

TAX INCREMENT FINANCE
AND DEVELOPMENT PLAN

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UNION TOWNSHIP BOARD

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UNION TOWNSHIP EAST
DOWNTOWN DEVELOPMENT AUTHORITY

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With Assistance From:

PROGRESSIVE ENGINEERING CONSULTANTS
OF GRAND RAPIDS, INC.

November 21, 1985

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DEVELOPMENT PLAN

INTRODUCTION

The primary intention of the Union Township East DDA is to encourage economic growth through proper planning and provision of necessary and desirable public improvements. The following text refers to the entire district over which the authority maintains jurisdiction as most recently established and identified by Township Ordinance in accordance with Act 197, P.A. 1975, as amended.

A. THE BOUNDARIES OF THE DEVELOPMENT AREA IN RELATION TO HIGHWAYS, STREETS, STREAMS OR OTHERWISE (SEE FIGURE A).

The Development Area encompasses the same area as the boundaries of the DDA. It is generally located along and either side of Pickard Road (M-20) east of the City of Mt. Pleasant from the city limits to Summerton Road, the east township limits. It also includes larger tracks of land north and south of Pickard Road at the eastern one-third of the development area that includes the Central Michigan Inns and Holiday Estates property to the north, and Enterprise Park to the south. It is best described by the legal description as provided in Section B (5).

B. THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA; THE LOCATION, CHARACTER AND EXTENT OF EXISTING AND PROPOSED PUBLIC AND PRIVATE LAND USES INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL AND OTHER USES; AND A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

(1) The location and extent of existing streets (See Figure A).

The following public streets are within the development area:

- . Enterprise Drive - entire length.
- . Ventureway - entire length.
- . Parkway Drive - entire length.
- . Broadway Road - between US-27 and Summerton Road.
- . Pickard Road - from the Mt. Pleasant city limits to the centerline of Summerton Road.
- . Isabella Road - from the south edge of Airport Acres to just south of Pickard Road.
- . Bud Street - from Pickard Road north to the Township Park.
- . Summerton Road - the entire length, along the east line of the DDA.

- . Airport Road - south one-half along Holiday Inn golf course.
- . Hyde Drive - from Pickard Road south.

Very short sections of the following streets are also included within the development area:

- . Belmont Drive
- . Carter Street
- . Betty Lane
- . Florence Street
- . Elizabeth Street

An inventory of existing streets within the development area is as follows:

STREET INVENTORY

TABLE 1

	<u>Width</u>	<u>Surface Type and Class</u>	<u>Curbs & Gutters</u>	<u>Side Walks</u>
Pickard	60'	Concrete (A)	Yes	No
Isabella	24'	Bituminous (A)	No	No
Belmont	28'	Gravel (B)	No	No
Carter	28'	Gravel (B)	No	No
Betty Lane	28'	Gravel (B)	No	No
Florence	28'	Gravel (B)	No	No
Bud	28'	Gravel (B)	No	No
Elizabeth	28'	Gravel (B)	No	No
Airway	28'	Gravel (B)	No	No
Second	28'	Gravel (B)	No	No
Hyde	28'	Gravel (B)	No	No
Enterprise	24'	Bituminous (A)	No	No
Ventureway	24'	Bituminous (A)(B)	No	No
Parkway	24'	Bituminous (B)	No	No
Summerton	28'	Gravel (B)	No	No
Airport	28'	Gravel (B)	No	No

(2) The location and extent of existing public facilities (See Figures B & C)

Municipal Water System - There is no public water system servicing the district.

Sanitary Sewer - The municipal wastewater collection system was built in 1978. The facilities within the development area consist of gravity collector sewers, two lift stations and forcemain along Pickard Road feeding into gravity manholes. The township owns the collector system and 15% of the Mt. Pleasant treatment facility.

Storm Sewer - County and state drainage systems are located along Pickard Street, and south of Pickard just east of US-27.

Public Buildings - A township meeting room at Jameson Park is located within the development area.

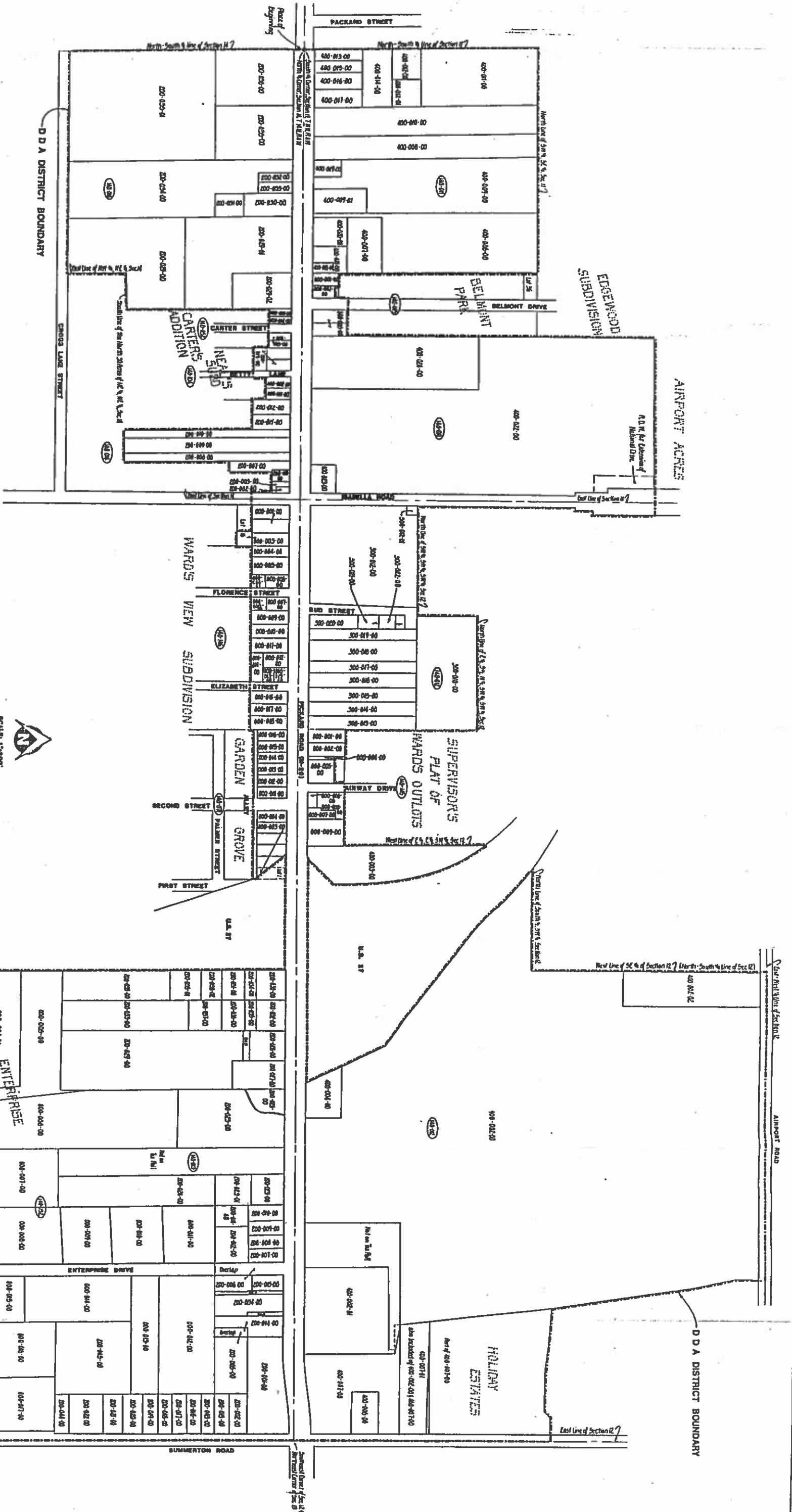
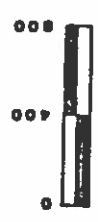
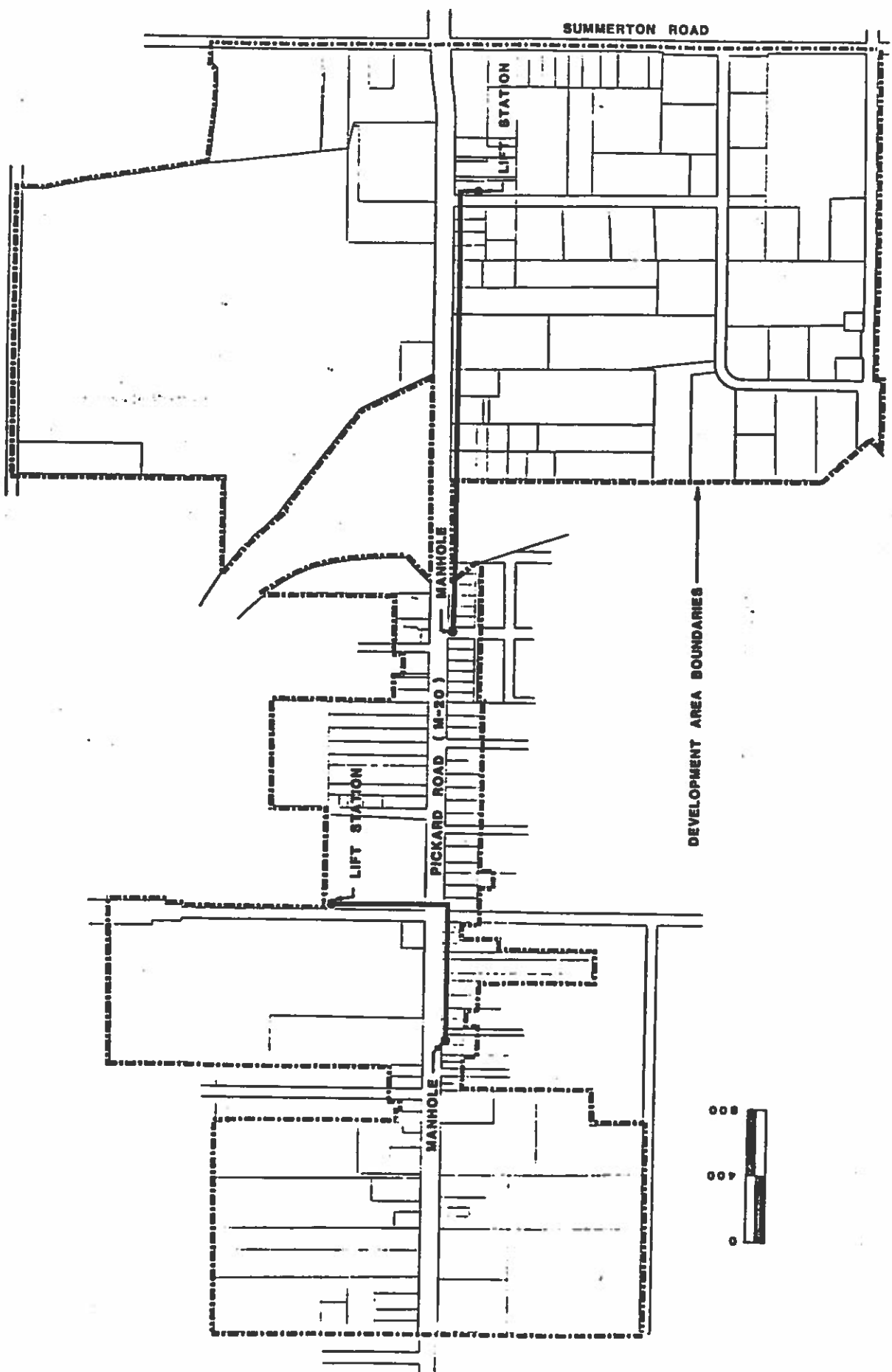


FIGURE A

UNION TOWNSHIP EAST DDA BOUNDARY

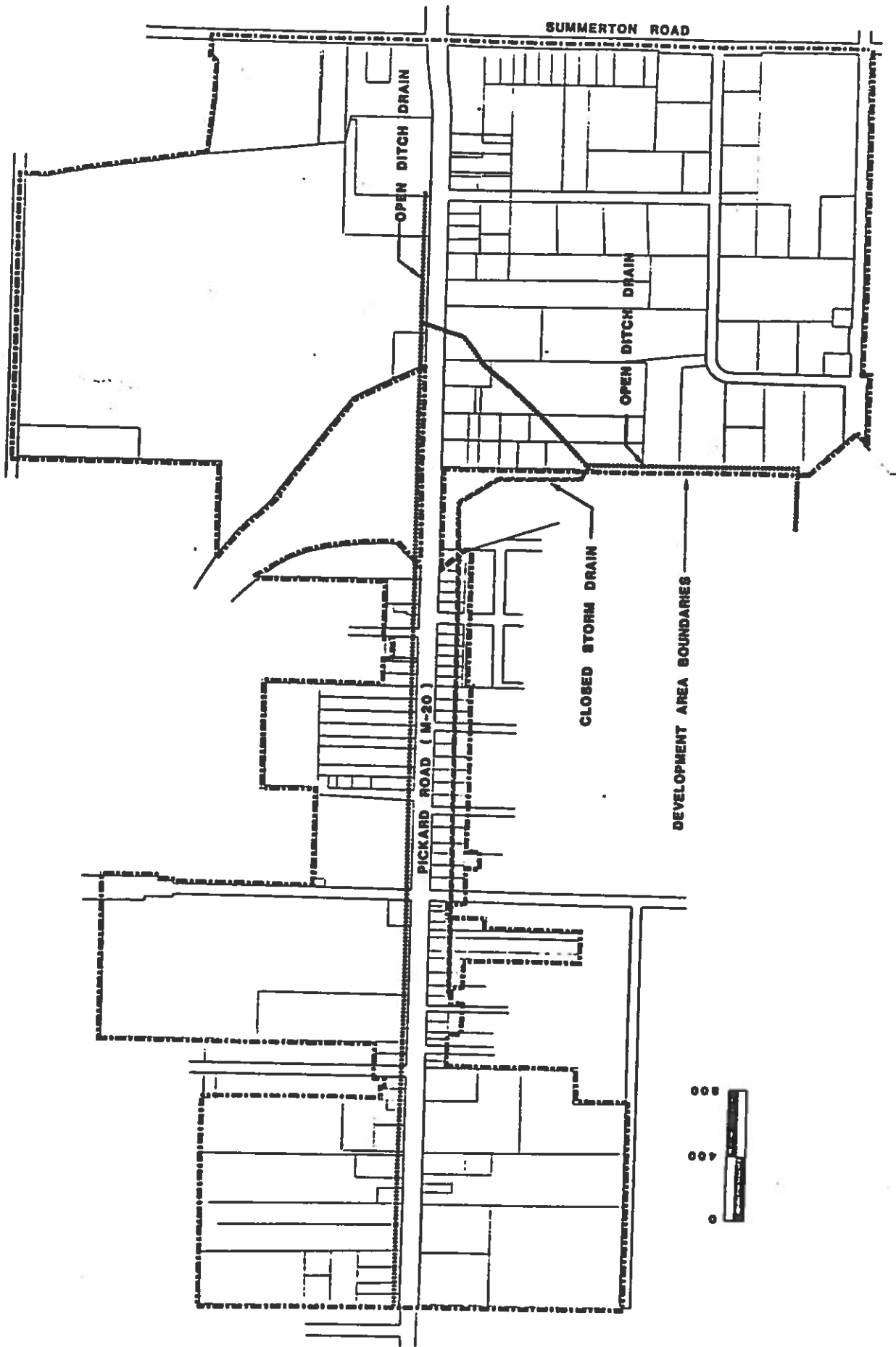
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OCT. 1988



UNION TOWNSHIP EAST D D A

SANITARY SEWER SYSTEM

FIGURE 2



UNION TOWNSHIP EAST D D A
STORM SEWER SYSTEM

FIGURE C

EXISTING LAND USES AND PROPERTY VALUES

TABLE 2

TAX NUMBER	PROPERTY NAME	LOT SIZE	LAND USE	ZONING	REAL SEV	PERSONAL SEV
011 400 006 00	Grewe		Vacant	Ind./HwyBus.	13,600	0
011 400 007 00	Universal Drilling	2.00	Commercial	Ind./HwyBus.	8,600	0
011 400 008 00	Packer	4.00	Vacant	Ind./HwyBus.	26,000	0
011 400 009 00	MMB Investments	9.00	Industrial	Ind./HwyBus.	83,400	0
011 400 009 01	Bank of Alma	1.00	Office	Highway Bus.	125,000	0
011 400 010 00	Rays Automotive Inc.	4.43	Commercial	Ind./Hwy. Bus	84,100	0
011 400 011 00	Jones & Cernek	3.50	Vacant	Industrial	3,200	0
011 400 012 00	Maxco Energy Service		Ind./Office	Industrial	24,100	0
011 400 012 01	Maxco Energy Service		Ind./Office	Industrial	14,900	0
011 400 013 00	Curtiss	0.50	Residential	Highway Bus.	11,900	0
011 400 014 00	Mid-Mich Welding Sup	2.00	Commercial	Industrial	55,600	0
011 400 015 00	Keeley	0.50	Residential	Highway Bus.	30,200	0
011 400 016 00	Ellis		Residential	Highway Bus.	20,000	0
011 400 017 00	Godwin Realty Co.	0.75	Commercial	Highway Bus.	14,800	0
011 400 019 00	MMB Investments	0.50	Residential	Highway Bus.	6,100	0
011 400 020 00	Tuna		Commercial	Highway Bus.	19,200	0
011 400 021 00	Cotsman	0.63	Commercial	Highway Bus.	45,200	0
011 400 021 01	Sarakatsanis	0.47	Commercial	Highway Bus.	6,900	0
011 400 022 00	Godwin Realty	34.10	Vacant	ResGenHwyBus	99,300	0
011 400 023 00	Feltman & Moody		Service	Highway Bus.	33,000	0
011 400 024 00	Erb Lumber Company	6.09	Commercial	Hwy/Gen. Bus	283,000	0
012 300 010 00	Union Township	5.0	Public	Residential	0	0
012 300 012 00	Liquid Transport Inc	10.0	Office	Res/Hwy. Bus	166,300	0
012 300 012 01	Union Township		Recreational	Residential	0	0
012 300 013 00	Abrahaason	1.25	Residential	Res/Hwy. Bus	8,700	0
012 300 014 00	Abrahaason	1.25	Residential	Res/Hwy. Bus	12,800	0
012 300 015 00	Henrys	1.25	Residential	Res/Hwy. Bus	6,500	0
012 300 016 00	Abrahaason	1.25	Residential	Res/Hwy. Bus	6,800	0
012 300 017 00	Bishop	1.00	Vacant	Res/Hwy. Bus	15,500	0
012 300 018 00	Bishop	1.75	Vacant	Res/Hwy. Bus	9,000	0
012 300 019 00	Bishop	1.00	Warehouse	Res/Hwy. Bus	21,000	0
012 300 020 00	Bishop	1.25	Vacant	Highway Bus.	25,100	0
012 300 021 00	Bishop	0	Residential	Residential	19,400	0
012 300 022 00	Stroa	0	Residential	Residential	10,400	0
012 400 002 00	Central Mich. Inns	116.3	Recreational	AgResHwyBus.	1,450,000	0
012 400 002 01	Petro Place Partners	5.95	Office	Highway Bus.	1,450,000	0
012 400 002 02	Brehm	3.70	Residential	Agricultural	6,200	0
012 400 003 00	Rapanos		Commercial	Res/Hwy. Bus	4,000	0
012 400 004 00	Joclarobi		Commercial	Highway Bus.	104,100	0
012 400 006 00	Bradford		Office	Residential	30,600	0
012 400 007 00	Hosking Investment	18.3	Vacant	Highway Bus.	116,900	0
012 400 007 01	Tope	1.04	Transport.	Highway Bus.	1,900	0
013 200 001 00	Mich Gas Storage		Industrial	Highway Bus.	31,700	0
013 200 002 00	Mich Oilfield Rental		Residential	Highway Bus.	11,100	0
013 200 003 00	Mich Oilfield Inc.		Residential	Highway Bus.	6,600	0
013 200 004 00	Martin		Residential	Ind/Hwy. Bus	23,000	0
013 200 005 00	Mich Oilfield Rental		Residential	Industrial	600	0
013 200 006 00	Card		Vacant	Ind/Hwy. Bus	4,200	0
013 200 007 00	C & H Development		Commercial	Highway Bus.	3,000	0
013 200 008 00	C & H Development		Commercial	Highway Bus.	14,400	0

(CONT'D)

TABLE 2
(CONT'D)

TAX NUMBER	PROPERTY NAME	LOT SIZE	LAND USE	ZONING	REAL SEV	PERSONAL SEV
013 200 009 00	C & H Development		Commercial	Highway Bus.	4,800	0
013 200 010 00	C & H Development		Commercial	Highway Bus.	5,200	0
013 200 011 00	C & H Development		Commercial	Industrial	1,400	0
013 200 012 00	C & H Development		Commercial	Industrial	1,400	0
013 200 013 00	House of Cabinets		Commercial	Highway Bus.	19,000	0
013 200 014 00	Stovak		Residential	Highway Bus.	23,000	0
013 200 015 00	Foss		Residential	Highway Bus.	8,000	0
013 200 016 00	Munk		Residential	Highway Bus.	4,500	0
013 200 017 00	Mich Oilfield Rental		Residential	Highway Bus.	12,300	0
013 200 018 00	Mich Oilfield Rental		Residential	Highway Bus.	11,900	0
013 200 019 00	Mich Oilfield Rental		Residential	Highway Bus.	2,000	0
013 200 020 00	Mich Oilfield Rental		Residential	Highway Bus.	16,200	0
013 200 021 00	Cochran		Residential	Agricultural	9,900	0
013 200 022 00	Sprague		Residential	Agricultural	28,800	0
013 200 023 00	McBride		Commercial	Highway Bus.	44,700	0
013 200 023 01	McBride		Service	Highway Bus.	1,400	0
013 200 024 00	Wentworth		Coma/Vacant	Highway Bus.	35,000	0
013 200 025 00	Quality Stores Inc.	9.00	Commercial	Highway Bus.	191,100	0
013 200 026 00	Lusk	1.00	Commercial	Highway Bus.	44,700	0
013 200 027 00	Beard Oil Co.	1.37	Commercial	Highway Bus.	86,000	0
013 200 028 00	Breha		Office	Highway Bus.	28,700	0
013 200 029 00	Beard Oil Company		Vacant	Agricultural	5,100	0
013 200 030 00	Mich National Bank		Office	Highway Bus.	101,400	0
013 200 031 00	Parks		Residential	Agricultural	11,900	0
013 200 032 00	Blodgett		Commercial	Highway Bus.	74,200	0
013 200 033 00	Beard Oil & Supply		Vacant	Agricultural	3,000	0
013 200 034 00	Feight		Residential	Highway Bus.	13,600	0
013 200 035 00	Watson		Residential	Highway Bus.	13,500	0
013 200 036 00	Shinkle		Residential	Agricultural	9,600	0
013 200 037 00	Phelps		Residential	Agricultural	11,300	0
013 200 038 00	Nantelle	2.31	Vacant	Agricultural	22,600	0
013 200 038 01	Nantelle		Service	Agricultural	12,600	0
013 200 038 02	Nantelle	8.42	Vacant	Agricultural	0	0
013 200 040 00	Sova	7.70	Commercial	Ind./Ag.	13,200	0
013 200 041 00	McMullen	1.50	Residential	Industrial	28,600	0
013 200 042 00	Campbell		Res./Com.	Agricultural	19,600	0
013 200 043 00	Card	16.23	Vacant	Ind./Ag.	29,600	0
013 200 043 01	Gearhart Industries		Vacant	Industrial	0	0
013 200 043 02	Accord Properties	2.22	Service	General Bus.	0	0
013 200 044 00	Mich Oilfield Rental		Residential	Agricultural	15,500	0
013 200 045 00	Mich Oilfield Rental	4.14	Industrial	Industrial	28,600	0
014 200 001 00	Tillaan		Commercial	Highway Bus.	7,800	0
014 200 002 00	Foltz		Commercial	Highway Bus.	9,000	0
014 200 003 00	Tillaann		Service	Highway Bus.	7,600	0
014 200 007 00	Tillaan		Residential	Res/Hwy Bus.	14,700	0
014 200 008 00	Preizt		Residential	Res/Hwy Bus.	11,300	0
014 200 009 00	Gill		Residential	Res/Hwy Bus.	12,300	0
014 200 010 00	Stahl		Residential	Res/Hwy Bus.	10,900	0
014 200 011 00	Garber		Commercial	Highway Bus.	27,100	0
014 200 012 00	Freeborn		Residential	Highway Bus.	14,300	0

(CONT'D)

TABLE 2
(CONT'D)

TAX NUMBER	PROPERTY NAME	LOT SIZE	LAND USE	ZONING	REAL SEV	PERSONAL SEV
014 200 029 00	Feight	10.18	Vacant	Residential	11,300	0
014 200 029 01	Finch	5.98	Commercial	Res/Hwy Bus.	95,000	0
014 200 029 02	Godwin Realty		Commercial	Res/Hwy Bus.	144,100	0
014 200 030 00	Dalrymple		Commercial	Highway Bus.	16,600	0
014 200 031 00	Williams	8.58	Vacant	Residential	400	0
014 200 032 00	Enterprise Club		Vacant	Highway Bus.	8,700	0
014 200 033 00	Enterprise Club		Vacant	Highway Bus.	7,800	0
014 200 034 00	Enterprise Club		Vacant	Res/Hwy Bus.	19,900	0
014 200 035 00	Smith	3.79	Transport.	Highway Bus.	149,000	0
014 200 035 01	John	12.42	Vacant	Residential	14,500	0
014 200 036 00	Pung	3.79	Commercial	Highway Bus.	284,300	0
045 000 001 00	Sarakatsanis		Commercial	Highway Bus.	18,200	0
045 000 002 00	Beutler		Comm./Res.	Highway Bus.	19,000	0
045 000 003 00	Vets of Foreign Wars		Service	Highway Bus.	0	0
052 000 001 00	Calkins		Commercial	Highway Bus.	15,000	0
052 000 002 00	Parker		Commercial	Highway Bus.	9,400	0
052 000 003 00	Mohlscheid, McCoy		Commercial	Highway Bus.	11,300	0
071 000 003 00	Luplow		Commercial	Highway Bus.	59,400	0
071 000 004 00	Bixby		Residential	Highway Bus.	18,600	0
071 000 011 00	Lumbert		Vacant	Highway Bus.	4,100	0
071 000 012 00	Lumbert		Residential	Highway Bus.	14,100	0
071 000 013 00	Alexander		Residential	Highway Bus.	14,100	0
071 000 014 00	Geiger		Residential	Highway Bus.	14,100	0
071 000 015 00	Geiger		Vacant	Highway Bus.	4,100	0
071 000 016 00	Hood		Vacant	Highway Bus.	5,500	0
104 000 001 00	Drake		Residential	Highway Bus.	12,500	0
104 000 002 00	Terra Energy Ltd.		Office	Highway Bus.	19,600	0
104 000 015 00	Peters		Residential	Highway Bus.	16,400	0
145 000 001 00	Overton		Residential	Highway Bus.	11,100	0
145 000 002 00	Gilray		Commercial	Highway Bus.	16,600	0
145 000 004 00	Greenwald		Service	Highway Bus.	2,600	0
145 000 005 00	Melching		Vacant	Highway Bus.	17,600	0
145 000 006 00	Smith		Vacant	Highway Bus.	2,700	0
145 000 007 00	Smith		Residential	Highway Bus.	18,200	0
145 000 008 00	Hanel		Residential	Highway Bus.	12,300	0
145 000 009 00	Wells		Commercial	Highway Bus.	44,500	0
146 000 001 00	Gilray		Commercial	Highway Bus.	23,500	0
146 000 003 00	Roy		Residential	Highway Bus.	16,300	0
146 000 004 00	Roy		Residential	Highway Bus.	9,600	0
146 000 005 00	Landon		Residential	Highway Bus.	12,800	0
146 000 006 00	Ciatto		Commercial	Highway Bus.	28,100	0
146 000 006 01	Jackson		Residential	Highway Bus.	6,500	0
146 000 007 00	Peters		Commercial	Highway Bus.	14,700	0
146 000 008 00	Schafer		Residential	Highway Bus.	4,500	0
146 000 009 00	Vanderpuy		Vacant	Highway Bus.	13,100	0
146 000 010 00	Peters		Residential	Highway Bus.	23,600	0
146 000 011 00	Rock		Vacant	Highway Bus.	17,400	0
146 000 012 00	Packer		Vacant	Highway Bus.	18,000	0
146 000 013 00	Packer		Residential	Highway Bus.	6,300	0
146 000 014 00	Foote		Residential	Highway Bus.	6,800	0

(CONT'D)

TABLE 2
(CONT'D)

TAX NUMBER	PROPERTY NAME	LOT SIZE	LAND USE	ZONING	REAL SEV	PERSONAL SEV
146 000 015 00	Packer		Vacant	Highway Bus.	7,100	0
146 000 016 00	Hood & Hostutler		Commercial	Highway Bus.	11,400	0
146 000 017 00	Hood & Hostutler		Commercial	Highway Bus.	14,600	0
146 000 018 00	Hood & Hostutler		Commercial	Highway Bus.	18,800	0
152 000 001 00	Card		Vacant	Industrial	7,300	0
152 000 002 00	Alann Drilling Co.		Vacant	Industrial	7,500	0
152 000 003 00	Minnows Investaent		Service	Industrial	3,700	0
152 000 003 01	Parkway Investaments		Office	Industrial	15,100	0
152 000 004 00	Card		Vacant	Industrial	6,100	0
152 000 005 00	Card		Commercial	Industrial	7,600	0
152 000 006 00	Card		Vacant	Industrial	14,300	0
152 000 007 00	Warner		Vacant	Industrial	19,500	0
152 000 008 00	Ross		Office	Industrial	489,700	0
152 000 009 00	Card		Industrial	Industrial	144,700	0
152 000 010 00	Card		Vacant	Industrial	8,500	0
152 000 011 00	C & M Development		Commercial	Industrial	8,500	0
152 000 012 00	T D Provins		Ind./Office	Industrial	19,200	0
152 000 013 00	T D Provins		Ind./Office	Industrial	9,700	0
152 000 014 00	T D Provins Drilling		Ind./Office	Industrial	31,600	0
152 000 015 00	Wiser Oil Co % Corp		Ind./Office	Industrial	60,200	0
152 000 016 00	Card		Vacant	Industrial	9,000	0
152 000 017 00	Card		Industrial	Industrial	45,000	0
152 000 018 00	Card		Industrial	Industrial	61,300	0
152 000 019 00	Card		Vacant	Industrial	9,400	0
152 000 020 00	Card		Commercial	Industrial	50,900	0
152 000 021 00	Gearhart Industries		Industrial	Industrial	9,200	0
152 000 022 00	Card		Office./Ind.	Industrial	6,500	0
152 000 023 00	Card		Industrial	Industrial	7,300	0
152 000 024 00	Campbell		Vacant	Industrial	17,200	0
998 000 001 00	A & G Floors, Inc.	N/A	N/A	N/A	0	0
998 000 004 00	Taters	N/A	N/A	N/A	0	4,700
998 000 010 00	Blodgett	N/A	N/A	N/A	0	1,700
998 000 011 00	Beard Oil Company	N/A	N/A	N/A	0	200
998 000 021 00	Cameo Loft	N/A	N/A	N/A	0	300
998 000 022 00	Central Mich Fence	N/A	N/A	N/A	0	1,200
998 000 023 00	Central Michigan Inn	N/A	N/A	N/A	0	68,100
998 000 027 00	Champion Inc.	N/A	N/A	N/A	0	2,600
998 000 059 00	Finch Auto Sales	N/A	N/A	N/A	0	4,100
998 000 064 00	Godwins	N/A	N/A	N/A	0	400
998 000 084 00	Hub Oil Co.	N/A	N/A	N/A	0	100
998 000 089 00	Hosking Geophysical	N/A	N/A	N/A	0	843,600
998 000 100 00	Ciotti	N/A	N/A	N/A	0	26,500
998 000 111 00	Imperial Oil Company	N/A	N/A	N/A	0	21,600
998 000 123 00	Mt. Pleasant Rental	N/A	N/A	N/A	0	16,700
998 000 127 00	Mich Gas Storage Reg	N/A	N/A	N/A	0	250,200
998 000 130 00	Mid-Michigan Welding	N/A	N/A	N/A	0	55,600
998 000 132 00	M&M Chevrolet Inc.	N/A	N/A	N/A	0	12,600
998 000 140 00	Erb Lumber Company	N/A	N/A	N/A	0	28,900
998 000 146 00	Mt. Pleasant Nursery	N/A	N/A	N/A	0	8,600
998 000 179 00	T D Provins Drilling	N/A	N/A	N/A	0	83,700

(CONT'D)

TABLE 2
(CONT'D)

TAX NUMBER	PROPERTY NAME	LOT SIZE	LAND USE	ZONING	REAL SEV	PERSONAL SEV
998 000 221 00	Schlumberger Well	N/A	N/A	N/A	0	118,621
998 000 222 00	Schlumberger Well	N/A	N/A	N/A	0	175,000
998 000 228 00	House of Cabinets	N/A	N/A	N/A	0	300
998 000 236 00	Luplow Electronics	N/A	N/A	N/A	0	4,200
998 000 248 00	Mid Michigan Tool	N/A	N/A	N/A	0	200
998 000 250 00	Towner Petroleum Co.	N/A	N/A	N/A	0	12,500
998 000 251 00	Vantage Processing	N/A	N/A	N/A	0	40,500
998 000 252 00	Wiser Oil	N/A	N/A	N/A	0	14,900
998 000 260 00	Allied Service Inc.	N/A	N/A	N/A	0	7,400
998 000 261 00	Avalon Bar & McBride	N/A	N/A	N/A	0	2,300
998 000 264 00	Hoods Geophysical	N/A	N/A	N/A	0	307,410
998 000 266 00	Baker Service Tools	N/A	N/A	N/A	0	10,100
998 000 267 00	Cement Bond Company	N/A	N/A	N/A	0	6,300
998 000 268 00	Larimer	N/A	N/A	N/A	0	600
998 000 269 00	Federal Oil Co.	N/A	N/A	N/A	0	4,700
998 000 270 00	Prospect Petroleum	N/A	N/A	N/A	0	0
998 000 272 00	Andresen Enterprises	N/A	N/A	N/A	0	5,300
998 000 273 00	Apollo Exploration	N/A	N/A	N/A	0	5,600
998 000 274 00	Mt. Pleasant Realty	N/A	N/A	N/A	0	1,300
998 000 275 00	Neyer Oil Inc.	N/A	N/A	N/A	0	36,600
998 000 276 00	Quality Stores Inc.	N/A	N/A	N/A	0	10,100
998 000 277 00	Marty's Auto Service	N/A	N/A	N/A	0	400
998 000 278 00	Yamaha Sales & Serv.	N/A	N/A	N/A	0	1,200
998 000 302 00	Mich National Bank	N/A	N/A	N/A	0	0,400
998 000 311 00	Southland Lease Exp.	N/A	N/A	N/A	0	0,200
998 000 314 00	Clark's Mobile Homes	N/A	N/A	N/A	0	1,400
998 000 315 00	D Gray Investments	N/A	N/A	N/A	0	1,900
998 000 316 00	Murphy Oil Co.	N/A	N/A	N/A	0	1,500
997 152 003 00	Mid-Michigan Indus.	N/A	N/A	N/A	76,400	0
997 152 012 00	T D Provins Drilling	N/A	N/A	N/A	02,900	0
997 152 013 00	Allied Services	N/A	N/A	N/A	52,900	0

TOTALS: 8,172,500 2,234,731

BASE YEAR SEV: 10,407,231

Community Facilities - No schools, libraries, or health facilities are currently present in the Development Area. The township owns and maintains Jameson Park at the end of Bud Street north of Pickard. The site features a meeting room, restrooms, ballfield and play area.

- (3) The location, character and extent of existing public and private land uses (See Figure A and Table 2).

Table 2 provides a listing of each parcel included within the Development District. The information pertaining to each parcel is from the 1985 tax roll, the base year for the use of Tax Increment Financing. As can be noted, there are 179 real property records, 49 personal property records and 3 industrial facilities exemption records.

Most of the personal property can be directly associated with a real property location. It is the equipment, machinery, etc., located within a structure. The industrial facilities exemptions are for new developments and include only real property. As such, there are normally additional listings in the ad valorem roll for both real property (land) and personal property.

- (4) The location, character and extent of proposed public and private land uses.

As part of its development efforts, the Authority intends to prepare a detailed land use plan identifying proposed land uses in the development area. This plan will assist the Board in carrying out the development program in the best interests of the township, property owners, and residents. It is also understood that the improvement program is intended to encourage commercial development in favor of residential land uses. Other land use changes may be necessary to further the intended purpose of this plan.

- (5) Legal Description of the Development Area (See Figure A).

Part of Sections 11, 12, 13 and 14 of Union Township, Isabella County, Michigan, described as: Beginning at the 1/4 corner common to Sections 11 and 14, T14N, R4W, Union Township; thence Northerly along the North-South 1/4 line of Section 11 to the North line of the Southwest 1/4 of the Southeast 1/4; thence Easterly along the said North line to the Northwest corner of Lot 36 of Belmont Park; thence Southerly along the West line of Belmont Park to the Northwest corner of Lot 1 of said plat; thence Easterly along the North line of said Lot 1 to the Northwest corner of Lot 2 of said plat; thence Southerly along the West line of Lot 2 to the North line of the South 125' of Lot 2; thence Easterly along the said North line to the West line of Belmont Drive; thence Northerly along the West line of Belmont Drive 67' more or less to the intersection of the West line of Belmont Drive and the North line of Lots 3 and 4 of Belmont Park extended Westerly; thence Easterly along the North line and extended North line of Lots 3 and 4 to the Northeast corner of Lot 4; thence Northerly along the East line of Belmont Park and the East line of Edgewood Subdivision to the South line of Airport Acres; thence Easterly along the South line of Airport Acres to the East line of Isabella Road; thence Southerly along the East line of Isabella Road to the North line

of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 12, T14N, R4W, Union Township; thence Easterly along the said North line to the West line of the East 1/2 of the South 1/2 of the North 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 12; thence Northerly along the said West line to the North line of the East 1/2 of the South 1/2 of the North 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 12; thence Easterly along the said North line to the West line of Supervisor's Plat of Ward's Outlots; thence Southerly along the West line of said plat to the Northwest corner of Lot 1 of said plat; thence Easterly along the North line of said Lot 1 to the Northwest corner of Lot 2 of said plat; thence Southerly along the West line of Lot 2 to the North line of the South 144' of Lot 2; thence Easterly along the said North line to the West line of Airway Drive; thence Northerly along the West line of Airway Drive 60' more or less to the intersection of the West line of Airway Drive and the North line of Lots 3 and 4 of the Supervisor's Plat of Ward's Outlots extended Westerly; thence Easterly along the North Line and extended North line of Lots 3 and 4 to the West line of the East 1/2 of the East 1/2 of the Southwest 1/4 of Section 12; thence Northerly along the said West line to the Southwesterly line of U.S. 27; thence Southerly along the Southwesterly line to the North line of Pickard Road (M-20); thence Easterly along the North line of Pickard Road to the Northeasterly line of U.S. 27; thence Northwesterly along said Northeasterly line to the North line of the South 1/2 of the Southwest 1/4 of Section 12; thence Easterly along the said North line to the West line of the Southeast 1/4 of Section 12; thence Northerly along the North-South 1/4 line of Section 12 to the East-West 1/4 line of Section 12; thence S88°42'40" East along the said East-West 1/4 line 1,810.31'; thence S1°17'20" West 177.66'; thence S12°39'40" East 241.75'; thence Southeasterly to the Northwest corner of Holiday Estates; thence S84°44'20" East 196.2'; thence S82°16'16" East 166.3'; thence S89°29'40" East 248.49'; thence N50°02'20" East 50.7'; thence Easterly along the North line of the Holiday Estates to the East line of Section 12; thence Southerly along the East line of Section 12 and the East line of Section 13 to the intersection of the East line of Section 13 and the South line of Broadway Road extended Easterly; thence Westerly along the South line and extended South line of Broadway Road to the intersection of the South line of Broadway Road and the East line of U.S. 27; thence Northerly along the East line of U.S. 27 to the South line of Pickard Road (M-20); thence Westerly along the South line of Pickard Road and the North line of Lots 1, 2 and 3, Block 2, Garden Grove, to the West line of U.S. 27; thence Southeasterly along said West line to the South line of the Alley between Pickard Road and Palmer Street; thence Westerly along the South line of said Alley to the East line of Wards View Subdivision; thence Southerly along said East line to the Southeast corner of Lot 15; thence Westerly along the South line of Lots 3 through 15 of Wards View Subdivision to the East line of Lot 16; thence Southerly along the said East line to the South line of Lot 16; thence Westerly along the said South line to the West line of the East 86' of Lot 16; thence Northerly along the said West line to the North line of Lot 16; thence Westerly along the North line of Lot 16 of Wards View Subdivision to the West line of Isabella Road; thence Northerly along said West line to the South line of the North 155' of the Northeast 1/4 of Section 14; thence Westerly along the said South line to the West line of the East 160' of said Northeast 1/4; thence Southerly 241'; thence Westerly 60'; thence

Southerly 594'; thence Westerly 176'; thence Northerly 721.7'; thence Westerly to the East line of Neal's Subdivision; thence Northerly along said East line to the Southeast corner of Lot 1, Block 1 of Neal's Subdivision; thence Westerly along the South line of Lots 1 and 2 to the East line of Betty Lane; thence Southerly along said East line 66.5' more or less to the intersection of the East line of Betty Lane and the South line of Lot 3, Block 2 of Neal's Subdivision extended; thence Westerly along the South line and extended South line of said Lot 3 to the East line of Carter's Addition; thence Northerly along the said East line to the Southeast corner of Lot 4 of Carter's Addition; thence Westerly along the South line of Lots 1, 2, 3 and 4 to the West line of Carter's Addition; thence Southerly along the said West line to the South line of the North 30 acres of the Northeast 1/4 of the Northeast 1/4 of Section 14; thence Westerly along said South line to the East line of the Northwest 1/4 of the Northeast 1/4 of Section 14; thence Southerly along said East line to the North line of Cross Lane; thence Westerly along said North line to the North-South 1/4 line of Section 14; thence Northerly along said 1/4 line to the Place of Beginning.

C. A DESCRIPTION OF EXISTING IMPROVEMENTS TO BE DEMOLISHED; A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS; AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.

The accomplishment of the Development Plan as stated will require the following alteration and repair of existing facilities and improvements within the development area:

Alterations

Most of the secondary local streets running north and south off of Pickard are gravel Class B roads with no curb and gutter and no sidewalks. Some of these streets will be identified for improvement within the scope of this development plan. Other improved streets may require partial resurfacing and shoulder work as the result of installing water mains.

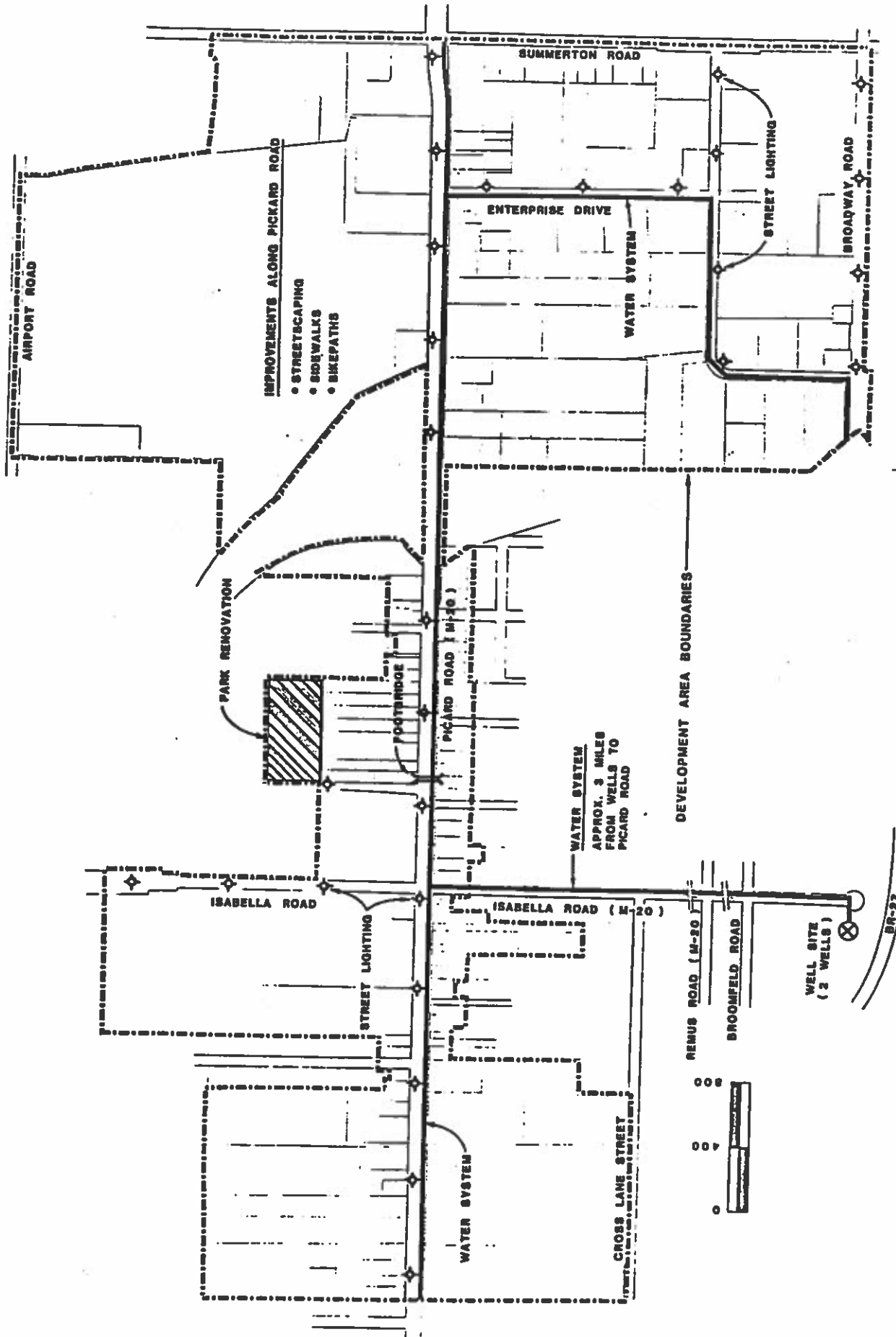
Existing street lighting is inadequate for both safety and aesthetics. The existing system will be improved and expanded throughout the development area.

Repairs

Repairs may take place to improve street and recreation areas within the district.

D. THE LOCATION, EXTENT, CHARACTER AND ESTIMATED COST OF THE IMPROVEMENTS CONTEMPLATED FOR THE DEVELOPMENT AREA INCLUDING REHABILITATION, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION (SEE FIGURE G).

The following list of activities is not in order of priority and is intended as a general program of development. As such, the estimates of extent, time and costs, etc., may change somewhat over the life of the plan.



**UNION TOWNSHIP EAST D D A
PROPOSED PUBLIC IMPROVEMENTS**

FIGURE D

(1) Water System

This improvement is without question the number one priority of the development plan. The provision of water will provide enormous benefit to property owners as well as stabilize property values and enhance the health and welfare of the residents. The provision of water in the district will require the development of a new well field, storage tank, distribution lines and appurtenances.

Estimated Cost: \$762,000.
Estimated Completion: December, 1986.

(2) Design Study

As part of its commitment to sound development and prior to completing Items 5-9 below, a complete design study for the district should be accomplished. This serves to identify the total design concept and prioritizes the individual projects in terms of time for completion, costs and method of financing. The plan will provide for public spaces, parking, pedestrian and vehicular circulation, beautification, amenities and identify ways that individual property owners can improve and coordinate improvements within the overall design.

Estimated Cost: \$10,000.
Estimated Completion: June, 1986.

(3) Tax Mapping

Several property, ownership and description discrepancies exist within the district. Accurate tax mapping of this area would provide a more precise picture of the district in terms of both future improvements and any possible redistricting that might be necessary. In addition, this information is valuable to the township assessor and treasurer in their determination of captured assessed values and tax increment revenue distribution.

Estimated Cost: \$1,500.
Estimated Completion: June, 1986.

(4) Land Use Plan

This plan would be directed to existing and proposed elements of land use within the district. A well documented "total picture" land use plan is expected to guide future development activities.

Estimated Cost: \$5,000.
Estimated Completion: June, 1986.

(5) Street Lighting

New street lighting would be installed the full length of Pickard, expanded at intersections and other locations where necessary in the district.

Estimated Cost: \$80,000.
Estimated Completion: 1987.

(6) Streetscaping

Pedestrian amenities are noticeably absent throughout the study area and a combination of improvements are warranted to correct this situation. Such things as lighting, benches, shelters, trees, shrubs, signs and landscaping would be installed throughout the district.

Estimated Cost: \$150,000.
Estimated Completion: 1987.

(7) Park Renovation

The township owns and maintains Jameson Park which affords local residents recreational opportunities in a relatively high traffic area. However, over the years the park has not been improved and facilities have not been added that could increase its use and value. Improvements to the park's access, parking and a general clean-up and renovation of existing facilities as well as new lighting, concession, toilets, etc., are items of greatest importance.

Estimated Cost: \$80,000.
Estimated Completion: June, 1987.

(8) M-20/US-27 Interchange Beautification

The interchange and adjacent areas should be landscaped and maintained.

Estimated Cost: \$40,000.
Estimated Completion: 1987.

(9) Sidewalks/Bike Paths

Sidewalks and bikepaths will be installed throughout the district where appropriate to facilitate pedestrian and bicycle movement. There are no existing sidewalks or bikepaths within the development area and their exact placement will be determined partly as a result of a completed district design study.

Estimated Cost: \$90,000.
Estimated Completion: December, 1987.

(10) Foot Bridge

Pedestrian movement across Pickard Road (M-20) is particularly hazardous in this area. The highway is five lanes wide and very heavily traveled. The foot bridge location would be in the vicinity of the Isabella Road intersection, but its exact location would be more accurately determined in the district design study. The bridge's design should incorporate a sturdy appearance and include safety and all-weather features.

Estimated Cost: \$50,000.
Estimated Completion: December, 1987.

E. THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.

Construction of the activities being proposed in Section D (above) will be accomplished during construction seasons. It is expected that expenditures of significant size are proposed in 1986 so that a bond issue may be warranted to complete many of the scheduled activities by the end of that year.

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

There are vacant lots that may remain open space for some time depending on when and if they are developed. The Land Use Plan, when it is completed, will more specifically identify future open space.

G. 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.

All public improvements accomplished by the Authority, and any land, property, equipment, etc., obtained to complete the plans set forth in this documents, will be conveyed to the township at no cost.

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

(1) A Description of Desired Zoning Changes.

There is no anticipated need for making any zoning changes.

(2) A Description of Desired Changes in Streets, Street Levels or Intersections.

With the exception of some disruption of pavement, shoulders, gutters, sidewalks and drainage along roadways within the scope of this plan, changes in local streets, street levels or intersections are not anticipated.

(3) A Description of Desired Changes in Utilities.

A new water system is the priority project of this plan. It will include a well field, storage tank, distribution lines along all major roads, and related valves, hydrants, etc. A new lighting system is also proposed for the length of Pickard.

I. AN ESTIMATE OF THE COST OF THE DEVELOPMENT; THE PROPOSED METHOD OF FINANCING THE DEVELOPMENT AND THE ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING.

The estimated cost of the development is approximately \$1,293,500 as described below. The Authority anticipates a first year annual income (collected by March 31, 1987) of approximately \$90,000 based on improvements that have already occurred within the development area (see

Table 4 in Finance Plan). Annual revenues are expected to increase slightly beyond this amount over the life of the plan. The initial activities in the Development Plan will be financed from annual revenues on debt service for an anticipated \$750,000 bond issue (see hypothetical bond schedule in Appendix). The remainder of the improvements will be financed from excess annual revenues, grants and other sources as they may become available. This revenue will be allocated according to this plan and the by-laws of the Authority. The Authority will establish an account as Depository for funds. Most activities will be financed from tax increment revenues, however, other sources of funding will be sought after on a continuing basis. The Authority expects to utilize:

- a. Grants from State and Federal Government for any eligible project or activity.
- b. Grants from private foundations.
- c. Appropriations and shared expenses from the Township, other municipal entities or other local quasi-governmental agencies.
- d. Other sources as identified in the authority's by-laws, local ordinances or resolutions and Act 197 of P.A. 1975 as amended.

The Authority will reimburse the Township for expenses incurred in the preparation of planning documents. In addition, an annual amount will be reserved for operation and administration of the Authority. The total projected income of excess annual tax increments, bond issue and reserve balance is projected at \$1,091,136.

The following Table provides a summary of Development Activities and costs:

DEVELOPMENT ACTIVITIES AND COSTS

TABLE 3

<u>Development Activity</u>	<u>Proposed Method of Financing</u>	<u>Cost</u>
Land Use Plan	Annual Tax Increments Township General Fund	\$ 5,000.00
Design Plan	Annual Tax Increments Foundation Grants	10,000.00
New Sidewalks	Tax Increments	90,000.00
Neighborhood Park	Tax Increments Township General Revenue Dept. of Natural Resources	80,000.00
New Lighting	Tax Increment Bond	80,000.00

<u>Development Activity</u>	<u>Proposed Method of Financing</u>	<u>Cost</u>
Foot Bridge	Tax Increments	50,000.00
Water System	Tax Increment Bond	762,000.00
Streetscaping	Tax Increment Bond	150,000.00
Tax Mapping	Tax Increments	1,500.00
Interchange Beautification	Tax Increments	40,000.00
Reimburse Township	Tax Increments	10,000.00
Operation and Maintenance	Tax Increments	15,000.00
	Total	\$1,293,500.00

- J. 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 IN ANY MANNER AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN IF THAT INFORMATION IS AVAILABLE TO THE AUTHORITY.

The Authority has no plans and no intention at this time to lease, sell or convey in any manner any portion of the development area. The projects are being undertaken for the benefit of the community as a whole.

- K. THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING OR CONVEYING IN ANY MANNER 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 IN ANY MANNER TO THOSE PERSONS.

The Authority will not own and will, therefore, not solicit other persons for bids for the leasing, purchasing, or conveying of any portion of the development.

- L. 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.

There are 57 residences located in the district, of which at least 11 have been found to be vacant. A survey of 46 residences revealed a

population of 68. This is an average of 1.48 persons per household. Applied uniformly over the remaining households yields a total population of approximately 84 persons. There will be no displacement or relocation required as a result of this development plan.

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

There will be no displacement or relocation of persons as a result of this plan.

N. 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, BEING PUBLIC LAW 91-646, 42 U.S.C. SECTIONS 4601, ET SEQ.

There will be no displacement or relocation of persons as a result of this plan.

O. 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.

There will be no displacement or relocation of persons as a result of this plan.

P. OTHER MATERIAL WHICH THE AUTHORITY, LOCAL PUBLIC AGENCY OR GOVERNING BODY DEEMS PERTINENT.

See Appendix.

TAX INCREMENT FINANCING PLAN

A. A DETAILED EXPLANATION OF THE TAX INCREMENT PROCEDURE

The theory of tax increment financing is that investment in necessary public improvements of an area within the municipality will result in greater tax revenues from that area than would otherwise occur if no special development were undertaken. Therefore, it is important to earmark a portion of the resulting increased tax revenues for the purpose of paying the cost of providing public improvements in that area. A tax increment financing and development plan may earmark all or any portion of the tax increment revenues for use in paying the cost of the development plan.

The plan must be adopted by the local legislative body following consultation with the taxing units involved and a public hearing as required by statute. The essence of the tax increment financing procedure is as follows:

(1) Implementing Public Improvements.

The public makes an investment in public improvements, and also potentially in facilities to be leased or sold to private owners, for the purpose of stimulating private investment in a specific Development District. The investment may be made in response to a declining business climate and tax base, or in response to a stable business climate and tax base which the public wishes to protect and develop.

(2) Issuing Bonds.

Bonds may be issued to finance the improvements. This is not mandatory, as tax increments received may be used in any manner the authority desires, provided those uses are described in this plan. Should increments be sufficient to warrant the selling of bonds (tax increment bonds), these bonds are retired in a manner prescribed by the authority.

(3) Captured Assessed Value.

Taxes generated from the subsequent growth in the tax base of the Development District are retained and utilized by the authority. This tax base growth is called the "captured assessed value" (CAV). Specifically it is the increase in state equalized value (SEV) of the project area in any given year over the valuation of that area at the time the tax increment financing development plan was adopted.

(4) Taxing Jurisdiction Agreements.

Tax increment revenues for the DDA result from the application of the general tax rates of the incorporated municipality and all other political subdivisions levying taxes in the development area to the captured assessed value.

Since the plan may provide for the use of part or all of the captured assessed value, the DDA may enter into agreements with each of the taxing units to share a portion of the captured assessed value of the district. Should the authority find it necessary to use all of the captured assessed value, it shall be clearly stated in this plan.

(5) Release of Captured Assessed Value.

When the specified development/financing plan is accomplished, the captured assessed value is released and the taxing units receive all the taxes levied on it from that point on.

(6) Justification for Tax Increment Financing.

Since only the growth in tax base (the captured assessed value) in the Development District is used to finance the development plan, the taxing units continue to receive their full tax levy on the District tax base in existence at the time of adoption of the development plan. In addition, any taxes generated by the captured assessed value beyond the amount required by the development plan are returned each year to the taxing units.

The justification of the tax increment financing procedure is based on the expectation that all or a portion of the "captured assessed value" which is created, following implementation of a Downtown Development Plan, would not have occurred without the stimulation of the public investment involved in the plan implementation; and, therefore, the short-term investment made by the taxing units in foregoing part of the initial growth in tax revenues is repaid by the long-term benefit of substantially greater taxes realized from a significantly stronger tax base.

(7) Preparation of Base Year Tax Increment Roll.

- (a) Within 60 days of the effective date of the ordinance approving this plan, the local Assessor shall prepare the Base Year Tax Increment Roll. The Base Year Tax Increment Roll shall list each Taxing Jurisdiction in which the Development Area is located, the Initial Assessed Value of all real and personal property in the Development Area, the current millage rates of each Taxing Jurisdiction on both real and personal property, the special Tax Rolls prepared for property for which facilities exemption certificates have been awarded, and the amount of tax revenue derived by each Taxing Jurisdiction from ad valorem taxes on the property in the Development Area.

(b) The assessor shall transmit copies of the Base Year Tax Increment Roll to the local Treasurer, County Treasurer, the Downtown Development Authority and each Taxing Jurisdiction, together with a notice that the assessment roll has been prepared in accordance with the tax increment financing plan contained in the Development Plan pursuant to Act 197, Public Acts of 1975, as amended.

(8) Preparation of Annual Tax Increment Roll.

Each year within 45 days following the final equalization of property in the Development Area, the assessor shall prepare an updated Tax Increment Roll. The updated Roll shall show the information required in the Base Year Tax Increment Roll and, in addition, the Captured Assessed Value for that year. Copies of the updated Roll shall be transmitted by the assessor to the same persons as the Base Year Roll, together with a notice that it has been prepared in accordance with the Development Plan.

(9) Establishment of Project Fund; Approval of Depository.

The Treasurer of the Downtown Development Authority shall establish a depository which shall be kept in a bank or banks or other financial institution or institutions, approved by the Board of Directors of the Authority, to be designated Downtown Development Authority Fund. All moneys received by the Downtown Development Authority pursuant to the Development Plan shall be deposited in the Fund. All moneys in that fund and earnings thereon shall be used only in accordance with the Development Plan, the Authority's by-laws and related municipal ordinances and resolutions.

(10) Payment of Tax Increments to Downtown Development Authority.

The Municipal and County treasurer shall, as ad valorem taxes are collected on the property in the Development Area, pay that proportion of the taxes, except for penalties and collection fees, that the Captured Assessed Value bears to the Initial Assessed Value to the treasurer of the Downtown Development Authority for deposit in the Fund. The payments shall be made on the date or dates on which the Municipal and County treasurers are required to remit taxes to each of the taxing jurisdictions.

(11) School Districts Exemption from Captured Assessed Value.

The local treasurer and assessor should be aware that for purposes of computations concerning school districts, the valuation of a district shall not include the captured assessed value included in a tax increment financing plan (Act No. 197, P.A. 1975, as amended and Act No. 94, P.A., 1979).

B. THE MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED.

The Authority intends on issuing bonds to help finance the projects identified in the Development Plan. Two separate issues may be necessary; the first to pay for the proposed water system (\$750,000), and the second to finance the remaining improvements as identified.

C. THE DURATION OF THE PROGRAM.

The duration of the Development Plan and Tax Increment Plan shall be fifteen (15) years from December 31st following the date the municipality adopts this plan or until the following two conditions have been met:

1. The purposes for which the Development Plan was established have been accomplished and,
2. The principal and interest on any outstanding bonds issued have been paid or funds sufficient to make payment have been segregated.

D. AN ESTIMATE OF THE ANNUAL CAPTURED ASSESSED VALUE AND TAX INCREMENT REVENUES. (See Table 4).

The initial assessed value of the development district is \$10,407,231. The base year from which this is taken is 1985, or that value attributable to all of the real and personal property located within the district on December 31, 1984. Table 2 provides a computer listing of all the properties and related assessed valuation within the district. The estimated annual captured assessed value (C.A.V.) and subsequently the tax increment revenues (as projected in Table 4) are based on projects for which the authority has ample prior knowledge. Some of the principal development projects that have occurred since January 1, 1985 and their estimated assessed valuations are:

Imperial Oil	\$ 75,000
Best Western	\$390,000
Holiday Inn	\$300,000

These projects have been awarded commercial facilities exemption certificates of 50% for 12 years. As such, they are taxed at only one-half the normal rate as indicated in Table 4. Still, they yield significant income to the Authority. Other development projects provide over \$1,000,000 in real property increases and \$300,000 in personal property increases.

However, annual tax increment revenues may increase or decrease over time due to changing conditions, such as:

- . Additional investment within the development area not currently anticipated.
- . Affects of inflation, deflation, interest rates, etc. on existing property values and new development projects.
- . Assessed personal property values depreciating at varying rates and periods.
- . Tax laws and local response to development incentives such as tax abatements.
- . Local adjustments or changes with regard to valuation trends.

CAPTURED ASSESSED VALUE AND TAX INCREMENT REVENUE

TABLE 4

		REVENUE ESTIMATION SCHEDULE																
		1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	2001
STATE EDUCATED VALUATION (S.E.V.)		(1046723)	(1197223)	(1217223)	(1237223)	(1247223)	(1257223)	(1267223)	(1277223)	(1287223)	(1302223)	(1317223)	(1332223)	(1347223)	(137223)	(137223)	(1407223)	(172223)
S.E.V. INVESTMENT (REAL)																		
Imperial Oil	=	75000																
Oil Development	=	370000																
Central Michigan Irons	=	200000																
	=																	
	=																	
Other	=	600000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000	150000
S.E.V. INVESTMENT (PERSONALS)																		
	=																	
	=																	
	=																	
	=																	
	=																	
	=																	
Other	=																	
CAPTURED ASSESSED VALUE		0	1505000	1715000	1845000	2015000	2145000	2145000	2145000	2145000	2145000	2145000	2145000	2145000	2145000	2145000	2145000	2145000
TOTAL MILLAGE RATE (REAL)		0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817
TOTAL MILLAGE RATE (PERSONALS)			0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817	0.04817
TOTAL TAX LEVY		0	75306	82632	89837	97943	104200	111514	118729	125945	133170	140416	147641	154867	162092	169310	176543	183747
ACT 197/25 IMPACT (-)																		
TAX INCREMENT REVENUE Collected by March 31st the following year)																		
BOOKABLE REVENUE (800)			50761	64187	71612	78639	85363	93087	100314	107548	114795	121971	129216	136442	143692	149310	156543	163747
RESERVE REVENUE (200)			65049	51319	57130	62910	68670	74471	80251	86032	91812	97592	103373	109153	114934	120715	126495	132275
CUMULATIVE RESERVE			11372	12837	14322	15728	17175	18618	20045	21506	22953	24379	25843	27288	28718	29844	30897	31754
			11372	24239	38512	54279	71412	90039	110073	131400	154053	178953	206175	245581	288245	334374	374747	

It is assumed that there will be offsetting increases and decreases as the result of the above mentioned factors.

E. THE ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON THE ASSESSED VALUES OF ALL TAXING JURISDICTIONS IN WHICH THE DEVELOPMENT AREA IS LOCATED.

Tax increment financing, while being one of the most effective tools for the municipality to fund necessary improvements, is no different from other development programs in the respect that, along with the benefits gained, there are certain costs to be incurred. These costs are the temporary re-allocation of tax revenues from the captured assessed value in the development district. It is important to note that the impact on the revenues of the taxing jurisdictions occurs on the increase in value and does not affect the operating budget of each respective jurisdiction.

The impact of these revenue re-allocations on each taxing jurisdiction will be proportional to the ratio of the millage rate and the total S.E.V. of the respective jurisdiction.

COMPARISON OF TAXING JURISDICTIONS S.E.V.'S

TABLE 5

<u>Taxing Jurisdictions</u>	<u>Millage Rate</u>	<u>1985 S.E.V.</u>	<u>Development Area S.E.V.</u>	<u>% in TIFA</u>
Isabella County	6.50	466,333,963	10,407,231	2.23
Union Township	2.91	61,061,022	10,407,231	17.04
Mt. Pleasant Public Schools	36.29	261,236,199	10,407,231	3.98
I.C.T.C.	0.70	466,333,963	10,407,231	2.23
Intermediate Schools	1.77	823,506,019	10,407,231	1.26

In order to predict the impact of tax increment financing on the respective jurisdiction, two critical pieces of information are required. The first is the amount of investment that is expected to occur in the development district. In the short term, this information is readily available. In the long term, this information becomes much more speculative and, therefore, much less reliable. This plan addresses only those investments that the municipality is reasonably sure are going to occur in the next three years.

The second piece of information that is needed is the rate of increase in the S.E.V. of each taxing jurisdiction. Varying rates of increase in S.E.V. were exhibited by each taxing jurisdiction that encompass the TIFA Development Area.

A trend is evident from the ten year history of the taxing jurisdictions' S.E.V.'s that they are increasing at a decreasing rate. This may be attributed to a variety of conditions, but most obvious perhaps is a slowdown in development due to high interest rates and a tenuous business climate, particularly in the State of Michigan. In addition, a reversal in the past trend of increasing property values has occurred, linked to a slowing of the rate of inflation.

The average increase in S.E.V.'s for all taxing jurisdictions in the Mt. Pleasant area has been 9.93% in each of the past five years ranging from as much as 14.88% in 1981 to as little as 1.93% in 1984. In 1978 S.E.V.'s increased an average of 17.5%. Table 6 illustrates the average annual increase over the past 10 years.

TAXING JURISDICTION S.E.V. HISTORIES

TABLE 6

Taxing Jurisdiction	S.E.V. Increase
I.C.T.C.	9.46%
Union Township	7.75%
Isabella County	9.46%
Mt. Pleasant Public School	10.54%
Intermediate Schools	9.34%

For predicting future increases in the S.E.V.'s, there are a couple of assumptions which have to be made. First it is assumed that there is a lag time involved between the current investment climate and reportable S.E.V. increases. Second, the average annual percentage of increase is expected to be about as much as it has been in the past ten years. To make projections as realistic as possible, the average increase over the last ten years was used for predicting future increases. Tables 7, 8, 9, 10 and 11 provide projections of the impact of tax increment financing on each taxing jurisdiction over the life of the Development Plan.

Spreadsheet Breakdown: The Impact Analyses to the taxing jurisdictions are produced in the following manner.

Line 1. State Equalized Value. This entry gives the respective S.E.V. of the taxing jurisdiction. Each jurisdiction has different boundaries and a respectively different S.E.V. These figures increase throughout the life of the plan at the rate shown in Table 6 above.

Line 2. Annual Increases within DDA. This entry gives the value of the increase for each year that development occurred in the Development District.

Line 3. State Equalized Value with Increases. This entry gives the same information as Line 1 with the addition of development area investment increases throughout the life of the plan.

Line 4. Millage Rate. This entry gives the total millage rate for each taxing jurisdiction.

Line 5. S.E.V. Revenue Due Without DDA. The values shown in this row of the spreadsheet are the result of the millage rate multiplied by the S.E.V. values given in Line 3.

Line 6. S.E.V. Revenue Due with DDA. This row of figures is the result of the millage rate multiplied by the S.E.V. values in Line 1.

Line 7. The difference between the figures shown in Line 5 and Line 6 is given in Line 7 in both actual dollars and percent figures.

This general format is used for all of the impact charts in the tax increment financing plan. It is important to realize that the following figures showing percentages represent decreases in the amount of increase only. In other words, a two percent impact results in an increase of 98% instead of 100%.

School System Impact: The school impact analysis can be interpreted from a number of different perspectives. As the result of a 1981 amendment to the State School Aid Act, the captured assessed value of the property in the DDA development area is excluded from the S.E.V. of the school district for the purpose of figuring whether or not the school is in formula. From this perspective, the development that occurs as a result of TIF actually aids the school district by keeping the S.E.V./student ratio low. For the purposes of cash flow and the school budget, the captured assessed value of the DDA can be considered as tax revenue reinvested into the community. The impact to the school district is small, resulting in less than five percent of the annual increase in budget over the 15 years of the Development Plan. That portion of the S.E.V. within the DDA boundaries remains constant while the remainder of the regular annual revenue of the school district will continue to grow.

County Impact: Table 8 gives a review of the impact of tax increment financing on the County. It is easy to understand why the impact to the county is much less than the school district when one looks at the difference in base year S.E.V.'s and millage rates. As was stated earlier in this plan, the impact to each respective jurisdiction is proportional to the millage/S.E.V. ratio of that jurisdiction. As this ratio increases, so does the impact on the jurisdiction. In the case of the County, the ratio is very low; therefore, the impact to the county is also very low (less than two percent).

Intermediate School Impact: Table 9 gives a breakdown of the impact of TIF on the intermediate schools. As with the county, the ratio between millage rate and S.E.V. is very low resulting in a similar impact of less than one percent.

I.C.T.C. Impact: The impact on the I.C.T.C. is similar to that of the county since it operates on the same S.E.V.

Township Impact: The Township has the largest proportion of captured assessed value compared to their total S.E.V. and, as such, will experience the greatest impact.

General Impact: There are certain factors that are constant for all three impact analyses. The personal property in the projections is depreciated in the spreadsheet. This results in the impact percentage reaching a maximum and then decreasing throughout the life of the plan. In the next year following the addition of the personal property to the respective businesses, it is depreciated and the impact of this development decreases in succeeding years of the plan.

Another factor that is held constant in these impact statements is the rate of increase in the S.E.V. of the taxing jurisdiction. An average was established based on the average increases over the past 10 years to give these projections. The County, School District, and the Intermediate Schools have all experienced average annual S.E.V. increases in excess of 9%. The result of these annual increases is that they reduce the impact of Tax Increment Financing over time.

SCHOOL SYSTEM IMPACT ANALYSIS

TABLE 7

APPRECIATION RATE	MT. PLEASANT PUBLIC SCHOOLS																
18.54	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
STATE EQUALIZED VALUE (With 18.54 % Appreciation)	241234119	274803308	287838888	308888888	313888888	325888888	337258888	37128177	43871875	48231518	53439987	57225472	65119807	74838199	88843584	88274318	97882132
DEVELOPMENT AND INVESTMENT (Only in 1985 DOA)	0	1182288	1332288	1482288	1632288	1782288	1932288	2082288	2232288	2382288	2532288	2682288	2832288	2982288	3132288	3282288	3432288
STATE EQUALIZED VALUE (Appreciation + D.A. I.)	241234119	275025596	289171176	310316764	315463076	327611176	339759276	373911557	442140963	485747366	537622165	575477054	654617014	752610887	891858122	885965436	984643564
MILLAGE RATE	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988	34.2988
S.E.V. REVENUE FOR SCHOOLS (Without DOA)	9488241.64	9784372.93	10443384.43	10948799.73	11418813.43	11858754.43	12268794.43	14818794.43	16818794.43	18818794.43	20818794.43	22818794.43	24818794.43	26818794.43	28818794.43	30818794.43	32818794.43
S.E.V. REVENUE FOR SCHOOLS (With DOA)	9488241.64	9902418.88	10443384.43	10948799.73	11418813.43	11858754.43	12268794.43	14818794.43	16818794.43	18818794.43	20818794.43	22818794.43	24818794.43	26818794.43	28818794.43	30818794.43	32818794.43

DIFFERENCE IN TOTAL REVENUE	
a.) Actual dollars	0
b.) Percent	0.00

COUNTY IMPACT ANALYSIS

TABLE 8

APPRECIATION RATE	ISABELLA COUNTY																
	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	2001
STATE EDUCATED VALUE (With 9.4% Appreciation)	4433743	51849156	58737446	61194727	66945181	73278110	80218283	87791871	96183888	105195283	115144987	126395744	137942718	1518182182	1653881545	1809757991	1986542413
DEVELOPMENT AND INVESTMENT (Only within DOA)	0	1182588	1332588	1482588	1632588	1782588	1932588	2082588	2232588	2382588	2532588	2682588	2832588	2982588	3132588	3282588	3432588
STATE EDUCATED VALUE (Appreciation + D.E.I.)	4433743	51849156	58737446	61194727	66945181	73278110	80218283	87791871	96183888	105195283	115144987	126395744	137942718	1518182182	1653881545	1809757991	1986542413
VILLAGE RATE	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000
S.E.V. REVENUE DE COUNTY (Without DOA)	3031171	3325666	3444656	3644979	4322813	4774443	5224226	5728113	6241259	6833176	7509977	8218887	8964881	9833318	10744871	11782277	12879337
S.E.V. REVENUE DE COUNTY (With DOA)	3031171	3317728	3331775	3775342	4331432	4743877	5213444	5764877	6244748	6837478	7444533	8172572	8945798	9815274	10744518	11748741	12873526
DIFFERENCE IN TOTAL REVENUE																	
a.) Actual dollar	0	7486	8651	9436	10411	11586	12861	13336	14511	15486	16461	17036	18411	19286	20361	21336	22311
b.) Percent	0	0.23	0.24	0.24	0.24	0.24	0.24	0.24	0.23	0.23	0.22	0.21	0.21	0.20	0.19	0.18	0.17

APPENDIX

Adopted: _____
Effective: _____

UNION TOWNSHIP
ISABELLA COUNTY, MICHIGAN
RESOLUTION

A RESOLUTION TO DETERMINE THE PUBLIC PURPOSE OF THE TAX INCREMENT FINANCE AND DEVELOPMENT PLAN OF THE UNION TOWNSHIP EAST DOWNTOWN DEVELOPMENT AUTHORITY PURSUANT TO SECTION 19, ACT 197, PUBLIC ACTS OF 1975 AS AMENDED.

The Township of Union, Isabella County, Michigan

RESOLVES

At a _____ meeting of the Township Board of Union Township, Isabella County, Michigan, held in the Township Hall on the _____ day of _____, 1985 at _____ o'clock a.m./p.m., local time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____.

WHEREAS, on _____, the Township Board held a Public Hearing on a Tax Increment Financing and Development Plan pursuant to Act 197, Public Acts of Michigan, 1975 as amended; and

WHEREAS, the Township Board has provided a reasonable opportunity to the taxing jurisdictions in which the development is located to express their reviews and recommendations regarding the Tax Increment Financing Plan; and

WHEREAS, the Township Board has received and reviewed the Tax Increment Financing Plan and Development Plan and found them to be in compliance with Section 14, 15, and 17 of Act 197, Public Acts of 1975 as amended;

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Township Board of Union Township determines that the Tax Increment Financing and Development Plan of the East Downtown Development Authority constitutes a public purpose;
2. The Board shall approve or reject the plan by resolution.

ADOPTED: AYES: _____

NAYS: _____

STATE OF MICHIGAN }
COUNTY OF ISABELLA } ss:

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Township Board of Union Township, County of Isabella, State of Michigan, at a _____ meeting held on _____, 1985, 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, 1967, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Marian L. McDonald, Township Clerk

Adopted: _____
Effective: _____

UNION TOWNSHIP
ISABELLA COUNTY, MICHIGAN

ORDINANCE NO. _____

AN ORDINANCE TO APPROVE THE DEVELOPMENT AND TAX INCREMENT FINANCE PLAN OF THE UNION TOWNSHIP EAST DOWNTOWN DEVELOPMENT AUTHORITY PURSUANT TO SECTION 19 OF ACT 197, PUBLIC ACTS OF 1975 AS AMENDED.

The Township of Union, Isabella County, Michigan

ORDAINS

At a _____ meeting of the Union Township Board, Isabella, County, Michigan, held in the Township Hall on the _____ day of _____, 1985 at _____ o'clock, p.m., local time.

PRESENT: _____

ABSENT: _____

The following ordinance was offered by _____ and seconded by _____.

WHEREAS, the Union Township East Downtown Development Authority has completed a Tax Increment Finance and Development Plan that identifies specific development and rehabilitation activities to occur in the district described in attachment A; and

WHEREAS, the Union Township Board has held a public hearing on a Tax Increment Financing and Development Plan for the Union Township East Downtown Development Authority, pursuant to Act 197, Public Acts of 1975 as amended; and

WHEREAS, the Township Board has approved a resolution determining that the plan constitutes a public purpose; and

WHEREAS, the formation of a development area citizens council was not necessary; and

WHEREAS, the plan meets the requirements set forth in Section 14 (2) and Section 17 (2) of the Act; and

WHEREAS, the proposed method of financing the development is feasible and the Authority has the ability to arrange the financing; and

WHEREAS, the development is reasonable and necessary to carry out the purposes of Act 197; and

WHEREAS, the land to be acquired within the development area is reasonably necessary to carry out the purposes of the plan and the Act; and

WHEREAS, the Development Plan is in reasonable accord with the Master Plan of the Township; and

WHEREAS, public services, such as fire and police protection and utilities, are or will be adequate to service the development area; and

WHEREAS, changes in zoning, streets, street levels, intersections and utilities are reasonably necessary for the project and for the municipality.

NOW, THEREFORE, BE IT ORDAINED, as follows:

The Township Board of Union Township, Isabella County, Michigan hereby approves the Tax Increment Financing and Development Plan of the Union Township East Downtown Development Authority without modification.

ADOPTED: Ayes: _____

Nays: _____

STATE OF MICHIGAN)
COUNTY OF ISABELLA) ss.

I hereby certify that the foregoing is a true and complete copy of a ordinance adopted by the Township Board of Union Township, County of Isabella, State of Michigan, at a _____ meeting held on _____, 1985, 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, 1967, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Lillian L. McDonald, Township Clerk

EXHIBIT "A"

The boundaries of the downtown district over which the Downtown Development Authority will exercise its powers are as follows:

Part of Sections 11, 12, 13 and 14 of Union Township, Isabella County, Michigan, described as: Beginning at the 1/4 corner common to Sections 11 and 14, T14N, R4W, Union Township; thence Northerly along the North-South 1/4 line of Section 11 to the North line of the Southwest 1/4 of the Southeast 1/4; thence Easterly along the said North line to the Northwest corner of Lot 36 of Belmont Park; thence Southerly along the West line of Belmont Park to the Northwest corner of Lot 1 of said plat; thence Easterly along the North line of said Lot 1 to the Northwest corner of Lot 2 of said plat; thence Southerly along the West line of Lot 2 to the North line of the South 125' of Lot 2; thence Easterly along the said North line to the West line of Belmont Drive; thence Northerly along the West line of Belmont Drive 67' more or less to the intersection of the West line of Belmont Drive and the North line of Lots 3 and 4 of Belmont Park extended Westerly; thence Easterly along the North line and extended North line of Lots 3 and 4 to the Northeast corner of Lot 4; thence Northerly along the East line of Belmont Park and the East line of Edgewood Subdivision to the South line of Airport Acres; thence Easterly along the South line of Airport Acres to the East line of Isabella Road; thence Southerly along the East line of Isabella Road to the North line of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 12, T14N, R4W, Union Township; thence Easterly along the said North line to the West line of the East 1/2 of the South 1/2 of the North 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 12; thence Northerly along the said West line to the North line of the East 1/2 of the South 1/2 of the North 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 12; thence Easterly along the said North line to the West line of Supervisor's Plat of Ward's Outlots; thence Southerly along the West line of said plat to the Northwest corner of Lot 1 of said plat; thence Easterly along the North line of said Lot 1 to the Northwest corner of Lot 2 of said plat; thence Southerly along the West line of Lot 2 to the North line of the South 144' of Lot 2; thence Easterly along the said North line to the West line of Airway Drive; thence Northerly along the West line of Airway Drive 60' more or less to the intersection of the West line of Airway Drive and the North line of Lots 3 and 4 of the Supervisor's Plat of Ward's Outlots extended Westerly; thence Easterly along the North Line and extended North line of Lots 3 and 4 to the West line of the East 1/2 of the East 1/2 of the Southwest 1/4 of Section 12; thence Northerly along the said West line to the Southwesterly line of U.S. 27; thence Southerly along the Southwesterly line to the North line of Pickard Road (M-20); thence Easterly along the North line of Pickard Road to the Northeasterly line of U.S. 27; thence Northwesterly along said Northeasterly line to the North line of the South 1/2 of the Southwest 1/4 of Section 12; thence Easterly along the said North line to the West line of the Southeast 1/4 of Section 12; thence Northerly along the North-South 1/4 line of Section 12 to the East-West 1/4 line of Section 12; thence S88°42'40" East along the said East-West 1/4 line 1,810.31'; thence S1°17'20" West 177.66'; thence S12°39'40" East 241.75'; thence Southeasterly to the Northwest corner of Holiday Estates; thence

S84°44'20" East 196.2'; thence S82°16'16" East 166.3'; thence S89°29'40" East 248.49'; thence N50°02'20" East 50.7'; thence Easterly along the North line of the Holiday Estates to the East line of Section 12; thence Southerly along the East line of Section 12 and the East line of Section 13 to the intersection of the East line of Section 13 and the South line of Broadway Road extended Easterly; thence Westerly along the South line and extended South line of Broadway Road to the intersection of the South line of Broadway Road and the East line of U.S. 27; thence Northerly along the East line of U.S. 27 to the South line of Pickard Road (M-20); thence Westerly along the South line of Pickard Road and the North line of Lots 1, 2 and 3, Block 2, Garden Grove, to the West line of U.S. 27; thence Southeasterly along said West line to the South line of the Alley between Pickard Road and Palmer Street; thence Westerly along the South line of said Alley to the East line of Wards View Subdivision; thence Southerly along said East line to the Southeast corner of Lot 15; thence Westerly along the South line of Lots 3 through 15 of Wards View Subdivision to the East line of Lot 16; thence Southerly along the said East line to the South line of Lot 16; thence Westerly along the said South line to the West line of the East 86' of Lot 16; thence Northerly along the said West line to the North line of Lot 16; thence Westerly along the North line of Lot 16 of Wards View Subdivision to the West line of Isabella Road; thence Northerly along said West line to the South line of the North 155' of the Northeast 1/4 of Section 14; thence Westerly along the said South line to the West line of the East 160' of said Northeast 1/4; thence Southerly 241'; thence Westerly 60'; thence Southerly 594'; thence Westerly 176'; thence Northerly 721.7'; thence Westerly to the East line of Neal's Subdivision; thence Northerly along said East line to the Southeast corner of Lot 1, Block 1 of Neal's Subdivision; thence Westerly along the South line of Lots 1 and 2 to the East line of Betty Lane; thence Southerly along said East line 66.5' more or less to the intersection of the East line of Betty Lane and the South line of Lot 3, Block 2 of Neal's Subdivision extended; thence Westerly along the South line and extended South line of said Lot 3 to the East line of Carter's Addition; thence Northerly along the said East line to the Southeast corner of Lot 4 of Carter's Addition; thence Westerly along the South line of Lots 1, 2, 3 and 4 to the West line of Carter's Addition; thence Southerly along the said West line to the South line of the North 30 acres of the Northeast 1/4 of the Northeast 1/4 of Section 14; thence Westerly along said South line to the East line of the Northwest 1/4 of the Northeast 1/4 of Section 14; thence Southerly along said East line to the North line of Cross Lane; thence Westerly along said North line to the North-South 1/4 line of Section 14; thence Northerly along said 1/4 line to the Place of Beginning.

HYPOTHETICAL BOND ISSUE
PRINCIPAL AND INTEREST SUPPORT SCHEDULE

BOND PRINCIPAL AND INTEREST SUPPORT SCHEDULE

YEAR	FRINCIPAL	INT. RATE: APRIL 1	OCTOBER 1	TOTAL	REVENUE	BALANCE
1985	0	0	10	0	0	0
1986	0	0	0	0	45569	45569
1987	100000	35500	35500	35500	51349	61418
1988	100000	35000	35000	80500	57130	38048
1989	100000	34500	34500	79500	62910	21458
1990	100000	34000	34000	78500	68690	11648
1991	150000	33500	33500	77500	74471	8619
1992	250000	32750	32750	81250	80251	7620
1993	300000	31500	31500	89250	86032	4402
1994	400000	30000	30000	91500	91812	4714
1995	500000	28000	28000	98000	97592	4306
1996	600000	25500	25500	103500	103373	4179
1997	900000	22500	22500	108000	109153	5332
1998	1050000	18000	18000	130500	129674	4506
1999	1150000	12750	12750	135750	135454	4210
2000	1400000	7000	7000	134750	141234	10694
2001	0	7000	0	147000	147015	10709
TOTALS:	7100000	373500	380500	1324000	1334694	10709