

**THE TAX INCREMENT FINANCE AUTHORITY
OF THE
CITY OF LAPEER**

**DEVELOPMENT PLAN No. 1
AND
TAX INCREMENT FINANCING PLAN NO. 1**

**RESTATED FOLLOWING ADOPTION ON
MAY 18, 1982
AND AMENDMENTS ON
AUGUST 04, 1986 (First Amendment)
DECEMBER 29, 1986 (Second Amendment)
SEPTEMBER 18, 1989 (Third Amendment)
AUGUST 19, 1991 (Fourth Amendment)
OCTOBER 19, 1992 (Fifth Amendment)
MAY 19, 1997 (Sixth Amendment)
AND
_____ (Seventh Amendment)**

INTRODUCTION

The Tax Increment Finance Authority was established by resolution of the Lapeer City Commission on April 19, 1982. On May 3, 1982 the Lapeer City Commission adopted an ordinance, being Chapter 36 of the General Ordinances of the City of Lapeer and a resolution establishing Tax Increment Finance Plan No. 1 and Development Plan No. 1. The plans were amended by the Tax Increment Finance Authority in 1986 and the amendments were approved by the Lapeer City Commission on August 4, 1986. These amendments included the provisions to finance the Enterprise Center of Lapeer. The plans were again amended in 1986 with the approval of the Lapeer City Commission on December 29, 1986. The amendments approved on December 29, 1986 are referred to as the Second Amendments. The Second Amendments included an expansion of the development area, an extension of the duration of the plan, and the improvement of DeMille Road. The Second Amendments to the plan also provided that for taxes collected after 1990, the Authority would share captured assessed value with the County of Lapeer and the City of Lapeer so that the City and County would receive the same property tax revenues as though the plans were not in effect.

The Third Amendments to the Development Plan and Finance Plan, made pursuant to Section 18(2) of Act No. 450 of the Public Acts of 1990, as amended, being the Tax Increment Finance Authority Act, revised revenue estimates, provided for additional projects, and provided that the capture of all assessed value, including the city and county's share, would continue through the duration of the plans.

The Fourth Amendments to this Development Plan and Financing Plan were adopted to provide for the purchase of land within the development area and the issuance of bonds to construct a community center. The community center will include recreational facilities such as a swimming pool, gymnasium, multi-purpose rooms, and other recreational facilities. The Fourth Amendments also revise revenue and cost estimates and provide for the creation of a revolving loan fund from rental revenues.

The Fifth Amendments to this Development Plan and Financing Plan increase the maximum amount of bonded indebtedness that may be incurred to construct the community center, revise the revenue and cost estimates, and provide that the Authority may fund the payment of cash rentals from the City to the City's Building Authority in the event the Building Authority assists in the financing of the community center. The Fifth Amendments also provide that the Authority may, at its option, use captured revenues to pay for operation and maintenance costs of the community center.

The purpose of the Sixth Amendments to the Development Plan No. 1 and Financing Plan No. 1 was to extend McCormick Drive from the Canadien National Railroad right-of-way to Saginaw Street and to amend the Development Area to include the land owned and acquired by the City of Lapeer for the McCormick Drive right-of-way.

Prior to the Seventh Amendments to the Plan, the Plan provided that it would terminate on July 1, 2000 or on such date as the bonded indebtedness incurred to finance the community center through tax increments bonds had been paid in full, whichever was later. Tax increment revenues would not be collected after July 1, 2000, except to the extent that revenues were necessary to pay off the bonded indebtedness incurred to finance the community center or, during the term of the bond issue, to pay for operation and maintenance of the community center.

In 1998 the Authority issued refunding bonds. The final maturity date of the refunding bonds is June 1, 2012.

The purpose of the Seventh Amendments to the Plan is to extend the duration of the Plan to July 1, 2012, or until the bonded indebtedness incurred to finance the community center through the tax increment bonds or refunding bonds have been paid in full, whichever is later. Tax increment revenues will be used to fund existing projects set forth in the Plan and additional projects will be funded. The additional projects include acquiring land, acquisition of land and construction of a road and utilities from the North leg of East Street to DeMille Road, and the improvement of Saginaw Street from Elm Street (the approximate southern boundary of the Development Area for Development Area No. 2) to the south city limits. The Seventh Amendments amend the Development Area to include Saginaw Street from the southern boundary of Development Area No. 2 to the south city limits and the acquisition of the lot between DeMille Road and East Street.

I. DEVELOPMENT PLAN

- A. THE DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA IN RELATION TO THE BOUNDARIES OF THE AUTHORITY DISTRICT AND ANY OTHER DEVELOPMENT AREAS WITHIN THE AUTHORITY DISTRICT.
- B. THE DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA IN RELATION TO HIGHWAYS, STREETS OR OTHERWISE.

The Tax Increment Finance Authority of the City of Lapeer was established by resolution of the City Commission on April 19, 1982. The original boundaries of the Development Area No. 1 coincided with the original boundaries of the Authority district.

In 1983 the boundaries of the Authority district were amended to include the entire boundaries of the City of Lapeer as they existed at that time.

The Development Area No. 1 originally included the DeMille Commercial Park, the McCormick Industrial Parks, and the properties occupied by and owned by Lapeer Metal Products.

In 1986 the Development Area No. 1 was amended to add the property south of Hunters Creek to the city limits of the City of Lapeer. This added approximately 130 acres south of DeMille Road and west of Saginaw Street.

The Development Area is located adjacent to and south of Development Area No. 2. It is located east of Development Area No. 3 and south of Development Area No. 4 but is not adjacent to those development areas.

The southern boundary of the development area coincides with the southern boundary of the Authority district boundaries.

The Sixth Amendments to the Plan added the right-of-way for McCormick Drive between the Canandien National Railroad and Saginaw Street to the Development Area.

The Seventh Amendments to the Plan add Saginaw Street from the southern boundary of the Development Area No. 2 (approximately Elm Street) to the south City limits and add Lot 43 of Rich's Addition.

See Appendix D for the Development Area Map (see Appendix B for original Development Area Map).

- C. THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA AND THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES THEN EXISTING AND PROPOSED FOR THE DEVELOPMENT AREA, INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES AND SHALL INCLUDE A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

1. THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA.

Existing streets within the development area are McCormick Drive, DeMille Road, Whitney Drive, and S. Court Street. The Development Area borders in part S. Elm Street, Saginaw Street, and McCormick Drive. A county drain (the Mirror Lake Drain) flows through the development area. The City of Lapeer has water and sewer lines in street rights-of-way. Another public facility is the Enterprise Center of Lapeer which is an industrial building used as an incubator facility with industrial space to lease to start-up companies. This restated plan proposes the construction of a community center to include recreational facilities such as a swimming pool, gymnasium, and multi-purpose rooms. Following the Seventh Amendments to the Plan, the development area will include Saginaw Street from the southeast corner of Lot 1, Turrill Addition, to the City Limits. Lot 1 of Turrill's Addition is the lot located at the southwest corner of Saginaw Street and Elm Street.

2. THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES THEN EXISTING AND PROPOSED FOR THE DEVELOPMENT AREA, INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES AND SHALL INCLUDE A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

The existing private land usage in the Development Area No. 1 is largely industrial and residential. The property between DeMille Road and the city limits is zoned industrial, mobile home park, and single family residential. Land in the DeMille Commercial Park and the McCormick Industrial Parks is or will be used for industrial purposes. There are single family homes on DeMille Road and a mobile home park is being developed south of DeMille Road.

The Grand Trunk Railroad Right-of-Way is located on the east side of the development area.

See Appendix C for a legal description of the Development Area No. 1 (see Appendix A for a legal description of the original development area).

- D. A DESCRIPTION OF IMPROVEMENTS TO BE MADE IN THE DEVELOPMENT AREA, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS NECESSARY TO MAKE THOSE IMPROVEMENTS, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION OF THE IMPROVEMENTS.
- E. THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS INCLUDING REHABILITATION CONTEMPLATED FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.
- F. A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.

The time of completion for all the projects is July 1, 2012.

<u>IMPROVEMENTS</u>	<u>COST</u>	<u>STAGE</u>	<u>COMPLETION DATE</u>
Balance the topography of Lots 1 thru 6 in McCormick Industrial Park and the 11 acre Solid Craft parcel (Solid Craft property to be acquired by Small Cities Block Grant).	\$ 3,000.00	1	12/31/82
Industrial Park Entrance constructed at south end of Whitney Drive. Industrial Park Entrance constructed at west end of McCormick Drive.	\$ 8,000.00	1	12/31/82
Engineering, plat work, survey, etc. for industrial property.	\$ 17,000.00	2	7/1/00
Construction of or purchase of a shell building or a series of shell buildings in certified industrial park.	\$750,000.00	3	7/1/00
Municipally owned property landscaping and maintenance.	\$ 70,000.00	3	7/1/2012

Administration	\$124,000.00	1-9	7/1/2012
The Tax Increment Finance Authority will finance the construction of 9,500 sq. ft. incubator building on Lot 16 of the McCormick Industrial Park No. 3. The cost of the construction of the incubator building is estimated to be not greater than \$400,000. The Tax Increment Finance Authority will make an initial payment of \$75,000 to finance the project and the remainder of the cost of the project will be paid over a period of two to three years in the form of rental payments to the Economic Development Corp. in an amount sufficient to pay principal and interest on bonds or notes issued by the Economic Development Corp. to finance the project. The incubator building will contain 1,500 sq. ft. of office space.	Construction \$400,000.00 Interest \$100,000.00	4	12/31/90
		(completed in 1987))	
Widen and improve DeMille Road to include the installation of curb, gutter, sidewalk, a storm sewer, and a sanitary sewer to make the road a Class A industrial road. Payments will be an amount sufficient to pay principal and interest on bonds or notes.	\$800,000.00 Interest \$550,000.00	5	7/1/00
Install new storm sewers where necessary within the district, including a storm sewer from McCormick Drive to Mirror Lake Drain through Lots 15 and 16 of the McCormick Industrial Park No. 3.	\$ 11,000.00	6	12/31/90
Repair and improve storm sewers where necessary within the development area.	\$ 30,000.00	7	7/1/00

Dredging Mirror Lake Drain	\$100,000.00	6	1991
Resurfacing of Court Street from South Elm Street to McCormick Drive.	\$ 15,000.00		
General street repairs and improvements. Also repair city infrastructure including railroad tracks, sidewalks, storm, sanitary, water, telecommunications, and lighting systems.	\$2,000,000.00	9	7/12/2012
Acquire property and construct new street between DeMille Road and East Street. Street will include curb, gutter, sidewalk, storm sewer and other public utilities.	\$1,000,000.00	9	7/1/2012
Construct sidewalk from mobile home park on DeMille Road to McCormick Drive.	\$ 20,000.00	6	1992
Construct sidewalk along that portion of McCormick Drive that is within the development area.	\$ 15,000.00	6	1992
Acquire the two residential lots located immediately north of Lapeer Metal Products on Saginaw Street. The lots will be acquired for the approximate price of \$114,200. A legal description of the properties to be acquired is set forth in Appendix E. The property will be used to construct the community center described in the next paragraph.	\$114,200.00		August 1,1991

Construct a community center to include recreational facilities such as a swimming pool, gymnasium, multi-purpose rooms, kitchen, meeting rooms, and other recreational facilities.	\$ 6,000,000.00	8	1993
Acquire land for the future development of recreational and public facilities and for other purposes necessary for the Board to carry out its purposes, including but not limited to properties adjacent to the City of Lapeer Community Center for the purpose of community center expansion, including parking, a new cultural center or other community building and including the railroad right-of-way from the south city limits to Elm Street if it should be abandoned.	\$1,000,000.00	9	7/1/2012
Install traffic signal at intersection of McCormick Street and Saginaw Street.	\$ 85,000.00	9	7/1/2012
Repair and maintain Saginaw Street.	\$1,500,000.00	9	7/1/2012

G. A DESCRIPTION OF ANY PARTS OF THE DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE.

The Lapeer Tax Increment Finance Authority has no plans for use of any of the property in the development area for open space. Proper maintenance and landscaping of some municipally owned property will be conducted by the Tax Increment Finance Authority.

If the railroad right-of-way from South Elm Street to the south city limits is abandoned and acquired by the City, it would be used as extension of the linear park pathway.

H. A DESCRIPTION OF ANY PORTIONS OF THE DEVELOPMENT AREA WHICH THE AUTHORITY DESIRES TO SELL, DONATE, EXCHANGE, OR LEASE TO OR FROM THE MUNICIPALITY AND THE PROPOSED TERMS.

The Economic Development Corporation of the City of Lapeer will accept a donation of Lot 16 of the McCormick Industrial Park No. 3 from the City of Lapeer. The Economic Development Corporation will issue bonds or notes to finance the construction of the incubator building. The Economic Development Corporation of the City of Lapeer will then enter into a lease purchase agreement with the Tax Increment Finance Authority under which the Tax Increment Finance Authority will lease the land and incubator building from the Economic Development Corporation in an amount sufficient to enable the Economic Development Corporation to pay off the principal and interest on any bonds or notes used to finance the construction of the building. When all lease purchase payments have been made to the Economic Development Corporation the property will be conveyed from the Economic Development Corporation to the Tax Increment Finance Authority (completed in 1987).

The Authority will convey the two lots north of Lapeer Metal Products upon which the community center will be constructed to the City of Lapeer for the sum of one (\$1.00) dollar. The City shall be responsible for the development, operation, and maintenance of the land and community center but the Authority may, at its option, provide financial assistance in the operation and maintenance of the community center.

To the extent that the additional assistance of the City's Building Authority is required in order to finance the community center, the City may in turn convey the land to the Building Authority and lease such project back during the term of the Building Authority bonds, following which the project would be reconveyed to the City for nominal consideration.

The Authority will, if possible, move the two residential houses located north of Lapeer Metal Products to another location and donate the houses to the City of Lapeer or a non-profit corporation organized for the purpose of neighborhood revitalization. If it is not possible to move the houses, then they will be demolished to construct the community center.

The Authority will purchase or accept a donation of Lot 15 of the McCormick Industrial Park No. 3 from the City of Lapeer for the construction of a shell building.

I. A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES.

McCormick Street to be completed to M-24 which will improve traffic flow at that point. McCormick Street will be extended from the Canadien National Railroad right-of-way to Saginaw Street. Improve DeMille Road to a Class A industrial road to include curb, gutter, sidewalk, storm and sanitary sewer. Utilities will be extended to serve all property along McCormick Street. Installation of sanitary and storm sewer along DeMille Road.

A street will be constructed between DeMille Road and East Street.

The two lots upon which the community center will be constructed are zoned I-1. The Authority or the City will seek a special use permit from the Lapeer Planning Commission to permit the community center to be constructed and operated.

J. AN ESTIMATE OF THE COST OF DEVELOPMENT, A STATEMENT OF THE PROPOSED METHOD OF FINANCING THE DEVELOPMENT, AND THE ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING.

The total cost of the development is estimated to be \$15,000,000.00. Except with respect to the incubator building, shell buildings, and community center, the Tax Increment Finance Authority will "pay as it goes."

The incubator building will be financed in the following manner: The City of Lapeer will donate Lot 16 of the McCormick Industrial Park to the EDC. The EDC will issue bonds or notes to finance the construction of the building. The EDC will then enter into a lease purchase agreement with the Tax Increment Finance Authority under which the Tax Increment Finance Authority will lease the project from the Economic Development Corporation. The rental payments will be in an amount sufficient to pay off the principal and interest on the bonds or notes. When all of the lease payments have been paid from the Tax Increment Finance Authority to the Economic Development Corporation, the Economic Development Corporation will deed the property to the Tax Increment Finance Authority and the Tax Increment Finance Authority will own the land and building. The Economic Development Corporation will sell the bonds to a financial institution or financial institutions. It is estimated that the construction will not cost in excess of \$400,000 and that the interest on the bonds or notes will not exceed \$100,000 (completed in 1987 and paid off in 1990).

The shell buildings will be financed on a land contract basis. The Tax Increment Finance Authority will purchase completed shell buildings pursuant to the terms of land contracts. The vendor under the land contracts may be the contractor that constructs the buildings or an independent third-party that provides interim financing for the construction. The vendor may assign its interest in the land contract to a financial institution or a third-party. The land contract payments, consisting of principal and interest, will be derived from tax increment financing, rental revenues that the Tax Increment Finance Authority derives from leasing the building, or from sale proceeds from sale of the buildings by the Tax Increment Finance Authority. The cost of the shell buildings are estimated to be \$750,000. Alternatively, the Authority may pay cash for the construction of the shell buildings.

The Authority will issue tax increment bonds to finance the construction of the community center and, if required, to fund a debt service reserve. The City's Building Authority may issue bonds to finance a portion of the cost of the community center, secured by cash rentals payable by the City to the Building Authority pursuant to a Limited Tax Full Faith and Credit of General Obligation Contract of Lease. The Authority may contribute tax increment revenues toward payment of the City's cash rentals to the Building Authority. The Authority may purchase bond insurance, a letter of credit, or other credit enhancement devices with respect to the bonds.

- K. DESIGNATION OF THE PERSON OR PERSONS, NATURAL OR CORPORATE, TO WHOM ALL OR A PORTION OF THE DEVELOPMENT IS TO BE LEASED, SOLD, OR CONVEYED AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN, IF THAT INFORMATION IS AVAILABLE TO THE AUTHORITY.

The City of Lapeer will donate Lot 16 of the McCormick Industrial Park No. 3 to the Economic Development Corporation. The Tax Increment Finance Authority will enter into a lease purchase agreement with the EDC for the incubator building. The manufacturing space of the incubator building will be divided and leased to start up manufacturers or other businesses that may expand. The manufacturing space will be flexibly divided into 2,000 square foot increments based on tenant needs (completed in 1987).

The Authority may also lease the shell buildings that it constructs.

The incubator space and any shell building to be leased will be offered at rates within the discretion of the Tax Increment Finance Authority based

upon market rates and taking into consideration the policy of creating employment. The project is being undertaken for the benefit of the following entities:

1. The companies that lease the manufacturing space.
2. The Lapeer Development Corporation which will occupy the office space.
3. The City of Lapeer, which will benefit from increased employment and which will own the building through its Tax Increment Finance Authority.

See Item H for a description of the conveyance of the community center and the existing houses on the community center site. The community center project is being undertaken for the benefit of the public and the City of Lapeer.

- L. THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING, OR CONVEYING OF ALL OR A PORTION OF THE DEVELOPMENT UPON ITS COMPLETION. IF THERE IS NO EXPRESS OR IMPLIED AGREEMENT BETWEEN THE AUTHORITY AND PERSONS, NATURAL OR CORPORATE, THAT ALL OR A PORTION OF THE DEVELOPMENT WILL BE LEASED, SOLD, OR CONVEYED TO THOSE PERSONS.

Sealed bids will be used for construction contracts. All sealed bids shall be pursuant to adequate notice published in a newspaper of general circulation within the City of Lapeer.

There is an implied agreement between the Authority and the City of Lapeer that the community center will be leased and eventually conveyed to the City of Lapeer.

- M. ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE DEVELOPMENT AREA AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED. IF OCCUPIED RESIDENCES ARE DESIGNATED FOR ACQUISITION AND CLEARANCE BY THE AUTHORITY, A DEVELOPMENT PLAN SHALL INCLUDE A SURVEY OF THE FAMILIES AND INDIVIDUALS TO BE DISPLACED, INCLUDING THEIR INCOME AND RACIAL COMPOSITION, A STATISTICAL DESCRIPTION OF THE HOUSING SUPPLY IN THE COMMUNITY, INCLUDING THE NUMBER OF PRIVATE AND PUBLIC UNITS IN EXISTENCE OR UNDER CONSTRUCTION, THE CONDITION OF THOSE IN EXISTENCE, THE NUMBER OF OWNER-OCCUPIED AND RENTER-OCCUPIED UNITS, THE ANNUAL RATE OF TURNOVER OF THE VARIOUS TYPES OF HOUSING AND THE RANGE OF RENTS AND SALE PRICES, AN ESTIMATE OF THE TOTAL DEMAND FOR HOUSING IN THE

COMMUNITY, AND THE ESTIMATED CAPACITY OF PRIVATE AND PUBLIC HOUSING AVAILABLE TO DISPLACED FAMILIES AND INDIVIDUALS.

In 1991 it is estimated that approximately 590 persons reside in the development area. The increase of approximately 500 persons since the 1989 amendments results from the development of the Hunters Creek Manufactured Home Community.

Two families and approximately six individuals will be displaced as a result of the construction of the community center.

A statistical description of the housing supply in the City of Lapeer can be obtained from memoranda written by the executive director of the Lapeer Housing Commission, Matthew R. Modrack, to the Lapeer Housing Commission dated October 4, 1990 (2), November 1, 1990 and January 10, 1991. These memoranda indicate that there are approximately 3,166 dwelling units located in the City of Lapeer. Of these, approximately 1,411 or 45% are single family owner occupied including mobile homes and approximately 1,755 or 55% are renter occupied. A significant percentage of the single family owned dwellings were constructed before 1939. The range of sales prices are from less than \$30,000 to over \$90,000 with nearly 50% of the sales within the \$40,000 to \$59,000 range. Rent ranges from approximately \$250 a month to \$650 a month. In 1989 as an example, there was a 12% turnover rate in the existing and new single family homes. There has been a recent market increase in vacancy rates of rental dwellings due to the influx of renters to the Hunters Creek Manufactured Home Community. The 1990 census showed a vacancy rate of 7.4% in the housing supply.

Overall the capacity of private housing available to displaced families and individuals is adequate. As a practical matter public housing is not adequate because the only public housing units are 61 senior citizen units of the River Towers Apartments.

- N. A PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE DEVELOPMENT IN ANY NEW HOUSING IN THE DEVELOPMENT AREA.

The plan does not provide for the construction of new housing in the development area.

- O. PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED BY THE DEVELOPMENT, AND FINANCIAL ASSISTANCE AND

REIMBURSEMENT OF EXPENSES, INCLUDING LITIGATION EXPENSES AND EXPENSES INCIDENT TO THE TRANSFER OF TITLE, IN ACCORDANCE WITH THE STANDARDS AND PROVISIONS OF THE FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, 42 USC 4601 TO 4655.

Not applicable. The project does not involve displacement of persons by a federal agency or with federal financial assistance.

P. A PLAN FOR COMPLIANCE WITH ACT NO. 227 OF THE PUBLIC ACTS OF 1972, BEING SECTIONS 213.321 TO 213.332 OF THE MICHIGAN COMPILED LAWS.

Act No. 227 of the Public Acts of 1972 requires that any instrumentality of a political subdivision of a state that undertakes a program which will require the acquisition of real property or its vacation by occupants shall provide a relocation advisory service program for the displaced persons.

This plan calls for the acquisition of two rental residential homes that have been used as single family dwellings.

Pursuant to Act No. 227, the executive director of the Tax Increment Finance Authority shall:

- (a) Contact the heads of the household of the families living in the houses where the community center will be located to determine the needs of the families.
- (b) Determine whether there are any federal, state, or local programs that can offer assistance to the families and if there is, to inform the displaced persons of the available programs.
- (c) Assist in minimizing hardships to displaced persons in adjusting to relocation.
- (d) Coordinate the relocation activities with the plans and programs of other state agencies which may affect the carrying out of the relocation program.
- (e) Assure that there will be available, within a reasonable time prior to displacement, decent, safe and sanitary dwellings in areas not less desirable with regard to public utilities and public and commercial facilities, within the City of Lapeer, at rent or prices within the financial means of the families and individuals

displaced, equal in number to the number of and available to the displaced persons requiring them and reasonably accessible to their places of employment, free from discrimination' of any kind. The residents shall not be required to relocate until a replacement dwelling is available as provided in the preceding paragraph. They shall be given at least 90 days written notice to vacate.

Q. OTHER MATERIAL WHICH THE AUTHORITY, LOCAL PUBLIC AGENCY, OR GOVERNING BODY CONSIDERS PERTINENT.

To further promote growth and economic development activity within the Authority district boundaries, the Authority may transfer rental revenues derived from the Enterprise Center of Lapeer and any other buildings owned by the Authority to a non-profit organization to be designated by the Authority with the approval of the City of Lapeer for the purpose of establishing a revolving loan fund program. Under the revolving loan fund program, the non-profit corporation may lend money for projects that will foster economic development and activity and neighborhood revitalization. It is estimated that \$400,000.00 may be transferred to the non-profit corporation over a period of years. The revolving loan fund will be administered pursuant to guidelines established by the Authority. The agreement between the Authority and the designated non-profit corporation shall provide that the revolving loan funds and the interest derived from the loans will revert to the Authority or the City upon completion of the program. Tax increment revenues will not be used to fund the revolving loan fund program.

TAX INCREMENT FINANCING PLAN

The overall goal of the Tax Increment Finance Authority Industrial Project is the creation of jobs.

The specific objectives of the tax increment financing plan are:

- A. To prepare Lapeer to be ready to immediately receive a prospective employer.
- B. To improve the overall appearance to the prospective employers, employees and community of the industrial property in the district.
- C. The accomplishment of a certified industrial park for the City of Lapeer.
- D. To increase the amount of land available for industrial development.
- E. Construct a community center.

Part A

Prepare Lapeer to be ready to receive an employer. The Tax Increment Finance Authority will acquire a series of constructed industrial buildings. The acquisitions will utilize a land contract, lease with option to purchase, or the Authority will pay cash for the land and the building construction. Subsequent sales or leases of the buildings will be at fair market value. Approximately 80% of the annual tax increment money will be committed this way. Expenditures will be made for payments on the land contract, leases, maintenance, insurance and property management.

In addition it may from time to time be necessary and desirable for the Tax Increment Finance Authority to acquire vacant, developed, or undeveloped land from the City of Lapeer or its Economic Development Corporation to accomplish the overall goal.

The Tax Increment Finance Authority will finance the construction of a 9,500 square foot incubator building on Lot 16 of the McCormick Industrial Park. The cost of construction of the incubator building is estimated to be \$300,000 and will not exceed \$400,000. The cost of financing is estimated to be not in excess of \$100,000. Principal and interest on the building will be paid off over two to three years. The Tax Increment Finance Authority will make an initial payment of \$75,000 to finance the project and additional payments from tax revenues derived from the development area, as well as rentals from the tenants, will be applied to lease purchase payments to the Economic Development Corporation in an amount sufficient to pay off bonds issued by the Economic Development Corporation (completed in 1987).

(Plan as originally adopted)

PART B

To improve the overall appearance to the prospective employer, employees and community of the industrial property in the district.

1. Construct attractive entrance monuments at the west end of McCormick Street and the South end of Whitney Drive.
2. Maintain all municipally owned property in an attractive well kept manner.
3. Improve signs, riverbank areas, and where necessary construct or plant additional screening.

PART C

The accomplishment of a certified industrial park for the City of Lapeer.

Engineering and other registration costs associated with the objective.

PART D

To increase the amount of land available for industrial development.

In 1986 the plan was amended to add land south of DeMille Road to the development area and to upgrade DeMille Road to a Class A industrial road.

PART E

Construct a community center.

The community center is described on page 7 of the Development Plan.

A. A STATEMENT OF THE REASONS THAT THE PLAN WILL RESULT IN THE DEVELOPMENT OF CAPTURED ASSESSED VALUE WHICH COULD NOT OTHERWISE BE EXPECTED. THE REASONS MAY INCLUDE, BUT ARE NOT LIMITED TO, ACTIVITIES OF THE MUNICIPALITY, AUTHORITY, OR OTHERS UNDERTAKEN BEFORE FORMULATION OR ADOPTION OF THE PLAN IN REASONABLE ANTICIPATION THAT THE OBJECTIVES OF THE PLAN WOULD BE ACHIEVED BY SOME MEANS.

Improvements to the industrial parks of the City of Lapeer within the development area have increased the amount of land available for industrial development. Each new industrial building constructed in the development area will result in increased captured assessed value. Without development of the industrial parks within the development area, new industrial buildings could not have been constructed and the resulting captured assessed value could not have been realized.

The first amendments to the development plan and financing plan included the construction of an incubator building to be divided and leased to small businesses. The construction of this building will increase the value of the property. Occupancy by private users will place this land and building on the tax rolls and result in captured assessed value that would not otherwise be derived from a vacant municipally owned lot.

Additionally, start-up companies may expand and construct on lots in the industrial park that are currently vacant.

The second amendments to the development plan and financing plan included the upgrading of DeMille Road to become a Class A industrial road and the installation of sanitary and storm sewer. These improvements will increase the likelihood that industrial development will occur on the land being added to the development area. Industrial development on this land will result in captured assessed value which could not be otherwise expected.

The third amendments to the development plan and financing plan provide generally for improvements to the existing street and public utility systems in the development area.

The 1991 amendments to the plan provide for the construction of a community center. It has been the experience of the economic development professionals in the community that the adequacy of recreational facilities in a community is an important factor to businesses seeking to relocate. The community center will be an attractive feature to businesses that will consider locating in the development area or anywhere within the City of Lapeer. The

community center may also increase property values of the residential homes in the vicinity.

The 1997 amendments to the plan will not bring any additional taxable properties into the Development Area and will not directly result in the development of captured assessed value, but McCormick Drive is the primary industrial street within the Development Area and an extension of McCormick Drive will improve traffic flow within the Industrial Park, the Development Area, and the entire City of Lapeer.

The 2000 amendments to the plan will also not bring any additional taxable properties into the Development Area and will not directly result in the development of captured assessed value. The Authority does not intend to capture tax increment revenues derived from Lot 43 of Rich's Addition to the City of Lapeer (being added to the Development Area to extend East Street). The improvement of Saginaw and the extension of East Street to DeMille Road will improve traffic flow within the Industrial Park, the Development Area, and the entire City of Lapeer.

(B) AN ESTIMATE OF THE CAPTURED ASSESSED VALUE FOR EACH YEAR OF THE PLAN. THE PLAN MAY PROVIDE FOR THE USE OF PART OR ALL OF THE CAPTURED ASSESSED VALUE, BUT THE PORTION INTENDED TO BE USED SHALL BE CLEARLY STATED IN THE PLAN. THE AUTHORITY OR MUNICIPALITY MAY EXCLUDE FROM CAPTURED ASSESSED VALUE GROWTH IN PROPERTY VALUE RESULTING SOLELY FROM INFLATION. THE PLAN SHALL SET FORTH THE METHOD FOR EXCLUDING GROWTH IN PROPERTY VALUE RESULTING SOLELY FROM INFLATION. THE PERCENTAGE OF TAXES LEVIED FOR SCHOOL OPERATING PURPOSES THAT IS CAPTURED AND USED BY THE PLAN SHALL NOT BE GREATER THAN THE PLAN'S PERCENTAGE CAPTURE AND USE OF TAXES LEVIED BY A CITY, COUNTY, TOWNSHIP, OR VILLAGE FOR OPERATING PURPOSES. FOR PURPOSES OF THE PREVIOUS SENTENCE, TAXES LEVIED BY A COUNTY FOR OPERATING PURPOSES INCLUDE ONLY MILLAGE ALLOCATED FOR COUNTY OR CHARTER COUNTY PURPOSES UNDER THE PROPERTY TAX LIMITATION ACT, ACT No. 62 OF THE PUBLIC ACTS OF 1933, BEING SECTIONS 211.201 TO 211.217a OF THE MICHIGAN COMPILED LAWS.

Since the inception of this plan in 1982, approximately 14 industrial buildings have been constructed and equipped in the development area and 10 industrial buildings have expanded. There remains approximately 14 vacant industrial lots in the development area.

In addition to industrial development, the Hunters Creek Manufactured Home Community has been developed since the inception of this plan. This

development already contains approximately 200 manufactured homes and there are lots for an additional 150 homes when completed.

The Authority does not anticipate as much industrial development in the area in the 1990's as occurred in the 1980's and does not expect a significant increase in property tax values resulting solely from inflation.

IFE = industrial facilities exemption.

CAV = captured assessed value.

<u>Year</u>	<u>CAV Subject to IFE</u>	<u>CAV Not Subject to IFE</u>	<u>Total CAV</u>
1986	2,308,800	1,834,400	4,143,200
1987	2,827,400	2,120,400	4,947,800
1988	5,142,050	3,234,450	8,376,500
1989	10,604,350	4,021,150	114,625,500
1990	12,358,650	4,962,350	117,321,000
1991	11,375,050	6,924,050	118,299,100
1992	110,400,000	7,247,400	17,647,400

For estimates of the captured assessed value for 1993 through 2022, see Appendix F.

As of the year 2000, when the Seventh Amendments to the Plan were adopted, the captured assessed value for ad valorem taxes was \$13,813,126.00 and the captured assessed value for the industrial facilities taxes was \$19,633,400.00. Because of personal property depreciation, no increase is projected for the remaining life of the Plan.

This plan provides for the use of all of the captured assessed value except:

(1) Excluded from the tax increments to be transmitted to the Authority shall be that portion of the tax levy of the Lapeer School District and the Lapeer County Intermediate School District specifically levied for the payment of principal and interest of obligations approved by the electors.

(2) Excluded from the tax increments to be transmitted to the Authority shall be that portion of the tax levy of Lapeer County that are not allocated for operating purposes under the Property Tax Limitation Act, Act No. 62 of the Public Acts of 1933, being Sections 211.201 to 211.217a of the Michigan Compiled Laws. At the time of the adoption of this plan, the taxes levied by the county for other than operating purposes include only the .5 mill levied for the county libraries and the .125 mills levied for the benefit of senior citizen projects.

The remainder of the captured assessed value shall be used. The Authority shall not share with the city any captured assessed value and shall not share with the county any other captured assessed value.

The provisions of the plans contained in the Second Amendments to share tax increment revenues with the City of Lapeer and the County of Lapeer were terminated pursuant to the Third Amendments to the plan adopted in 1989.

In the event that this Tax Increment Financing Plan and Development Plan has the effect of reducing the amount of state funds paid to the Lapeer School District, then the Authority shall share with the Lapeer School District such portion of the tax revenues derived from this Development Plan and Financing Plan to fully indemnify and hold the Lapeer School District harmless from such loss of state funds except to the extent that such tax revenues are necessary to pay the principal or interest on any tax increment bonds or limited tax building authority bonds issued to finance the community, center provided for in this plan.

The Authority shall not exclude from captured assessed value growth and property value resulting solely from inflation.

(C) THE ESTIMATED TAX INCREMENT REVENUES FOR EACH YEAR OF THE PLAN.

Fifty (50%) percent of the millage was applied to the captured assessed value subject to the industrial facilities exemption.

<u>Year Total</u>	<u>Estimated Tax Increment Revenue</u>
1986	\$141,255
1987	\$169,082
1988	\$283,505
1989	\$496,906
1990	\$593,309
1991	\$668,540
1992	\$759,700

For estimates of tax increment revenues from 1993 through 2022, see Appendix G.

The estimated tax increment revenues are based on the assumption that millage rates will remain constant.

As of the year 2000, the estimated tax increment revenues are as follows:

<u>Fiscal Year</u>	<u>Estimated Tax Increment Revenue</u>
2000-2001	\$823,310.20
2001-2002	\$870,937.20
2002-2003	\$915,527.20
2003-2004	\$919,525.50
2004-2005	\$919,525.50
2005-2006	\$919,525.50
2006-2007	\$919,525.50
2007-2008	\$862,727.20
2008-2009	\$812,152.20
2009-2010	\$807,952.20
2010-2011	\$797,652.20
2011-2012	\$726,709.20

(D) A DETAILED EXPLANATION OF THE TAX INCREMENT PROCEDURE.

The tax increment procedure began with the approval of the Tax Increment Financing Plan No. 1 and Development Plan No. 1 by the Lapeer City Commission on May 3, 1982 by resolution and ordinance. The development plan defines an area within the city known as the "development area." On the date that the plans were approved by the City Commission an "initial assessed value" became determinable. This was the assessed value, as equalized, of all taxable property within the boundaries of the development area as shown by the most recent assessment roll of the City of Lapeer for which equalization had been completed at the time the resolution was adopted. Property exempt from taxation at the time for the determination of the initial assessed value was included as zero.

For each year of the plan a "captured assessed value" is determined. The "captured assessed value" means the amount in any one year by which the current assessed value of the development area exceeds the initial assessed value. That portion of the tax levy of all taxing bodies paid each year on real and personal property in the development area on the "captured assessed value" is transferred to the Authority by the municipal and county treasurers.

The Tax Increment Finance Authority expends the tax increments received for the development program only in accordance with the tax increment financing plan. Surplus funds may be retained by the Authority for purposes that by resolution of the board are determined to further the development program. Any surplus funds not so used revert proportionately to the respective taxing bodies.

The Lapeer City Commission may abolish the tax increment financing plan when it finds that the purposes for which the plan was established are accomplished.

The Tax Increment Finance Authority may enter into agreements with the taxing jurisdictions and the governing body of the municipality in which the development area is located to share a portion of the captured assessed value of the district.

The initial assessed value when the plan was adopted in 1982 was \$3,244,150. For each year the initial assessed value is subtracted from the current assessed value to determine that the captured assessed value for that year. For example, the 1984 State Equalized Value was \$5,371,650. Thus, the captured assessed value for that year was \$2,127,500.

The initial assessed value for that portion of the development area added by the Amendments to this plan approved by the Lapeer City Commission in December of 1986 was the assessed value, as equalized, of all taxable property within the boundaries of the development area that were added to the Amendments to the Development Plan as shown by the most recent assessment role of the City of Lapeer for which equalization had been completed at the time the amendments were approved. This would be the assessed value as of December 31, 1985 as equalized in May of 1986. The initial assessed value for this Property was \$452,600.00.

(E) THE MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED.

The bonds to be issued in connection with the incubator building will be issued by the Economic Development Corporation of the City of Lapeer. The maximum amount of indebtedness to be incurred for the incubator building is \$400,000.00. The maximum amount of indebtedness to be incurred for the incubator building is in the form of lease purchase payments from the Tax Increment Finance Authority to the Economic Development Corporation of the City of Lapeer to enable the Economic Development Corporation to pay off principal and interest on the bonds or notes issued to finance the project (completed in 1987).

The shell buildings will be financed on a land contract basis or will be paid for in cash as the Authority has sufficient revenues. The Tax Increment Finance Authority will purchase completed shell buildings pursuant to the terms of land contracts. The vendor under the land contracts may be the contractor that constructs the buildings or an independent third-party that provided interim financing for construction. The vendor may assign its interest in the land contract to a financial institution or a third-party. The land contract payments, consisting of principal and interest, will be derived from tax increment financing, rental revenues that the Tax Increment Finance Authority derives from leasing the building, or from sale proceeds from sale of the buildings by the Tax Increment finance Authority.

Tax increment bonds will be issued to finance the community center project. The Tax Increment Finance Authority Act provides that the total aggregate amount of borrowing shall not exceed an amount which 80% of the estimated tax increment revenues will service as to annual principal and interest requirements. In addition, the Authority may make payments of principal and interest on limited tax building authority bonds issued to finance the community center, through the funding of all or part of the cash rentals payable from the City to the Building Authority. Any surplus revenues after payments relating to principal and interest on the Authority's bonds and, if applicable, Building Authority bonds have been made, may be applied toward the City's expenses of operating and maintaining the community center, or for such other purposes as the Authority determines are in furtherance of the development program. The maximum amount of bonded indebtedness to be incurred for this plan will be \$6,000,000. In 1987 the City of Lapeer issued general obligation bonds to pay for the improvements to DeMille Road described in this plan. By resolution, the Authority found that the improvements were in furtherance of this plan and agreed to pay the net portion of the city's general obligation bonds issued to fund improvements in Special Assessment District 87-11 and by paying those special assessments levied against those properties to the extent that tax increment revenues were available. As of September 1, 1992, there remained an obligation of \$635,666.88 to the City pursuant to that resolution.

- (F) THE AMOUNT OF OPERATING AND PLANNING EXPENDITURES OF THE AUTHORITY AND MUNICIPALITY, THE AMOUNT OF ADVANCES EXTENDED BY OR INDEBTEDNESS INCURRED BY THE MUNICIPALITY, AND THE AMOUNT OF ADVANCES BY OTHERS TO BE REPAID FROM TAX INCREMENT REVENUES.

The amount of operating and planning expenditures of the Authority and the municipality is expected to be \$124,000.

The McCormick Drive extension project will cost approximately \$850,000.00. The City of Lapeer expects to receive grant funding up to \$375,000.00. The remaining costs of the project will be paid by the Tax Increment Finance Authority from tax increment revenues available for the project. The City of Lapeer may advance a part of the costs to be incurred by the Authority to be refunded by the Authority as tax increment revenues become available.

The City of Lapeer may advance all or part of the costs of repair and improvement of Saginaw Street to be refunded by the Authority as tax increment revenues become available.

- (G) THE COSTS OF THE PLAN ANTICIPATED TO BE PAID FROM TAX INCREMENT REVENUES AS RECEIVED.

The entire costs of the plan are anticipated to be paid from tax increment revenues as received except that portion derived from rental revenues from leasing the incubator building and shell buildings. Revenues may also be derived from the sale of shell buildings. Estimated rental revenues are as follows:

<u>Tenant Charge/ Square Foot</u>	<u>Space Utilized</u>	<u>Time</u>	<u>Revenue Recognized</u>
\$3.00	0	1-6 Months	\$ -0-
3.00	2,000	7-12 Months	3,000.00
3.00	2,000	7-12 Months	3,000.00
3.00	4,000	2 Years	12,000.00/Yr.
3.00	6,000	3-4 Years	18,000.00/Yr.

Of the projects that remain to be completed as of May of 1991, the Authority will pay as it goes except with respect to the commitment to repay the city's bonds for the improvement to DeMille Road, the issuance of tax increment revenue bonds and repayment of limited tax building authority bonds to finance the community center, and any land contract financing incurred to fund the construction of the shell buildings.

(H) THE DURATION OF THE DEVELOPMENT PLAN AND TAX INCREMENT PLAN.

The development plan and tax increment financing plan will terminate July 1, 2012 or on such date as the bonded indebtedness incurred to finance the community center through tax increment bonds or limited tax building authority bonds have been paid off in full, whichever is later.

(I) AN ESTIMATE OF THE IMPACT OF TAX INCREMENT FINANCING ON THE REVENUES OF ALL TAXING JURISDICTIONS IN WHICH THE DEVELOPMENT AREA IS LOCATED.

The impact of tax increment financing on the revenues of the Lapeer School District and the Lapeer County intermediate Schools can be derived by applying the millage rate of each of these taxing authorities on the estimated captured assessed value for each year of the plan. However, those figures would apply under the assumption that the Lapeer School District and the Lapeer County intermediate School District are "out of formula", pursuant to Section 26 of Public Act 94 of the Public Acts of 1979. At this time the schools are "in formula". For purposes of the state school aid formula, the valuation of a school district or an intermediate school district does not include the captured assessed value included in a tax increment financing plan.

In the event that this Tax increment Financing Plan and Development Plan has the effect of reducing the amount of state funds paid to the Lapeer School District, then the Authority shall share with the Lapeer School District such portion of the tax revenues derived from this Development Plan and Financing Plan to fully indemnify and hold the Lapeer School District harmless from such loss of state funds except to the extent that such tax revenues are necessary to pay the principal or interest on any tax increment bonds or limited tax building authority bonds issued to finance the community center provided for in this plan.

The following millage rates are assumed (excluding debt levy):

Lapeer Schools:	35.9275
Lapeer intermediate Schools:	3.3901
	=====
Total:	39.3176

The estimated impact of tax increment financing on the revenues of the County of Lapeer and the City of Lapeer can be derived by applying the millage rate of each of those taxing authorities and the estimated captured assessed value for each year of the plan.

At the time of the 1991 amendments to this plan the following millage rates were in effect:

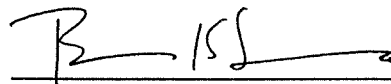
City of Lapeer:	8.7911
County of Lapeer:	4.5212 (excluding voted levy for library [.5] and senior citizens [.125])

As a result of property tax reform and Public Act No. 322 of 1993, "tax increment revenue" does not include property tax revenues derived from the State Education Tax or local or intermediate school district taxes except in an amount equal to the amount necessary to repay eligible obligations. The only "eligible obligation" of the Development Plan remaining is the obligation to pay principal and interest on tax increment bonds issued to finance the Community Center and tax increment refunding bonds. The total tax increment revenues from these sources will be equal to the amount necessary each year to pay the principal and interest on the bonds according to the following schedule:

Fiscal YearTax Increment Revenue from State Education
Tax and Local And Intermediate School Districts

2000-2001	\$550,435.00
2001-2002	\$598,060.00
2002-2003	\$643,650.00
2003-2004	\$674,085.00
2004-2005	\$707,725.00
2005-2006	\$718,225.00
2006-2007	\$731,475.00
2007-2008	\$589,850.00
2008-2009	\$539,275.00
2009-2010	\$535,075.00
2010-2011	\$524,775.00
2011-2012	\$453,650.00

The undersigned Secretary of The Tax Increment Finance Authority of the City of Lapeer hereby certifies that the Authority determined that it is necessary for the achievement of the purposes of the Act and that this Restated Development Plan and Financing Plan was duly adopted by the Tax Increment Finance Authority of the City of Lapeer at a meeting held on the 10th day of April, 2000, pursuant to proper notice and in compliance with Act 450 of the Public Acts of 1980 and Act 267 of the Public Acts of 1976.



Bruce Sherman, Secretary
The Tax Increment Finance Authority

The undersigned City Clerk of the City of Lapeer hereby certifies that this Restated Development Plan was duly adopted by the Lapeer City Commission following a public hearing at a meeting held on the 5th day of June, 2000, pursuant to proper notice and compliance with Act No. 450 of the Public Acts of 1980 and Act No. 267 of the Public Acts of 1976.

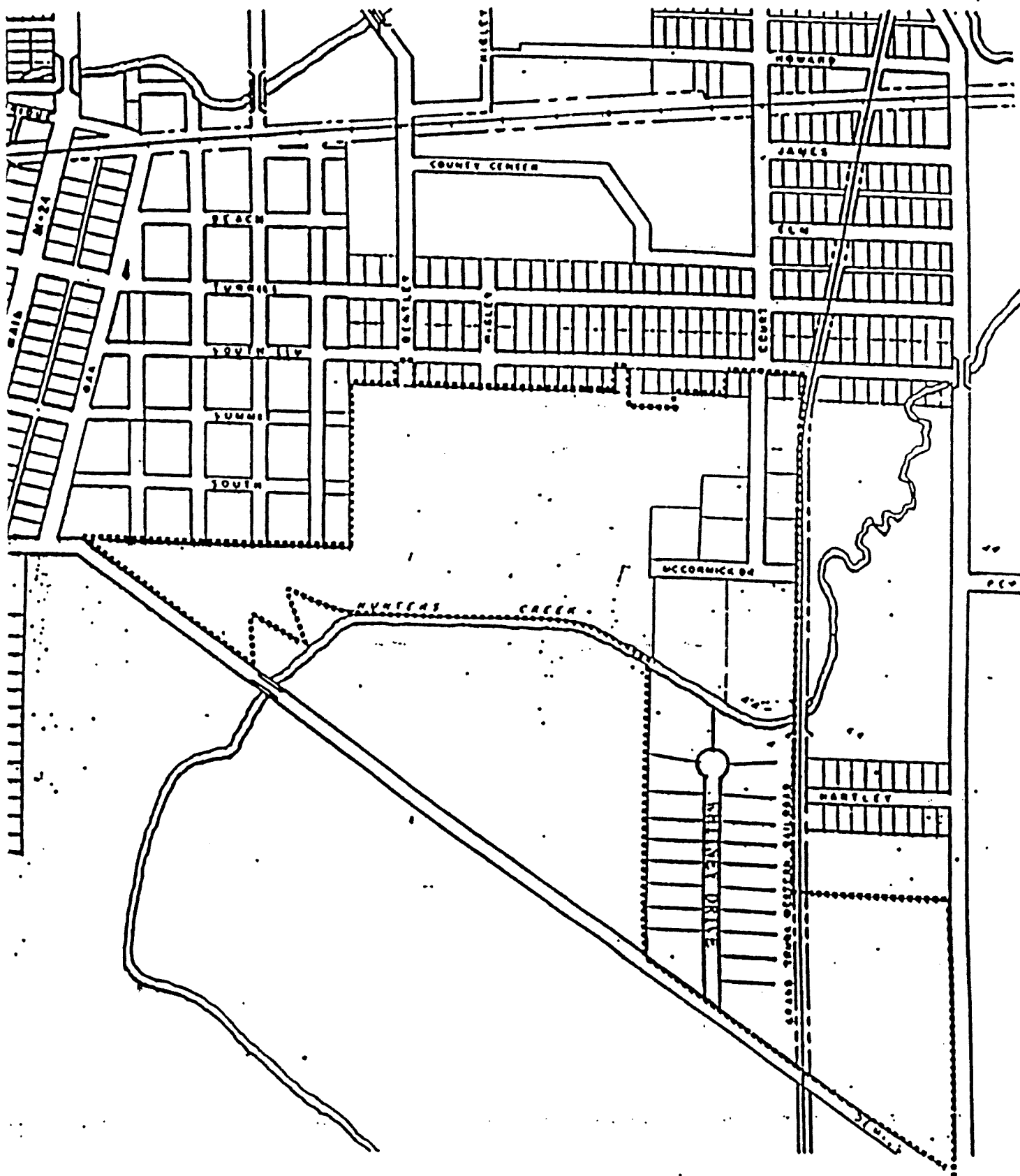


George J. Strand, City Clerk

APPENDIX A

Part of the southeast 1/4 of Section 5, and the North 1/2 of Section 8, T7N-R10E, City of Lapeer, Lapeer County, Michigan, described as beginning at the east 1/4 corner of Section 8, thence north 55°22'45" west 1650.71 feet along the centerline of DeMill Road; thence north 02°54'00" west 1259.33 feet; thence north 02°33'18" west 146.23 feet; thence south 89°05' west approximately 1318 feet to the north-south 1/4 line; thence south along the north-south 1/4 line, approximately 120 feet; thence north 57°10' west 264.0 feet parallel with DeMill Road; thence south 147 feet parallel with the north-south 1/4 line; thence north 56°20'07" west approximately 166 feet parallel with DeMill Road; thence south 190 feet parallel with the north-south 1/4 line to the centerline of DeMill Road; thence north 56°20'07" west approximately 890 feet to the north line of Section 8; thence east approximately 1090 feet to the south 1/4 corner of Section 5; thence north 02°14'30" west 703.32 feet along the north-south 1/4 line; thence east 287.0 feet parallel with the centerline of Elm Street; thence north 02°14'30" west 120 feet to the south line of Elm Street; thence east 79 feet along the south line of Elm Street; thence south 02°14'30" east 120.0 feet; thence east parallel with the centerline of Elm Street 833.65 feet; thence north 120 feet to the south line of Elm Street; thence East 60.0 feet along the south line of Elm Street; thence south 170.0 feet; thence east 119.92 feet parallel with the centerline of Elm Street; thence north 50.0 feet; thence east 245 feet to the southwest corner of Lot 30 of "Turrill's Addition to the City of Lapeer", thence North along the west lot line of Lot 30 to the south right of way line of south Elm Street; thence east approximately 344 feet to the west right of way line of the Penn-Central Railroad, thence south along the Penn-Central Railroad right of way approximately 2450 feet; thence north 88°33'11" east 714.58 feet to the centerline of Saginaw Street; thence south 02°45'09" east 1019.5 feet to the point of beginning. Contains approximately 85 acres including that part reserved for Saginaw and DeMill Roads, and McCormick Drive and Penn-Central Railroad, subject to any restrictions, easements and/or right of ways of record.

APPENDIX B



APPENDIX C

LEGAL DESCRIPTION FOR PROPOSED AMENDMENT TO TIFA No. 1 DEVELOPMENT AREA

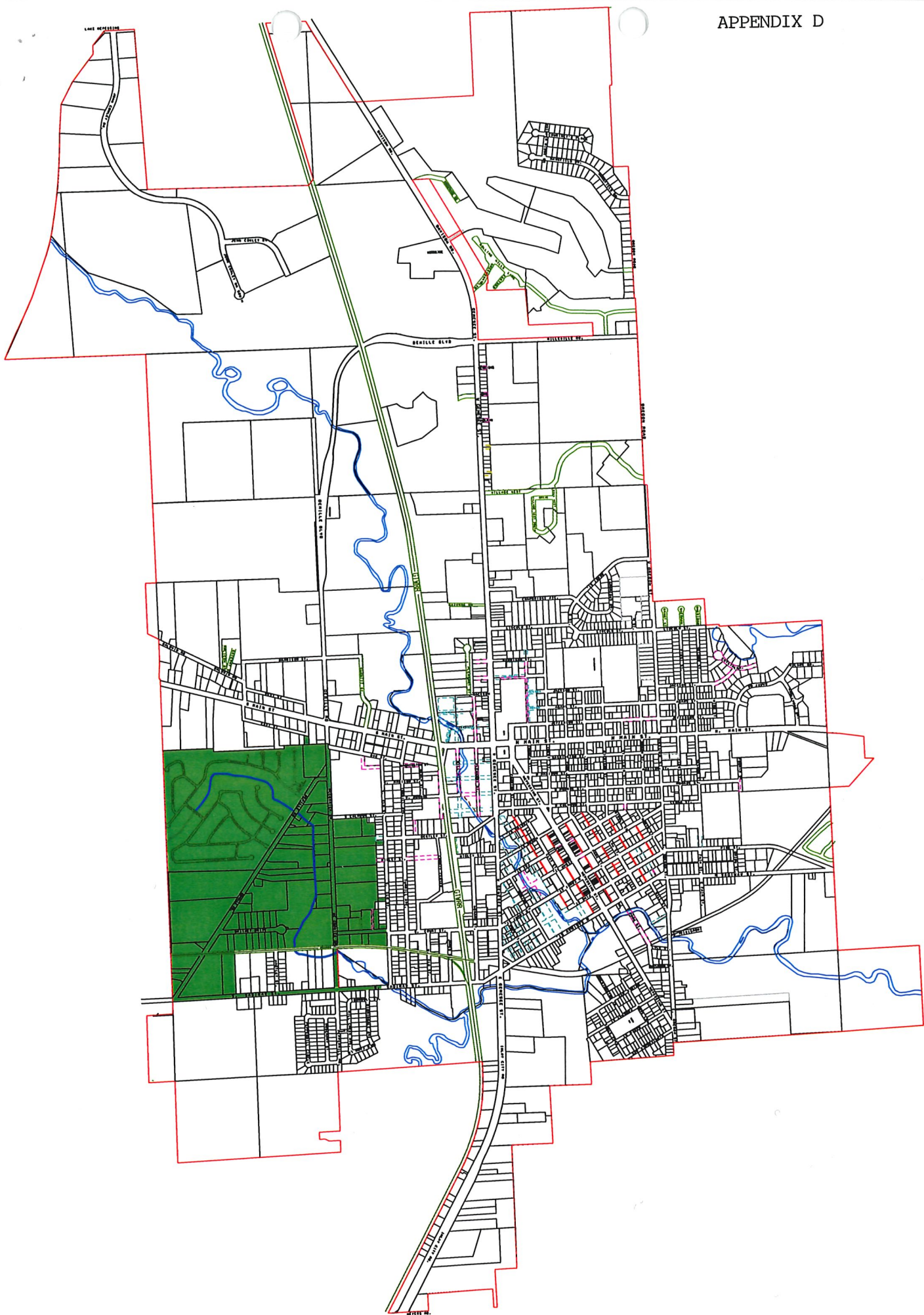
Part of the Southeast 1/4 of Section 5 and the North 1/2 of Section 8, T7N-R10-E, City of Lapeer, Lapeer County, Michigan, described as beginning at the intersection of the center line of Saginaw Street and the south right of way line of DeMill Road, thence northwesterly along the south right of way line of DeMill Road to the centerline of south Main Street, thence North along the centerline of north Main Street to the north line of Section 8; thence easterly to the south 1/4 corner of Section 5; thence north 02 degrees 14'30" west 703.32 feet along the north-south 1/4 line; thence east 287.0 feet parallel with the centerline of Elm Street; thence north 02 degrees 14'30" west 120 feet to the south line of Elm Street; thence east 79 feet along the south line of Elm Street; thence south 02 degrees 14'30" east 120.0 feet; thence east parallel with the centerline of Elm Street 833.65 feet; thence north 120 feet to the south line of Elm Street; thence east 60.0 feet along the south line of Elm Street; thence south 170.0 feet; thence east 119.92 feet parallel with the centerline of Elm Street; thence north 50.0 feet; thence east 245 feet to the southwest corner of Lot 30 of "Turrill's Addition to the City of Lapeer"; thence north along the west lot line of Lot 30 to the south right of way line of south Elm Street; thence east approximately 344 feet to the West right of way line of the Penn-Central Railroad; thence south along the Penn-Central Railroad right of way approximately 2450 feet; thence north 88 degrees 33' 11" east 714.58 feet to the centerline of Saginaw Street; thence south 02 degrees 45'9" east approximately 1052.5 feet to the point of beginning.

Also the east 1/2 of the northwest 1/4 of Section 8.

Also all that part of the northeast 1/4 of Section 8 lying south of DeMill Road.

Also land in the City of Lapeer described as the north 33 feet of Section 8 between the Canadien National Railroad right-of-way and the Saginaw Street right-of-way and the south 33 feet of Section 5 between the Canadien National Railroad right-of-way and the Saginaw Street right-of-way, all in T7N - R10E.

Also Saginaw Street from the southeast corner of Lot 1, Turrill Addition to the southern boundary of the City of Lapeer and also Lot 43 of Rich's Addition.



Part of the Northeast 1/4 of Section 8, T7N-R10E,
City of Lapeer, Lapeer County, Michigan, described
as the South 90 feet of the North 515.25 feet of
that part of the Southeast 1/4 of the Northeast 1/4
of Section 8 lying East of the right of way line of
the Michigan Central Railroad.

And also:

Part of the Northeast 1/4 of Section 8, T7N-R10E,
City of Lapeer, Lapeer County, Michigan, described
as the South 120 feet of the North 425.25 feet of
that part of the Southeast 1/4 of the Northeast 1/4
of Section 8 lying East of the right of way line of
the Michigan Central Railroad (hereinafter the
Property).

T. I. F. A. #1
CAPTURED ASSESSMENT PROJECTIONS

	ADVOLORUM		IFT		TOTAL
	REAL	PERSONAL	REAL	PERSONAL	
1993	3,138,900	3,302,900	7,528,000	5,642,900	19,612,700
1994	3,138,900	3,497,500	7,578,000	7,109,800	21,324,200
1995	3,237,400	3,756,100	7,478,000	6,202,200	20,675,700
1996	4,123,750	4,141,400	6,786,500	5,375,800	20,427,450
1997	4,700,850	4,496,200	6,446,500	4,834,300	20,477,850
1998	4,750,850	4,716,000	6,396,500	4,473,600	20,336,950
1999	4,854,350	5,164,800	6,293,000	3,962,800	20,274,950
2000	5,334,050	5,396,900	5,868,000	3,689,400	20,288,350
2001	7,379,550	6,484,600	3,941,500	2,644,500	20,450,150
2002	9,500,450	7,506,200	2,059,000	1,698,400	20,764,050
2003	11,106,450	8,312,900	956,500	1,124,900	21,500,750
2004	11,620,450	8,985,300	442,500	674,100	21,722,350
2005	12,030,450	9,760,300	0	885,600	22,676,350
2006	12,282,450	10,231,600	0	737,000	23,251,050
2007	12,667,950	11,415,000	0	0	24,082,950
2008	12,668,000	11,858,550	0	0	24,526,550
2009	12,700,000	12,731,500	0	0	25,431,500
2010	13,000,000	13,816,200	0	0	26,816,200
2011	13,650,000	15,019,900	0	0	28,669,900
2012	14,500,000	16,602,600	0	0	31,102,600
2013	16,000,000	18,045,000	0	0	34,045,000
2014	17,600,000	19,948,700	0	0	37,548,700
2015	17,300,000	19,950,000	0	0	37,250,000
2016	16,900,000	20,000,000	0	0	36,900,000
2017	16,900,000	20,000,000	0	0	36,900,000
2018	17,200,000	20,500,000	0	0	37,700,000
2019	17,200,000	21,000,000	0	0	38,200,000
2020	17,200,000	21,600,000	0	0	38,800,000
2021	17,400,000	22,300,000	0	0	39,700,000
2022	17,600,000	23,100,000	0	0	40,700,000

T. I. F. A. #1
ESTIMATED REVENUE PROJECTIONS

	ADVOLORUM		IFT		TOTAL
	REAL	PERSONAL	REAL	PERSONAL	
1993	\$167,931	\$176,705	\$201,374	\$150,948	\$696,958
1994	\$167,931	\$187,116	\$202,712	\$190,187	\$747,946
1995	\$173,308	\$200,951	\$200,037	\$165,909	\$740,205
1996	\$220,621	\$221,565	\$181,539	\$143,803	\$767,527
1997	\$251,495	\$240,547	\$172,444	\$129,318	\$793,804
1998	\$254,170	\$252,306	\$171,106	\$119,669	\$797,252
1999	\$259,708	\$276,317	\$168,338	\$106,005	\$810,367
2000	\$285,372	\$288,734	\$156,969	\$98,691	\$829,766
2001	\$394,806	\$346,926	\$105,435	\$70,740	\$917,908
(Extended Period, if needed, for debt retirement)					
2002	\$508,274	\$401,582	\$55,078	\$45,432	\$1,010,366
2003	\$594,195	\$444,740	\$25,586	\$30,091	\$1,094,613
2004	\$621,694	\$480,714	\$11,837	\$18,032	\$1,132,277
2005	\$643,629	\$522,176	\$0	\$23,690	\$1,189,495
2006	\$657,111	\$547,391	\$0	\$17,715	\$1,224,216
2007	\$677,735	\$610,703	\$0	\$0	\$1,288,438
2008	\$677,738	\$634,432	\$0	\$0	\$1,312,170
2009	\$679,450	\$681,135	\$0	\$0	\$1,360,585
2010	\$695,500	\$739,167	\$0	\$0	\$1,434,667
2011	\$730,275	\$803,565	\$0	\$0	\$1,533,840
2012	\$775,750	\$888,239	\$0	\$0	\$1,663,989
2013	\$856,000	\$965,408	\$0	\$0	\$1,821,408
2014	\$941,600	\$1,067,255	\$0	\$0	\$2,008,855
2015	\$925,550	\$1,067,325	\$0	\$0	\$1,992,875
2016	\$904,150	\$1,070,000	\$0	\$0	\$1,974,150
2017	\$904,150	\$1,070,000	\$0	\$0	\$1,974,150
2018	\$920,200	\$1,096,750	\$0	\$0	\$2,016,950
2019	\$920,200	\$1,123,500	\$0	\$0	\$2,043,700
2020	\$920,200	\$1,155,600	\$0	\$0	\$2,075,800
2021	\$930,900	\$1,193,050	\$0	\$0	\$2,123,950
2022	\$941,600	\$1,235,850	\$0	\$0	\$2,177,450

**THE TAX INCREMENT FINANCE AUTHORITY
OF THE CITY OF LAPEER**

**EIGHTH AMENDMENT TO THE TAX INCREMENT FINANCING PLAN
NO. 1 AND DEVELOPMENT PLAN NO. 1 OF THE CITY OF LAPEER**

INTRODUCTION

The Tax Increment Financing Plan No. 1 and Development Plan No. 1 of the Tax Increment Finance Authority of the City of Lapeer was established on May 3, 1982. The Plan has been amended seven times. The Development Plan and Tax Increment Financing Plan was completely restated with the Seventh Amendments adopted in 2000.

This Eighth Amendment to the Tax Increment Financing Plan No. 1 and Development Plan No. 1 of the City of Lapeer allows the Authority to use tax increment revenues from Development Plan No. 1 to pay a proportionate share of the cost of an aerial platform ladder fire truck. The aerial platform ladder fire truck will provide elevated access to fires with greater water flow and versatility. The fire truck will protect commercial, industrial, and governmental structures and will provide vital protection for the large number of buildings housing hazardous, flammable and highly combustible materials. The fire truck will also provide minimum safety enhancements for firefighters such as enclosed cabs, air bags, seatbelts and rollover protection.

The fire truck will also improve ISO ratings and help lower insurance rates for businesses.

The aerial platform ladder fire truck will replace the existing aerial platform ladder fire truck built in 1976 and will be the only aerial platform fire truck in Lapeer County.

This Plan Amendment will not extend the duration of the Development Plan and Financing Plan which is scheduled to expire on July 1, 2012 or on such date as the bonded indebtedness incurred to finance the Community Center through tax increment bonds has been paid off in full, whichever is later.

EIGHTH AMENDMENT TO DEVELOPMENT PLAN

The following provision is added to Section D, E, and F of the Development Plan as follows:

- D. A DESCRIPTION OF IMPROVEMENTS TO BE MADE IN THE DEVELOPMENT AREA, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS NECESSARY TO MAKE THOSE IMPROVEMENTS, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION OF THE IMPROVEMENTS.
- E. THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS INCLUDING REHABILITATION CONTEMPLATED FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.
- F. A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.

The time of completion for all the projects is July 1, 2012.

<u>IMPROVEMENTS</u>	<u>COST</u>	<u>COMPLETION DATE</u>
...		
Pay a proportionate share of the cost of an aerial platform ladder fire truck.	\$ 75,000.00	2009

EIGHTH AMENDMENT TO FINANCING PLAN

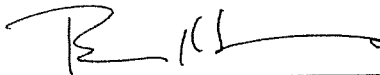
The following paragraph is added to Section (A) as follows:

(A) A STATEMENT OF THE REASONS THAT THE PLAN WILL RESULT IN THE DEVELOPMENT OF CAPTURED ASSESSED VALUE WHICH COULD NOT OTHERWISE BE EXPECTED. THE REASONS MAY INCLUDE, BUT ARE NOT LIMITED TO, ACTIVITIES OF THE MUNICIPALITY, AUTHORITY, OR OTHERS UNDERTAKEN BEFORE FORMULATION OR ADOPTION OF THE PLAN IN REASONABLE ANTICIPATION THAT THE OBJECTIVES OF THE PLAN WOULD BE ACHIEVED BY SOME MEANS.

...

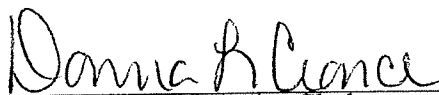
The acquisition of a new aerial platform fire truck will improve the City's ISO rating, resulting in lower insurance rates for businesses. An ISO rating is a factor that can increase property value and encourage new commercial and industrial development.

The undersigned Secretary of the Tax Increment Finance Authority of the City of Lapeer hereby certifies that the Authority determined by Resolution that it is necessary for the achievement of the purposes of the Act, and this Eighth Amendment to the Development Plan No. 1 and Tax Increment Financing Plan No. 1 was duly adopted by the Tax Increment Finance Authority of the City of Lapeer at a meeting held on the 3rd day of November, 2008, pursuant to proper notice and in compliance with Act 267 of the Public Acts of 1976.



Bruce Sherman, Secretary

The undersigned Clerk of the City of Lapeer hereby certifies that this Eighth Amendment to the Development Plan No. 1 and Financing Plan No. 1 was duly approved by the City Commission of the City of Lapeer following a public hearing at a meeting held on the day of December, 2008, pursuant to proper notice and in compliance with Act 267 of the Public Acts of 1976.



Donna L. Cronce, City Clerk

**THE TAX INCREMENT FINANCE AUTHORITY
OF THE CITY OF LAPEER**

**NINTH AMENDMENT TO THE TAX INCREMENT FINANCING PLAN
NO. 1 AND DEVELOPMENT PLAN NO. 1 OF THE CITY OF LAPEER**

INTRODUCTION

The Tax Increment Finance Authority of the City of Lapeer was established by the Lapeer City Commission in 1982. Tax Increment Finance Plan No. 1 and Development Plan No. 1 was adopted the same year. The Plan was restated with the Seventh Amendment adopted in the year 2000. In 2008 the City Commission approved the Eighth Amendment to the Plan. This is the Ninth Amendment to the Plan. The Development Area for Plan No. 1 is depicted in the attached Exhibit D. The area consists of property south of Elm Street, east of M-24, and west of Saginaw Street within the City of Lapeer.

The Lapeer Community Center on Saginaw Street, which contains an indoor swimming pool, spray park, gymnasium, and other recreational and meeting facilities, was financed through tax increment revenues derived from Plan No. 1. Other significant projects that have been completed include the Enterprise Center of Lapeer, improvements to DeMille Road, the extension of McCormick Drive to Saginaw Street, and other infrastructure for the development of the McCormick Industrial Park and the DeMille Commerce Park. Since its inception in 1982, seventeen new industrial buildings have been completed within the Development Area and twelve industrial buildings have been expanded. There remains five vacant industrial lots. As a result of this Tax Increment Development Plan and Finance Plan, 965 jobs have been created.

The Tax Increment Finance Authority will make the final payment on the refunding bonds for the Lapeer Community Center on June 1, 2012. The Plan provided for termination on July 1, 2012. There remains, however, significant obligations and projects to be completed, including the final payment on the 2003 general obligation bonds to fund McCormick Street in 2012, a balance owing of \$1,030,627.52 on an energy saving program of the Lapeer Community Center, and the repayment of a loan to the water fund for a chiller at the Lapeer Community Center. Significant projects remain within the Development Area, including road and sidewalk improvements within the DeMille Commerce Park and the McCormick Industrial Park, rehabilitation of the DeMille Bridge, an extension of East Street to DeMille Street, and the acquisition of additional property to be used for an industrial park. This Ninth Amendment provides for the extension of the plan for 20 years to finance these projects.

NINTH AMENDMENT TO DEVELOPMENT PLAN

The following provisions are added to Items D, E, F and J to Development Plan No. 1:

- D. A DESCRIPTION OF IMPROVEMENTS TO BE MADE IN THE DEVELOPMENT AREA, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS NECESSARY TO MAKE THOSE IMPROVEMENTS, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION OF THE IMPROVEMENTS.
- E. THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS INCLUDING REHABILITATION CONTEMPLATED FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.
- F. A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.

<u>IMPROVEMENTS</u>	<u>COST</u>	<u>STAGE</u>	<u>COMPLETION DATE</u>
Improve sidewalks along Whitney Drive	\$ 16,625.00	10	2017
Mill and resurface Whitney Dr.	\$ 126,289.68	10	2017
Rehabilitate the DeMille Road Bridge	\$ 325,000.00	10	2014
Improve Sidewalks on DeMille St.	\$ 47,500.00	10	2031
Extend East St. to DeMille St.	\$ 49,000.00	11	2022
Acquire land on Clark Road for access to a new industrial park	(estimated cost) \$ 120,000.00	12	2031
Acquire approximately 50 acres of vacant land within the City of Lapeer for industrial development	\$1,300,000.00	12	2027

The property to be acquired is located in the City of Lapeer west of Clark Road, south of DeMille Road, north of Turrill Road, and east of Hunter's Creek. The property is located south of boundaries of the Authority district and south of Tax Increment Development Area No. 1. The property is currently used for agricultural purposes. Development of the property will not be financed by the Tax Increment Finance Authority.

A map depicting the location of the improvements is attached as Exhibit H.

The property to be acquired for industrial park purposes is depicted in the attached Exhibit I and tax increment revenues will not be captured from that area. Section 7 of the Tax Increment Finance Authority Act provides that the Board may acquire and own real property which the Authority determines is reasonably necessary to achieve the purposes of the Act. Michigan Compiled Law 125.1807. In *Wheatfield Township v. City of Williamston*, 184 Mich App 745 (1990), the Michigan Court of Appeals held that a tax increment finance authority could acquire property outside of its development district in order to carry out its purpose.

J. AN ESTIMATE OF THE COST OF DEVELOPMENT, A STATEMENT OF THE PROPOSED METHOD OF FINANCING THE DEVELOPMENT, AND THE ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING.

The remaining cost of the development is estimated to be \$3,750,000.00.

NINTH AMENDMENT TO TAX INCREMENT FINANCING PLAN

The Tax Increment Financing Plan is amended to add the following provisions to Items A, B, C and F:

A. A STATEMENT OF THE REASONS THAT THE PLAN WILL RESULT IN THE DEVELOPMENT OF CAPTURED ASSESSED VALUE WHICH COULD NOT OTHERWISE BE EXPECTED. THE REASONS MAY INCLUDE, BUT ARE NOT LIMITED TO, ACTIVITIES OF THE MUNICIPALITY, AUTHORITY, OR OTHERS UNDERTAKEN BEFORE FORMULATION OR ADOPTION OF THE PLAN IN REASONABLE ANTICIPATION THAT THE OBJECTIVES OF THE PLAN WOULD BE ACHIEVED BY SOME MEANS.

Infrastructure improvements proposed by the Ninth Amendment to the Development Plan and Financing Plan will keep the McCormick Industrial Park and DeMille Commerce Park attractive for new industry, expansion of existing businesses, and will support the existing industrial buildings within the development area so that captured assessed value will be developed that could not be expected without the improvements financed by the extension of the plan.

The acquisition of vacant property for industrial development will accommodate new industrial development with a consequent increase in demand for residential and commercial property within the City of Lapeer, promoting economic development within the City of Lapeer, and supporting an increased tax base throughout the City of Lapeer and increased captured assessed value within Development Area No. 1. Industrial development anywhere in the City of Lapeer could result in the development of captured assessed value that would not otherwise be expected.

B. AN ESTIMATE OF THE CAPTURED ASSESSED VALUE FOR EACH YEAR OF THE PLAN. THE PLAN MAY PROVIDE FOR THE USE OF PART OR ALL OF THE CAPTURED ASSESSED VALUE, BUT THE PORTION INTENDED TO BE USED SHALL BE CLEARLY STATED IN THE PLAN. THE AUTHORITY OR MUNICIPALITY MAY EXCLUDE FROM CAPTURED ASSESSED VALUE GROWTH IN PROPERTY VALUE RESULTING SOLELY FROM INFLATION. THE PLAN SHALL SET FORTH THE METHOD FOR EXCLUDING GROWTH IN PROPERTY VALUE RESULTING SOLELY FROM INFLATION. THE PERCENTAGE OF TAXES LEVIED FOR SCHOOL OPERATING PURPOSES THAT IS CAPTURED AND USED BY THE PLAN SHALL NOT BE GREATER THAN THE PLAN'S PERCENTAGE CAPTURE AND USE OF TAXES LEVIED BY A CITY, COUNTY, TOWNSHIP, OR VILLAGE FOR OPERATING PURPOSES. FOR PURPOSES OF THE PREVIOUS SENTENCE, TAXES LEVIED BY A COUNTY FOR OPERATING PURPOSES INCLUDE ONLY MILLAGE ALLOCATED FOR COUNTY OR CHARTER COUNTY PURPOSES UNDER THE PROPERTY TAX LIMITATION ACT, ACT No. 62 OF THE PUBLIC ACTS OF 1933, BEING SECTIONS 211.201 TO 211.217a OF THE MICHIGAN COMPILED LAWS.

A revised estimate of the captured assessed value for the remaining years of the plan is attached as Exhibit J.

C. THE ESTIMATED TAX INCREMENT REVENUES FOR EACH YEAR OF THE PLAN.

A revised estimate of the tax increment revenue for each year of the plan is attached as Exhibit K.

F. THE AMOUNT OF OPERATING AND PLANNING EXPENDITURES OF THE AUTHORITY AND MUNICIPALITY, THE AMOUNT OF ADVANCES EXTENDED BY OR INDEBTEDNESS INCURRED BY THE MUNICIPALITY, AND THE AMOUNT OF ADVANCES BY OTHERS TO BE REPAID FROM TAX INCREMENT REVENUES.

As of the adoption of the Ninth Amendments in 2012, there remains the following indebtedness to be repaid by the Authority.

<u>Obligation</u>	<u>Annual Payment</u>	<u>Balance at 6/30/2012</u>	<u>Date of Final Pay</u>
2003 G.O. Bond-McCormick Street	\$ 22,005.25	\$ 22,005.25	12/1/2012
Energy Savings Program	\$ 258,558.08	\$ 1,030,627.52	7/15/2018
Chiller Loan from Water Fund	\$ 14,967.44	\$ 88,097.29	1/15/2019
Total	\$ 195,530.77	\$ 1,140,730.06	

Loans Paid off as of June 30, 2012

Comm. Ctr Refunding Bond	\$ 453,650.00	\$ -	6/1/2012
Spray Park	\$ 54,071.25	\$ -	3/1/2012

The Tax Increment Financing Plan is amended to delete Item H and substitute the following in its place:

H. THE DURATION OF THE DEVELOPMENT PLAN AND TAX INCREMENT PLAN.

The Development Plan and Tax Increment Financing Plan will terminate July 1, 2032.

The Tax Increment Financing Plan is amended to add the following provision to Item I:

I. AN ESTIMATE OF THE IMPACT OF TAX INCREMENT FINANCING ON THE REVENUES OF ALL TAXING JURISDICTIONS IN WHICH THE DEVELOPMENT AREA IS LOCATED.

Following repayment of the refunding bonds used to finance the Community Center, there will be no remaining "eligible obligation" of the development plan.

The estimated impact of tax increment financing on the revenues of the County of Lapeer and City of Lapeer can be derived by applying the millage rate of each of those taxing authorities and the estimated captured assessed value for each year of the plan.

At the time of the 2012 amendments to the plan, the following millage rates were in effect:

City of Lapeer	9.8
County of Lapeer	3.7886

This plan excludes from capture extra voted millage approved by the electors. At the time of the adoption of the 2012 amendments to the plan, this included senior citizens (.25 mills), Suncrest (.33 mills), 911 (.75 mills), the Lapeer District Library (.90 mills), and the Greater Lapeer Transportation Authority (.25 mills).

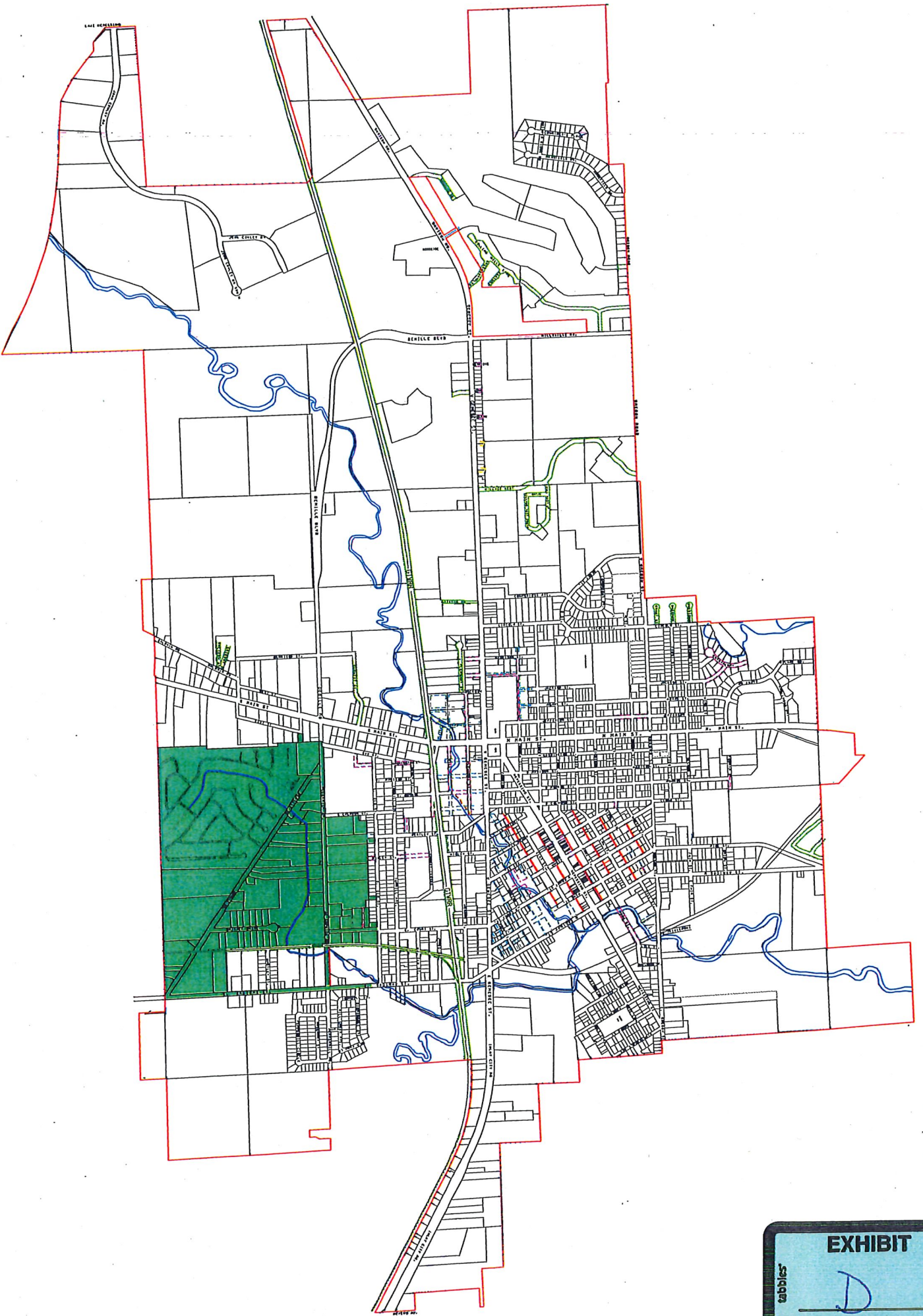
The undersigned Secretary of the Tax Increment Finance Authority of the City of Lapeer hereby certifies that the Authority determined by motion that it is necessary for the achievement of the purposes of the Act, and adopted this Ninth Amendment to the Development Plan No. 1 and Tax Increment Financing Plan No. 1 at a meeting held on the 14th day of March, 2012, pursuant to proper notice and in compliance with Act 267 of the Public Acts of 1976.


Alan Grossbauer, Secretary

The undersigned Clerk of the City of Lapeer hereby certifies that this Ninth Amendment to the Development Plan No. 1 and Financing Plan No. 1 was duly approved by the City Commission of the City of Lapeer following a public hearing at a meeting held on the 16th day of April, 2012, pursuant to proper notice and in compliance with Act 267 of the Public Acts of 1976.




Donna L. Cronce, City Clerk

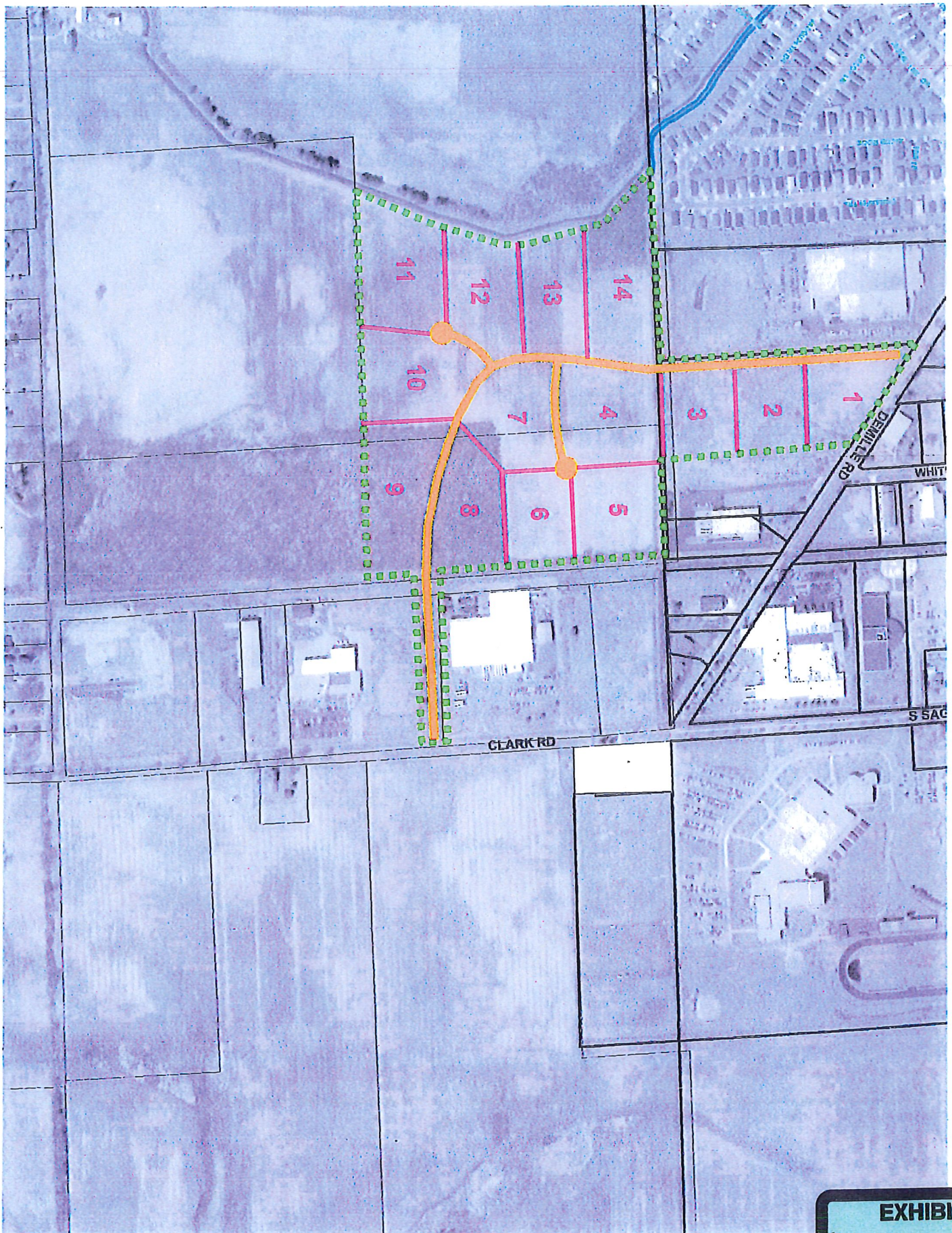




EXHIBIT

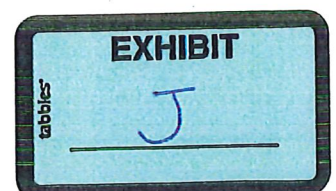
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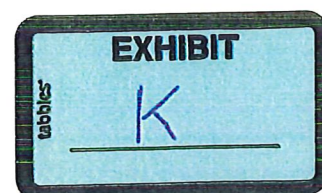
City of Lapeer
T.I.F.A. #1
Captured Taxable Value

<u>Year</u>	<u>Advolorum</u>		<u>IFT</u>		<u>Total</u>
	<u>Real</u>	<u>Personal</u>	<u>Real</u>	<u>Personal</u>	
2011	11,044,748	10,146,400	922,900	4,354,700	26,468,748
2012	10,053,092	9,200,900	892,200	4,713,300	24,859,492
2013	9,640,598	8,280,810	802,980	4,241,970	22,966,358
2014	9,773,971	7,038,689	682,533	3,605,675	21,100,867
2015	10,178,091	5,630,951	546,026	2,884,540	19,239,608
2016	10,871,831	4,223,213	409,520	2,163,405	17,667,969
2017	11,527,415	2,533,928	286,664	1,298,043	15,646,049
2018	11,984,138	1,266,964	186,332	649,021	14,086,455
2019	12,564,329	506,786	111,799	259,609	13,442,522
2020	12,889,550	456,107	61,489	233,648	13,640,794
2021	13,718,862	387,691	36,894	198,601	14,342,048
2022	14,589,640	310,153	23,981	158,880	15,082,655
2023	15,138,231	186,092	16,787	95,328	15,436,437
2024	15,703,279	93,046	12,590	47,664	15,856,579
2025	16,479,278	37,218	9,442	19,066	16,545,004
2026	17,689,836	11,165	7,082	5,720	17,713,803
2027	19,186,894	0	5,311	0	19,192,205
2028	20,331,074	0	3,984	0	20,335,057
2029	22,253,296	0	2,988	0	22,256,283
2030	24,848,295	0	2,241	0	24,850,536
2031	27,702,795	0	1,681	0	27,704,475



City of Lapeer
T.I.F.A. #1
Estimated Captured Revenue

<u>Year</u>	<u>Advolorum</u>		<u>IFT</u>		<u>Total</u>	
	<u>Real</u>	<u>Personal</u>	<u>Real</u>	<u>Personal</u>		
2011	\$ 150,083	\$ 137,875	\$ 6,270	\$ 29,587	\$	323,815
2012	\$ 136,607	\$ 125,027	\$ 6,062	\$ 32,024	\$	299,720
2013	\$ 131,002	\$ 112,525	\$ 5,456	\$ 28,821	\$	277,804
2014	\$ 132,815	\$ 95,646	\$ 4,637	\$ 24,498	\$	257,596
2015	\$ 138,306	\$ 76,517	\$ 3,710	\$ 19,598	\$	238,131
2016	\$ 147,733	\$ 57,388	\$ 2,782	\$ 14,699	\$	222,602
2017	\$ 156,641	\$ 34,433	\$ 1,948	\$ 8,819	\$	201,841
2018	\$ 162,848	\$ 17,216	\$ 1,266	\$ 4,410	\$	185,740
2019	\$ 170,732	\$ 6,887	\$ 760	\$ 1,764	\$	180,143
2020	\$ 175,151	\$ 6,198	\$ 418	\$ 1,587	\$	183,354
2021	\$ 186,420	\$ 5,268	\$ 251	\$ 1,349	\$	193,288
2022	\$ 198,253	\$ 4,215	\$ 163	\$ 1,079	\$	203,710
2023	\$ 205,707	\$ 2,529	\$ 114	\$ 648	\$	208,998
2024	\$ 213,386	\$ 1,264	\$ 86	\$ 324	\$	215,060
2025	\$ 223,930	\$ 506	\$ 64	\$ 130	\$	224,630
2026	\$ 240,380	\$ 152	\$ 48	\$ 39	\$	240,619
2027	\$ 260,723	\$ -	\$ 36	\$ -	\$	260,759
2028	\$ 276,271	\$ -	\$ 27	\$ -	\$	276,298
2029	\$ 302,391	\$ -	\$ 20	\$ -	\$	302,411
2030	\$ 337,654	\$ -	\$ 15	\$ -	\$	337,669
2031	\$ 376,442	\$ -	\$ 11	\$ -	\$	376,453



	Advol	IFT
City	9.8	4.9
County	3.7886	1.8943