

**ORDINANCE NO. 2011-08  
APPROVING AMENDMENT TO THE  
TAX INCREMENT FINANCE AND DEVELOPMENT PLAN OF  
THE UNION TOWNSHIP EAST DOWNTOWN DEVELOPMENT AUTHORITY**

WHEREAS, the Union Township East Downtown Development Authority (the "EDDA") has previously prepared and recommended for approval a Tax Increment Finance and Development Plan (the "Original Plan") which was approved by the Township Board of the Charter Township of Union (the "Township") pursuant to Ordinance No. 1985-4 adopted on December 19, 1985; and

WHEREAS, the Township has approved amendments to the Original Plan in 1989 pursuant to Ordinance No. 1985-5-B adopted on March 30, 1989 and Ordinance No. 1989-6 adopted on May 10, 1989, and has approved an amendment and restatement of the Original Plan in 1991 pursuant to Ordinance No. 1991-6 adopted on May 22, 1991 (the Original Plan as amended and restated, the "Plan"); and

WHEREAS, the Board of the Union Township Economic Development Authority (the "Authority"), as governing body of the EDDA, has prepared and recommended for approval amendments to the Plan, attached hereto as Exhibit A (the "Plan Amendment"); and

WHEREAS, on November 9, 2011, the Township Board held a public hearing on the Plan Amendment pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the "Act"); and

WHEREAS, the Township Board has given the taxing jurisdictions subject to capture in the Downtown District an opportunity to meet with the Township Board and to express their views and recommendations regarding the Plan Amendment, as required by the Act; and

WHEREAS, after consideration of the Plan Amendment, the Township Board has determined to approve the Plan Amendment.

NOW, THEREFORE, THE CHARTER TOWNSHIP OF UNION ORDAINS:

1. Findings.
  - (a) The Plan Amendment meets the requirements set forth in the Act.
  - (b) The proposed method of financing the development is feasible and the Authority has the ability to arrange the financing.
  - (c) The development is reasonable and necessary to carry out the purposes of the Act.
  - (d) The land included within the Development Area to be acquired, if any, is reasonably necessary to carry out the purposes of the Plan Amendment and the purposes of the Act in an efficient and economically satisfactory manner.

(e) The development plan portion of the Plan as amended by the Plan Amendment is in reasonable accord with the master plan of the Township.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.

(g) Changes in zoning, streets, street levels, intersections, and utilities, to the extent required by the Plan Amendment, are reasonably necessary for the project and for the Township.

(h) The Township Board has considered the findings and recommendations of the Development Area Citizens Council.

2. Public Purpose. The Township Board hereby determines that the Plan, as amended by the Plan Amendment, constitutes a public purpose.

3. Best Interest of the Public. The Township Board hereby determines that it is in the best interests of the public to proceed with the Plan Amendment in order to halt property value deterioration, to increase property tax valuation, to eliminate the causes of the deterioration in property values, and to promote growth in the Downtown District.

4. Approval and Adoption of Plan Amendment. The Plan Amendment is hereby approved and adopted. A copy of the Plan, the Plan Amendment and all later amendments thereto shall be maintained on file in the Township Clerk's office.

5. Amendment to Ordinance Number; Conflict and Severability. Ordinance No. 1991-6 is hereby amended by this Ordinance. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of the Ordinance are to the extent of such conflict hereby repealed, and each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of the Ordinance.

6. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of the Ordinance.

7. Publication and Recordation. This Ordinance shall be published in full promptly after its adoption in the *Morning Sun*, a newspaper of general circulation in the Township, qualified under State law to publish legal notices, and shall be recorded in the Ordinance Book of the Township, which recording shall be authenticated by the signature of the Township Clerk.

8. Effective Date. The Ordinance is hereby determined by the Township Board to be immediately necessary for the interests of the Township and shall be in full force and effect from and after its passage and publication as required by law.

CERTIFICATES

I hereby certify that the foregoing is a true and complete copy of Ordinance 2011-08, duly adopted by the Township Board of the Charter Township of Union, County of Isabella, State of Michigan, at a special meeting held on November 17, 2011, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by such Act.

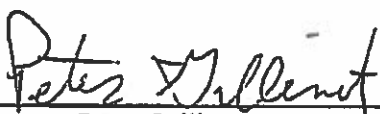
I further certify that the following Trustees were present at said meeting: Barker, Stovak, Gallinat, Dinse, Mikus, and Verwey and that the following Trustees were absent: Lannan.

I further certify that Trustee Stovak moved adoption of said Ordinance and Trustee Verwey supported said motion.

I further certify that the following Trustees voted for adoption of said Ordinance: Barker, Stovak, Gallinat, Dinse, Mikus, and Verwey, and that the following Trustees voted against adoption of said Ordinance: None.

  
\_\_\_\_\_  
Peter Gallinat  
Township Clerk

I hereby certify that the foregoing ordinance received legal publication in the *Morning Sun* on November 22, 2011.

  
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Peter Gallinat  
Township Clerk

**EXHIBIT A**  
**AMENDMENT**  
**TO**  
**TAX INCREMENT FINANCE**  
**AND**  
**DEVELOPMENT PLAN**  
**OF THE**  
**UNION TOWNSHIP**  
**EAST DOWNTOWN DEVELOPMENT AUTHORITY**

**Adopted by the Union Township  
East Downtown Development Authority on October 11, 2011**

**Approved by the Township Board of the Charter Township of Union on November 17, 2011**

## INTRODUCTION

The Union Township East Downtown Development Authority (the "EDDA") was created in 1985 by ordinance of the Township Board of the Charter Township of Union (the "Township"). The EDDA and the Township approved and adopted the original *Development and Tax Increment Financing Plan* (the "Original Plan") in 1985. The district boundaries of the EDDA were amended in 1988 and 1991. The Original Plan was amended in 1989, and was amended and restated in its entirety in 1991 (the "1991 Plan"). The Development Area, as established in the 1991 Plan, is as indicated in Appendix A hereto. The governing body for the EDDA is the Union Township Economic Development Authority Board.

The 1991 Plan contained a list of projects to be undertaken by the EDDA in cooperation with the Township. This 2011 Amendment extends the duration of the 1991 Plan to allow for the completion of projects described in the 1991 Plan and to provide for new projects and activities for the purpose of preventing property value deterioration and encouraging further investment within the district in accordance with Act 197, Public Acts of Michigan, 1975, as amended ("the DDA Act").

In order to accomplish these projects this 2011 Amendment extends the life of the 1991 Plan to December 31, 2021 except as otherwise provided herein.

### **2011 Amendments Supplement the 1991 Plan**

This 2011 Amendment is an update and addition to the 1991 Plan and must be read in concert with the 1991 Plan. This 2011 Amendment refers to certain portions of the 1991 Plan but does not repeal or abrogate any provision of the 1991 Plan unless expressly stated. (The 1991 Plan as amended by the 2011 Amendment is referred to herein as the "2011 Amended Plan.")

## AMENDMENT TO DEVELOPMENT PLAN

The Development Plan of the 1991 Plan is amended as follows.

### Boundaries of Development Area

The Development Area is confirmed and is attached as Appendix A hereto.

### The Location, Extent, Character and Estimated Cost of Improvements and Estimated Time for Completion

In light of the changing and growing needs of the community and in order to fulfill the purpose of the 1991 Plan and the DDA Act, this 2011 Amended Plan includes the following additions to the improvement program of the EDDA. The program continues to focus on projects that will enhance and revitalize the downtown business district, prevent deterioration of the downtown business district, and encourage private development and investment in the

district. The following projects are added to Section D of the 1991 Plan, under the subheadings listed below, with estimated costs and time frames for each.

**Road/Street Improvements:**

Paving of Bud Street	\$100,000	End of 2012
Enterprise Park resurface roads	\$250,000	End of 2013
Broadway and Summerton Intersection	\$50,000	End of 2014
Isabella Road Repave	\$85,000	End of 2016
Summerton Rd. Overlay	\$51,840	End of 2016
Hyde Rd. reconstruction	\$50,000	End of 2016
Airport Rd. construct and pave	\$125,000	End of 2016

**Jameson Park Renovation:**

Community Kitchen project	\$125,000	End of 2012
Plan for parks upgrade	\$7,500	End of 2012
Jameson Park modernization/dog park	\$50,000	End of 2012

**Storm Drainage:**

Enterprise Park drainage	\$250,000	End of 2012
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**Water System Improvements:**

Water main looping (Airport rd. to Pickard)	\$250,000	End of 2017
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**Burying Remaining Utilities:**

Summerton to U.S. 127	\$1,000,000	End of 2021
U.S. 127 to Isabella Rd.	\$1,750,000	End of 2021
Isabella Rd. to Packard St.	\$1,250,000	End of 2021

**Land Acquisition:**

Land for Jameson park expansion	\$100,000	End of 2012
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The following projects are added to Section D of the 1991 Plan under new subheadings indicated below.

**Sidewalks:**

Five miles according to non motorized plan	\$393,750	End of 2014
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**Non-Motorized Pathways:**

Way finding program	\$15,000	End of 2014
Non-motorized path(s)	\$645,590	End of 2015

**Sewer Infrastructure:**

Manhole rehabilitation	\$264,000	End of 2016
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**Pickard Corridor Improvements:**

Reseeding lawn right of ways	\$10,000	End of 2012
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MDOT Pickard St. improvements                      \$250,000                      End of 2014

**Total estimated proposed project cost    \$7,072,680**

**AMENDMENT TO TAX INCREMENT FINANCING PLAN**

The Tax Increment Financing Plan of the 1991 Plan is amended as follows.

**A Detailed Explanation of the Tax Increment Procedure**

The section of the 1991 Plan under the subheading "Payment of Tax Increments to Downtown Development Authority" is removed in its entirety and replaced in this 2011 Amended Plan by the following language:

The tax collecting treasurer will distribute all current tax collections to the tax assessing units until they are paid in full for their levy based on the initial assessed values. Delinquent taxes, in total, are attributed to the EDDA up to the amount of the total mills levied times the total captured values. Only when the total amounts of delinquent taxes exceed the total levy due the EDDA are the local assessing units allocated any delinquent taxes.

**Duration of the 2011 Amended Plan**

The 2011 Amended Plan will terminate on December 31, 2021 except as the same may be modified from time to time by the Township Board in accordance with the procedures required by the DDA Act. The Township may abolish this plan when it finds that the purposes for which this plan was approved have been accomplished, but not before the principal and interest owing on any bonds which are outstanding has been paid in full, or funds sufficient for such payment have been segregated.

**Estimated Annual Captured Assessed Value and Tax Increment Revenues**

See Appendix B.

**Estimate of the Impact of the Tax Increment Financing Plan on Taxing Jurisdictions**

See Appendix C.

## APPENDIX A

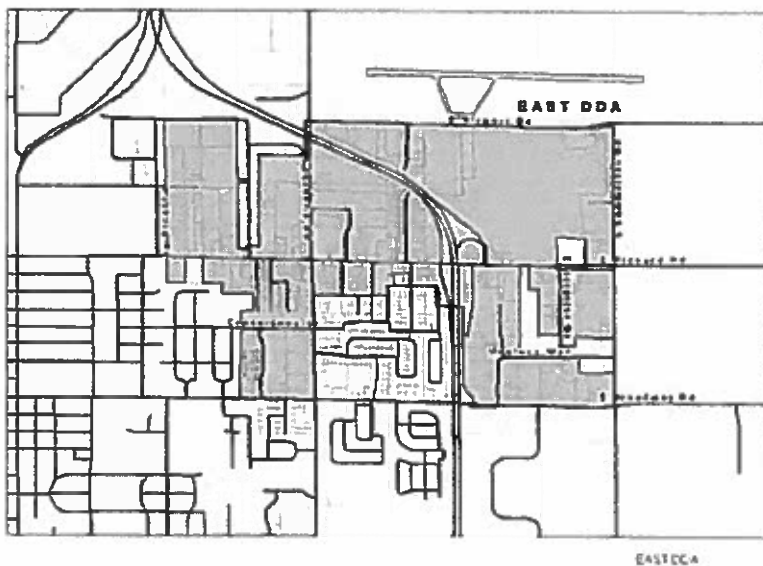
### DEVELOPMENT AREA

Part of Sections 11, 12, 13 and 14 of Union Township, Isabella County, Michigan, described as: Commencing at the Northeast corner Section 13; thence southerly along the centerline of Summerton Road to the intersection of the centerline of said road and the extended South right-of-way of Pickard Road (M-20), said point of beginning; thence continuing Southerly along the centerline of Summerton Road to the intersection of the centerline of said road and the extended South line of the South 5 rods of the East 16 rods of the Northeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 13; thence Westerly along said South line to a point, which is North 1292.69 feet and West 264.26 feet from the East  $\frac{1}{4}$  corner of section 13; thence Westerly to the Southeast corner of the North  $\frac{1}{2}$  of Enterprise Park Lot 15; thence Westerly along the South line of the North  $\frac{1}{2}$  of Enterprise Park Lot 15 to its intersection with the East line of Enterprise Drive; thence Northerly along said East line of Enterprise Drive to its intersection with the extended North line of the South 12.75 feet of Enterprise Park Lot 9; thence Westerly along said North line of the South 12.75 feet of Enterprise Park Lot 9 to the Southwest corner of the South 12.75 feet of Enterprise Park Lot 9; thence Northerly to the Southeast corner of the North 444 feet of the East  $\frac{1}{2}$  of the East  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 13; thence Westerly along the South line of the North 444 feet of the East  $\frac{1}{2}$  of the East  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 13 to the Southwest corner of the North 444 feet of the East  $\frac{1}{2}$  of the East  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 13 to the Southwest corner of the North 444 feet of the East  $\frac{1}{2}$  of the East  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 13; thence Northerly along the West line of the North 444 feet of the East  $\frac{1}{2}$  of the East  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  Section 13 to its intersection with the South right-of-way line of Pickard Road (M-20); thence Westerly along said South right-of-way line of Pickard Road (M-20) to its intersection with the East line of the West  $\frac{1}{2}$  of the East  $\frac{1}{2}$  of the Northwest  $\frac{1}{4}$  of Section 13; thence Southerly along said East line of the West  $\frac{1}{2}$  of the East  $\frac{1}{2}$  of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 13 to the Northeast corner of the South 377.96 feet of Enterprise Park Lot 6; thence Southerly along the West line of said Enterprise Park Lot 6 extended to its intersection with the South right-of-way line of Venture Way; thence Easterly along said South right-of-way line of Venture Way to the Northeast corner of Enterprise Park Lot 20; thence Southerly to the Southeast corner of Enterprise Park Lot 20; thence Easterly along the North line of the South  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  extending to its intersection with the centerline of Summerton Road; thence south along said centerline of Summerton Road to its intersection with the extended South right-of-way line of Broadway Road; thence Westerly along the South right-of-way line and extended South right-of-way line of Broadway Road to the intersection of the South right-of-way line of Broadway Road and the East right-of-way line of US 127; thence Northerly along the East right-of-way line of US 127 to a point 764.5 feet South of the South right-of-way line of Pickard Road (M-20); thence Westerly along a line parallel to the South right-of-way line of Pickard Road (M-20) to the West right-of-way line of First Street; thence Northerly along said West right-of-way line of First Street to the South right-of-way of Palmer Street; thence Westerly along the said South right-of-way of Palmer Street to its intersection with the extended West right-of-way line of Second Street; thence Northerly along said extended West right-of-way line of Second Street to South right-of-way line of an alley; thence Westerly along said South right-of-way line of alley to the Northeast corner of Garden Grove NO. 1 Lot 8 Block 3; thence Southerly along the extended East line of said Lot 8 to its intersection with the South right-of-way of Palmer Street; thence Westerly along the South right-of-way line of said street to the East line of Wards View Subdivision; thence southerly along said East line to the Southeast corner of said



subdivision; thence Westerly along South line of said subdivision to the East right-of-way line of Isabella Road; thence Southerly along said right-of-way line to the intersection of the extended East right-of-way line of Isabella Road and the South right-of-way line of Broadway Road; thence Westerly along the said right-of-way line to the West line of the Southeast 1/4 of the Northeast 1/4 of Section 14; thence Northerly along said line to the extended South line of the plat of Carter's Addition; thence Easterly along said extended line to the Southwest corner of Lot 23 of the plat of Carter's Addition; thence Northerly along the West line of said plan to a point approximately 660 feet South of the North line of Section 14; thence Westerly parallel to and approximately 660 feet South of the North line of Section 14 to the East Line of the West 1/2 of the East 1/2 of the Northwest 1/4 of the Northeast 1/4 of Section 14; thence Northerly along said line to a point approximately 500 feet South of the North line of Section 14; thence Westerly parallel to and approximately 500 feet South of the North line of Section 14 to the West line of the West 1/2 of the East 1/2 of the Northwest 1/4 of Section 14; thence Northerly along said West line to the South right-of-way line of Pickard Road (M-20); thence Westerly along said South line to the East line of the West 1/4 of the Northwest 1/4 of the Northeast 1/4 of Section 14; thence Southerly along said East line to a point approximately 500 feet South of the North line of Section 14; thence Westerly parallel to and approximately 500 feet South of the North line of Section 14 to the West line of the Northeast 1/4; thence Northerly along said line to the Northerly right-of-way line of Airport Road; thence Easterly along said North right-of-way line to the East line of the Northwest 1/4 of the Southeast 1/4 of Section 11; thence South along said line to the Northwest corner of Tillicium Drive; thence Easterly along the North right-of-way line of said drive to the West right-of-way line of Belmont Drive; thence Southerly 66 feet along the West right-of-way line of Belmont Drive to the Southerly right-of-way line of Tillicium Drive; thence Westerly along the South right-of-way line of Tillicium Drive to the East line of the Northwest 1/4 of the Southwest 1/4 of Section 11; thence South along said line to the Northwest corner of Lot 1 of the plat of Belmont Park; thence Easterly along the North line of said lot to the Northeast corner of said lot; thence Southerly along the East line of said lot to a point 17 feet South of the North line of Lots 1 and 2 of said plat; thence Easterly parallel to the North line of said lots to the West right-of-way line of Belmont Drive; thence Northerly along said West right-of-way line of Belmont Drive; thence Northerly along said West right-of-way line of said drive to the extended North line of Lots 3 and 4 of said plat; thence Easterly along said North line to the East line of said plat; thence Northerly along the East line of said plat to the Northeast corner of Edgewood Subdivision; thence Easterly along the South line of Airport Acres Subdivision to the Westerly right-of-way line of US-127; thence North to the extended North right-of-way line of Airport Road; thence Easterly along said North right-of-way line and the extended North right-of-way line to the centerline of Summertown Road; thence Southerly along the East line of Section 12 to its intersection with the extended North right-of-way line of Pickard Road (M-20); thence Westerly along said North right-of-way line approximately 500 feet; thence Northerly to the South line of Holiday Estates; thence Westerly to the Southwest corner of Lot 34 of Holiday Estates; thence Southeasterly along the easterly pipeline right-of-way to its intersection with the North Bank of Hance Drain; thence Westerly along said North Bank approximately 477 feet; thence Southerly to the South right-of-way line of Pickard Road (M-20); thence Easterly along said right-of-way to the place of beginning.

# Map of East DDA



**APPENDIX B**

**ESTIMATED ANNUAL CAPTURED ASSESSED VALUE AND  
TAX INCREMENT REVENUES**

<b>Tax Year</b>	<b>Township Budget Year</b>	<b>Captured Value</b>	<b>Revenue</b>
2011	2012	\$40,741,379	\$556,603
2012	2013	\$49,162,622	\$671,650
2013	2014	\$49,654,248	\$678,366
2014	2015	\$50,150,791	\$685,150
2015	2016	\$51,655,314	\$705,705
2016	2017	\$52,171,868	\$712,762
2017	2018	\$52,693,586	\$719,889
2018	2019	\$53,220,522	\$727,088
2019	2020	\$53,752,727	\$734,359
2020	2021	\$54,290,255	\$743,350
<b>Total Revenue</b>			<b>\$6,934,922</b>

MILLER, CARFIELD, PADDOCK AND STICHE, P.L.C.

**APPENDIX C**

**ESTIMATE OF TAX INCREMENT FINANCING ON TAXING JURISDICTIONS**

**Ten Year Cumulative Impact**

Isabella County	\$3,333,884
Isabella County Commission on Aging	\$379,498
Isabella County Transportation Commission	\$491,694
Medical Care Facility	\$354,199
Chippewa River District Library	\$873,049
Charter Township of Union (Operating)	\$503,029
Charter Township of Union (Fire)	\$999,569

MULLER, CAMFIELD, PADDOCK AND STONE, P.L.C.

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