

**AMENDED DEVELOPMENT AND TAX
INCREMENT FINANCE PLAN
(AS MODIFIED BY WILLIAMSTON CITY COUNCIL)**

1. The boundaries of the Plan's Tax Increment Finance District and Development District are set forth in the map contained in the original Plan, as Amended. The 2012 Amended Plan does not change the boundaries of the Plan's Tax Increment Finance District and Development District.
 - 1.1 For reference purposes, the Tax Increment Finance District map is attached hereto at **Exhibit 1**;
 - 1.2 For reference purposes, the legal description for the Tax Increment Finance District is attached hereto at **Exhibit 2**;

2. The location and extent of existing streets and other public facilities within the development area are set forth in the map contained in the original Plan, as Amended. The 2012 Amended Plan incorporates by reference the new Williamston Zoning District Map, attached and incorporated herein by reference as **Exhibit 3**, as a supplement to the original maps contained in the Plan. The updated zoning map, dated February 29, 2012, sets forth the designated location, character, and extent of the categories of public and private land uses existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses. The legal description of the development area is described as being located in the City of Williamston, County of Ingham, to wit:

The Legal Description of the Development Area is contained in the Original Plan as previously amended and is not changed in this 2012 Amended Plan.

3. The description of the existing improvements in the area to be demolished, repaired, or altered, a description of any repairs or alterations, and an estimate of the time required for completion.
 - 3.1 Parking Lot Lease from the Williamston United Methodist Church (hereinafter, "Church") - historically, the WmDDA originally leased Lots 8 & 9 from the Church for ten years, beginning August 1988, for the primary consideration of paving the parking lot according to Church plans.

In 2001, the WmDDA renewed the Lease for five additional years and, as well, added Lots 1 & 2. The primary consideration for that renewed Lease was the WmDDA's commitment to: 1) plow the snow in all four lots; 2) clean and fill all cracks before September 2001; 3) seal coat the lots and stripe all parking spaces and designated handicap spaces before September 2001; and 4) clean and fill all cracks and stripe all parking areas again in 2003 and 2005.

In 2006, the Lease was again renewed for five years on all four lots. The primary consideration for this renewed Lease was that the WmDDA would: 1) plow the snow in all four lots; 2) clean and fill all cracks, seal coat the lots, and stripe all parking spaces and designated handicap spaces before October 2006; and 3) clean and fill all cracks and stripe all parking areas again in 2008 and 2010. The WmDDA did not complete the final cleaning and filling of cracks and striping of the parking lot in 2010, as required under the 2006 Lease.

The 2006 Lease renewal expired in September 2011 and the parties have been negotiating toward a new Lease all winter, while attempting to resolve any liability from the WmDDA's failure to clean and fill cracks and stripe the parking lot in 2010.

Attached at **Exhibit 4** is a copy of the 2012 Parking Lot Lease the WmDDA proposes to execute with the Church, if this 2012 Amended Plan is approved by the City. The Lease proposes to improve the entire existing parking lot improvements (19,975 square feet) by excavating and removing approximately 500 square feet of asphalt along the sidewalk and entrance on the south side of the parking lot [for correct height when paved]; base in excavated areas with 2" of asphalt rolled and compacted; clean pavement surfaces and apply bond coat SS-1H; wedge asphalt into low areas; furnish and install 1.5" of 13A commercial asphalt rolled and compacted; re-stripe lot to customer's design on Lots 1, 2, 8, & 9 [pursuant to Exhibit B to the Lease].

This project construction will be completed by June 30, 2012.

- 3.2 Re-surfacing of South Putnam Road - This project will accomplish the final phase of the Putnam Street/Williamston Road corridor improvements, which links downtown Williamston to I-96 and incorporates the Williamston Industrial Park. The existing South Putnam Street is approximately 37 feet wide with one lane northbound and one lane southbound. The existing pavement structures consist of HMA pavement over aggregate base. The proposed improvements, which will meet all-season Class A standards to accommodate truck/bus traffic to/from the Industrial Park, will include:
- a. Mill/resurface approximately 1,500 feet of South Putnam from Grand River Avenue south to approximately 200 feet north of the CSX railroad Crossing (see **Exhibit 5**);
 - b. Crush/shape approximately 300 feet of South Putnam adjacent to the railroad (see **Exhibit 6**);
 - c. Mill/resurface approximately 1,000 feet of South Putnam from approximately 100 feet south of CSX railroad crossing to Wallace Street (see **Exhibit 5**);
 - d. Crush/shape approximately 750 feet of South Putnam from Wallace Street to Industrial Park Drive (see **Exhibit 5**); and
 - e. Remove/replace concrete curb/gutter and sidewalk adjacent to the CSX railroad crossing (from approximately 200 feet north of tracks to 100 feet south of tracks) (see **Exhibit 6**).

The project was engineered in 2011 and is anticipated to move forward in the summer or fall of 2012, with substantial completion by the end of 2012.

4. The description of 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, signage, or signalization.

- 4.1 Parking Lot Lease from the Williamston United Methodist Church (hereinafter "Church") — the location of this project is the southeast corner of South Putnam and East Middle Street and more fully depicted in the attached **Exhibit 7**. The character and extent of the improvements are as follows:

Improving the entire existing Church parking lot improvements (19,975 square feet) by excavating and removing approximately 500 square feet of asphalt along the sidewalk and entrance on the south side of the parking lot [for correct height when paved]; base in excavated areas with 2" of asphalt rolled and compacted; clean pavement surfaces and apply bond coat SS-1H; wedge asphalt into low areas; furnish and install 1.5" of 13A commercial asphalt rolled and compacted; re-stripe lot to customer's design on Lots 1, 2, 8, & 9 [pursuant to Exhibit B to the Lease].

No rehabilitation is contemplated for the development area. This project construction will be completed by June 30, 2012. Once completed, signs will be installed on East Middle Street and South Putnam Street indicating that this lot is a Municipal Parking Lot. The WmDDA anticipates this project will cost \$15,000.00.

- 4.2 Re-surfacing of South Putnam Road — the location of this project is along South Putnam Street south from the southern side of East Grand River Avenue to the south side of Industrial Park Drive. The character and extent of the improvements are as follows:

This project will accomplish the final phase of the Putnam Street / Williamston Road corridor improvements, which links downtown Williamston to I-96 and incorporates the Williamston Industrial Park. The existing South Putnam Street is approximately 37 feet wide with one lane northbound and one lane southbound. The existing pavement structures consist of HMA pavement over aggregate base. The proposed improvements, which will meet all-season Class A standards to accommodate truck/bus traffic to/from the Industrial Park, will include:

- a. Mill/resurface approximately 1,500 feet of South Putnam from Grand River Avenue south to approximately 200 feet north of the CSX railroad Crossing (see **Exhibit 5**);
- b. Crush/shape approximately 300 feet of South Putnam adjacent to the railroad (see **Exhibit 6**);
- c. Mill/resurface approximately 1,000 feet of South Putnam from approximately 100 feet south of CSX railroad crossing to Wallace Street (see **Exhibit 5**);
- d. Crush/shape approximately 750 feet of South Putnam from Wallace Street to Industrial Park Drive (see **Exhibit 5**); and

- e. Remove/replace concrete curb/gutter and sidewalk adjacent to the CSX railroad crossing (from approximately 200 feet north of tracks to 100 feet south of tracks) (see **Exhibit 6**).

No rehabilitation is contemplated for the development area. The project was extensively engineered in 2011 and is anticipated to move forward in the summer or fall of 2012, with substantial completion by the end of 2012.

The entire project will cost \$484,000.00 (see **Exhibit 8**). The City has been awarded a Category A Grant from the State of Michigan for \$379,000.00. The City's remainder cost is anticipated to be a total of \$105,000.00. One half of the project is within the WmDDA's tax increment finance and development district. Therefore, the WmDDA anticipates funding half of the City's costs, or \$52,500.00, as follows:

- a. \$26,250.00 paid to the City during fiscal year 2011-2012; and
- b. \$26,250.00 paid to the City during fiscal year 2012-2013.

The City has not yet finalized plans for this project. The WmDDA will not go forward with the project unless the City authorizes the project. If the City does not authorize the project then any above funds paid to the City by the WmDDA will be refunded.

5. The following is a statement of construction (or stages of construction) planned, and the estimated time for completion of each stage.
 - 5.1 Parking Lot Lease from the Williamston United Methodist Church (hereinafter "Church") — is planned to have one continuous stage of construction to be completed by June 30, 2012.
 - 5.2 Re-surfacing of South Putnam Road — the project was extensively engineered in 2011 and is anticipated to move forward in one stage of construction in the summer or fall of 2012, with substantial completion by the end of 2012. If necessary, the Project could be completed in 2013.
6. The description of any parts of the development area to be left as open space and the use contemplated for the space is contained in Section 1.1.1 of the 2001 Plan Amendment.
 - 6.1 This section is not being amended.
7. The following is a description of any portion of the development area that the Authority desires to sell, donate, exchange, or lease, to or from the municipality and the proposed terms.
 - 7.1 The WmDDA proposes to lease the parking lot from the Church for a municipal parking lot. The terms are as set forth in paragraph 3.1 and 4.1.

8. The following is a description of desired zoning changes, and changes in streets, street levels, intersections, or utilities.

8.1 There are no changes in zoning anticipated. The streets are not anticipated to change, however the intersections of the CSX railroad crossing may change street levels, please see **Exhibit 6**.

9. The following is an estimated cost of the development, a statement of the proposed method of financing the development, and the ability of the Authority to arrange the financing.

The estimated cost of the following developments is less than \$167,500.00:

a.	Parking Lot Lease from the Church	\$ 15,000.00
b.	South Putnam Street Road Project	
	- Category A Grant	52,500.00
c.	Facade Grant Program	100,000.00

The WmDDA proposes to finance the project through the capture of tax increment revenues to pay the construction costs and program funding. The WmDDA may also utilize any of the following financing mechanisms:

- a. Any tax increment revenue bonds issued by the City, pursuant to Section 16(1) of the DDA Act;
- b. Any tax increment revenue bonds issued by the WmDDA, pursuant to Section 16(2) of the DDA Act;
- c. Other advances from the City repayable from tax increment revenues of the WmDDA, which advances may be financed through obligations incurred by the City under the Local Building Authority Act, Capital Improvement Bonds, or other authorizing statutes;
- d. Tax increment revenues on a pay-as-you-go basis; and
- e. Other Federal or State grants or contributions, not specified above.

10. The following is a 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 the information is available to the Authority.

10.1 The WmDDA intends to lease a portion of the property the parking lot improvements will be implemented upon from the Williamston United Methodist Church for the terms set forth in paragraph 3.1 and 4.1. This project is being implemented to create/re-establish a municipal parking lot in the southeast quadrant of the historic downtown Williamston.

11. 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 are no express or implied agreements 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.

11.1 This section is not being amended.

12. It is estimated that there are less than 100 persons and families residing in the development area. It is estimated that zero (0) persons or families residing in the development area will be displaced.

Since the Plan does not call for the acquisition of occupied residential property, the Plan does not include a survey of the families or 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 units 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.

13. The following constitutes the plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

Because of the answer to Section 12, no plan for establishing priority for relocation is required.

14. The following shall constitute the 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.*

Because of the answer to Section 12, no provision for the costs of relocating persons displaced is included.

15. No persons are being relocated in the development area, but any future relocation will be done in compliance with *Act No. 227 of the Public Acts of 1972*, being Sections 213.321 to 213.332 of the Michigan Compiled Laws.
16. This Plan Amendment provides for no other material that the Authority, local public agency, or governing body considers pertinent, except:

16.1 Facade Improvement Program

The WmDDA hereby establishes a facade improvement program to assist existing businesses and buildings located within the WmDDA's Downtown Business District to repair, maintain, and restore their facades. The WmDDA shall adopt by Resolution a detailed *Facade Improvement Program* (hereinafter, "FIP"). The FIP will purchase facade easements over the facades of commercial, retail, mixed use, professional, and multi-family properties in the TIF District and Business District on terms and conditions specified in the Resolution, pursuant to the

DDA's enumerated powers under MCL 125.1657 (1) (c), (g), and (h). The facade easement will require that the Grantors maintain the property in the condition it was in at the time the Facade Easement was granted for a five (5) year period from the date of grant of the easement. The WmDDA shall not have more than \$100,000.00 in aggregate FIP funding in any fiscal year under this program.

17. This Development Plan does not provide for improvement related to a qualified facility, as defined in the *Federal Facilities Development Act, Act No. 275 of the Public Acts of 1992*.
18. The time for completing the Plan has been amended over time, but now stands at 2023. This 2012 Amended Plan does not modify or purport to change that date.
19. The estimated impact of tax increment financing on all taxing jurisdictions in which the WmDDA's Development Area is located was originally addressed by the WmDDA in previous amendments. This Amendment provides updated information in regard to this matter. This Amendment, therefore, relies upon the statements contained at pages as Appendix A to the 2001 Plan Amendment, regarding the impact of tax increment financing on all taxing jurisdictions, plus adds on an updated impact statement attached at **Exhibit 9**. Additionally, the WmDDA states:

Tax increment financing permits the WmDDA to capture Tax Increment Revenues (as defined below) attributable to increases in the value of real and personal property in the Development Area. The tax increment finance procedure is governed by *Act 197 of the Public Acts of 1975*, as amended (the "DDA Act"). The procedures outlined below are the procedures provided by the DDA Act effective as of the date this plan is adopted, but are subject to any changes imposed by future amendments to the DDA Act.

The Tax Increment Revenues are generated when the Current Assessed Value of all properties within the Development Area exceed the Initial Assessed Value of the properties. The amount in any one year by which the Current Assessed Exceeds the Initial Assessed Value is the Captured Assessed Value.

Initial Assessed Value: When the City Council enacted the Original Tax Increment Finance Plan by Ordinance No. 175 was adopted January 12, 1981 with an effective date of January 28, 1981. The Initial Assessed Value of Development Area was established as the assessed value, as equalized, of all the taxable property within the boundaries of the Development Area at the time that Ordinance was approved, as shown by the then most recent assessment roll of the City for which equalization had been completed, prior to the adoption of the Original Tax Increment Finance Plan by Ordinance. Property exempt from taxation at the time of the determination of the Initial Assessed Value was included as zero. However, in determining the Initial Assessed Value, property for which a "specific local tax" was paid in lieu of a property tax was not considered to be property that was exempt from taxation. A "specific local tax" is defined in the DDA Act and

includes "Industrial Facilities Taxes" levied under 1974 PA 198, taxes levied under the *Technology Park Development Act*, 1984 PA 385, and taxes levied on lessees and users of tax-exempt property under 1953 PA 189. The Initial Assessed Value or Current Assessed Value of property subject to a specific local tax was determined by calculating the quotient of the specific local tax paid divided by the *ad valorem* millage rate, or by other method as prescribed by the State Tax Commission.

Current Assessed Value: Each year the "Current Assessed Value" of the Development Area will be determined. The Current Assessed Value of the Development Area is the taxable value of the property in the Development Area.

Captured Assessed Value: The amount by which the Current Assessed Value exceeds its Initial Assessed Value in any one year is the "Captured Assessed Value."

Tax Increment Revenues: For the duration of the Plan, taxing jurisdictions will continue to receive tax revenues based upon the Initial Assessed Value of the Development Area. The WmDDA will receive that portion of the *ad valorem* tax levy of all taxing jurisdictions on the Captured Assessed Value of the taxable property in the Development Area, other than the State, local school district, and intermediate school district tax levies, and specific local taxes attributable to such *ad valorem* property taxes (the "Tax Increment Revenues"), subject to limitations and exemptions which may be contained in the DDA Act, this Tax Increment Financing Plan, and the provisions of any agreements for the sharing of Captured Assessed Value.

Increases in the Current Assessed Value which generate Tax Increment Revenues can result from any of the following:

- a. Construction of new developments.
- b. New rehabilitation, remodeling, alterations, or additions.
- c. Increases in property values which occur for any other reason.

Tax Increment Revenues can be used as they accrue annually, can be held to accumulate amounts necessary to make improvements described in the Plan, or can be pledged for payment of bonds or notes issued by the WmDDA or the City under the DDA Act. Further, the WmDDA may not borrow money or issue revenue notes without the prior approval of the City. The WmDDA may expend tax increment revenues only in accordance with this Plan; surplus revenues revert proportionally to the respective taxing jurisdictions.

20. **Adoption of these Amendments.** The City of Williamston, before adopting an Ordinance approving these 2012 Amendments, shall hold a public hearing on these proposed amendments to the Tax Increment Finance Plan and Development Plan and seek input and approval from the Citizens Advisory Committee. At the time of the hearing, the City Council shall provide all interested persons an opportunity to be heard and shall receive and consider communications in writing with reference thereto. The hearing shall provide the fullest opportunity for expression of opinion, for argument of merits, and for introduction of documentary evidence pertinent to the development plan. The City Council shall make and preserve a record of the public hearing, including all data presented at that time. All provisions of the Original Plan, as amended from time to time, not modified by these amendments to the Plan, shall remain in full force and effect.

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