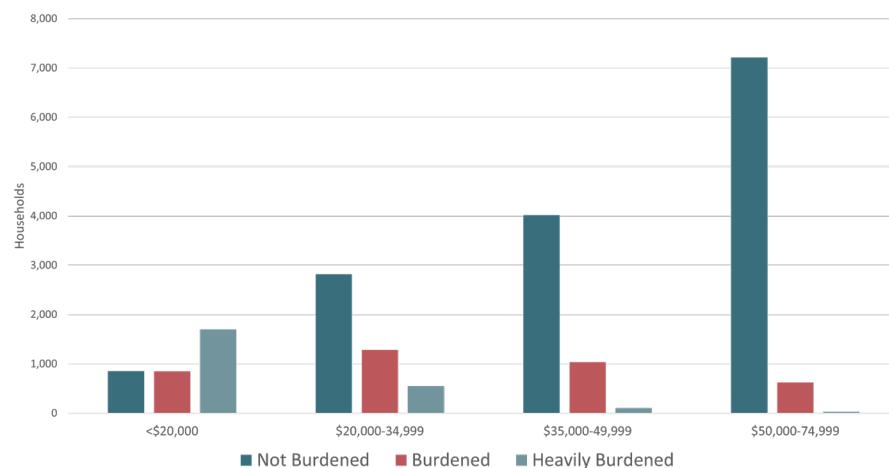
Constructing higher-density housing may offer a solution to improving affordability while also meeting preferences for a variety of housing types. As demonstrated in Charts 31 and 32, there are thousands of households occupying homes they cannot afford. The development of mid-density housing types would create more affordability than single-family detached and more quality than mobile homes. Most respondents to the survey indicated a preference for single-family homes, followed by a preference for cottage courts, townhomes, live/workspaces, and accessory dwelling units. Developers and local leaders should also keep in mind the negative impacts of concentrating low-income residents; higher-density development should aim to mix incomes and ages to maximize the benefits of income diversity. Additionally, accessory dwelling units and scattered townhomes or duplexes allow for an increase in density while preserving the existing character of a neighborhood.

Chart 31: 2021 Income and Housing Burden for Renters



Source: U.S. Census American Community Survey, 2015–2019 average, and Claritas.

Chart 32: 2021 Income and Housing Burden for Owners



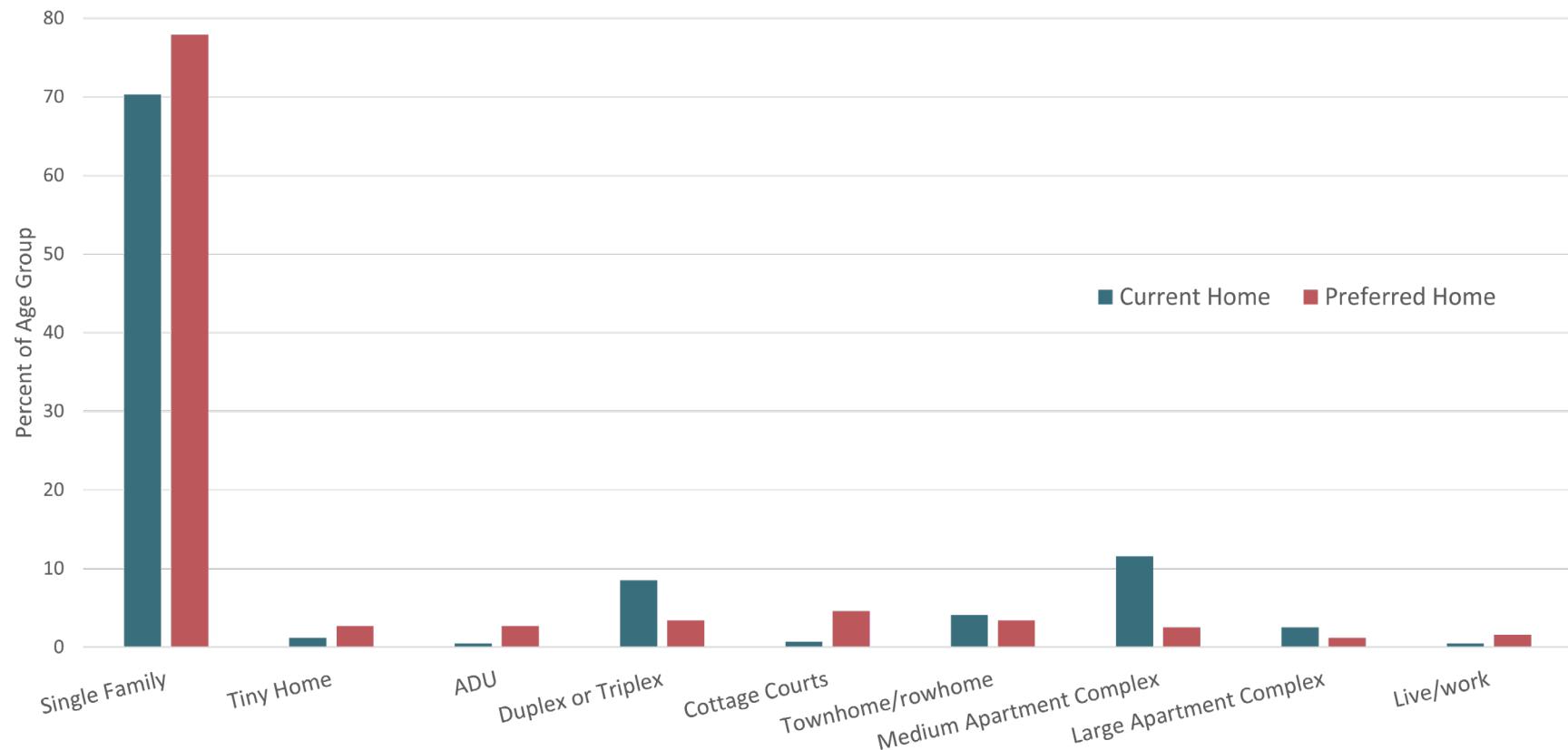
Source: U.S. Census American Community Survey, 2015–2019 average, and Claritas.

Housing Supply and Demand

The preferences of those surveyed in the county are different than those nationally. These preferences are important to understand because local leaders, employers, and developers want to provide a housing product that will attract and retain those who may move to the county; Kalamazoo County is competing with other communities around the country for talent and having housing

types that appeal to those looking to relocate is essential to prevail in this competition. Those surveyed nationally tend to prefer smaller condos, low-rise units, townhomes, and duplexes—they prefer these over the single-family units that those surveyed locally prefer. Therefore, more of these types of housing are needed than the local survey may suggest.

Chart 33: Housing Preferences and Existing Housing Stock



Source: Kalamazoo County Housing Survey

Housing Supply and Demand

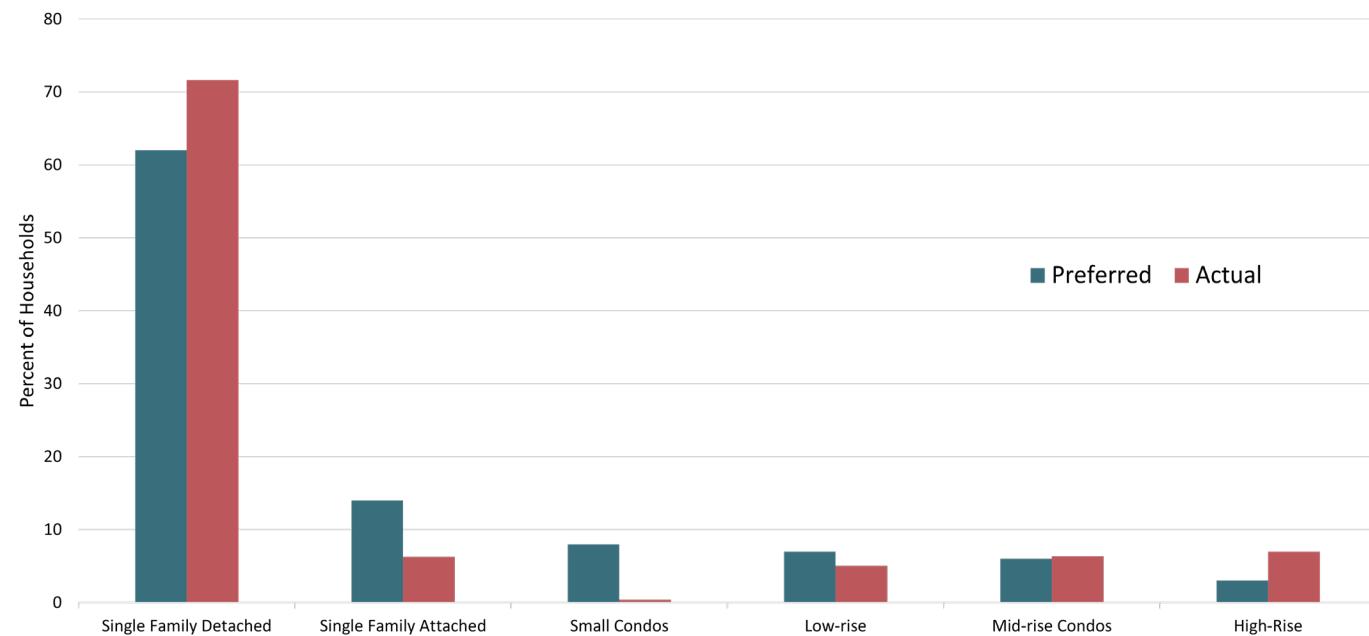
Impacts of Great Recession

The Great Recession continues to impact the housing market in several ways. First, the overproduction of housing prior to the Great Recession led to very limited construction after; lenders were less enthusiastic about new construction, homebuilders were left with many unsold homes or lots, and fewer people were looking to purchase homes. Consequently, annual home construction remains below the pre-bubble level. Second, those in the construction trades sought work in other markets or occupations. Third, many homes fell into disrepair and were demolished; many of these homes would have been targets for investment as the market strengthened. Finally, the disruption to employment in 2008–2010

slowed the rate of household formation, that is, the rate that people create new households by existing households.

In order to determine if there is a gap in housing production, we used the pace of new unit construction and compared it to an estimate of new households had the rates prior to the Great Recession continued. Using 2020 data, the estimated need for new units in Kalamazoo County is 12,000, or an additional 11 percent of the existing housing units. These are rough estimates of how many new households would exist if the rate of household formation had not slowed following the Great Recession.

Chart 34: National Housing Preference



Source: RCLCO & IPUMS USA 2020

Housing Supply and Demand

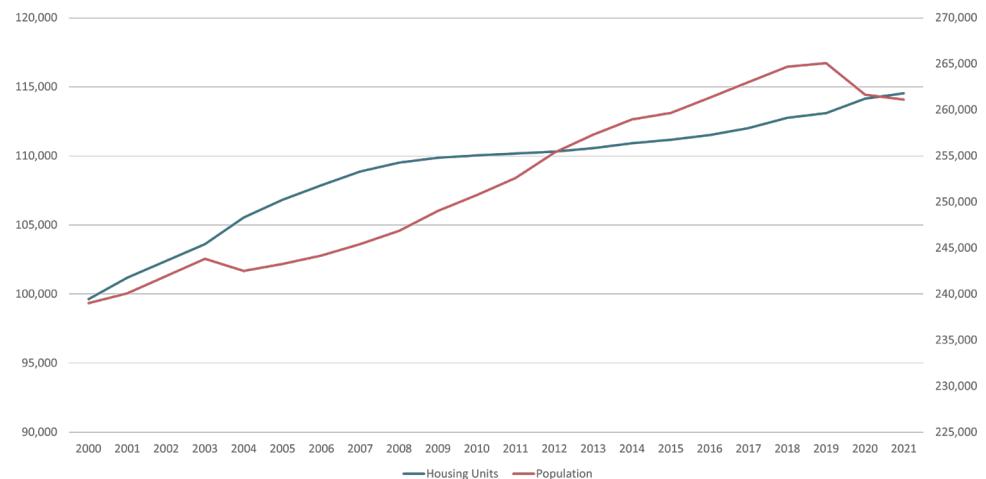
Future Demand

The future demand for housing in Kalamazoo County will come from existing and newly formed households moving within the county and from households moving to the county. The population in Kalamazoo County is anticipated to grow through 2030, and as such, more housing units are needed to accommodate those new residents. The preferences of those who are likely to form households and those moving to the area are different than those who already rent or own in the county; they prefer more amenities near their home and smaller sized diverse types of housing than the existing residents. Decision-makers in the county will need to accommodate these preferences and encourage the construction of diverse types of housing to attract new residents to the area.

According to State of Michigan population projections, Kalamazoo County is expected to grow by 8.3% between 2020 and

2030; this will result in the formation of an estimated 8,655 new households. Developers will need to build an average of 866 new units each year to keep pace with demand from household growth. The number of units permitted in 2020 and 2021 were 496 and 419, respectively—far less than what is needed. Each year that developers do not build enough units to meet demand, the housing deficit grows. Chart 35 shows how the number of units in the county grew faster than population before the Great Recession and caused a housing bubble to form. The chart also shows how population growth has exceeded the development housing units since the Great Recession, causing a housing shortage (the Covid-19 pandemic has caused a dip in population in 2020 and 2021, but this is likely temporary).

Chart 35: Kalamazoo County Housing Units and Population Change: 2000 to 2021



Source: U.S. Census Intercensal Estimates

Housing Supply and Demand

According to Claritas, the newly formed households generally are going to have higher incomes, \$100,000 per year or more. The lack of housing at lower price points will constrain the formation of households among current residents; many of those living with friends or family will not move into their own unit and form their own household if they cannot find a home that fits into their budget. Nonetheless, increasing the supply at higher price points can have the effect of opening units at the lower end of the market, according to Upjohn Institute [research](https://research.upjohn.org/up_workingpapers/307/). (https://research.upjohn.org/up_workingpapers/307/)

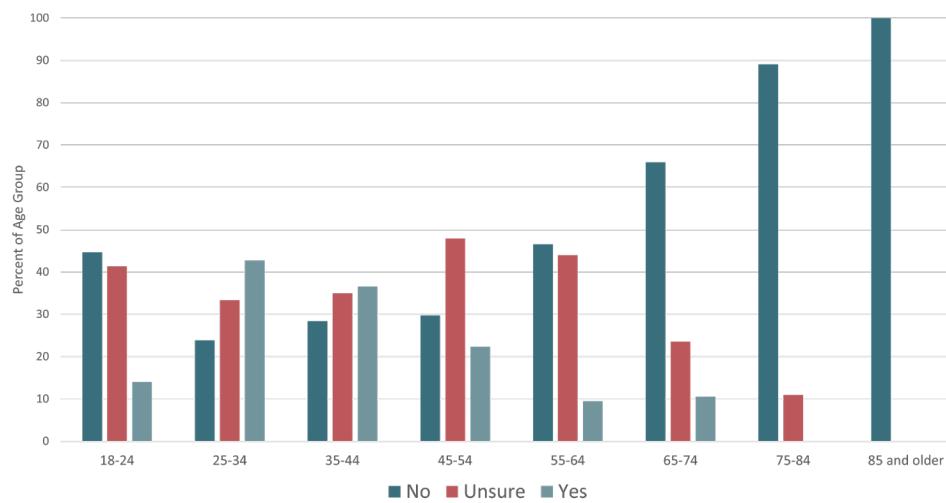
Additionally, Kalamazoo County has roughly 36,000 households paying rent. The survey results indicate nearly 28 percent of those renters are looking to buy a home in the next three years, which equates to roughly 10,000 owner-occupied units. Chart 35 shows most of the interest in buying comes from those ages 25–34 and 35–44.

Given the anticipated household growth through 2030, and using the preferences expressed in the county-wide survey and in a national housing preference survey, the following number of units by type and location are needed in the county (Table 13).

This projection still anticipates a large number of single-family homes in rural and suburban locations, while also anticipating a shift towards attached and accessory units. The attached and accessory units are typically much more economical than detached single-family houses and better match the preference of newly formed households and folks moving to the county. Unfortunately, some of these housing types are not allowed or are heavily restricted under current zoning schemes.

Examples of single-family attached housing could include scattered duplexes and townhouse or condo developments with less than 5 units; this includes both rented and owned units. Mid-sized multi-family developments have more than 5 units but less than 26; these are typically rented but may include owner-occupied units. Low- and mid-rise apartments are rental-focused developments that include more than 25 units.

Chart 36: Renters Planning on Buying a House in the Next Three Years by Age



Source: Kalamazoo County Housing Survey

Housing Supply and Demand

Table 13: Units Needed to Meet Demand from Growth Over the Next Eight Years

Location	Single Family Detached	Single Family Attached	Mid-Sized Multi Family	Low and Mid Rise Apartments	Accessory Dwelling Units	
	1 Unit	2-4 Units	5-25 Units	25+ Units	+1 Unit	Total
Rural/Small Town	600	125	100	50	125	1,000
Suburban	2300	275	250	200	50	3,075
General Urban	700	350	425	300	100	1,875
Urban Center	300	200	300	250	150	1,200
Urban Core	0	25	150	400	25	600
Total	3,900	975	1,225	1,200	450	7,750
Estimated Cost to Build per Unit (\$)	350,000	200,000	175,000	150,000	75,000	
Total Cost By Type (\$)	1,365,000,000	195,000,000	214,375,000	180,000,000	33,750,000	1,988,125,000

Developers will need to invest a great deal of resources in the County to meet the future demand for housing. To understand the scale of this investment, Institute staff collected construction costs from local developers and state and national reports. The results of this work indicate that construction costs for single-family homes range between \$300,000 and \$500,000, duplexes are in a similar range but offer two housing units per building, midsized multifamily projects are slightly less expensive at approximately \$150,000-\$250,000 per unit, and low- and midrise apartments are even more cost-effective at \$125,000-\$200,000 per unit. The cost to add an accessory dwelling unit can vary widely, depending on the relationship to an existing home (utilizing the existing house envelope and infrastructure is far less expensive than building a stand-alone building on the same property), square footages, and the quality of the finishes. This report estimates an average cost of \$75,000 per accessory dwelling unit. Multiplying the average cost of each unit by the number of units needed reveals a total investment needed of nearly \$2 billion to meet the future housing demands in the County. Table 13 outlines these calculations along with the number of units needed by location.

Appendix 3

Appendix 3
MSHDA Total Housing Subsidy Calculation
Stanwood Crossings, Portage, MI

Model	Total Units	Units by Income Level				
		80-90%	91-100%	101-110%	111-120%	
A (1206 SF)	12	3	3	3	3	12.00
B (1353 SF)	9	2	2	3	2	9.00
C (1504 SF)	12	3	3	3	3	12.00
D (1696 SF)	9	2	3	2	2	9.00
Total	42	10	11	11	10	

Model	Build Cost		Sale Price at 75% Proceeds		# of units	Discount/unit	Discount Total
	Cost Est/Unit	Totals					
A (1206 SF)	\$ 297,103	\$ 3,565,236	\$ 222,827	\$ 2,673,927	12	\$ 74,275.75	\$ 891,309.00
B (1353 SF)	\$ 313,201	\$ 2,819,052	\$ 234,921	\$ 2,114,289	9	\$ 78,280.00	\$ 704,580.73
C (1504 SF)	\$ 328,192	\$ 3,938,304	\$ 246,144	\$ 2,953,728	12	\$ 82,048.00	\$ 984,576.00
D (1696 SF)	\$ 343,731	\$ 3,093,579	\$ 257,798	\$ 2,320,184	9	\$ 85,932.75	\$ 773,394.75
Total		\$ 13,416,171		\$ 10,062,128			\$ 3,353,860.48
Avg Cost/Unit		\$ 319,433					
Avg. Sale Price/Unit		\$ 239,574					
Avg. Subsidy/Unit		\$ 79,858					
Total Subsidy		\$ 3,354,043					

Appendix 4

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

City of Portage, "Stanwood Crossings" Development

This Development and Reimbursement Agreement (the "Agreement") is made and entered into effective as of the latter of the signature dates below, by and between the City of Portage, a Michigan public body corporate (the "City"), and the City of Portage Brownfield Redevelopment Authority (the "Authority"), a Michigan public body corporate, for a project known as "Stanwood Crossings".

PREMISES

A. The City is engaged in the redevelopment of a Parcel numbered 00026-070-J in Portage, Michigan, which qualifies as Eligible Property under Act 381, PA 1996, as amended ("Act 381"), for residential use (the "Development"), with Eligible Activities to be conducted on the Eligible Property described in the Brownfield Plan.

B. The Authority has been formed pursuant to Act 381 to promote the revitalization of contaminated, blighted, functionally obsolete, historically designated, or housing properties.

C. The Authority has determined in furtherance of its purposes and to accomplish its goals that it is in the best interest of the Authority to finance certain Eligible Activities as defined by Act 381 on Eligible Property and as described in the Brownfield Plan.

D. The Brownfield Plan was recommended for approval by the Authority on _____, 2025. The City of Portage City Council concurred with the Brownfield Plan on _____, 2025.

E. Pursuant to the Brownfield Plan, the Authority will capture and retain 100% of the Tax Increment Revenues authorized by law to be captured from the levies imposed by taxing jurisdictions upon taxable property for the Eligible Property consistent with Act 381, as amended, the approved Brownfield Plan, (the "Tax Increment Revenues"). Upon satisfaction of the conditions expressed in this Agreement, the Authority will use the Tax Increment Revenues to carry out the purposes described in Act 381 and this Agreement.

In consideration of the premises and the mutual covenants contained in this Agreement, the City and the Authority hereby enter into this Agreement and covenant and agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. The following capitalized terms used in this Agreement shall have the following meanings, except to the extent the context in which they are used requires otherwise:

- (a) "Act 381" means Act 381 of Michigan Public Acts of 1996, as amended.
- (b) "Administrative Costs" means the Authority expenses, and liabilities related to the authorization, execution, administration, oversight, and fulfillment of the Authority obligations under this Agreement and the Brownfield Plan which include, but are not limited to, direct or indirect fees and expenses incurred as a result of the application, approval, and amendments to the Brownfield Plan, approvals of the developments contemplated herein, printing costs, costs of reproducing

documents, filing and recording fees, financial expenses, insurance fees and expenses, administration, reporting, and accounting for Tax Increment Revenues, oversight and review, and all other costs, liabilities, or expenses, related to the preparation and carrying out or enforcing the Brownfield Plan and this Agreement, and any other costs, charges, expenses, and professional and attorney fees in connection with the foregoing.

- (c) "Agreement" means this Development and Reimbursement Agreement.
- (d) "AMI" means the Area Median Income for the County as published annually by MSHDA.
- (e) "Annual Unit Income Restriction" means the requirement that the units sold to a person, a family, or unrelated persons living together and in accordance with MSHDA annual income requirements, whose annual household income is not more than 120% of the Area Median Income.
- (f) "Brownfield Plan" means the Brownfield Plan approved by the City Council, pursuant to Act 381.
- (g) "City" means the City of Portage.
- (h) "City Council" means the Portage City Council.
- (i) "County" means Kalamazoo County.
- (j) "Day" or "Days" means calendar days unless otherwise noted.
- (k) "Development" means the Stanwood Crossings Development, a residential development, and site improvements as described in the Brownfield Plan.
- (l) "Eligible Activities" are those environmental, non-environmental, and housing development activities eligible under Section 2(o) of Act 381 and included in the approved Brownfield Plan.
- (m) "Eligible Property" is the property described in the Brownfield Plan that meets the Act 381 definition of an Eligible Property from which Tax Increment Revenues will be captured to reimburse Eligible Activities and other costs, consistent with the Brownfield Plan and Act 381 as amended.
- (n) "Event of Default" means the failure by a party to carry out its obligations under this Agreement or, with respect to a party, if any representation or warranty of such party was materially not accurate when made, and such obligation has not been performed or such representation or warranty corrected within 45 days after notice thereof has been given by the other party.
- (o) "Housing Development Activities Financing Gap" (the "Financing Gap") is a MSHDA Eligible Activity defined in Act 381 in part as reimbursement provided to a party to fill a financing gap associated with the development of housing units priced for Income Qualified households.
- (p) "Housing property" means 1 or more of the following as described in Act 381:
 - (i) A property on which 1 or more units of residential housing are proposed to be constructed, rehabilitated, or otherwise designed to be used as a dwelling.
 - (ii) One or more units of residential housing proposed to be constructed or rehabilitated and located in a mixed-use project.

(q) "Income Qualified" or "Income Qualifications" means household incomes at or below 120% of AMI as documented by self-certification at the time of initial occupancy.

(r) "Indemnified Persons" means the Authority, the City, and their members, officers, agents, and employees.

(s) "Maximum Eligible Activity Cost" means the Authority's maximum obligation to pay for the Environmental, Non-Environmental, and Financing Gap Eligible Activities from Tax Increment Revenues from the Development, as provided in the Brownfield Plan.

(t) "MSHDA" means the Michigan State Housing Development Authority.

(u) "Tax Increment Revenues" means that term as defined in Act 381.

ARTICLE 2

COVENANTS OF THE CITY AND THE AUTHORITY

Section 2.1 Construction of the Development. The City shall proceed with diligence to complete Eligible Activities and construct their portion of the Development in accordance with proper construction standards, local and state laws, ordinances, codes, regulations, rules, and this Agreement.

Section 2.2 Covenant to Pay Financial Obligations. The City will receive reimbursement from the Authority to the extent there are available Tax Increment Revenues for payment of the Eligible Activities in accordance with the terms of this Agreement, the Brownfield Plan, and Act 381. Reimbursement for Eligible Activities shall be prioritized as follows:

(a) First, 50% of the State Education Tax will be held for the State Brownfield Fund, in accordance with Act 381.

(b) Second, a portion (5%) of the Local Tax Increment Revenues will be retained by the Authority for its Administrative Costs. Administrative Costs due to the Brownfield Plan implementation and monitoring shall be paid from local Tax Increment Revenues designated for that purpose.

(c) Third, Tax Increment Revenues will be used to reimburse the City for approved Eligible Activities expenses.

(d) Fourth, after up to 25 years of reimbursement to the City for approved Eligible Activity Expenses, the local Tax Increment Revenues will be captured and deposited in the City of Portage Brownfield Redevelopment Authority's Local Brownfield Revolving Fund.

If the Development does not result in sufficient revenues to repay all obligations, the City agrees and understands that the City will have no claim or further recourse of any kind or nature against the Authority except Tax Increment Revenues captured from the Development.

The Maximum Eligible Activity Cost reimbursable to the City shall be limited to 25 years of the available tax increment subject to obligations of Section 2.2. A description of the proposed eligible activities and their costs is included in the Brownfield Plan.

Section 2.3 Reimbursement Conditions. It is expressly understood and agreed that Authority reimbursement to the City is subject to the following conditions:

- (a) The City shall construct its portion of the Development.
- (b) Expenditures must be documented by submission of invoices and other appropriate documentation. The Authority shall only be obligated to reimburse an Eligible Activity that has been reviewed and approved by the Authority. Approval of the application, Brownfield Plan, or any other determination of eligibility in no way guarantees or establishes a right to reimbursement of expenditures from Tax Increment Revenues or any other source of funds prior to Authority review or approval of invoices or documentation of occupancy by Income Qualified households.
- (c) Documentation for Financing Gap for the Development of Housing must be submitted to the Authority for its review within 360 days of the sale of a restricted unit. While the Authority may waive this requirement in its discretion for good cause, the Authority shall be under no obligation to reimburse any Eligible Activity that is not submitted in a timely fashion. Proof of sale price and construction cost for each restricted unit must be presented in order for TIF reimbursement for the housing gap to be considered.
- (d) Documentation for Environmental, Site Preparation, Infrastructure, Brownfield Plan and Work Plan Development costs shall be submitted to the Authority within 360 days of completion of the activities collectively. The documentation shall include documentation demonstrating that the cost incurred was an eligible activity, actual invoices, proof of payment, and lien waivers from contracted entities. Such documentation may be supplemented by photographs, reports, daily activity logs, construction documents, proposals, etc.
- (e) There are adequate Tax Increment Revenues.
- (f) Annually, The City shall provide to the Authority a report of the following, as applicable, pursuant to reporting requirements under Section 16 of Act 381:
 1. Total Investment and new capital investment.
 2. Square footage of the new construction
 3. New jobs created.
 4. Total number of housing units.

Section 2.4 Eligible Property Access. The City shall grant to the Authority, or its designated agents, access to the Eligible Property to exercise the Authority's right to administer or oversee Eligible Activities related to the purposes and pursuant to the terms of this Agreement. The Authority shall give 24-hour notice of its intent to access the Eligible Property whenever possible. If notice cannot be given due to an emergency or any other unforeseen circumstance, the Authority shall give notice as is reasonable and practicable under the circumstances.

ARTICLE 3

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE CITY AND THE AUTHORITY

Section 3.1 Conditions Precedent to Obligations of the City to Construct the Development. Any obligation of the City to construct their respective portions of the Development, as contemplated herein, are subject to the following conditions precedent which must be satisfied by the City, as required herein, or waived by Authority, except as specifically provided herein:

(a) No condition, event, action, suit, proceeding, or investigation is occurring or threatened to occur, or shall be pending before any court, public board, or body to which the City or Authority is a party, or threatened against the City or Authority contesting the validity or binding effect of this Agreement or the validity of the Brownfield Plan or which could result in an adverse decision which would have 1 or more of the following effects:

1. A material adverse effect upon the ability of the Authority to collect and use Tax Increment Revenues to repay its obligations under this Agreement.
2. A material adverse effect on the ability of the City or Authority to comply with the obligations and terms of this Agreement or the Brownfield Plan.

(b) There shall have been no Event of Default by the City and/or Authority and no action or inaction by the Authority which eventually with the passage of time could become an Event of Default.

(c) The City has received the consent of any affected utility for relocation, burial, or other activity necessary to construct their respective portions of the Development.

(d) There has been no change in statutes or other laws that would negatively impact either party's ability to meet (a)–(c) above.

ARTICLE 4

Deleted

ARTICLE 5

CONDITIONS PRECEDENT TO AUTHORITY OBLIGATIONS

Section 5.1 Conditions Precedent to Reimbursement Obligation for Eligible Activities.

(a) Within 60 days after submittal of an invoice or invoices or documentation of the sale of Income Restricted Units, the Authority shall review and approve or reject the invoice(s) and activity as eligible or ineligible. In the event of an objection, the Authority will notify the City within the 60-day time period, and the City shall undertake to resolve or cure the objection. If the objection is not resolved or cured within 60 days, there is no obligation to pay the portion of the cost(s) objected to until the parties have mutually agreed in writing through alternative dispute mediation as described in Article 7 below, or there is a final judgment or order of a court of competent jurisdiction directing payment.

(b) Annual payment for approved Eligible Activities will be made from Tax Increment Revenues no later than 60 days after settlement is completed and Tax Increment Revenues are available for payment.

(c) Proper approvals required under applicable federal and state laws or regulations, and local ordinances, codes, or regulations for land use and the Development and Public Improvements have been secured.

(d) There have been no changes in statutes or other laws that would affect the Authority's ability to capture Tax Increment Revenues and reimburse the City with said Tax Increment Revenues.

(e) In addition to any other remedies provided in this Agreement, if any payment made by the Authority is determined by audit, the State of Michigan, or a court of appropriate jurisdiction to be improper or outside of the scope of its obligations under this Agreement, the City shall, at the request of the Authority, repay or return any monies paid by the Authority that are directly related to the improper payment, within 60 days' notice given in writing by the Authority. Failure to remit said funds will result in a late fee penalty in the amount of an additional 10%, incurred quarterly from the date of notice given in writing by the Authority of the outstanding balance.

(h) The Authority may revise this Agreement with 30 days' notice to the City in the event of changes in circumstances imposed by changes in the law through judicial interpretation or legislative action or changes in interpretation of the law by a department of the State of Michigan, including, without limitation, the Department of Treasury and/or MSHDA.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES

Section 6.1 Representations and Warranties of the Authority. The Authority represents and warrants to the City that:

(a) The Authority is a public body corporate, established pursuant to Act 381, with all necessary corporate powers pursuant to that Act to enter into and perform this Agreement.

(b) The execution and delivery of this Agreement have been duly authorized by all requisite action on the part of the Authority, and this Agreement constitutes a valid and binding agreement of the Authority enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

(c) Neither the execution nor delivery of this Agreement nor the consummation of the transactions contemplated hereby is in violation of any provision of any existing law or regulation, order or decree of any court or governmental entity, or any agreement to which the Authority is a party or by which the Authority is bound.

Section 6.2 Representations and Warranties of the City. The City represents and warrants to the Authority that:

(a) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the City and this Agreement constitutes a valid and binding agreement of the City in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, or other laws

affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

(b) The City warrants that it will comply with all obligations, covenants, and conditions required of them or their agents or contractors under the terms of this Agreement.

ARTICLE 7

REMEDIES AND TERMINATION

Section 7.1 Alternative Dispute Mediation. If a dispute arises between the parties to this Agreement, the parties shall seek an alternative means of resolving the dispute as a condition precedent to litigation. Therefore, the parties agree to the following terms and conditions:

(a) The party bringing in a claim shall give notice to the other party and, in writing, propose a meeting in which to discuss and attempt to resolve the claim within 7 days after the claim arises.

(b) In the event the meeting between the parties to resolve the claim does not resolve the dispute or does not take place within said 7-day period, the parties shall designate, by mutual written agreement, an independent mediator who shall convene a meeting of the parties within a period of 21 days after the initial meeting between the parties. The mediator shall render their decision within 10 days of meeting with the parties. In the event that the mediator does not render a decision within said time period, the party bringing the claim shall have the right to proceed with litigation.

(c) The purpose of the mediator is to attempt to resolve the dispute between the parties. The mediator shall not be empowered with the authority to render a binding opinion or award.

(d) During the pendency of this alternative dispute resolution process, the parties agree that any statute of limitations applicable to all claims that are the subject of this mediation process shall be tolled.

Section 7.2 Remedies for Default. The Authority or the non-defaulting party will provide notice to the defaulting party of the nature and extent of the default. The defaulting party will have 60 days to remedy the default.

Section 7.3 Remedies upon Default. Upon the occurrence of an Event of Default which has not been remedied under Section 7.1 or Section 7.2, the non-defaulting party shall have the right to terminate this Agreement with the defaulting party or, at the election of such non-defaulting party, may obtain any form of relief permitted under the applicable laws and court rules of the State of Michigan, including the right to seek and obtain a decree of specific performance by a court of competent jurisdiction.

ARTICLE 8

MISCELLANEOUS

Section 8.1 Term. The term of this Agreement shall commence on the date first written above and shall expire upon payment in full of City's obligations under this Agreement or 25 years from the first year of capture, estimated to begin in 2026, whichever is first, or pursuant to the terms of the Brownfield Plan, and Act 381.

Section 8.2 Notices. All notices, certificates, or communications required by this Agreement to be given shall be in writing and shall be deemed delivered when personally served, or when received if mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties as follows:

If to Authority: Jonathon Hallberg, Portage BRA Staff Liaison
c/o City of Portage
7900 S. Westnedge Ave.
Portage, MI 49002
(hallberj@portagemi.gov)

If to City: Peter Dame, Chief Development Officer
City of Portage
7900 S. Westnedge Ave.
Portage, MI 49002
(damep@portagemi.gov)

Or to such other address and/or representative as such party may specify by appropriate notice.

Section 8.3 Amendment and Waiver. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by all parties hereto. No waiver of any term of this Agreement shall be binding upon any party until such waiver is reduced to writing, executed by the party to be charged with such waiver, and delivered to the other parties hereto.

Section 8.4 Entire Agreement. This Agreement contains all agreements between the parties. There are no other representations, warranties, promises, agreements, or understandings, oral, written, or implied, among the parties, except to the extent reference is made thereto in this Agreement.

Section 8.5 Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

Section 8.6 Captions. The captions and headings in this Agreement are for convenience only and in no way limit, define, or describe the scope or intent of any provision of this Agreement.

Section 8.7 Governing Laws/Consent to Jurisdiction and Venue. This Agreement shall be governed, interpreted, and enforced by the laws of the State of Michigan. Except as otherwise required by law or court rule, any action brought to enforce, interpret, or decide any claim arising under or related to this Agreement shall be brought as dictated by the applicable jurisdiction of the court.

Section 8.8 Mutual Cooperation. Each party to this Agreement shall take all actions required of it by the terms of this Agreement as expeditiously as possible and shall cooperate to the fullest extent possible with the other parties to this Agreement and with any individual entity or governmental agency involved in or with jurisdiction over the engineering, design, construction or operation of the

Development, or any other improvements which are undertaken in connection with the foregoing, in the granting and obtaining of all easements, rights of way, permits, licenses, approvals, and any other permissions necessary for the construction or operation thereof. Each party to this Agreement shall execute and deliver all documents necessary to accomplish the purposes and intent of this Agreement including, but not limited to, such documents or agreements as may be required by the lenders of the Development to secure the financing from such lenders. Each party to this Agreement also shall use its best efforts to assist the other parties to this Agreement in the discharge of their respective obligations hereunder and to assure that all conditions precedent to the completion of the Development are timely satisfied.

Section 8.9 Binding Effect. This Agreement shall be binding upon the parties hereto and upon their respective successors and assigns.

Section 8.10 Brokerage Fees. The Authority and the City represent and warrant to the others that no broker or finder has been engaged in connection with this Agreement.

Section 8.11 Order of Precedence. In the event of a conflict between the terms and conditions of this Agreement, any attachments hereto and Act 381, the order of precedence shall be: (a) Act 381; (b) Brownfield Plan; and (c) this Agreement.

The Authority and the City have caused this Agreement to be duly executed and delivered as of the date first written above.

THE CITY OF PORTAGE

By: Pat McGinnis

Its: City Manager

CITY OF PORTAGE BROWNFIELD REDEVELOPMENT AUTHORITY

By: Keith Lewandowski

Its: Board Chair/President

EXHIBIT A: Copy of Brownfield Plan

DRAFT