

DEVELOPMENT AND TAX INCREMENT FINANCING PLANS

Meridian Township Downtown Development Authority

APPROVED: 12.4.2018

ACKNOWLEDGEMENTS

The Meridian Township Downtown Development Authority was established in 2006, pursuant to the Downtown Development Authority Act (Act 197 of 1975). The purpose of the Authority is to correct and prevent deterioration and promote economic growth within Meridian Township's principal business district.

For their vision and support, the following community leaders should be recognized:

TOWNSHIP BOARD

- RONALD J. STYKA, SUPERVISOR
- BRETT DREYFUS - CLERK, CMMC, CLERK
- JULIE BRIXIE, TREASURER
- PHIL DESCHAIINE, TRUSTEE
- PATRICIA HERRING JACKSON, TRUSTEE
- DAN OPSOMMER, TRUSTEE
- KATHY ANN SUNDLAND, TRUSTEE

DDA BOARD OF DIRECTORS

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- DEMETRIOS JAMES SPANOS, SECRETARY
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- WILL RANDLE, BOARD, MEMBER
- JAMES RAYNAK, BOARD MEMBER
- SCOTT WEAVER, BOARD MEMBER
- RONALD STYKA (TOWNSHIP BOARD LIAISON)

Chris Buck, Economic Development Director

Mark Kieselbach, Community Planning & Development Director

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This Plan was prepared with assistance from:

CIB Planning



Advanced Redevelopment Solutions



ADOPTED BY AUTHORITY BOARD: October 10, 2018

ADOPTED BY TOWNSHIP BOARD: December 4, 2018

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BACKGROUND AND PURPOSES

GENERAL OVERVIEW

The Meridian Township Downtown Development Authority (the “Authority” or “DDA”) and corresponding DDA/TIFA Plan was created in 2005. A DDA is governed by a Board of Directors whose primary purpose is to correct and prevent deterioration and promote economic growth within Meridian Township’s principal business district. Other purposes of a DDA include reversing declining property values, improving the overall business climate, and increasing employment opportunities. A primary benefit of forming a DDA is the ability to capture the incremental increase in property taxes that result from improvements in the district. These tax revenues are used to finance improvement projects or activities within the district, which furthers the goal of economic growth.

A Development Plan is one tool the DDA relies upon for identifying and implementing projects and activities aimed at spurring new private investment. The goals, objectives and recommended actions presented in this document are intended to plan and prioritize projects/activities and ensure that development and redevelopment within the DDA District occurs in an orderly manner. Recommendations also ensure that improvements match the available revenues and can enable the DDA to become eligible for other funding sources at the Federal, State and local levels. This Plan was prepared in accordance with the Downtown Development Authority Act, PA 197 of 1975 (the “Act”).

A DDA can capture new tax increment in the district and use it to pay for improvements that otherwise could not be afforded by either local businesses or township government, referred to as Tax Increment Financing (“TIF”). Moreover, creation of a TIF district does not take away current tax revenue; it just captures any new increment that results from improvements to property or an increase in value.

LEGAL BASIS OF THE PLAN

The Development Plan and Tax Increment Financing Plan are prepared pursuant to the requirements of Sections 17 and 18 of the Act, as amended. More specifically, Section 17 of the Act states that “When a board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 13 or tax increment financing as authorized in sections 14, 15, and 16, it shall prepare a development plan.”

DEVELOPMENT PLAN REQUIREMENTS

Section 17 also indicates that the Development Plan shall contain all of the following:

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

The boundaries for the downtown district and development area are shown on Map 1. The primary roads in and around the district include Grand River Ave., Marsh Road and Okemos Road. The legal description is found in Appendix B, Legal Description of District.

B. THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA, DESIGNATING 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 INCLUDING A LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

As indicated in the property description, the district encompasses a wide variety of land uses including office, retail, residential, service and open space. Existing Land Uses are shown on Map 2: Existing Land Use.

C. A DESCRIPTION OF EXISTING IMPROVEMENTS IN THE DEVELOPMENT AREA TO BE DEMOLISHED, REPAIRED, OR ALTERED, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.

The description of existing improvements to be demolished and associated schedule for implementation is provided in this Plan under the heading “Proposed Improvements.”

D. 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.

To expand upon what was indicated above, the location, character and estimated cost/timing of the improvements is provided below:

PROPOSED IMPROVEMENTS

The Meridian Township DDA adopted a Tax Increment Finance and accompanying Development Plan (Plan) which captures new incremental tax revenues beginning in 2006 and concluding in 2026. Over the past few years the economy has shifted significantly, and the township has identified Downtown Okemos as:

- a critical redevelopment area in need of blight elimination;
- an area with businesses shuttering, resulting in a dwindling tax base;
- having parcels with environmental contamination that pose as a threat to human health and the environment and are barriers to support safe and economical redevelopment, and;
- an area where previously proposed redevelopment projects have failed on key District blocks due to the aforementioned issues.

Further, the Meridian Township DDA and has identified specific projects within the DDA District (District) that need funding. These projects will help position Downtown Okemos toward becoming a great downtown destination and place to live, shop and work. This update and corresponding amendment will reset the base year to 2018 with the first year of taxable capture to 2019 with a target conclusion date of 2039.

As such, it is necessary to review the eligible activities to be included in the Plan. Eligible activities are categories or projects which the DDA is eligible to spend tax increment revenue for enhancing, improving or redeveloping the District. Funds can also be utilized for marketing the District. Below is a description of eligible activities and a projection of their estimated costs, also called proposed improvements.

- 1. Marketing and Development Studies** – Destination branding, and marketing have a key relationship with successful downtown districts. It is an important task to complete once the DDA has identified redevelopment goals and has established its identity within the greater region. These studies can also be utilized as tools to attract specific development types or specific developers. **\$160,000.**
- 2. Streetscape** – Having an attractive, well designed streetscape strengthens the public realm within downtown corridors. It can enhance the image of the community, adds landscaping and other artistic elements and is complimentary to the pedestrian environment. Streetscape enhancements include but are not limited to planter boxes, waste receptacles, benches, brick pavers, decorative fencing, trees and tree grates, sculptures and other pieces of art and costs related to improving the street itself. **\$1,000,000.**
- 3. Façade Improvements** – Typically, DDA’s utilize a portion of tax increment revenue funds to assist business owners with façade improvements for buildings in need of repair or upgrade within the District. This is usually set up as a low interest loan or competitive grant program with match requirements. These programs work great for improving the image of the buildings within the DDA District. **\$500,000.**
- 4. Park Improvements** – Parks within downtowns can be gathering places and focal points for community events within the downtown. It is important to maintain parks and program events within the parks to draw pedestrians to the downtown and enhance the District. **\$250,000.**

5. **Property Acquisition** – This involves the acquisition of property to accomplish the goals set forth by the DDA. There are times when key pieces of property become available for purchase within the DDA District, which require the DDA to purchase said properties for redevelopment or public purposes. This can also be a tool to assist with blight removal and demolition within the District. **\$1,000,000.**
6. **Master Planning/Urban Design Plans** – Downtown plans and urban design help to guide the built environment of the downtown District. Many times, these plans focus on form and design elements to enhance the function of the District. Results of these plans can lead to new development projects that have been thoughtfully crafted to create vibrancy and increase density within the District core. These plans also generally result with the development of design-based guidelines for redevelopment of existing sites or development of new sites. **\$100,000.**
7. **Promotions** – In order for downtowns to function at their peak, they require a critical mass of people. Regular programming of events such as concerts, art walks, farmers markets, and other events all assist with creating that critical mass but require promotions to reach specific target audiences which the District is trying to attract. This could include print content, web content, radio and television content and other forms of promotion to spread the message of the DDA. **\$100,000.**
8. **Demolition** – Occasionally, development opportunities require demolition of existing sites and structures. The DDA can participate in the costs of the demolition process when it is appropriate to spur new development opportunities. **\$500,000.**
9. **Lead & Asbestos and Mold Abatement** – Several buildings in pre-developed centers utilized lead-based materials or asbestos materials in their construction process. Additionally, buildings that have been blighted or become functionally obsolete incur water damage that leads to mold. As part of any redevelopment process, these materials must be abated prior to new development occurring. These are a costly and methodical necessity for redevelopment to succeed. **\$500,000.**
10. **Public Infrastructure Improvements** – Public improvements covers a wide array of projects including street lighting, streetscape enhancements, water and sewer improvements, electrical improvements, burying of existing and new utilities, storm water improvements, parking improvements and generally anything else that falls within the public right-of-way, easement or public realm. **\$9,000,000.**
11. **Public Spaces** – Many people equate public spaces to parks, but they can also include public alleys, community centers, non-park public owned green spaces and many more. Projects that can enhance these spaces all fall under the eligible activity expenses of the DDA. **\$1,000,000.**
12. **Private Infrastructure Improvements** – As part of redevelopment, developers are often required to improve private infrastructure or anything on a private property (not in a public right-of way). The DDA is able to assist with offsetting these costs, specifically when it comes to integrated parking structures such as vertical and underground parking, utilities, water and sewer tap fees, soft costs and others that support density in accordance with local zoning, master plans and township goals but may be cost prohibitive to complete the project. Although these improvements are considered private for funding purposes, they have public benefit and support the redevelopment efforts of the township and DDA. **\$20,000,000.**

13. Site Preparation – Costs associated with site preparation can be significant for both public and private investment. These costs include such activities as clearing & grubbing, compaction and sub-base preparation, cut and fill operations, dewatering, excavation for unstable material, foundation work to address special soil concerns, retaining walls, temporary sheeting/shoring, specific and unique activities, etc.) anything on private property not in a public right-of-way to support density and prohibitive costs to allow for greater density in accordance with local zoning, master plans and township goals. **\$1,000,000.**

14. Environmental Activities – Environmental Activities would include activities beyond what may be supported by the Michigan Department of Environmental Quality (MDEQ) under an approved Brownfield Plan and Act 381 Work Plan to protect human health and the environment, off-set cost prohibitive environmental costs and insurance needs, etc. **\$500,000.**

15. Gap Funding – Recognizing that the cost of mixed-use, traditional development is higher than it is for undeveloped sites, the Township may, at its own discretion, commit project-specific future tax increment capture back to private projects for a specified period of time. The goal is to provide funding to close the “gap” that prevents the project from becoming a reality due to financial feasibility. For example, if the pro-forma for a project indicates that it cannot generate enough income to cover the cost of construction and a reasonable rate of return for a developer/investor, future tax increment can be committed to that development to make is feasible. It can also be used as a tool to attract companies and businesses to the township to create new employment opportunities within the DDA District. **\$2,500,000.**

16. Consultation and Operational Expenditures – The Consultation and Operational Expenditures category provides for professional services and operational activities relating to the DDA. This category is relatively variable and is subject to the level and complexity of future activities taken on by the DDA. Professional services may be required to implement the proposals within this Plan and to manage and operate the DDA. This may include, but is not limited to, this Plan’s writing, grant writing and administration, planning and architectural design, engineering, inspections & construction management services, environmental assessment & mitigation planning. DDA operational activities may include but are not limited to, public notices, mailings, office supplies, administrative support, equipment usage/rental, etc. **\$700,000.**

Total Estimated Cost of All Projects: \$38,810,000

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

The specific projects to be undertaken by the DDA are not known at this time. The “Proposed Improvements” table above will be updated to show the construction planned, and the estimated time of completion, for each project as this information is known.

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

Future land uses for DDA District are shown on Map #3 and it identifies existing and proposed open space.

G. A DESCRIPTION OF ANY PORTIONS OF THE DEVELOPMENT AREA THAT THE AUTHORITY DESIRES TO SELL, DONATE, EXCHANGE, OR LEASE TO OR FROM THE MUNICIPALITY AND THE PROPOSED TERMS.

At the present time the Authority has no plans to lease, own, or otherwise control property in its own name. Should acquisition of property be required in the future to accomplish the objectives of the DDA, or should the Authority receive property by donation, through purchase, or by any other means of acquisition, the Authority will establish and formally adopt appropriate procedures for property disposition, subject to applicable Federal, State, and local regulations.

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

The Mixed Use Planned Unit Development (MUPUD) zoning district has already been adopted to coincide with the DDA District and anticipated form of development. It is not anticipated that the location of the road network will change significantly, although there will be physical improvements to the roads and underground utilities. Proposed changes in infrastructure such as streets, sidewalks, utilities, etc. are not known at this time but will also be added to the Appendix.

I. 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.

A description, including cost estimate and schedule of implementation, for each improvement project that will be completed within the district is contained in the project schedule and budget in this Plan under "Proposed Improvements." In addition to TIF tax capture, the DDA reserves the ability to utilize the following financing options for DDA projects/activities:

- a. Millage of up to two (2) mills;
- b. Special assessments;
- c. Revenue bonds;
- d. Revenues from property owned or leased by the DDA;
- e. Donations to DDA;
- f. Grants to DDA; and
- g. Contributions from the local unit of government.

J. DESIGNATION OF THE PERSON OR PERSONS, NATURAL OR CORPORATE, TO WHOM ALL OR A PORTION OF THE DEVELOPMENT IS TO BE LEASED, SOLD, OR CONVEYED IN ANY MANNER AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN IF THAT INFORMATION IS AVAILABLE TO THE AUTHORITY.

Information concerning the names of people for whom benefits may accrue is unknown at this time and will not be available until phases of implementation are underway.

K. THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING, OR CONVEYING IN ANY MANNER OF ALL OR A PORTION OF THE DEVELOPMENT UPON ITS COMPLETION, IF THERE IS NO EXPRESS OR IMPLIED AGREEMENT BETWEEN THE AUTHORITY AND PERSONS, NATURAL OR CORPORATE, THAT ALL OR A PORTION OF THE DEVELOPMENT WILL BE LEASED, SOLD, OR CONVEYED IN ANY MANNER TO THOSE PERSONS.

All such procedures will follow both township and state law and at the present time there are no commitments made.

L. ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE DEVELOPMENT AREA AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED. IF OCCUPIED RESIDENCES ARE DESIGNATED FOR ACQUISITION AND CLEARANCE BY THE AUTHORITY, A DEVELOPMENT PLAN SHALL INCLUDE A SURVEY OF THE FAMILIES AND INDIVIDUALS TO BE DISPLACED, INCLUDING THEIR INCOME AND RACIAL COMPOSITION, A STATISTICAL DESCRIPTION OF THE HOUSING SUPPLY IN THE COMMUNITY, INCLUDING THE NUMBER OF PRIVATE AND PUBLIC UNITS IN EXISTENCE OR UNDER CONSTRUCTION, THE CONDITION OF THOSE 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.

At the present time, no known relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan. Should said displacement be planned during implementation of the Plan, the above information will be gathered accordingly.

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

At the present time, no known relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan.

N. PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED BY THE DEVELOPMENT AND FINANCIAL ASSISTANCE AND REIMBURSEMENT OF EXPENSES, INCLUDING LITIGATION EXPENSES AND EXPENSES INCIDENT TO THE TRANSFER OF TITLE, IN ACCORDANCE WITH THE STANDARDS AND PROVISIONS OF THE UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, PUBLIC LAW 91-646, 84 STAT. 1894.

At the present time, no known relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan.

O. A PLAN FOR COMPLIANCE WITH THE FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 AND ACT 227 OF THE PUBLIC ACTS OF 1972.

At the present time, no known relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan.

P. OTHER MATERIAL THAT THE AUTHORITY, LOCAL PUBLIC AGENCY, OR GOVERNING BODY CONSIDERS PERTINENT.

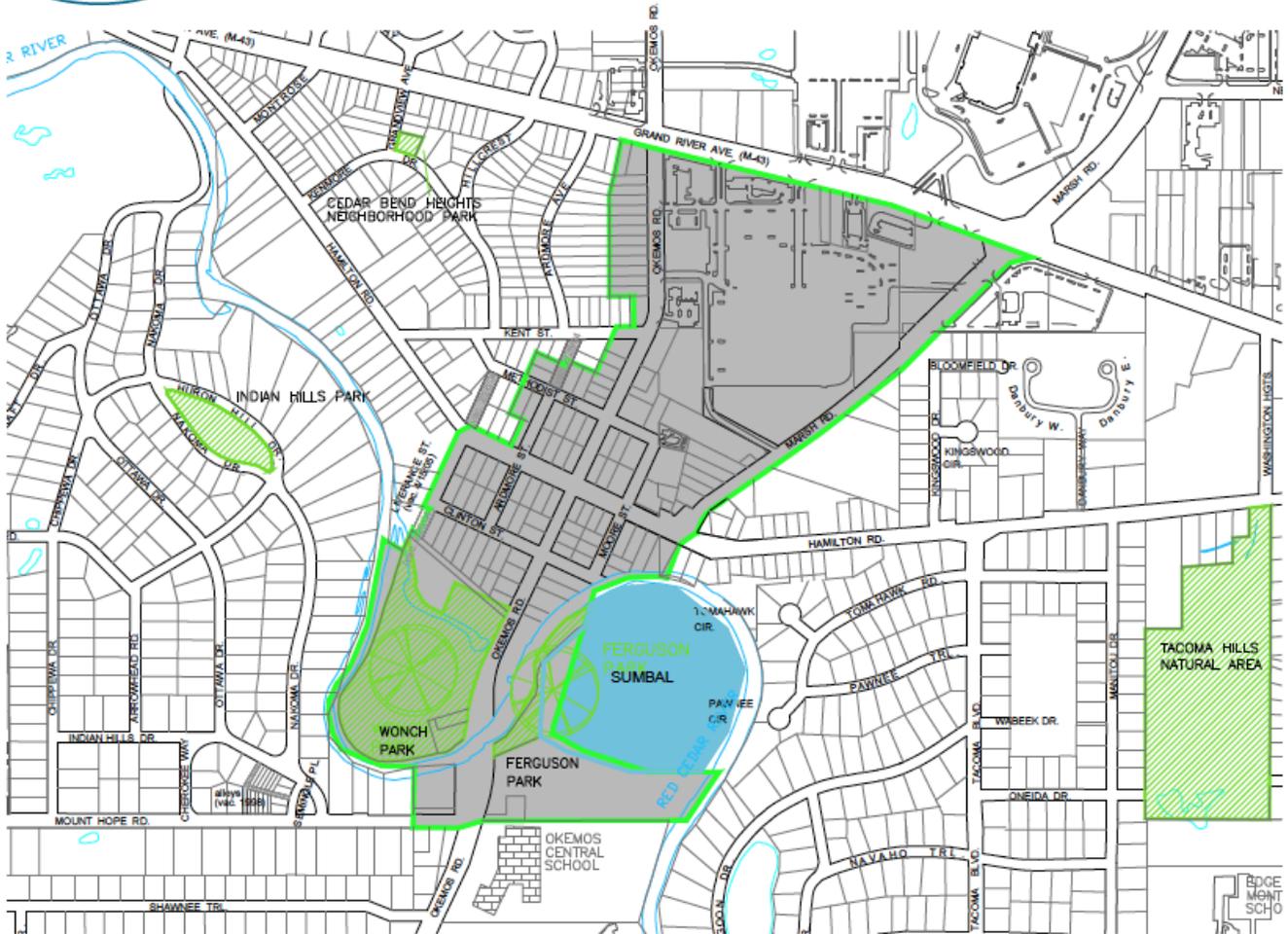
Such other material will be identified or added as the need arises.

MAP I: DDA BOUNDARIES

The District as currently established will be left unchanged with no removal or addition of parcels. Below is a map with the shaded area identify the DDA District.



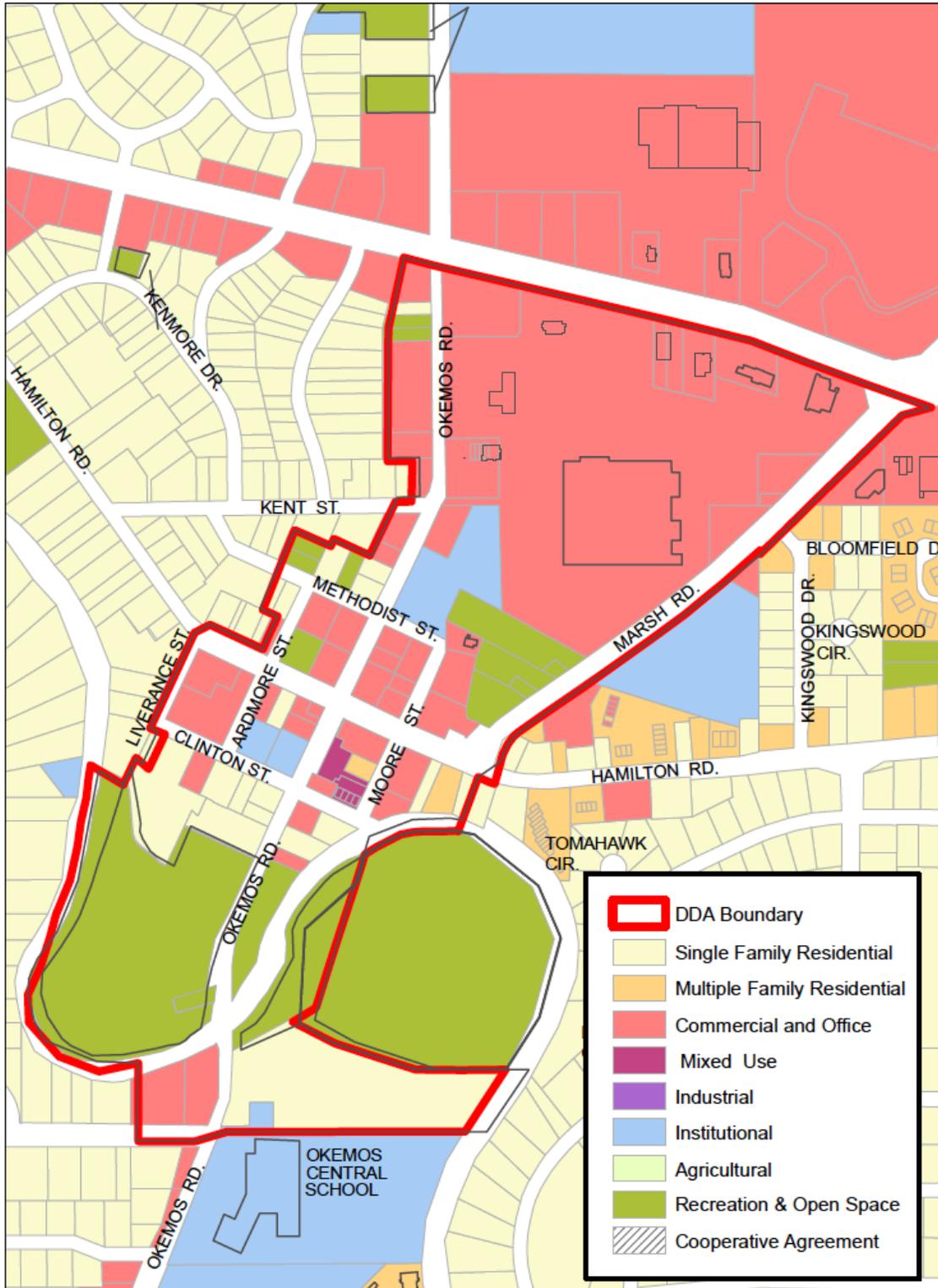
Downtown Development Authority (DDA) Map 2006



Map Source: Meridian Township Web Page, Meridian DDA Map (dated 2006)

MAP 2: EXISTING LAND USE

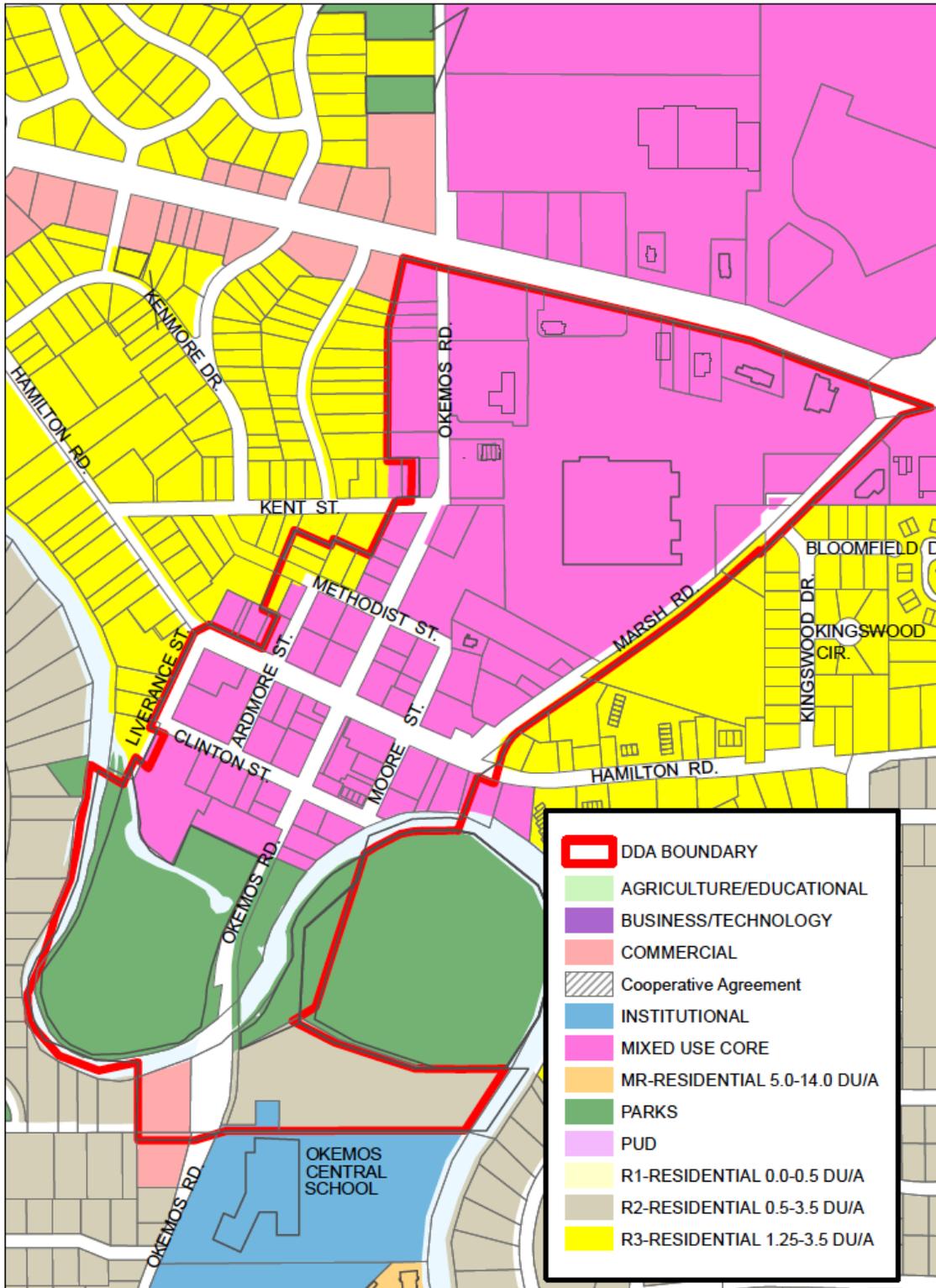
DDA Boundary with Existing Land Use



Map Source: 2017 Meridian Township Master Plan (dated 9/22/18 and as may be amended by the Township)

MAP 3: FUTURE LAND USE

DDA Boundary with Future Land Use



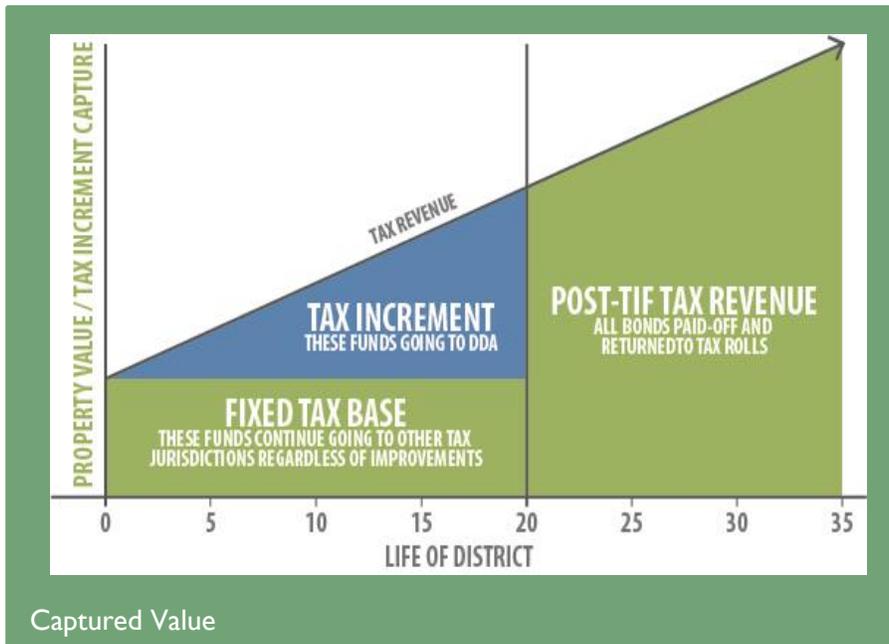
Map Source: 2017 Meridian Township Master Plan (dated 9/22/18 and as may be amended by the Township)

TAX INCREMENT FINANCING PLAN

EXPLANATION OF THE TAX INCREMENT PROCEDURE

Tax Increment Financing is a method of funding public investments in an area slated for (re)development by capturing, for a time, all or a portion of the increased tax revenue that may result from increases in property values, either as a result of (re)development or general market inflation. The concept of tax increment financing is applied only to the Development Area for which a Development Plan has been prepared by the Downtown Development Authority and adopted by the Township Board.

As provided in the Act, as amended, tax increment financing is an effective tool for financing redevelopment and planning of designated development areas within a Downtown Development Authority District. TIF financing can be used to fund facilities, structures, or improvements within the district and to: 1) market businesses within the district; 2) plan for property within the district; 3) acquire land; 4) improve sites; 5) construct buildings; and 6) administer the Development Plan. Because TIF financing involves capture of tax revenue for certain parcels, TIF dollars must be used for improvements that will generally benefit those same parcels.



“Captured Assessed Value” can be described as the difference in amount in any year of the Plan in which the current assessed value exceeds the initial assessed value. “Current Assessed Value” is the amount of value upon which taxes are based for the current year, also called the Taxable Value. “Initial Assessed Value” represents the assessed value of properties at the time the DDA was established or amended, in this case 2018. Tax exempt properties are represented as a zero value in the Plan, since no tax increments will be collected for that site, regardless of

increases in actual property value. The difference between the initial assessed value (base year total) and the current assessed value (current year total) is the value of property for which taxes can be captured and (re)invested by the DDA.

I. Increase in taxable value. The initial assessed value (“SEV”) for this Plan is the assessed value of all real and personal property in the development area as determined on December 31, 2017 and finally equalized by the state in May of 2018. This is commonly considered the SEV for 2018. As shown in Table I, the base value of real property in the district is \$19,462,787.

Table 1
Estimated Taxable Value Increase ⁽¹⁾
 ESTIMATED TAX CAPTURE VALUE 2019 - 2038

| Fiscal Year | Base Taxable Value of District ⁽²⁾ | Taxable Value Increase from 2.14% Inflationary Increase on 3 Block Area ⁽³⁾ | Base Taxable Value of District with Inflationary Increase on 3 Block Area ⁽⁴⁾ | Base Taxable Value of District with Increases from Inflation on 3 Block Area and 3 Block Area Project ⁽⁵⁾ |
|-----------------|---|--|--|--|
| Base Year: 2018 | \$19,462,787 | \$0 | \$19,462,787 | \$19,462,787 |
| 2019 | \$19,462,787 | \$174,595 | \$19,637,382 | \$19,637,382 |
| 2020 | \$19,462,787 | \$352,919 | \$19,815,706 | \$25,256,667 |
| 2021 | \$19,462,787 | \$535,049 | \$19,997,836 | \$31,559,878 |
| 2022 | \$19,462,787 | \$721,068 | \$20,183,855 | \$33,786,258 |
| 2023 | \$19,462,787 | \$911,059 | \$20,373,846 | \$35,623,052 |
| 2024 | \$19,462,787 | \$1,105,106 | \$20,567,893 | \$40,182,889 |
| 2025 | \$19,462,787 | \$1,303,295 | \$20,766,082 | \$46,787,790 |
| 2026 | \$19,462,787 | \$1,505,716 | \$20,968,503 | \$50,339,621 |
| 2027 | \$19,462,787 | \$1,712,459 | \$21,175,246 | \$54,168,198 |
| 2028 | \$19,462,787 | \$1,923,616 | \$21,386,403 | \$59,522,232 |
| 2029 | \$19,462,787 | \$2,139,281 | \$21,602,068 | \$61,877,753 |
| 2030 | \$19,462,787 | \$2,359,550 | \$21,822,337 | \$62,957,908 |
| 2031 | \$19,462,787 | \$2,584,522 | \$22,047,309 | \$64,061,125 |
| 2032 | \$19,462,787 | \$2,814,298 | \$22,277,085 | \$65,187,895 |
| 2033 | \$19,462,787 | \$3,048,979 | \$22,511,766 | \$66,338,722 |
| 2034 | \$19,462,787 | \$3,288,670 | \$22,751,457 | \$67,514,119 |
| 2035 | \$19,462,787 | \$3,533,479 | \$22,996,266 | \$68,714,610 |
| 2036 | \$19,462,787 | \$3,783,514 | \$23,246,301 | \$69,940,732 |
| 2037 | \$19,462,787 | \$4,038,888 | \$23,501,675 | \$71,193,032 |
| 2038 | \$19,462,787 | \$4,299,714 | \$23,762,501 | \$72,472,069 |

(1) This table assumes taxable value based on a proposed redevelopment project across a three (3) Block Area in Downtown Okemos with a 2.14% Inflation Rate Multiplier on Base Taxable Values of the three (3) Block Area - No new development or increase in value due to improvements beyond the proposed three (3) Block Area. New development outside of three (3) Block Area would increase taxable value.

(2) Base Taxable Values are on entire DDA District and values shown are on Real Property {Building(s), Land and Land Improvements} and Personal Property.

(3) (a) Property Value Increase Used: 20-Year Average Inflation Rate Multiplier 2.14% growth/year. Per the Michigan Department of Treasury annual Bulletin "Consumer Price Level (CPL/CPI)" Memo at:
https://www.michigan.gov/documents/treasury/Bulletin_16_of_2017_-_Inflation_Rate_Multiplier_for_2018_604882_7.pdf

(b) Inflationary Percentage (%) Change In Future Taxable Values (TV) is on Real Property {Building(s), Land and Land Improvements} but not Personal Property.

(4) Base Taxable Value of District with Annual 2.14% Inflationary Increase on Base Taxable Value of three (3) Block Area.

(5) Taxable Value Increase from the proposed redevelopment project across a three (3) Block Area in Downtown Okemos with a 2.14% Inflationary Increase on Base Taxable Values in three (3) Block Area and New Taxable Value from three (3) Block Area project.

The purpose of the Tax Increment Financing Plan is to ensure that revenues from tax increment capture will be sufficient to cover anticipated costs, especially when it comes to bond debt. Therefore, some assumptions are involved in order to project property values into the future to determine anticipated revenues. These assumptions are identified in the footnotes for each of the tables.

2. **Capturable Taxable Value.** A specific amount of development is expected over the entire DDA District, based upon Development Scenarios assembled by the DDA using current and potential future project proposals for Downtown Okemos. For projection purposes of this Plan, the below Table 2 assumes taxable value based on a proposed redevelopment project across a three (3) Block Area in Downtown Okemos with a 2.14% Inflation Rate Multiplier on Base Taxable Values. The Plan does not project any other new development or increases in value due to private investments/improvements beyond the proposed three (3) Block Area. However, new private development outside of three (3) Block Area in the District would result in added private investment/improvements thus increasing taxable value and increasing potential tax increment revenue capture for Plan Projects/Activities. Estimates of taxable value capture amount from the proposed redevelopment project across a three (3) Block Area in Downtown Okemos does not include the base taxable value of the District or the 2.14% Inflationary Increase on base taxable values of the three (3) Block Area.

In order to afford the taxing jurisdictions the ability to meet their annual budgetary needs with the existing taxes they are currently receiving from the parcels in the District, this Plan will pass-through the existing base taxes paid (Base Year 2018) of all parcels in the District, as provided for in the Act, and a portion (2.14% property value increase) of the increase on the base taxes paid due to any new private development within the District that results in added private investment/improvements thus increasing taxable values on those specific parcels. These payments are subject to certain triggering conditions and would be made from available tax increment revenues, as agreed to between the taxing jurisdictions, the Authority, and Meridian Charter Township, as provided for in the Act. The property value increase used is the current 20-Year Average Inflation Rate Multiplier of 2.14% growth/year (per the Michigan Department of Treasury Annual Bulletin "Consumer Price Level (CPL/CPI)" Memo).

Table 2
Estimated Taxable Value Capture ⁽¹⁾
 ESTIMATED TAX CAPTURE VALUE 2019 - 2038

| Fiscal Year | Base Taxable Value of District ⁽²⁾ | Taxable Value Increase from 2.14% Inflationary Increase on 3 Block Area ⁽³⁾ | Base Taxable Value of District with Inflationary Increase on 3 Block Area ⁽⁴⁾ | Base Taxable Value of District with Increases from Inflation on 3 Block Area and 3 Block Area Project ⁽⁵⁾ | Taxable Value Capture Amount Not Including Inflationary Increase on 3 Block Area or Base Taxable Value of District ⁽⁶⁾ |
|-----------------|---|--|--|--|---|
| Base Year: 2018 | \$19,462,787 | \$0 | \$19,462,787 | \$19,462,787 | \$0 |
| 2019 | \$19,462,787 | \$174,595 | \$19,637,382 | \$19,637,382 | \$0 |
| 2020 | \$19,462,787 | \$352,919 | \$19,815,706 | \$25,256,667 | \$5,440,961 |
| 2021 | \$19,462,787 | \$535,049 | \$19,997,836 | \$31,559,878 | \$11,562,042 |
| 2022 | \$19,462,787 | \$721,068 | \$20,183,855 | \$33,786,258 | \$13,602,403 |
| 2023 | \$19,462,787 | \$911,059 | \$20,373,846 | \$35,623,052 | \$15,249,207 |
| 2024 | \$19,462,787 | \$1,105,106 | \$20,567,893 | \$40,182,889 | \$19,614,996 |
| 2025 | \$19,462,787 | \$1,303,295 | \$20,766,082 | \$46,787,790 | \$26,021,708 |
| 2026 | \$19,462,787 | \$1,505,716 | \$20,968,503 | \$50,339,621 | \$29,371,118 |
| 2027 | \$19,462,787 | \$1,712,459 | \$21,175,246 | \$54,168,198 | \$32,992,952 |
| 2028 | \$19,462,787 | \$1,923,616 | \$21,386,403 | \$59,522,232 | \$38,135,829 |
| 2029 | \$19,462,787 | \$2,139,281 | \$21,602,068 | \$61,877,753 | \$40,275,685 |
| 2030 | \$19,462,787 | \$2,359,550 | \$21,822,337 | \$62,957,908 | \$41,135,571 |
| 2031 | \$19,462,787 | \$2,584,522 | \$22,047,309 | \$64,061,125 | \$42,013,815 |
| 2032 | \$19,462,787 | \$2,814,298 | \$22,277,085 | \$65,187,895 | \$42,910,810 |
| 2033 | \$19,462,787 | \$3,048,979 | \$22,511,766 | \$66,338,722 | \$43,826,956 |
| 2034 | \$19,462,787 | \$3,288,670 | \$22,751,457 | \$67,514,119 | \$44,762,662 |
| 2035 | \$19,462,787 | \$3,533,479 | \$22,996,266 | \$68,714,610 | \$45,718,345 |
| 2036 | \$19,462,787 | \$3,783,514 | \$23,246,301 | \$69,940,732 | \$46,694,431 |
| 2037 | \$19,462,787 | \$4,038,888 | \$23,501,675 | \$71,193,032 | \$47,691,357 |
| 2038 | \$19,462,787 | \$4,299,714 | \$23,762,501 | \$72,472,069 | <u>\$48,709,568</u> |
| | | | | | \$635,730,415 |

- (1) This table assumes taxable value capture based on a proposed redevelopment project across a three (3) Block Area in Downtown Okemos not including the Base Taxable Value of the District and not including a 2.14% Inflation Rate Multiplier on Base Taxable Values of the three (3) Block Area - No new development or increase in value due to improvements beyond the proposed three (3) Block Area. New development outside of three (3) Block Area would increase taxable value.
- (2) Base Taxable Values are on entire DDA District and values shown are on Real Property {Building(s), Land and Land Improvements} and Personal Property.
- (3) (a) Property Value Increase Used: 20-Year Average Inflation Rate Multiplier 2.14% growth/year. Per the Michigan Department of Treasury annual Bulletin "Consumer Price Level (CPL/CPI)" Memo at: https://www.michigan.gov/documents/treasury/Bulletin_16_of_2017_-_Inflation_Rate_Multiplier_for_2018_604882_7.pdf
 (b) Inflationary Percentage (%) Change In Future Taxable Values (TV) is on Real Property {Building(s), Land and Land Improvements} but not Personal Property.
- (4) Base Taxable Value of District with Annual 2.14% Inflationary Increase on Base Taxable Value of three (3) Block Area.
- (5) Taxable Value Increase from the proposed redevelopment project across a three (3) Block Area in Downtown Okemos with a 2.14% Inflationary Increase on Base Taxable Values in three (3) Block Area and New Taxable Value from three (3) Block Area project.
- (6) Taxable Value Capture amount from the proposed redevelopment project across a three (3) Block Area in Downtown Okemos. Taxable Value Capture does not include the Base Taxable Value of the District or the 2.14% Inflationary Increase on Base Taxable Values in the three (3) Block Area.

3. Tax Increment Capture. Beginning with the 2019 tax collection, and for each year within the term of the Plan, municipal and county treasurers transmit directly to the DDA, the applicable portion of the tax levy set by the taxing units on the real property in the development area, including that portion of any commercial facilities tax levied pursuant to PA 255 of 1978 and that portion on an industrial facilities tax levied pursuant to PA 198 of 1974. Voted and separately identified debt millage revenues do not come to the DDA, but instead go directly to the intended taxing units.

“Tax increment revenues” means the amount of ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions upon the captured assessed value of real and personal property in the Development Area. Tax increment revenues do not include any of the following:

- a. Taxes under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.
- b. Taxes levied by local or intermediate school districts.
- c. Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may be excluded from captured assessed value or specific local taxes attributable to the ad valorem property taxes.
- d. Ad valorem property taxes excluded by the tax increment financing plan of the authority from the determination of the amount of tax increment revenues to be transmitted to the authority or specific local taxes attributable to the ad valorem property taxes.
- e. Ad valorem property taxes exempted from capture under section 18(5) or specific local taxes attributable to the ad valorem property taxes.
- f. Ad valorem property taxes specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit or specific taxes attributable to those ad valorem property taxes.

To utilize tax increment financing, the DDA must prepare a Development Plan and a tax increment financing plan. Both plans are submitted to the Township Board, who must approve the plans. These plans may be amended in the future to reflect changes desired by the DDA or the Township. All amendments must follow the procedures of the Act.

MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED

The Downtown Development Authority may explore the possibility of bonding against future revenues to supply the funds required to accomplish larger public improvement projects. The extent of the indebtedness and the timing of the debt retirement will be determined by the extent of the tax increment revenues. The maximum indebtedness, as stated in PA 197 of 1975, cannot exceed the ability to service the debt from tax increments. Only 80% of projected revenues are available as debt service funds. There is currently no bonded indebtedness for the DDA. Future Plan updates will consider outstanding debt as it plans for continued investment in the district.

DURATION OF THE DEVELOPMENT PROGRAM

The duration of the tax increment financing plan is twenty (20) years, commencing in 2019 and will cease with tax collections due in December 2038, unless this Plan is amended to extend or shorten its duration.

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

In addition to Meridian Township, the DDA is eligible to capture tax increment revenues from Ingham County, Capital Area Transportation Authority (CATA), Capital Region Airport Authority (CRAA), Capital Area District Libraries (CADL) and Lansing Community College (LCC).

Once the base taxable value of the District is set, the DDA will capture the revenue from any increase in property value, particularly through new project development. The base value amount would still flow to the appropriate taxing jurisdictions, non-captured. In other words, the revenue to each taxing jurisdiction would effectively be frozen at the base value for the entire term of the DDA Plan.

Table 3, on the following page, presents a summary of the impact to taxing jurisdictions if the proposed redevelopment project across a three (3) Block Area in Downtown Okemos is completed. The impact to each individual taxing jurisdiction will be their proportionate share of the actual amount of the total tax increment revenues captured. For Plan projection purposes, if the three (3) Block Area in Downtown Okemos is completed, the impact to each individual taxing jurisdiction may be as much as their proportionate share of \$18,572,165 in projected tax increment revenue. Estimates of taxable increment revenue amount from the proposed redevelopment project across a three (3) Block Area in Downtown Okemos does not include the base taxable value of the District or the 2.14% Inflationary Increase on base taxable values of the three (3) Block Area so long as new private investment/improvements are made resulting in increasing taxable values on those specific parcels.

Table 3
Estimated Tax Increment Revenue Capture by Taxing Jurisdiction
 ESTIMATED TAX CAPTURE VALUE 2019 - 2038

| Fiscal Year | Meridian Township | Ingham County | Capital Region Airport Authority | Capital Area Transportation Authority | Capital Area District Libraries | Lansing Community College | Total Estimated Tax Increment Revenues Captured | |
|----------------------|-------------------|----------------|----------------------------------|---------------------------------------|---------------------------------|---------------------------|---|---------------------|
| <i>Millage Rates</i> | 8.8007 | 11.3400 | 0.6990 | 3.0070 | 1.5600 | 3.8072 | 29.2139 | |
| Base Year: | 2018 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| | 2019 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| | 2020 | \$47,884 | \$61,700 | \$3,803 | \$16,361 | \$8,488 | \$20,715 | \$158,952 |
| | 2021 | \$101,754 | \$131,114 | \$8,082 | \$34,767 | \$18,037 | \$44,019 | \$337,772 |
| | 2022 | \$119,711 | \$154,251 | \$9,508 | \$40,902 | \$21,220 | \$51,787 | \$397,379 |
| | 2023 | \$134,204 | \$172,926 | \$10,659 | \$45,854 | \$23,789 | \$58,057 | \$445,489 |
| | 2024 | \$172,626 | \$222,434 | \$13,711 | \$58,982 | \$30,599 | \$74,678 | \$573,031 |
| | 2025 | \$229,009 | \$295,086 | \$18,189 | \$78,247 | \$40,594 | \$99,070 | \$760,196 |
| | 2026 | \$258,486 | \$333,068 | \$20,530 | \$88,319 | \$45,819 | \$111,822 | \$858,045 |
| | 2027 | \$290,361 | \$374,140 | \$23,062 | \$99,210 | \$51,469 | \$125,611 | \$963,853 |
| | 2028 | \$335,622 | \$432,460 | \$26,657 | \$114,674 | \$59,492 | \$145,191 | \$1,114,096 |
| | 2029 | \$354,454 | \$456,726 | \$28,153 | \$121,109 | \$62,830 | \$153,338 | \$1,176,610 |
| | 2030 | \$362,022 | \$466,477 | \$28,754 | \$123,695 | \$64,171 | \$156,611 | \$1,201,730 |
| | 2031 | \$369,751 | \$476,437 | \$29,368 | \$126,336 | \$65,542 | \$159,955 | \$1,227,387 |
| | 2032 | \$377,645 | \$486,609 | \$29,995 | \$129,033 | \$66,941 | \$163,370 | \$1,253,592 |
| | 2033 | \$385,708 | \$496,998 | \$30,635 | \$131,788 | \$68,370 | \$166,858 | \$1,280,356 |
| | 2034 | \$393,943 | \$507,609 | \$31,289 | \$134,601 | \$69,830 | \$170,420 | \$1,307,692 |
| | 2035 | \$402,353 | \$518,446 | \$31,957 | \$137,475 | \$71,321 | \$174,059 | \$1,335,611 |
| | 2036 | \$410,944 | \$529,515 | \$32,639 | \$140,410 | \$72,843 | \$177,775 | \$1,364,126 |
| | 2037 | \$419,717 | \$540,820 | \$33,336 | \$143,408 | \$74,399 | \$181,571 | \$1,393,251 |
| | 2038 | \$428,678 | \$552,366 | \$34,048 | \$146,470 | \$75,987 | \$185,447 | \$1,422,996 |
| | | \$5,594,873 | \$7,209,183 | \$444,376 | \$1,911,641 | \$991,739 | \$2,420,353 | \$18,572,165 |

Methodology for this Table: Total capture amount for each year was taken from the "Taxable Value Capture Amount Not Including Inflationary Increase on Base Taxable Value of three (3) Block Area or Base Taxable Value of District" column in the Estimated Taxable Value Capture Table 2. Those amounts were then divided by 1000 and multiplied by the millage rates above to establish the tax capture for each taxing agency.

PLAN FOR THE EXPENDITURE OF CAPTURED ASSESSED VALUE BY THE AUTHORITY

- I. **Estimate of Tax Increment Revenues.** Table 3 above summarizes the estimated capturable tax increment revenues by year. The projected annual growth in taxable value is estimated at 2.14% annually for the three (3) Block Area and is shown in Tables 1 and 2 above. Additional increases in the assessed valuation for the Development Area and consequent tax increment revenues may result from other new construction, rehabilitation, expansion, or additional appreciation in property values beyond the estimated 2.14% figure. These increases are beyond those projected in this Plan but if such increases occur, the tax increment revenues will be captured above the 2.14% Inflationary Increase and used in accordance to this Plan to accelerate the implementation and success of this Plan and the proposed improvements.

- 2. Expenditure of Tax Increment Revenues.** Any additional tax increment revenues beyond those projected in this Plan will:
- a. be used to expedite any debt service, or
 - b. further the implementation of the proposed improvements.

Should the tax increment revenues be less than projected, the DDA may choose to:

- a. Collect and hold the captured revenues until a sufficient amount is available to implement specific improvements,
- b. Consider implementing improvement projects/activities based upon the ability to match existing funds with expenditures while seeking out additional funding sources,
- c. Amend the Development Plan and/or tax increment financing plan to allow for alternative projects/activities and funding.

APPENDIX A: BASE PARCEL DATA

**TABLE 4
PARCELS IN THE DDA DISTRICT**

| TAX ID # / ADDRESS |
|---|
| 33-02-02-21-254-016/4837 OKEMOS ROAD |
| 33-02-02-21-254-017/OKEMOS ROAD |
| 33-02-02-21-254-018/4825 OKEMOS ROAD |
| 33-02-02-21-254-030/4767 OKEMOS ROAD |
| 33-02-02-21-254-031/4787 OKEMOS ROAD |
| 33-02-02-21-254-032/4815 OKEMOS ROAD |
| 33-02-02-21-254-037/2131 GRAND RIVER AVENUE |
| 33-02-02-21-276-003/2041 GRAND RIVER AVENUE |
| 33-02-02-21-276-005/2037 GRAND RIVER AVENUE |
| 33-02-02-21-276-006/2049 GRAND RIVER AVENUE |
| 33-02-02-21-276-009/2045 GRAND RIVER AVENUE |
| 33-02-02-21-276-011/2085 GRAND RIVER AVENUE |
| 33-02-02-21-276-012/2055 GRAND RIVER AVENUE |
| 33-02-02-21-276-014/2075 GRAND RIVER AVENUE |
| 33-02-02-21-276-015/2055 GRAND RIVER AVENUE |
| 33-02-02-21-277-001/4780 OKEMOS ROAD, #1 |
| 33-02-02-21-277-002/4780 OKEMOS ROAD, #2 |
| 33-02-02-21-277-003/4780 OKEMOS ROAD, #3 |
| 33-02-02-21-277-004/4780 OKEMOS ROAD, #4 |
| 33-02-02-21-402-007/METHODIST STREET |
| 33-02-02-21-402-008/4217 ARDMORE AVENUE |
| 33-02-02-21-403-003/2154 METHODIST STREET |
| 33-02-02-21-403-004/METHODIST STREET |
| 33-02-02-21-403-007/4733 OKEMOS ROAD |
| 33-02-02-21-403-008/4731 OKEMOS ROAD |
| 33-02-02-21-403-009/4717 OKEMOS ROAD |
| 33-02-02-21-403-011/4747 OKEMOS ROAD |
| 33-02-02-21-404-001/2188 HAMILTON ROAD |
| 33-02-02-21-404-002/4705 ARDMORE AVENUE |
| 33-02-02-21-404-007/2160 HAMILTON ROAD |
| 33-02-02-21-405-005/2148 HAMILTON ROAD |
| 33-02-02-21-405-008/4700 ARDMORE AVENUE |
| 33-02-02-21-405-009/4695 OKEMOS ROAD |
| 33-02-02-21-405-010/2138 HAMILTON ROAD |
| 33-02-02-21-406-001/4708 OKEMOS ROAD |
| 33-02-02-21-406-002/4696 OKEMOS ROAD |

| |
|---|
| 33-02-02-21-406-003/4703 MOORE STREET |
| 33-02-02-21-406-004/MOORE STREET |
| 33-02-02-21-406-005/4690 OKEMOS ROAD |
| 33-02-02-21-406-006/2114 HAMILTON ROAD |
| 33-02-02-21-408-001/2175 HAMILTON ROAD |
| 33-02-02-21-408-009/4663 ARDMORE AVENUE |
| 33-02-02-21-409-001/2153 HAMILTON ROAD |
| 33-02-02-21-409-002/2149 HAMILTON ROAD |
| 33-02-02-21-409-003/2143 HAMILTON ROAD |
| 33-02-02-21-409-004/2137 HAMILTON ROAD |
| 33-02-02-21-409-006/2150 CLINTON STREET |
| 33-02-02-21-409-008/4661 OKEMOS ROAD |
| 33-02-02-21-409-009/4675 OKEMOS ROAD |
| 33-02-02-21-410-007/4646 OKEMOS ROAD |
| 33-02-02-21-410-008/4659 MOORE STREET |
| 33-02-02-21-410-010/OKEMOS ROAD |
| 33-02-02-21-410-012/2119 HAMILTON ROAD |
| 33-02-02-21-410-015/CLINTON STREET |
| 33-02-02-21-411-001/2177 CLINTON STREET |
| 33-02-02-21-411-002/2165 CLINTON STREET |
| 33-02-02-21-412-002/2149 CLINTON STREET |
| 33-02-02-21-412-003/4633 OKEMOS ROAD |
| 33-02-02-21-412-004/4625 OKEMOS ROAD |
| 33-02-02-21-412-005/4619 OKEMOS ROAD |
| 33-02-02-21-412-006/2155 CLINTON STREET |
| 33-02-02-21-413-001/2120 CLINTON STREET |
| 33-02-02-21-413-002/2122 CLINTON STREET |
| 33-02-02-21-413-003/2124 CLINTON STREET |
| 33-02-02-21-413-004/2126 CLINTON STREET |
| 33-02-02-21-413-100/CLINTON STREET |
| 33-02-02-21-426-001/4750 OKEMOS ROAD |
| 33-02-02-21-426-012/4649 MARSH ROAD |
| 33-02-02-21-426-013/4657 MARSH ROAD |
| 33-02-02-21-426-014/4663 MARSH ROAD |
| 33-02-02-21-426-015/4669 MARSH ROAD |
| 33-02-02-21-426-016/4675 MARSH ROAD |
| 33-02-02-21-426-020/2110 METHODIST STREET |

| |
|---|
| 33-02-02-21-426-021/4704 MOORE STREET |
| 33-02-02-21-426-022/2104 HAMILTON ROAD |
| 33-02-02-21-426-023/4734 OKEMOS ROAD |
| 33-02-02-21-427-001/4737 MARSH ROAD |
| 33-02-02-21-428-006/2086 HAMILTON ROAD |
| 33-02-02-21-429-003/4650 MOORE STREET |
| 33-02-02-21-429-004/2099 HAMILTON ROAD |
| 33-02-02-21-429-005/2095 HAMILTON ROAD |
| 33-02-02-21-429-027/2109 HAMILTON ROAD |
| 33-02-02-21-451-005/4555 OKEMOS ROAD |
| 33-02-02-21-452-001/2248 MT. HOPE ROAD |
| 33-02-02-21-452-002/OKEMOS ROAD (RIGHT-OF-WAY) |
| 33-02-02-21-453-005/OKEMOS ROAD |
| 33-02-02-21-453-006/4622 OKEMOS ROAD |
| 33-02-02-21-453-007/4612 OKEMOS ROAD |
| 33-02-02-21-453-008/4632 OKEMOS ROAD |
| 33-02-02-21-453-009/2123 CLINTON STREET |
| 33-02-02-21-454-002/CONSUMERS ENERGY CO. RIGHT-OF-WAY |
| 33-02-02-21-454-007/4534 OKEMOS ROAD |
| 33-02-02-22-152-001/4775 MARSH ROAD |
| 33-02-02-22-152-002/MARSH ROAD |

Data Source: Meridian Township Assessing Office

APPENDIX B: LEGAL DESCRIPTION OF DISTRICT

The Authority shall exercise its power within the boundaries of the Downtown District, which are described as follows:

DDA located in parts of the E ½ of section 21 and W ½ of section 22, Meridian Charter Township, T4N, R1W, Ingham County, Michigan, beginning at the intersection of the east right of way of Marsh Road and the south right of way of Grand River Avenue, thence northwesterly along said south right of way to the intersection of the northwest corner of lot 21, Cedar Bend Heights subdivision, thence southwest 322.9 ft. along back lot lines to the northwest corner of lot 17, Cedar Bend Heights subdivision, thence south 550 ft. along back lot lines to the southwest corner of lot 8, Cedar Bend Heights subdivision, thence east 130 ft. along south line of lot 8, thence south 165 ft. to the north right of way line of Kent Street, thence west 94.9 ft. along said right of way line, thence southwest 263.6 ft. to the northwest corner of lot 3, Chas Bray's Addition, thence northwest 165 ft. to the centerline of vacated Ardmore Avenue, thence southwest 33 ft. along said centerline, thence northwest 165 ft. to the northwest corner of lot 12, Chas Bray's Addition, thence southwest 132 ft. to the north right of way line of Methodist Street, thence continuing southwest 231 ft. to the northwest corner of lot 7, Block 4, Hamilton plat, thence southeast 82.5 ft, thence southwest 165 ft. to the north right of way line of Hamilton Road, thence northwest 247.49 ft. to the intersection of the north right of way line of Hamilton Road and the centerline of the vacated Liverance Street, thence southwest to the intersection of the west right of way line of Liverance Street and the south right of way line of Hamilton Road, thence southwest along said west right of way line to the intersection of the west right of way line of Liverance Street and the south right of way line of Clinton Street, thence southeast to the centerline of the vacated portion of Liverance Street, thence southwest along said centerline to the north right of way line of the vacated Water Street, thence northwest to the intersection of the north right of way of the vacated Water Street and the west right of way line of the vacated Liverance Street, thence southeast to the southeast corner of lot 60, Supervisor's Plat #2 of Okemos, thence northwest along the south line of said lot line to the centerline of the Red Cedar River, thence along said centerline of river to the intersection of said centerline and the north-south section line, section 21, thence southeast 80 ft.+/- across the Red Cedar River to a point 9.4 ft. east and 262.2 ft. north of the south corner of section 21, thence south 295.2 ft. to the south right of way line of Mount Hope Road, thence east along said south right of way line to the intersection of the west right of way line of Okemos Road and the south right of way line of Mount Hope Road, thence northeast to the intersection of the south line of section 21 and the east right of way line of Okemos Road, thence 342.39 ft. east along said south section line to the centerline of the Red Cedar River, thence northeast 380 ft. +/- along said centerline of the Red Cedar River, to a point on intersecting a sanitary sewer easement centerline recorded in Uber 815, Page 846, Ingham County Register of Deeds, thence S 89°56'18"W 384.18 ft., thence N 72°09'00"W 366.09 ft., thence N 61°07'12"W 192.5 ft. to a point intersecting said easement centerline and a point on the south line of Ferguson Park, thence N 59°16'45"E 40 ft., thence north 450 ft.+/- to the centerline of the Red Cedar River, thence along said centerline of River to a point extended parallel to and 73.5 ft. westerly of the east line of lot 2, Supervisor's plat #1 of Okemos, thence northeast along said line to the south right of way line of Hamilton Road, thence northeast 120 ft. +/- to the intersection of the east right of way line of Marsh Road and the north right of way line of Hamilton Road, thence northeast along the east right of way line of Okemos Road, thence 342.39 ft. east along said south section line to the centerline of the Red Cedar River, thence northeast 380 ft. +/- along said centerline of the Red Cedar River, to a point on intersecting a sanitary sewer easement centerline recorded in Uber 815, Page 846, Ingham

County Register of Deeds, thence S 89°56'18"W 384.18 ft., thence N 72°09'00"W 366.09 ft., thence N 61°07'12"W 192.5 ft. to a point intersecting said easement centerline and a point on the south line of Ferguson Park, thence N 59°16'45"E 40 ft., thence north 450 ft. +/- to the centerline of the Red Cedar River, thence a long said centerline of River to a point extended parallel to and 73.5 ft. westerly of the east line of lot 2, Supervisor's plat #1 of Okemos, thence northeast along said line to the south right of way line of Hamilton Road, thence northeast 120 ft. +/- to the intersection of the east right of way line of Marsh Road and the north right of way line of Hamilton Road, thence northeast along the east right of way line of Marsh Road to the beginning.

**INTER-LOCAL AGREEMENT GRANTING LIMITED WAIVER OF EXEMPTION OF
PROPERTY TAXES FROM CAPTURE BY MERIDIAN CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY**

This Agreement is entered by and between CAPITAL AREA TRANSPORTATION AUTHORITY, whose address is 4615 Tranter Street, Lansing, MI 48910 (the “Taxing Jurisdiction”) and MERIDIAN CHARTER TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY, whose address is 5151 Marsh Road, Okemos, MI 48864 (the “Authority”), and the CHARTER TOWNSHIP OF MERIDIAN, whose address is 5151 Marsh Road, Okemos, MI 48864. The Taxing Jurisdiction, Charter Township of Meridian, and Authority are collectively referred to as the “Parties.”

BACKGROUND

The Authority has requested certain amendments to its Development Plan and Tax Increment Financing Plan, (the “Plan Amendments”) of the Authority, pursuant to Public Act 197 of 1975, as amended, (MCL 125.1651 *et seq.*) (the “Act”). The Taxing Jurisdiction previously adopted a resolution exempting its taxes from capture by the Authority pursuant to Section 3(3) of the Act (MCL 125.1653(3)). The proposed Plan Amendments are intended to fund improvements to property within a downtown district of Meridian Charter Township, to halt property value deterioration and increase property tax valuation, where possible, in its downtown business district; to eliminate the causes of that deterioration; and to promote economic growth.

The Parties wish to enter into this Agreement, pursuant to the Act and Section 14(4) of the Act, to grant a limited waiver of the exemption from capture of the Taxing Jurisdiction’s property taxes, as set forth below.

AGREEMENT

1. Unless otherwise specifically indicated herein, the words and phrases used in this Agreement shall have the definitions attributed to them in Section 1 of the Act. For example, “assessed value” means for valuations made after December 31, 1994, the taxable value as determined under section 27a of the General Property Tax Act, MCL 211.27a.
2. The Parties mutually determine that this Agreement shall control the terms and conditions relating to the capture of assessed value pursuant to the Plan Amendments recommended by the Authority and as adopted by the Charter Township of Meridian on December 4, 2018, and contains express authority for the DDA to capture the incremental property taxes due to the Taxing Jurisdiction within the existing District Boundaries of the Authority, which are specifically set forth in the Plan Amendments and depicted on the attached Exhibit A (the “District”), and as specified by this Agreement. Any other agreement or parts of agreements between the Parties in conflict with this Agreement are superseded.
3. The initial assessed value for all property in the District shall be as determined as of December 31, 2017 and finally equalized in May of 2018 (the “Base Value”).

4. The Taxing Jurisdiction agrees that the Authority shall capture, and the Township and County Treasurers shall transmit to the Authority, all captured assessed value within the District.
5. To afford the Taxing Jurisdiction the ability to meet annual budgetary needs and to limit inflation exposure of existing tax revenue, the Authority will remit a portion of captured assessed value from specific parcels within the Downtown District and Development Area, as provided for in this Agreement.
6. No inflation amount shall be due and the Authority shall not pay any inflation amount to the Taxing Jurisdiction unless and until both new private development occurs on any of the five (5) core block areas of the District as depicted on the attached Exhibit B (the "Core Block Areas") and the Future Taxable Value (FTV) of Real Property (Land and Land Improvements and Buildings) within the Core Block Area increases by an additional minimum amount of \$13,602,403 above the Base Value.
7. Subject to paragraph 6 above and only as reflected on Exhibit C, for all parcels within a three (3) block area as depicted on the attached Exhibit B (the "3 Block Plan Area"), the Authority will remit to the Taxing Jurisdiction not more than a 2.14% of increase in each year in ad valorem property taxes calculated from increases to the taxable value from the Base Value (the "Annual 3 Block Plan Area Inflation Amount"). Any payment under this paragraph shall be made from available tax increment revenues, as determined by the Authority in its sole discretion. The attached Exhibit C shows the Annual 3 Block Plan Area Inflation Amount which may be due to the Taxing Jurisdiction, as identified thereon.
8. For parcels not within the 3 Block Plan Area, after the conditions of paragraph 6 above are satisfied (the "Conditional Base Year"), the taxable value of those parcels in the Conditional Base Year shall be the Conditional Base Value. The Authority will remit to the Taxing Jurisdiction not more than the first 2.14% of increase each year above the Conditional Base Value in ad valorem property taxes for each specific parcel within the District which but for this Agreement would have been collected and paid to the Taxing Jurisdiction (the "Conditional Inflation Amount"). Any payment under this paragraph shall be made from available tax increment revenues, as determined by the Authority in its sole discretion.
9. Subject to paragraph 6 above, the Parties anticipate sufficient taxable value to allow any payment of the Inflation Amount will not occur until December 31, 2021 and no inflation amount payments are anticipated before the Authority collects tax increment revenues in tax year 2022.
10. Existing ad valorem property taxes due the Taxing Jurisdiction on the Base Value of all parcels in the District shall be paid to the Taxing Jurisdiction, as provided for in the Act. The current base taxes are reflected in the attached Exhibit D. If, for any reason, the taxable value of any parcel shall fall below the Base Value or Conditional Base Value, the Authority shall not be liable for any current base tax amount, no inflation amount shall be due, and the Authority shall not remit any inflation amount for that parcel to the Taxing Jurisdiction. The Taxing Jurisdiction agrees to hold the Authority harmless for any reduction in Base Value or Conditional Value of any parcel within the District and Development Area.

11. The Taxing Jurisdiction will consider future waivers of its exemption from property tax capture on a case-by-case basis.

All parties hereby indicate their assent to this Agreement by the signatures of their authorized representatives, effective as of the last date written below.

Capital Area Transportation Authority

Dated: 2-29-19


By: Bradley T. Funkhouser
Its: CEO

Dated: 2-29-19


By: Nathan Triplett
Its: Chairman

**Meridian Charter Township
Downtown Development Authority**

Dated: 3/29/19


By: Susan Fulk
Its: Chairwoman

Dated: 3-29-19


By: Demetrios James Spanos
Its: Secretary

Charter Township of Meridian

Dated: 3/29/19


By: Ronald Styka
Its: Supervisor

Dated: 3/29/19

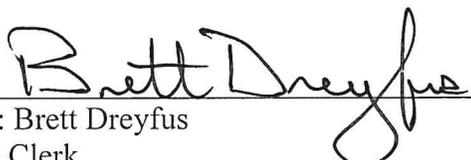

By: Brett Dreyfus
Its: Clerk



Exhibit A - Downtown Development Authority (DDA) Map 2018

The shaded area below identifies the DDA District.



Exhibit B - Core Block Area and 3 Block Plan Area

The dashed lines per key shown below identifies the 5 Block Core Area and 3 Block Plan Area within the DDA District

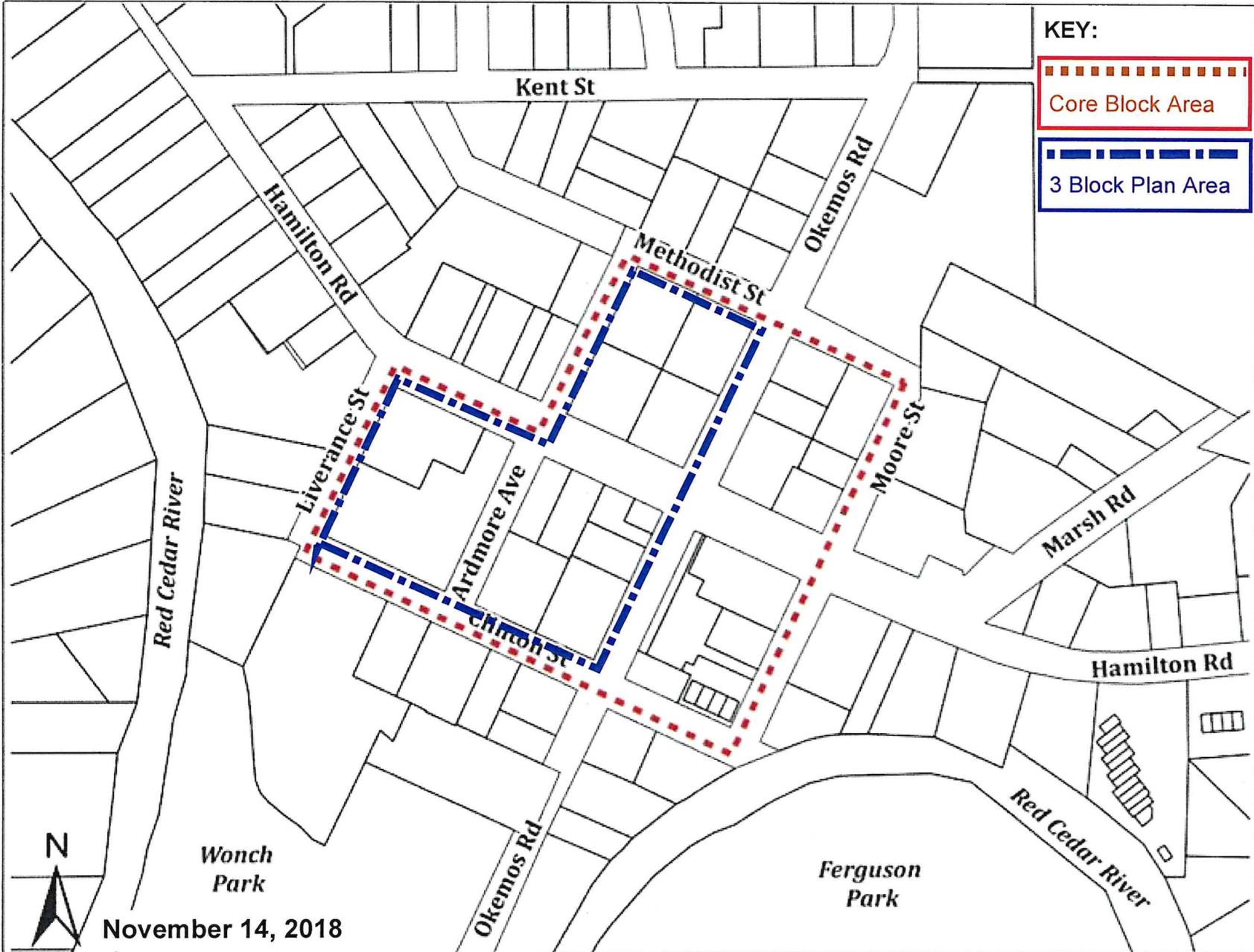


Exhibit C- Annual Inflation Amount (2.14%) which may be due to the Taxing Jurisdiction from 3 Block Plan Area

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year Plan Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Inflationary Increase (2.14%) Over 20-Year Period (2019-2038) - 3 Block Plan Area |
|---|--|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| Capital Area Transportation Authority (CATA) | Annual Gain with 2.14% Inflationary Increase - 3 Block Plan Area | \$525 | \$1,061 | \$1,609 | \$2,168 | \$2,740 | \$3,323 | \$3,919 | \$4,528 | \$5,149 | \$5,784 | \$6,433 | \$7,095 | \$7,772 | \$8,463 | \$9,168 | \$9,889 | \$10,625 | \$11,377 | \$12,145 | \$12,929 | \$126,702 |

Annual Gain with 2.14% Inflationary Increase is based upon Existing Taxes generated on Initial Taxable Values (or Base Taxable Values) of all current Real Property (Land, Land Improvements and Building) within the 3 Block Plan Area;
 Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 13, 2018

Exhibit D - Annual Base Taxes due to the Taxing Jurisdiction from DDA District

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Base Taxes Over 20-Year Period (2019-2038) | |
|---|---------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|-------------|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| Capital Area Transportation Authority (CATA) | Base Taxes Received - DDA District | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$58,525 | \$1,170,500 |

Base Taxes Received are values based on all current Real (Land, Land Improvements and Building) and Personal Property within the entire DDA District

Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 13, 2018

**INTER-LOCAL AGREEMENT GRANTING LIMITED WAIVER OF EXEMPTION OF
PROPERTY TAXES FROM CAPTURE BY MERIDIAN CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY**

This Agreement is entered by and between CAPITAL REGION AIRPORT AUTHORITY, whose address is 4100 Capital City Blvd., Lansing, MI 48906 (the "Taxing Jurisdiction") and MERIDIAN CHARTER TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY, whose address is 5151 Marsh Road, Okemos, MI 48864 (the "Authority"), and the CHARTER TOWNSHIP OF MERIDIAN (the "Township"), whose address is 5151 Marsh Road, Okemos, MI 48864. The Taxing Jurisdiction, the Township, and Authority are collectively referred to as the "Parties."

BACKGROUND

The Authority previously adopted a Development Plan and Tax Increment Financing Plan, (the "Original Plan") and the Plan Amendments pursuant to the Downtown Development Authority Act, as amended and recodified by Public Act 57 of 2018 (MCL 125.4201 *et seq.*) (the "Act"). The Taxing Jurisdiction previously adopted a resolution exempting its taxes from capture by the Authority pursuant to Section 203(3) of the Act (MCL 125.4203(3)). The Plan Amendments are intended to fund improvements to property within a downtown district of Meridian Charter Township, to halt property value deterioration and increase property tax valuation, where possible, in its downtown business district, to eliminate the causes of that deterioration, and to promote economic growth.

The Parties wish to enter into this Agreement, pursuant to the Act and Section 214(4) of the Act, to grant a limited waiver of the exemption from capture of the Taxing Jurisdiction's property taxes, as set forth below.

AGREEMENT

1. Unless otherwise specifically indicated herein, the words and phrases used in this Agreement shall have the definitions attributed to them in Section 201 of the Act. The following terms shall have the following meaning for purposes of this Agreement:
 - a. "3 Block Plan Area" means the parcels located within a three (3) block area within the District as depicted on the attached Exhibit B.
 - b. "Base Value" means \$19,462,787, the initial assessed value for all property (Real Property (Land and Land Improvements and Buildings) and Personal Property) in the District determined as of December 31, 2017, and finally equalized in May of 2018. For avoidance of any confusion, the Base Value shall be the initial assessed value as defined in the Act.
 - c. "Conditional Base Value" means the taxable value of the Remainder District Area, on December 31 of the Conditional Year.

- d. "Conditional Year" means the year in which both the Future Taxable Value (FTV) of Real Property (Land and Land Improvements and Buildings) of the parcels located within the Core Block Area increases by an additional minimum amount of \$13,602,403 above the Base Value and new private development occurs within the Core Block Area.
 - e. "Core Block Area" means the parcels located within the five (5) core block areas of the District as depicted on the attached Exhibit B.
 - f. "Plan Amendments" means the Authority's Development and Tax Increment Financing Plans, as amended adopted by the Authority on October 10, 2018, and the Township on December 4, 2018, in accordance with the Act, which sets forth the plans, projects, and improvements to be undertaken by the Authority in the District, the taxes and revenues resulting from the assessed valuation and tax revenue captured by the Authority from properties located within the District, and authorizes the Authority to enter into tax sharing agreements with affected tax jurisdictions.
 - g. "Remainder District Area" means those parcels in the District not located in the 3 Block Plan Area.
2. The Parties mutually determine that this Agreement shall control the terms and conditions relating to the Captured Assessed Value pursuant to the Plan Amendments. The existing District boundaries of the Authority, which are specifically set forth in the Plan Amendments, are depicted on the attached Exhibit A (the "District"). Any other agreement or parts of agreements between the Parties in conflict with this Agreement are superseded while this Agreement is in effect.
3. The Taxing Jurisdiction agrees that the Authority shall capture, and the Township and County Treasurers shall transmit to the Authority, all revenue derived from the levy of the Taxing Jurisdiction's millage upon the Captured Assessed Value in the District.
4. To afford the Taxing Jurisdiction the ability to meet annual budgetary needs and to limit inflation exposure of existing tax revenue, the Authority will remit a portion of tax increment revenues from specific parcels within the District, as provided for in this Agreement.
5. No inflation amount shall be due and the Authority shall not pay any inflation amount to the Taxing Jurisdiction unless and until both new private development occurs in the Core Block Area and the Future Taxable Value (FTV) of Real Property (Land and Land Improvements and Buildings) within the Core Block Area increases by an additional minimum amount of \$13,602,403 above the Base Value.
6. Subject to paragraph 5 above, for all parcels within the 3 Block Plan Area, the Authority will remit to the Taxing Jurisdiction up to the first 2.14% increase in each year of the

taxable value above the Base Value multiplied by the Taxing Jurisdiction's millage divided by 1,000 (the "Annual 3 Block Plan Area Inflation Amount"). The Annual 3 Block Plan Inflation Amount is depicted on Exhibit C and, accrues beginning in calendar year 2019. Any payment under this paragraph shall not be due until the conditions of paragraph 5 are met and shall be made from available tax increment revenues on Real Property (Land and Land Improvements and Buildings) and Personal Property, as determined by the Authority in its reasonable discretion.

7. After the Conditional Year, for each specific parcel within the Remainder District Area, the Authority will remit to the Taxing Jurisdiction up to the first 2.14% increase of the taxable value each year above the Conditional Base Value multiplied by the Taxing Jurisdiction's millage divided by 1,000 (the "Conditional Inflation Amount"). Any payment under this paragraph shall be made from available tax increment revenues on Real Property (Land and Land Improvements and Buildings) and Personal Property, as determined by the Authority in its reasonable discretion.
8. Subject to paragraph 5 above, the Parties anticipate sufficient taxable value to allow any payment of the Annual 3 Block Plan Inflation Amount or the Conditional Inflation Amount will not occur until December 31, 2021 and no inflation amount payments are anticipated before the Authority collects tax increment revenues in tax year 2022; provided, however, if the conditions of paragraph 5 are met before such dates, the Authority will make all payments required under this Agreement.
9. The Taxing Jurisdiction may request and the Authority shall then provide written documentation to the Taxing Jurisdiction evidencing the basis for the calculation and determination of any inflation amounts due or not due to the Authority. The Taxing Jurisdiction may provide a written objection to the Authority, and representatives of the Parties will agree to meet within 30 days of the date of such objection (or at some other agreeable date) to review such calculation and the basis for such calculation to resolve any discrepancy or disagreement.
10. Existing ad valorem property taxes due the Taxing Jurisdiction derived from the levy of its millage on the Base Value of all parcels in the District shall be paid to the Taxing Jurisdiction, as provided for in the Act. The current base taxes are reflected in the attached Exhibit D. If, for any reason, the taxable value of any parcel shall fall below the Base Value or Conditional Value, the Authority shall not be liable for any such reduction, and the Authority shall only remit an inflation amount for that parcel to the Taxing Jurisdiction if otherwise required by this Agreement. The Taxing Jurisdiction agrees to hold the Authority harmless for any reduction in Base Value or Conditional Value of any parcel within the District and Development Area.
11. Beginning in 2019, during the course of this Agreement, the Authority and/or Township will provide the Taxing Jurisdiction, at no cost to the Taxing Jurisdiction, reasonable

advertising and promotional space on or at various existing advertising and media which may include the Township's main webpage, a printed newsletter, other relevant promotional materials, municipal cable station(s), or at Authority or Township events, as they may exist or be available from time to time. The Parties shall annually meet in good faith to determine the scope, nature, and placement of the advertising and promotional materials.

12. This Agreement shall automatically expire following the collections of taxes levied in calendar year 2038, unless extended by the Taxing Jurisdiction in its sole discretion.
13. The parties acknowledge and agree that the Authority and the Township may, from time to time, further amend the Original Plan as they deem appropriate pursuant to the Act; provided, however, no such amendment shall have the effect of modifying the provisions of this Agreement and such amendment to the Original Plan shall not have the effect of extending the term of this Agreement.
14. Each year the Taxing Jurisdiction may request that the Authority prepare a report including the use or allocation of the captured assessed value and incremental tax revenues derived from the Taxing Jurisdiction's millage for the project and improvements within the District. On a date mutually agreed to by the Parties, the Authority shall make a presentation to the Taxing Jurisdiction regarding the report.
15. This is the entire agreement between the Parties as to its subject. It shall not be amended or modified except in writing signed by the Parties. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed to be an original, but all such counterparts taken together shall constitute but one and the same agreement.

[Signature Page Follows]

All Parties hereby indicate their assent to this Agreement by the signatures of their authorized representatives, effective as of the last date written below.

Capital Region Airport Authority

Dated: 4/1/19


By: Wayne Sieloff
Its: President and Chief Executive Officer

**Meridian Charter Township
Downtown Development Authority**

Dated: 3/29/19


By: Susan Fulk
Its: Chairwoman

Dated: 3/29/19


By: Demetrios James Spanos
Its: Secretary

Charter Township of Meridian

Dated: 3/29/19


By: Ronald Styka
Its: Supervisor

Dated: 3/29/19

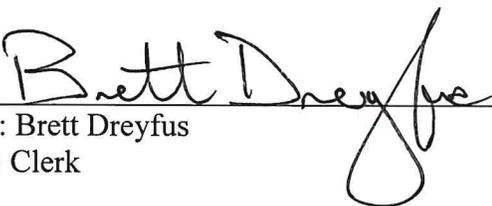

By: Brett Dreyfus
Its: Clerk



Exhibit A - Downtown Development Authority (DDA) Map 2018

The shaded area below identifies the DDA District.



Exhibit B - Core Block Area and 3 Block Plan Area

The dashed lines per key shown below identifies the 5 Block Core Area and 3 Block Plan Area within the DDA District

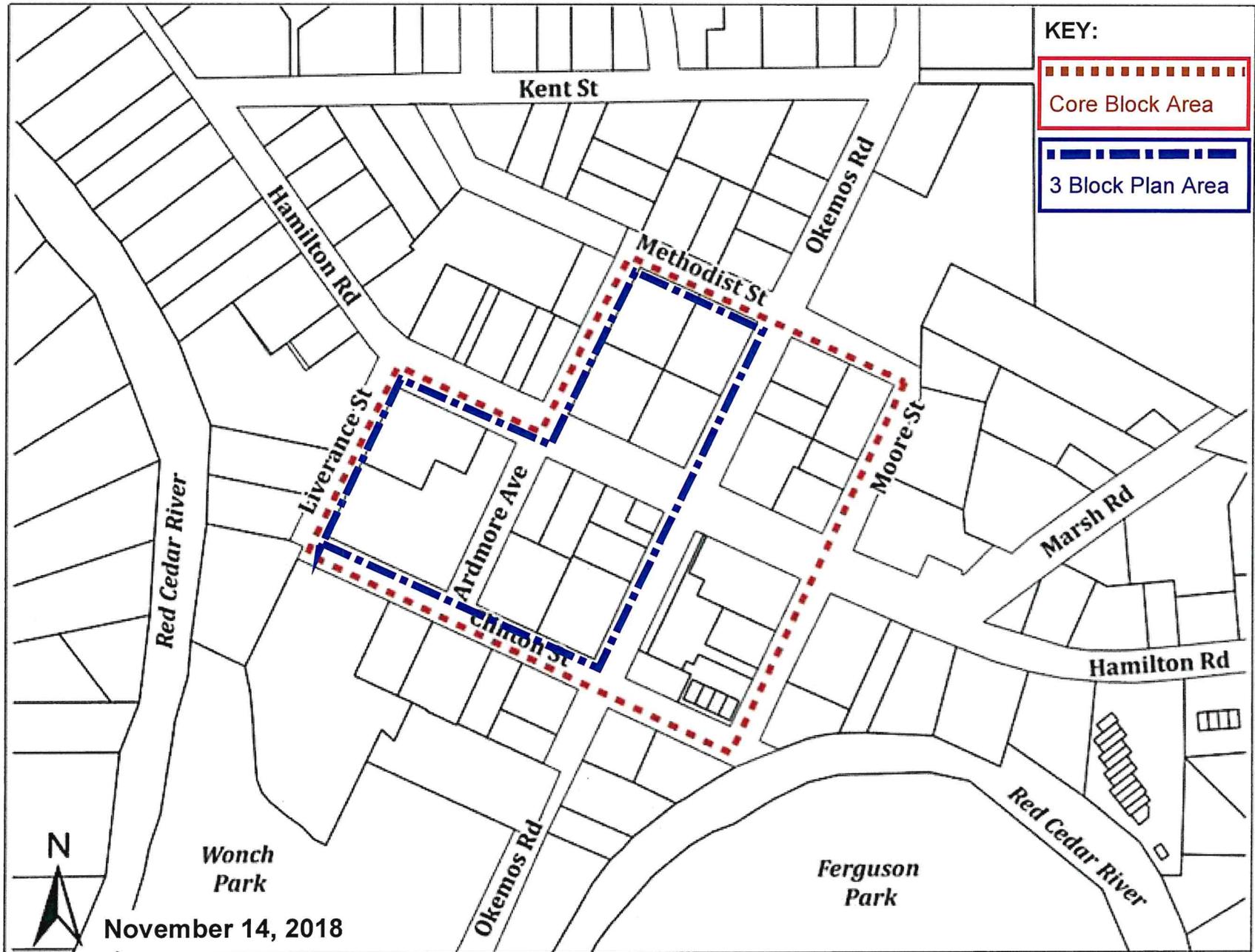


Exhibit C- Annual Inflation Amount (2.14%) which may be due to the Taxing Jurisdiction from 3 Block Plan Area

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Inflationary Increase (2.14%) Over 20-Year Period (2019- 2038) - 3 Block Plan Area |
|---|---|-------|-------|-------|-------|-------|-------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| Capital Region Airport Authority (CRAA) | Annual Gain with 2.14% Inflationary Increase - 3 Block Plan Area | \$122 | \$247 | \$374 | \$504 | \$637 | \$772 | \$911 | \$1,052 | \$1,197 | \$1,345 | \$1,495 | \$1,649 | \$1,807 | \$1,967 | \$2,131 | \$2,299 | \$2,470 | \$2,645 | \$2,823 | \$3,006 | \$29,453 |

Annual Gain with 2.14% Inflationary Increase is based upon Existing Taxes generated on Initial Taxable Values (or Base Taxable Values) of all current Real Property (Land, Land Improvements and Building) within the 3 Block Plan Area:
 Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 13, 2018

Exhibit D - Annual Base Taxes due to the Taxing Jurisdiction from DDA District

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Base Taxes Over 20-Year Period (2019-2038) | |
|---|---------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|-----------|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| Capital Region Airport Authority (CRAA) | Base Taxes Received - DDA District | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$13,604 | \$272,080 |

Base Taxes Received are values based on all current Real (Land, Land Improvements and Building) and Personal Property within the entire DDA District.
 Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017).

as of November 13, 2018

**INTER-LOCAL AGREEMENT GRANTING LIMITED WAIVER OF EXEMPTION OF
PROPERTY TAXES FROM CAPTURE BY MERIDIAN CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY**

This Agreement is entered by and between INGHAM COUNTY, whose address is 341 S. Jefferson, P.O. Box 319, Mason, MI 48854 (the "Taxing Jurisdiction") and MERIDIAN CHARTER TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY, whose address is 5151 Marsh Road, Okemos, MI 48864 (the "Authority"), and the CHARTER TOWNSHIP OF MERIDIAN, whose address is 5151 Marsh Road, Okemos, MI 48864. The Taxing Jurisdiction, Charter Township of Meridian, and Authority are collectively referred to as the "Parties."

BACKGROUND

The Authority has requested certain amendments to its Development Plan and Tax Increment Financing Plan, (the "Plan Amendments") of the Authority, pursuant to Public Act 197 of 1975, as amended,¹ (MCL 125.1651 *et seq.* recodified at MCL 125.4201 *et seq.*) (the "Act"). The Taxing Jurisdiction previously adopted a resolution exempting its taxes from capture by the Authority pursuant to Section 203(3) of the Act (MCL 125.4203(3)). The proposed Plan Amendments are intended to fund improvements to property within a downtown district of Meridian Charter Township, to halt property value deterioration and increase property tax valuation, where possible, in its downtown business district; to eliminate the causes of that deterioration; and to promote economic growth.

The Parties wish to enter into this Agreement, pursuant to the Act and Section 214(4) of the Act, to grant a limited waiver of the exemption from capture of the Taxing Jurisdiction's property taxes, as set forth below.

AGREEMENT

1. Unless otherwise specifically indicated herein, the words and phrases used in this Agreement shall have the definitions attributed to them in Section 201 of the Act. For example, "assessed value" means for valuations made after December 31, 1994, the taxable value as determined under section 27a of the General Property Tax Act, MCL 211.27a.
2. The Parties mutually determine that this Agreement shall control the terms and conditions relating to the capture of assessed value pursuant to the Plan Amendments recommended by the Authority and as adopted by the Charter Township of Meridian on December 4, 2018, and contains express authority for the DDA to capture the incremental property taxes due to the Taxing Jurisdiction within the existing District Boundaries of the Authority, which are specifically set forth in the Plan Amendments and depicted on the attached Exhibit A (the "District"), and as specified by this Agreement. Any other agreement or parts of agreements between the Parties in conflict with this Agreement are superseded.

¹ See Public Act 57 of 2018, the Recodified Tax Increment Financing Act.

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INGHAM COUNTY CLERK

3. The initial assessed value for all property in the District shall be as determined as of December 31, 2017 and finally equalized in May of 2018 (the "Base Value").
4. The Taxing Jurisdiction agrees that the Authority shall capture, and the Township and County Treasurers shall transmit to the Authority, all captured assessed value within the District.
5. To afford the Taxing Jurisdiction the ability to meet annual budgetary needs and to limit inflation exposure of existing tax revenue, the Authority will remit a portion of captured assessed value from specific parcels within the Downtown District and Development Area, as provided for in this Agreement.
6. No inflation amount shall be due and the Authority shall not pay any inflation amount to the Taxing Jurisdiction unless and until both new private development occurs on any of the five (5) core block areas of the District as depicted on the attached Exhibit B (the "Core Block Areas") and the Future Taxable Value (FTV) of Real Property (Land and Land Improvements and Buildings) within the Core Block Area increases by an additional minimum amount of \$13,602,403 above the Base Value.
7. Subject to paragraph 6 above and only as reflected on Exhibit C, for all parcels within a three (3) block area as depicted on the attached Exhibit B (the "3 Block Plan Area"), the Authority will remit to the Taxing Jurisdiction not more than a 2.14% of increase in each year in ad valorem property taxes calculated from increases to the taxable value from the Base Value (the "Annual 3 Block Plan Area Inflation Amount"). Any payment under this paragraph shall be made from available tax increment revenues, as determined by the Authority in its sole discretion. The attached Exhibit C shows the Annual 3 Block Plan Area Inflation Amount which may be due to the Taxing Jurisdiction, as identified thereon.
8. For parcels not within the 3 Block Plan Area, after the conditions of paragraph 6 above are satisfied (the "Conditional Base Year"), the taxable value of those parcels in the Conditional Base Year shall be the Conditional Base Value. The Authority will remit to the Taxing Jurisdiction not more than the first 2.14% of increase each year above the Conditional Base Value in ad valorem property taxes for each specific parcel within the District which but for this Agreement would have been collected and paid to the Taxing Jurisdiction (the "Conditional Inflation Amount"). Any payment under this paragraph shall be made from available tax increment revenues, as determined by the Authority in its sole discretion.
9. Subject to paragraph 6 above, the Parties anticipate sufficient taxable value to allow any payment of the Inflation Amount will not occur until December 31, 2021 and no inflation amount payments are anticipated before the Authority collects tax increment revenues in tax year 2022.
10. Existing ad valorem property taxes due the Taxing Jurisdiction on the Base Value of all parcels in the District shall be paid to the Taxing Jurisdiction, as provided for in the Act. The current base taxes are reflected in the attached Exhibit D. If, for any reason, the taxable value of any parcel shall fall below the Base Value or Conditional Base Value, the Authority shall not be liable for any current base tax amount, no inflation amount shall be due, and the Authority shall not remit any inflation amount for that parcel to the

Taxing Jurisdiction. The Taxing Jurisdiction agrees to hold the Authority harmless for any reduction in Base Value or Conditional Value of any parcel within the District and Development Area.

11. The Charter Township of Meridian agrees that the Township's property tax millage is and shall remain subject to capture by the Authority for the duration of this Agreement, and that it has not opted out of the DDA Plan or the Plan Amendments.
12. The Authority shall expend the captured assessed value and incremental tax revenues derived from the Taxing Jurisdiction's millage for those improvements and infrastructure projects contained in the Plan Amendments on the effective date of this Agreement.
13. The Authority shall prepare an annual report including the use or allocation of the captured assessed value and incremental tax revenues derived from the Taxing Jurisdiction's millage to infrastructure projects and improvements within the District. On a date mutually agreed to by the Parties, the Authority shall annually make a presentation to the Taxing Jurisdiction regarding the annual report and compliance with the policies of the Taxing Jurisdiction effective and applicable on the effective date of this Agreement.
14. This Agreement supersedes and replaces the tax sharing agreement entered into by the Parties on August 22, 2006.
15. The parties acknowledge and agree that the Authority and the Township may, from time to time, further amend the Plan as they deem appropriate pursuant to the Act. No such amendment shall have the effect of modifying the provisions of this Agreement and such amendment to the Plan shall not have the effect of extending the term of this Agreement.
16. This is the entire agreement between the Parties as to its subject. It shall not be amended or modified except in writing signed by the Parties. The Taxing Jurisdiction will consider future waivers of its exemption from property tax capture on a case-by-case basis.
17. This Agreement and limited waiver shall automatically expire following the tax collections due in December 2038, unless otherwise extended by the Parties, at which time the assessed value and taxes due the Taxing Jurisdiction shall no longer be subject to capture.

[Signature Page Follows]

All parties hereby indicate their assent to this Agreement by the signatures of their authorized representatives, effective as of the last date written below.

Ingham County

Dated: 4/17/19

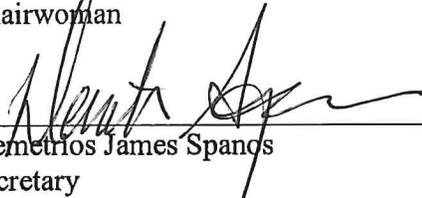

By: Bryan Crenshaw
Its: Chairperson, County Board of Commissioners

**Meridian Charter Township
Downtown Development Authority**

Dated: 4/11/19

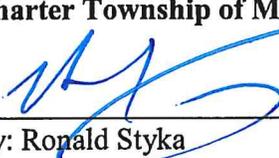

By: Susan Fulk
Its: Chairwoman

Dated: 4-11-19

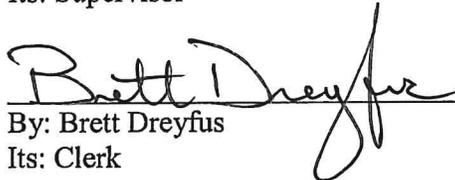

By: Demetrios James Spang
Its: Secretary

Charter Township of Meridian

Dated: 4/11/2019


By: Ronald Styka
Its: Supervisor

Dated: 4-11-19


By: Brett Dreyfus
Its: Clerk

Approved as to form, for County of Ingham

COHL, STOKER & TOSKEY, P.C.

By: 
Timothy M. Perrone



Exhibit A - Downtown Development Authority (DDA) Map 2018

The shaded area below identifies the DDA District.

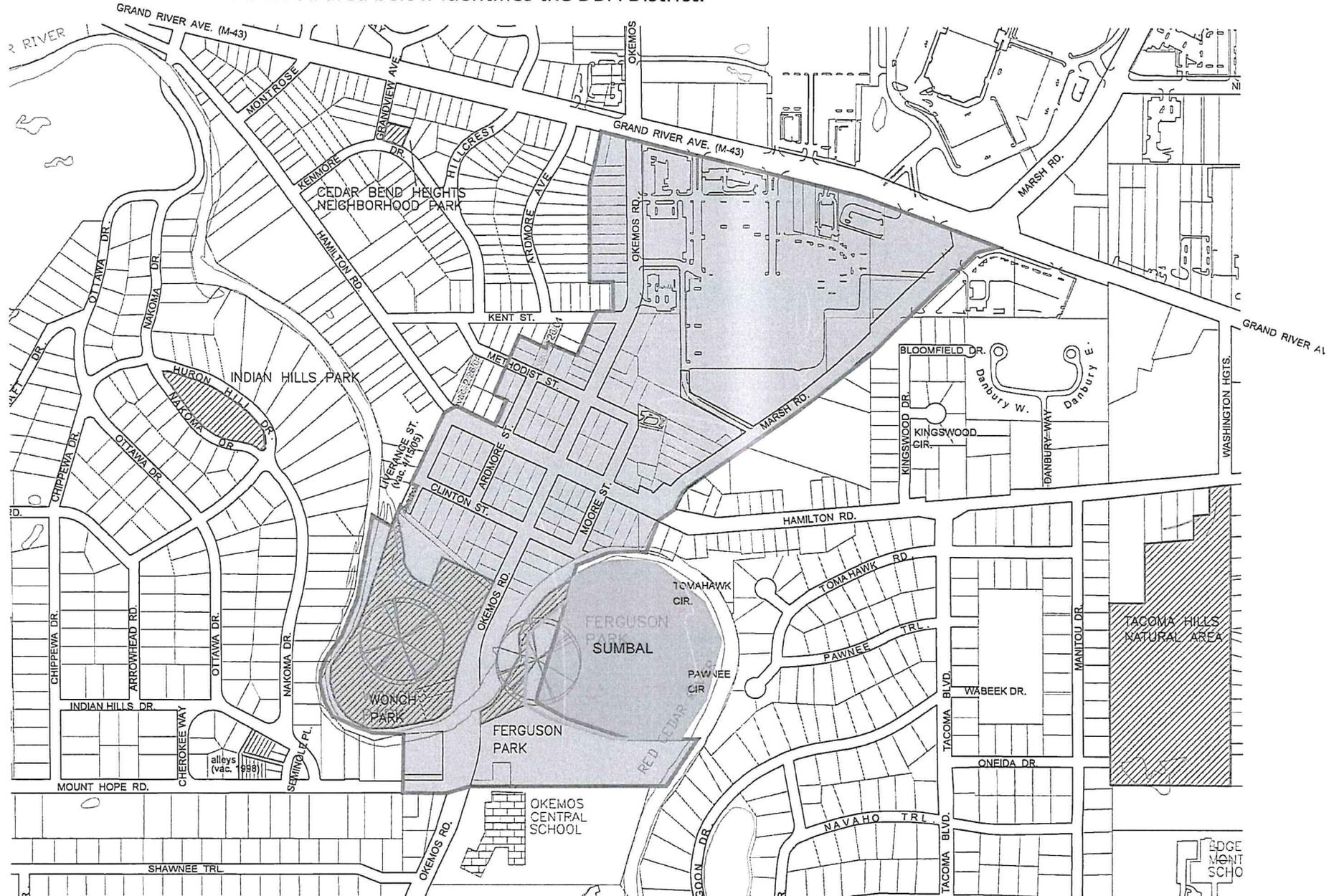


Exhibit B - Core Block Area and 3 Block Plan Area

The dashed lines per key shown below identifies the 5 Block Core Area and 3 Block Plan Area within the DDA District

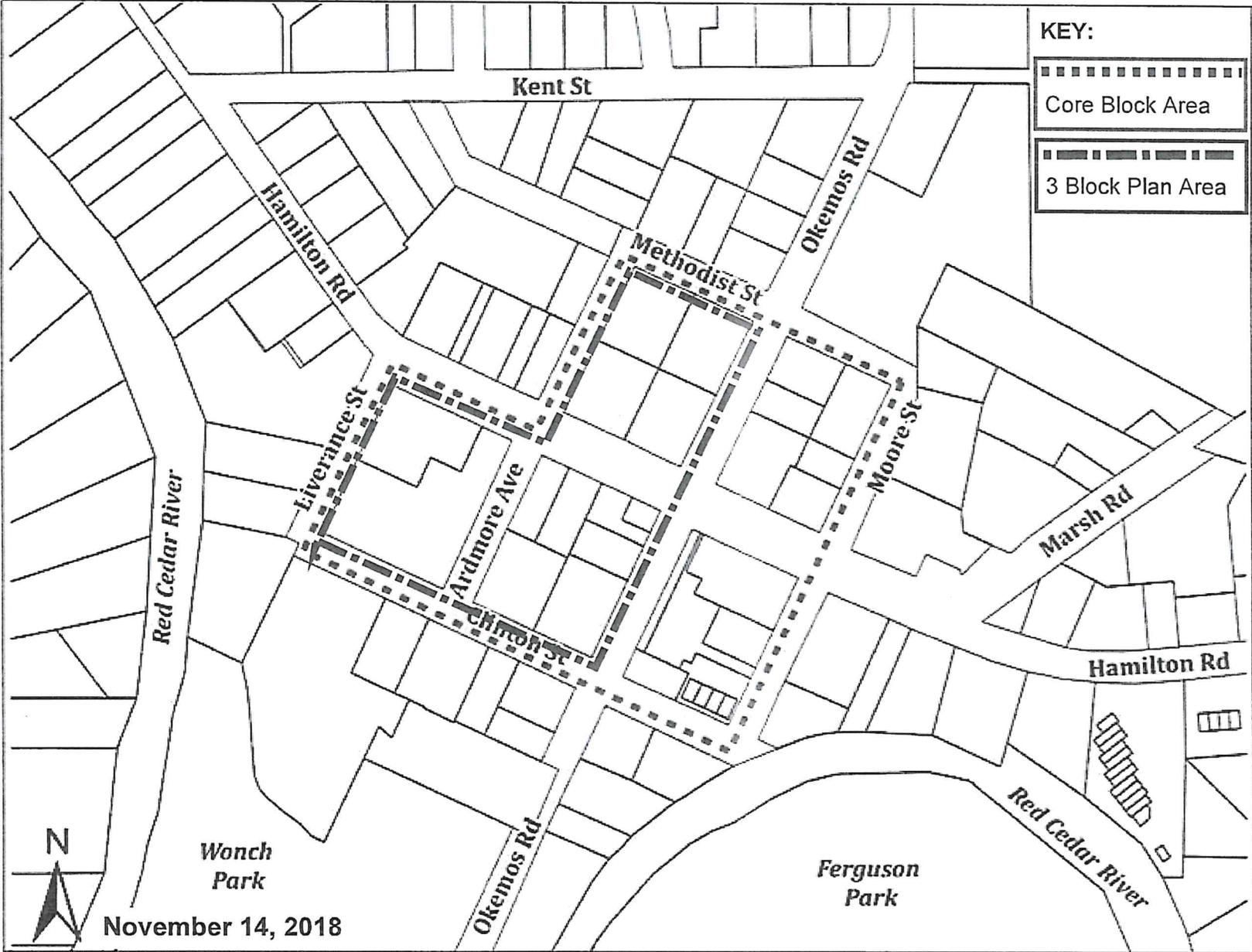


Exhibit C- Annual Inflation Amount (2.14%) which may be due to the Taxing Jurisdiction from 3 Block Plan Area

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Inflationary Increase (2.14%) Over 20-Year Period (2019- 2038) - 3 Block Plan Area |
|---|---|---------|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| Ingham County | Annual Gain with 2.14% Inflationary Increase - 3 Block Plan Area | \$1,980 | \$4,002 | \$6,067 | \$8,177 | \$10,331 | \$12,532 | \$14,779 | \$17,075 | \$19,419 | \$21,814 | \$24,259 | \$26,757 | \$29,308 | \$31,914 | \$34,575 | \$37,294 | \$40,070 | \$42,905 | \$45,801 | \$48,759 | \$477,820 |

Annual Gain with 2.14% Inflationary Increase is based upon Existing Taxes generated on Initial Taxable Values (or Base Taxable Values) of all current Real Property (Land, Land Improvements and Building) within the 3 Block Plan Area.
Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 13, 2018

Exhibit D - Annual Base Taxes due to the Taxing Jurisdiction from DDA District

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Base Taxes Over 20-Year Period (2019-2038) | |
|---|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|------------|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| Ingham County | Base Taxes Received - DDA District | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | \$220,708 | 54,414,160 |

Base Taxes Received are values based on all current Real (Land, Land Improvements and Building) and Personal Property within the entire DDA District
 Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 13, 2018

**TAX SHARING AGREEMENT
BETWEEN THE CHARTER TOWNSHIP OF MERIDIAN, THE MERIDIAN TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY, AND LANSING COMMUNITY
COLLEGE**

THIS TAX SHARING AGREEMENT made as of the 9th day of May, 2019, by and between the CHARTER TOWNSHIP OF MERIDIAN, a Michigan charter township, whose address is 5151 Marsh Rd, Okemos MI 48864 (the "Township"), the MERIDIAN CHARTER TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY, a Michigan public authority, whose address is 5151 Marsh Rd, Okemos MI 48864 (the "DDA") and LANSING COMMUNITY COLLEGE, whose address is 601 N. Capitol Avenue, Lansing, MI 48833 (the "College").

RECITALS:

WHEREAS, the DDA is a downtown development authority incorporated in 2005 by the Township pursuant to Michigan's Downtown Development Authority Act, (formerly Act 197 of the Public Acts of Michigan of 1975, as amended), and now recodified as Michigan's "Recodified Tax Increment Financing Act" at MCL 125.4201 *et seq.*, being Act 57 of the Public Acts of Michigan of 2018 ("Act 57"); and

WHEREAS, the DDA is permitted by Act 57 to capture certain tax revenue from various taxing jurisdictions which are authorized to levy taxes on the property within the downtown district (the "District"); and

WHEREAS, in accordance with Act 57, the College Board of Trustees adopted a resolution on October 17, 2005, which resolution was filed with the Township Clerk, whereby the College exercised its right pursuant to Act 57 to "opt out" of the capture of its taxes by the DDA; and

WHEREAS, notwithstanding that the College has opted out of the DDA and, therefore, the College's millage is not subject to capture by the DDA, the DDA has requested that the College, and other affected taxing jurisdictions, consider permitting the capture of a portion of the College's millage by the DDA to aid in the development of certain properties within the DDA's District; and

WHEREAS, the DDA is specifically authorized, pursuant to Section 214 of Act 57 (MCL 125.4214(4)), to "... enter into agreements with the taxing jurisdiction and the governing body of a municipality in which the development area is located to share a portion of the captured assessed value of the district" and when expressly set forth in an authority's development plan and tax increment financing plan; and

WHEREAS, in accordance with Section 214 of Act 57 and the Plan, the parties desire to enter into this Tax Sharing Agreement (the "Agreement") to provide for the capture, by the DDA, of a portion of the College's millage within the DDA's District subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. **Definitions.** Unless otherwise specifically indicated in this Agreement, the words and phrases used in this Agreement shall have the definitions attributed to them in Section 201 of Act 57. The following terms shall have the following meaning for purposes of this Agreement:

a. "3 Block Plan Area" means the parcels located within a three (3) block area within the District as depicted on the attached Exhibit B.

b. "Annual 3 Block Plan Area Inflation Amount" means those tax increment revenues due and payable by the Authority to the College derived from the levy of the College's millage on not more than the first 2.14% of the increase in the taxable value of all available real and personal property located in the 3 Block Plan Area above the Base Value for those properties. An example projection of the calculation of real property alone of the Annual 3 Block Plan Area Inflation Amount is set forth on Exhibit C.

c. "Base Value" means the initial assessed value for all available real and personal property in the District determined as of December 31, 2017, and finally equalized in May of 2018, namely \$19,462,787.

d. "Conditional Base Value" means the taxable value of all available real and personal property in the District, but excluding the parcels located within the 3 Block Plan Area, on December 31 of the Conditional Year.

e. "Conditional Year" means the year in which both the future taxable value of all available real and personal property located within the Core Block Area increases by an additional minimum amount of \$13,602,403 above the Base Value and new private development occurs within the Core Block Area.

f. "Conditional Inflation Amount" means those tax increment revenues due and payable by the Authority to the College from the levy of the College's millage on not more than the first 2.14% of the increase in the taxable value of all available real and personal property located in the District, excluding the 3 Block Plan Area, above the Conditional Base Value.

g. "Core Block Area" means the parcels located within the five (5) core block areas of the District as depicted on the attached Exhibit B.

h. "Plan" means the DDA's Development and Tax Increment Financing Plans, as amended (attached as Exhibit A hereto) adopted by the DDA on October 10, 2018, and the Township on December 4, 2018, in accordance with Act 57, which sets forth the plans, projects, and improvements to be undertaken by the DDA in the District, the taxes and revenues resulting from the assessed valuation and tax revenue captured by the DDA from properties located within the District, and authorizes the DDA to enter into tax sharing agreements with affected tax jurisdictions.

2. **Development and Tax Increment Financing Plans.** The DDA and Township have adopted the Plan in accordance with Act 57 and provided a copy of the Plan, as adopted, to the College. The College acknowledges receipt of the Plan. The College makes no representation that the activities and projects described in the Plan are permissible or eligible for funding by tax revenues captured by the DDA under Act 57.

3. **Sharing of Captured Assessed Valuation and Tax Increment Revenues.** Pursuant to Section 214(4) of Act 57 and subject to the terms of this Agreement, the parties agree that, for the term of this Agreement, the DDA is permitted to capture the College's millage subject to the terms and conditions set forth below.

a. Except as otherwise provided in this Agreement, the College shall receive and be paid first, the following:

(i) all revenue derived from the levy of the College's millage levied on the Base Value of all available real and personal property located within the District (as shown on Exhibit D) as provided for in Act 57;

(ii) the Conditional Inflation Amount, if any; and

(iii) the Annual 3 Block Plan Area Inflation Amount, as shown on Exhibit C.

b. The Authority shall receive all revenue derived from the levy of the College's millage in excess of the Conditional Inflation Amount and the Annual 3 Block Plan Area Inflation Amount, if any.

c. All amounts payable to the College pursuant to subparagraphs 3(a)(ii) and (iii), above, shall be made from available tax increment revenues, as determined by the Authority; provided, however, that the Authority shall provide written documentation to the College evidencing the basis for the calculation and determination of such tax increment revenues to be captured and paid to the Authority. To the extent that the College disagrees with the calculation and determination of amounts described herein, the College shall provide a written objection to the Authority, and representatives of the College and the Authority agree to meet within 30 days of the date of such notice by the College (or at some other agreeable date) to review such calculation and the basis for such calculation to resolve any discrepancy or disagreement. To the extent that the DDA has made an error in the calculation or determination of amounts to be captured by it, the DDA shall remit any such incorrect capture to the College within 30 days of such determination.

d. The parties understand that it is likely that sufficient captured assessed value to allow any payment of either or both of the Conditional Inflation Amount or the Annual 3 Block Plan Area Inflation Amount will not occur until December 31, 2021 and that no payments derived from the Conditional Inflation Amount or the Annual 3 Block Plan Area Inflation Amount are anticipated before the Authority collects tax increment revenues in tax year 2022. No Conditional Inflation Amount is due or payable until after the Conditional Year.

e. If, for any reason, the taxable value of any parcel in the District that is subject to this Agreement falls below the Base Value or Conditional Base Value, the Authority shall not be liable for any Conditional Inflation Amount or the Annual 3 Block Plan Area Inflation Amount. The College agrees to hold the Authority harmless for any reduction in Base Value or Conditional Value of any parcel within the District and Development Area.

f. The Authority acknowledges and agrees that there may not be an increase in taxable value in the District sufficient to generate captured assessed value above the Conditional Base Value and, in such event, there would be no tax sharing of the College's millage in accordance with sub-paragraph 3(b) above. Furthermore, the Township and the DDA acknowledge that the College millage is subject to application of the Headlee Amendment and voter approval and/or renewal and the amount of the College millage subject to tax sharing under this Agreement is, therefore, subject to change. The College shall not be liable to the Authority for any reduction of tax increment revenues due to application of the Headlee Amendment or voter approval or renewal of the College's millage at a rate less than the amount of the levy at the time of this Agreement.

g. Distribution of any Conditional Inflation Amount or the Annual 3 Block Plan Area Inflation Amount to the College shall be made annually on July 1.

4. **Term.** This Agreement shall automatically expire following the first to occur of either:

a. The tax collections due in December 2038 and payment of the Conditional Inflation Amount and/or the Annual 3 Block Plan Area Inflation Amount to the College; or

b. The Authority's capture of \$2,420,353 derived from the levy of the College's millage on all available real and personal property pursuant to this Agreement.

Upon expiration of this Agreement, the assessed value and taxes due to the College shall no longer be subject to capture or sharing with the Authority, and all millage revenues due to the College under Michigan law shall be paid to the College in accordance with law. This Agreement may be extended by the mutual agreement of the parties.

5. **Future Plan Amendments Not Affecting this Agreement.** The parties acknowledge and agree that the DDA and the Township may, from time to time, further amend the Plan as they deem appropriate pursuant to Act 57. No such amendment shall have the effect of modifying the provisions of this Agreement, especially paragraph 3 relating to the sharing of tax increment revenues as set forth in this Agreement and such amendment to the Plan shall not have the effect of extending the term of this Agreement.

6. **Tax Sharing Agreements with Other Affected Taxing Jurisdictions.**

a. In the event that the DDA and Township enter into a tax sharing agreement with another affected taxing jurisdiction whose terms are more favorable to that affected taxing jurisdiction (as compared to the terms of this Agreement for the College), and such agreement permits that affected taxing jurisdiction to receive a greater amount of revenue derived from the levy of that jurisdiction's millage(s) within the District than the College receives under the terms of this Agreement, the terms of this Agreement shall automatically be revised so as to provide an equal amount of revenue for the College, unless otherwise expressly agreed to in writing by the College following approval by the College Board of Trustees.

b. This Agreement shall be effective only if the Township and the DDA enter into tax sharing agreements with a majority of the other affected taxing jurisdictions.

7. **No Waiver of Opt-out.** This Agreement (and any possible extension of the term hereof) shall not constitute a waiver of the College's opt out of the DDA or consent to capture of the College's millage except as expressly set forth herein.

8. **Miscellaneous.**

a. **Interpretation.** This is the entire agreement between the parties as to its subject. It shall not be amended or modified except in writing signed by the parties and approved by the College's Board of Trustees. It shall not be affected by any course of dealing and the waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other provision. Without limiting the foregoing, the parties acknowledge and agree that the Recitals set forth above are integral to and a part of the Agreement and necessary to its proper interpretation.

b. Assignment. This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred by any party without the consent of the other parties, which shall not be unreasonably withheld.

c. Notices. Any notice, request, or other communication given pursuant to this Agreement to any party hereunder shall be in writing and shall be deemed given either when delivered personally, one (1) day after being sent by nationally-recognized overnight courier (with signature requirement) or two (2) days after being sent by certified first-class mail, return receipt requested, directly to the other parties at the address set forth above, unless a party has designated in writing a different address for the serving of notices by a notice given in compliance with this section.

d. Waiver. No delay on the part of any party hereto in the exercise of any right or remedy shall operate as a waiver of such right or any other right; a waiver on any one occasion shall not be construed as a bar to or waiver of any subsequent breach of the same or any other provision of this Agreement on a future occasion.

e. Enforceability. This Agreement shall be enforceable only by the parties hereto and no other person shall have the right to enforce any provision contained herein.

f. Severability. In case any one or more of the provisions contained in this Agreement or any document, instrument or agreement required hereunder should be declared invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired thereby.

g. Governing Law. This Agreement and the rights and obligations of the parties under this Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Michigan.

h. Conflict. In the event of any conflict between this Agreement and the Plan, this Agreement shall control.

i. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed to be an original, but all such counterparts taken together shall constitute but one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have set their hands and seals as of the date above first written.

MERIDIAN CHARTER TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY, a public body corporate

By: 
Susan Fulk

Its: Chair

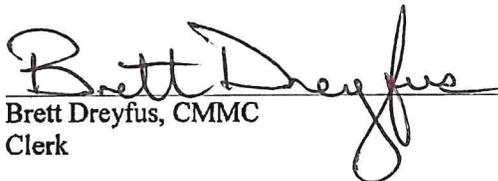
By: 
Demetrios James Spanos

Its: Secretary

CHARTER TOWNSHIP OF MERIDIAN, a Michigan charter township

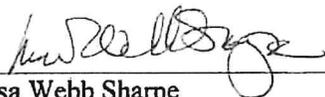
By: 
Ronald J. Styka

Its: Supervisor

By: 
Brett Dreyfus, CMMC

Its: Clerk

LANSING COMMUNITY COLLEGE

By: 
Lisa Webb Sharpe

Its: Executive Vice President for Finance, Administration and Advancement



Exhibit A - Downtown Development Authority (DDA) Map 2018

The shaded area below identifies the DDA District.

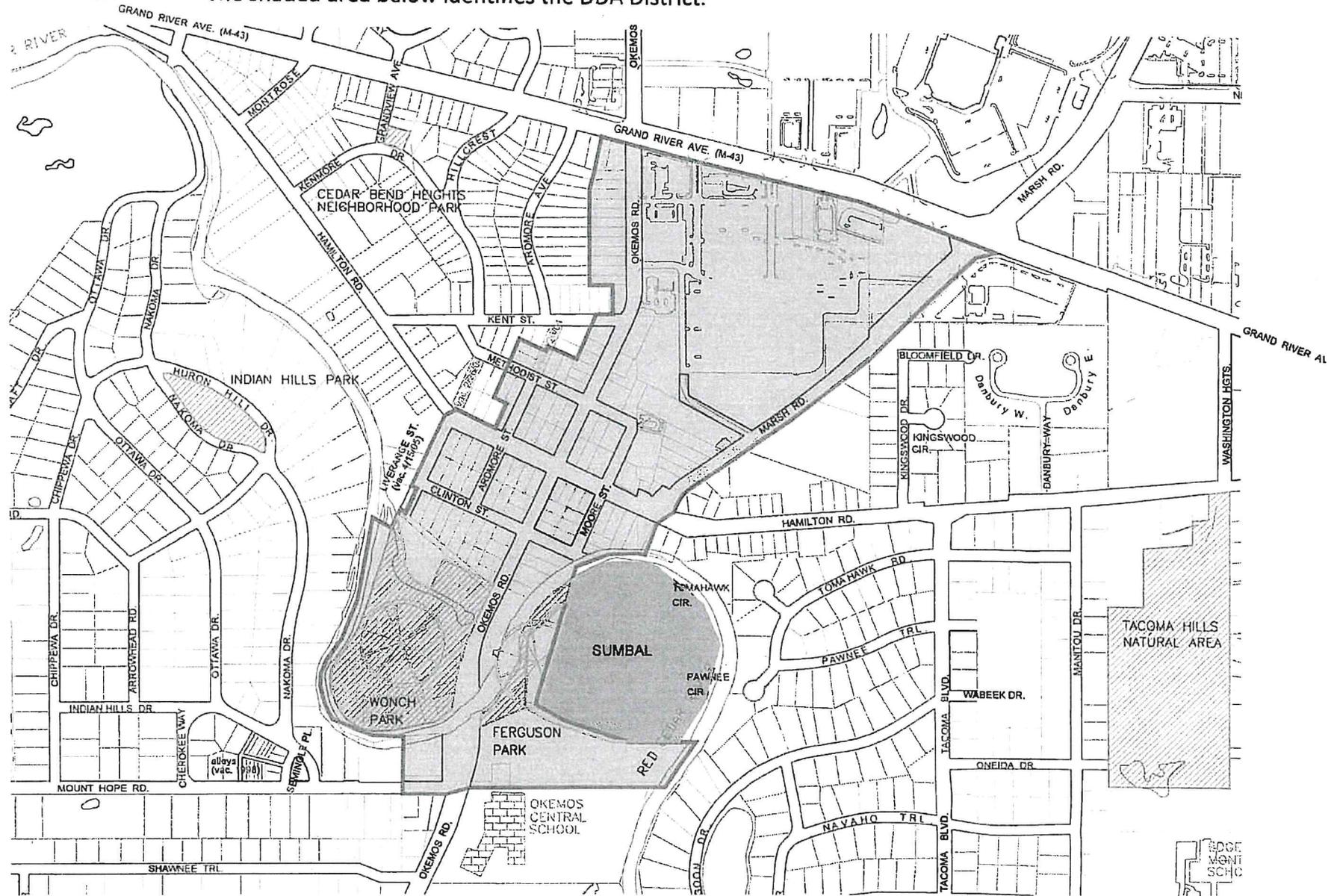


Exhibit B - Core Block Area

The dashed line shown below identifies the 5 Block Core Area within the DDA District

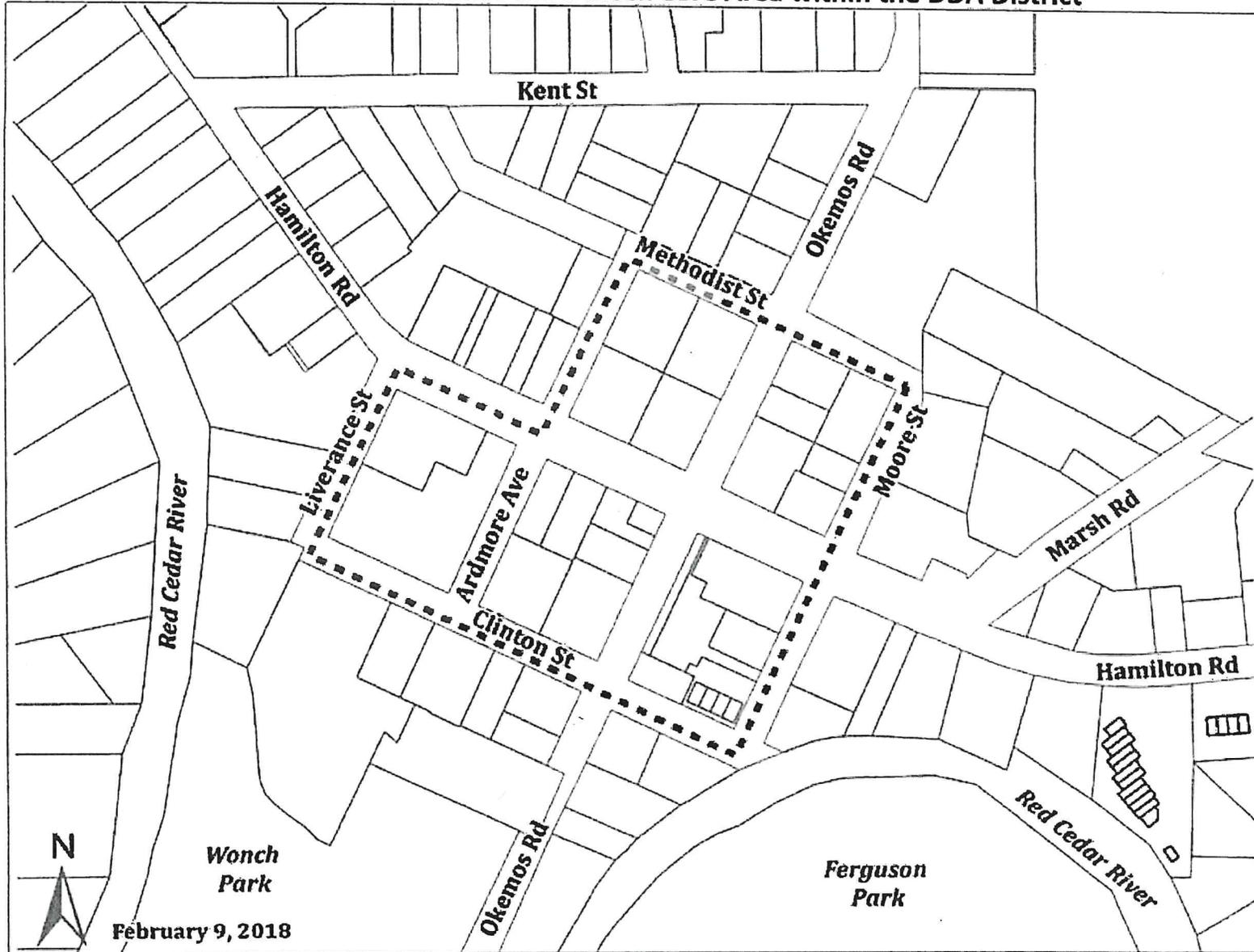


Exhibit C- Annual Inflation Amount (2.14%) which may be due to the Taxing Jurisdiction from 3 Block Plan Area

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Inflationary Increase (2.14%) Over 20-Year Period (2019-2038) - 3 Block Plan Area |
|---|--|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| Lansing Community College - LCC | Annual Gain with 2.14% Inflationary Increase - 3 Block Plan Area | \$665 | \$1,344 | \$2,037 | \$2,745 | \$3,469 | \$4,207 | \$4,962 | \$5,733 | \$6,520 | \$7,324 | \$8,145 | \$8,983 | \$9,840 | \$10,715 | \$11,608 | \$12,521 | \$13,453 | \$14,405 | \$15,377 | \$16,370 | \$160,419 |
| GRAND TOTALS | | \$11,748 | \$23,787 | \$36,068 | \$48,600 | \$61,406 | \$74,485 | \$87,843 | \$101,486 | \$115,420 | \$129,652 | \$144,168 | \$159,035 | \$174,198 | \$189,685 | \$205,502 | \$221,658 | \$238,158 | \$255,010 | \$272,233 | \$289,801 | \$2,839,968 |

Annual Gain with 2.14% inflationary increase is based upon Existing Taxes generated on Initial Taxable Values (or Base Taxable Values) of all current Real Property (Land, Land Improvements and Building) within the 3 Block Plan Area
 Base Data collected 8/23/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 12, 2018

Exhibit D - Annual Base Taxes due to the Taxing Jurisdiction from DDA District

| AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS | Calendar/ Tax Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | Total Base Taxes Over 20-Year Period (2019-2038) | |
|---|---------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|-------------|
| | Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| Lansing Community College - LCC | Base Taxes Received - DDA District | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$74,099 | \$1,481,980 |

Base Taxes Received are values based on all current Real (Land, Land Improvements and Building) and Personal Property within the entire DDA District
Base Data collected 8/21/2018 (upon Base Year 2018 Initial Taxable Value, as of December 31, 2017)

as of November 13, 2018



Capital Area District
LIBRARIES

December 13, 2018

Chris Buck
Economic Development Director
Meridian Township
5151 Marsh Road
Okemo, MI 48864

ADMINISTRATION

401 S. Capitol Avenue
Lansing MI 48933

517.367.6300

FAX 517.374.1068

Dear Mr. Buck,

I'd like to thank you for your presentation at our Committee of the Whole meeting on December 12, 2018. Regarding the presentation and your proposal, the CADL Board will maintain their earlier decision of not opting into new agreements with taxing authorities that would allow the capture of taxes levied for the library millage. This decision was not based on any shortage of information or oversights in your proposal. Instead, it was based solely on our Board's earlier decision to accept the legislative mandate that exempts all levies from capture that are covered under MCL 125.1803(6).

The CADL Board feels strongly that the legislation was passed to ensure adequate funding for our library system and the services we provide for the community, along with providing a level of transparency for voters who voted for their tax dollars to go toward CADL.

If you have any questions, please feel free to contact me.

Sincerely,

Scott M. Duimstra
Executive Director
Capital Area District Libraries
401 S. Capitol Avenue
Lansing, MI 48933
(517)367-0813