

Development Plan + Tax Increment Financing Plan

City of Milan Downtown Development Authority



Introduction

The City of Milan Downtown Development Authority (hereafter DDA), together with the Parks and Recreation Department and the Historic District Committee, have conducted several studies and contracted with professional planners to develop a strategy for the preservation, improvement and rehabilitation of the Milan downtown development district, to promote economic growth in the district and to help preserve historic structures. As a result, the following DDA Development Plan/Tax Increment Financing Plan is adopted.

Purpose of the Downtown Development Authority Act

According to Act 197, Public Acts, Michigan of 1975, as amended ("Act 197"), the City of Milan (the "City") is empowered to establish a downtown development authority. The purpose of a downtown development authority is to correct and prevent deterioration of business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials.

Act 197 seeks to address problems of urban decline, strengthen existing areas and encourage new private developments within the downtown districts. It seeks to accomplish this goal by providing communities with the necessary legal, monetary, and organizational tools to revitalize downtown districts either through public-initiated project undertakings or in concert with privately motivated development projects.

The manner in which downtown development authorities choose to make use of these tools depends upon the problems and opportunities facing each particular downtown district and the development priorities sought by the community in the revitalization of its center.

A downtown development authority may engage in the following functions, as outlined in Act 197:

- Prepare an analysis of economic changes taking place in the downtown district;
- Study and analyze the impact of metropolitan growth upon the downtown district;
- Plan and propose construction, renovation, etc., of a public facility, an existing building, or multiple-family dwelling unit;
- Plan, propose and implement an improvement to a public facility within the development area to comply with the Michigan barrier-free design requirements;
- Develop long-range plans to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and to take steps to persuade property owners to implement the plans;
- Implement any plan of development in the downtown district necessary to achieve the purposes of Act 197;
- Make and enter into contracts necessary or incidental to the exercise of the board's powers and performance of its duties;
- Acquire, own, convey, dispose of, or lease real or personal property, or rights of interest in property, and grant or acquire licenses, easements and options;
- Improve land and construct, reconstruct, rehabilitate, etc. any building, including multiple-family dwellings, and any necessary appurtenances, within the downtown district for the use of any public or private person or corporation;
- Fix, charge and collect fees, rents and charges for the use of any buildings or property under its control, and pledge fees, rents and charges for the payment of revenue bonds issued by the authority.
- Accept grants and donation of property, labor or other things of value;

- Create, operate and fund marketing initiatives that benefit retail or general marketing of the downtown district;
- Contract for broadband service and wireless technology service in the downtown district;
- Acquire and construct public facilities; and
- Create, operate and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease.

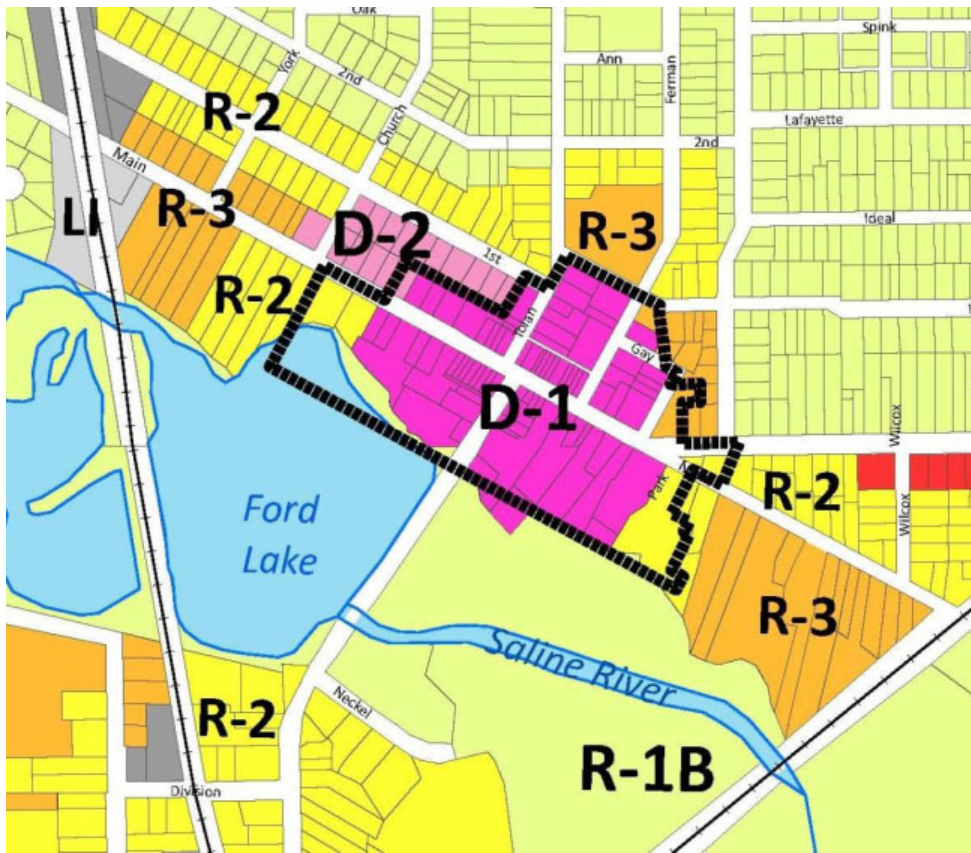
Creation of the Downtown Development Authority + Development District

To prevent further deterioration within the City of Milan downtown business district, the Milan Downtown Development District was established by Ordinance 83-8 adopted on October 24, 1983. This document is a revision of the previous Development Plan adopted by the DDA on August 17, 2009 and the Milan City Council on December 7, 2009. Subsequent to the adoption of the previous Development Plan in 2009, the DDA found that the original provision (DDA millage) for financing the Development Plan was insufficient to pay for the anticipated projects. Thus, the need for this amendment of the Amended Development Plan and Tax Increment Financing Plan.

The location and configuration of the Downtown District enables the adoption of a tax increment plan as a means of financing public improvements. By definition, a tax increment financing plan seeks to capitalize on and make use of the increased tax base created by economic development within the boundaries of a downtown district.

The purpose of this Development Plan and Tax Increment Financing Plan is to provide for the acquisition, construction and financing of the necessary street, sidewalk, streetscape, parking improvements and other facilities needed in the Downtown District to achieve the objectives of the Authority and to prevent further deterioration of the Downtown District while promoting economic growth of benefit to all taxing units located within and benefiting from the Downtown District.

Downtown Development District Boundary Map



- R-1A: Single-Family Residential District
 - R-1B: Single-Family Residential District
 - R-2: Two-Family Residential District
 - R-3: Multi-Family Residential District
 - MHP: Manufactured Home Park
 - PUD: Planned Unit Development District
 - O: Office District
 - D-1: Downtown Core District
 - D-2: Downtown Edge District
 - GB: General Business District
 - HS: Highway Service District
 - LI: Limited Industrial District
 - GI: General Industrial District
 - IR: Industrial Research District
 - DDA Boundary
- * Conditional Rezoning Allowing Only Certain Uses
See City Records for Details

ZONING DISTRICTS MAP

City of Milan
Washtenaw & Monroe Counties



7-26-12
Carlisle/Wortman Associates, Inc.
Ann Arbor, Michigan



Development Plan

This Development Plan contains the information required by Section 17(2) of Act 197.

(a) Designation of Boundaries of the Development Area in Relation to Highways, Streets or Otherwise.

The approximate boundaries of the DDA District and the Development Area are Church Street on the west, First Street and Hurd Street on the North, Gay Street on the east and the Saline River and Ford Lake on the south. All streets and Ford Lake are publicly owned and under the jurisdiction of the City of Milan.

(b) Location and Extent of Existing Streets and Other Public Facilities Within the Development Area and the Location, Character, and Extent of the Categories of Public and Private Land Uses, Existing and Proposed for the Development Area.

1. *Public Land.* The Development District includes dedicated street rights-of-way all under the jurisdiction of the City of Milan, a United States Post Office, an historic “Old Fire Barn”, Wilson Park, portions of Ford Lake (all under the jurisdiction of the City of Milan), the current Milan Area Fire Department and public parking lots on Main, Ferman and Wabash Streets.
2. *Private Land.*
 - a. Residential land uses in the Development Area include single-family housing, multiple-family structures and second floor apartments.
 - b. There are several Commercial businesses along Main, Wabash and Tolan Streets. The downtown business area reflects a traditional pattern of zero lot line buildings with on-street parking and off-street public parking lots. The Downtown is more pedestrian-oriented than fringe commercial areas.
 - c. There are no industrial businesses within the Downtown Development Area.

- d. There are no public transportation or railroad facilities located in the Downtown Development Area.
- e. The legal description of the Development Area is as follows:

Land in the City of Milan, Washtenaw and Monroe Counties, Michigan, to wit:

Commencing at the southwest corner of Lot 47 of Assessor's Plat of the Village of Milan, Monroe County; thence northwesterly parallel with West Main Street to a point which would intersect with a southwesterly continuation of the easterly line of Lot 13 of Supervisor's Plat Number 3 of the Village of Milan, Washtenaw County; thence northeasterly along said eastern line continuation to the northerly line of West Main Street; thence southeasterly along the south line of Lots 4, 5, 6 & 7 of Thomas Bramans Plat to the West line of Lot 3; thence northeasterly along west line of Lot 3 to the northwest corner; thence southeasterly along the north lot line of Lot 3 and continuing southeasterly to the southwest corner of Lot 22 of Supervisors Plat #4; thence northeasterly along the west line of said Lot 22 to the center of First Street; thence southeasterly to the Center of Tolan Street; thence northeasterly to the Center of Hurd Street; thence southeasterly in the center of Hurd Street to a point which would intersect with a northerly continuation of the east line of Lot 70; thence southerly along the east line of Lots 70 and 69 to the center of Gay Street; thence southeasterly and southwestly along the center of Gay Street to a point which would intersect with a westerly continuation of the north line of Lot 61; thence east to the northeast corner; thence south 66.4 feet; thence west 66 feet; thence south to the center of County Street; thence easterly along the centerline of County Street to a point which would intersect with a northeasterly continuation of the east line of Lot 2 of the Assessors Plat of the Village of Milan, now City, Monroe County; thence southwestly along the east line of Lot 2 to the center line of East Main Street; thence northwesterly to a point which would intersect with a northeasterly continuation of the westerly line of Lot 39; thence southwestly to the southwest corner of Lot 39; thence southeasterly to the southeast corner of Lot 39; thence southwestly 12.12 feet; thence southeasterly 24.96 feet; thence southwestly 120 feet; thence southeasterly 58 feet to the west line of Lot 37; thence southwestly along the westerly line of Lot 37 to the southwest corner; thence northwesterly to the place of beginning.

- (c) Description of Improvements to be made in the Development Area, Description of any Repairs and Alterations Necessary to make those Improvements, and an Estimate of the Time Required for Completion of the Improvements.

Goals and Objectives of the Authority with Respect to the Development Area

Generally, the goal of the Authority is to prevent further property value deterioration in the Development Area, to strengthen and revitalize the Development Area by providing incentives to attract new private development and to encourage additional private investments in the expansion of existing businesses.

The Authority has identified the following specific strategies designed to accomplish the goal statements provided below. The Authority believes that some of these activities may ultimately be achieved by other citizens and organizations, or by the Township in partnership with the Authority.

- Improve the safety and attractiveness of the Development Area to support existing and new private developments.
- Initiate efforts to encourage renovation and expansion of retail businesses.
- Participate in efforts to encourage new private developments in conjunction with public improvements.
- Encourage energy efficiency (i.e. green development) in all proposals for development and redevelopment in the Development Area.
- Encourage pedestrian, non-motorized and public transportation improvements in conjunction with private development projects.
- Encourage public/private partnerships to address infrastructure limitations (including wireless technology).
- Utilize all viable marketing techniques to ensure continued viability of the Development Area.

Following is a list of the improvements intended to be made to the Development Area, their approximate costs and approximate time for completion. Estimated costs of improvements were compiled without detailed engineering design or specific knowledge of field conditions which may affect project costs; therefore cost estimates are subject to change.

| Year | Project | Estimated Cost |
|--|---|--|
| Any Year | Create public/private partnerships with new + existing businesses. | \$-0- |
| | Marketing of the Downtown through website development, advertising, signage or other means. | \$5,000 |
| | Create a façade improvement program. | \$100,000 |
| | Contribute to seasonal decorations + community events/programs | \$25,000 |
| | Plan for and display public art projects | \$25,000 |
| | Provide snow removal + street sweeping for downtown businesses. | \$25,000 |
| | Establish landscaping/planting program with maintenance plan. | \$15,000 |
| | Work in coordination with other City Commissions + Authorities for the betterment of the DDA District | \$-0- |
| | Coordinate volunteer efforts to assist in any DDA programs. | \$-0- |
| | Short Range | Develop parking north of the City Park, including a Farmer's Market Pavilion |
| Evaluate + develop other ground level parking areas as appropriate. | | \$350,000 |
| Acquire property(ies) + develop as pocket park(s) as appropriate. | | \$200,000 |
| Work with businesses to promote the downtown area + create aesthetically pleasing façade designs. | | \$-0- |
| Continue to evaluate + implement wayfinding / signage program. | | \$25,000 |
| Plan for upgrading street furniture, bike racks, waste receptacles, drinking fountains, kiosks, etc. | | \$25,000 |
| Coordinate + implement the consolidation of dumpsters + dumpster enclosures through the use of shared corrals. | | \$40,000 |
| Examine streetscape + lighting improvements throughout the DDA District. | | \$100,000 |
| Long Range | Improve/modernize infrastructure, including advancements in wireless communication technology. | \$50,000 |
| | Plan for + develop area designated for public restrooms. | \$250,000 |
| | Improve sidewalks, pedestrian crossing + curbs as appropriate. | \$500,000 |
| | Examine the potential for truck re-routing around the DDA District. | \$50,000 |
| | Employment of a DDA Director as appropriate. | \$50,000 |
| | Total | \$2,580,000 |

(d) Location, Extent, Character, and Estimated Costs of the Improvements:
See paragraph (c) above.

(e) Statement of Construction or Stages of Construction Planned:

The stages of construction planned for the improvements provided in subsection (c), and the time required for completion have yet to be determined pending availability of financing.

(f) Description of Any Parts of the Development Area to be Left as Open Space and the Use Contemplated for the Space:

Except for the expansion and development of land between Wabash Street and Parkside Place as a parking lot and the former Danube Inn property as a pocket park; no other open space is currently contemplated in the Development Area.

(g) 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:

There is no present intent to sell, donate, exchange or lease any property in the Development Area.

(h) Description of Desired Zoning Changes and Changes in Streets, Street Levels, Intersections and Utilities:

No zoning changes are required for the Development Area. Street, street level, intersection and utility modifications to be initiated by the Authority are described in subsection (c).

(i) Estimate of Cost Development, Statement of Proposed Method of Financing the Development, and the Ability of the Authority to Arrange the Financing:

The estimated cost of the development projects listed in the Development Plan is \$2,580,000. Financing of the costs associated with the implementation of the Development Plan will be accomplished by the use of one (1) or more of the following funding sources:

1. Tax Increment Revenues
2. Levy of tax by the Authority as authorized by the provisions of Act 197.

3. Revenues from Authority owned, leased or sold property.
4. Donations received by the Authority.
5. Funds obtained from other sources approved by the City of Milan (i.e. general obligation bonds, special assessment bonds, County bonds, installment purchase contracts, CDBG funds, etc.)
6. Federal and State grants.

(j) Designation of the Person or Persons to Whom All or a Portion of the Development is to be Leased, Sold, or Conveyed, and Project Beneficiaries:

No sale, lease, or conveyance to private entities is contemplated at this time.

(k) Procedures for Leasing, Purchasing or Conveying:

In the event the Authority needs to employ procedures for leasing, purchasing or conveying, it will follow the established procedures of the Township.

(l) Estimate of the Number of Persons Residing in the Development Area:

There are approximately 95 persons residing in the Development Area.

(m) Relocation of Displaced Persons:

Should any relocation of persons or businesses be necessary in the future, the City, their agents and/or the DDA will first adopt a formal relocation program. If acquisition of any real property should result in the displacement of persons or businesses, the DDA recognizes its obligation to make the affected parties economically whole. If it appears that any relocation obligations may be incurred during the proposed life of this Plan, the Township and the DDA will adopt a relocation plan as soon as the circumstances become known.

The relocation plan shall require that certain payments and other assistance be paid to families, individuals, businesses and non-profit organizations as they are displaced or their personal property is moved as

a result of activity that may be subject to the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Should relocation be required, the DDA in cooperation with the City shall allocate within the DDA budget appropriate relation assistance in accordance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Any acquisition and/or relocation activities that occur using DDA funds will comply with Act No. 227 of Public Acts of 1972 of the Michigan Compiled Laws. Any relocation plan to be adopted will incorporate by reference the applicable portions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act that are designed to make the affected individuals or businesses economically whole.

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Tax Increment Financing Plan

Tax Increment Procedure

Tax increment revenue to be transmitted to the Authority is generated when the current taxable value of all properties within the Development Area Exceed the initial taxable value of the properties. The initial taxable value is defined in Act 197 as *the most recently assessed value of all taxable property within the boundaries of the Development Area at the time the Ordinance establishing the Development Area is approved*. The current taxable value refers to the taxable value of all properties within the Development Area as established each year subsequent to the adoption of the tax increment financing plan. The amount in any one (1) year by which the current taxable value exceeds the initial taxable value is defined as the “captured taxable value”. The tax increment revenue transmitted to the Authority results from applying the total tax levy of all taxing units within the development area to the captured taxable value (see pages 15 and 17).

Increases in taxable values within the Development Area which result in the generation of tax increment revenues, can result from any of the following:

- (a) Construction of new developments occurring after the date establishing the “initial taxable value”.
- (b) Construction of new rehabilitation, remodeling alterations, or additions accruing after the date establishing the “initial taxable value”.
- (c) Increases in property values which occur for any other reason.

Tax increment revenues transmitted to the Authority can be used as they accrue annually, can be held to accumulate amounts necessary to make improvements as described in the Development Plan, or can be pledged for debt services on general obligation tax increment bonds issued by the City.

The Authority may expend tax increment revenues only in accordance with this Tax Increment Financing Plan; surplus revenues revert proportionally to the respective taxing jurisdictions. This Tax Increment Financing Plan may be modified upon approval of the City Council after notification and hearings as

required by Act 197. When the City Council finds that the purpose for which this Plan was established have been accomplished, they may abolish this Plan.

Tax Increment Financing Area

The area selected to incorporate tax increment financing shall include the entire Development Area, as previously described.

Summary of Estimated Taxable Value Growth and Projected Revenues

The estimated captured tax revenues for the portions of the district found in both Monroe and Washtenaw County are provided on the following pages.

NOTE: The Washtenaw County Tax Capture Estimates account for redevelopment of the buildings that compose the Wabash + Main LLC redevelopment project that have a current taxable value of \$434,800. It is estimated that in tax year 2014 (first year of the completed project) the taxable value of the project would then be \$1,250,000. Assuming a 3.5% rate of inflation over the next 10 years, the project would appear on the ad valorem tax rolls beginning in tax year 2023 at a taxable value of \$1,703,622. Therefore, the tax capture model assumes an addition of \$1,268,822 of taxable value in tax year 2023.

The total estimated DDA tax capture for the Development Area over the life of the Plan is \$5,106,282.

DDA - ESTIMATED CAPTURED TAX REVENUES

CURRENT ESTIMATES

| <u>TAX YEAR</u> | <u>TAXABLE VALUE</u> | <u>CAPTURED VALUE</u> | <u>% ANNUAL INCREMENT</u> | <u>MILLAGE RATE (PER \$1000)</u> | MONROE COUNTY | | | | | | | | | | DDA | <u>CAPTURED TAX REVENUES</u> | | | |
|--------------------|----------------------|-----------------------|---------------------------|----------------------------------|---------------|----------|---------------|---------------|-----------------|----------|----------|--------|----------------|--------|-----------|------------------------------|-------------------|------|------|
| | | | | | City | County | Milan Library | Comm. College | Senior Citizens | Fairview | Veterans | Museum | County Library | 1.5314 | | | | | |
| 13/14 | \$ 206,643 | \$ - | | 38.6818 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14/15 | \$ 212,842 | \$ 6,199 | 3% | 38.6818 | \$ 89 | \$ 30 | \$ 11 | \$ 14 | \$ 3 | \$ 1 | \$ 0 | \$ 1 | \$ 6 | \$ 9 | \$ 240 | | | | |
| 15/16 | \$ 219,228 | \$ 12,585 | 3% | 38.6818 | \$ 181 | \$ 60 | \$ 22 | \$ 27 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 13 | \$ 19 | \$ 487 | | | | |
| 16/17 | \$ 225,804 | \$ 19,161 | 3% | 38.6818 | \$ 276 | \$ 92 | \$ 34 | \$ 42 | \$ 10 | \$ 4 | \$ 1 | \$ 2 | \$ 19 | \$ 29 | \$ 741 | | | | |
| 17/18 | \$ 232,579 | \$ 25,936 | 3% | 38.6818 | \$ 373 | \$ 124 | \$ 46 | \$ 57 | \$ 13 | \$ 5 | \$ 1 | \$ 3 | \$ 26 | \$ 40 | \$ 1,003 | | | | |
| 18/19 | \$ 239,556 | \$ 32,913 | 3% | 38.6818 | \$ 474 | \$ 158 | \$ 59 | \$ 72 | \$ 16 | \$ 7 | \$ 2 | \$ 3 | \$ 33 | \$ 50 | \$ 1,273 | | | | |
| 19/20 | \$ 246,743 | \$ 40,100 | 3% | 38.6818 | \$ 577 | \$ 192 | \$ 71 | \$ 87 | \$ 20 | \$ 8 | \$ 2 | \$ 4 | \$ 40 | \$ 61 | \$ 1,551 | | | | |
| 20/21 | \$ 254,145 | \$ 47,502 | 3% | 38.6818 | \$ 684 | \$ 228 | \$ 85 | \$ 104 | \$ 24 | \$ 10 | \$ 2 | \$ 5 | \$ 48 | \$ 73 | \$ 1,837 | | | | |
| 21/22 | \$ 261,769 | \$ 55,126 | 3% | 38.6818 | \$ 794 | \$ 264 | \$ 98 | \$ 120 | \$ 28 | \$ 11 | \$ 3 | \$ 6 | \$ 55 | \$ 84 | \$ 2,132 | | | | |
| 22/23 | \$ 269,622 | \$ 62,979 | 3% | 38.6818 | \$ 907 | \$ 302 | \$ 112 | \$ 137 | \$ 31 | \$ 13 | \$ 3 | \$ 6 | \$ 63 | \$ 96 | \$ 2,436 | | | | |
| 23/24 | \$ 277,711 | \$ 71,068 | 3% | 38.6818 | \$ 1,023 | \$ 341 | \$ 127 | \$ 155 | \$ 36 | \$ 14 | \$ 4 | \$ 7 | \$ 71 | \$ 109 | \$ 2,749 | | | | |
| 24/25 | \$ 286,042 | \$ 79,399 | 3% | 38.6818 | \$ 1,143 | \$ 381 | \$ 141 | \$ 173 | \$ 40 | \$ 16 | \$ 4 | \$ 8 | \$ 79 | \$ 122 | \$ 3,071 | | | | |
| 25/26 | \$ 294,624 | \$ 87,981 | 3% | 38.6818 | \$ 1,267 | \$ 422 | \$ 157 | \$ 192 | \$ 44 | \$ 18 | \$ 4 | \$ 9 | \$ 88 | \$ 135 | \$ 3,403 | | | | |
| 26/27 | \$ 303,462 | \$ 96,819 | 3% | 38.6818 | \$ 1,394 | \$ 464 | \$ 172 | \$ 211 | \$ 48 | \$ 19 | \$ 5 | \$ 10 | \$ 97 | \$ 148 | \$ 3,745 | | | | |
| 27/28 | \$ 312,566 | \$ 105,923 | 3% | 38.6818 | \$ 1,525 | \$ 508 | \$ 189 | \$ 231 | \$ 53 | \$ 21 | \$ 5 | \$ 11 | \$ 106 | \$ 162 | \$ 4,097 | | | | |
| 28/29 | \$ 321,943 | \$ 115,300 | 3% | 38.6818 | \$ 1,660 | \$ 553 | \$ 205 | \$ 251 | \$ 58 | \$ 23 | \$ 6 | \$ 12 | \$ 115 | \$ 177 | \$ 4,460 | | | | |
| 29/30 | \$ 331,601 | \$ 124,958 | 3% | 38.6818 | \$ 1,799 | \$ 599 | \$ 223 | \$ 272 | \$ 62 | \$ 25 | \$ 6 | \$ 12 | \$ 125 | \$ 191 | \$ 4,834 | | | | |
| 30/31 | \$ 341,549 | \$ 134,906 | 3% | 38.6818 | \$ 1,943 | \$ 647 | \$ 240 | \$ 294 | \$ 67 | \$ 27 | \$ 7 | \$ 13 | \$ 135 | \$ 207 | \$ 5,218 | | | | |
| 31/32 | \$ 351,796 | \$ 145,153 | 3% | 38.6818 | \$ 2,090 | \$ 696 | \$ 259 | \$ 316 | \$ 73 | \$ 29 | \$ 7 | \$ 15 | \$ 145 | \$ 222 | \$ 5,615 | | | | |
| 32/33 | \$ 362,350 | \$ 155,707 | 3% | 38.6818 | \$ 2,242 | \$ 747 | \$ 277 | \$ 339 | \$ 78 | \$ 31 | \$ 8 | \$ 16 | \$ 156 | \$ 238 | \$ 6,023 | | | | |
| 33/34 | \$ 373,220 | \$ 166,577 | 3% | 38.6818 | \$ 2,399 | \$ 799 | \$ 297 | \$ 363 | \$ 83 | \$ 33 | \$ 8 | \$ 17 | \$ 167 | \$ 255 | \$ 6,444 | | | | |
| 34/35 | \$ 384,417 | \$ 177,774 | 3% | 38.6818 | \$ 2,560 | \$ 852 | \$ 317 | \$ 387 | \$ 89 | \$ 36 | \$ 9 | \$ 18 | \$ 178 | \$ 272 | \$ 6,877 | | | | |
| 35/36 | \$ 395,949 | \$ 189,306 | 3% | 38.6818 | \$ 2,726 | \$ 908 | \$ 337 | \$ 413 | \$ 95 | \$ 38 | \$ 9 | \$ 19 | \$ 189 | \$ 290 | \$ 7,323 | | | | |
| 36/37 | \$ 407,828 | \$ 201,185 | 3% | 38.6818 | \$ 2,897 | \$ 965 | \$ 358 | \$ 438 | \$ 101 | \$ 40 | \$ 10 | \$ 20 | \$ 201 | \$ 308 | \$ 7,782 | | | | |
| 37/38 | \$ 420,063 | \$ 213,420 | 3% | 38.6818 | \$ 3,073 | \$ 1,023 | \$ 380 | \$ 465 | \$ 107 | \$ 43 | \$ 11 | \$ 21 | \$ 213 | \$ 327 | \$ 8,255 | | | | |
| 38/39 | \$ 432,665 | \$ 226,022 | 3% | 38.6818 | \$ 3,255 | \$ 1,084 | \$ 403 | \$ 493 | \$ 113 | \$ 45 | \$ 11 | \$ 23 | \$ 226 | \$ 346 | \$ 8,743 | | | | |
| 39/40 | \$ 445,644 | \$ 239,001 | 3% | 38.6818 | \$ 3,442 | \$ 1,146 | \$ 426 | \$ 521 | \$ 120 | \$ 48 | \$ 12 | \$ 24 | \$ 239 | \$ 366 | \$ 9,245 | | | | |
| 40/41 | \$ 459,014 | \$ 252,371 | 3% | 38.6818 | \$ 3,634 | \$ 1,210 | \$ 450 | \$ 550 | \$ 126 | \$ 50 | \$ 13 | \$ 25 | \$ 252 | \$ 386 | \$ 9,762 | | | | |
| 41/42 | \$ 472,784 | \$ 266,141 | 3% | 38.6818 | \$ 3,832 | \$ 1,276 | \$ 474 | \$ 580 | \$ 133 | \$ 53 | \$ 13 | \$ 27 | \$ 266 | \$ 408 | \$ 10,295 | | | | |
| 42/43 | \$ 486,968 | \$ 280,325 | 3% | 38.6818 | \$ 4,037 | \$ 1,344 | \$ 499 | \$ 611 | \$ 140 | \$ 56 | \$ 14 | \$ 28 | \$ 280 | \$ 429 | \$ 10,843 | | | | |
| 43/44 | \$ 501,577 | \$ 294,934 | 3% | 38.6818 | \$ 4,247 | \$ 1,414 | \$ 525 | \$ 643 | \$ 147 | \$ 59 | \$ 15 | \$ 29 | \$ 295 | \$ 452 | \$ 11,409 | | | | |
| TAX CAPTURE | | | | | | | | | | | | | | | | | \$ 151,895 | | |

DDA - ESTIMATED CAPTURED TAX REVENUES

CURRENT ESTIMATES

| <u>TAX YEAR</u> | <u>TAXABLE VALUE</u> | <u>CAPTURED VALUE</u> | <u>% ANNUAL INCREMENT</u> | <u>MILLAGE RATE (PER \$1000)</u> | WASHTENAW COUNTY | | | | | | | | | | | <u>CAPTURED TAX REVENUES</u> |
|-----------------|----------------------|-----------------------|---------------------------|----------------------------------|------------------|-----------|---------------|---------------|----------|----------|----------|---------|----------|-----------|---------------------------------|------------------------------|
| | | | | | City | County | Milan Library | Comm. College | Parks | EECS | Veterans | PA88 | HCMA | DDA | | |
| | | | | | 14.4 | 4.5493 | 1.7813 | 3.6376 | 0.7129 | \$ 0.20 | \$ 0.03 | \$ 0.05 | \$ 0.21 | \$ 1.53 | | |
| 13/14 | \$ 3,949,709 | \$ - | | 39.9841 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 14/15 | \$ 4,068,200 | \$ 118,491 | 3% | 39.9841 | \$ 1,706 | \$ 539 | \$ 211 | \$ 431 | \$ 84 | \$ 24 | \$ 3 | \$ 6 | \$ 25 | \$ 181 | \$ 4,738 | |
| 15/16 | \$ 4,190,246 | \$ 240,537 | 3% | 39.9841 | \$ 3,464 | \$ 1,094 | \$ 428 | \$ 875 | \$ 171 | \$ 48 | \$ 6 | \$ 12 | \$ 52 | \$ 368 | \$ 9,618 | |
| 16/17 | \$ 4,315,954 | \$ 366,245 | 3% | 39.9841 | \$ 5,274 | \$ 1,666 | \$ 652 | \$ 1,332 | \$ 261 | \$ 73 | \$ 9 | \$ 18 | \$ 79 | \$ 561 | \$ 14,644 | |
| 17/18 | \$ 4,445,432 | \$ 495,723 | 3% | 39.9841 | \$ 7,138 | \$ 2,255 | \$ 883 | \$ 1,803 | \$ 353 | \$ 99 | \$ 12 | \$ 25 | \$ 106 | \$ 759 | \$ 19,821 | |
| 18/19 | \$ 4,578,795 | \$ 629,086 | 3% | 39.9841 | \$ 9,059 | \$ 2,862 | \$ 1,121 | \$ 2,288 | \$ 448 | \$ 126 | \$ 16 | \$ 31 | \$ 135 | \$ 963 | \$ 25,153 | |
| 19/20 | \$ 4,716,159 | \$ 766,450 | 3% | 39.9841 | \$ 11,037 | \$ 3,487 | \$ 1,365 | \$ 2,788 | \$ 546 | \$ 153 | \$ 19 | \$ 38 | \$ 164 | \$ 1,174 | \$ 30,646 | |
| 20/21 | \$ 4,857,644 | \$ 907,935 | 3% | 39.9841 | \$ 13,074 | \$ 4,130 | \$ 1,617 | \$ 3,303 | \$ 647 | \$ 182 | \$ 23 | \$ 45 | \$ 195 | \$ 1,390 | \$ 36,303 | |
| 21/22 | \$ 5,003,373 | \$ 1,053,664 | 3% | 39.9841 | \$ 15,173 | \$ 4,793 | \$ 1,877 | \$ 3,833 | \$ 751 | \$ 211 | \$ 26 | \$ 53 | \$ 226 | \$ 1,614 | \$ 42,130 | |
| 22/23 | \$ 5,153,474 | \$ 1,203,765 | 3% | 39.9841 | \$ 17,334 | \$ 5,476 | \$ 2,144 | \$ 4,379 | \$ 858 | \$ 241 | \$ 30 | \$ 60 | \$ 258 | \$ 1,843 | \$ 48,131 | |
| 23/24 | \$ 7,011,701 | \$ 3,061,992 | 3% | 39.9841 | \$ 44,093 | \$ 13,930 | \$ 5,454 | \$ 11,138 | \$ 2,183 | \$ 612 | \$ 77 | \$ 153 | \$ 657 | \$ 4,689 | \$ 122,431 | |
| 24/25 | \$ 7,222,052 | \$ 3,272,343 | 3% | 39.9841 | \$ 47,122 | \$ 14,887 | \$ 5,829 | \$ 11,903 | \$ 2,333 | \$ 654 | \$ 82 | \$ 164 | \$ 702 | \$ 5,011 | \$ 130,842 | |
| 25/26 | \$ 7,438,713 | \$ 3,489,004 | 3% | 39.9841 | \$ 50,242 | \$ 15,873 | \$ 6,215 | \$ 12,692 | \$ 2,487 | \$ 698 | \$ 87 | \$ 174 | \$ 749 | \$ 5,343 | \$ 139,505 | |
| 26/27 | \$ 7,661,875 | \$ 3,712,166 | 3% | 39.9841 | \$ 53,455 | \$ 16,888 | \$ 6,612 | \$ 13,503 | \$ 2,646 | \$ 742 | \$ 93 | \$ 186 | \$ 797 | \$ 5,685 | \$ 148,428 | |
| 27/28 | \$ 7,891,731 | \$ 3,942,022 | 3% | 39.9841 | \$ 56,765 | \$ 17,933 | \$ 7,022 | \$ 14,339 | \$ 2,810 | \$ 788 | \$ 99 | \$ 197 | \$ 846 | \$ 6,037 | \$ 157,618 | |
| 28/29 | \$ 8,128,483 | \$ 4,178,774 | 3% | 39.9841 | \$ 60,174 | \$ 19,010 | \$ 7,444 | \$ 15,201 | \$ 2,979 | \$ 836 | \$ 104 | \$ 209 | \$ 897 | \$ 6,399 | \$ 167,085 | |
| 29/30 | \$ 8,372,337 | \$ 4,422,628 | 3% | 39.9841 | \$ 63,686 | \$ 20,120 | \$ 7,878 | \$ 16,088 | \$ 3,153 | \$ 885 | \$ 111 | \$ 221 | \$ 949 | \$ 6,773 | \$ 176,835 | |
| 30/31 | \$ 8,623,507 | \$ 4,673,798 | 3% | 39.9841 | \$ 67,303 | \$ 21,263 | \$ 8,325 | \$ 17,001 | \$ 3,332 | \$ 935 | \$ 117 | \$ 234 | \$ 1,003 | \$ 7,157 | \$ 186,878 | |
| 31/32 | \$ 8,882,213 | \$ 4,932,504 | 3% | 39.9841 | \$ 71,028 | \$ 22,439 | \$ 8,786 | \$ 17,942 | \$ 3,516 | \$ 987 | \$ 123 | \$ 247 | \$ 1,059 | \$ 7,554 | \$ 197,222 | |
| 32/33 | \$ 9,148,679 | \$ 5,198,970 | 3% | 39.9841 | \$ 74,865 | \$ 23,652 | \$ 9,261 | \$ 18,912 | \$ 3,706 | \$ 1,040 | \$ 130 | \$ 260 | \$ 1,116 | \$ 7,962 | \$ 207,876 | |
| 33/34 | \$ 9,423,139 | \$ 5,473,430 | 3% | 39.9841 | \$ 78,817 | \$ 24,900 | \$ 9,750 | \$ 19,910 | \$ 3,902 | \$ 1,095 | \$ 137 | \$ 274 | \$ 1,175 | \$ 8,382 | \$ 218,850 | |
| 34/35 | \$ 9,705,833 | \$ 5,756,124 | 3% | 39.9841 | \$ 82,888 | \$ 26,186 | \$ 10,253 | \$ 20,938 | \$ 4,104 | \$ 1,151 | \$ 144 | \$ 288 | \$ 1,235 | \$ 8,815 | \$ 230,153 | |
| 35/36 | \$ 9,997,008 | \$ 6,047,299 | 3% | 39.9841 | \$ 87,081 | \$ 27,511 | \$ 10,772 | \$ 21,998 | \$ 4,311 | \$ 1,209 | \$ 151 | \$ 302 | \$ 1,298 | \$ 9,261 | \$ 241,796 | |
| 36/37 | \$ 10,296,919 | \$ 6,347,210 | 3% | 39.9841 | \$ 91,400 | \$ 28,875 | \$ 11,306 | \$ 23,089 | \$ 4,525 | \$ 1,269 | \$ 159 | \$ 317 | \$ 1,362 | \$ 9,720 | \$ 253,787 | |
| 37/38 | \$ 10,605,826 | \$ 6,656,117 | 3% | 39.9841 | \$ 95,848 | \$ 30,281 | \$ 11,857 | \$ 24,212 | \$ 4,745 | \$ 1,331 | \$ 166 | \$ 333 | \$ 1,428 | \$ 10,193 | \$ 266,139 | |
| 38/39 | \$ 10,924,001 | \$ 6,974,292 | 3% | 39.9841 | \$ 100,430 | \$ 31,728 | \$ 12,423 | \$ 25,370 | \$ 4,972 | \$ 1,395 | \$ 174 | \$ 349 | \$ 1,497 | \$ 10,680 | \$ 278,861 | |
| 39/40 | \$ 11,251,721 | \$ 7,302,012 | 3% | 39.9841 | \$ 105,149 | \$ 33,219 | \$ 13,007 | \$ 26,562 | \$ 5,206 | \$ 1,460 | \$ 183 | \$ 365 | \$ 1,567 | \$ 11,182 | \$ 291,964 | |
| 40/41 | \$ 11,589,273 | \$ 7,639,564 | 3% | 39.9841 | \$ 110,010 | \$ 34,755 | \$ 13,608 | \$ 27,790 | \$ 5,446 | \$ 1,528 | \$ 191 | \$ 382 | \$ 1,639 | \$ 11,699 | \$ 305,461 | |
| 41/42 | \$ 11,936,951 | \$ 7,987,242 | 3% | 39.9841 | \$ 115,016 | \$ 36,336 | \$ 14,228 | \$ 29,054 | \$ 5,694 | \$ 1,597 | \$ 200 | \$ 399 | \$ 1,714 | \$ 12,232 | \$ 319,363 | |
| 42/43 | \$ 12,295,059 | \$ 8,345,350 | 3% | 39.9841 | \$ 120,173 | \$ 37,966 | \$ 14,866 | \$ 30,357 | \$ 5,949 | \$ 1,669 | \$ 209 | \$ 417 | \$ 1,791 | \$ 12,780 | \$ 333,681 | |
| 43/44 | \$ 12,663,911 | \$ 8,714,202 | 3% | 39.9841 | \$ 125,485 | \$ 39,644 | \$ 15,523 | \$ 31,699 | \$ 6,212 | \$ 1,743 | \$ 218 | \$ 436 | \$ 1,870 | \$ 13,345 | \$ 348,430 | |
| | | | | | | | | | | | | | | | TAX CAPTURE \$ 4,954,387 | |

Bonded Indebtedness to be Incurred

The Authority anticipates issuing tax increment bonds to finance proposed public facilities described in the Development Plan. The maximum amount of bonded indebtedness to be incurred will be equal to:

- (a) The total costs of the projects described in the Development Plan as adjusted for inflation, deflation, and contingencies; and
- (b) Expenses related to issuance of the bonds, including the fees of legal and financial counsel, bond printing, printing of the prospectus, notice of sale, and miscellaneous expenses.

Therefore, the Authority anticipates incurring bonded indebtedness to finance future projects within the Development Area. The total bonded indebtedness of the Authority will not exceed \$5,106,282 over the life of the Plan.

Duration of the Plan

For the purposes of this Tax Increment Financing Plan, the initial taxable value of all real property was provided with a 2013 base year. The duration of the Plan is for a period of 30 years ending in 2034, with accrued tax collections ending in 2034.

Estimated Impact on Taxing Jurisdictions

The taxing units affected by this Tax Increment Financing Plan and their 2013 millage rates are illustrated on pages 13 and 14.

The Authority proposes that all of the eligible taxes levied on the captured taxable value within the Development Area be used by the Authority to the extent needed from year to year to accomplish the purposes of this Tax Increment Financing Plan.

The proposed creation of the Development Area shall in no way diminish the existing taxable values of property within the area boundaries. The local taxing jurisdictions shall, therefore, suffer no loss of existing tax revenues.

As provided for by Act 197, tax revenues generated from within the Development Area prior to the adoption of this Tax Increment Financing Plan will continue to be distributed to all taxing jurisdictions during the duration of this Plan. Upon completion of this Tax Increment Financing Plan, all additional tax revenues having been captured by the Authority will be distributed proportionately to the taxing jurisdictions.

The Authority proposes to improve and strengthen the Development Area. This is to be accomplished by using the additional tax revenues generated in the Development Area to make public improvements and induce private redevelopment.

It is anticipated that the public improvements proposed for the Development Area, and the private improvements they induce will provide long-term stability and growth in the Downtown District. This will greatly benefit all taxing jurisdictions which to a significant degree are dependent upon the well-being of the Downtown District for stability and growth. This benefit will result from increases in property valuations surrounding the Development; increases in property valuations in the Development Area at the time this Tax Increment Financing Plan is completed; and increases in property valuation throughout the entire community.

Notification of Taxing Jurisdictions

Pursuant to Act 197, the Authority shall fully inform the members of the Monroe and Washtenaw County Boards of Commissioners, and the Monroe and Washtenaw Intermediate School Districts of the fiscal and economic implications of the Plan.

Plan for the Use of Tax Increment Revenues

- (a) Revenues: Estimates of projected tax increment revenues and increases in State Equalized Valuation resulting from increases in existing tax base and new development are provided on pages X and X.
- (b) Expenditures: The known expenditures of the tax increment revenues are illustrated on page 8 of the Development Plan.

- (c) Priorities: In the event that tax increment revenues are greater or less than projections used for the purposes of this Tax Increment Financing Plan, the available funds will be used to complete the Development Plan in accordance with the following directive:

The Authority and City Council will evaluate those projects which are the most beneficial and best meet the goals and objectives of the Development Plan and adjust the project importance accordingly.