

I-69 INTERNATIONAL TRADE CORRIDOR NEXT MICHIGAN DEVELOPMENT CORPORATION

St. Clair #1 Next Michigan
Development Area

Development and Tax
Increment Financing Plans

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DEVELOPMENT PLAN

Introduction and General Overview

The I-69 International Trade Corridor Next Michigan Development Corporation (the “Corporation”) is a collaborative effort by businesses and local government partners from the counties of Shiawassee, Genesee, Lapeer, and St. Clair to market the area’s airport, highway, railroad, and water port resources to companies that are engaged in international commerce, particularly through Canada. The goal of the Corporation is to encourage firms to not only ship through this corridor but to also set up manufacturing and distribution facilities here to take advantage of these multi-modal transportation opportunities. To further this goal, the Corporation established a Local Development Finance Authority (the “LDFA”), as permitted by Michigan’s Recodified Tax Increment Financing Act (the “Act”). The district where the LDFA exercises its authority under the Act (the “Authority District”) includes the counties of Shiawassee, Genesee, Lapeer, and St. Clair as well as various local municipalities within the Authority District. The City of St. Clair is part of the Authority District.

The Act permits the LDFA to establish Next Michigan Development Areas (“Development Areas”) within the Authority District. The Act defines Development Areas as areas within an Authority District to which a development plan, such as this Development Plan, applies. At the request of the City of St. Clair and St. Clair County, on August 9, 2022, the LDFA approved a resolution supporting the creation of a Development Area to be located in the City of St. Clair (the “St. Clair #1 Development Area”). The boundaries of the St. Clair #1 Development Area are detailed later in this Development Plan.

Magna Electric Vehicle Structures (“Magna”) is an industrial user located in the St. Clair #1 Development Area. Magna manufactures parts and equipment necessary for use in electric vehicles. Magna desires to significantly expand its operations (the “Project”) within the St. Clair #1 Development Area. The Project represents an approximate \$426,000,000 investment by Magna to its facility (the “Facility”) in the St. Clair #1 Development Area. Once completed, Magna anticipates the Project will result in the creation of approximately 920 new jobs at the Facility. The Project is supported by the City of St. Clair, St. Clair County, the Michigan Economic Development Corporation and Governor Whitmer. For the Project to proceed various improvements to public infrastructure are necessary, real property must be acquired and transferred to Magna and other costs will have to be incurred (the “Costs”). Magna qualifies as an Eligible Next Michigan Business and the real properties involved in the Project as Eligible Property under the Act. Some of the Costs necessary for the Project will be recoverable by tax increment capture permitted under the Act as detailed in the Tax Increment Financing Plan including herewith. To recover portions of the Costs necessary to facilitate the Project under the Act, the LDFA must: (1) formally approve creation of the St. Clair #1 Development Area; (2) approve a Development Plan for the St. Clair #1 Development Area; and (3) approve a Tax Increment Financing Plan for the St. Clair #1 Development Area.

The intent of the Project is consistent with the Act and in furtherance of the goals and mission of the Corporation and the LDFA. The Development Plan and the Tax Increment Financing Plan (collectively the “Plans”) detailed herein are consistent with the Act and in furtherance of the goals and mission of the Corporation and the LDFA. In addition to facilitating growth directly related to the Project and Facility, the improvements completed as a part of this Development Plan will assist in attracting new businesses to and retaining existing business in the St. Clair #1 Development Area.

The Plans represent a cooperative approach between the Corporation, the LDFA, the County of St. Clair and the City of St. Clair. This coordinated plan allows the stakeholders to meet their collective goals, which could not be met individually.

Legal Description of Property

The Authority District includes the counties of Shiawassee, Genesee, Lapeer, and St. Clair as well as various local municipalities within the Authority District. The City of St. Clair is part of the Authority District. The St. Clair #1 Development Area is located entirely within the City of St. Clair. The legal description of the property included within the St. Clair #1 Development Area is the following described real property situated in the City of St. Clair, St. Clair County, Michigan:

PARCELS: 74-07-019-1003-000, 74-07-019-1002-000, 74-07-019-4009-001, 74-07-019-4002-003, 74-07-019-4002-010, 74-07-019-4002-001, 74-30-039-4007-000, 74-07-019-4001-000, 74-07-295-0002-000, 74-07-295-0001-000, 74-07-295-0006-000, 74-07-295-0005-000, 74-07-295-0008-000, 74-07-295-0007-000, 74-07-057-0020-000, 74-07-057-0020-100, 74-07-057-0021-000 AND 74-07-057-0021-100. ALSO INCLUDING HALF OF THE RIGHT OF WAY OF RANGE ROAD (50.00 FEET HALF WIDTH), INCLUDING FULL WIDTH OF YANKEE ROAD (83.00 FEET WIDE) AND INCLUDING FULL WIDTH OF JORDAN CREEK DR. (66.00 FEET WIDE) PART OF THE SOUTHWEST QUARTER OF SECTION 19, TOWN 5 NORTH, RANGE 17 EAST AND PART OF THE NORTHWEST QUARTER OF SECTION 30, TOWN 5 NORTH, RANGE 17 EAST, CITY OF ST. CLAIR, ST. CLAIR COUNTY, MICHIGAN, BEING DESCRIBED AS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 19; THENCE ALONG THE WEST LINE OF SECTION 19 NORTH 02 DEGREES 39 MINUTES 25 SECONDS WEST 2660.12 FEET TO THE WEST QUARTER CORNER OF SECTION 19; THENCE CONTINUING ALONG THE WEST LINE OF SECTION 19 NORTH 02 DEGREES 43 MINUTES 04 SECONDS WEST 1315.64 FEET; THENCE NORTH 85 DEGREES 02 MINUTES 45 SECONDS EAST 1206.82 FEET TO THE WEST LINE OF CSX RAILWAY RIGHT OF WAY (VARIABLE WIDTH); THENCE ALONG THE WEST LINE OF CSX RAILWAY RIGHT OF WAY SOUTH 02 DEGREES 33 MINUTES 11 SECONDS EAST 3365.57 FEET; THENCE CONTINUING ALONG THE WEST LINE OF CSX RAILWAY RIGHT OF WAY SOUTHERLY ALONG A TANGENT CURVE CONCAVE TO THE WEST HAVING A CENTRAL ANGLE OF 6 DEGREES 19 MINUTES 43 SECONDS, A RADIUS OF 5621.58 FEET, AN ARC DISTANCE OF 620.94 FEET AND WHOSE CHORD IS SOUTH 00 DEGREES 36 MINUTES 41 SECONDS WEST 620.62 FEET TO THE SOUTH LINE OF SECTION 19; THENCE ALONG THE SOUTH LINE OF SECTION 19 NORTH 85 DEGREES 25 MINUTES 30 SECONDS EAST 75.79 FEET; THENCE SOUTH 03 DEGREES 57 MINUTES 48 SECONDS WEST 50.56 FEET TO THE SOUTH RIGHT OF WAY LINE OF YANKEE ROAD (WIDTH VARIES); THENCE SOUTHERLY ALONG A NON-TANGENT CURVE CONCAVE TO THE WEST HAVING A CENTRAL ANGLE OF 6 DEGREES 38 MINUTES 07 SECONDS, A RADIUS OF 5729.61 FEET, AN ARC DISTANCE OF 663.53 FEET AND WHOSE CHORD IS SOUTH 07 DEGREES 31 MINUTES 14 SECONDS WEST 663.16 FEET; THENCE SOUTH 10 DEGREES 50 MINUTES 01 SECONDS WEST 3124.15 FEET; THENCE SOUTH 10 DEGREES 50 MINUTES 19

SECONDS WEST 1307.34 FEET; THENCE NORTH 79 DEGREES 22 MINUTES 50 SECONDS WEST 55.43 FEET; THENCE NORTH 02 DEGREES 45 MINUTES 09 SECONDS WEST 1257.95 FEET; THENCE NORTH 02 DEGREES 44 MINUTES 50 SECONDS WEST 1026.06 FEET TO THE WEST QUARTER CORNER OF SECTION 30; THENCE ALONG THE WEST LINE OF SECTION 30 NORTH 03 DEGREES 10 MINUTES 27 SECONDS WEST 2674.03 FEET TO THE SOUTHWEST CORNER OF SECTION 19 AND THE POINT OF BEGINNING.

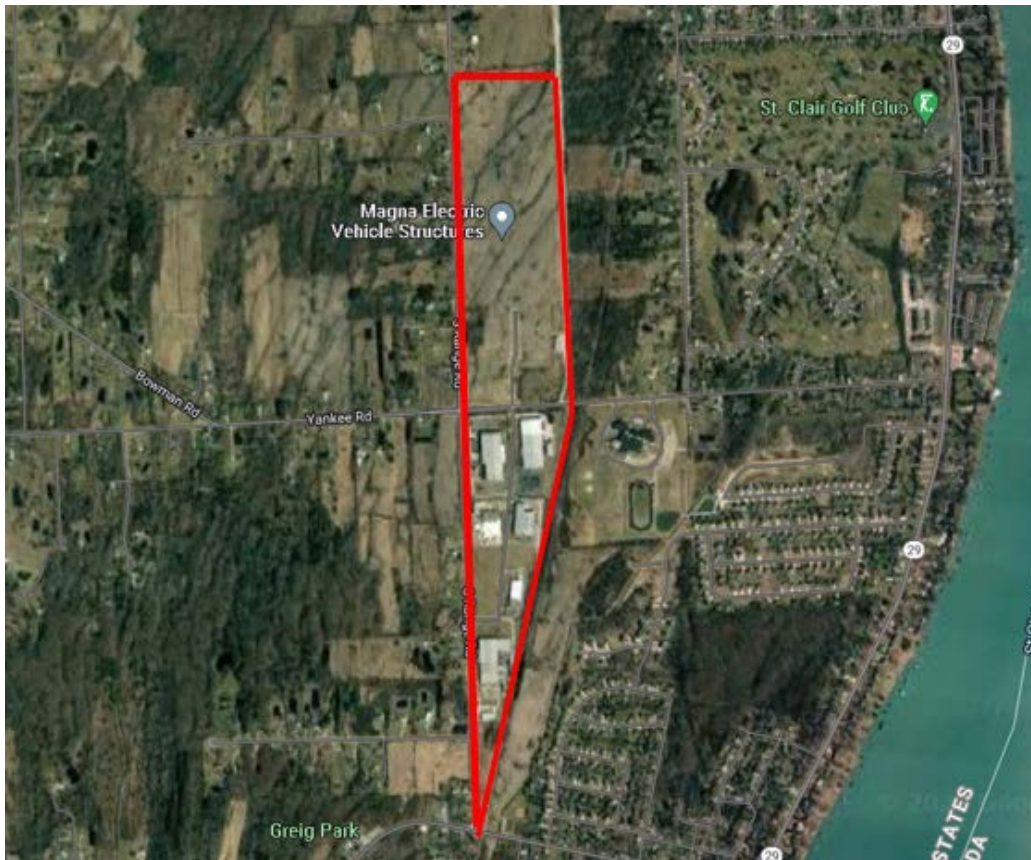
CONTAINING 185.22 ACRES, MORE OR LESS.

Relationship to Highways, Streets, and Other Features

The St. Clair #1 Development Area is bounded roughly by the following:

Western boundary: S. Range Road
Eastern boundary: Existing CSX railway
Southern boundary: Brown Street
Northern boundary: Vacant parcels of real property, North of Yankee Road

The St. Clair #1 Development Area is roughly depicted within the red enclosure in the below aerial and is detailed in the Sketch of Description attached as Exhibit A hereto:



Existing Highways, Streets, and Other Public Facilities

The St. Clair #1 Development Area is serviced by the City of St. Clair municipal water and sewer systems and by natural gas and electrical service providers.

The St. Clair #1 Development Area is adjacent to an active CSX railway. The primary access to the St. Clair #1 Development Area is via S. Range Road, a major road with close access to Interstate 94.

The existing uses within the St. Clair #1 Development Area are industrial and vacant land. The City of St. Clair industrial park is located within the St. Clair #1 Development Area. The City of St. Clair's Master Plan, adopted on January 18, 2021, envisions the majority of the St. Clair #1 Development Area being used for industrial purposes in the future. The only non-industrial future use contemplated for the St. Clair #1 Development Area in the Master Plan is a small commercial portion adjacent to Brown Street. The Development Plan is consistent with the City of St. Clair's Master Plan.

Improvements contemplated pursuant to this Development Plan include significant improvements to the water system servicing the St. Clair #1 Development Area. These improvements will primarily benefit the St. Clair #1 Development Area with an ancillary benefit to other areas serviced by the City of St. Clair Water System.

Public Facilities to be Acquired/Constructed

Professional engineers were consulted to review the Project and existing facilities servicing the St. Clair #1 Development Area to determine what improvements and additions were necessary to facilitate the Project and to accommodate future growth within the St. Clair #1 Development Area. Based upon the engineer's report, the following improvements / additions to public facilities are necessary (collectively the "Improvements"):

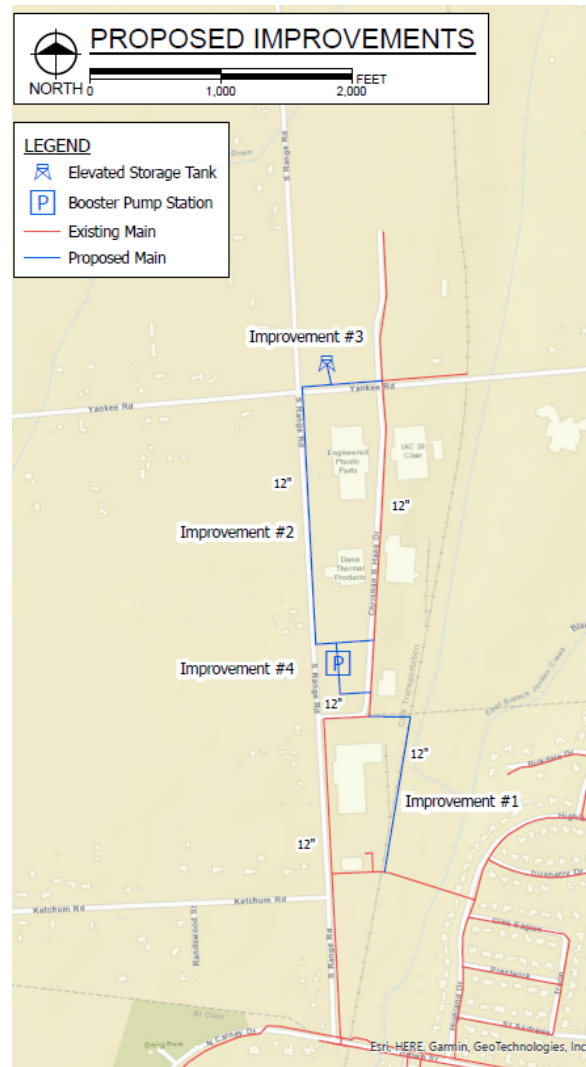
- (1) Extension and looping of the water main servicing the St. Clair #1 Development Area. This improvement will provide redundancy, increased reliability and increased fire flow capacity to the St. Clair #1 Development Area. This improvement will also mitigate pressure loss during peak demand. The estimated cost of the watermain extension and loop is \$950,000.00. 100% of the cost associated with this improvement will benefit the St. Clair #1 Development Area.
- (2) Acquisition and installation of a water booster pump station. The water booster pump station is necessary to meet anticipated pressure and flow required for the Project / Facility. The estimated cost of the booster pump station is \$2,400,000.00. 100% of the cost associated with this improvement will benefit the Project/Facility.
- (3) Acquisition and installation of an elevated water storage tower. This tower will increase reliability for the St. Clair #1 Development Area as well as, to a lesser extent, other areas serviced by the City of St. Clair water system. The tower will also provide necessary fire flow capacity and equalization during periods of high demand. The estimated cost of the elevated water tower is \$4,100,000.00. Based upon engineering reports, 80% of the cost associated with this improvement will benefit the St. Clair #1 Development Area.

The estimated time to acquire, design and install the above Improvements is 2 – 2.5 years from approval of the Plans.

In addition to the above infrastructure Improvements, the LDFA will acquire the Properties (defined below) from the City of St. Clair and transfer the same to Magna. The Project and Facility will be located on the Properties. Details concerning the acquisition and transfer of the Properties are provided herein.

Location, Extent, Character and Cost of Public Facilities

The necessary improvements to public facilities and their cost are described in the above section. The proposed approximate locations for the Improvements are depicted below:



The estimated time to acquire, design and install the above Improvements is 2 – 2.5 years from approval of the Plans. The Properties are located north of Yankee Road. It is anticipated the Properties will be acquired by the LDFA and transferred to Magna within 30 days of approval of the Plans.

Statement Regarding Construction

The priority of construction and timeline of the Improvements is as follows:

(1) Watermain extension and looping

- (a) Design: March 2023- July 2023
- (b) Bidding: August 2023
- (c) Construction: September 2023-July 2024

(2) Water pump booster station

- (a) Design: May 2023-February 2024
- (b) Bidding: March 2024
- (c) Construction: April 2024-September 2025

(3) Elevated water storage tank

- (a) Design: May 2023-February 2024
- (b) Bidding: March 2024
- (c) Construction: May 2026

It is anticipated the Properties will be acquired by the LDFA and transferred to Magna within 30 days of approval of the Plans.

Statement Regarding Sale, Donation, Exchange or Lease

The LDFA intends on purchasing two parcels of real property comprised of 23.91 acres (collectively the “Properties”) located within the St. Clair #1 Development Area and transferring the same to Magna for \$1.00 to facilitate the Project. The Properties are commonly known as 1677 Range Road and 1659 Range Road and are described for tax purposes as follows:

BEG N 0D W 438.66' FROM W 1/4 COR, TH N 0D W 219.33', TH N 87D 10M E 1278.72', TH S 0D 8M W 219.36', TH S 87D 10M W 1278.22' TO
BEG & EXC E 75.06' AS MEAS ALG N PCL LINE EXC RR R/W
SECTION 19 T5N R17E 6.05 ACRES

Commonly known as: 1677 Range Road
Parcel ID: 74-07-019-1002-000

AND

N 1/2 OF SW 1/4 OF NW 1/4 & EXC E 75.05' AS MEAS ALG N PCL
LINE EXC THE PH & D RR R/W SECTION 19 T5N R17E 17.86 ACRES

Commonly known as: 1659 Range Road
Parcel ID: 74-07-019-1003-000

The Properties are vacant parcels owned by the City of St. Clair. The City of St. Clair will transfer the Properties to the LDFA for \$700,000.00, which is the estimated fair market value of the Properties. St. Clair County will advance (the “Advance”) the purchase price for the Properties to the LDFA to facilitate the transfer. The Advance, plus interest at the rate of 3.0% per annum, will be paid back to St. Clair County from revenue the LDFA receives from tax captures approved by the Tax Increment Financing Plan detailed herein. The Advance is considered an “advance” as defined by the Act. MCL 125.4402(a). The Properties will be transferred to Magna in exchange for Magna’s commitment to complete the Project and operate the Facility on the Properties.

Zoning Changes

No zoning changes or changes in streets, street levels or intersections are anticipated as part of the Development Plan.

Estimate of Cost of Public Facilities

The estimated total cost to purchase, construct and install the Improvements is \$7,450,000.00. Approximately \$3,600,000 of that cost is anticipated to be provided by a grant from the Michigan Strategic Fund, with the grant administered by the St. Clair County Economic Development Alliance. The balance of the cost for the Improvements, which will benefit the St. Clair #1 Development Area, will be financed with bonds issued by the LDFA. The bonds issued by the LDFA will be backed by a limited tax pledge of the City of St. Clair and will be repaid by tax capture revenues received by the LDFA pursuant to the Tax Increment Financing Plan detailed herein. The City of St. Clair will issue bonds and/or short-term debt to cover the cost of the Improvements to the extent the same benefit areas other than the St. Clair #1 Development Area.

The cost to acquire the Properties is \$700,000, which is the estimated fair market value of the Properties. The initial funding to purchase the Properties will be provided to the LDFA by an Advance from St. Clair County. The LDFA will repay that Advance from tax revenues captured by the LDFA pursuant to the Tax Increment Financing Plan detailed herein.

Designation Regarding Property

The Improvements, which consist of public water system improvements, will be owned and operated by the City of St. Clair. The Improvements will primarily benefit users within the St. Clair #1 Development Area. Other users of the City of St. Clair water system will receive an ancillary benefit from portions of the Improvements. Specifically, 100% of the benefit related to the watermain extension/loop and water pump booster is attributable to the Project/Facility and the St. Clair #1 Development Area. Based upon engineer's estimated, 80% of the benefit of the elevated water storage tank is attributable to the Project/Facility.

The Properties will be conveyed to Magna, or an affiliated entity, and are the location Magna will complete construction of the Project and operate the Facility. Transfer of the Properties will benefit Magna and the St. Clair #1 Development Area.

Procedures for Bidding, Leasing, Purchasing or Conveying Public Facilities

Competitive sealed bidding will be utilized to purchase, construct, and install the Improvements with contracts awarded to the lowest cost responsive bidder capable of delivering the Improvements, or a portion of the Improvements, on time. The City of St. Clair will oversee the bidding process, with the cooperation of the LDFA, utilizing the City of St. Clair's customary bidding practices and procedures.

The Properties will be acquired by the LDFA from the City of St. Clair for \$700,000, which is the estimated fair market value of the Properties. The Properties will be transferred by the LDFA to Magna in exchange for Magna's commitment to construct and operate the Facility on the Properties.

Relocation Estimate

There are no residents St. Clair #1 Development Area. No existing nonresidential users will be required to relocate from the St. Clair #1 Development Area.

Relocation Plan

No relocation is planned or necessary for the St. Clair #1 Development Area.

Costs of Relocation

No relocation is planned or necessary for the St. Clair #1 Development Area.

Plan for Compliance with Michigan Relocation Assistance Act

No relocation is planned or necessary for the St. Clair #1 Development Area.

Other Relevant Considerations

The Facility will manufacture parts utilized for electric vehicles. It is anticipated within three years, the Facility will employ 920 additional people, many from within the Authority District. The Corporation and LDFA believe the Facility will result in additional business locating within the St. Clair #1 Development Area as well as other areas within the Authority District. Magna has confirmed it will utilize road and air freight in the construction, launch and ongoing production operations taking place at the Facility. Accordingly, Magna and the Facility qualify as an eligible Next Michigan business pursuant to the Act and the Michigan Economic Growth Authority Act. MCL 125.4402; MCL 207.803. As a result, the Properties constitute "eligible property" as defined by the Act. MCL 125.4402.

TAX INCREMENT FINANCING PLAN

Necessity of Plan

A primary objective of the LDFA is to create economic expansion and to retain business within the Authority District and development areas. The Development Plan is consistent with that purpose in that it provides Improvements necessary for the Project to proceed and the Facility to become operational. Magna estimates it will spend approximately \$426,000,000 to construct the Facility. Once completed, the Facility will represent a significant increase in the taxable value of the Properties, which are currently vacant and owned by the City of St. Clair, therefore, not assessed any taxes. Further, the Improvements will accommodate future growth within the St. Clair #1 Development Area that is anticipated after the Facility becomes operational. Magna has expended significant resources on the Project, that it would not have expended but for the reasonable anticipation the Improvements will be constructed, and this Plan approved.

Although necessary to complete the Project, there is not sufficient capital to complete the Improvements or acquire the Properties within the timeframe necessary for the Project. The LDFA, City of St. Clair and St. Clair County have worked collaborative to seek grants to fund the Improvements. As a result of those efforts, it is anticipated that approximately \$3,600,000 in grant funds will be obtained and used to offset approximately 48% of the cost of the Improvements. Grant funds will be allocated to pay a portion of the cost of the Improvements and the balance will be financed as follows:

	Watermain	Booster Station	Elevated Tank	Costs of Issuance	Total Bond Issue
Project Cost	\$ 950,000	\$ 2,400,000	\$ 4,100,000		
Grant	570,000	1,440,000	1,590,000		
City			820,000	50,000	870,000
LDFA	380,000	960,000	1,690,000	100,000	3,130,000

The City of St. Clair will issue bonds or short-term debt in the approximate amount of \$820,000 (exclusive of costs) to pay a portion of the cost associated with the elevated water storage tank based upon the ratio engineers determined such will benefit areas outside of the St. Clair #1 Development Area. Bonds or debt issued by the City of St. Clair will be repaid by the City of St. Clair, not the LDFA. The balance of the cost Improvements will be funded with tax increment bonds issued by the LDFA and backed by a limited tax pledge of the City of St. Clair. These bonds will be repaid by captured tax revenue directly related to the cost of the Improvements. Tax increment financing is permitted by the Act as an equitable method to finance the Improvements.

In addition, the LDFA will transfer the Properties to Magna for \$1.00. The LDFA will acquire the Properties from the City of St. Clair for \$700,000, which is the estimated fair market value of the Properties. St. Clair County will Advance the purchase price for the Properties to the LDFA to facilitate the transfer and the same will be paid back to St. Clair County from tax capture revenue received by the LDFA pursuant to this Plan. The Advance is considered an “advance” as defined by the Act. MCL 125.4402(a).

Estimate of Captured Assessed Value

The schedule attached as Exhibit B details the estimated captured assessed value for each year of the Plan. The schedule assumes no exclusions from capture.

Estimated Revenues and Impact on Taxing Jurisdictions

The estimate of tax capture revenue for each year of the Plan is identified in the detailed spreadsheet attached as Exhibit B. Exhibit B also details the estimated impact on the revenues of each taxing jurisdiction within the St. Clair #1 Development Area for each year of the Plan.

Tax Increment Procedure

The LDFA shall utilize a tax capture procedure in compliance with the Act and as detailed herein. Treasurers of taxing jurisdictions with the St. Clair #1 Development Area shall transmit tax increment revenues captured pursuant to this plan to the LDFA. The LDFA shall be responsible for all reporting and compliance requirements of the Act. Tax increment revenues received by the LDFA shall be used only as detailed within this Plan and to benefit the St. Clair #1 Development Area.

Excess tax increment revenues, if any, received by the LDFA will be expended only if the LDFA Board determines, by resolution, that such expenditures further the Development Plan and are in accordance with this Tax Increment Financing Plan. Excess tax increment revenues not expended shall revert proportionally to the respective taxing jurisdictions within the St. Clair #1 Development Area. Tax increment revenues shall not be used to circumvent property tax laws or local charter provisions that provide maximum authorized rates for property tax levies.

The LDFA Board may abolish this Tax Increment Financing Plan if it determines the purposes of the plan have been accomplished. However, the plan shall not be abolished, terminated or allowed to expire until the principal and interest on all tax increment bonds and the Advance have been paid or sufficient funds are segregated and placed in an irrevocable trust for the benefit of the payment of the same.

Maximum Amount of Note or Bond

The LDFA will not issue tax increment bonds in excess of the total anticipated cost of the Improvements, less grant funds received and applied to the cost of the Improvements. The LDFA anticipates issuing approximately \$3,130,000 in tax increment bonds. The LDFA will repay the Advance, plus interest at the rate of 3.0% per annum, to St. Clair County with tax captured revenue.

Operating and Planning Expenditures and Advances to be Repaid from Tax Increment Revenues

The LDFA will incur expenses related to issuing tax increment bonds and general planning and operational expenses associated with the St. Clair #1 Development Area and the Improvements. Design and planning costs related to the Improvements are included in the total estimated price for the Improvements, which are itemized herein. The LDFA anticipates issuing approximately \$3,130,000 in 10 years tax increment bonds with a projected interest rate of 4.25%. Bonds issued by the LDFA pursuant to this plan will be backed by a limited tax pledge of the City of St. Clair. Tax increment revenues will be utilized to repay tax increment bonds issued by the LDFA as well as general operating and administrative expenses associated with the St. Clair #1 Development Area

The LDFA will also repay the Advance, plus interest at the rate of 3.00% per annum, to St. Clair County with tax increment revenues.

Costs to be Paid from Tax Increment Revenues

The LDFA will repay tax increment bonds from tax increment revenues. Proceeds from the tax increment bonds will be utilized to fund the balance of the cost of Improvements after application of grant funds. It is anticipated the cost of the Improvements will be funded approximately as follows:

	Watermain	Booster Station	Elevated Tank	Costs of Issuance	Total Bond Issue
Project Cost	\$ 950,000	\$ 2,400,000	\$ 4,100,000		
Grant	570,000	1,440,000	1,590,000		
City			820,000	50,000	870,000
LDFA	380,000	960,000	1,690,000	100,000	3,130,000

Duration

The duration of the tax increment financing plan will be limited to the number of years necessary to repay the Advance, plus interest at the rate of 3.0%, and tax increment bonds issued to fund the Improvements. It is estimated the duration of the Plan will be approximately 10 years after tax increment bonds are issued by the LDFA.

Estimated Impact

The estimated impact of tax increment financing on revenues of all taxing jurisdictions subject to capture is detailed in the spreadsheet attached as Exhibit B.

Legal Description

The Facility will be located on the Properties. Magna has confirmed it will utilize road and air freight in the construction, launch and ongoing production operations taking place at the Facility. Accordingly, Magna and the Facility qualify as an eligible Next Michigan business pursuant to the Act and the Michigan Economic Growth Authority Act. MCL 125.4402; MCL 207.803. As a result, the Properties constitute “eligible property” as defined by the Act. MCL 125.4402. The Properties are commonly known as 1677 Range Road and 1659 Range Road and are described for tax purposes as follows:

BEG N 0D W 438.66' FROM W 1/4 COR, TH N 0D W 219.33', TH N 87D 10M E 1278.72', TH S 0D 8M W 219.36', TH S 87D 10M W 1278.22' TO
BEG & EXC E 75.06' AS MEAS ALG N PCL LINE EXC RR R/W
SECTION 19 T5N R17E 6.05A

Commonly known as: 1677 Range Road
Parcel ID: 74-07-019-1002-000

AND

N 1/2 OF SW 1/4 OF NW 1/4 & EXC E 75.05' AS MEAS ALG N PCL
LINE EXC THE PH & D RR R/W SECTION 19 T5N R17E 17.86 A

Commonly known as: 1659 Range Road
Parcel ID: 74-07-019-1003-000

Percentage of Taxes Levied For School Operating Purposes to be Captured

This tax increment financing plan proposes to capture 50% of the tax increment revenue levied for school operating purposes within the St. Clair #1 Development Area.

Job Creation

Once completed, Magna anticipates the Project will result in the creation of approximately 920 new jobs at the Facility, which are directly related to the Improvements partially financed pursuant to this plan. The LDFA believes the Facility will spur future economic development and job creation within the St. Clair #1 Development Area and the Authority District.

Boundaries of Next Michigan Development Area to be Included

The Authority District includes Shiawassee, Genesee, Lapeer, and St. Clair counties as well as various local municipalities within the Authority District. The City of St. Clair is part of the Authority District. The St. Clair #1 Development Area is located entirely within the City of St. Clair. The legal description of the property included within the St. Clair #1 Development Area is the following described real property situated in the City of St. Clair, St. Clair County, Michigan:

PARCELS: 74-07-019-1003-000, 74-07-019-1002-000, 74-07-019-4009-001, 74-07-019-4002-003, 74-07-019-4002-010, 74-07-019-4002-001, 74-30-039-4007-000, 74-07-019-4001-000, 74-07-295-0002-000, 74-07-295-0001-000, 74-07-295-0006-000, 74-07-295-0005-000, 74-07-295-0008-000, 74-07-295-0007-000, 74-07-057-0020-000, 74-07-057-0020-100, 74-07-057-0021-000 AND 74-07-057-0021-100. ALSO INCLUDING HALF OF THE RIGHT OF WAY OF RANGE ROAD (50.00 FEET HALF WIDTH), INCLUDING FULL WIDTH OF YANKEE ROAD (83.00 FEET WIDE) AND INCLUDING FULL WIDTH OF JORDAN CREEK DR. (66.00 FEET WIDE) PART OF THE SOUTHWEST QUARTER OF SECTION 19, TOWN 5 NORTH, RANGE 17 EAST AND PART OF THE NORTHWEST QUARTER OF SECTION 30, TOWN 5 NORTH, RANGE 17 EAST, CITY OF ST. CLAIR, ST. CLAIR COUNTY, MICHIGAN, BEING DESCRIBED AS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 19; THENCE ALONG THE WEST LINE OF SECTION 19 NORTH 02 DEGREES 39 MINUTES 25 SECONDS WEST 2660.12 FEET TO THE WEST QUARTER CORNER OF SECTION 19; THENCE CONTINUING ALONG THE WEST LINE OF SECTION 19 NORTH 02 DEGREES 43 MINUTES 04 SECONDS WEST 1315.64 FEET; THENCE NORTH 85 DEGREES 02 MINUTES 45 SECONDS EAST 1206.82 FEET TO THE WEST LINE OF CSX RAILWAY RIGHT OF WAY (VARIABLE WIDTH); THENCE ALONG THE WEST LINE OF CSX RAILWAY RIGHT OF WAY SOUTH 02 DEGREES 33 MINUTES 11 SECONDS EAST 3365.57 FEET; THENCE CONTINUING ALONG THE WEST LINE OF CSX RAILWAY RIGHT OF WAY SOUTHERLY ALONG A TANGENT CURVE CONCAVE TO THE WEST HAVING A CENTRAL ANGLE OF 6 DEGREES 19 MINUTES 43 SECONDS, A RADIUS OF 5621.58 FEET, AN ARC DISTANCE OF 620.94 FEET AND WHOSE CHORD IS SOUTH 00 DEGREES 36 MINUTES 41 SECONDS WEST 620.62 FEET TO THE SOUTH LINE OF SECTION 19; THENCE ALONG THE SOUTH LINE OF SECTION 19 NORTH 85 DEGREES 25 MINUTES 30

SECONDS EAST 75.79 FEET; THENCE SOUTH 03 DEGREES 57 MINUTES 48 SECONDS WEST 50.56 FEET TO THE SOUTH RIGHT OF WAY LINE OF YANKEE ROAD (WIDTH VARIES); THENCE SOUTHERLY ALONG A NON-TANGENT CURVE CONCAVE TO THE WEST HAVING A CENTRAL ANGLE OF 6 DEGREES 38 MINUTES 07 SECONDS, A RADIUS OF 5729.61 FEET, AN ARC DISTANCE OF 663.53 FEET AND WHOSE CHORD IS SOUTH 07 DEGREES 31 MINUTES 14 SECONDS WEST 663.16 FEET; THENCE SOUTH 10 DEGREES 50 MINUTES 01 SECONDS WEST 3124.15 FEET; THENCE SOUTH 10 DEGREES 50 MINUTES 19 SECONDS WEST 1307.34 FEET; THENCE NORTH 79 DEGREES 22 MINUTES 50 SECONDS WEST 55.43 FEET; THENCE NORTH 02 DEGREES 45 MINUTES 09 SECONDS WEST 1257.95 FEET; THENCE NORTH 02 DEGREES 44 MINUTES 50 SECONDS WEST 1026.06 FEET TO THE WEST QUARTER CORNER OF SECTION 30; THENCE ALONG THE WEST LINE OF SECTION 30 NORTH 03 DEGREES 10 MINUTES 27 SECONDS WEST 2674.03 FEET TO THE SOUTHWEST CORNER OF SECTION 19 AND THE POINT OF BEGINNING.

CONTAINING 185.22 ACRES, MORE OR LESS.

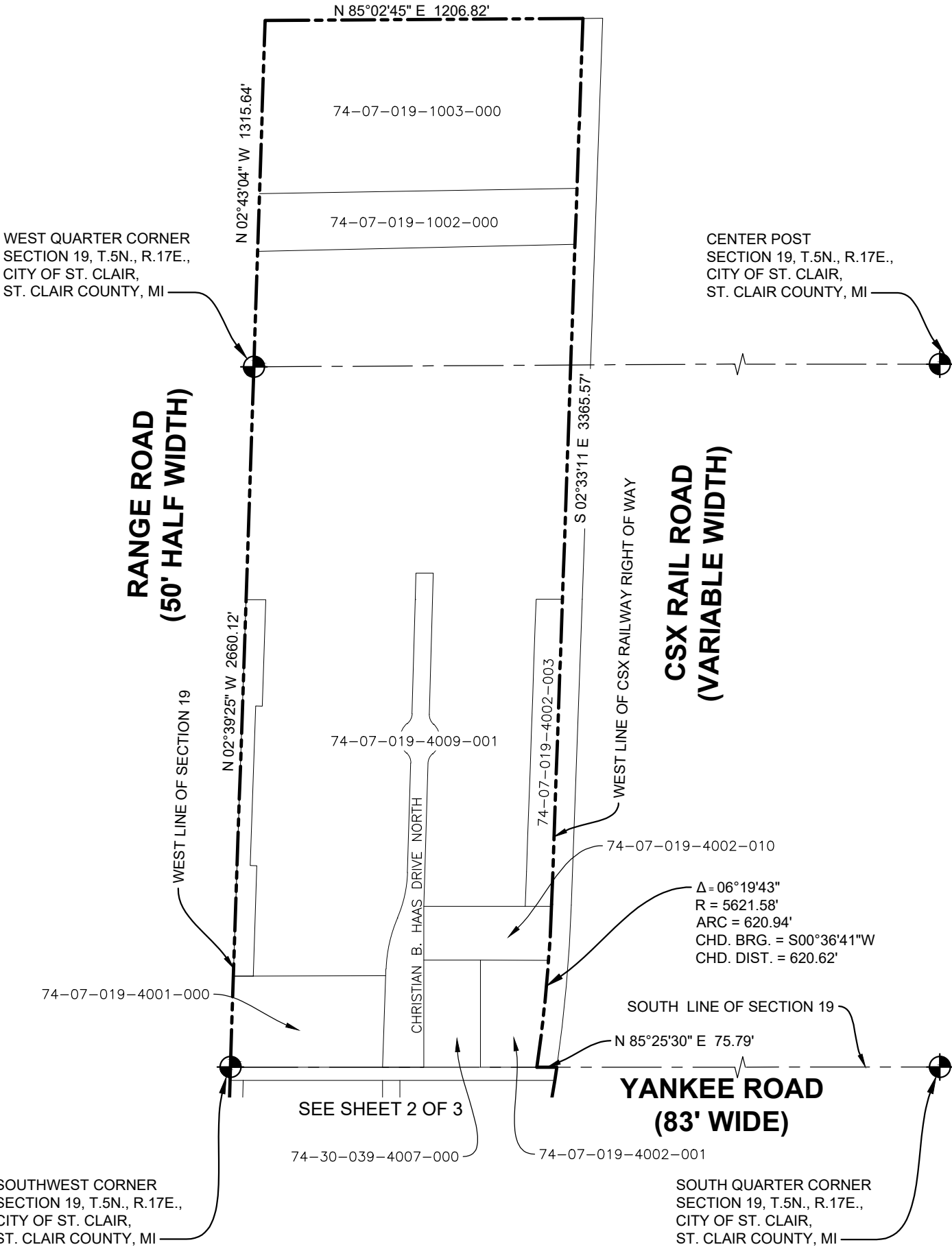
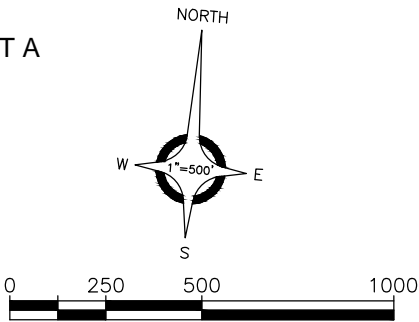


ANDERSON, ECKSTEIN AND
WESTRICK, INC.

CIVIL ENGINEERS SURVEYORS ARCHITECTS
51301 Schoenherr Rd Phone 586 726 1234
Shelby Township Fax 586 726 8780
Michigan 48315
www.aewinc.com

SKETCH OF DESCRIPTION

EXHIBIT A



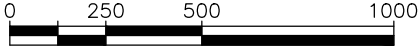
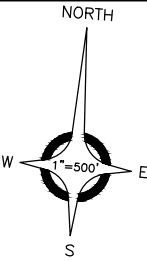
LDFA Boundary Description

SEC: 19	TWP: ST. CLAIR	AEW NO.: 0186-0227
COUNTY: ST. CLAIR		DRAWN BY: RO
PLAN NO.:	BOOK NO.:	CHECKED BY: JLA
SCALE: 1" = 500'		SHEET: 01 OF 03



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Michigan 48315
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SKETCH OF DESCRIPTION



SEE SHEET 1 OF 3

**YANKEE ROAD
(83' WIDE)**

SOUTHWEST CORNER
SECTION 19, T.5N., R.17E.,
CITY OF ST. CLAIR,
ST. CLAIR COUNTY, MI

SOUTH QUARTER CORNER
SECTION 19, T.5N., R.17E.,
CITY OF ST. CLAIR,
ST. CLAIR COUNTY, MI

$\Delta = 06^{\circ}38'07''$
 $R = 5729.61'$
 $ARC = 663.53'$
 $CHD. BRG. = S07^{\circ}31'14''W$
 $CHD. DIST. = 663.16'$

**RANGE ROAD
(50' HALF WIDTH)**

WEST LINE OF SECTION 30

WEST QUARTER CORNER
SECTION 30, T.5N., R.17E.,
CITY OF ST. CLAIR,
ST. CLAIR COUNTY, MI

CENTER POST
SECTION 30, T.5N., R.17E.,
CITY OF ST. CLAIR,
ST. CLAIR COUNTY, MI

JORDAN CREEK (66' WIDE)

BROWN STREET

L DFA Boundary Description

SEC: 19	TWP: ST. CLAIR	AEW NO.: 0186-0227
COUNTY: ST. CLAIR		DRAWN BY: RO
PLAN NO.:	BOOK NO.:	CHECKED BY: JLA
SCALE: 1" = 500'		SHEET: 02 OF 03



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51301 Schoenherr Road
Shelby Township, MI 48315

586.726.1234
www.aewinc.com

OCTOBER 6, 2022
0186-0227
SHEET 3 OF 3

**LDFA BOUNDARY
DESCRIPTION**

PARCELS: 74-07-019-1003-000, 74-07-019-1002-000, 74-07-019-4009-001, 74-07-019-4002-003, 74-07-019-4002-010, 74-07-019-4002-001, 74-30-039-4007-000, 74-07-019-4001-000, 74-07-295-0002-000, 74-07-295-0001-000, 74-07-295-0006-000, 74-07-295-0005-000, 74-07-295-0008-000, 74-07-295-0007-000, 74-07-057-0020-000, 74-07-057-0020-100, 74-07-057-0021-000 AND 74-07-057-0021-100. ALSO INCLUDING HALF OF THE RIGHT OF WAY OF RANGE ROAD (50.00 FEET HALF WIDTH), INCLUDING FULL WIDTH OF YANKEE ROAD (83.00 FEET WIDE) AND INCLUDING FULL WIDTH OF JORDAN CREEK DR. (66.00 FEET WIDE)

PART OF THE SOUTHWEST QUARTER OF SECTION 19, TOWN 5 NORTH, RANGE 17 EAST AND PART OF THE NORTHWEST QUARTER OF SECTION 30, TOWN 5 NORTH, RANGE 17 EAST, CITY OF ST. CLAIR, ST. CLAIR COUNTY, MICHIGAN, BEING DESCRIBED AS:

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SUBJECT TO ANY AND ALL EASEMENTS AND RIGHTS OF WAY OF RECORD OR OTHERWISE.

FROM RECORDS ONLY, NO FIELD WORK HAS BEEN PERFORMED.

ANDERSON, ECKSTEIN AND WESTRICK, INC.
M:\0186\0186-0227\GEN\DESC\0186-0227 SKETCH DESC.DOCX

EXHIBIT B

Estimated Annual Captured Revenue and Estimated Impact on Taxing Entities

Tax Year	Estimated Year End		Growth	Total LDFA Capture	City Operating	City Pension	City Streets	County Operating	County EMS	County Drugs	County Seniors	County Library	County Parks	County Veterans	County Roads	RESA Operating	RESA Special Ed	RESA Voc Ed	China School		SET	SCCC College
	District	Taxable Value in TIF																	Operating			
2023		7,898,634																				
2024		69,736,959	782.89%	1,475,707	448,552	34,377	85,606	185,336	17,434	19,519	27,836	41,842	17,239	3,480	8,700	6,730	80,288	32,114	313,816	104,605	65,622	
2025		71,131,698	2%	1,505,221	457,523	35,064	87,318	189,043	17,783	19,910	28,392	42,679	17,584	3,549	8,874	6,864	81,894	32,756	320,093	106,098	66,935	
2026		72,554,332	2%	1,535,326	466,673	35,766	89,064	192,824	18,139	20,308	28,960	43,533	17,935	3,620	9,051	7,001	83,532	33,411	326,494	108,631	68,274	
2027		74,005,419	2%	1,566,032	476,007	36,481	90,845	196,681	18,501	20,714	29,539	44,403	18,294	3,693	9,232	7,142	85,202	34,079	333,024	111,008	69,639	
2028		75,485,527	2%	1,597,353	485,527	37,211	92,662	200,614	18,871	21,128	30,130	45,291	18,660	3,767	9,417	7,284	86,906	34,761	339,685	113,228	71,032	
2029		76,995,238	2%	1,629,300	495,237	37,955	94,516	204,626	19,249	21,551	30,733	46,197	19,033	3,842	9,605	7,430	88,645	35,456	346,479	115,493	72,453	
2030		78,535,142	2%	1,661,886	505,142	38,714	96,406	208,719	19,634	21,982	31,347	47,121	19,414	3,919	9,797	7,579	90,418	36,165	353,408	117,803	73,902	
2031		80,105,845	2%	1,695,124	515,245	39,488	98,334	212,893	20,026	22,422	31,974	48,064	19,802	3,997	9,993	7,730	92,226	36,889	360,476	120,159	75,380	
2032		81,707,962	2%	1,729,026	525,550	40,278	100,301	217,151	20,427	22,870	32,614	49,025	20,198	4,077	10,193	7,885	94,070	37,627	367,686	122,562	76,887	
2033		83,342,121	2%	1,763,607	536,061	41,083	102,307	221,494	20,836	23,327	33,266	50,005	20,602	4,159	10,397	8,043	95,952	38,379	375,040	125,014	78,425	
				16,158,563	4,911,515	376,417	937,357	2,029,362	190,900	213,732	304,791	458,160	188,762	38,104	95,259	73,687	879,133	351,638	3,436,201	1,145,460	718,548	

¹ LDFA Capture is reduced by 50% due to a PA 198 Tax Abatement

² New taxable value added from new construction + 3% inflationary increase from 2023 Year end TV

Personal Property is not exempt from capture