

VILLAGE OF ALMONT

DOWNTOWN DEVELOPMENT AUTHORITY

DEVELOPMENT AND TAX INCREMENT FINANCE PLAN

NOVEMBER 21, 1984

AMENDMENTS - APRIL, 1992

SECOND AMENDMENTS - APRIL, 1998

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DEVELOPMENT PLAN

INTRODUCTION

The purpose of the Development Plan, as written by the Downtown Development Authority of the Village of Almont, is to prevent deterioration within the business district; to promote economic growth; to encourage historic preservation; and to establish identity for the Village of Almont.

The Almont Village Council created the Almont Downtown Development Authority by Ordinance 139 which became effective on November 21, 1984, and is included in this plan as Appendix A. The description of the Downtown Development Authority District is found in Section 4 of the Almont Village Ordinance 139. A map depicting the District boundaries is Appendix B of this plan. The Authority was given all the powers and duties prescribed for a Downtown Development Authority pursuant to Act 197 of the Public Acts of 1975.

DEVELOPMENT THROUGH PUBLIC-PRIVATE COOPERATION

In addition to the public improvement plan proposed to be financed with public funds under the direction of the DDA, the overall development plan includes as a goal the accomplishment of certain private development through private investment in cooperation with the DDA and the Village. These improvements include the following:

1. Encourage renovation of rear building facades and creation of back entrances which are attractive and convenient to shoppers using the parking area behind the stores.

2. Improvement, renovation, and redevelopment of interiors and exteriors of commercial buildings. Redevelopment of second-story commercial and residential space to cause increased usage of properties and more appropriate usage of buildings.

3. Increase and improve access to commercial areas with elevators, escalators, lifts and stairs to increase the commercial viability of the buildings.

4. Promote energy conservation and improve heating facilities by offering financial incentives to energy-saving improvements.

5. Maintenance of historic character of existing structures and encourage new development to conform with the historic identity of the district.

6. Encourage the establishment and development of residential complexes within the authority district.

7. Offer assistance and encourage outside signage that fosters pedestrian oriented lighting and visibility.

8. Engender cooperation and unity among development area merchants via a business and retail organization.

THE DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA IN RELATION TO HIGHWAYS, STREETS, STREAMS, OR OTHERWISE. THE BOUNDARIES OF

THE DEVELOPMENT DISTRICT AND DEVELOPMENT AREA ARE DESCRIBED AS
FOLLOWS: [17 (2a)]

The amended Development Plan and Financing Plan does not change the development area, which consists of property within the Village of Almont that is east of Van Dyke Road where Van Dyke Road is located north of Washington Street and on each side of Van Dyke Road where Van Dyke Road is located south of Washington Street. A description of the boundaries of the existing development are as follows:

At a point beginning at the Southwest corner of said Lot 1 of "Barnes Acres" Plat; thence S. 89 degrees 17' E. 300 feet to the Southeast corner of said lot 1; thence N. 34 degrees 17' W. 1181.60 feet along the Easterly line of said "Barnes Acres" Plat; thence on a curve to the right whose radius is 2814.78 feet and whose chord bearing and distance are N. 31 degrees 14'47" W. 298.20 feet to the Southeast corner of lot 6 of said "Barnes Acres" Plat; thence S. 89 degrees 17' E. 48.50 feet; thence N. 00 degrees 43' E. 466.87 feet thence N. 89 degrees 17' W. 553.81 feet to the Easterly right of way line of M-53 Highway; thence on a curve to the right along said M-53 right of way whose radius is 2814.78 feet and whose chord bearing and distance are N. 12 degrees 38'44" W. 507.07 feet to the North line of Section 21; thence S. 88 degrees 55' E. 2557.60 feet along the North line to the Northeast 1/4 corner of said Section 21 to the point which is located at the intersection of Tubspring Road and Howland Road Centerlines; thence S. 01 degrees 19' W. 1427.37 feet along the East line of said Section 21; thence N. 89 degrees 17' W. 249.02 feet along the South line of lot 16 of "Barnes Acres No. 2" Subdivision to the Southwest corner of said lot 16; thence S. 01 degrees 19' W. 216.95 feet along the West line of said Subdivision to the Southwest corner of lot 17; thence N. 86 degrees 15' E. 216.88 feet to the Southeast corner of said lot 17; thence S. 1 degree 19' W. 200.0 feet along the East line of said "Barnes Acres No. 2" Subdivision to the Southeast corner of lot 18; thence S. 86 degrees 15' W. 216.88 feet along the South line of lot 18 to the Southwest corner of said lot 18; thence S. 01 degrees 19' W. 320.55 feet to the Southwest corner of lot 20; thence N. 89 degrees 17' W. 230.98 feet; thence Southerly 374.78 feet to a point on the E-W 1/4 line of Section 21 that is Westerly 451.14 feet from the East 1/4 corner of Section 21; thence Easterly along the E-W 1/2 line 451.14 feet to the East 1/4 corner of Section 21 which is also the West 1/4 corner of Section 22 and which is located in the Centerline of Howland Road thence S. 824 feet in the center of Howland Road; thence E. 185 feet; thence S. 382 feet; thence E. 513 feet; thence S. 66 feet; thence W. 315 feet; thence S 2382 feet; thence W. 97 feet; thence S. 22 feet; thence W. 163 feet; thence N. 88 feet; thence W. 364 feet; thence N. 614 feet along the eastern boundary of Branch Street, thence E. 119 feet; thence N. 381 feet; thence W 125

feet; thence N. 314 feet along the eastern boundary of Johnson Street; thence E. 343 feet; thence N. 1272 feet along the eastern boundary of M-53 Highway; thence NW. 1790 feet continued along the eastern boundary of M-53 Highway to the point of beginning.

See Appendix B for district and development area map.

THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA AND SHALL DESIGNATE THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES THEN EXISTING AND PROPOSED FOR THE DEVELOPMENT AREA, INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES AND SHALL INCLUDE A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA. [17 (2b)]

All streets in the development area are shown on the Development Area map. With the proposed future development of light industrial zoned property in the Development Area, there will be new streets designed and constructed to accommodate that development. The public facilities in the development area include the following:

- a. The Almont Municipal Building (N. Main)
- b. United States Post Office (N. Main)
- c. Municipal Parking Lots located south of St. Clair on the east and west sides of Main Street behind the commercial buildings.
- d. Various water, sewer, electrical, and telephone facilities

The private land use in the development district include a mixture of commercial and retail, business and professional offices, industrial, and residential structures (both single and multiple family).

The majority of commercial and retail businesses are concentrated along both sides of Main Street from Stone Street north to E. Washington. Additional commercial businesses lie on M-53, north of North Street. The business and professional offices are scattered throughout the district. The majority of residential structures are located along Main Street north of E. Washington.

Please see Appendix A for the description of the development district and the authority district.

DESCRIPTION OF EXISTING IMPROVEMENTS IN THE DEVELOPMENT AREA TO BE DEMOLISHED, REPAIRED, OR ALTERED, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS, AND AN ESTIMATE OF THE TIME FOR COMPLETION. [17 (2c)]

There are no plans at the present time to demolish any existing improvements in the development district. However, based on studies that are to be executed under the provisions of this

plan, it may become necessary to demolish blighted, underdeveloped or inappropriately developed property to accommodate the recommendations of the studies. Proposals for such action will be brought before the Almont Village Council for approval.

In regard to alteration or repair of streets, priority will be given to the following streets as funding becomes available:

<u>STREETS</u>	<u>ESTIMATED COMPLETION DATE</u>
W. St. Clair	1987
Mill	1989
E. Washington	1991
School	1992
W. Washington	1993
Stone	1994

There was a fire in January 1992 that destroyed three buildings at the southeast corner of St. Clair and Main Street. The Authority may acquire, demolish and redevelop the fire damaged property. The addresses of these properties are 101 S. Main, 105 S. Main and 109 S. Main. It is estimated that the acquisition will occur by 12-31-92. It is estimated that the redevelopment will be completed by 12-31-95.

Streetscape improvements for Main Street outlined in the next Section [17 (2d & e)] will require the removal of trees, existing banner poles, sidewalks, curb and gutter, pavement, and the relocation of the memorial fountain. The streetscape improvements are estimated to be completed within sixteen (16) years from 1998 through November 21, 2014.

DEVELOPMENT AREA PROJECTS

THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS INCLUDING REHABILITATION CONTEMPLATED FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION. A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.
[17 2(d&e)]

A. A leading priority of the development plan is to develop the property zoned for industrial/commercial use within the district. This will be accomplished through land purchase and sales and state and federal economic development aid in the form of grants and loans. Public facilities such as water, sewer, streets, and storm drainage are necessary to attract investors. The estimated duration is 30 years through November 21, 2014, for an estimated cost of \$1,500,000.

B. Improvement to water and sewer facilities will be made within the district. This may include a larger water tower and water

lines to provide adequate pressure for industrial/commercial development and fire safety in the district. Also, the repair or replacement of sewer lines and/or enlargement of the wastewater treatment plant to accommodate increased flow created by new development. This project is estimated to have a 30 year duration through November 2014 with a cost of approximately \$4,500,000.

C. The construction and improvement of parking structures or lots at key areas that would benefit the authority development area. The project is estimated to cost \$1,000,000 with a 30 year duration through November 21, 2014.

D. The improvement of streets within the authority development area. Priority will be given to W. St. Clair and E. Mill Streets. New streets must be provided for industrial/commercial development of property within the district. Curb and gutter improvements will occur as required with proposed street improvement projects. The project is estimated to cost \$450,000 with a 30 year duration through November 21, 2014.

E. The authority will commission a streetscape study of the authority area and provide architectural assistance to building owners on a contractual, no cost basis, who wish to implement the study. The duration is 30 years through November 21, 2014 with an estimated cost of \$50,000.

F. Acquire undeveloped and inappropriately developed and blighted property within the authority development area. Specific properties will be identified during the planning process. The project duration is estimated to be 30 years through November 21, 2014 at a cost of \$3,000,000. The parcels may include, but are not necessarily limited to the following:

1. 117 Branch Street
2. Lumber Store, 215 N. Main Street
3. 210 N. Main Street
4. 115 E. St. Clair Street
5. 202 Bristol Street
6. 126 E. St. Clair Street
7. Rear 127' x 33' of 141 Main St.
8. 101 S. Main St.
9. 105 S. Main St.
10. 109 S. Main St.

The properties at 101 S. Main St., 105 S. Main St., and 109 S. Main St. are the fire damaged property previously referred to on page 6.

G. The Authority will commission a feasibility study needed for the economic development of the authority area. The estimated time for completion is 30 years through November 21, 2014 at a cost of \$75,000.

H. The Authority would like to acquire property within the development area for redevelopment, resale or lease. The estimated time for completion is 30 years through November 21, 2014 at a cost of \$250,000.

I. Commission marketing studies and develop marketing and promotional materials for the authority development area in order to promote investment by the private sector. This project is estimated to cost \$75,000 with a duration of 30 years through November 21, 2014.

J. In order to promote economic development and to assist property owners in the implementation of the development plan, training sessions in merchandising and retailing will be conducted for store owners, managers and sales persons. A 30 year duration through November 21, 2014 is estimated at a cost of \$25,000.

K. To promote easy access within the development district, sidewalks will be repaired and replaced. A duration of 30 years through November 21, 2014 with an estimated cost of \$200,000 is proposed.

L. In cooperation with the Village Council, the DDA will maintain and improve upon the landscaping and beautification that has been accomplished in the development area to date. This may include, but is not necessarily limited to, decorative lighting, plantings, Christmas decorations, underground electrical, benches, etc. The time for completion is estimated to be 30 years through November 21, 2014 at a cost of \$350,000.

M. In order to ensure the economic growth of the development area, the DDA will conduct promotional events in the authority area designed to promote the area to the consumer. The events will be conducted over a 30 year period through November 21, 2014 with \$100,000 allocated by the authority.

N. In cooperation with the Village Council, develop park and other open areas in the Development Area as recreational areas. Development of the area shall occur over a 30 year time span through November 21, 2014 with \$150,000 allocated for completion.

O. The DDA, in cooperation with the Village Council would like to assist with the installation of traffic signals at strategic locations to assist with traffic flow within the district. The duration of this project is estimated to be 30 years through November 21, 2014 at a cost of \$250,000.

P. The Authority will assist businesses within the district with the construction of barrier free entrances. The program shall operate on a 50/50 basis with the DDA portion paid directly to the contractor of the project. The DDA participation shall not exceed \$10,000 for any project. The Authority shall determine

the eligibility of each project by interviewing the business owner, examining a written cost estimate provided by the contractor, and by determining the impact of the project on the downtown district. The program shall have a 30 year duration through November 21, 2014 with an estimated project cost of \$150,000.

Q. Administration costs are estimated to be \$200,000 for a period of 30 years through November 21, 2014.

R. Acquire properties in the development area for parking facilities and develop the property for that purpose. The project is estimated to cost \$1,000,000 with a duration of 16 years from 1998 through November 21, 2014.

S. The Authority will undertake streetscape improvements in the development area including curb and gutter, drive approaches, sidewalk improvements, replant trees, landscaping, pedestrian lights, benches, trash cans, signage, public address system, and barrier-free entrances. The estimated cost is \$2,000,000 and the estimated duration is 16 years from 1998 through November 21, 2014.

A DESCRIPTION OF ANY PARTS OF THE DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE. [17 (2f)]

It is the intention of the DDA to develop or promote development of all properties in the development area. If any part of the development area is to be left as open space, it would be to accommodate a walking area from parking lots to Main Street.

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 PROPOSED TERMS. [17 (2g)]

The DDA proposes to lease all of the municipal parking areas from the Village for \$1 for 30 years through November 21, 2014.

A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES. [17 (2h)]

There are no plans at this time to request changes in zoning, streets, street levels, intersections or utilities. However, as discussed previously, certain studies will be conducted, that when completed, could affect one or more of the above items. In that event, approval of the Village Council will be obtained prior to executing such changes. Streetscape improvements are described under Item S of 17 2 (d & e).

AN ESTIMATE OF THE COST OF THE DEVELOPMENT, A STATEMENT OF THE PROPOSED METHOD OF FINANCING THE DEVELOPMENT AND THE ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING. [17 (2i)]

The estimated cost of the total development planned by the DDA over a 30 year span through November 21, 2014 is \$15,325,000. Early stages of development will be financed on a "pay as you go" basis. Bonding may be used as a financing tool in conjunction with large developments that take place within the authority development area. The DDA shall not sell any bonds pursuant to this plan or purchase property without approval of the Almont Village Council. The DDA may also buy purchase options for property, purchase and sell property, and undertake installment contract financing. The DDA may repay the Village for principal and interest incurred by the Village for bonded indebtedness or installment contract financing undertaken to pay for the improvements set forth in this plan.

DESIGNATION OF THE PERSON 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. [17 (2j)]

There is no information available to the Authority at the present time regarding the designation of person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold or conveyed and for whose benefit the project may be undertaken.

When property is redeveloped, it will be leased or sold at a minimum of fair market value to whatever person or entity determined by the authority to enhance the district.

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. [17(2k)]

All properties under the downtown development authority will be leased, sold, or conveyed at not less than fair market value.

ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN TH 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 RANGE OF RENTS AND SALE PRICES, AN ESTIMATE OF THE TOTAL DEMAND FOR HOUSING IN THE COMMUNITY, AND THE ESTIMATED CAPACITY OF PRIVATE INDIVIDUALS. [17 (2l)]

There are approximately 95 residents in the authority's development area. The development plan does not call for the displacement of any residents. However, if studies or projects necessitate the displacement of any residents, the plan will be amended.

A PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE DEVELOPMENT IN ANY NEW HOUSING IN THE DEVELOPMENT AREA. [17 (2m)]

The development plan does not call for the displacement of any residents. However, if studies or projects necessitate the displacement of any residents, the plan will be amended.

PROVISIONS 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. [17 (2n)]

The development plan does not call for the displacement of any residents, however, if studies or projects necessitate the displacement of any residents, the plan will be amended.

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. [17 (2o)]

The development plan does not call for the displacement of any residents. However, if studies or projects necessitate the displacement of any residents, the plan will be amended.

TAX INCREMENT FINANCE PLAN

LEGAL DESCRIPTION (INCLUDING INDUSTRIAL PROPERTY AND EAST SIDE OF M-53)

At a point beginning at the Southwest corner of said lot 1 of Barnes Acres" Plat; thence S. $89^{\circ}17'E$. 300 feet to the Southeast corner of said lot 1; thence N. $34^{\circ}17'W$. 1181.60 feet along the Easterly line of said "Barnes Acres" Plat; thence on a curve to the right whose radius is 2814.78 feet and whose chord bearing and distance are N. $31^{\circ}14'47''W$. 298.20 feet to the Southeast corner of lot 6 of said "Barnes Acres" Plat; thence S. $89^{\circ}17'E$. 48.50 feet; thence N. $00^{\circ}43'E$. 466.87 feet thence N. $89^{\circ}17'W$. 553.81 feet to the Easterly right of way line of M-53 Highway; thence on a curve to the right along said M-53 right of way whose radius is 2814.78 feet and whose chord bearing and distance are N. $12^{\circ}38'44''W$. 507.07 feet to the North line of Section 21; thence S. $88^{\circ}55'E$. 2557.60 feet along the North line to the Northeast $\frac{1}{4}$ corner of said Section 21 to the point which is located at the intersection of Tubspring Road and Howland Road Centerlines; thence S. $01^{\circ}19'W$. 1427.37 feet along the East line of said Section 21; thence N. $89^{\circ}17'W$. 249.02 feet along the South line of lot 16 of "Barnes Acres No. 2" Subdivision to the Southwest corner of said lot 16; thence S. $01^{\circ}19'W$. 216.95 feet along the West line of said Subdivision to the Southwest corner of lot 17; thence N. $86^{\circ}15'E$. 216.88 feet to the Southeast corner of said lot 17; thence S. $1^{\circ}19'W$. 200.0 feet along the East line of said "Barnes Acres No. 2" Subdivision to the Southeast corner of lot 18; thence S. $86^{\circ}15'W$. 216.88 feet along the South line of lot 18 to the Southwest corner of said lot 18; thence S. $01^{\circ}19'W$. 320.55 feet to the Southwest corner of lot 20; thence N. $89^{\circ}17'W$. 230.98 feet; thence Southerly 374.78 feet to a point on the E-W $\frac{1}{4}$ line of Section 21 that is Westerly 451.14 feet from the East $\frac{1}{4}$ corner of Section 21; thence Easterly along the E-W $\frac{1}{4}$ line 451.14 feet to the East $\frac{1}{4}$ corner of Section 21 which is also the West $\frac{1}{4}$ corner of Section 22 and which is located in the Centerline of Howland Road thence S 824 feet in the center of Howland Road; thence E 185 feet; thence S 382 feet; thence E 513 feet; thence S 66 feet; thence W 315 feet; thence S 2382 feet; thence W 97 feet; thence S 22 feet; thence W 163 feet; thence N 88 feet; thence W 364 feet; thence N 614 feet along the eastern boundary of Branch Street; thence E 119 feet; thence N 381 feet; thence W 125 feet; thence N 314 feet along the eastern boundary of Johnson Street; thence E 343 feet; thence N 1272 feet along the eastern boundary of M-53 highway; thence NW 1790 feet continued along the eastern boundary of M-53 highway to the point of beginning.

SOURCES OF FUNDS FOR THE D.D.A.

The Downtown Development Authority Act authorizes several potential sources of funds for the Downtown Development Authority to use in financing its development activities, including the following:

1. Donations.
2. A tax up to two (2) mills levied on the Downtown Development District upon approval of the Village Council, for use in financing the operations of the D.D.A. or for the general fund of the authority for purposes of the authority.
3. Proceeds from a revenue bond issue or general obligation bond issue.
4. Revenues from property owned by the D.D.A.
5. Moneys received from other sources approved by the Village Council.
6. Proceeds of a tax increment financing plan.

The following comments on the first five sources will put in perspective the need for considering the tax increment financing plan.

1. Donations: These funds could be from either individuals or corporations including philanthropic foundations. However, no sources of donations are known to be available to the D.D.A., particularly in terms of the estimated development cost of \$15,325,000.
2. Tax Levy: The D.D.A. has gone on record that the potential tax levy will not be considered. It is counter-productive to the goal of the development plan. Levying a tax on the Downtown Development District, as a means of making a "public investment" greatly reduces the economic stimulation effect as the individual businesses would experience an immediate cost from the initial public development. In light of the trend in the tax base of the Downtown Development District, a real public investment is needed, rather than an indirect private investment to stimulate private market forces.
3. Bond Proceeds: Although these are provided in the statute as a "source of financing", they are only a vehicle for borrowing not an actual source of capital. Whether revenue bonds or general obligation bonds are used, their sale requires the availability of another source of funds to repay them as they mature. A bond sale may be used for the financing of elements

within the development plan. Use of bonding will be determined by the needs of a proposed development inside the boundaries of the development area. The Downtown Development Authority shall not sell any bonds pursuant to this plan without approval of the Almont Village Council prior to the issuance of any such bonds.

4. Revenue From Properties: Any income from properties acquired during implementation of the development plan will be used to assist in the financing of other elements within this plan.
5. Other Sources: These might include any general revenues of the Village approved by the Village Council for use by the D.D.A. It is hoped that the Village will continue to pursue any available grants such as Urban Development Action Grants and Small Cities Block Grants, which can be used to finance any portion of the development plan. The D.D.A. may repay the Village for principal and interest incurred by the Village for bond indebtedness or installment contract financing undertaken to pay for the improvements set forth in the development plan. The Downtown Development Authority may itself undertake installment contract financing to pay for the improvements set forth in the development plan.

EXPLANATION OF THE TAX INCREMENT FINANCING PROCEDURE

The tax increment financing procedure is contained within the D.D.A. statute. The procedure may be proposed by a downtown development authority as a method of financing a downtown development plan. It then may be adopted by the Village Council, 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. 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 downtown commercial area (the Downtown Development District). The investment may be made in response to a declining business climate and commercial tax base, or in response to a stable business climate and tax base which the public wishes to protect and develop.
2. A bond issue may be sold to finance the improvement.
3. Taxes generated from the subsequent growth in the tax base of the Downtown Development District are then used to retire the bonded debt. This tax base growth is called the "captured assessed value" (CAV). Specifically, it is the difference between the State Equalized Value (SEV) of the Downtown Development District at any point in time, and the SEV of the

District in existence at the time of the adoption of the downtown development plan.

4. The taxes which are potentially available for retiring the bonded debt of the downtown development plan include all the taxes normally levied by all the taxing units on the captured assessed value of the Downtown Development District. The Downtown Development Authority may enter in agreements with each of the taxing units to share a portion of the captured assessed value of the District. Any taxes generated by the captured assessed value, beyond the amount needed to meet the cost of the specific development project, are returned proportionately to the taxing units (a requirement of the statute).
5. When the specific 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. Since only the growth in tax base (the captured assessed value) in the Downtown 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 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 revenues is repaid by the long-term benefit of substantially greater taxes realized from a significantly stronger commercial tax base.

THE TAX INCREMENT FINANCING PLAN FOR THE VILLAGE OF ALMONT DOWNTOWN DEVELOPMENT DISTRICT

1. Purpose: The purpose of this tax increment financing plan is to produce revenues sufficient to pay for the projects outlined in the development plan.
2. Maximum Amount of Bonded Indebtedness: The D.D.A., in any one year, will not pledge for annual debt service requirements in excess of 80% of the estimated tax increment revenue to be received from the development area for that given year. The total aggregate amount of borrowing shall not exceed an amount which the 80% of the estimated tax increment will service as to annual principal and interest requirements. The maximum bonded indebtedness is \$12,260,000.

3. Initial Assessed Value: It is proposed that the Village Council adopt this plan before January 1, 1985 and that the "initial assessed value", (the base-year SEV from which the "captured assessed value" is calculated), shall be the 1984 State Equalized Valuation of the Almont Downtown Development District, as finally determined by the State Tax Commission.
4. Portion of "Captured Assessed Value" to be used: Recognizing the declining value of the tax base in the Downtown Development District, the DDA proposes that all of the taxes levied by all taxing units on the captured assessed value of real and personal property within the District be used by the Authority to the extent needed from year to year to accomplish the above-stated purpose. The plan will not exclude from captured assessed value growth in property value resulting solely from inflation.
5. Duration of the plan: The duration of this tax increment financing plan shall be 30 years through November 21, 2014 or until the bonded indebtedness is completely retired, whichever occurs last.

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

As a result of Public Act 323 of 1993, tax increment revenues do not include ad valorem taxes and specific local taxes attributable to the State pursuant to the State Education Tax Act, the Almont School District, or the Lapeer County Intermediate School District except in an amount equal to the amount necessary to repay eligible advances, eligible obligations, and other protected obligations. Currently, the Almont D.D.A. is repaying an eligible obligation in the amount of \$38,780.09 per year through the year 2000 for the construction of a Class A industrial road, sanitary sewer lines, and water line.

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

At the time of the 1998 Amendments to this plan, the following millage rates were in effect:

Lapeer County	5.811
Almont Township	3.0052
Village of Almont	8.0731

In 1997, the captured assessed value of the development area is \$2,989,335 representing the following percentage of the assessed value for each of these taxing jurisdictions:

Lapeer County	.16%
Almont Township	2.3 %
Village of Almont	7.9 % *

*Based upon captured assessed value of \$2,989,335.00 and total assessed values of \$1,777,674,245.00 (County); \$127,715,200.00 (Township); and \$37,571,500 (Village).

The undersigned Secretary of the Downtown Development Authority of the Village of Almont hereby certifies that the foregoing Amendments to the Development and Tax Increment Finance Plan were approved by the Downtown Development Authority of the Village of Almont at a meeting held on the 25th day of March, 1998 at 7:00 p.m. pursuant to proper notice and compliance with Act No. 267 of the Public Acts of 1976.

_____, Secretary

The undersigned Village Clerk of the Village of Almont hereby certifies that the foregoing Amendments to the Development and Tax Increment Finance Plan of the Downtown Development Authority of the Village of Almont were approved by the Village Council of the Village of Almont on the _____ day of _____, 1998 pursuant to proper notice and compliance with Act No. 267 of the Public Acts of 1976 and following a public hearing pursuant to Public Act of 1975.

Sally J. McCrea, Village Clerk

VILLAGE OF ALMONT
DOWNTOWN DEVELOPMENT AUTHORITY

Ordinance No. 139

An ordinance to establish a Downtown Development Authority pursuant to Act 197 of the Public Acts of 1975 as amended; to describe the boundaries of the downtown district; to provide for the appointment of a board to govern the Authority; and to provide for all other matters necessary and related thereto.

THE VILLAGE OF ALMONT ORDAINS:

Section 1. DETERMINATION OF NECESSITY. The Almont Village Council hereby ratifies its earlier determination that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the cause of the deterioration, and to promote economic growth by establishing a Downtown Development Authority.

Section 2. CREATION OF AUTHORITY. There is hereby created a Downtown Development Authority for the Village of Almont. The Authority shall be a public body corporate and shall be known and exercise its powers under the name of the "Almont Downtown Development Authority".

Section 3. POWERS AND DUTIES. The Authority shall develop whatever plans are appropriate, in the opinion of the Almont Village Council, to aid in the economic growth of the Downtown District. Once the plans are approved by the Almont Village Council, the Authority shall implement the plans for development in the Downtown district so as to best achieve the goals set by the Almont Village Council consistent with the purposes of the enabling act. The Authority shall also have powers and duties as set forth in Act 197 of 1975 as amended.

Section 4. BOUNDARIES. The Almont Downtown Development Authority shall exercise its powers and duties within the Downtown district described as follows:

At a point beginning at the Southwest corner of said lot 1 of "Barnes Acres" Plat; thence S. 89°17' E. 300 feet to the Southeast corner of said lot 1; thence N. 34°17' W. 1181.60 feet along the Easterly line of said "Barnes Acres" Plat; thence on a curve to the right whose radius is 2814.78 feet and whose chord bearing and distance are N. 31°14'47" W. 298.20 feet to the Southeast corner of lot 6 of said "Barnes Acres" Plat; thence S. 89°17' E. 48.50 feet; thence N. 00°43' E. 466.87 feet thence N. 89°17' W. 553.81 feet to the Easterly right of way line of M-53 Highway; thence on a curve to the right along said M-53 right of way whose radius is 2814.78 feet and whose chord bearing and distance are N. 12°38'44" W. 507.07 feet to the North line of Section 21; thence S. 88°55' E. 2557.60 feet along the North line to the Northeast $\frac{1}{4}$ corner of said Section 21 to the point which is located at the intersection of Tubspring Road and Howland Road Centerlines; thence S. 01°19' W. 1427.37 feet along the East

VILLAGE OF ALMONT
DOWNTOWN DEVELOPMENT AUTHORITY

Ordinance No. 139

line of said Section 21; thence N. $89^{\circ}17'$ W. 249.02 feet along the South line of lot 16 of "Barnes Acres No. 2" Subdivision to the Southwest corner of said lot 16; thence S. $01^{\circ}19'$ W. 216.95 feet along the West line of said Subdivision to the Southwest corner of lot 17; thence N. $86^{\circ}15'$ E. 216.88 feet to the Southeast corner of said lot 17; thence S. $1^{\circ}19'$ W. 200.0 feet along the East line of said "Barnes Acres No. 2" Subdivision to the Southeast corner of lot 18; thence S. $86^{\circ}15'$ W. 216.88 feet along the South line of lot 18 to the Southwest corner of said lot 18; thence S. $01^{\circ}19'$ W. 320.55 feet to the Southwest corner of lot 20; thence N. $89^{\circ}17'$ W. 230.98 feet; thence Southerly 374.78 feet to a point on the E-W $\frac{1}{4}$ line of Section 21 that is Westerly 451.14 feet from the East $\frac{1}{4}$ corner of Section 21; thence Easterly along the E-W $\frac{1}{4}$ line 451.14 feet to the East $\frac{1}{4}$ corner of Section 21 which is also the West $\frac{1}{4}$ corner of Section 22 and which is located in the Centerline of Howland Road thence S 824 feet in the center of Howland Road; thence E 185 feet; thence S 382 feet; thence E 513 feet; thence S 66 feet; thence W 315 feet; thence S 2382 feet; thence W 97 feet; thence S 22 feet; thence W 163 feet; thence N 88 feet; thence W 364 feet; thence N 614 feet along the eastern boundary of Branch Street; thence E 119 feet; thence N 381 feet; thence W 125 feet; thence N 314 feet along the eastern boundary of Johnson Street; thence E 343 feet; thence N 1272 feet along the eastern boundary of M-53 highway; thence NW 1790 feet continued along the eastern boundary of M-53 highway to the point of beginning.

Section 5. GOVERNING BOARD. The Authority shall be under the supervision and control of a board as provided for in Act 197 of 1975 as amended. The board shall consist of ten members, which shall include the Village President. The other nine members of the board shall be appointed by the Village President with the approval of the Village Council. Three members of the board shall be initially appointed for terms of one year, two members for terms of two years, two members for terms of three years; and two members for terms of four years. Upon expiration of the initial terms, all reappointments shall be for terms of four years. Any person appointed to fill a vacancy shall be appointed for the remainder of the term of the person previously appointed to that position. Not less than five of the members shall be persons having an interest in property located in the Downtown district.

Section 6. TERMINATION. The Downtown Authority, upon completion of the purposes for which it has been organized may be dissolved by ordinance of the Village Council. In the event of dissolution, any assets of the Authority shall become divided among taxing jurisdictions in accordance with Act 197 of 1975.

VILLAGE OF ALMONT
DOWNTOWN DEVELOPMENT AUTHORITY

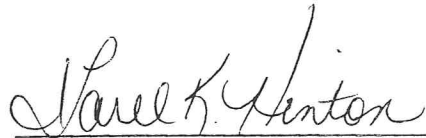
Ordinance No. 139

Section 7. SEVERABILITY. If any provision of this ordinance shall be held to be invalid, the invalidity of such provision shall not affect any other provision, and for this purpose, the provisions of this ordinance are severable.

The undersigned President and Clerk of the Village of Almont hereby certify that this ordinance was duly adopted by the Almont Village Council at a meeting held on the 7th day of November, 1984 and was published in the Tri-City Times on the 21st day of November, 1984. This ordinance shall have immediate effect upon said date of publication.



William Fitzwilson, Sr.
Almont Village President



Farel K. Hinton
Almont Village Clerk

