

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

AGENDA

Friday, November 7, 2025

CALL TO ORDER:

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

INTRODUCTIONS AND REVIEW OF AGENDA

APPROVAL OF MINUTES:

1. June 5, 2025 *

OLD BUSINESS:

1. none

NEW BUSINESS:

1. City of Portage Act 381 Brownfield Plan Amendment #16 – “Centreport Apartments”, 1075 Bacon Ave. *

STAFF REPORT: Education Session – Housing Brownfields

STATEMENT OF CITIZENS:

ADJOURNMENT:

MATERIALS TRANSMITTED

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

CITY OF PORTAGE BROWNFIELD REDEVELOPMENT AUTHORITY

Tuesday, June 5, 2025

8:00 AM

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

The City of Portage Brownfield Redevelopment Authority meeting of June 5, 2025, was called to order by Chair Lewandowski at 8:01 am.

In Attendance

Board: Chair Keith Lewandowski (yes), Vice Chair Eric Alburtus (8:18), Secretary/Treasurer William Lenehan (no), Todd Campbell (yes), Bradley Galin (yes), Karen Gallagher (yes), John Herberg (yes), Michelle Karpinski (yes).

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

Guests: Joe Agostinelli, Michigan Growth Advisors; Gack Gesmundo, AVB; Josh Applegren, AVB.

Introductions

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

Approval of Minutes

Motion by Campbell, seconded by Herberg, to approve the BRA Meeting Minutes of April 8, 2025, as submitted.

Motion carried, 7-0.

Old Business – Lewandowski requested any updates on past projects. Hallberg mentioned the upcoming Ribbon Cutting for Tall Timbers by AVB, to be held on June 11, 2025. He apologized to the group for the late notice about, and thanked Herberg for attending, the Groundbreaking for Stanwood Crossings on April 29, 2025. He also reminded those present of Allen Edwin's Groundbreaking event at Oakland Commons, to be held June 12, 2025, and encouraged all to RSVP through the email sent out by Public Information.

New Business

- 1. City of Portage Act 381 Brownfield Plan Amendment #15 – “McConley Cove”, 1075 Bacon Ave.***

Hallberg summarized the contents of the memorandum pertaining to the AVD II, LLC, development project called “McConley Cove”, the Act 381 Brownfield Plan, TIF Projections,

and Draft Development & Reimbursement Agreement. He indicated that the project is the first “infrastructure only” application to be received by the board and that it is 100% market-rate housing to be built speculatively over an extended period. As with other recent MSHDA Housing TIF applications, the project has additional eligible expenses not typically seen in Brownfield applications, which are related to infrastructure on private property, such as landscaping and driveways.

Hallberg explained the development would result in 54 single family home sites and accompanying infrastructure, to be constructed by AVD II, LLC. Afterward, AVB, LLC, would build the homes based upon eight available floor plans and several option packages. Because of the build-to-suit nature of the project, buildout is expected to take between six and eight years. However, the applicant has shared a conservative ten-year buildout of five homes per year. While the applicant’s project is for approximately \$3.8 million, the affiliate project is anticipated to cost approximately \$30 million.

Hallberg went through the Brownfield Plan step-by-step. He outlined the list of eligible expenses and how the TIF capture tables were based upon the affiliate company’s development and the risk associated with their efforts, namely that market volatility can affect pricing and the homes will compete for a shrinking demographic of buyers who are paying \$450,000 to \$650,000 for a new home.

Hallberg also indicated that two of the three investment criteria points needed for consideration of simple interest as an eligible expense, and one of the points necessary to qualify for longer than 10 years of capture for eligible expenses, are dependent on AVB, LLC’s activities, not those of the applicant, AVD II, LLC. The applicant and staff negotiated some provisions in the Development and Reimbursement Agreement to ensure compliance with the city’s Brownfield Incentive Policy. The allowance of interest shall be contingent upon an affiliate company of AVD II, LLC, constructing all the homes within 10 years of the start of the TIF Capture period homes, and the combined taxable value increase of each home, at the time of certificate of occupancy issuance, must total \$15 million, and exclude inflation in the taxable value for the years between completion and the end of the ten-year term. Furthermore, to qualify for more than ten years of TIF Capture for recovery of eligible expenses, the combined taxable value increase mentioned must total \$10 million under the same requirements.

Galin asked when the TIF capture period would start exactly. Hallberg stated it starts when the developer submits for eligible expense reimbursement, which will be allowed as soon as Council formally accepts the infrastructure improvements but can be delayed for up to five years in order to ensure time for construction of units. He also shared that, because development sometimes occurs in phases, the applicant would be able to make separate submissions for eligible expenses even though the capture period had begun. However, recovery for the later submissions would have a limited time for completion.

At Herberg’s request, Gesmundo shared the limits of the condominium association fees and that they generally go toward various landscaping elements along the main causeway and the cul-de-sacs, among other things. Karpinski asked who maintains the roads after they are built. Hallberg

responded that these would become public roads, along with the sewer and water utilities. Gesmundo shared that some roads stay with the condo association in other developments due to some of the requirements of municipalities related to road widths etc.

Agostinelli shared that, because school debt millage is not an eligible tax capture fund, the development will result in new revenue to assist with school capital projects and per-pupil funding for schools. Gallagher indicated she liked the connectivity with the other neighborhoods. Albertus shared he saw the value of the special assessments that created walkability along Bacon Ave.

At Lewandowski's request, Gesmundo and Applegren shared some details about other projects AVB is currently pursuing.

Motion by Campbell, seconded by Gallagher, to approve the Act 381 Brownfield Plan and application by American Village Development II, LLC, for "McConley Cove", 1075 Bacon Avenue, to recommend Portage City Council approval of Brownfield Plan Amendment 15 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 with provisions for allowance of interest conditioned upon 1) an affiliate company of AVD II, LLC, constructing all the homes within 10 years of the start of the TIF Capture period, 2) the combined taxable value increase of the homes, at the time of the full tax year following each certificate of occupancy issuance equaling a total of \$15 million, excluding any inflation in the taxable value for the years between completion and the end of the ten-year term; and a provision to authorize the 12-year capture period for recovery of eligible expenses contingent on the combined taxable value increase of the homes, at the time of the full tax year following each certificate of occupancy issuance equaling a total of \$10 million, excluding any inflation in the taxable value for the years between completion and the end of the ten-year term.

Motion carried, 7-0.

Staff Report – In the interest of time, the board agreed to forego the planned training on PA 90 and directed Hallberg to schedule a future meeting to accommodate the training.

Statements of Citizens: None.

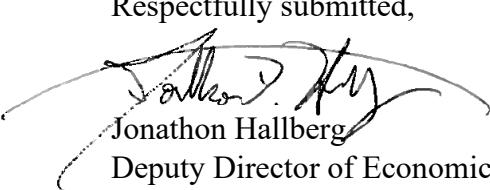
Adjournment:

Motion by Herberg, seconded by Gallagher, to adjourn.

Motion carried, 7-0.

The meeting was adjourned at 8:57am.

Respectfully submitted,



Jonathon Hallberg
Deputy Director of Economic Development



Department of Community Development

November 4, 2025

To: City of Portage Brownfield Redevelopment Authority

FROM: Jonathon Hallberg, Deputy Director of Economic Development

SUBJECT: Centreport Apartments Act 381 Brownfield Plan – “Centreport Apartments”, 7920 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.

7920 Partners, LLC, a partnership of Treystar, Talbot Development, Pinnacle Construction, and Joe Agostinelli, has applied for brownfield incentives under a brownfield plan amendment request and planned P.A 381 work plan. The Developer intends to redevelop and improve the Property by establishing a 151-unit for-lease mixed-use residential and retail commercial development called Centreport Apartments. The developments will result in a total of 1500 square feet of ground-floor retail, 69 studio, 67 one-bedroom, and 15 two-bedroom apartments, with an estimated total capital investment of \$32 million.

The project will set aside 20% of the units for workforce housing and anticipates 21 years of affordable restrictions on the income qualified units. Monthly rent shall not exceed an average MSHDA Rent by Bedroom of 90% AMI. Tenants for the workforce housing units will utilize a MSHDA approved tenant self-certification form and developer shall verify the tenant household income through tax return data or other appropriate alternatives as being no greater than 120% of Kalamazoo County AMI. The workforce housing shall consist of 14 studios, 13 one-bedroom units, and three two-bedroom units.

As discussed below, 7920 Partners, LLC'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 Centreport Apartments Act 381 Brownfield Plan. In addition to demolition, site preparation, infrastructure improvements, environmental activities, contingency



Department of Community Development

costs, and housing subsidy financing gap costs at the subject property, the applicant is requesting 3.5% annual simple interest on unreimbursed capital costs. In accordance with the Act, 7920 Partners, LLC, has identified specific housing needs through the Kalamazoo County Housing Plan prepared by the Upjohn Institute in 2022. According to the “Portage-East” section of the partnership J Housing Data included in the Statewide Housing Plan, approximately 50.3% of the existing housing stock was built before 1970 in this area. The for-sale vacancy rate in this area was 0.4% and the for-rent vacancy rate in this area was 0.9%, indicating an aging and very tight housing supply. The property is eligible under the Act as a result 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:

Department of Environment, Great Lakes and Energy (EGLE) Eligible Activities

- Phase I Environmental Site Assessment (“ESA”) anticipated at \$5,000.

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

- Site Demolition of a 2,777 s.f. former bank building anticipated at \$80,000.
- Site Preparation: include clearing and grubbing; grading, excavation and land balancing of the site; exporting of excess soils and installation of utility conduits. Engineering and design of these activities are also included as eligible activities. Eligible costs are anticipated to be \$567,736.
- Infrastructure Improvements: include the construction of a stormwater retention systems; sanitary sewer and water main extension and construction; sewer and water connection fees and tie ins; electric infrastructure upgrades; sidewalk development; landscaping & irrigation; site lighting; parking areas; EV charging infrastructure and solar panels. Engineering and design of these activities are also included as eligible activities. Eligible costs are anticipated to be \$1,346,213.
- Contingency of 15%, estimated at \$299,092.
- Interest of 3.5% on unreimbursed eligible expenses, with reimbursement capped at \$722,501.
- Brownfield Plan/Act 381 Work Plan Preparation, Application, and Implementation, Brownfield Plan and Administrative Expenses related to implementing the plan, with total anticipated costs at \$70,000.
- Financing Gap activities for Rent Controlled Units for the duration of the rent control period of 21 years. Anticipated gap financing costs are forecast at \$6,258,420.

Because the City of Portage is a “qualified local unit of government”, certain non-environmental costs can be reimbursed through a brownfield plan. 7920 Partners, LLC’s Brownfield Plan includes non-environmental eligible costs for demolition, site preparation, and infrastructure improvement, among others.

7920 Partners, LLC, seeks reimbursement for eligible activities through capture of both local and school tax dollars:

1. Specifically, 7920 Partners, LLC, anticipates capture of \$9,358,962, over 25 years based on a 2.0% inflation rate from school tax increment revenues for costs associated with the

MSHDA and EGLE Eligible Activities above, including: housing-specific infrastructure, demolition, water and sewer mains, stormwater management facility, site preparation, and brownfield/Act 381 work plans. Therefore, 7920 Partners, LLC, 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 \$3,983,158.

2. EGLE Environmental costs covered through State Tax Reimbursement are forecast to be \$5,000.
3. The Affordable Housing Financing Gap payment for 21 years is estimated at \$6,258,420.
4. In addition, the Act 381 Brownfield Plan anticipates capture of \$822,636 for Authority administrative cost, \$580,932 for the State Brownfield Redevelopment Fund, and \$2,004,325 for the Local Brownfield Revolving Fund.
5. The applicant is requesting a 3.5% simple interest rate be applied to all unpaid balances of the capital costs associated with the development. The applicant is also seeking a **Neighborhood Enterprise Zone** Certificate(s) for the development, the capture of taxes, which would reduce the taxes levied each year based on 50% of the statewide non-homestead average for the year previous to each capture year. As a result, the applicant has agreed to calculation of interest based on what would be captured and paid on eligible expenses at the standard tax rate.
6. 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 (\$299,092), and the estimated interest of 3.5% on unpaid balances of capital costs (capped at \$722,501 due to Neighborhood Enterprise Zone) is \$9,368,962.
7. The base year taxable value for purposes of capture of Tax Increment Revenue (TIR) is proposed to be 2026.

The developer has met four (4) investment criteria for: 1) housing development activities, 2) master plan subarea, 3) mixed-use development, and 4) site amenities which include secured mail/package room, furnished landscaped terrace w/outdoor kitchen or grill station, multi-use seating area/pavilion, clubhouse, and fitness center.

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

III. CONCLUSION:

7920 Partners, LLC's Brownfield Redevelopment Plan Application is eligible for tax increment financing under the Act. In accordance with the [City of Portage Brownfield Redevelopment Incentive Policy](#) ("Policy"), the applicant meets four investment criteria for the development and is thus eligible for up to a 25 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)
- **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. As explained in the Policy, the City Council will use 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 affected 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:

Centreport Apartments Brownfield Incentive Application
Centreport Apartments Act 381 Brownfield Plan
Draft Development and Reimbursement Agreement

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Brownfield Redevelopment Authority Project Application

To be considered for inclusion in the Program, the applicant will request a pre-application meeting with the Community Development Department. Department staff will share the Program criteria and will review the applicant's proposed project. Following the meeting, department staff will provide the applicant with a summary review of the project and a recommendation of whether the project would qualify for participation in the Program. When the applicant has made the required preparations, an application must be submitted to the Community Development Department in electronic format.

Please submit your application in this Excel format. Submittals may be in draft version up until such a time that legal review is requested, prior to which, the final version must be completed and the application fee must be paid. This application form must be completed by the applicant to initiate the brownfield review process by the City of Portage Brownfield Redevelopment Authority (BRA).

Last Updated: 12/3/24

Contents

The following sections are included in this application. All sections must be completed in order for the application to be accepted.

- A. Application Fee**
- B. Applicant Information**
- C. Project Information**
- D. Investment Criteria**
- Tab Required Documents**
- Tab Org Chart**
- Tab Certifications**

A. Application Fee

The Application fee is based on total project investment: 0.1%, i.e. a \$1,000,0000 project will result in a \$1,000 fee, due at the time of application submittal. No legal review of a submitted application will occur unless the requisite fee is paid. After submitting your application an application fee will be determined and an invoice will be created (within 24 hours) and payable online or at city hall. Once payment has been received the review process will be initiated.

[Once Your Invoice is Received, Click Here to Pay Your Application Fee on the BS&A Platform](#)

You may submit the completed application form and any supplemental materials to:

Jonathon Hallberg | Deputy Director of Economic Development
City of Portage, Community Development Department
7900 S. Westnedge Ave., Portage, MI 49002
O (269) 329-4474, F (269) 324-0537
hallberj@portagemi.gov

Additional information about Brownfield Applications and the City of Portage Brownfield Authority process is available [HERE](#).

B. Applicant Information

Date: 8/23/2025

Applicant (Organization/Firm): 7920 Portage, LLC
Mailing Address: 1235 Lyonhurst St
Birmingham, MI 48009

Principal: Ryan Talbot

Title: Member

Contact Person for Applicant: Ryan Talbot
Contact Phone Number: 619-988-6435
Contact Email Address: ryan@talbotdevco.com

Title: Member

Current Property Owner: 7920 Partners, LLC
Mailing Address: 241 E. Michigan Ave, Ste 135
Kalamazoo, MI 49007

Principal: Fritz Brown

Title: CEO, Treystar

Contact Person for Owner: Fritz Brown
Contact Phone Number: 269.329.1808
Contact Email Address: fbrown@treystar.com

Title: CEO

Project Architect/Engineer: Pinnacle Construction (Design/Build)
Mailing Address: 1000 Front Ave NW
Grand Rapids, MI 49504

Contact Person: James Lewis

Title: Dir of Development

Contact Phone Number: 616.451.0500
Contact Email Address: jl@askourclients.com

Project Architect/Engineer: Venture Engineering (if more than one)
Mailing Address: 8515 Ridgebluff Dr SW
Byron Center, MI 49315

Contact Person: _____

Title: _____

Contact Phone Number: _____
Contact Email Address: _____

Construction Project Manager/**General Contractor:** Pinnacle Construction (Design/Build)**Mailing Address:** 1000 Front Ave NW
Grand Rapids, MI 49504**Contact Person:** James Lewis**Title:** Dir of Development**Contact Phone Number:** 616.451.0500**Contact Email Address:** jl@askourclients.com**Property Management Firm:** _____ (if applicable)**Mailing Address:** _____
_____**Contact Person:** _____**Title:** _____**Contact Phone Number:** _____**Contact Email Address:** _____*Please complete the Org Chart tab in this application document.* Completed**C. Project Information****Project Name:** Centreport Apartments**Project Address(es):** 7920 Portage Road
Portage, MI 49024**Parcel ID Number(s):** 00014-080-A**Existing Acreage:** 2.47 **Existing Building Square Footage:** 2777**Project is a(n):** Greenfield Construction Redevelopment Adaptive Re-Use/ Renovation

Project Summary: For mixed-use projects, include percentage of residential by square footage. For residential projects (or components of mixed-use), please share proposed method of certification and duration of affordability impact. Indicate if project will result in the subdivision of any present tax parcels and provide details. If more space is required, please create an **Attachment I** and share these details therein. Information should be consistent with and/or reference the details provided in proforma document.

The property was purchased by 7920 Partners, LLC following PNC's closure of the facility. 7920 Partners is affiliated with Treystar, one of the area's largest and longest standing developers. Treystar, Talbot, Pinnacle Construction and Joe Agostinelli are partnering to develop this project. The proposed redevelopment consists of the demolition of the former PNC bank branch building and associated site development located at the northwest corner of Portage Road and Centre Ave. The new development will serve as the entry point into the the Lake Center district and will be the fist urban design development on the corridor. The building will be developed to the south and east lot lines, creating an urban feel to promote walkability in the neighborhood.

The new development will include 151 new apartments consisting of a mix of studios, 1 bed room and 2 bedroom units; ground floor retail along with an amenity courtyard and surface parking tucked behind the building. The percentage of residential square footage is approximately 99% of the development. The project proposes 30 units (20%) to be restricted to an average of 90% AMI rents and rented to households at or below 120% AMI. Income restrictions are currently modeled to be in place for 21 years.

Projected Private Investment in Development / Redevelopment: \$32 million

Future Number of Buildings: 1 **Total Future Square Footage:** 116,000

Status of Development Permits and Applications: (Indicate any rezoning applications, tentative plan applications, site plan applications, state and federal permitting that must be approved either prior to, or concurrent with, the Brownfield Redevelopment Incentive.)

The project submitted for site plan approval on August 22, 2025. Concurrent with the submission of this brownfield application, the project is also submitting a request for the creation of a Neighborhood Enterprise Zone, which would allow the project to pursue a NEZ tax abatement. No state or federal permits are anticipated.

Status of Assessment Appeals: (Indicate if there are any assessments presently under appeal and the status of those appeals.)

Not Applicable

Qualifying Status of the Property: Facility Blighted Functionally
Obsolete**Projected Number of Years of Local Tax Capture to Reimburse Eligible Expenses:**

25

Summary of Rationale for Qualifying Status (provide documentation under separate cover if necessary):

Section 2(y)(i) of Public Act 381 of 1996 ("Act 381"), as amended, defines "Housing Property" as "A property on which 1 or more units of residential housing are proposed to be constructed, rehabilitated, or otherwise designated to be used as a dwelling." The development proposes 151 housing units on Parcel #00014-080-A, thus this parcel is eligible property under Act 381.

Other incentives applicant intends to apply for: (Please include anticipated review/approval dates and amount of incentive proposed.)

Neighborhood Enterprise Zone (Fall 2025)
MSHDA MI Neighborhoods (October 1 application) 1Q 2026 Approval

If applicant is not applying for other incentives, please state why the Brownfield Incentive Policy is the only assistance being sought for the project:

Not Applicable

Is the project located within a TIFA District? (i.e. Downtown Development Authority, LDFA, etc.)Yes No **If so, state the appropriate authority's current level of support and any official action taken by the authority related to the project with date:**

Not Applicable

New and Retained Jobs

Include additional data in ATTACHMENT I if necessary.

Description	New		Retained	Avg. Annual Pay
	# Full-Time	# Part-Time		
Property Management	1			

Residential Unit Details (if relevant)

Submit an external document, or as part of ATTACHMENT I, if necessary.

Unit Type	Income/AMI Restrictions	# Units	Sq. Ft.	Rent or Sale Price
	ed for editing. See Attached pro			

Describe method of annual income certification and duration of affordability impact.

The project anticipates 21 years of affordable restrictions on the income qualified units. Monthly rent shall not exceed an average MSHDA Rent by Bedroom of 90% AMI. Tenants for the WFH Units will utilize a MSHDA approved tenant self-certification form and developer shall verify the tenant household income through tax return data or other appropriate alternatives as being no greater than 120% of Kalamazoo County AMI.

D. Investment Criteria

IMPORTANT - Refer to the City of Portage Brownfield Redevelopment Incentive Policy and indicate which of the investment criteria the project will meet:

Check all that Apply

Sustainable Development

LEED Silver (or higher) Certification

Energy Star V3.2 (or higher)

Equivalent Alternative (List)

--

Housing Development Activities

Project includes "Housing Development Activities", as defined in Section 2(x) of the Brownfield Act, **and** provides income qualified housing

Diversity of Housing Type

Provides a housing type (single-family attached, single-family detached, duplex, or multi-family) that is less than 20% of the existing housing type in a census block group, according to the most recent decennial census, **or** if the census data is more than five years old, according to the most recent American Community Survey data

--

Accessibility / Visitability

If both criteria are met, the applicant will receive two points

Provides a housing development where at least 10%+ of units meet/exceed ADA Accessibility Standards.

--

75%+ of units meet/exceed Visitability standards: a) no-step entry; b) barrier free parking, with ramps if needed; c) barrier free entry door; d) barrier free half-bath on first floor; e) electrical switches at reachable heights; f) accessible route through first floor living space.

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Activation in Designated Sub-Areas of Portage

Master Plan Subarea

X

Sub-area District: Lake Center District

Stated Master Plan Goal Delivered:

City-Targeted Parcel

Property designated in Portage Forward

Together 2045 Master Plan

Multimodal Transportation

Transit Passes for residents & employees
for three years AND provide land/
improvements on-site

Improvement to be financed:

Proposed Number of Passes:

Contribution to Multi-Modal Fund

Amount:

Job Creation

20 FTE jobs/25% + increase in FTE jobs

Jobs

Avg. Pay
(Annual)

Summary - Jobs Created (what
kind of jobs, how many, etc.):

Mixed-Use Development

Includes housing and a mix of other
commercial uses

X

Public Space Improvements

Based upon an approved City of Portage
plan

Alternative Public Space Improvement

Summary Information (in either case):

Site Amenities (residential/mixed-use) Provides at least two:

Secured mail/package room

X

Furnished & landscaped terrace w/ outdoor kitchen or grill station

X

Multi-use seating area/ gazebo/ pavilion

X

Dedicated pet park

Secured bicycle storage

Clubhouse with social areas

X

Walking/ biking path

Fitness Center

X

Sports courts

Swimming pool

Child Care Facilities

Includes State-licensed child daycare center
per MCL 722.111(f)(iv)

Total Investment (If \$15 million, qualifies for two investment criteria)

Will equate to a minimum taxable value of
\$10 million or more upon completion.

Will equate to a minimum
taxable value of \$15 million or
more upon completion.

TOTAL INVESTMENT CRITERIA

4

ACT 381 BROWNFIELD PLAN

**Centreport Apartments
7920 Portage Road
Kalamazoo County, City of Portage
City of Portage Brownfield Redevelopment Authority**

November 4, 2025

Prepared by:

Joe Agostinelli
1906 Forest Drive
Portage, MI 49002

Approved by the Brownfield Redevelopment Authority on _____

Approved by the City of Portage on _____

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- 2.1 Description of Costs to Be Paid for With Tax Increment Revenues
- 2.2 Summary of Eligible Activities
- 2.3 Estimate of Captured Taxable Value and Tax Increment Revenues
- 2.4 Method of Financing and Description of Advances Made by the Municipality
- 2.5 Maximum Amount of Note or Bonded Indebtedness
- 2.6 Duration of Brownfield Plan
- 2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions
- 2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property
- 2.9 Estimates of Residents and Displacement of Individuals/Families
- 2.10 Plan for Relocation of Displaced Persons
- 2.11 Provisions for Relocation Costs
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- 2.13 Other Material that the Authority or Governing Body Considers Pertinent

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- Table 1 Eligible Activities Costs
- Table 2 Tax Capture Schedule
- Table 3 Reimbursement Schedule

ATTACHMENTS

- Attachment A Brownfield Plan Resolutions
- Attachment B Reimbursement Agreement
- Attachment C Site Plan
- Attachment D Housing Study

ACT 381 BROWNFIELD PLAN

1.0 INTRODUCTION

1.1 **Proposed Redevelopment and Future Use for Each Eligible Property**

The proposed redevelopment consists of one vacant parcel totaling approximately 2.47 acres in the City of Portage. The project will demolish the existing 2,777 square foot former bank building to make way for a new mixed-use development consisting of 151 apartment units and ground floor commercial space. The development will consist of 69 studios, 67 one bedroom and 12 two bedroom units. Of the total 151 units, approximately 30 (20%) are expected to income restricted to at or below 120% of Area Median Income ("AMI"). The development is also anticipated to include tenant amenities such as a gym, lounge, rooftop patio, and an exterior courtyard with grills and seating areas.

The total capital investment is expected to be approximately \$32 million. Construction on the project is planned to begin in the summer of 2026 and will be completed in summer of 2027.

1.2 **Identification of Housing Need**

Specific Housing Need

The Kalamazoo County Housing Plan prepared by the Upjohn Institute in 2022 identified that the county required 7,750 new housing units in order to appropriately house the growth anticipated in the county. According to the "Portage-East" section of the Partnership J Housing Data included in the Statewide Housing Plan, approximately 50.3% of the existing housing stock was built before 1970 in this area. The for-sale vacancy rate in this area was 0.4% and the for-rent vacancy rate in this area was 0.9%, indicating an aging and very tight housing supply.

Job Growth Data

Southwest Michigan First, the economic development organization serving the 7-county region of Southwest Michigan, has announced 4,666 new jobs to the region between 2021 to 2023. This includes significant investment and job creation in Kalamazoo County and the City of Portage, including Pfizer Global Supply's 2022 announcement of a \$870M expansion which is expected to create 550 jobs across the street from the project site, and Midwest Fasteners, which announced a \$10.4M expansion that will create and retain 124 jobs in Portage. The region is undergoing significant corporate investment that will require new employees in the region. Based on the specific housing need and job growth data in the area, the absorption of these new residential units is expected to be accelerated.

1.3 Eligible Property Information

Basis of Eligibility

Section 2(y)(i) of Public Act 381 of 1996 ("Act 381"), as amended, defines "Housing Property" as "A property on which 1 or more units of residential housing are proposed to be constructed, rehabilitated, or otherwise designated to be used as a dwelling." The development proposes 151 housing units on Parcel #00014-080-A thus this parcel is eligible property under Act 381.

Location and Legal Description

7920 Portage Road Parcel ID: 00014-080-A 2.47 Acres
Portage, MI 49504

Legal Description:

SECTION 14-3-11 BEG S 1/4 POST SEC 14, TH N 348.52 FT, TH W 449 FT, TH S 185 FT, TH E 100 FT, TH S 163 FT, TH E 349 FT TO P.O.B., EXC RD ROWS.

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

2.1 Description of Costs to Be Paid for With Tax Increment Revenues

Tax increment revenues will be used to reimburse 7920 Portage, LLC ("Developer") for the cost of eligible activities as authorized by Act 381. Michigan State Housing Development Authority ("MSHDA") approved non-environmental eligible activities and statutorily approved EGLE environmental eligible activities will be reimbursed with local and school tax increment revenues ("TIR"). The remaining eligible activities will be reimbursed with local TIR only.

The total cost of eligible activities in this Brownfield Plan including contingency are anticipated to be \$9,368,962. Simple interest on unreimbursed eligible activities is also included as an eligible activity at 3.5%. Brownfield Authority Administrative fees are anticipated to be \$822,636. Funding to the State Brownfield Redevelopment Fund is anticipated to be \$580,932. The estimated cost of all eligible activities under this plan are summarized in Table 1.

Environmental Activities

Department specific activities considered under this plan include a Phase I Environmental Site Assessment ("ESA").

Non-Environmental Activities

Because the basis of property eligibility is "Housing Property" under Public Act 381, additional non-environmental costs can be reimbursed through a brownfield plan. This plan provides for reimbursement of eligible "housing development activities" including infrastructure activities that are necessary for new housing development on eligible property.

2.2 Summary of Eligible Activities

2.2..1 Phase I & Phase II ESA, BEA and Due Care Plan

A Phase I ESA will be required for the project and is anticipated to cost \$5,000. This is a cost statutorily approved for reimbursement with school taxes.

2.2..2 Demolition

Demolition activities will include the complete removal of the existing building and site infrastructure. Engineering and design of these activities are also included as eligible activities. The total cost of demolition is anticipated to be \$80,000.

2.2..3 Infrastructure

Infrastructure activities will include the construction of a stormwater retention systems; sanitary sewer and water main extension and construction; sewer and water connection fees and tie ins; electric infrastructure upgrades; sidewalk development; landscaping & irrigation; site lighting; parking areas; EV charging infrastructure and solar panels. Engineering and design of these activities are also included as eligible activities. The total cost of these infrastructure improvement is anticipated to be \$1,346,213.

2.2..4 Site Preparation

Site preparation activities will include clearing and grubbing; grading, excavation and land balancing of the site; exporting of excess soils and installation of utility conduits. Engineering and design of these activities are also included as eligible activities. The total cost of these site preparation activities is anticipated to be \$567,736.

2.2..5 Interest

Financing costs for the project are considered an eligible activity. This plan allows for 3.5% interest rate on the developer's unreimbursed eligible activities. Total interest reimbursement is capped at \$722,501, which is the amount of interest that would be generated if the project did not include a Neighborhood Enterprise Zone.

2.2..6 Contingency

A 15% contingency is included as an eligible activity. The contingency is estimated to be \$299,092.

2.2..7 Financing Gap

Housing development activities, related to reimbursement provided to the developer to fill a financing gap associated with the

development of housing units priced for income qualified households' units, are included as eligible activities. The financing gap is calculated utilizing the Total Housing Subsidy formula developed by MSHDA.

The Total Housing Subsidy is anticipated to be \$298,020 in year one of the Plan. With a MSHDA Control Rent of \$2,095 for a Studio, \$2,495 for a 1-Bedroom and \$2,905 for a 2-Bedroom, the annual potential rent loss over the term of a 21-year affordability period are delineated below. There are anticipated to be 30 income qualified units as a part of this development for a total of 21 years of income restriction.

Type	MSHDA Control Rent	Project Rent (Year 1)	Rent Gap (Year 1)	Income Qualified Units	Annual Gap (Year 1)	Total Loss
Studio	\$2,095	\$1,440	\$7,856	14	\$109,990	
1-Bed	\$2,495	\$1,536	\$11,504	13	\$149,557	
2-Bed	\$2,905	\$1,836	\$12,824	3	\$38,473	
Total				30	\$298,020	\$6,258,420

The Total Housing Subsidy contemplated on the 30 units that will be income restricted based on MSHDA's Rent Control formula over a 21-year period of affordability \$6,258,420.

2.2.8 Brownfield Plan and Act 381 Work Plan Preparation

The cost to prepare the Brownfield Plan and Act 381 Work Plan is anticipated to be \$30,000.

2.2.9 Brownfield Plan Application Fee

The cost to apply for the Brownfield Plan is included as an eligible activity and is estimated to cost \$10,000.

2.2.10 Brownfield Plan Implementation

The cost of implementing the Brownfield Plan is anticipated to be \$50,000.

2.2.11 Local Brownfield Revolving Fund

Local Brownfield Revolving Fund capture is also included in this plan. Capture to the Local Brownfield Revolving Fund is anticipated to be \$2,004,325.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This plan captures all available TIR, including real and personal property TIR.

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

The eligible activities will be financed by the developer and reimbursed as outlined in this plan and accompanying development agreement. No advances from the City are anticipated at this time.

2.5 Maximum Amount of Note or Bonded Indebtedness

No note or bonded indebtedness for this project is anticipated at this time. Therefore, this section is not applicable.

2.6 Duration of Brownfield Plan

The duration of this plan is estimated to be 25 years of reimbursement to Developer, with an additional 5 years of capture to the Local Brownfield Revolving Fund ("LBRF"). It is estimated that the project will be completed in 2028 and that full recapture of eligible costs and eligible administrative costs of the authority will continue until 2052. Capture of TIR is expected to begin in 2028, however could be delayed for up to 5 years after the approval of this plan as permitted by Act 381. In no event shall capture extend beyond 30 year as required by Act 381. An analysis showing the reimbursement schedule is attached as Table 3.

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 within Table 2.

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

The property consists of one parcel which total 2.47 acres in size and is located at 7920 Portage Road in Portage, Kalamazoo County (Parcel Identification Number 00014-080-A). A legal description of the property along with a scaled map showing eligible property dimensions, is attached as Figure 1.

The parcel is considered "eligible property" due to the development of residential housing units on the property, as defined within the definition of "Housing Property" in Section 2(y) of Public Act 381 of 1996, as amended.

Taxable personal property, if any, is included in this plan.

2.9 Estimates of Residents and Displacement of Individuals/Families

No persons reside at the property therefore this section is not applicable.

2.10 Plan for Relocation of Displaced Persons

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

2.11 Provisions for Relocation Costs

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

2.12 Strategy for Compliance with Michigan's Relocation Assistance Law

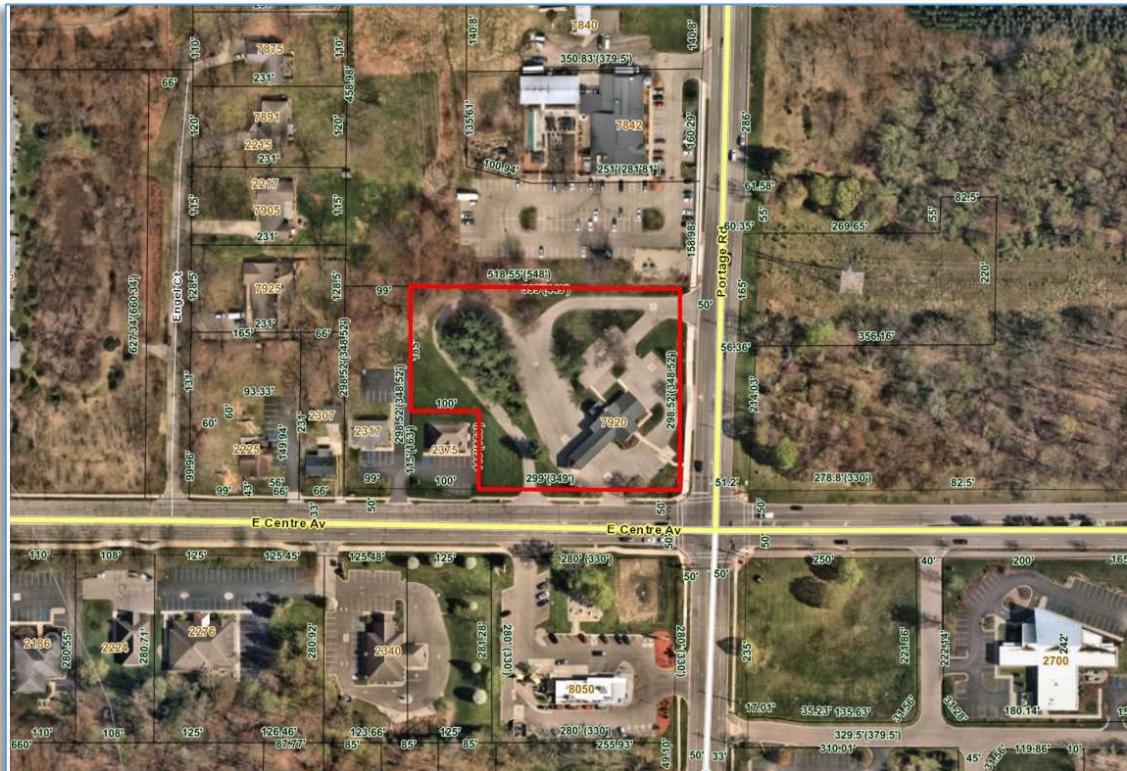
No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

2.13 Other Material that the Authority or Governing Body Considers Pertinent

None.

Figure 1

Legal Description and Eligible Property Map



**7920 Portage Road
Portage, MI 49002**

Parcel ID: 00014-080-A

2.47 Acres

Legal Description:

SECTION 14-3-11 BEG S 1/4 POST SEC 14, TH N 348.52 FT, TH W 449 FT, TH S 185 FT, TH E 100 FT, TH S 163 FT, TH E 349 FT TO P.O.B., EXC RD ROWS.

Table 1

Eligible Activity Costs

EGLE Eligible Activities Costs and Schedule		
EGLE Eligible Activities	Cost	Completion Season/Year
Department Specific Activities Sub-Total	\$ 5,000	Spring 2025
<i>Phase I Environmental Site Assessments</i>	\$ 5,000	
EGLE Eligible Activities Sub-Total	\$ 5,000	
MSDHA Housing Development Activities Costs and Schedule		
MSDHA Eligible Activities	Cost	Completion Season/Year
Demolition Sub-Total	\$ 80,000	Summer 2026
<i>Building and Site Demolition</i>	\$ 80,000	
Infrastructure Sub-Total	\$ 1,346,213	Fall 2027
<i>Watermain Extension</i>	265,000	
<i>Site Watermain, valves, Hydrants and tapping sleeves</i>	333,783	
<i>Sanitary Sewer Systems</i>	16,377	
<i>Stormwater management</i>	147,393	
<i>EV Charging Infrastructure</i>	106,000	
<i>Solar Panels</i>	53,000	
<i>Electrical infrastructure upgrades</i>	79,500	
<i>Landscaping and irrigation</i>	146,998	
<i>Parking Areas</i>	132,654	
<i>Sidewalks</i>	65,508	
Site Preparation Sub-Total	567,736	Fall 2027
<i>Clearing and Grubbing</i>	81,885	
<i>Grading, excavation and land balancing</i>	436,720	
<i>Soil removal</i>	32,754	
<i>Utility Conduits</i>	16,377	
Affordable Housing Financing Gap	\$ 6,258,420	
BRA Application Fee	\$ 10,000	
Brownfield Plan/Act 381 Work Plan Preparation	\$ 30,000	Fall 2025
Brownfield Plan Implementation - Developer	\$ 50,000	
MSDHA Eligible Activities Sub-Total	\$ 8,342,369	
Contingency (15%)	\$ 299,092	
Interest	\$ 722,501	
Total Brownfield Eligible Activities	\$ 9,368,962	

Table 2

Tax Capture Schedule

CentrePort Apartments
Land and Commercial Capture
October 2025

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2%								
	1	2	3	4	5	6	7	8	9
Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036
*Base Taxable Value	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500
Estimated New TV	\$ 500,000	\$ 510,000	\$ 520,200	\$ 530,604	\$ 541,216	\$ 552,040	\$ 563,081	\$ 574,343	\$ 585,830
Incremental Difference (New TV - Base TV)	\$ 177,500	\$ 187,500	\$ 197,700	\$ 208,104	\$ 218,716	\$ 229,540	\$ 240,581	\$ 251,843	\$ 263,330

School Capture **Millage Rate**

State Education Tax (SET)	6.0000	\$ 1,065	\$ 1,125	\$ 1,186	\$ 1,249	\$ 1,312	\$ 1,377	\$ 1,443	\$ 1,511	\$ 1,580
School Operating Tax	17.5695	\$ 3,119	\$ 3,294	\$ 3,473	\$ 3,656	\$ 3,843	\$ 4,033	\$ 4,227	\$ 4,425	\$ 4,627
School Total	23.5695	\$ 4,184	\$ 4,419	\$ 4,660	\$ 4,905	\$ 5,155	\$ 5,410	\$ 5,670	\$ 5,936	\$ 6,207

Local Capture **Millage Rate**

County Public Safety	1.4344	\$ 255	\$ 269	\$ 284	\$ 299	\$ 314	\$ 329	\$ 345	\$ 361	\$ 378
County 911	0.6442	\$ 114	\$ 121	\$ 127	\$ 134	\$ 141	\$ 148	\$ 155	\$ 162	\$ 170
County Housing	0.7434	\$ 132	\$ 139	\$ 147	\$ 155	\$ 163	\$ 171	\$ 179	\$ 187	\$ 196
County Seniors	0.3462	\$ 61	\$ 65	\$ 68	\$ 72	\$ 76	\$ 79	\$ 83	\$ 87	\$ 91
County Veteran Fund	0.0997	\$ 18	\$ 19	\$ 20	\$ 21	\$ 22	\$ 23	\$ 24	\$ 25	\$ 26
KRESA ISD	6.9565	\$ 1,235	\$ 1,304	\$ 1,375	\$ 1,448	\$ 1,521	\$ 1,597	\$ 1,674	\$ 1,752	\$ 1,832
Portage District Library	1.4942	\$ 265	\$ 280	\$ 295	\$ 311	\$ 327	\$ 343	\$ 359	\$ 376	\$ 393
Library Extra	0.4980	\$ 88	\$ 93	\$ 98	\$ 104	\$ 109	\$ 114	\$ 120	\$ 125	\$ 131
City Operating	10.6400	\$ 1,889	\$ 1,995	\$ 2,104	\$ 2,214	\$ 2,327	\$ 2,442	\$ 2,560	\$ 2,680	\$ 2,802
School Site SF	0.4980	\$ 88	\$ 93	\$ 98	\$ 104	\$ 109	\$ 114	\$ 120	\$ 125	\$ 131
Cen Cnty Transit	0.8905	\$ 158	\$ 167	\$ 176	\$ 185	\$ 195	\$ 204	\$ 214	\$ 224	\$ 234
County Operating	4.6049	\$ 817	\$ 863	\$ 910	\$ 958	\$ 1,007	\$ 1,057	\$ 1,108	\$ 1,160	\$ 1,213
County Transit	0.3091	\$ 55	\$ 58	\$ 61	\$ 64	\$ 68	\$ 71	\$ 74	\$ 78	\$ 81
KVCC	2.7645	\$ 491	\$ 518	\$ 547	\$ 575	\$ 605	\$ 635	\$ 665	\$ 696	\$ 728
Local Total	31.92360	\$ 5,666	\$ 5,986	\$ 6,311	\$ 6,643	\$ 6,982	\$ 7,328	\$ 7,680	\$ 8,040	\$ 8,406

Non-Capturable Millages **Millage Rate**

School Debt	6.8500	\$ 3,425	\$ 3,494	\$ 3,563	\$ 3,635	\$ 3,707	\$ 3,781	\$ 3,857	\$ 3,934	\$ 4,013
KRESA Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Juvenile	0.1176	\$ 21	\$ 22	\$ 23	\$ 24	\$ 26	\$ 27	\$ 28	\$ 30	\$ 31
Total Non-Capturable Taxes	6.9676	\$ 3,425	\$ 3,494	\$ 3,563	\$ 3,635	\$ 3,707	\$ 3,781	\$ 3,857	\$ 3,934	\$ 4,013
		62.4607								

Footnotes:

FTV provided by City of Portage 8/27/25

** NEZ Phase in only applies to County and City Millages

CentrePort Apartments
Land and Commercial Capture
October 2025

10	11	12	13	14	15	16	17	18	19	20
2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500
\$ 597,546	\$ 609,497	\$ 621,687	\$ 634,121	\$ 646,803	\$ 659,739	\$ 672,934	\$ 686,393	\$ 700,121	\$ 714,123	\$ 728,406
\$ 275,046	\$ 286,997	\$ 299,187	\$ 311,621	\$ 324,303	\$ 337,239	\$ 350,434	\$ 363,893	\$ 377,621	\$ 391,623	\$ 405,906
\$ 1,650	\$ 1,722	\$ 1,795	\$ 1,870	\$ 1,946	\$ 2,023	\$ 2,103	\$ 2,183	\$ 2,266	\$ 2,350	\$ 2,435
\$ 4,832	\$ 5,042	\$ 5,257	\$ 5,475	\$ 5,698	\$ 5,925	\$ 6,157	\$ 6,393	\$ 6,635	\$ 6,881	\$ 7,132
\$ 6,483	\$ 6,764	\$ 7,052	\$ 7,345	\$ 7,644	\$ 7,949	\$ 8,260	\$ 8,577	\$ 8,900	\$ 9,230	\$ 9,567
\$ 395	\$ 412	\$ 429	\$ 447	\$ 465	\$ 484	\$ 503	\$ 522	\$ 542	\$ 562	\$ 582
\$ 177	\$ 185	\$ 193	\$ 201	\$ 209	\$ 217	\$ 226	\$ 234	\$ 243	\$ 252	\$ 261
\$ 204	\$ 213	\$ 222	\$ 232	\$ 241	\$ 251	\$ 261	\$ 271	\$ 281	\$ 291	\$ 302
\$ 95	\$ 99	\$ 104	\$ 108	\$ 112	\$ 117	\$ 121	\$ 126	\$ 131	\$ 136	\$ 141
\$ 27	\$ 29	\$ 30	\$ 31	\$ 32	\$ 34	\$ 35	\$ 36	\$ 38	\$ 39	\$ 40
\$ 1,913	\$ 1,996	\$ 2,081	\$ 2,168	\$ 2,256	\$ 2,346	\$ 2,438	\$ 2,531	\$ 2,627	\$ 2,724	\$ 2,824
\$ 411	\$ 429	\$ 447	\$ 466	\$ 485	\$ 504	\$ 524	\$ 544	\$ 564	\$ 585	\$ 607
\$ 137	\$ 143	\$ 149	\$ 155	\$ 162	\$ 168	\$ 175	\$ 181	\$ 188	\$ 195	\$ 202
\$ 2,926	\$ 3,054	\$ 3,183	\$ 3,316	\$ 3,451	\$ 3,588	\$ 3,729	\$ 3,872	\$ 4,018	\$ 4,167	\$ 4,319
\$ 137	\$ 143	\$ 149	\$ 155	\$ 162	\$ 168	\$ 175	\$ 181	\$ 188	\$ 195	\$ 202
\$ 245	\$ 256	\$ 266	\$ 277	\$ 289	\$ 300	\$ 312	\$ 324	\$ 336	\$ 349	\$ 361
\$ 1,267	\$ 1,322	\$ 1,378	\$ 1,435	\$ 1,493	\$ 1,553	\$ 1,614	\$ 1,676	\$ 1,739	\$ 1,803	\$ 1,869
\$ 85	\$ 89	\$ 92	\$ 96	\$ 100	\$ 104	\$ 108	\$ 112	\$ 117	\$ 121	\$ 125
\$ 760	\$ 793	\$ 827	\$ 861	\$ 897	\$ 932	\$ 969	\$ 1,006	\$ 1,044	\$ 1,083	\$ 1,122
\$ 8,780	\$ 9,162	\$ 9,551	\$ 9,948	\$ 10,353	\$ 10,766	\$ 11,187	\$ 11,617	\$ 12,055	\$ 12,502	\$ 12,958
\$ 4,093	\$ 4,175	\$ 4,259	\$ 4,344	\$ 4,431	\$ 4,519	\$ 4,610	\$ 4,702	\$ 4,796	\$ 4,892	\$ 4,990
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 32	\$ 34	\$ 35	\$ 37	\$ 38	\$ 40	\$ 41	\$ 43	\$ 44	\$ 46	\$ 48
\$ 4,093	\$ 4,175	\$ 4,259	\$ 4,344	\$ 4,431	\$ 4,519	\$ 4,610	\$ 4,702	\$ 4,796	\$ 4,892	\$ 4,990

CentrePort Apartments

Land and Commercial Capture

October 2025

21	22	23	24	25	26	27	28	29	30	TOTAL
2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	
\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ -
\$ 742,974	\$ 757,833	\$ 772,990	\$ 788,450	\$ 804,219	\$ 820,303	\$ 836,709	\$ 853,443	\$ 870,512	\$ 887,922	\$ -
\$ 420,474	\$ 435,333	\$ 450,490	\$ 465,950	\$ 481,719	\$ 497,803	\$ 514,209	\$ 530,943	\$ 548,012	\$ 565,422	\$ -
\$ 2,523	\$ 2,612	\$ 2,703	\$ 2,796	\$ 2,890						\$ 47,716
\$ 7,388	\$ 7,649	\$ 7,915	\$ 8,187	\$ 8,464						\$ 139,724
\$ 9,910	\$ 10,261	\$ 10,618	\$ 10,982	\$ 11,354	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 187,440
\$ 603	\$ 624	\$ 646	\$ 668	\$ 691	\$ 714	\$ 738	\$ 762	\$ 786	\$ 811	\$ 15,218
\$ 271	\$ 280	\$ 290	\$ 300	\$ 310	\$ 321	\$ 331	\$ 342	\$ 353	\$ 364	\$ 6,834
\$ 313	\$ 324	\$ 335	\$ 346	\$ 358	\$ 370	\$ 382	\$ 395	\$ 407	\$ 420	\$ 7,887
\$ 146	\$ 151	\$ 156	\$ 161	\$ 167	\$ 172	\$ 178	\$ 184	\$ 190	\$ 196	\$ 3,673
\$ 42	\$ 43	\$ 45	\$ 46	\$ 48	\$ 50	\$ 51	\$ 53	\$ 55	\$ 56	\$ 1,058
\$ 2,925	\$ 3,028	\$ 3,134	\$ 3,241	\$ 3,351	\$ 3,463	\$ 3,577	\$ 3,694	\$ 3,812	\$ 3,933	\$ 73,802
\$ 628	\$ 650	\$ 673	\$ 696	\$ 720	\$ 744	\$ 768	\$ 793	\$ 819	\$ 845	\$ 15,852
\$ 209	\$ 217	\$ 224	\$ 232	\$ 240	\$ 248	\$ 256	\$ 264	\$ 273	\$ 282	\$ 5,283
\$ 4,474	\$ 4,632	\$ 4,793	\$ 4,958	\$ 5,125	\$ 5,297	\$ 5,471	\$ 5,649	\$ 5,831	\$ 6,016	\$ 112,880
\$ 209	\$ 217	\$ 224	\$ 232	\$ 240	\$ 248	\$ 256	\$ 264	\$ 273	\$ 282	\$ 5,283
\$ 374	\$ 388	\$ 401	\$ 415	\$ 429	\$ 443	\$ 458	\$ 473	\$ 488	\$ 504	\$ 9,447
\$ 1,936	\$ 2,005	\$ 2,074	\$ 2,146	\$ 2,218	\$ 2,292	\$ 2,368	\$ 2,445	\$ 2,524	\$ 2,604	\$ 48,854
\$ 130	\$ 135	\$ 139	\$ 144	\$ 149	\$ 154	\$ 159	\$ 164	\$ 169	\$ 175	\$ 3,279
\$ 1,162	\$ 1,203	\$ 1,245	\$ 1,288	\$ 1,332	\$ 1,376	\$ 1,422	\$ 1,468	\$ 1,515	\$ 1,563	\$ 29,329
\$ 13,423	\$ 13,897	\$ 14,381	\$ 14,875	\$ 15,378	\$ 15,892	\$ 16,415	\$ 16,950	\$ 17,495	\$ 18,050	\$ 338,679
\$ 5,089	\$ 5,191	\$ 5,295	\$ 5,401	\$ 5,509	\$ 5,619	\$ 5,731	\$ 5,846	\$ 5,963	\$ 6,082	\$ 138,946
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 49	\$ 51	\$ 53	\$ 55	\$ 57	\$ 59	\$ 60	\$ 62	\$ 64	\$ 66	\$ 1,248
\$ 5,089	\$ 5,191	\$ 5,295	\$ 5,401	\$ 5,509	\$ 5,619	\$ 5,731	\$ 5,846	\$ 5,963	\$ 6,082	\$ 138,946

CentrePort Apartments
Residential Capture
October 2025

Estimated Taxable Value (TV) Increase Rate:	NEZ Period								
	2%								
	Plan Year	1	2	3	4	5	6	7	8
Calendar Year		2028	2029	2030	2031	2032	2033	2034	2035
*Base Taxable Value	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV	\$	7,600,000	\$ 7,752,000	\$ 7,907,040	\$ 8,065,181	\$ 8,226,484	\$ 8,391,014	\$ 8,558,834	\$ 8,730,011
Incremental Difference (New TV - Base TV)	\$	7,600,000	\$ 7,752,000	\$ 7,907,040	\$ 8,065,181	\$ 8,226,484	\$ 8,391,014	\$ 8,558,834	\$ 8,730,011
		26.93							

<u>School Capture</u>	Millage Rate	NEZ Rate
State Education Tax (SET)	6.0000	2.6013
School Operating Tax	17.5695	7.6173
School Total	23.5695	10.2186

<u>Local Capture</u>	Millage Rate	NEZ Rate
County Public Safety	1.4344	0.6219
County 911	0.6442	0.2793
County Housing	0.7434	0.3223
County Seniors	0.3462	0.1501
County Veteran Fund	0.0997	0.0432
KRESA ISD	6.9565	3.0160
Portage District Library	1.4942	0.6478
Library Extra	0.4980	0.2159
City Operating	10.6400	4.6130
School Site SF	0.4980	0.2159
Cen Cnty Transit	0.8905	0.3861
County Operating	4.6049	1.9965
County Transit	0.3091	0.1340
KVCC	2.7645	1.1986
Local Total	31.92360	13.84056

<u>Non-Capturable Millages</u>	Millage Rate	NEZ Rate
School Debt	6.8500	2.9698
KRESA Debt	0.0000	0.0000
County Juvenile	0.1176	0.0510
Total Non-Capturable Taxes	6.9676	3.0208
	62.4607	27.0800

<u>Footnotes:</u>
NEZ Rate
Reduction proportion
FTV provided by City of Portage 8/27/25
** NEZ Phase in only applies to County and City Millages

CentrePort Apartments
Residential Capture
October 2025

				NEZ Phase In											
9	10	11	12	13	14	15	16	17	18	19	20				
2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
\$ 8,904,611	\$ 9,082,704	\$ 9,264,358	\$ 9,449,645	\$ 9,638,638	\$ 9,831,410	\$ 10,028,039	\$ 10,228,599	\$ 10,433,171	\$ 10,641,835	\$ 10,854,671	\$ 11,071,765				
\$ 8,904,611	\$ 9,082,704	\$ 9,264,358	\$ 9,449,645	\$ 9,638,638	\$ 9,831,410	\$ 10,028,039	\$ 10,228,599	\$ 10,433,171	\$ 10,641,835	\$ 10,854,671	\$ 11,071,765				
\$ 23,164	\$ 23,627	\$ 24,100	\$ 24,582	\$ 57,832	\$ 58,988	\$ 60,168	\$ 61,372	\$ 62,599	\$ 63,851	\$ 65,128	\$ 66,431				
\$ 67,829	\$ 69,186	\$ 70,569	\$ 71,981	\$ 169,346	\$ 172,733	\$ 176,188	\$ 179,711	\$ 183,306	\$ 186,972	\$ 190,711	\$ 194,525				
\$ 90,993	\$ 92,813	\$ 94,669	\$ 96,562	\$ 227,178	\$ 231,721	\$ 236,356	\$ 241,083	\$ 245,905	\$ 250,823	\$ 255,839	\$ 260,956				
\$ 5,538	\$ 5,648	\$ 5,761	\$ 5,877	\$ 13,826	\$ 14,102	\$ 14,384	\$ 14,672	\$ 14,965	\$ 15,265	\$ 15,570	\$ 15,881				
\$ 2,487	\$ 2,537	\$ 2,587	\$ 2,639	\$ 6,209	\$ 6,333	\$ 6,460	\$ 6,589	\$ 6,721	\$ 6,855	\$ 6,993	\$ 7,132				
\$ 2,870	\$ 2,927	\$ 2,986	\$ 3,046	\$ 7,165	\$ 7,309	\$ 7,455	\$ 7,604	\$ 7,756	\$ 7,911	\$ 8,069	\$ 8,231				
\$ 1,337	\$ 1,363	\$ 1,391	\$ 1,418	\$ 3,337	\$ 3,404	\$ 3,472	\$ 3,541	\$ 3,612	\$ 3,684	\$ 3,758	\$ 3,833				
\$ 385	\$ 393	\$ 400	\$ 408	\$ 961	\$ 980	\$ 1,000	\$ 1,020	\$ 1,040	\$ 1,061	\$ 1,082	\$ 1,104				
\$ 26,856	\$ 27,394	\$ 27,941	\$ 28,500	\$ 67,051	\$ 68,392	\$ 69,760	\$ 71,155	\$ 72,578	\$ 74,030	\$ 75,511	\$ 77,021				
\$ 5,769	\$ 5,884	\$ 6,002	\$ 6,122	\$ 14,402	\$ 14,690	\$ 14,984	\$ 15,284	\$ 15,589	\$ 15,901	\$ 16,219	\$ 16,543				
\$ 1,923	\$ 1,961	\$ 2,000	\$ 2,040	\$ 4,800	\$ 4,896	\$ 4,994	\$ 5,094	\$ 5,196	\$ 5,300	\$ 5,406	\$ 5,514				
\$ 41,077	\$ 41,899	\$ 42,736	\$ 43,591	\$ 64,097	\$ 78,455	\$ 93,361	\$ 108,832	\$ 111,009	\$ 113,229	\$ 115,494	\$ 117,804				
\$ 1,923	\$ 1,961	\$ 2,000	\$ 2,040	\$ 4,800	\$ 4,896	\$ 4,994	\$ 5,094	\$ 5,196	\$ 5,300	\$ 5,406	\$ 5,514				
\$ 3,438	\$ 3,507	\$ 3,577	\$ 3,648	\$ 8,583	\$ 8,755	\$ 8,930	\$ 9,109	\$ 9,291	\$ 9,477	\$ 9,666	\$ 9,859				
\$ 17,778	\$ 18,133	\$ 18,496	\$ 18,866	\$ 27,741	\$ 33,954	\$ 40,406	\$ 47,102	\$ 48,044	\$ 49,005	\$ 49,985	\$ 50,984				
\$ 1,193	\$ 1,217	\$ 1,242	\$ 1,266	\$ 2,979	\$ 3,039	\$ 3,100	\$ 3,162	\$ 3,225	\$ 3,289	\$ 3,355	\$ 3,422				
\$ 10,673	\$ 10,886	\$ 11,104	\$ 11,326	\$ 26,646	\$ 27,179	\$ 27,723	\$ 28,277	\$ 28,843	\$ 29,419	\$ 30,008	\$ 30,608				
\$ 123,245	\$ 125,710	\$ 128,224	\$ 130,788	\$ 252,597	\$ 276,384	\$ 301,022	\$ 326,534	\$ 333,064	\$ 339,726	\$ 346,520	\$ 353,451				
\$ 26,445	\$ 26,974	\$ 27,514	\$ 28,064	\$ 66,025	\$ 67,345	\$ 68,692	\$ 70,066	\$ 71,467	\$ 72,897	\$ 74,354	\$ 75,842				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
\$ 454	\$ 463	\$ 472	\$ 482	\$ 1,134	\$ 1,156	\$ 1,179	\$ 1,203	\$ 1,227	\$ 1,251	\$ 1,277	\$ 1,302				
\$ 26,445	\$ 26,974	\$ 27,514	\$ 28,064	\$ 66,025	\$ 67,345	\$ 68,692	\$ 70,066	\$ 71,467	\$ 72,897	\$ 74,354	\$ 75,842				

CentrePort Apartments
Residential Capture
October 2025

21	22	23	24	25	26	27	28	29	30	TOTAL
2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 11,293,200	\$ 11,519,064	\$ 11,749,445	\$ 11,984,434	\$ 12,224,123	\$ 12,468,606	\$ 12,717,978	\$ 12,972,337	\$ 13,231,784	\$ 13,496,420	\$ -
\$ 11,293,200	\$ 11,519,064	\$ 11,749,445	\$ 11,984,434	\$ 12,224,123	\$ 12,468,606	\$ 12,717,978	\$ 12,972,337	\$ 13,231,784	\$ 13,496,420	\$ -
\$ 67,759	\$ 69,114	\$ 70,497	\$ 71,907	\$ 73,345						\$ 1,114,147
\$ 198,416	\$ 202,384	\$ 206,432	\$ 210,561	\$ 214,772						\$ 3,262,502
\$ 266,175	\$ 271,499	\$ 276,929	\$ 282,467	\$ 288,116	\$ -	\$ 4,376,649				
\$ 16,199	\$ 16,523	\$ 16,853	\$ 17,190	\$ 17,534	\$ 17,885	\$ 18,243	\$ 18,608	\$ 18,980	\$ 19,359	\$ 359,430
\$ 7,275	\$ 7,421	\$ 7,569	\$ 7,720	\$ 7,875	\$ 8,032	\$ 8,193	\$ 8,357	\$ 8,524	\$ 8,694	\$ 161,423
\$ 8,395	\$ 8,563	\$ 8,735	\$ 8,909	\$ 9,087	\$ 9,269	\$ 9,455	\$ 9,644	\$ 9,837	\$ 10,033	\$ 186,280
\$ 3,910	\$ 3,988	\$ 4,068	\$ 4,149	\$ 4,232	\$ 4,317	\$ 4,403	\$ 4,491	\$ 4,581	\$ 4,672	\$ 86,750
\$ 1,126	\$ 1,148	\$ 1,171	\$ 1,195	\$ 1,219	\$ 1,243	\$ 1,268	\$ 1,293	\$ 1,319	\$ 1,346	\$ 24,983
\$ 78,561	\$ 80,132	\$ 81,735	\$ 83,370	\$ 85,037	\$ 86,738	\$ 88,473	\$ 90,242	\$ 92,047	\$ 93,888	\$ 1,743,148
\$ 16,874	\$ 17,212	\$ 17,556	\$ 17,907	\$ 18,265	\$ 18,631	\$ 19,003	\$ 19,383	\$ 19,771	\$ 20,166	\$ 374,414
\$ 5,624	\$ 5,736	\$ 5,851	\$ 5,968	\$ 6,088	\$ 6,209	\$ 6,334	\$ 6,460	\$ 6,589	\$ 6,721	\$ 124,788
\$ 120,160	\$ 122,563	\$ 125,014	\$ 127,514	\$ 130,065	\$ 132,666	\$ 135,319	\$ 138,026	\$ 140,786	\$ 143,602	\$ 2,588,207
\$ 5,624	\$ 5,736	\$ 5,851	\$ 5,968	\$ 6,088	\$ 6,209	\$ 6,334	\$ 6,460	\$ 6,589	\$ 6,721	\$ 124,788
\$ 10,057	\$ 10,258	\$ 10,463	\$ 10,672	\$ 10,886	\$ 11,103	\$ 11,325	\$ 11,552	\$ 11,783	\$ 12,019	\$ 223,140
\$ 52,004	\$ 53,044	\$ 54,105	\$ 55,187	\$ 56,291	\$ 57,417	\$ 58,565	\$ 59,736	\$ 60,931	\$ 62,150	\$ 1,120,153
\$ 3,491	\$ 3,561	\$ 3,632	\$ 3,704	\$ 3,778	\$ 3,854	\$ 3,931	\$ 4,010	\$ 4,090	\$ 4,172	\$ 77,454
\$ 31,220	\$ 31,844	\$ 32,481	\$ 33,131	\$ 33,794	\$ 34,469	\$ 35,159	\$ 35,862	\$ 36,579	\$ 37,311	\$ 692,724
\$ 360,520	\$ 367,730	\$ 375,085	\$ 382,586	\$ 390,238	\$ 398,043	\$ 406,004	\$ 414,124	\$ 422,406	\$ 430,854	\$ 7,887,681
\$ 77,358	\$ 78,906	\$ 80,484	\$ 82,093	\$ 83,735	\$ 85,410	\$ 87,118	\$ 88,861	\$ 90,638	\$ 92,450	\$ 1,716,462
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,328	\$ 1,355	\$ 1,382	\$ 1,409	\$ 1,438	\$ 1,466	\$ 1,496	\$ 1,526	\$ 1,556	\$ 1,587	\$ 29,468
\$ 77,358	\$ 78,906	\$ 80,484	\$ 82,093	\$ 83,735	\$ 85,410	\$ 87,118	\$ 88,861	\$ 90,638	\$ 92,450	\$ 1,716,462

CentrePort Apartments
Summary Capture
October 2025

Estimated Taxable Value (TV) Increase Rate:

Plan Year	NEZ Period								
	1	2	3	4	5	6	7	8	9
Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036
*Base Taxable Value	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500
Estimated New TV	\$ 8,100,000	\$ 8,262,000	\$ 8,427,240	\$ 8,595,785	\$ 8,767,700	\$ 8,943,055	\$ 9,121,916	\$ 9,304,354	\$ 9,490,441
Incremental Difference (New TV - Base TV)	\$ 7,777,500	\$ 7,939,500	\$ 8,104,740	\$ 8,273,285	\$ 8,445,200	\$ 8,620,555	\$ 8,799,416	\$ 8,981,854	\$ 9,167,941
	26.93								

School Capture	Millage Rate	NEZ Rate									
State Education Tax (SET)	6.0000	2.6013	\$ 20,835	\$ 21,290	\$ 21,755	\$ 22,229	\$ 22,712	\$ 23,205	\$ 23,708	\$ 24,221	\$ 24,744
School Operating Tax	17.5695	7.6173	\$ 61,010	\$ 62,344	\$ 63,704	\$ 65,091	\$ 66,506	\$ 67,950	\$ 69,422	\$ 70,924	\$ 72,456
School Total	23.5695	10.2186	\$ 81,845	\$ 83,634	\$ 85,459	\$ 87,320	\$ 89,218	\$ 91,155	\$ 93,130	\$ 95,144	\$ 97,199

Local Capture	Millage Rate	NEZ Rate									
County Public Safety	1.4344	0.6219	\$ 4,981	\$ 5,090	\$ 5,201	\$ 5,314	\$ 5,430	\$ 5,548	\$ 5,668	\$ 5,790	\$ 5,915
County 911	0.6442	0.2793	\$ 2,237	\$ 2,286	\$ 2,336	\$ 2,387	\$ 2,439	\$ 2,491	\$ 2,545	\$ 2,600	\$ 2,657
County Housing	0.7434	0.3223	\$ 2,581	\$ 2,638	\$ 2,695	\$ 2,754	\$ 2,814	\$ 2,875	\$ 2,937	\$ 3,001	\$ 3,066
County Seniors	0.3462	0.1501	\$ 1,202	\$ 1,228	\$ 1,255	\$ 1,283	\$ 1,310	\$ 1,339	\$ 1,368	\$ 1,398	\$ 1,428
County Veteran Fund	0.0997	0.0432	\$ 346	\$ 354	\$ 361	\$ 369	\$ 377	\$ 386	\$ 394	\$ 402	\$ 411
KRESA ISD	6.9565	3.0160	\$ 24,156	\$ 24,684	\$ 25,223	\$ 25,772	\$ 26,333	\$ 26,904	\$ 27,487	\$ 28,082	\$ 28,688
Portage District Library	1.4942	0.6478	\$ 5,189	\$ 5,302	\$ 5,418	\$ 5,536	\$ 5,656	\$ 5,779	\$ 5,904	\$ 6,032	\$ 6,162
Library Extra	0.4980	0.2159	\$ 1,729	\$ 1,767	\$ 1,806	\$ 1,845	\$ 1,885	\$ 1,926	\$ 1,968	\$ 2,010	\$ 2,054
City Operating	10.6400	4.6130	\$ 36,947	\$ 37,755	\$ 38,579	\$ 39,419	\$ 40,276	\$ 41,150	\$ 42,042	\$ 42,951	\$ 43,879
School Site SF	0.4980	0.2159	\$ 1,729	\$ 1,767	\$ 1,806	\$ 1,845	\$ 1,885	\$ 1,926	\$ 1,968	\$ 2,010	\$ 2,054
Cen Cnty Transit	0.8905	0.3861	\$ 3,092	\$ 3,160	\$ 3,229	\$ 3,299	\$ 3,371	\$ 3,444	\$ 3,519	\$ 3,595	\$ 3,672
County Operating	4.6049	1.9965	\$ 15,991	\$ 16,340	\$ 16,697	\$ 17,060	\$ 17,431	\$ 17,809	\$ 18,195	\$ 18,589	\$ 18,990
County Transit	0.3091	0.1340	\$ 1,073	\$ 1,097	\$ 1,121	\$ 1,145	\$ 1,170	\$ 1,195	\$ 1,221	\$ 1,248	\$ 1,275
KVCC	2.7645	1.1986	\$ 9,600	\$ 9,810	\$ 10,024	\$ 10,242	\$ 10,465	\$ 10,692	\$ 10,923	\$ 11,160	\$ 11,401
Local Total	31.92360	13.84056	\$ 110,855	\$ 113,278	\$ 115,749	\$ 118,270	\$ 120,841	\$ 123,464	\$ 126,139	\$ 128,868	\$ 131,651

Non-Capturable Millages	Millage Rate	NEZ Rate									
School Debt	6.8500	2.9698	\$ 25,996	\$ 26,516	\$ 27,046	\$ 27,587	\$ 28,139	\$ 28,701	\$ 29,275	\$ 29,861	\$ 30,458
KRESA Debt	0.0000	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Juvenile	0.1176	0.0510	\$ 408	\$ 417	\$ 426	\$ 436	\$ 445	\$ 455	\$ 465	\$ 475	\$ 485
Total Non-Capturable Taxes	6.9676	3.0208	\$ 25,996	\$ 26,516	\$ 27,046	\$ 27,587	\$ 28,139	\$ 28,701	\$ 29,275	\$ 29,861	\$ 30,458
	62.4607	27.0800									

Total Tax Increment Revenue (TIR) Available for Capture	\$ 192,700	\$ 196,912	\$ 201,208	\$ 205,590	\$ 210,060	\$ 214,619	\$ 219,269	\$ 224,012	\$ 228,851
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Footnotes:

NEZ Rate 27.08

Reduction proportion 0.4336

FTV provided by City of Portage 8/27/25

** NEZ Phase in only applies to County and City Millages

CentrePort Apartments
Summary Capture
October 2025

			NEZ Phase In											
10	11	12	13	14	15	16	17	18	19	20	21			
2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048			
\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500			
\$ 9,680,250	\$ 9,873,855	\$ 10,071,332	\$ 10,272,759	\$ 10,478,214	\$ 10,687,778	\$ 10,901,534	\$ 11,119,564	\$ 11,341,955	\$ 11,568,795	\$ 11,800,170	\$ 12,036,174			
\$ 9,357,750	\$ 9,551,355	\$ 9,748,832	\$ 9,950,259	\$ 10,155,714	\$ 10,365,278	\$ 10,579,034	\$ 10,797,064	\$ 11,019,455	\$ 11,246,295	\$ 11,477,670	\$ 11,713,674			
\$ 25,277	\$ 25,822	\$ 26,377	\$ 59,702	\$ 60,934	\$ 62,192	\$ 63,474	\$ 64,782	\$ 66,117	\$ 67,478	\$ 68,866	\$ 70,282			
\$ 74,018	\$ 75,612	\$ 77,237	\$ 174,821	\$ 178,431	\$ 182,113	\$ 185,868	\$ 189,699	\$ 193,606	\$ 197,592	\$ 201,657	\$ 205,803			
\$ 99,295	\$ 101,433	\$ 103,614	\$ 234,523	\$ 239,365	\$ 244,304	\$ 249,343	\$ 254,481	\$ 259,723	\$ 265,070	\$ 270,523	\$ 276,085			
\$ 6,043	\$ 6,173	\$ 6,306	\$ 14,273	\$ 14,567	\$ 14,868	\$ 15,175	\$ 15,487	\$ 15,806	\$ 16,132	\$ 16,464	\$ 16,802			
\$ 2,714	\$ 2,772	\$ 2,832	\$ 6,410	\$ 6,542	\$ 6,677	\$ 6,815	\$ 6,955	\$ 7,099	\$ 7,245	\$ 7,394	\$ 7,546			
\$ 3,132	\$ 3,199	\$ 3,268	\$ 7,397	\$ 7,550	\$ 7,706	\$ 7,864	\$ 8,027	\$ 8,192	\$ 8,360	\$ 8,533	\$ 8,708			
\$ 1,458	\$ 1,490	\$ 1,522	\$ 3,445	\$ 3,516	\$ 3,588	\$ 3,662	\$ 3,738	\$ 3,815	\$ 3,893	\$ 3,974	\$ 4,055			
\$ 420	\$ 429	\$ 438	\$ 992	\$ 1,013	\$ 1,033	\$ 1,055	\$ 1,076	\$ 1,099	\$ 1,121	\$ 1,144	\$ 1,168			
\$ 29,307	\$ 29,938	\$ 30,582	\$ 69,219	\$ 70,648	\$ 72,106	\$ 73,593	\$ 75,110	\$ 76,657	\$ 78,235	\$ 79,844	\$ 81,486			
\$ 6,295	\$ 6,430	\$ 6,569	\$ 14,868	\$ 15,175	\$ 15,488	\$ 15,807	\$ 16,133	\$ 16,465	\$ 16,804	\$ 17,150	\$ 17,503			
\$ 2,098	\$ 2,143	\$ 2,189	\$ 4,955	\$ 5,058	\$ 5,162	\$ 5,268	\$ 5,377	\$ 5,488	\$ 5,601	\$ 5,716	\$ 5,833			
\$ 44,825	\$ 45,790	\$ 46,775	\$ 67,413	\$ 81,905	\$ 96,949	\$ 112,561	\$ 114,881	\$ 117,247	\$ 119,661	\$ 122,122	\$ 124,633			
\$ 2,098	\$ 2,143	\$ 2,189	\$ 4,955	\$ 5,058	\$ 5,162	\$ 5,268	\$ 5,377	\$ 5,488	\$ 5,601	\$ 5,716	\$ 5,833			
\$ 3,752	\$ 3,832	\$ 3,915	\$ 8,861	\$ 9,044	\$ 9,230	\$ 9,421	\$ 9,615	\$ 9,813	\$ 10,015	\$ 10,221	\$ 10,431			
\$ 19,400	\$ 19,818	\$ 20,244	\$ 29,176	\$ 35,448	\$ 41,959	\$ 48,715	\$ 49,719	\$ 50,743	\$ 51,788	\$ 52,854	\$ 53,940			
\$ 1,302	\$ 1,330	\$ 1,359	\$ 3,076	\$ 3,139	\$ 3,204	\$ 3,270	\$ 3,337	\$ 3,406	\$ 3,476	\$ 3,548	\$ 3,621			
\$ 11,646	\$ 11,897	\$ 12,153	\$ 27,507	\$ 28,075	\$ 28,655	\$ 29,246	\$ 29,848	\$ 30,463	\$ 31,090	\$ 31,730	\$ 32,382			
\$ 134,490	\$ 137,386	\$ 140,340	\$ 262,546	\$ 286,737	\$ 311,787	\$ 337,721	\$ 344,681	\$ 351,781	\$ 359,022	\$ 366,409	\$ 373,943			
\$ 31,067	\$ 31,689	\$ 32,322	\$ 70,368	\$ 71,776	\$ 73,211	\$ 74,676	\$ 76,169	\$ 77,692	\$ 79,246	\$ 80,831	\$ 82,448			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
\$ 495	\$ 506	\$ 517	\$ 1,170	\$ 1,194	\$ 1,219	\$ 1,244	\$ 1,270	\$ 1,296	\$ 1,323	\$ 1,350	\$ 1,378			
\$ 31,067	\$ 31,689	\$ 32,322	\$ 70,368	\$ 71,776	\$ 73,211	\$ 74,676	\$ 76,169	\$ 77,692	\$ 79,246	\$ 80,831	\$ 82,448			
\$ 233,786	\$ 238,819	\$ 243,954	\$ 497,068	\$ 526,102	\$ 556,092	\$ 587,063	\$ 599,163	\$ 611,504	\$ 624,092	\$ 636,932	\$ 650,028			

CentrePort Apartments
Summary Capture
October 2025

22	23	24	25	26	27	28	29	30	TOTAL
2049	2050	2051	2052	2053	2054	2055	2056	2057	
\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ 322,500	\$ -
\$ 12,276,897	\$ 12,522,435	\$ 12,772,884	\$ 13,028,342	\$ 13,288,909	\$ 13,554,687	\$ 13,825,780	\$ 14,102,296	\$ 14,384,342	\$ -
\$ 11,954,397	\$ 12,199,935	\$ 12,450,384	\$ 12,705,842	\$ 12,966,409	\$ 13,232,187	\$ 13,503,280	\$ 13,779,796	\$ 14,061,842	\$ -
\$ 71,726	\$ 73,200	\$ 74,702	\$ 76,235						\$ 1,161,863
\$ 210,033	\$ 214,347	\$ 218,747	\$ 223,235						\$ 3,402,226
\$ 281,759	\$ 287,546	\$ 293,449	\$ 299,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,564,089
\$ 17,147	\$ 17,500	\$ 17,859	\$ 18,225	\$ 18,599	\$ 18,980	\$ 19,369	\$ 19,766	\$ 20,170	\$ 374,647
\$ 7,701	\$ 7,859	\$ 8,021	\$ 8,185	\$ 8,353	\$ 8,524	\$ 8,699	\$ 8,877	\$ 9,059	\$ 168,257
\$ 8,887	\$ 9,069	\$ 9,256	\$ 9,446	\$ 9,639	\$ 9,837	\$ 10,038	\$ 10,244	\$ 10,454	\$ 194,167
\$ 4,139	\$ 4,224	\$ 4,310	\$ 4,399	\$ 4,489	\$ 4,581	\$ 4,675	\$ 4,771	\$ 4,868	\$ 90,423
\$ 1,192	\$ 1,216	\$ 1,241	\$ 1,267	\$ 1,293	\$ 1,319	\$ 1,346	\$ 1,374	\$ 1,402	\$ 26,040
\$ 83,161	\$ 84,869	\$ 86,611	\$ 88,388	\$ 90,201	\$ 92,050	\$ 93,936	\$ 95,859	\$ 97,821	\$ 1,816,950
\$ 17,862	\$ 18,229	\$ 18,603	\$ 18,985	\$ 19,374	\$ 19,772	\$ 20,177	\$ 20,590	\$ 21,011	\$ 390,266
\$ 5,953	\$ 6,076	\$ 6,200	\$ 6,328	\$ 6,457	\$ 6,590	\$ 6,725	\$ 6,862	\$ 7,003	\$ 130,071
\$ 127,195	\$ 129,807	\$ 132,472	\$ 135,190	\$ 137,963	\$ 140,790	\$ 143,675	\$ 146,617	\$ 149,618	\$ 2,701,087
\$ 5,953	\$ 6,076	\$ 6,200	\$ 6,328	\$ 6,457	\$ 6,590	\$ 6,725	\$ 6,862	\$ 7,003	\$ 130,071
\$ 10,645	\$ 10,864	\$ 11,087	\$ 11,315	\$ 11,547	\$ 11,783	\$ 12,025	\$ 12,271	\$ 12,522	\$ 232,587
\$ 55,049	\$ 56,179	\$ 57,333	\$ 58,509	\$ 59,709	\$ 60,933	\$ 62,181	\$ 63,455	\$ 64,753	\$ 1,169,007
\$ 3,695	\$ 3,771	\$ 3,848	\$ 3,927	\$ 4,008	\$ 4,090	\$ 4,174	\$ 4,259	\$ 4,347	\$ 80,733
\$ 33,048	\$ 33,727	\$ 34,419	\$ 35,125	\$ 35,846	\$ 36,580	\$ 37,330	\$ 38,094	\$ 38,874	\$ 722,053
\$ 381,627	\$ 389,466	\$ 397,461	\$ 405,616	\$ 413,934	\$ 422,419	\$ 431,073	\$ 439,901	\$ 448,905	\$ 8,226,360
\$ 84,097	\$ 85,779	\$ 87,494	\$ 89,244	\$ 91,029	\$ 92,850	\$ 94,707	\$ 96,601	\$ 98,533	\$ 1,855,407
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,406	\$ 1,435	\$ 1,464	\$ 1,494	\$ 1,525	\$ 1,556	\$ 1,588	\$ 1,621	\$ 1,654	\$ 30,716
\$ 84,097	\$ 85,779	\$ 87,494	\$ 89,244	\$ 91,029	\$ 92,850	\$ 94,707	\$ 96,601	\$ 98,533	\$ 1,855,407
\$ 663,387	\$ 677,012	\$ 690,910	\$ 705,087	\$ 413,934	\$ 422,419	\$ 431,073	\$ 439,901	\$ 448,905	\$ 12,790,450

Table 3

Reimbursement Schedule

CentrePort Apartments
Reimbursement
October 2025

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	43.2%	\$ 2,666,780		\$ 2,666,780
Local	56.8%	\$ 7,403,724		\$ 7,403,724
TOTAL		\$ 10,070,504		\$ 10,070,504

Estimated Total Years of Plan: 30

Plan Year	1	2	3	4	5	6	7	8	9	10
	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037

Total State Incremental Revenue	\$ 81,845	\$ 83,634	\$ 85,459	\$ 87,320	\$ 89,218	\$ 91,155	\$ 93,130	\$ 95,144	\$ 97,199	\$ 99,295
State Brownfield Redevelopment Fund (50% of SET)	\$ 10,417	\$ 10,645	\$ 10,877	\$ 11,114	\$ 11,356	\$ 11,602	\$ 11,854	\$ 12,110	\$ 12,372	\$ 12,639
State TIR Available for Reimbursement	\$ 71,428	\$ 72,989	\$ 74,581	\$ 76,206	\$ 77,862	\$ 79,552	\$ 81,276	\$ 83,034	\$ 84,828	\$ 86,657
Total Local Incremental Revenue	\$ 110,855	\$ 113,278	\$ 115,749	\$ 118,270	\$ 120,841	\$ 123,464	\$ 126,139	\$ 128,868	\$ 131,651	\$ 134,490
BRA Administrative Fee (10%)	\$ 11,085	\$ 11,328	\$ 11,575	\$ 11,827	\$ 12,084	\$ 12,346	\$ 12,614	\$ 12,887	\$ 13,165	\$ 13,449
Local TIR Available for Reimbursement	\$ 99,769	\$ 101,950	\$ 104,174	\$ 106,443	\$ 108,757	\$ 111,118	\$ 113,525	\$ 115,981	\$ 118,486	\$ 121,041
Total State & Local TIR Available	\$ 171,197	\$ 174,939	\$ 178,756	\$ 182,649	\$ 186,620	\$ 190,670	\$ 194,801	\$ 199,015	\$ 203,314	\$ 207,698

DEVELOPER	Beginning Balance									
<i>DEVELOPER Eligible Activity Balance</i>	\$ 8,636,461	\$ 8,846,516	\$ 9,052,828	\$ 9,255,324	\$ 9,453,927	\$ 9,648,559	\$ 9,839,140	\$ 10,025,591	\$ 10,207,827	\$ 10,385,764

<u>Developer Gap Reimbursement</u>	\$ 6,258,420	\$ 298,020	\$ 298,020	\$ 298,020	\$ 298,020	\$ 298,020	\$ 298,020	\$ 298,020	\$ 298,020	\$ 298,020
State Tax Reimbursement		\$ 71,428	\$ 72,989	\$ 74,581	\$ 76,206	\$ 77,862	\$ 79,552	\$ 81,276	\$ 83,034	\$ 84,828
Local Tax Reimbursement		\$ 99,769	\$ 101,950	\$ 104,174	\$ 106,443	\$ 108,757	\$ 111,118	\$ 113,525	\$ 115,981	\$ 118,486
Total Developer Reimbursement Balance	\$ 126,823	\$ 249,904	\$ 369,169	\$ 484,540	\$ 595,941	\$ 703,291	\$ 806,509	\$ 905,514	\$ 1,000,220	\$ 1,090,543

<u>Developer Hard Cost Reimbursement</u>	\$ 2,378,041	\$ -								
State Tax Reimbursement										
Local Tax Reimbursement										
Total City Reimbursement Balance	\$ 2,378,041									

<u>Interest Accrual</u>	3.5%	\$ 83,231	\$ 83,231	\$ 83,231	\$ 83,231	\$ 83,231	\$ 83,231	\$ 83,231	\$ 83,231	\$ 83,231	
State Interest Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Local Interest Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Interest Reimbursement Balance		\$ 83,231	\$ 166,463	\$ 249,694	\$ 332,926	\$ 416,157	\$ 499,389	\$ 582,620	\$ 665,851	\$ 722,501	\$ 722,501
Total Annual Developer & City Reimbursement		\$ 171,197	\$ 174,939	\$ 178,756	\$ 182,649	\$ 186,620	\$ 190,670	\$ 194,801	\$ 199,015	\$ 203,314	\$ 207,698

LOCAL BROWNFIELD REVOLVING FUND

LBRF Deposits *

State Tax Capture	\$ -									
Local Tax Capture	\$ -									
Total LBRF Capture	\$ -									

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Footnotes:

Interest is capped at amount of interest generated if NEZ was not part of project \$ 722,501
City Investment Criteria: 1) Activation of Subarea (Lake Center); 2) Mixed Use; 3) Housing Development Activities; 4) Site Amenities

CentrePort Apartments Reimbursement October 2025

Estimated Capture	\$ 12,790,450
Administrative Fees	\$ 822,636
State Brownfield Redevelopment Fund	\$ 580,932
Local Brownfield Revolving Fund	\$ 2,004,325

11 **12** **13** **14** **15** **16** **17** **18** **19** **20** **21** **22** **23** **24** **25**

\$ 101,433	\$ 103,614	\$ 234,523	\$ 239,365	\$ 244,304	\$ 249,343	\$ 254,481	\$ 259,723	\$ 265,070	\$ 270,523	\$ 276,085	\$ 281,759	\$ 287,546	\$ 293,449	\$ 299,470
\$ 12,911	\$ 13,188	\$ 29,851	\$ 30,467	\$ 31,096	\$ 31,737	\$ 32,391	\$ 33,058	\$ 33,739	\$ 34,433	\$ 35,141	\$ 35,863	\$ 36,600	\$ 37,351	\$ 38,118
\$ 88,523	\$ 90,426	\$ 204,672	\$ 208,898	\$ 213,209	\$ 217,605	\$ 222,090	\$ 226,665	\$ 231,331	\$ 236,090	\$ 240,944	\$ 245,896	\$ 250,947	\$ 256,098	\$ 261,353
\$ 137,386	\$ 140,340	\$ 262,546	\$ 286,737	\$ 311,787	\$ 337,721	\$ 344,681	\$ 351,781	\$ 359,022	\$ 366,409	\$ 373,943	\$ 381,627	\$ 389,466	\$ 397,461	\$ 405,616
\$ 13,739	\$ 14,034	\$ 26,255	\$ 28,674	\$ 31,179	\$ 33,772	\$ 34,468	\$ 35,178	\$ 35,902	\$ 36,641	\$ 37,394	\$ 38,163	\$ 38,947	\$ 39,746	\$ 40,562
\$ 123,647	\$ 126,306	\$ 236,291	\$ 258,064	\$ 280,609	\$ 303,949	\$ 310,213	\$ 316,603	\$ 323,120	\$ 329,768	\$ 336,548	\$ 343,465	\$ 350,519	\$ 357,715	\$ 365,055

\$ 212,170 \$ 216,731 \$ 440,963 \$ 466,961 \$ 493,817 \$ 521,554 \$ 532,303 \$ 543,267 \$ 554,451 \$ 565,858 \$ 577,493 \$ 589,361 \$ 601,466 \$ 613,813 \$ 626,407

\$ 10,728,400 **\$ 10,892,920** **\$ 10,833,208** **\$ 10,747,498** **\$ 10,634,932** **\$ 10,494,630** **\$ 10,343,578** **\$ 10,181,562** **\$ 10,001,030** **\$ 9,799,718** **\$ 9,576,988** **\$ 9,023,743** **\$ 8,437,341**

			\$ -	\$ -	\$ -	\$ -	\$ 82,394	\$ 107,418	\$ 112,272	\$ 245,896	\$ 250,947	\$ 185,832	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ 127,101	\$ 160,420	\$ 167,200	\$ 343,465	\$ 350,519	\$ 244,577	\$ -
\$ 2,378,041	\$ 2,378,041	\$ 2,378,041	\$ 2,378,041	\$ 2,378,041	\$ 2,378,041	\$ 2,378,041	\$ 2,378,041	\$ 2,168,546	\$ 1,900,708	\$ 1,621,235	\$ 1,031,874	\$ 430,409	\$ -

CentrePort Apartments Reimbursement October 2025

Attachment A

Brownfield Plan Resolutions

Attachment B

Reimbursement Agreement

Attachment C

Site Plan

Attachment D

Housing Study

An excerpt of the W.E. Upjohn Institute Kalamazoo County Housing Plan dated July 2022 is included in this Plan, which includes the Introduction, Executive Summary, and Methodology. The complete Kalamazoo County Housing Plan can be found here:

https://www.kalcounty.com/housing/pdf_files/Kalamazoo%20County%20Housing%20Plan%20Final%208.15.22.pdf

CENTREPORT APARTMENTS

DEVELOPMENT AGREEMENT AND BROWNFIELD REIMBURSEMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT AND BROWNFIELD REIMBURSEMENT AGREEMENT, is made and entered into effective as of the latter of the signature dates below, by and among the City of Portage “Brownfield Redevelopment Authority” a Michigan public body corporate established pursuant to Act 381 of the Public Acts of 1996, as amended, MCL 125.2651 et seq. (“Act 381”), whose address is 7900 South Westnedge Avenue, Portage, Michigan 49024 (the “Authority”) and 7920 PARTNERS, LLC, a Michigan Limited Liability Company (“Developer”).

RECITALS

- A. The Authority, and the City of Portage (the "City"), have determined that brownfield redevelopment constitutes the performance of an essential public purpose which protects and promotes the public health, safety, and welfare.
- B. The City has established a Brownfield Redevelopment Authority and the Authority, and the City have adopted a Brownfield Plan specifically for this site (the “Plan”), pursuant to the provisions of Act 381.
- C. The Authority and the City have designated certain properties that have conditions of environmental contamination, blight, or obsolescence as appropriate sites for creating a Plan.
- D. Act 381 permits the use of the real and personal property tax revenues generated from the increase in value (the “Increment” or “Tax Increment Revenue or “TIR”) to brownfield sites constituting Eligible Property under Act 381 resulting from their redevelopment to pay or reimburse the payment of costs of conducting Eligible Activities (these costs are referred to as “Eligible Costs”) and permits the reimbursement to Developer of “Eligible Costs” it has incurred.
- E. Developer is the owner of a parcel in the City located at **7920 Portage Rd., Portage, Michigan, 49002** (the “Property”) and legally described and depicted on the attached Exhibit A.
- F. The Property has been included in the Plan and qualified as an “Eligible Property” under the terms of Act 381.
- G. The Developer intends to redevelop and improve the Property by establishing a mixed-use for-lease residential and retail development, Centreport Apartments (“Project”). The developments will result in a total of 151 apartment units, 1,500 square feet of retail space, and an estimated total capital investment of \$32,000,000.
- H. Centreport Apartments will consist of 69 studio units, 67 one-bedroom units, and 15 two-bedroom units. Of the 151 units, 121 will be market rate housing units and 30 will be income qualified workforce housing units for a period of twenty-one (21) years.
- I. The Project will require the Developer to incur “Eligible Costs” including demolition, site preparation, infrastructure improvements, environmental activities, contingency costs, and housing subsidy financing gap costs to satisfy Due Care obligations under the Developer’s Brownfield Plan and “381 Work Plan” dated October 31, 2025, all of which may require the services of various contractors, engineers, environmental consultants, attorneys, and other professionals. The Developer’s Eligible Costs are estimated at \$9,368,962.00. The parties are entering into this Agreement to establish the procedure for the reimbursement from Tax Increment Revenues under Act 381 as amended and to set forth the Authority’s commitments to the Project, and to establish the use of the Authority’s Tax Increment Revenues to reimburse Developer for Developer’s Act 381 Eligible Costs.
- J. The Authority may retain funds to pay Administrative Costs from the annual Tax Increment Revenues attributable to the Property. The amount the Authority may retain shall not exceed the amounts permitted by Act 381.

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth herein, the parties agree as follows:

1. Recitals. The above recitals are acknowledged as true and correct and are incorporated by reference into this Paragraph.

2. The Plan. The Plan, approved by the Authority and the Portage City Council, is attached as Exhibit B, and incorporated as part of this Agreement. To the extent provisions of the Plan or this Agreement conflict with Act 381, Act 381 controls.

3. CONTINGENCIES: The obligation of the Developer to develop the Project on the Property is contingent upon the Developer's ability to secure the following:

3.1. The Developer shall have obtained all necessary governmental and quasi-governmental approvals needed to develop the Property and permit the use of the Property for the Project, including, for example, and not limitation, a special use permit, site plan approvals, zoning variances and/or rezoning, building permits, and any and all other permits, consents and final approvals and authorizations necessary to develop, construct and utilize the Property for the Project. The Authority agrees to cooperate and utilize its best efforts to help Developer obtain any governmental approvals required to close the transaction contemplated by this Agreement.

3.2 Approval by Michigan State Housing Development Authority ("MSHDA") of the Act 381 Work Plan and other financial incentives needed by the Developer for the Project and The Plan approved by the Authority and City Council.

4. Term of Agreement. Pursuant to the Plan, the Authority shall capture and reimburse the Developer the amount of Tax Increment Revenues (TIR) generated from real and personal property taxes allowed by law on the Eligible Property and based upon the Developer's actual Eligible Costs. The capture of TIR and reimbursement of the Developer's Eligible Costs are anticipated to begin in **2026**, but the Project commencement and Completion Date could be delayed for up to 5 years after the approval of the Plan as permitted by Act 381, and will continue until the earlier of (hereinafter, the "End Date"):

4.1 Both the total reimbursement to the Authority of its Administrative Costs, and reimbursement to the Developer of the Developer's actual Eligible Costs for those Eligible Activities set forth in Paragraph 6, plus an additional amount captured by the Authority for an additional five full years of tax capture ("Additional Authority Amount"), such Additional Authority Amount to be designated for the Local Brownfield Revolving Fund "Local Fund"; or

4.2 A total of **30** years from the beginning date of the capture of Tax Increment Revenues, with the final five years designated for the Local Fund only.

The period during which the Developer is reimbursed under this Paragraph 4 shall be referred to as the "Reimbursement Term."

5. Evidence of Property Control. Prior to the execution of this Agreement, the Developer has provided to the Authority a copy of its fully executed deeds for each of the Parcel(s), verifying the Developer's obligation for payment of real property taxes at the Property.

6. Eligible Activities. The Developer shall diligently pursue completion of the Eligible Activities summarized in the Plan and set forth in this Paragraph. The Authority shall reimburse the Developer for Eligible

Costs incurred and included in the Plan. It may include environmental due diligence and Due Care Activities, demolition, site preparation, and infrastructure improvements, which may require the services of various contractors, engineers, environmental consultants, attorneys, and other professionals.

7. Reimbursement Source. During the term of this Agreement and except as otherwise set forth in this Agreement, the Authority shall reimburse the Developer for its Eligible Costs from all available Tax Increment Revenues collected from the real and personal property taxes on the Property.

8. Reimbursement Process.

8.1 Cost Reimbursement Request. The Developer shall submit to the Authority the Eligible Costs incurred, including the dates of each Eligible Activity, a detailed description of the work, proof of payment, detailed invoices for the costs involved for each Eligible Activity, and other backup documentation reasonably requested by the Authority, and a written statement certifying to the Authority that all such costs are "Eligible Costs" and, upon completion of each Project, final certificates of occupancy to document project completion (the "Completion Date"). After the Developer has completed each Project and, in no event, more than 12 months following the Completion Date, the Developer shall submit to the BRA the above documentation of the Eligible Costs incurred by the Developer for each Project. Failure to provide the above-noted information when due or within the time permitted by the Authority may result in foregone reimbursement to the Developer by the Authority for Eligible Costs that have not been requested within the time frame described above.

8.2 Authority Staff Review. The Authority Staff shall review each reimbursement request within 30 days after receiving it. If Authority Staff determines that the documentation submitted by the Developer is not complete, then the Developer shall cooperate in the Authority's review by providing, within 30 days of the Authority's request, any additional documentation of the Eligible Costs as deemed reasonable and necessary by the Authority to complete its review. Within 45 days following the receipt of such supplemental information, the Authority shall determine whether the submittals of incurred costs are Eligible Costs. If the Developer wishes to challenge that determination, it shall provide written notice to the Authority within fifteen (15) days of receipt of the determination, and the issue shall be brought to the Authority within 45 days thereafter for a final determination. The Developer shall not have any further appeal rights to challenge the final determination of the Authority and shall not be entitled to any claim or cause of action against the City or the Authority as a result of any determinations made in good faith regarding whether or not any cost submitted by the Developer constitutes an "Eligible Cost," and hereby grants the City and the Authority and their respective officers, agents and employees, a complete release and waiver of any claims or causes of action as a result of the foregoing.

8.3 Reimbursement. After collection of each of the summer and winter taxes on the Property, the Authority shall reimburse its Eligible and Administrative Costs and pay approved Eligible Costs to the Developer from Tax Increment Revenues that are generated from the Property in accordance with the Plan and Paragraph 8 to the extent that taxes have been captured and are available in that fiscal year. Under Act 381, the Authority shall collect one hundred percent (100%) of Tax Increment Revenues from the Project for the purpose of reimbursing the Authority for Administrative Costs and the Developer for Eligible Costs until fully reimbursed. Simple interest at the rate of three-and-one-half percent (3.5%) per annum ("Interest") shall accrue on all approved Eligible Costs as described in the plan, in each case calculated from the date that the Authority approves the Developer's request(s) for reimbursement for pertinent Eligible Costs until such Eligible Costs are reimbursed in full, subject to the limitations set forth in this Agreement. Interest will be calculated at the end of each calendar year based on the total unreimbursed Eligible Costs outstanding at the time (other than accrued Interest). The interest granted shall be calculated based on the TIF capture that would occur without any tax abatements, such as

Neighborhood Enterprise Zone certificates, which would otherwise suppress the Tax Increment Revenue captured through reduction of the tax rates. Principal amounts of the Eligible Costs shall be reimbursed to the Developer prior to Interest accruing thereon. If there are insufficient Tax Increment Revenues available in any given year to reimburse all the Authority's Administrative Costs and Developer's Eligible Costs, as such Administrative Costs and Eligible Costs are described in this Agreement and in the Plan, then the Authority shall reimburse the Authority or Developer only from available Tax Increment Revenues. The Developer shall receive the available Tax Increment Revenue, less Administrative Costs, during the term of this Agreement until all the amounts for which submissions have been made have been fully paid to the Developer, subject to the limitations of Section I of the Recitals, or the repayment obligation expires, whichever occurs first. The Developer shall not be entitled to reimbursement under this Agreement unless all real and personal property taxes owed by the Developer have been timely and completely paid, including all penalties, interest, and other amounts due in relation thereto when due. For purposes of this Agreement, to be paid in a timely manner, taxes must be paid before the date on which they can no longer be paid without penalties or interest. The repayment obligation under this Agreement shall expire on the End Date. The Developer's reimbursed Eligible Costs, inclusive of contingency and interest, shall not exceed the lesser of \$9,368,962 or the MSHDA-approved limitation of Eligible Cost reimbursement. The Eligible Costs for EGLE Department Specific Activities, Demolition, Infrastructure, Site Preparation and Contingency combined shall not exceed \$2,298,041.

8.4 Method of Reimbursement. The Authority will reimburse the Developer for Eligible Costs as follows:

Checks shall be payable to and delivered by certified mail (or through electronic transfer if available through Developer) to:

7920 Partners, LLC
c/o Fritz Brown
241 E. Michigan Ave., Ste. 135
Kalamazoo, MI 49007

9. Adjustments. The parties acknowledge that adjustments regarding the amount of Tax Increment Revenue paid to the Developer may occur under any of the following circumstances:

9.1 Audit or Court Ruling: In the event that a state agency of competent jurisdiction conducting an audit of payments made to the Developer under this Agreement or a court of competent jurisdiction determines that any portion of the payments made to the Developer under this Agreement is unlawful, the Developer shall pay back to the Authority that portion of the payments made to the Developer within 30 days of the determination made by a state agency or the court as the case may be. However, the Developer shall have the right, before any such repayment is made, to appeal on its or the Authority's behalf, any such determination made by a state agency or court as the case may be. If the Developer is unsuccessful in such an appeal, the Developer shall repay the portion of payments found to be unlawful to the Authority within thirty (30) days of the date when the final determination is made on the appeal. The Developer shall be responsible for payment of all the City and Authority's legal fees associated with any determination of whether a cost for which reimbursement is requested constitutes an "Eligible Cost" and all the City's and Authority's legal fees associated with the review or determination of such issues by any state agency or court.

9.2 Property Tax Appeal: In the event the Developer, or any other owner of real estate on the Property, files an appeal with the Michigan Tax Tribunal, related to the taxable value of parcels of property included in the Brownfield Plan, the Authority shall do the following:

- a. The Authority shall remit Tax Increment Revenue (TIR) reimbursement payments based upon the lowest taxable value being sought pursuant to the appeal.
- b. Any Tax Increment Revenue that is collected shall be held in a separate account of the Authority until the pending appeal is adjudicated.
- b. Once any tax appeals are adjudicated, the Authority will either return the escrowed funds to the local unit in compliance with any tax appeal rulings or will resume payments to Developer based upon the conclusion of such tax appeal pursuant to Section 8 of this Agreement.

9.3 Reduction of Property Assessments: If Developer successfully petitions the Michigan Tax Tribunal (Tribunal) to lower the assessments levied by the City against the Property for tax purposes, the provisions under Paragraph 8.3 may require a redetermination regarding the amount of TIR that would be captured over the remaining Reimbursement Term of this Agreement because of such lower assessments. If such amount is less than the actual amount of TIR that Authority has already paid to the Developer, Developer shall reimburse Authority the difference between the total amounts of adjusted TIR captured over the balance of the Reimbursement Term of this Agreement and the amount actually paid to Developer. The Developer indemnifies and shall fully reimburse the Authority for all Administrative Costs as defined within the Plan, expenses, or reductions in revenue from what was projected as tax increment capture because of the successful petition. Otherwise, any refund due to the Developer because of the lower assessments is limited only to the amount such refund exceeds the amount of TIR paid to Developer for those years covered by the Tribunal's order. The Developer shall fully reimburse the Authority within 30 days of notification from the Authority as to the amount due resulting from the reduction(s) in question.

10. Responsibilities of Developer. In consideration of the inclusion of the Property into the Plan and the resulting financial benefits, which it expects to receive, Developer agrees to the following (collectively the "Undertakings"):

10.1 Project. At its sole expense, Developer shall use its best efforts to conduct the activities described in the Plan and construct the Project. Subject to matters beyond the reasonable control of Developer (e.g., matters of force majeure, war, acts of God, the COVID-19 pandemic or a future similar pandemic, failure to obtain governmental approvals, etc.) ("Force Majeure"), Developer shall commence construction of the Project within a commercially reasonable time after the date that Developer secures all necessary approvals, authorizations, permits and entitlements for the Project and otherwise satisfies all requirements of Developer's lenders or other financing parties for the Project, but in no case later than one-hundred-twenty (120) days after execution of this agreement (collectively, the "Approvals", and such date on which Developer is required to commence construction being the "Commencement Date"), and shall use commercially reasonable efforts to substantially complete the Project - defined as date when Developer receives a temporary or final occupancy permit from the City - within thirty-six (36) months of the Commencement Date. Under no circumstances shall the Authority have any responsibility or liability for remediation or redevelopment of the Property, or for conducting any "Eligible Activities" at the Property, except for its obligations under this Agreement to provide funds to the extent available as permitted in Paragraph 8 hereof with respect to payments from Tax Increment Revenues.

10.2 Work Force Housing. Developer commits to an allocation of thirty (30) Workforce Housing Units within the residential component of the Project (the "Workforce Housing Set-Aside"), upon the following terms and conditions:

i. For purposes of this Agreement, the term "Workforce Housing Units" or "WFH Units" shall mean units offered at the rental rates specified in Paragraph 10.2 (ii) below. The Workforce Housing Units shall be "floating" units in that such Units may be relocated within the Project from time-to-time during the Reimbursement Term (as defined below), provided that Developer maintains the minimum

number of each type of Workforce Housing Units required to satisfy the Workforce Housing Set-Aside during the Reimbursement Term.

ii. Subject to the terms herein, monthly rent for a Workforce Housing Unit shall not exceed the “Rent by Bedroom” rates as published in the Michigan State Housing Development Authority Income and Rent Limits report for Kalamazoo County in effect at the time the lease for the Workforce Housing Unit is executed (the “**MSHDA Rent Report**”), in accordance with the following proportions:

Monthly rent for fourteen (14) of the studio WFH Units, thirteen (13) of the one-bedroom WFH Units, and three (3) of the two-bedroom WFH Units shall not exceed an average Rent by Bedroom at 90% nor a maximum Rent by Bedroom of 120% for a period of twenty-one (21) years per Exhibit C. After the twenty-one years expires, Developer may charge market rates for all of these units.

iii. Monthly rent charged for the WFH Units will increase or decrease from time to time during the Reimbursement Term in accordance with increases or decreases in the “Rent by Bedroom” rates published in the MSHDA Rent Report; provided, however: (A) such increases or decreases in Monthly rent shall only affect new leases for WFH Units executed after the changed “Rent by Bedroom” rates are published in the MSHDA Rent Report; and (B) in no event shall the Monthly rent charged for the WFH Units decrease below the “Rent by Bedroom” rates published in the most current MSHDA Rent Report published prior to the date of execution of this Agreement, which is attached as Exhibit C.

iv. If the MSHDA Rent Report is no longer published during the Reimbursement Term, Monthly rent for new leases of WFH Units shall be based on 30% of Gross Annual Area Median Income for the Kalamazoo-Portage MSA as published by the U.S. Department of Housing and Urban Development (“**HUD**”), divided by 12, and adjusted to “Rent by Bedroom” rates in the same proportions as set forth in the last published MSHDA Rent Report.

v. The Workforce Housing Set-Aside component of the Project as described in this Paragraph 10.2 shall expire automatically upon the expiration of the Reimbursement Term.

vi. The Developer shall income qualify all tenants for WFH Units utilizing a MSHDA-approved tenant self-certification form and shall verify the tenant household income through tax return data or other appropriate alternatives, as being no greater than 120% of Kalamazoo County Area Median Income prior to lease signing. The Developer shall maintain an average household income of all WFH units of 90% of Kalamazoo County Area Median Income for the duration of the rent control period. The Developer shall annually verify the tenants’ household incomes as of their lease anniversaries to ensure that all WHF Units are occupied by income-qualified households based upon this average. If annual verification of tenants’ household income results in one or more tenants’ household incomes increasing such that the Project no longer maintains average incomes within the WFH Units of 90% Area Median Income, then the Developer will agree to rent the next available unit or units to an income qualified household to bring the Project back into compliance with the 90% Area Median Income average. The lack of an available unit or units due to full occupancy within the Project does not constitute a failure of the Developer to meet its obligations under Paragraph 10.2. In all other respects, and subject to subsection (viii) below, Developer is entitled to retain and exercise full and exclusive authority for the management of its operations and remain the sole judge in selecting tenants for the Workforce Housing Units, utilizing the same tenant selection and screening criteria as used by Developer for the non-WFH Units.

viii. Upon request by the Authority, but not more than once annually, Developer shall provide a written certification annually to the BRA (which will be due to the Authority on March 1 of the calendar

year following approval of reimbursement under Section 8.2), certifying as to Developer's compliance with the Workforce Housing Set-Aside.

ix. If the Authority believes that Developer has not met its obligations pursuant to this Paragraph 10.2, the Authority shall provide a written document to Developer describing in reasonable detail, the specific obligation not being satisfied, including an analysis of such non-performance (a "Written Notice"). Within 10 days after receipt of the Written Notice, Developer shall respond in writing, either a) agreeing to the Authority's findings and including a written plan for achieving compliance with this Paragraph 10.2 that is reasonably acceptable to the Authority, or b) disagreeing with the Authority's findings and the reasons therefor. If Developer disagrees with the Authority's position, Developer and the Authority shall meet (one or more times) within 45 days following the date of the Written Notice to attempt to resolve the WFH issues raised in the Authority's Written Notice. Should those meetings fail to reach a resolution satisfactory to the parties (a "Dispute"), then the parties agree to submit the Dispute as to this section 10.2 to a mediator. The mediator shall be an independent person, residing in Kalamazoo County with experience in residential real estate development; and who is acceptable to Developer and the Authority (the "Mediator"). Only if mediation does not resolve the Dispute can either the Developer or the City pursue legal or equitable remedies through judicial proceedings; the jurisdiction for which is in Kalamazoo County. During the Dispute process outlined above the Incentives for the Project shall continue, unless Developer has not cured a default regarding the other Undertakings or other provisions in this Agreement for which withholding, or withdrawal of Incentives is a permitted remedy.

Authority agrees and acknowledges if Developer terminates this Agreement for a failure of any of the contingencies set forth in Paragraph 3 hereof, or does not otherwise proceed with the development for any other reason, the foregoing Undertakings in Section 10.2 shall be void and of no force or effect.

10.3 Ordinances. Develop the Property, including landscaping and all other improvements required for the Project, in compliance with all local ordinances, site plan reviews and this Agreement. The improvements to the Property shall be subject to all zoning approvals. This Agreement does not obligate any governing municipality to grant any such approvals.

10.4 Project Sign. Place on the Property during the Project a development sign provided by the Authority to promote the Project and the Authority's participation in it. The sign will be returned to the Authority upon completion of the Project.

10.5 Promotion and Marketing. Permit the Authority to cite or to use any renderings or photographs or other materials of the Project as an example of private/public partnership and brownfield site redevelopment.

10.6 Cooperation. Assist and cooperate with the Authority in providing information that the Authority may require in providing necessary reports to governmental or other agencies, including, but not limited to, information regarding the amount of Developer expenditures and capital investments, and square footage developed or rehabilitated concerning the Project.

10.7 Payment of Authority Legal and Professional Fees. To the extent the following costs and fees under paragraph 4.1 or 8.3 hereof are not paid to the Authority from Tax Increment Revenues it receives under paragraph 4.1 or 8.3 hereof, the Developer shall reimburse the Authority for its legal and professional fees and disbursements incurred in connection with the review, approval and administration of the Plan for this Project, including any further amendments thereto; the preparation and negotiation of this Agreement, as it may be amended from time to time; and all documents and matters related thereto, including future expense. The Developer shall reimburse the Authority for such expenses within 30 days

from the date that the Authority sends an invoice and request for payment to the Developer, provided the Developer shall be eligible for reimbursement for such expenses to the extent permitted by law from Tax Increment Revenues.

11. Responsibilities of the Authority. In consideration of the preceding commitments of the Developer the Authority further agrees to:

11.1 Cooperation. Cooperate and utilize its best efforts to obtain any governmental approvals required to close the transaction contemplated by this Agreement.

11.2 Reimbursement of Eligible Costs. The Authority shall extend to the Developer the benefits outlined in the Plan, subject to the provisions of Act 381 (Brownfield Redevelopment Financing Act of 1996 as amended). Those benefits include reimbursement for Eligible Activities from Authority Tax Increment Revenues as more fully set forth in Paragraph 8. These Eligible Cost activities may include, without limitation, site preparation (soil removal, grading, filling, etc.), parking facility and other infrastructure improvements, environmental assessment, due care obligations, or environmental response activities; and the services of various contractors, engineers, environmental consultants, attorneys, and other professionals retained regarding such activities, in each case to the extent included in the Plan. The Developer has undertaken discussion with the City regarding Eligible Activities that will be incurred by the Developer, and the Plan reflects those discussions. The Plan, as approved by the Authority and the City Council of the City of Portage as it relates only to the Property, is attached as Exhibit B and incorporated as part of this Agreement. To the extent provisions of the Plan or this Agreement violate or would cause any party to be in violation of Act 381, Act 381 controls. Reimbursement of financing gap subsidies shall be reviewed for approval annually and may commence once the Developer has satisfied a full year of WFH Unit assistance in accordance with this Agreement.

11.3 No official, board member, officer or employee of Authority or the City is personally liable to the Developer or its successor in interest upon a breach or default by Authority for any amount payable to the Developer or its successor or any obligation under this Agreement.

12. Developer's Representations, Warranties and Covenants. The Authority represents and warrants that it has the full authority to enter into and perform this Agreement in accordance with its terms, without breaching or defaulting on any obligation or commitment that it has to any third parties. The Developer hereby makes the following representations, warranties, and covenants:

12.1 Eligible Property. The Property is “eligible property” as defined in Act 381 and is eligible for the capture of Tax Increment Revenues pursuant to Act 381.

12.2 Eligible Costs. The Developer will only submit for reimbursement under Paragraph 8 hereof such costs that it has reasonably determined are reimbursable in connection with “Eligible Activities” within the meaning of Act 381.

12.3 Due Authorization. The representatives signing this Agreement are duly authorized by the Developer to enter into this Agreement.

13. Events of Default. Each of the following shall constitute an event of default:

13.1 Any representation or warranty made by the Developer in this Agreement proves to have been incorrect or incomplete in any material respect when made or deemed to be made.

13.2 Developer's failure for reasons other than Force Majeure to observe or perform any covenant or agreement contained in this Agreement, or otherwise violates any term of this Agreement, and fails to perform such covenant or agreement or otherwise cure such violation within 45 days after written notice thereof shall have been given to the Developer by the Authority (subject to Developer's right to cure as provided in Section 14).

13.3 The Developer abandons or withdraws from the reuse and redevelopment of the Property or indicates its intention to do so.

13.4 The Developer fails to pay any funds within 30 days of the date due which are required to be paid to the Authority pursuant to this Agreement, including but not limited to its real and personal property taxes, to the extent taxes are owed by the Developer, as set forth herein.

13.5 Except as provided in Section 22 of this Agreement, any assignment of this Agreement or the rights or obligations hereunder by Developer, or transfer or other conveyance of the Property, or transfer or other conveyance of more than fifty (50%) percent of the beneficial ownership interests or voting control of the Developer, in each case whether directly or indirectly, or if the Developer terminates its existence.

13.6 Any material provision of this Agreement shall cease to be valid and binding on the Developer or shall be declared null and void; the validity or enforceability of such provision shall be contested or denied by the Developer; or the Developer denies that it is bound by this Agreement.

14. Remedies upon Default. If any event of default as defined above shall occur and be continuing for 30 days (or such additional time as specified in Section 13) after written notice of default from the Authority specifying the alleged default (or such additional time as may be reasonably necessary and authorized by the Authority Board Chair, or their proxy, to cure the default at issue, provided that the Developer has commenced such cure within the initial cure period described above and is proceeding in good faith to cure but not more than three (3) months), the Authority shall have the right, but not the obligation, to exercise any of the following rights and remedies either individually or concurrently:

(a) withhold or suspend reimbursement to the Developer for Eligible Costs from TIR until the Developer has cured that default to the satisfaction of the Authority. Any action by the Authority shall not under any circumstances extend the Reimbursement Term unless approved explicitly by the Authority. In the event, the Authority suspends or withholds reimbursement, and such default by the Developer related to such suspension or withholding of reimbursement is not cured within 12 months from the end of any applicable cure periods specified under this paragraph 14 or 13, the Authority may terminate this Agreement upon written notice to Developer.

(c) To secure any amount owed by the Developer to the Authority under this Paragraph, the Authority has the right to place a lien against the Property in the same manner as delinquent taxes, including the accrual of interest, penalties, and administrative expenses until the lien is fully satisfied.

(d) All other remedies available at law or in equity.

In addition, if the Developer fails to substantially complete the Project within the timelines required by this Agreement, or if the Developer otherwise defaults prior to substantial completion of the Project, the Developer shall pay back to the Authority (within thirty (30) days following demand by the Authority) any amounts paid to Developer as reimbursement for Eligible Costs pursuant to the terms of this Agreement or otherwise.

Following a default by the Developer, or following expiration or termination of this Agreement for any reason, the Developer shall then be responsible for all subsequent Project costs, including Eligible Costs, without contribution from Tax Increment Revenues collected by the Authority from taxes levied on the Property.

15. Authority Default and Developer Remedies. If the Authority in any material respect fails to perform or provide the Incentives in accordance with this agreement, and such undisputed failure continues for a period of thirty (30) days after written notice from Developer to the Authority specifying the alleged default (or such additional time as may be reasonably necessary to cure the default at issue provided that the Authority has commenced such cure within the initial thirty (30) days and are proceeding in good faith to cure but not more than three (3) months), the Developer shall have the option to exercise one or any combination of remedies under this Agreement or otherwise available at law or in equity, including without limitation:

- a. To withhold or suspend the performance of all or any of the Undertakings.
- b. To seek specific performance of the Authority under this Agreement.
- c. To seek any other available remedies under the law.

16. Legislative Authorization. This Agreement is governed by and subject to the restrictions set forth in the Act. If legislation is enacted in the future that alters or affects the amount of Tax Increment Revenues subject to capture, Eligible Properties, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement may be modified accordingly by agreement of the parties.

17. Freedom of Information Act. Developer stipulates that all petitions and documentation submitted by Developer shall be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, MCL 15.231 et seq., and no claim of trade secrets or other privilege or exception to the Freedom of Information Act will be claimed by Developer as it relates to this Agreement or petitions and supporting documentation.

18. Plan Modification. The Plan and this Agreement may be modified by mutual agreement of the parties to the extent allowed under the Act and the City's applicable Brownfield Redevelopment Policy (as amended from time to time).

19. Notices. All notices and other communications required or permitted under this Agreement shall be in writing, shall be deemed given when delivered, and shall be sent by personal delivery, overnight courier, or registered mail, return receipt requested, to the following addresses (or any other address that is specified in writing by either party):

If to Developer:

7920 Partners, LLC
c/o Fritz Brown
241 E. Michigan Ave., Ste. 135
Kalamazoo, MI 49007

With copy to:

Miller Johnson
100 W. Michigan Ave, #200
Kalamazoo, MI 49007

If to the Authority:

City of Portage Brownfield Redevelopment Authority
C/O Department of Community Development
7900 S. Westnedge Avenue
Portage, Michigan 49002

20. Indemnification. Developer shall defend, indemnify and hold harmless the Authority and the City, and any of their respective past, present, and future members, officials, employees, agents or representatives from all losses, demands, claims, judgments, suits, costs and expenses (including without limitation the costs and fees of attorneys or other consultants) arising from or related to (i) the capture and use of Tax Increment Revenue paid to Developer as a reimbursable payment under this Agreement made in excess of the amount of tax increment revenues the Authority is determined by the State or court to be allowed by law to use for that reimbursement, and (ii) the Project.

21. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

22. Binding Effect/Third Parties. This Agreement is binding on and shall inure to the benefit of the parties to this Agreement and their respective successors. The Developer may assign this Agreement to an entity owned or controlled by Developer, or its principals, without the Authority's consent. However, the Developer must provide the Authority with written notice of any such assignment. For any other assignment the Developer shall obtain written consent from the Authority. Such written consent will not be unreasonably withheld, conditioned or delayed. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.

23. Waiver. No failure of either party to complain of any act or omission on the part of the other party, no matter how long this may continue, is considered a waiver by that party to any of its rights hereunder. No waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.

24. Authorization. Each of the parties represents and warrants to the other that the board of directors or other governing body of that party authorizes this Agreement and its execution by the individual on its behalf.

25. Entire Agreement. This Agreement supersedes all previous agreements between the parties relating to the subject matter. There are no other understandings or agreements between them.

26. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

27. Additional Actions. Developer and the Authority agree to execute and deliver such additional documents and to perform such additional acts as may become necessary to effectuate the transfers contemplated by this Agreement.

28. Definitions. The following capitalized terms are used in this Agreement with the following meanings:

"Administrative Costs" means the Authority's out-of-pocket costs associated with the Project (including reasonable attorney fees and costs, environmental consulting fees and costs, and similar fees and costs) as well as the Authority's indirect costs associated with the Project (including allocation of the fixed costs of the Authority staff.)

"Brownfield Plan" is defined by Section 2(e) of Act 381;

"Due Care Activities" is defined by Section 2(m) of Act 381;

"Eligible Activities" is defined by Section 2(o) of Act 381;

"Eligible Property or Properties" is defined by Section 2(p) Act 381;

"Tax Increment Revenues" is defined by Section 2(ss) of Act 381, and, for purposes of this Agreement, includes school taxes and local (non-school) taxes.

[Signature Page Follows]

DRAFT

In witness of their intent to be legally bound by the terms of this Agreement, each of the parties has set forth its signature below by its duly authorized representative.

**CITY OF PORTAGE BROWNFIELD
REDEVELOPMENT AUTHORITY**

By _____

Print Name: Keith Lewandowski

Title: BRA Chairperson

Date _____

**DEVELOPER
7920 PARTNERS, LLC**

By: _____

PRINTED NAME:

Its:

Date: _____

By: _____

PRINTED NAME:

Its:

Date: _____

EXHIBITS:

A (Legal Description of Property)

B (Copy of the Plan)

Exhibit A – Legal Descriptions

7920 Portage Road
Portage, MI 49002

Parcel ID: 10-00014-080-A

2.47 Acres

Legal Description:

SECTION 14-3-11 BEG S 1/4 POST SEC 14, TH N 348.52 FT, TH W 449 FT, TH S 185 FT, TH E 100 FT, TH S 163 FT, TH E 349 FT TO P.O.B., EXC RD ROWS.

DRAFT

Exhibit B – Copy of Brownfield Plan

DRAFT

Exhibit C – MSHDA Rent Report

DRAFT



Department of Community Development

To: City of Portage Brownfield Redevelopment Authority

FROM: Jonathon Hallberg, Deputy Director of Economic Development

SUBJECT: Consent to Convey 5960 S. Sprinkle Rd., and Consent and Collateral Assignment of Tax Increment Revenues for “Project Depatie” to Milham Corners, LLC

DATE: November 4, 2025

TST of Portage, LLC, has requested that the City of Portage Brownfield Redevelopment Authority approve conveyance of 5960 S. Sprinkle Rd., Portage, Michigan, to Milham Corners, LLC, and a Consent to and Collateral Assignment of Tax Increment Revenues to be executed in connection with their mortgage for 5960 S. Sprinkle Rd. industrial redevelopment project at the same location.

The development includes reimbursement of eligible costs through Tax Increment Financing Revenues approved through a Brownfield Plan and a Development and Reimbursement Agreement approved by the BRA on April 19, 2024, and amended on August 1, 2024. The Brownfield Plan Amendment (Brownfield Plan No. 12) was approved by Resolution of the Portage City Council on April 9, 2024.

Financing for the planned industrial expansion from 33,804 square feet to 60,750 square feet has been obtained through First National Bank of Michigan, which also financed 5870 S. Sprinkle Rd. TST of Portage, LLC, which shall maintain ownership of 5870 S. Sprinkle Rd., and Milham Corners, LLC, to which 5960 S. Sprinkle Rd. is proposed to be conveyed to, both consist of identical LLC membership.

The attached Consent and Collateral Assignment does not supersede the rights of the BRA to enforce the cures and remedies for default under the Development and Reimbursement Agreement. Under the Consent and Collateral Assignment, the Lender would be authorized, but not obligated, to fulfill the terms of the Development and Reimbursement Agreement in the event of a default by the developer. As a result, the Lender would be authorized to receive Tax Increment Finance Revenue only in accordance with the developer’s previous performance, or its future performance, of the obligations under the Development and Reimbursement Agreement.

The City Administration is obtaining a legal review of the Consent and Collateral Assignment by city legal counsel. Staff will share at the meeting whether the approval as to form is acceptable.

RECOMMENDATION:

It is recommended that the City of Portage Brownfield Redevelopment Authority approve the Pledge Agreement executed by the Developer in favor of First National Bank of Michigan, granting consent to convey 5960 S. Sprinkle Rd. from TST of Portage, LLC, to Milham Corners, LLC, and granting a Consent and Collateral Assignment of Tax Increment Revenues to be executed in connection with the mortgage to Milham Corners, LLC, and by First National Bank of Michigan, for the industrial redevelopment project at 5960 S. Sprinkle Rd., Portage, Michigan, and to authorize the Chairman to amend, sign, and date, as necessary, the Consent to Assignment on behalf of the Authority.

Attachments: Assignment of TIF – Tri-Party Letter

FIRST NATIONAL BANK OF MICHIGAN
348 W. Michigan
Kalamazoo, MI 49007

November ___, 2025

City of Portage Brownfield Redevelopment Authority
7900 South Westnedge Avenue
Portage, MI 49002
Attn: Board Chair

Milham Corners, LLC
9812 W. Gull Lake Drive
Richland, Michigan 49083
Attn: David M. Scott

Re: Development Agreement and Brownfield Reimbursement Agreement (as amended if at all, the “Reimbursement Agreement”) between City of Portage “Brownfield Redevelopment Authority” (the “Authority”) and TST of Portage, LLC, a Michigan limited liability company (“Developer”), dated April 19, 2024 (the “Property”)

Pledge Agreement (“Pledge Agreement”) executed by Developer in favor of First National Bank of Michigan (“Bank”)

Ladies and Gentlemen:

In consideration for Bank providing financing to an affiliate of Developer, Milham Corners, LLC, a Michigan limited liability company (“Borrower”), Developer will by execution of the Pledge Agreement collaterally assign to Bank and grant Bank a security interest in (among other things) Developer’s rights to reimbursement of its costs of/for Eligible Activities from Tax Increment Revenues upon Developer’s compliance with, and subject to the terms and conditions of, the Reimbursement Agreement. Said collateral assignment and grant is contemplated and permitted under Section 22 of the Reimbursement Agreement following review of the Pledge Agreement, consent by the Authority’s legal counsel, and approval of the Authority’s administrative staff.

In connection with the foregoing, Developer and Bank requests that the Authority:

(a) consent to said collateral assignment and grant, as contemplated under Section 22 of the Reimbursement Agreement;

(b) confirm that (i) the Property described in the Reimbursement Agreement is presently comprised of: (1) Tax Parcel No. 10-00001-087-C, commonly known as 5870 S. Sprinkle Rd., Portage, Michigan 49002 (“Parcel A”); and (2) Tax Parcel No. 10-00001-087-B, commonly known as 5960 S. Sprinkle Rd., Portage, Michigan 49002 (“Parcel B”); (ii) the remaining amount of Tax Increment Revenues available to pay the costs of Eligible Activities, subject to the terms and conditions of the Reimbursement Agreement, the Brownfield Redevelopment Financing Act, and the Brownfield Plan, is \$_____; and (iii) of the maximum ____ total “capture years” contemplated under Section 3 of the Reimbursement Agreement, a maximum of ____ “capture years” remain, being the years through and including tax year 20____;

(c) consent to Developer’s conveyance, subsequent to the execution of the Reimbursement Agreement, of Parcel B to Borrower (and together with Developer, collectively, the “Developer Affiliates”), said conveyance(s) referred to herein as the “Property Transfer”;

(d) agree that, notwithstanding the Property Transfer and that property tax bills for portions of the Property have been and may in the future be sent to, and payments of said bills have been and may in the future be made by, one or more Developer Affiliates, (i) all right, title and interest in and to the Reimbursement Agreement and payments of Tax Increment Revenues made or to be made by the Authority thereunder remains with Developer, and (ii) no amendment to the underlying Brownfield Plan is required to account for the fact that the Developer no longer holds title to Parcel B;

(e) in the event of Borrower's default (beyond any applicable grace period or notice and cure period) under Bank's loan documents (a "Loan Default"), permit Bank to complete the performance of any remaining Developer obligations concerning the Property and the Reimbursement Agreement, submit (in accordance with the Reimbursement Agreement and/or the Authority's policies and procedures) to the Authority its costs for doing so, and otherwise satisfy any remaining conditions precedent to the Authority's obligation under the Reimbursement Agreement to make payments from Tax Increment Revenues;

(f) following receipt of written notice from Bank that a Loan Default exists, and until said notice is revoked by subsequent written notice from Bank to the Authority, remit directly to Bank (at the above address) all payments which the Authority is obligated to make to Developer or Borrower from time to time under the Reimbursement Agreement; and

(g) in the event of Developer's default under the Reimbursement Agreement, the Authority shall notify Bank in writing concurrently with any notice given by the Authority to Developer of any such default. The Authority agrees that Bank shall have the right (but not the obligation) to cure any breach or default specified in such notice, and the Authority shall not declare a default by Developer under the Reimbursement Agreement if Bank cures such breach or default within thirty (30) days after the expiration of the time period provided to Developer in the Reimbursement Agreement for the cure thereof by Developer; provided, however, that if such breach or default cannot with diligence be cured by Bank within the above period provided to Bank, the commencement of action by Bank within such thirty (30) day period to remedy the same shall be deemed sufficient so long as Bank pursues such cure with diligence.

Please confirm the Authority's receipt and review of this letter and consent and agreement to the contents hereof by executing and returning its below Acknowledgment to me at the above address. Borrowers are also requested to similarly execute and return their below Acknowledgment.

Capitalized terms not defined in this letter have the meanings ascribed to them in the Reimbursement Agreement.

City of Portage Brownfield
Redevelopment Authority
Milham Corners, LLC

-3-

Thank you for your cooperation.

FIRST NATIONAL BANK OF MICHIGAN

By: _____
Brian D. Mick
Title: Vice President

City of Portage Brownfield
Redevelopment Authority
Milham Corners, LLC

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Acknowledged and Agreed by:

Milham Corners, LLC

By: _____
John M. Thomas
Its: Manager

TST of Portage, LLC

By: _____
Its: _____

**CITY OF PORTAGE BROWNFIELD
REDEVELOPMENT AUTHORITY**

By: _____
Name: _____
Title: _____