I. INTRODUCTION

A. Purpose of the Tax Increment Finance Authority Act, the Whitehall Tax Increment Finance Authority, and this Amendment to Development and Financing Plans 1 and 2 (hereafter referred to as Development Area 3)

By the Adoption of this Amendment to Development Plan and Tax Increment Financing Plan (the "Plan Amendment"), Development Area Number One and Development Area Number Two are amended and combined to create Development Area Number Three. The resulting Development Area Number Three will include most of Development Area Number One and Development Area Number Two and by this amendment eliminate Development Area Number One and Development Area Number Two. All tax increment revenue will be based upon the initial assessed values as established by the Development Plan and Tax Increment Financing Plan for Development Area Number One and the Development Plan and Tax Increment Financing Plan for Development Area Number Two. The Development Plan and Tax Increment Financing Plan for Development Area Number One and the Development Plan and Tax Increment Financing Plan for Development Area Number Two will continue in effect, as hereafter amended.

The purpose of the Tax Increment Finance Authority Development Plan and Tax Increment Financing Plan for Development Area Number Three is taken in part from the preface to the TAX INCREMENT FINANCE AUTHORITY ACT (P.A. 1980, No. 450): An Act to prevent urban deterioration and encourage economic development and activity and to encourage neighborhood revitalization…; to authorize the acquisition and disposal of interests in real and personal property; to permit the issuance of bonds and other evidences of indebtedness by the authority; and to permit use of tax increment financing.

The purpose is further taken from this same Act (P.A. 1980, No. 450), as stated in the powers and duties of the governing Board of the Authority, which to paraphrase its contents for use within this plan, states in part:

(a) Prepare an analysis of economic changes taking place in the municipality and its environs as those changes relate to urban deterioration in Development Area Number Three.

(b) Study and analyze the impact of growth upon the development area.

(c) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the revitalization and growth of the development area.

Public Facility defined: (i) A street, plaza, or pedestrian mall, and any improvements to a street, plaza, boulevard, alley, or pedestrian mall, including street furniture, and beautification, park, parking facility, recreation facility, playground, school, library, public institution, or administrative building, right of way, structure, waterway, bridge, lake, pond, canal, utility line or pipeline, and other similar facilities and necessary easements of these facilities, designed and dedicated to use by the public generally or
used by a public agency. (ii) the acquisition and disposal of real and personal property or interests therein, demolition of structures, site preparation, relocation costs, building rehabilitation, and all administrative costs related to the above, including, but not limited to, architect’s, engineer’s, legal, and accounting fees as contained in the resolution establishing the district’s development plan. (iii) an improvement to a facility used by the public or a public facility as those terms are defined in section 1 of Act No. 1 of the Public Acts of 1966, being section 125.1351 of the Michigan Complied Laws, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated under the state construction code act of 1972, Act No. 230 of the Public Acts of 1972, being sections 125.1501 to 125.1531 of the Michigan Compiled Laws.

(d) Work in cooperation with the City of Whitehall Planning Commission, and develop long-range plans designed to halt the decline of property values and to promote the growth of the development area, and take such steps and may be necessary to implement the plans to the fullest extent possible.

(e) Implement any plan of development in Development Area Number Three necessary to achieve the purpose of the Tax Increment Finance Authority Act, in accordance with the purpose of the Authority as granted by the Tax Increment Finance Authority Act.

(f) Make and enter into contracts necessary or incidental to the exercise of the Authority’s powers and the performance of its duties.

(g) Acquire by purchase or otherwise, on terms and conditions and in a manner the Authority considers proper, own, convey, demolish, relocate, rehabilitate, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests therein, which the Authority determines is reasonably necessary to achieve the purpose of the Tax Increment Finance Authority Act and the development and financing plans of the Authority as described within this document, and to grant or acquire licenses, easements, and options with respect thereto.

(h) Improve land, prepare sites for buildings, including the demolition of existing structures and construct, reconstruct, rehabilitate, restore, and preserve, equip, improve, maintain, repair, and operate any building, including any type of housing, and any necessary or desirable appurtenances thereto, within the development area for the use, in whole or in part, of any public, or private or private person or corporation, or a combination thereof.

(i) Fix, charge, and collect fees, rents, and charges for the use of any building or property or any part of a building or property under its control, or a facility in the building or on the property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the Authority.

(j) Lease any building or property or part of a building or property under the Authority’s control.

(k) Accept grants and donations of property, labor, or other things of value from a public or private source.
(l) Acquire and construct public facilities.

(m) Incur costs in connection with the performance of the Authority’s authorized functions, including but not limited to, administrative costs, and architects, engineers, legal, and accounting fees.

B. Creation of the Tax Increment Finance Authority of the City of Whitehall.

The Whitehall Tax Increment Finance Authority was created by resolution of the City Council on September 25, 1984, pursuant to the requirements of PA 450 of 1980. It was then amended by City Council resolution on December 30, 1985, whereby the City Council expanded the district and then created two development areas within the district. This Development Area Number Three is an overlay of most of the first two development areas. The boundaries of the District and Development Area Number Three are shown in Exhibit A and A(1).

C. Overview of the Development within the District

In 1999 the primary goals of this Authority, as stated within the enclosed plan for Development Area Number Three, are goals of public purpose and public interest. This plan details various public and private improvements considered to be necessary to support and enhance the City of Whitehall’s existing commercial, waterfront and industrial areas and to stimulate additional private development, and where necessary to provide for multi-government and/or public/private partnerships to implement this Development Area Number Three plan and the City of Whitehall Comprehensive Plan of 1998 (Master Plan), as adopted by the Whitehall City Planning Commission.

Since the Authority’s inception it has actively pursued development in the city’s downtown, waterfront and industrial areas, by improving streets, parking lots, streetscape design, improvements to utilities, and the expansion and improvement of public facilities and areas to encourage and facilitate both private and public investment. To a large extent these efforts have been successful. The Authority is now poised to: (1) consolidate the few remaining unmet goals within the past development area plans, and (2) to bring together the financial resources generated by recent industrial growth to address:

- the development of the Comprehensive Plan of 1998 (Master Plan), as it pertains to the area within the District, and
- the abandonment of the CSX (formerly C & O) rail road and the purchase of that rail road by the State of Michigan for a State Park bike and pedestrian trail, and to assist in the design and construction of the bike and pedestrian trail in a manner that is in the best interest of the general public and the citizens of Whitehall, and
- the pedestrian walkway needs within the District, and
- the environmental clean-up of contaminated land areas and waterways, and
- where appropriate, partnerships with other investors to provide additional commercial businesses, multifamily housing and public facilities, spaces, and infrastructure improvements to support creation of tourist enhancements, commercial and industrial jobs, and improved living standards for Whitehall citizens, and
to provide additional public improvements within the district to meet the health, safety and welfare needs of the community so as to prevent urban deterioration.

D. Purpose of This Amendment to the Development Plans and Tax Increment Financing Plans 1 and 2.

Under Michigan Public Act 450 of 1980, the Authority must prepare and submit a tax increment financing plan and a development plan if it determines that creation of such plans are necessary for the achievement of the purposes of the Act. This document constitutes both of these plans, with the development plan in the format described in Section 16 (2) of the Act, followed by the tax increment financing plan as described in Sections 13 and 14 of the Act. [Section 13 (2) and 16 (2)]

The primary purpose of the Tax Increment Financing and Development Plans are to maintain the vitality of Whitehall’s downtown, waterfront, and industrial areas and to promote increased economic expansion within same. This basic intent can be subdivided into two parts: (a) to provide the necessary improvements to the development area which supports existing and future private and public investments, and (b) to undertake other public improvements to infrastructure, including but not limited to, water, sanitary sewer, wastewater pumping and treatment, storm water management facilities, storm sewers, streets, pedestrian walks, gas mains, electric power distribution systems and substations, telephone systems, fiber optic and television cable, public buildings, public marinas, parks, and rights-of-way in the Plan area that will enhance these systems and provide a stimulus for additional development in the City’s downtown, waterfront and Howmet and Industrial Park Drive industrial areas.

E. General Comments.

The following pages contain what is referred to as the “Amendment to the Development Plan” and “Amendment to the Tax Increment Financing Plan” of Whitehall’s Tax Increment Finance Authority Development Area Number One and Two, to be referred to as Three, which consists of the City’s downtown, waterfront, and Howmet & Industrial Park Drive industrial areas. This Plan is prepared in accordance with the requirements of Sections 13 and 16 of PA 1980, No.450. This Plan, as a guideline, may be amended from time to time in order to reflect expanded project or financing needs, or to adjust to changing situations.
II. AMENDMENT TO THE DEVELOPMENT PLANS OF AREAS 1 AND 2

A. The Designation of Boundaries of the Development Area in Relation to the Boundaries of the Authority District and Any Other Development Areas within the Authority District. Section 16(2)(a).

THE BOUNDARIES OF THE AUTHORITY DISTRICT are the area beginning at a point 1,317.37 feet east of the Center line of Warner Street on the Center line of Benston Road Right-of-Way, thence south to the Center of White Lake Drive Right-of-Way, thence west to the Center of Zellar Road Right-of-Way, continuing north to the intersection of the south boundary line of the C & O Railroad Right-of-Way (as existed in 1985) at the Division Street and Benston Road intersection, thence west to the Center line of Mears Avenue Right-of-Way, thence north on Mears Avenue to the south line of the C & O Railroad Right-of-Way, following the C & O Right-of-Way to the Center line of Market Street Right-of-Way, thence west on Market Street to the Center line of Lake Street Right-of-Way, thence north on Lake Street to the Center line of Misco Drive Right-of-Way, thence east to the Center line of the alley separating Block 60 of Slocum's 2nd South Addition, thence north to a point at the Center line of Lewis Street Right-of-Way (South Line Section 28), thence west on South Line Section 28 to the White Lake shoreline, thence north following the White Lake shoreline to the north side of the Hanson Street Right-of-Way extended, thence east on Hanson to the Center line of Livingston Right-of-Way, thence south on Livingston to the Center line of Spring Street Right-of-Way, thence west on Spring Street to the east side of the C & O Railroad Right-of-Way, thence south on the C & O Railroad Right-of-Way to the Center line of Misco Drive Right-of-Way, thence east to the Center line of Mears Avenue Right-of-Way, thence south to the Center line of Market Street Right-of-Way, thence east on Market to the Center line of Division Street Right-of-Way, thence south on Division to the Center line of Benston Road Right-of-Way, thence east on Benston to the point of beginning.

THE BOUNDARIES OF DEVELOPMENT AREA NO. 1 (to be eliminated upon adoption of this amendment) include that portion of the Authority District which shall include the area beginning at a point 1,317.37 feet east of the Center line of Warner Street on the Center line of Benston Road Right-of-Way, thence south to the center of White Lake Drive Right-of-Way, thence west to the Center of Zellar Road Right-of-Way, continuing north to the intersection south of the C & O Right-of-Way on Division Street, west to the Center line of Mears Avenue Right-of-Way, north on Mears Avenue to the south line of the C & O Right-of-Way, following the C & O Right-of-Way to the Center line of Market Street Right-of-Way, west on Market Street to the Center line of Lake Street Right-of-Way, thence north on Lake Street to the Center line of Misco Drive Right-of-Way, thence east to the Center line of the alley separating Block 60 of Slocum's 2nd South Addition, thence north to a point at the Center line of Lewis Street Right-of-Way, thence east to the Center line of the C & O Right-of-Way, thence south to the Center line of Misco Drive Right-of-Way, thence east to the Center line of Mears Avenue Right-of-Way, thence south to the Center line of Market Street Right-of-Way, thence east on Market to Center line of Division Street Right-of-Way, thence south on Division to the Center line of Benston Road Right-of-Way, and thence east on Benston to point of beginning.
THE BOUNDARIES OF DEVELOPMENT AREA NO. 2 (to be eliminated upon adoption of this amendment) include that portion of the Authority District which shall include the area beginning at a point of the intersection of the Center of the C & O Railroad Right-of-Way and the Center of Lewis Street Right-of-Way (South Line Section 28), thence west on South Line Section 28 to the White Lake Shoreline, thence north following the White Lake shoreline to the north side of the Hanson Street Right-of-Way extended, thence east on Hanson to the Center line of Livingston Right-of-Way, thence south on Livingston to the Center line of the Spring Street Right-of-Way, thence west on Spring Street to the east side of the C & O Railroad Right-of-Way, thence south on the C & O Right-of-Way to the Center line of Lewis Street Right-of-Way (South Line Section 28), thence west on Lewis Street (South Line Section 28) to a point of beginning.

THE BOUNDARIES OF DEVELOPMENT AREA NO. 3 (which are the amended boundaries of Development Area 1 and 2), include that portion of the Authority District which shall include an area enclosed within the following boundary: a point beginning 1,317.37 feet east of the Center line of Warner Street on the Center line of Benston Road Right-of-Way, thence south to the center line of White Lake Drive Right-of-Way, thence west to the Center line of Zellar Road Right-of-Way, continuing north to the intersection of the South Right-of-Way of the C & O Railroad (as existed in 1985) on Division Street, thence northwest along the westerly edge of the C & O Railroad Right-of-Way to the Center line of Market Street Right-of-Way, west on Market Street to the Center line of Lake Street Right-of-Way, thence north on Lake Street to the Center line of Misco Drive Right-of-Way, thence east to the Center line of the alley separating Block 60 of Slocum's 2nd Addition, thence north to a point at the Center line of Lewis Street Right-of-Way (South Line of Section 28), thence west on South Line of Section 28 to the White Lake shoreline, thence north following the White Lake shoreline to the north side of Hanson Street Right-of-Way extended to White Lake, thence east on Hanson Street to the east Right-of-Way line of a north/south alley that lies between Division and Livingston Streets, thence south on the east Right-of-Way line of the alley to the Center line of Spring Street Right-of-Way, thence west on Spring Street to the east side of the C & O Railroad Right-of-Way, thence south on the C & O Right-of-Way to the Center line of Mears Avenue Right-of-Way, thence east to the Center line of Mears Avenue Right-of-Way, thence south to the north Right-of-Way line of the C & O Railroad, thence southeast along the north Right-of-Way line of the C & O Railroad to the intersection of the Center line of Benston Road Right-of-Way, thence east on Benston Road to the point of beginning.

B. The Designation of Boundaries of the Development Area in Relation to Highways, Streets, or Otherwise. Section 16(2)(b).

THE BOUNDARIES OF DEVELOPMENT AREA NO. 3 are an area enclosed within the following boundary: a point beginning 1,317.37 feet east of the Center line of Warner Street on the Center line of Benston Road Right-of-Way, thence south to the center line of White Lake Drive Right-of-Way, thence west to the Center line of Zellar Road Right-of-Way, continuing north to the intersection of the South Right-of-Way of the C & O Railroad (as existed in 1985) on Division Street, thence northwest along the westerly edge of the C & O Railroad Right-of-Way to the Center line of Market Street Right-of-Way, west on Market Street to the Center line of Lake Street Right-of-Way, thence north on Lake Street to the Center line of Misco Drive Right-of-Way, thence east to the Center line of the alley separating Block 60 of Slocum's 2nd Addition, thence north to a point at the Center line of Lewis Street Right-of-Way (South Line of Section 28), thence west on South Line of Section 28 to the White Lake shoreline, thence north
following the White Lake shoreline to the north side of Hanson Street Right-of-Way extended to White Lake, thence east on Hanson Street to the east Right-of-Way line of a north/south alley that lies between Division and Livingston Streets, thence south on the east Right-of-Way line of the alley to the Center line of Spring Street Right-of-Way, thence west on Spring Street to the east side of the C & O Railroad Right-of-Way, thence south on the C & O Right-of-Way to the Center line of Misco Drive Right-of-Way, thence east to the Center line of Mears Avenue Right-of-Way, thence south to the north Right-of-Way line of the C & O Railroad, thence southeast along the north Right-of-Way line of the C & O Railroad to the intersection of the Center line of Benston Road Right-of-Way, thence east on Benston Road to the point of beginning.

The boundaries of Development Area Number Three are shown on Exhibit A(1).

C. The 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 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. Section 16 (2) (c).

1. Location and Extent of Existing Streets within the Development Area Number Three.

See Exhibit A. Streets include portions of Hanson, Colby, Spring, Lincoln, Muskegon, Lewis, Misco, Market, Johannah, Benston, Industrial Park Drive, White Lake Drive, Peach, Warner, Zellar, Division, Mears, Lakeview, First, Thompson, Lake and River Streets.

2. Location and Extent of Public Facilities within Development Area Number Three.

The attached Exhibits “C” and “D” indicate the location of public water and sewer within development area. Storm sewer is confined to a small area within Division and Mears, from Benston to Market; and within Mears and Colby in the downtown area bounded by Spring, Livingston and Hanson. Electric power, natural gas, and telephone exist throughout the development area within the street and public alley rights-of-way.

3. Existing Land Use.

The land use composition in Development Area Number Three consists of a few single family residential and two-family residential homes, quasi-public/institutional, commercial, office, recreation, industrial, public utility, public open space (parks), public and private marinas, vacant land. See Exhibit “E” for an existing land use map of the City.

4. Proposed Land Use.

Proposed land use is defined in the 1998 City of Whitehall Comprehensive Plan, and said plan is hereby adopted and incorporated into this document by reference. It is proposed that the land uses within Development Area Number Three [Exhibit “A(1)”] will be the
land uses defined by the 1998 City of Whitehall Comprehensive Plan [see Exhibit “F”: Future Land Use Map] for the lands within the development area.

5. Legal Description of Development Area Number Three.

The development area is large and beyond the scope of a legal description, but is referred to in item II Amendment to Development Plan, B; The Designation of Boundaries; and in Exhibit “A(1)” by reference to a map of the area.

D. A Description of Improvements to be Made in the Development Area, a Description of any Repairs and Alterations Necessary to Make those Improvements, and an Estimate of the Time Required for Completion of the Improvements. Section 16 (2)(d).

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Definition of Project Scope</th>
<th>Estimated Cost</th>
<th>Estimated Funding Source</th>
<th>Estimated Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversion of CSX Rail to State Rail Trail</td>
<td>City of Montague to White Lake Dr.</td>
<td>Provide paved surface, pedestrian lighting, streetscape</td>
<td>$750,000</td>
<td>Tax Incr. Rev. for Local match with State dollars. Annual Approp.</td>
<td>2003</td>
</tr>
<tr>
<td>Realignment of Rail Trail</td>
<td>From Colby St. to Muskegon St.</td>
<td>Move trail from west side of Lake St. to east side, relocate or remove trestle at Bush Creek, relocate utilities, etc.</td>
<td>$250,000</td>
<td>Tax. Incr. Rev. for Local match with State dollars. Annual Approp.</td>
<td>2003</td>
</tr>
<tr>
<td>Realignment of Rail Trail</td>
<td>From Benston Rd. to Warner Street.</td>
<td>Construct trail south in Division (Unimproved) ROW to near Zellar, then east/southeast to the east Warner ROW at the current rail crossing. Include pedestrian lighting.</td>
<td>$350,000</td>
<td>Tax. Incr. Rev. will finance all construction. Annual Approp.</td>
<td>2002</td>
</tr>
<tr>
<td>Reconstruction of Lake Street and River</td>
<td>From Thompson St. south on Lake to District boundary at Lewis</td>
<td>Construct storm sewer, curb and gutter, sidewalk, pedestrian and street lighting, bury overhead utilities, sanitary sewer, water main, streetscape, pavement, storm water retention, fiber optic cable, public parking, street realignment.</td>
<td>$1 Million</td>
<td>Tax Incr. Rev. Bonds</td>
<td>2003 to 2009</td>
</tr>
<tr>
<td>Genesco Site Reclamation</td>
<td>Property owned by Genesco, west of Lake Street and including Tannery Bay within White Lake (if permitted by State law).</td>
<td>Purchase of Genesco property within Whitehall, remove contaminated soil and $7.5 Million sediments, other remediation activities, (share in cost of removal with State &amp; Genesco), demolish building, reconstruct wet land.</td>
<td>Tax Incr. Rev. Bonds, State, Fed. Grants, Private Investment</td>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>Lumber Company Site Revitalization</td>
<td>Property located at SE corner of Thompson &amp; Hanson.</td>
<td>Purchase property, demolish buildings, reconstruct possible residential/commercial/public mix, protect view corridor.</td>
<td>$500,000</td>
<td>Tax. Incr. Rev. Annual Appropr. or Note. Private Investments</td>
<td>2010</td>
</tr>
<tr>
<td>Goodrich Park Expansion &amp; Improve.</td>
<td>Property located west of Thompson, north of West Colby (extended east to White Lake) and then north to Hanson extended.</td>
<td>Purchase existing buildings &amp; demolish, provide open space, bury overhead, construct open amphitheater, pedestrian lighting, change Colby (west of Thompson) to pedestrian walk, reconstruct retaining wall at Colby/Lake</td>
<td>$750,000</td>
<td>Tax. Incr.</td>
<td>Rev. and State grants.</td>
</tr>
<tr>
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</tr>
<tr>
<td>Municipal Marina &amp; Goodrich Park Enhancements</td>
<td>Goodrich Park</td>
<td>Construct new bathhouse, additional public restrooms, new office for dockmaster, reconstruct storm sewer outlets, reconstruct docks, replace fuel system, construct fiber optic, utilities upgrade, bury overhead cable, dredge marina basin, construct fishing pier, construct laundry facility, reconstruct west pier to accommodate large vessels, reconstruct public parking, streetscape, pedestrian lighting, other public conveniences for Park and Marina</td>
<td>$1 Million</td>
<td>Tax Incr.</td>
<td>Phases from Rev. Annual Appropriations, 2002 State and Federal Grants</td>
</tr>
<tr>
<td>Residential Neighborhood Revitalization</td>
<td>West of rail ROW, east of Lake Street, from Bush Creek to Lewis St.</td>
<td>Purchase and demolition of vacant residential and commercial properties, bury overhead, redesign &amp; construct new streets and utilities, construct multifamily/condominium structures overlooking White Lake, provide commercial/public space mix, via PUD within zoning ordinance.</td>
<td>$1.5 Million</td>
<td>Tax Incr.</td>
<td>From Rev. Annual Appropriation, 2002 State &amp; Federal Grants, Private Investments, Possible TIF Rev. Bond for some items</td>
</tr>
<tr>
<td>Sidewalk and Pedestrian Paths</td>
<td>Throughout Development Area # 3</td>
<td>Provide for linkages of pedestrian walks where they do not exist along street ROW and connection to public areas and facilities. Repair existing walks where needed.</td>
<td>$300,000</td>
<td>Tax Incr.</td>
<td>From Rev. Annual Appropriations, 2001 to General Funds, 2020 Grants</td>
</tr>
<tr>
<td>Howmet Streetscape Improvement</td>
<td>Lake Street, Misco Street, Lewis area</td>
<td>Improve green buffer between Howmet Plants 1 &amp; 3 parking and street ROW, provide improved pedestrian and street lighting.</td>
<td>$75,000</td>
<td>Tax Incr. Rev.</td>
<td>Annual Appropriation, 2010</td>
</tr>
<tr>
<td>Howmet Street &amp; Utility Improvement</td>
<td>Former CSX Rail ROW, between Benston and Warner.</td>
<td>Construct street, water, sanitary sewer, etc.</td>
<td>$200,000</td>
<td>Tax Incr. Rev.</td>
<td>Annual Appropriation; Private funds, 2000 to 2020</td>
</tr>
<tr>
<td>Storm Water Retention</td>
<td>South of Benston; and at Bush Creek</td>
<td>Construct Storm Water retention ponds.</td>
<td>$50,000</td>
<td>Tax Incr. Rev.</td>
<td>Annual Appropriation; 2005</td>
</tr>
<tr>
<td>Public Facilities &amp; Building Construction</td>
<td>Various locations within Develop. Area # 3</td>
<td>Purchase property and/or construct public buildings such as, but not limited to, Library, DPW Buildings, Fire Station, School buildings, wastewater treatment &amp; pumping, and emergency sirens.</td>
<td>$3 Million</td>
<td>Tax Incr. Rev.</td>
<td>Annual Appropriation, 2001 to local government taxes, utility rev., bonds, private funds</td>
</tr>
</tbody>
</table>

9
<table>
<thead>
<tr>
<th>Project Description</th>
<th>Property or Area</th>
<th>Estimated Cost</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of Industrial Property</td>
<td>Koch Chem. property, City property on Peach, Private property on Benston at Division</td>
<td>$500,000</td>
<td>2010</td>
</tr>
<tr>
<td>Purchase &amp; improvement of vacant land to facilitate marketing industrial property; return Koch property to better use.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street &amp; Pedestrian Lighting</td>
<td>Throughout Development Area # 3</td>
<td>$1 Million</td>
<td>2020</td>
</tr>
<tr>
<td>Replace wooden poles with decorative poles, increase street lighting, add pedestrian lighting where applicable, remove overhead power lines and other utility lines.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benston Rd. Improvement</td>
<td>From Mears to Peach</td>
<td>$250,000</td>
<td>2020</td>
</tr>
<tr>
<td>Reconstruct with curb &amp; gutter, storm sewer, three lanes.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downtown Streetscape Improvements</td>
<td>TIFA #2 Development Area</td>
<td>$1 Million</td>
<td>2020</td>
</tr>
<tr>
<td>Incorporates all projects within the Development Area #1 &amp; #2 Amended Plans by reference as they exist in this area, noted as Exhibit &quot;G&quot; attached</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This is the End of the 1999 Plan Project List within Development Area Number Three.

E. 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. Section 16 (2) (e).

The location, extent, character, and estimated costs of the improvements are set forth in the immediately preceding item “D”.

F. A Statement of the Construction or Stages of Construction Planned, and the Estimated Time of Completion of Each Stage. Section 16 (2) (f).

See the comments in the preceding item “D”.

G. A Description of Any Parts of the Development Area To Be Left as Open Space and the Use Contemplated for the Space. Section 16 (2) (g).

Goodrich Park and the land area bounded by Lake (on the west), River (on the north), Thompson (on the east), and Colby (on the south). This area to be used as an amphitheater, municipal park and public marina.

The north edge of the public parking lot in the downtown adjacent to Hanson Street to offer a public viewscape. The west edge of the downtown parking lot at Spring and the C&O railroad, to offer a public viewscape.

Bush Creek from Lake Street to White Lake. Wetland and marsh.

Portions of land area south of Bush Creek to Lewis Street, from the C&O railroad to White Lake.
Open space to be defined in a PUD site plan to be approved by the City Planning Commission and City Council.

The former C&O rail road that is to be developed as a State Park bike & pedestrian trail.

City pedestrian trail around Howmet Castings facility on Warner and White Lake Drive.

Mill Pond Creek area.

A buffer area between industrial and residential uses along Benston, east of Warner.

H. A Description of Any Portions of the Development Area Which the Authority Desires to Sell, Donate, Exchange, or Lease to or from the Municipality and the Proposed Terms. Section 16 (2) (h).

The Authority desires to hold open several options in the sale, donation, exchange or lease to or from the City of Whitehall, in order to accomplish the Plan. Terms may vary as the needs arise and the projects are closer to initiation. Examples include, but are not limited to:

1. Purchase and exchange of private properties on Hanson (lumber yard) to provide for proper development of the Plan.

2. Purchase and exchange of private properties as they relate to enhancements of the Goodrich Park facility.

3. The purchase of private properties or exchange of portions of ROW along of Lake Street to accommodate the Lake Street realignment and Rail Trail construction.

4. The purchase of private properties on Lewis, Lakeview and Lake Street south of Bush Creek to accommodate the development envisioned in the 1998 Comprehensive Community Plan.

5. The development of the City pedestrian and bike trail around Howmet Castings facility from Benston via unimproved Division, south to near White Lake Drive, and then east to Warner, then north to the Rail Trail ROW. The acquisition of this trail site from Howmet, and the exchange of leases between the City and the State of Michigan. The possible development of the former CSX rail corridor between Benston and Warner, which the City is to obtain via an easement from the State of Michigan.

6. The acquisition of private industrial property owned by Koch and the acquisition of city land abutting Peach Street for industrial development purposes, and the sale of same.

7. Construction of and/or lease of public buildings or lands, such as but not limited to the DPW facilities on Warner.

I. A Description of Desired Zoning Changes and Changes in Streets, Street Levels, Intersections, and Utilities. Section 16 (2) (i).
1. Changes in Zoning: See Exhibit “F” for future land uses that are contemplated, and that will result in future changes in the zoning ordinance.

2. Changes in Streets, Street Levels, Intersections:
   a. Lake Street (from Muskegon Ave. north to River) and River (from Lake to Thompson) will be reconstructed and the severity of the curve at Lake and Thompson will be lessened. The entry drive to Goodrich Park will be redesigned. Lake Street (south of Slocum to Bush Creek) will have changes to private drive accesses that will be impacted by the redesign of the street and rail trail. Slocum, as it intersects with Lake, may have a culdesac, in order to provide for rail trail and street reconstruction. Colby between Thompson and Lake will be changed to a pedestrian walk. The rail trestle at Bush Creek and the underpass of Lake Street will have to be redesigned, and in all probability both will require a grade change.

   b. The area bounded by Bush Creek to the north, White Lake to the west, Lewis Street to the south, and C&O to the east is addressed in the 1998 Comprehensive Plan for redevelopment to include condominium and multifamily structures, with commercial, recreational and public areas incorporated within the development as a PUD. This level of redevelopment may require the relocation of certain streets and public areas to facilitate the best development plan possible.

   c. The downtown area may have some of the alley ways closed to vehicle traffic, in order to accommodate improved pedestrian walkways or additional commercial expansion.

   d. The C&O ROW between Benston on the north and Warner on the southeast, which has been acquired by the State and is planned to be acquired by the City in a property exchange, may have a future street constructed within this area to accommodate industrial traffic.

   e. The elevation of Zellar Road at Mill Pond Creek will be changed to eliminate the dip and to improve the curve radiuses at Zellar and Mears.

   f. White Lake Drive, Warner Street and Benston Road will be reconstructed to facilitate managing traffic flow and proper turn lanes.

   g. See Exhibit G for further listing.

3. Changes in Utilities: Construction of new and replacement of existing - water mains, sanitary sewer, industrial wastewater treatment, groundwater treatment facilities, storm sewer, storm water retention, power distribution and substations, burying of overhead lines, and gas mains are contemplated throughout the development area, in order to provide the needed infrastructure to support the development plan, comprehensive plan and industrial development underway.
J. 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. Section 16 (2) (j).

1. Estimate of Cost for development Area Number Three Improvements:

The public improvements proposed in this Development Plan have a preliminary estimate of $19,975,000.

2. Proposed Method of Financing: Some of these items will be financed by TIFA bonds, some will be paid for from annual TIFA revenues, some items will be paid for with assistance from other City of Whitehall fund sources, other local governments, state and federal grants, private investments, and/or combination of any or all of these sources.

This Plan proposes that all of the taxes resulting from increased investments in the Development Area, levied by all taxing units (except voted bond indebtedness) on the captured assessed value of real and personal property be used by the Authority, to the extent needed from year to year, to accomplish the purpose of the development plan. The duration of this amended Plan shall be until all projects within the previously stated item “D” are completed and paid in full. The estimated rate for all taxing units to be applied to the captured taxable value is 24.485 mills. However, a number of parcels have Industrial Facilities Taxes (IFT) at ½ the millage levy for up to 12 years from the time of granting said IFT. These IFT’s come off the rolls and are replaced with the regular ad valorem property tax at different years throughout the duration of the development plan. The IFT’s have been factored into the finance plan in calculating the base year. For planning purposes, the historical rate of growth within the TIFA 1 and 2 development areas, since their inception in 1984 and 1985, have been used in projecting the rate of growth for this development plan.

The ability of the Authority to arrange the financing will be dependent upon the growth of the TIFA development area, the availability of obtaining financing from other public and private sources, and the time necessary for certain projects within the development plan to be completed before addressing remaining items. See Tax Increment Financing Plan for more detail.

K. Description of the 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 is Being Undertaken, If that Information is Available to the Authority. Section 16 (2) (k).

The Authority is not sure at this time which portions of the plan will require the TIFA to lease, sell or convey to or from another public or private entity in order to achieve the purpose of the development plan and the 1998 Comprehensive Plan of the City of Whitehall.

The Authority plans to convey a portion of the property it owns at 212 West Colby to Big John’s Pizza, located at 104 North Thompson, for business expansion. This furthers the Plans purpose of preventing urban deterioration and encouraging economic development.
L. The Procedure for Bidding for the Leasing, Purchasing, or Conveying 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 Lease, Sold, or Conveyed to Those Persons. Section 16 (2) (l).

There is no procedure in place that would govern all possible scenarios that exist within the plan.

Disposal of any portions of the development area will be in accordance with established competitive bidding policies and ordinances of the City. Where a person, natural or corporate, seeks to purchase adjacent land from the Authority for business expansion and economic development, the Authority will be empowered to assign negotiations to a committee, staff, or a combination without the need for competitive bidding.

M. Estimate of the Number of Persons Residing in the Development Area and the Number of Families and Individuals to be Displaced. If Occupied Residences are Designated for Acquisition and Clearance by the Authority, a Development Plan shall Include a Survey of the Families and Individuals to be Displaced, Including their Income and Racial Composition, a Statistical Description of the Housing Supply in the Community, Including the Number of Private and Public Units in Existence or Under Construction, the Condition of Those in Existence, the Number of Owner-Occupied and Renter-Occupied Units, the Annual Rate of Turnover of the Various Types of Housing and the Range of Rents and Sale Prices, an Estimate of the Total demand for Housing in the Community, and the Estimated Capacity of Private and Public Housing available to displaced families and individuals. Section 16 (2) (m).

1. Estimate of the number of persons residing in the Development Area: 65 persons are estimated to live in the Development Area. (The calculated number of living units is 26. The census utilizes 2.47 persons per dwelling unit, thus 26 x 2.47 == 64.22.)

2. The plan does not call for the TIFA to displace families. It may purchase housing units in defined areas within the plan as they become vacant, or an arrangement can be made with current owners for a life lease, or it may obtain options to purchase when an owner decides to sell in the future.

N. A Plan for Establishing Priority for the Relocation of Persons Displaced by the Development in Any New Housing in the Development Area. Section 16 (2) (n).

No persons are to be displaced by the TIFA in the development plan.

O. 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

1. No persons are to be displaced by the development. Properties will be purchased when they are vacant, or when owners are in the process of selling. Residential rental units will not be bought when occupied. Therefore there will not be any relocating expenses for displaced persons.

2. Legal expenses are estimated to be $20,000 over the life of the development plan to cover litigation and expenses incident to the transfer of title.


Not Applicable.
Q. Other Material Which the Authority, Local Public Agency, or Governing Body considers Pertinent. Section 16 (2) (q).

In 1998 the City of Whitehall completed a revision of its master plan, by the adoption of the 1998 Comprehensive Plan (hereafter referred to as the Master Plan). This Master Plan and any amendments thereto, is incorporated into this Development Plan for Area Number Three by reference. The Master Plan serves as an overall guide to the development of the City. Where
that Master Plan addresses development issues within this Development Area it is to be considered as the proper guide towards the ultimate changes that are to take place.

The Master Plan addresses the community’s concern with the continued use of the waterfront by Whitehall Leather, an industrial user which has historically had a negative impact on our environment, with the contamination of ground water and White Lake, as well as odor and excessive wastewater loads. This industry has historically had a difficult wastewater stream to treat, causing odor problems when it was formerly treated on site, and since the 1970’s has produced high waste loads to the municipal wastewater treatment system, which now must face an estimated $5 million in reconstruction costs to address the waste overload of the plant. With the negative environmental impact on the community this industry undermines the continued investment in the waterfront and has a negative impact on area housing. With a State Equalized Value of $1,656,400 in 1998, this industry generates approximately $89,900 in total annual local government taxes for schools, county, city, etc According to the 1990 Census the Median Value on owner occupied housing in the City of Whitehall was $51,300 per housing unit. If we multiply that value by 5% per year in inflated value, we arrive at a 1999 median value of $72,183 (SEV $36,091). That means that the tax revenue generated by Whitehall Leather is equivalent to 46 moderately priced homes in Whitehall. The jobs created by this industry are averaging about 100 jobs per year. This represents less than 1% of the employed labor force in Muskegon County (source: Michigan Employment Security Agency, 1997 [through April]).

The Master Plan addresses the change in zoning along the waterfront from industrial to commercial, residential, and public uses. By researching current tax records on properties north and south of Whitehall Leather, we find that the 18 unit Windy Cove condominium south of the tannery (which comprises approximately 1/10 of the land area that is occupied by the tannery) has a total SEV of $1,364,200 or nearly equal the value of the tannery. Immediately to the north, we find Whitehall Landing marina, which in 1998 has an SEV of $875,700 or 1/2 half the value of the tannery and occupying about 1/3 of the land area used by the tannery. The redevelopment of this property from industrial to commercial/residential/public under Planned Unit Development (PUD) within the City Zoning Ordinance would create additional improved housing and greater return on the taxable value of that property. Redevelopment of the tannery site would necessitate the clean up of the contaminated land and sediments within tannery bay and have a positive environmental impact on the City of Whitehall, White Lake and Lake Michigan. Elimination of the tannery wastewater would provide for additional capacity at the wastewater treatment site (currently the tannery uses 20% of the Whitehall/Montague area flow and comprises 80% of the suspended solids discharged to the wastewater system), so that long term growth needs could be met without having to face major plant expansion issues associated with normal economic and residential growth.

Continuation of Response to “Q”:

With the number of manufacturing jobs within the community, the loss of 100 jobs could easily be absorbed into the greater Whitehall/Montague industrial job market.
In 1998 the City of Whitehall saw two major catalysts in the positive development of our community. One was the decision of the State of Michigan to purchase the vacated C&O rail road that runs through the City and to eventually develop this rail ROW as a State Park pedestrian and bike trail. This development will be along our waterfront commercial and recreation areas and provide significant opportunities for enhancement of the marina development that has occurred since the mid 1980’s. The second catalyst for positive change was the decision of Howmet Corporation to build a new industrial plant in the Howmet Industrial Park. This decision resulted in nearly $3 million in grant funds for infrastructure upgrades in the community, over 350 new jobs and a $40 million investment. The Howmet facility also needed a portion of the vacated C&O rail road ROW for a street entrance to their new facility, and negotiations are currently underway to exchange land for this ROW, so that the future pedestrian and bike trial will go through a picturesque wooded area next to a future community library vs. the previous route between manufacturing plants. The decision of Howmet has led to the preparation and adoption of this development and finance plan, so that future tax revenues can be used to address the pedestrian & bike trail issues that will be faced by the community, and the need to provide a positive catalyst and stimulation in the development of our waterfront areas, according to our 1998 Comprehensive Plan.

The Authority is an instrumentality of a political subdivision for purposes of Act 227, PA of 1972, as amended. The Authority may request, and the City of Whitehall may, from time to time take private properties pursuant to the power vested in the City by Act 87, PA of 1980, as amended, for transfer to the Authority for uses as authorized in this Plan.
III. AMENDMENTS TO THE TAX INCREMENT FINANCING PLANS
OF AREAS 1 AND 2

A. A Statement of the Reasons that the Plan Will Result in the Development of Captured Assessed Value Which Could Not Otherwise Be Expected. The Reasons May Include, but Are Not Limited to, Activities of the Municipality, Authority, or Others Undertaken Before Formulation or Adoption of the Plan in Reasonable Anticipation that the Objectives of the Plan Would be Achieved by Some Means. Section 13 (2) (a).

a. This Amendment to the Tax Increment Financing Plan, amending both Tax Increment Financing Plans for Development Areas Number One and Number Two, is established to make possible the financing of certain public improvements necessary or desirable to keep Whitehall's downtown business district, waterfront areas, and the Howmet Industrial Park areas attractive, to stimulate business development and redevelopment, and to improve the environment and quality of life.

b. The primary purposes of the Tax Increment Financing and Development Plans and Amendments stated herein are to maintain the vitality of Whitehall's downtown, waterfront and industrial areas, and to promote quality economic expansion with same. This basic intent can be subdivided into two parts. The first being to provide the necessary improvements to the downtown business district, waterfront, and Howmet industrial and Industrial Park Drive areas which are required by the current and future businesses within the Plan area; and second, to undertake other improvements to infrastructure including water, sanitary sewer, drainage, streets, etc., within rights-of-way in the Plan area that will support these businesses and provide a stimulus for additional development according to the Comprehensive Plan in the City's downtown business, waterfront, and Howmet Industrial Park and Industrial Park Drive areas.

The City and the Authority have created a Development Plan Amendment (TIFA 3) which calls for improvements to be made in public utilities such as, but not limited to, water, sanitary sewer, storm drainage, streets, sidewalks, lights, and public facilities. Since the inception of the Development Area 1 and 2 Plans in the mid 1980's, the City has been able to stimulate major investment to date, and is now poised to move the revitalization to the final stages in the Development Area Number Three Plan.

The general background of Development Area No. 3 and the proposed improvements are described in the Development Plan Amendment (TIFA 3). In summary, it is important to note that the downtown and the waterfront areas are in the first ten years of redevelopment; however, the area suffers from the inadequacy of certain fundamental support services that are essential if this area is to develop into a thriving commercial and waterfront area. The necessity of this Plan and the projects it describes are directed at making sure the necessary improvements are made, thereby making the Plan area more attractive for future growth. Recent activities and commercial, marina and industrial growth in the Plan area seem to indicate that this core of the City's economic well being will be the foundation of future economic growth for the next two decades.
B. An Estimate of the Captured Assessed Value for Each Year of the Plan. The Plan May Provide for the Use of Part or All of the Captured Assessed Value, but the Portion Intended to be Used Shall Be Clearly Stated in the Plan. The Authority or Municipality May Exclude from Captured Assessed Value Growth in Property Value Resulting Solely from Inflation. The Plan Shall Set Forth the Method for Excluding Growth in Property Value Resulting Solely from Inflation. Section 13 (2) (b).

This Amended Plan provides for the capture and use of all of the available captured assessed value, up to a maximum of $1,700,000/year. See Tables I and II.

In projecting future captured value of TIFA Development Area Three, we have looked at the historical growth rate for TIFA 1 and TIFA 2 since their inception in 1984/85. In TIFA 1 and 2 combined, the annual average growth rate in taxable value has been 7%. For the purposes of this projection for TIFA 3, the first year is projected at actual figures available, the second year we factor in the Howmet Castings facility currently under construction, and in the remaining years we use a 3% per year growth rate until the year 2010/11, when 7% is used from that date forward.

For Years 2013/14 and beyond, annual captured revenues cannot exceed $1,700,000/year. The rational being that the preliminary estimate of project costs are nearly $20,000,000, and while that estimate may be low, the first 15 years estimate capture of revenues at over $14,000,000. Further, $20 million in financed debt alone, over 30 years at 7% interest, would require only $1,612,000/year in annual debt/principal payments.

The tax levy of all taxing jurisdictions to be captured in the Development Area is as follows:

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<th>Mills</th>
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<tbody>
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<td>Fire Authority</td>
<td>1.4943</td>
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<td>City of Whitehall</td>
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<tr>
<td>County</td>
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<tr>
<td>Muskegon Community College</td>
<td>2.2591</td>
</tr>
<tr>
<td>Museum</td>
<td>.325</td>
</tr>
</tbody>
</table>

**TOTAL** 24.485

The 24.485 Mills represents operating millage for the jurisdictions except that which is voted debt. The Authority will not capture voted millage to pay for bonded indebtedness. Under this Tax Increment Financing Plan, both the real and personal property portions of the captured assessed value will be used by the Authority.  (NOTE: In 1994, the State of Michigan changed tax laws for operating local and intermediate school districts. At that time, the law removed local, intermediate and state millage rates for operating schools from eligible millage to be captured by a TIFA, except for TIFA debt that was already on the books prior to that date. This action removed 55% of the revenue previously captured by the TIFA.)
Use of Tax Increments: The tax increment revenues generated as a result of implementing the Tax Increment Financing Plan as contained herein or as hereafter amended shall be used as follows:

**First:** To reimburse the General Fund for expenses incurred in the creation of this Development and Financing Plan.

**Second:** To pay for annual operating expenses within the budget, including administrative support services, legal expenses, engineering expenses, marketing, audits, publication, environmental studies, etc.

**Third:** To pay for any or all costs associated with implementing and completing the projects within the Development Plan, and costs incidental to such projects.

**Fourth:** To pay the cost of any additional improvements in the Development Area approved by the TIFA Board as part of the Amendment to the Development Plan and Tax Increment Financing Plan developed by the Authority and approved by the City Council after the completion of all procedures required by Act 450.
<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value 1</th>
<th>Value 2</th>
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<td>Column 3</td>
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</tbody>
</table>
C. The Estimated Tax Increment Revenue for Each year of the Plan. Section 13 (2) (c).

See Table II, page 30.
D. A Detailed Explanation of the Tax Increment Procedure. Section 13 (2) (d).

The act permits the Authority to undertake a broad range of activities which will promote economic growth and eliminate the causes of value deterioration in a development area. These activities include the adoption and implementation of a plan of development necessary to achieve the purposes of the act.

One of the Authority's means of implementing a development plan is tax increment financing. A tax increment financing plan must be approved by resolution of the governing body of the municipality.

The purpose of tax increment financing is to capture tax revenues attributable to increases in value of real and personal property within the boundaries of the development area. The increases in property value may be attributable to new construction, rehabilitation, remodeling, alterations, additions, inflation, or other factors the assessor may deem appropriate.

The most recent taxable values, as finally equalized by the State Board of Equalization, of all the taxable properties located within the boundaries of the development area (based on assessed values as of December 31, 1997) at the time the resolution establishing the tax increment financing plan is approved will become what is called the "initial assessed value." At the time the resolution adopting the tax increment financing plan is approved, property exempt from taxation is given an initial assessed value of zero.

In each year after the tax increment financing plan is approved, the total taxable value of real and personal property within the boundaries of the development area is referred to as the "current taxable value." The difference between the current taxable value and the initial taxable value on December 31, 1997 is known as the "captured taxable value."

During the period the development plan and tax increment financing plan are in force, the local taxing jurisdictions continue to receive the full amount of tax revenue based on the initial taxable value. However, the portion allocable to the captured taxable value is transmitted to the Authority for use according to the tax increment financing plan. This portion is known as "tax increment revenue." The tax increment revenue will be used for the purposes set forth in this tax increment financing plan, and, if bonds are issued to finance a project in the development plan, the tax increment revenues will be pledged to the repayment of such bonds. (NOTE: In 1994 State law requires that TIFA's cannot capture local school property taxes.)

The amount of tax increment revenue to be transmitted to the Authority by the City and local governments (other than schools) will be that portion of the tax levy of all these taxing jurisdictions paid each year on the captured taxable value of real and personal property in the development area, excluding millage specifically levied for the payment of principal and interest on bonds approved by electors. The Authority will expend the tax increment revenue received for the development program only pursuant to this tax increment financing plan. If the TIFA Board passes through to local governments within the district a portion of revenues captured, it shall do so proportionately to each based upon the respective unit's millage levy as it compares to the total millage levy of all governments that were captured in that fiscal year.
E. The Maximum Amount of Bonded Indebtedness to be Incurred (Section 13 (2) (e)).

The maximum amount of bonded indebtedness to be incurred by the TIFA during any fiscal year under this Tax Increment Financing Plan shall be $20,000,000. The City may pledge its full faith and credit to the payment of principal and interest on the bonds of the Authority, subject to constitutional, statutory, and Charter limitations.

Bonded Indebtedness: This Plan proposes using both tax increment revenues and direct bonding as means of financing the improvements indicated herein. Other methods of financing such as special assessments, special assessment bonds, general obligation bonds, revenue bonds, grants, funds from other governments and private investments may also be used.
F. The Amount of Operating and Planning Expenditures of the Authority and Municipality, the Amount of Advances Extended by or Indebtedness Incurred by the Municipality, and the Amount of Advances by Others to be Repaid from Tax Increment Revenues. Section 13 (2) (f).

Operating and Planning Expenditures: The annual operating and planning expenditures for the Authority is estimated to be $50,000 in 1999 dollars. This covers administration, accounting, engineering, marketing, audit, publishing and related expenses. This may grow as activities increase in any one year.
G. The Costs of the Plan Anticipated to be Paid from Tax Increment Revenues as Received. Section 13 (2) (g).

All costs of preparation, adoption, and approval of the Plan, and the implementation of the Plan shall be paid from the tax increment revenues as available.
H. The Duration of the Development Plan and the Tax Increment Plan. Section 13 (2) (h).

It is anticipated that the Development Plan activities will be accomplished within 25 years (2024) and that the Financing Plan will last until the last debt payment is made on any TIFA Bonds sold to complete any or all portions of the Development Plan. The last date to complete the payment on a TIFA bond issue is estimated to be 2039.
I. **An Estimate of the Impact of Tax Increment Financing on the Revenues of all Taxing Jurisdictions in which the Development Area is Located. Section 13 (2) (I).**

The City estimates that there will be no adverse impact on other taxing jurisdictions as the revenue captured is new revenue to the area, used to make the necessary improvements within the district that will attract other private investment. As revenues increase to a point above what the City needs to make improvements, the City anticipates allowing this excess revenue to flow back to the other taxing jurisdictions.

It being further noted that the TIFA will not be capturing voted debt millage of a local unit of government, nor can it by law capture operating millage for a local school district.