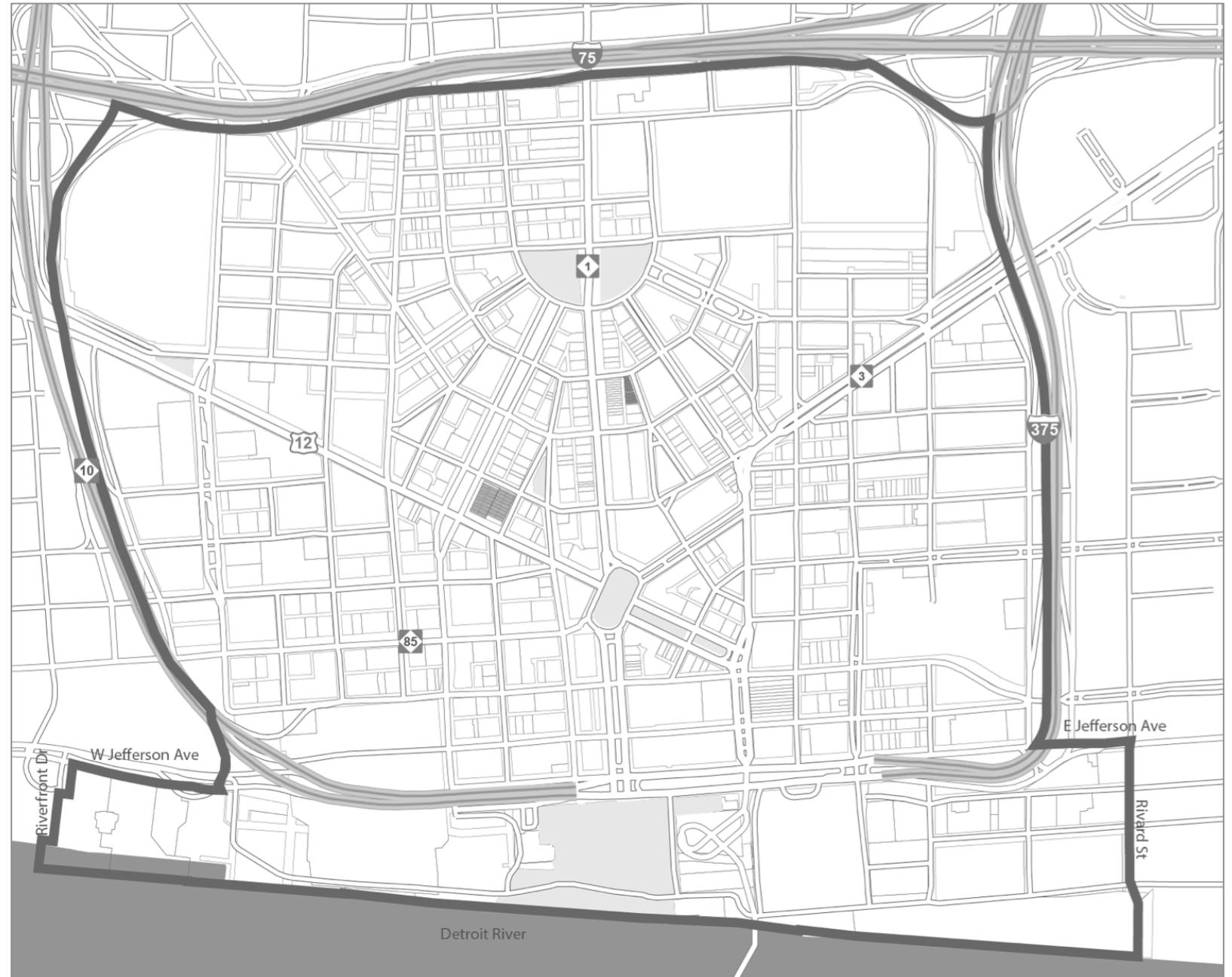


**Map and Description of the Geographic Boundaries of the Zone Area Sufficient to Identify each Assessable Property Included in the Zone Area.**

The geographic boundaries of the area to be served by the business improvement zone ("Zone Area") are:

- Interstate 75 to the north;
- Interstate 375 north of East Jefferson Avenue and Rivard Street south of East Jefferson Avenue to the east;
- The Detroit River to the south; and
- The western line of the property at 1003 West Jefferson Avenue roughly coterminous with Riverfront Drive south of West Jefferson Avenue and Michigan State Highway 10 north of West Jefferson Avenue to the west.



## Zone Plan for Business Improvement Zone

The following set of goals, strategies, objectives and guidelines for the operation of the Downtown Detroit Business Improvement Zone is the zone plan for the proposed business improvement zone (“Zone Plan”):

**(i) Name of Zone**

The name for the proposed business improvement zone is “Downtown Detroit Business Improvement Zone” (“BIZ”).

**(ii) Initial Board of Directors**

The initial board of directors for the BIZ will be comprised of the following individuals, with terms beginning on the date the BIZ is created:

	Name	Organization	Initial Term (Years)
1.	George Barnes	Heritage Optical	1
2.	Charles Beckham	City of Detroit*	2
3.	Debra Dansby	Rock Ventures	3
4.	David DiRita	Roxbury Group	1
5.	Chris Ferchill	Ferchill Group	2
6.	Linda Forte	Comerica Bank	3
7.	Ken Harris	Michigan Black Chamber of Commerce	1
8.	Debra Homic Hoge	General Motors	2
9.	Richard Hosey	Karp Group	3
10.	George Johnson	George Johnson & Company	1
11.	Tricia Keith	Blue Cross Blue Shield of Michigan	2
12.	Mark King	DTE Energy	3
13.	Steven Marquardt	Olympia Development	1
14.	Dwight Phillips	1274 Library Street	2
15.	Steven Zanella	MGM Grand Detroit	3

**(iii) Duties and Responsibilities of the Board of Directors**

The day-to-day activities of the BIZ and implementation of the Zone Plan will be managed by a board of directors (“Board”), which also will exercise the following duties and responsibilities:

- (a) Developing administrative procedures relating to the implementation of the Zone Plan;
- (b) Recommending amendments to the Zone Plan;
- (c) Scheduling and conducting an annual meeting of the property owners;
- (d) Developing a Zone Plan for the next 10-Year period;
- (e) Adopting bylaws applicable to the Board relating to the exercise of duties or responsibilities by the Board;
- (f) Certifying annual assessment calculations to the City of Detroit;
- (g) Enforcing, compromising or otherwise administering the collection of assessments; and
- (h) Exercising duties or responsibilities of the board of directors under Chapter 2 of 1961 PA 120, MCL 125.990 to 125.990n (“BIZ Act”), the Zone Plan for the BIZ, or other applicable law.

**(iv) Method for Removal, Appointment, and Replacement of Board**

The initial members of the Board are appointed for staggered terms of one year, two years, or three years as indicated in item (ii) of this Zone Plan. After the expiration of the initial terms, members of the Board shall be appointed by the Board for terms of three years. Members of the Board are eligible for reappointment. A member of the Board may continue to serve after the expiration of the member’s term until a successor is appointed and qualifies.

A vacancy on the Board for a reason other than the expiration of a term shall be filled by the Board for the remainder of the term. Appointment of a member of the Board shall require an affirmative vote of a majority of the members of the Board serving at the time of the vote.

The Board may designate a nominating committee composed of members of the Board to nominate individuals for appointment to the Board by the Board.

The Board may remove any member of the Board by an affirmative vote of the majority of the members of the Board serving at the time of the vote.

\* One director will be nominated by the Mayor of the City of Detroit and confirmed by the City Council as provided in Section 10(g)(2) of the BIZ Act. A vacancy in this position shall be filled in the same manner as the original appointment.

**(v) Description of Projects Planned during 10-Year Period, including the Scope, Nature, and Duration of the Projects**

Within the Zone Area, the BIZ may provide **clean services** within public rights-of-way including, but not limited to, litter collection, graffiti removal, pressure washing, mechanical sweeping, snow removal, and garbage and debris removal.

Within the Zone Area, the BIZ may provide **landscape services** within public rights-of-way including, but not limited to, mowing, fertilization, annual flower planting, mulching, edging, vegetation control, pruning and trimming, integrated pest management, dormant oil spray/summer foliage spray, start-up/shut down and inspection of irrigation systems, supplemental freeway ramp mowing, weed abatement, holiday lighting, electrical and irrigation repairs, and capital improvements.

Within the Zone Area, the BIZ may administer a **public safety and hospitality ambassadors program**. Safety and hospitality ambassadors are trained for a variety of tasks including, but not limited to, assisting, directing, and providing information to Downtown visitors, employees, and shoppers; observing, reporting, and preventing crime; discouraging panhandlers and assisting the homeless; increasing the public’s comfort and sense of security through a visible uniformed presence; and using handheld radios or other devices to interface with each other, police dispatch systems and other security personnel.

Within the Zone Area, the BIZ may engage in **marketing and streetscape improvements**, including, but not limited to, lamp post banners; kiosks; signs; printed, broadcast and online materials; capital improvements and other programs designed to attract tenants, residents, visitors and customers.

Within the Zone Area, the BIZ may conduct and commission **real estate market, demographic and urban planning studies**, including, but not limited to, studies of retail, office, residential and hotel space supply and demand, and initiatives to inform policies related to land use, transportation, urban design and parking.

In addition to public rights-of-way within the Zone Area the BIZ may undertake projects including, but not limited to, the ones described above within downtown Detroit’s **public parks and common areas**, including, but not limited to, Campus Martius/Cadillac Square, Hart Plaza, Capitol Park, Grand Circus Park, the Detroit RiverWalk, and Beatrice Buck Park at Paradise Valley.

The projects described above (“Projects”) will continue for the duration of the Plan unless otherwise determined by the Board. Services, functions and Projects provided by the BIZ will be supplemental to the services, functions and projects of the City of Detroit. The “10-Year Period” means the period in which the BIZ is authorized to operate, beginning on the date that the BIZ is created or renewed and ending 10 calendar years after that date.

**(vi) Estimate of the Total Amount of Expenditures for Projects Planned During the 10-Year Period**

It is estimated that the sum of expenditures for Projects planned in the 10-Year Period is \$42,056,676. This estimate originates from two sources:

**PETITION FOR ESTABLISHMENT OF BUSINESS IMPROVEMENT ZONE  
ATTACHMENT C (continued)**

1. \$40,912,106 of assessment revenues based on an initial annual budget of \$4,000,000 and estimated annual growth rates of 0.5% each in total floor area and assessable value of assessable properties each year thereafter during the 10-Year Period.
2. \$1,144,570 of payments in lieu of assessments that the BIZ may receive during the 10-Year Period. This estimate is generated by applying the rates described below to the three properties within the BIZ Area owned by the United States General Services Administration (GSA) or another Federal government agency, as indicated in data from the Detroit City Assessor on December 1, 2013. In general, buildings owned by the Federal government are exempt and hence not assessable under the BIZ Act; however it is current GSA policy to participate in special assessment districts that are in effect in cities across the country. It is estimated here that GSA may provide in lieu assessments for its properties once the BIZ is initiated. The estimated annual in lieu BIZ assessment for the properties is \$114,457. The actual in lieu assessment rate is to be negotiated with GSA.

It is possible that the actual total floor area and assessable value grow at higher rates, remain flat, or decrease during any year over the 10-Year Period, in which case the BIZ expenditures for the following year could correspondingly increase, remain static or decrease. It also is possible that other parties may elect to contribute payments in lieu of assessments or that the current GSA policy regarding payments in lieu of assessments may change.

**(vii) Proposed Source or Sources of financing for the Projects**

The primary source of financing for the Projects is an assessment applicable to assessable properties in the Zone Area. The BIZ will seek additional funds through payments in lieu of assessments (such as voluntary payments from owners of non-assessable property within the zone area) and grants or donations to fund complimentary projects and activities or administrative costs.

**(viii) Projected Amount or Rate of Assessments for Each Year and the Basis upon which the Assessments are to be Imposed on Assessable Property**

Assessments will be imposed on assessable properties based on two premises:

First, that a blended rate of assessment, one rate based on floor area and a second rate based on assessed value, is appropriate, with the blend being weighted 60% on floor area and 40% on assessed value; and

Second, in light of the size and value of a handful of properties, equity requires that there be a cap on the aggregate amount of the annual assessment on a single property. Hence, a cap of \$150,000 on the assessment of a single property will apply for any year in the 10-Year Period.

This resulted in the calculation of a Floor Area Rate and an Assessed Value Rate as follows:

The budgeted assessment revenue for the first year is \$4,000,000. Four properties are subject to the cap, and their contribution will be \$600,000 (at \$150,000 each). This means that the balance of the annual assessment revenue (\$3,400,000) for the first year must be raised by imposition of the Floor Area Rate and the Assessed Value Rate on the remaining properties.

The **Floor Area Rate** was calculated by multiplying \$3,400,000 by six-tenths (.6), and then dividing the product by the aggregate number of gross floor area (in square feet) of all uncapped properties – \$2,040,000/35,112,885 = **\$0.0580983305 per square foot of floor area.**

The **Assessed Value Rate** was calculated by multiplying \$3,400,000 by four-tenths (.4), and then dividing the product by the aggregate assessed values of all uncapped properties – \$1,360,000/\$553,861,436 = **\$0.0024554878 per dollar of assessed value.**

The Floor Area Rate and the Assessed Value Rate will remain constant throughout the 10-Year Period. For any year during the 10-Year Period, the aggregate assessment for a property (subject to the cap of \$150,000, and further subject to the limitation in annual increases that is described below) will be the sum of (i) the product obtained by multiplying the floor area of the property by the Floor Area Rate, and (ii) the product obtained by multiplying the assessed value of the property by the Assessed Value Rate.

*Three Percent Annual Assessment Increase Limit*

An annual increase in any individual assessment is limited to three percent of the prior year's assessment. If the records of the Assessor indicate a Transfer of Ownership during the prior year, the three percent limit shall not apply. Furthermore, if the records of the Assessor indicate any Additions during the prior year, the Additions may be reflected in assessments of the applicable properties irrespective of the three percent limit.

All assessment calculations are based on property data maintained by the City of Detroit, Finance Department, Assessment Division (or any successor agency or authority charged with maintaining such data) including, but not limited to, data relating to floor area, assessed value, Transfers of Ownership and Additions. Such data current as of December 1, 2013 has been used to calculate assessments for the BIZ Petition and for the first year of the BIZ, with the exception (as to the BIZ Petition) that three known transfers of assessable properties are reflected in the BIZ Petition that were not yet reflected in the Assessor's data as of such date. Following the first year of the BIZ, such data current as of October 1 of the prior year will be used to calculate BIZ assessments for the applicable year. For example, assessments for 2015 will be calculated using data current as of October 1, 2014. No adjustments to assessments for an assessment year will be made as a result of any adjustments to property data after October 1 in the year prior to the assessment year. "Transfer Of Ownership" and "Additions" mean those terms as defined under Section 34d of the General Property Tax Act, 1893 PA 206, as amended, MCL 211.34d.

**(ix) Plan of dissolution for the BIZ**

Upon a written petition duly signed by 30% of the property owners of assessable property within the Zone Area submitted no sooner than two years following the adoption of the BIZ and the Zone Plan, the Board shall place on the agenda of the Board's next annual meeting, if the next annual meeting is to be held not later than 63 days after receipt of the written petition, or a special meeting not to be held later than 63 days after receipt of the written petition, the issue of dissolution of the BIZ. Notice of the next annual meeting or special meeting described in this paragraph shall be made to all property owners of assessable property within the Zone Area by first-class mail not less than 14 days before the date of the annual or special meeting. The notice shall include the specific location and the scheduled date and time of the meeting.

Except as otherwise provided in this item (ix), the BIZ shall be dissolved upon a vote of more than 50% of the property owners of assessable property voting at the meeting, with the votes of the property owners weighted in accordance with Section 10f(2) of the BIZ Act. A dissolution shall not take effect until the later of the end of the second calendar year after the vote for dissolution or all contractual liabilities of the BIZ have been paid and discharged.

Upon dissolution of the BIZ, the Board shall dispose of the remaining physical assets of the BIZ. The proceeds of any physical assets disposed of by the BIZ and all money collected through assessments that is not required to defray the expenses of the BIZ shall be refunded on a pro rata basis to persons from whom assessments were collected. If the Board finds that the refundable amount is so small as to make impracticable the computation and refunding of the money, the refundable amount may be transferred to the Treasurer of the City of Detroit for deposit in the treasury of the City of Detroit to credit of the general fund.

Upon dissolution of the BIZ, any remaining assets of the BIZ shall be transferred to the Treasurer of the City of Detroit for deposit in the treasury of the City of Detroit to the credit of the general fund.

# PETITION FOR ESTABLISHMENT OF BUSINESS IMPROVEMENT ZONE ATTACHMENT D

## Basis for Allocating Assessments in the Zone Area

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The budgeted assessment revenue for the first year is \$4,000,000. Four properties are subject to the cap, and their contribution will be \$600,000 (at \$150,000 each). This means that the balance of the annual assessment revenue (\$3,400,000) for the first year must be raised by imposition of the Floor Area Rate and the Assessed Value Rate on the remaining properties.

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