Downtown Development Authority
East Dearborn

Development and Tax Increment Financing Plan Amendment 2008

District Boundaries.

The development district boundaries (Ordinance 77-1877, November 1977) and tax increment financing area boundaries (Ordinance 83-272, May 1983) remain unchanged.

Amendment Summary.

This proposed amendment will change the Plan adopted in 2002 (Ordinance 02-908, August 2002) by:

(i) providing for the development of one or more parking decks, for which the capacity will be determined by the needs of development and of the district as a whole;

(ii) extending the life of the plan to the year 2043 to coincide with Dearborn Brownfield Redevelopment Authority Plan #7 (Montgomery Ward Redevelopment); and,

(iii) generally updating project descriptions, cost estimates, and time-tables contained in the previous plan.

Approved by the EDDDA: Thursday, July 31, 2008

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EAST DEARBORN DOWNTOWN DEVELOPMENT AUTHORITY
TAX INCREMENT FINANCING PLAN
2008 PLAN AMENDMENT

I. INTRODUCTION

A. Purpose

The purpose of this Development and Tax Increment Financing Plan is to halt property value deterioration and increase property tax valuation where possible, to eliminate the causes of such deterioration and to promote economic growth in the East Dearborn business district. In order to achieve these purposes, the East Dearborn Downtown Development Authority (EDDDA) has adopted this Plan, which provides generally for the financing of a variety of activities and physical improvements within the downtown district which market, attract and maintain a customer base from which the district can justify investment and development, as authorized by the Downtown Development Authority Act, Act No. 197 of Public Acts of Michigan, 1975, as amended. These activities will increase the private sectors desire to invest in the District. The increased private investment caused by EDDDA prevents further deterioration within the District, preserves its historic character and promotes growth in the tax base for the benefit of all taxing units levying taxes within the District.

The City of Dearborn and the Authority believe that a prosperous, vital East Dearborn Business District is essential to the continued well being of the nearby residential areas and to the health of the City of Dearborn in general. The East Dearborn Business District, however, like many aging commercial districts in other Michigan cities and towns, faces constant competition from a changing commercial environment, including newer developments such as mega, discount and regional shopping centers as well as newly emerging internet retail competition. As a means of offsetting the competitive advantage that such newer developments often enjoy, the City and the Authority believe that the powers granted by Act 197, prudently applied, can provide sufficient economic incentives enabling the District to remain competitive.

B. Background and History

The Downtown Development Authority -- East Dearborn was officially formed by the City of Dearborn by Ordinance No. 77-1877 in November 1977, subsequently renumbered as Ordinance No. 81-117 in November 1981 (Exhibit A). The Authority consists of an eleven-member board serving without compensation, composed of the Mayor, business leaders and community representatives.

Downtown District Boundaries. The Authority's downtown district boundaries were established under Ordinance No. 77-1877, subsequently renumbered as Ordinance No. 81-117. Refer to the district boundary map on page 3.

Development and TIF Plan. Development and Tax Increment Financing Plan No. 1 was approved by Council on May 13, 1983, by adoption of Ordinance No. 83-272 (Exhibit B).

Tax Increment Financing Development Area was established by Ordinance No. 83-272 (Exhibit B), is legally described in Exhibit C, and is depicted on the district boundary map on page 3.

In 1985, Ordinance No. 85-342 (Exhibit D) increased the Authority Board to consist of the Mayor and ten (10) members.

In 1991, the Plan was amended by Ordinance No. 91-528 (Exhibit E).

In 2002, Ordinance No. 02-871 (Exhibit F) created the East Dearborn Development Area Citizens' Council to act as an Advisory Board relating to proposed amendments and modifications to the TIF Plan.

In 2002, the Plan was again amended by Ordinance No.02-908 (Exhibit G).

In December 2004, the EDDDA hired its first full-time Executive Director. In February 2007, the EDDDA opened new offices located in the district at 13750 Michigan Avenue and hired an office manager. Additional support for activities of the Authority is provided through the City's Economic and Community Development Department or staffing hired by or on behalf of the Authority.

This 2008 Plan amendment was adopted by Ordinance No. 08- (Exhibit H).

C. Definitions and Abbreviations

"Act" or "Act 197" means Act No. 197, Public Acts of Michigan, 1975, as amended.

"Authority" or "EDDDA" means the Downtown Development Authority – East Dearborn.

"Development Area" means the project area in the District to which the Authority's Development and Tax Increment Financing Plan, as amended, is applicable.

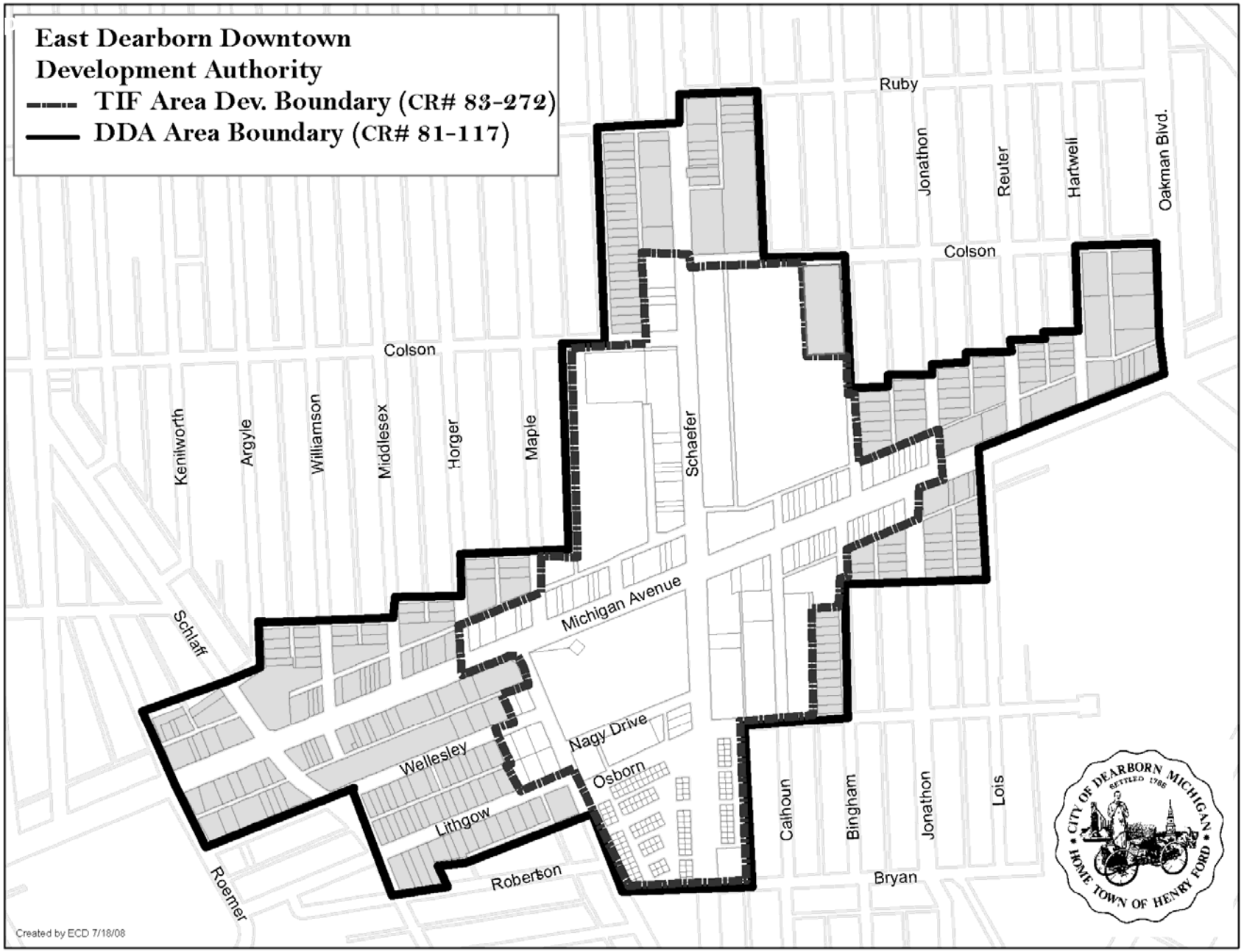
"District" means the downtown district, established by the City pursuant to the Act, within which the Authority exercises its powers and which is described in Ordinance No. 81-117 (Exhibit A).

"Plan" means the Authority's Development and Tax Increment Financing Plan, as amended from time to time.

"Tax Levy" means the ad valorem tax which the Authority is authorized to levy on real and tangible personal property in the District under Section 12 of the Act.

"TIF" means tax increment financing, as provided for under the Act.

"TIF Area Development Boundary" means the area from which TIF revenues are derived.


East Dearborn Downtown
Development Authority
TIF Area Dev. Boundary (CR# 83-272)
DDA Area Boundary (CR# 81-117)
Ruby
Jonathon
Reuter
Hartwell
Oakman Blvd.
Colson
Colson
Kenilworth
Argyle
Williamson
Middlesex
Horger
Maple
Schaefer
Michigan Avenue
Schlaff
Nagy Drive
Wellesley
Osborn
Lithgow
Roberson
Roemer
Calhoun
Bingham
Jonathon
Lois
Bryan
CITY OF DEARBORN MICHIGAN
SETTLED 1786
HOME TOWN OF HENRY FORD
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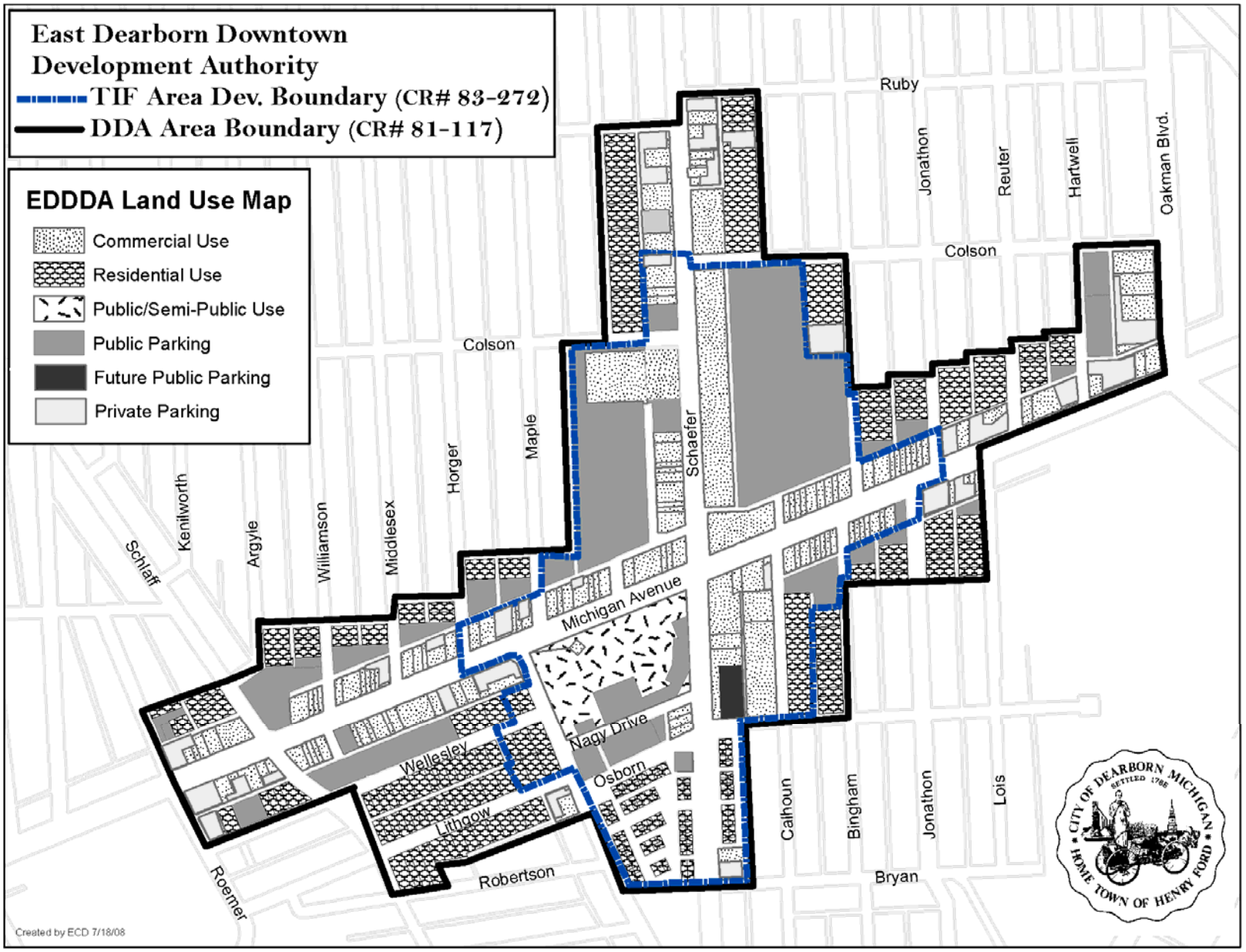
East Dearborn Downtown
Development Authority
TIF Area Dev. Boundary (CR# 83-272)
DDA Area Boundary (CR# 81-117)
EDDDA Land Use Map
Commercial Use
Residential Use
Public/Semi-Public Use
Public Parking
Future Public Parking
Private Parking
Ruby
Jonathon
Reuter
Hartwell
Oakman Blvd.
Colson
Colson
Maple
Horger
Schaefer
Schlaff
Kenilworth
Argyle
Williamson
Middlesex
Michigan Avenue
Nagy Drive
Wellesley
Osborn
Lithgow
Robertson
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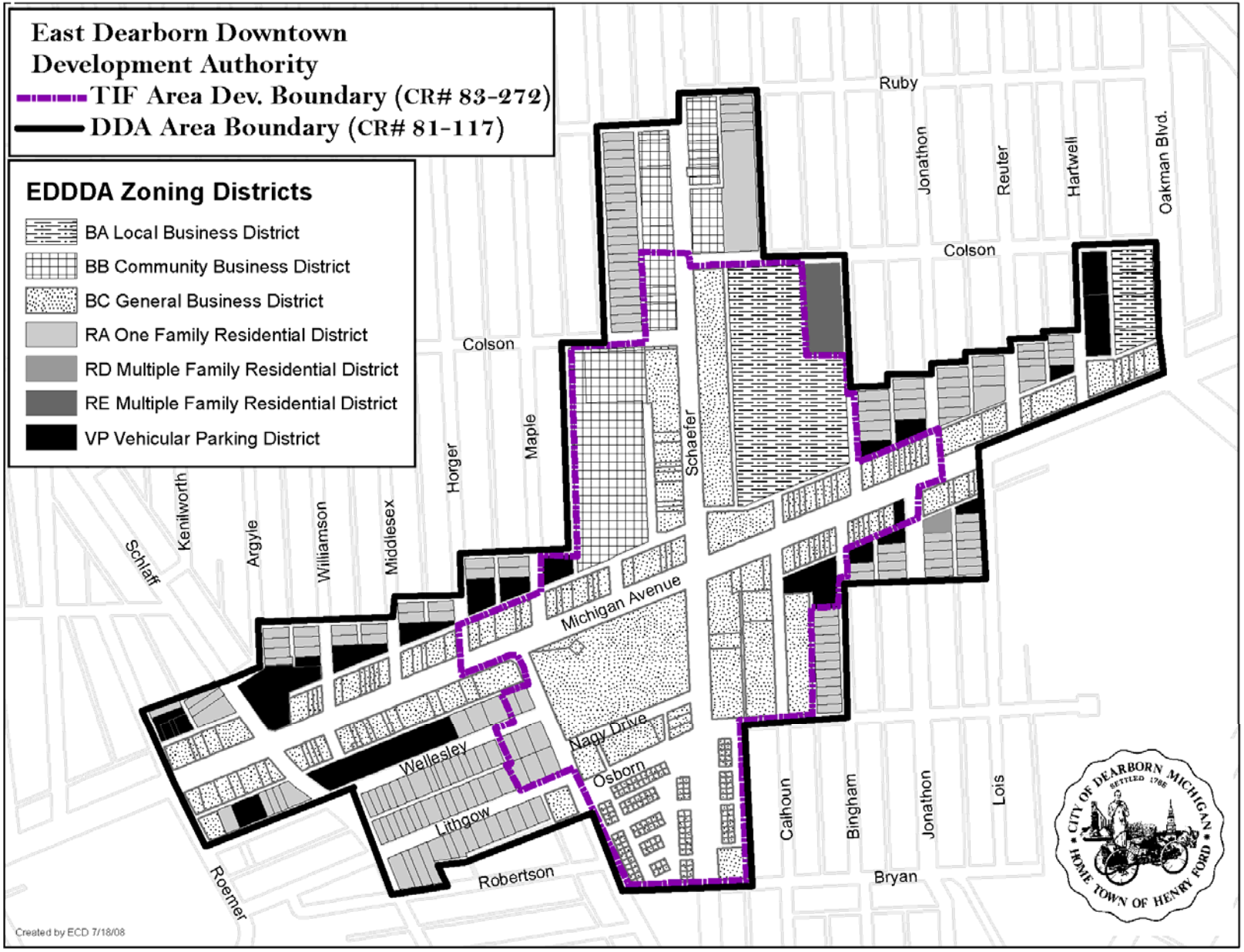
East Dearborn Downtown Development Authority
TIF Area Dev. Boundary (CR# 83-272)
DDA Area Boundary (CR# 81-117)
EDDDA Zoning Districts
BA Local Business District
BB Community Business District
BC General Business District
RA One Family Residential District
RD Multiple Family Residential District
RE Multiple Family Residential District
VP Vehicular Parking District
Ruby
Jonathon
Reuter
Hartwell
Oakman Blvd.
Colson
Colson
Maple
Horger
Schaefer
Schlaff
Kenilworth
Argyle
Williamson
Middlesex
Michigan Avenue
Nagy Drive
Wellesley
Osborn
Lithgow
Robertson
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Jonathon
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CITY OF DEARBORN MICHIGAN
SETTLED 1786
HOME TOWN OF HENRY FORD
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II. DEVELOPMENT PLAN

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

Section 17(2)(a)

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

The Development Area (the "Tax Increment Financing Development Area") is bounded generally by Colson on the north, Jonathon on the east, Bryan on the south and Horger on the west. The major thoroughfares of the district are Michigan Avenue, on the east-west axis and Schaefer Road on the north-south axis. (Refer to the district boundary map on page 3.)

Section 17(2)(b)

LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA, LOCATION, CHARACTER AND EXTENT OF CATEGORIES OF PUBLIC AND PRIVATE LAND USES EXISTING AND PROPOSED FOR THE DEVELOPMENT AREA, INCLUDING LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

An Existing Land Use Map is attached on page 4 of this Development Plan, setting forth the foregoing. The general pattern of mixed land uses within the development area is not expected to materially change as a result of this Development Plan. However, if the Authority and City of Dearborn were to determine that a land use change would be necessary or convenient to initiate or facilitate a beneficial redevelopment project, a land use change could be made.

The legal description of the Downtown District is contained within Ordinance No. 81-117 (Exhibit A). The legal description of the development area (the "Tax Increment Financing Development Area") is attached as Exhibit C.

Sections 17(2)(c), (d), and (e) combined

(c) DESCRIPTION OF EXISTING IMPROVEMENTS TO BE DEMOLISHED, REPAIRED OR ALTERED, INCLUDING DESCRIPTION OF REPAIRS AND ALTERATIONS, AND ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.

(d) LOCATION, EXTENT, CHARACTER AND ESTIMATED COST OF IMPROVEMENTS AND ESTIMATED TIME FOR COMPLETION.

(e) STAGES OF CONSTRUCTION AND ESTIMATED TIME OF EACH STAGE.

This section of the plan is intended to reflect current and future programs and activities of the EDDDA. EDDDA programs and activities completed prior to this 2008 amendment are not included.

The EDDDA plans to undertake a broad spectrum of projects, programs and activities under this Plan. Listed below are the general categories and a brief description of each:

A) Planning, Administration and Staffing

Activities under this category include staffing, related office and operational costs as well as soft costs necessary to implement and carry out activities identified within the Plan. Examples include studies, analysis, data gathering, overall program management and implementation, audits, legal and other professional services, support staff costs, and office occupancy costs.

Funding for planning and administration require annual appropriations beginning in the first year of this Plan and in each following year throughout the life of the Plan. The number and complexity of activities during any one year will dictate annual funding needs. The annual average (to be adjusted for inflation) will be approximately $450,000 per year.

B) District Marketing, Promotion, Recruitment, Support of Arts and Cultural Programs

This category includes activities and staffing associated with coordinating district marketing (newsletters, brochures, website, support of the Dearborn Visitor and Welcome Center, etc.), various promotions, special events, business retention and attraction, management of joint business services (waste management, security, annual flower planting, snow removal, etc.) which sustain and increase business activity within the district.

Activities occur annually throughout the life of this Plan. Estimated cost will average $150,000 per year, adjusted for inflation.

C) Private Sector Improvement Incentives

Activities within this category provide TIF funding to encourage private sector improvements. **(**Incentives to attract and retain appropriate businesses to locate within the district as determined necessary by the EDDDA Board and to the extent permitted by law.**)**

The level of participation under this Plan will be determined on a case by case basis. The EDDDA Board will determine an appropriate percentage of participation necessary to achieve its goal. Incentives will be available as opportunity presents itself over the life of the Plan. A budget line item will be established with annual appropriations determined by the EDDDA and confirmed by the Dearborn City Council when adopting annual EDDDA/TIF budgets. The annual average (to be adjusted for inflation) will be approximately $50,000 per year.

D) Public Facility Improvements

The EDDDA plans to undertake several public improvements within the district. Projects may include the development, redesign and construction of parking (surface lots and parking decks). The redesign of the surface lots will include street and parking lot lighting improvements, burying utilities underground and technical improvements that will facilitate solid waste removal. Additionally, plans will be developed for streetscape improvements, signage for the district and other general public beautification improvements.

1) <u>Streetscapes</u>

In addition to Michigan Avenue and Schaefer Road serving as major thoroughfares in the district, Maple serves as a secondary street and several streets serve as entrances to alleyways and public parking lots namely Horger, Maple, Neckel, Calhoun, Bingham and Jonathon. Portions of Colson, Nagy Drive, Osborn and Bryan, also, are within the boundaries of the district. The EDDDA plans to implement streetscape beautification projects on all the major streets which include parking curb bumpouts, landscaping, street furniture, underground utilities, special sidewalk paving, decorative lighting and other pedestrian friendly features. Streetscape improvements may extend into neighborhoods abutting the district to link the commercial and residential areas and to promote area residents to walk to the district businesses. Once constructed, the EDDDA will budget monies for the maintenance of these public areas.

Over the life of this Plan, major thoroughfares, secondary, and side streets may receive streetscape treatments in varying degree. Scheduling will be determined at a later time as the district needs and function evolve.

Projects that involve construction (such as decorative paving or underground utilities) will generally be staged to coincide with other related construction projects in the area (such as street or parking lot resurfacing).

Cost for all streetscape activities is estimated to be approximately $5,000,000.

2) <u>Reconstruction/Beautification of Parking Lots</u>

Within the district are several surface public parking lots in need of reconstruction and beautification (refer to the Land Use Map on page 4). Because of varying degrees of deterioration, the EDDDA is budgeting $6,000,000 under this Plan and may be supported by revenues generated from user fees, special assessments or other revenue generating mechanisms to implement reconstruction of the parking lots.

Improvements to the public parking lots may include various components such as reconstruction, lighting, underground utilities, landscaping, pathways, green spaces, waste removal coordination and other improvements designed to create a functional yet pedestrian friendly vehicular accessible environment. Improvements will be constructed based on a schedule determined by income generated by SAD's, user fees, or other income producing mechanisms. Each parking lot will be reconstructed as a single stage project .

3) Construction—New Parking

As redevelopment and other positive changes in the area increase the demand for parking, it will be desirable to increase the number of available parking spaces. Construction of new public parking will be considered if the need and opportunity arises.

In general, however, there is no undeveloped land in the Development Area. Therefore, it is anticipated that the need for increased parking capacity will be addressed vertically, through the construction of parking decks.

The current Montgomery Ward Redevelopment initiative (a mixed-use development project located on a key corner of Michigan Avenue and Schaefer Road) contemplates the construction of a public parking deck. The capacity of the deck will be sufficient to meet the anticipated needs of the development project and, if desired, those of the surrounding area as well.

The current cost estimate for construction of the parking deck associated with this redevelopment project (including architectural, engineering, management, and other associated costs) is $12,000,000 (excluding debt service costs) and is expected to be financed through the issuance of bonds.

Future redevelopment projects (as yet undetermined) that increase the density of the Development Area may require the construction of additional parking decks to meet any projected increase in parking demand. Staging of major construction projects will be coordinated with other ongoing projects and expedited (generally phased over 1-2 construction seasons) in a manner to cause the least possible disruption to the area as a whole.

EDDDA Plan budget for "future" parking deck construction is $6,000,000

Costs to construct additional parking may be partially offset by revenues from user fees, special assessments, or other non-TIF contributions.

4) District Signage

The EDDDA plans to design and implement a district wide signage program. Signs will welcome customers to the district and direct them to parking areas and to district businesses. Kiosks may be constructed and located in public areas providing a directory of the district's businesses and services along with their location.

The signage project may begin in approximately 2010 and may run through 2013. The project would be completed over the three year period.

Cost of the signage program is estimated at $250,000. The EDDDA will be investigating a cost share program whereby businesses would contribute a portion of the cost by special assessment or other contributions.

E) Property Purchase; Conveyance; Demolition

From time to time during the life of this Plan, properties within the district may be acquired, conveyed, and/or demolished for the purpose of facilitating redevelopment including, but not limited to, the demolition of buildings as a part of the Montgomery Ward Redevelopment initiative scheduled to be completed in the fourth quarter of 2008.

The Authority may purchase buildings or other properties from time to time to assure coherent and beneficial redevelopment by demolishing existing buildings to remove eyesores and/or to prepare a property for redevelopment or sale for redevelopment which would benefit the district.

The Authority may decide to purchase properties within the district to spur further development. Opportunities may become available which require an immediate action by the Authority. This Plan, therefore, provides for “responses to opportunities,” and permits the Authority to purchase property, demolish buildings and to sell, lease or convey property to public or private entities to meet the objectives of this Plan as determined by the Board of the EDDDA.

Cost of acquisition and demolition is estimated at $3,000,000 and $1,500,000, respectively. The EDDDA plans to pursue other funding sources whenever possible to support their activities.

F) Environmental Due Care Activities

To implement or facilitate various improvements and developments contemplated in this Plan, the EDDDA may undertake environmental investigations, remediation or due care activities. Environmental activities are estimated at $2,000,000.

Financing Projects

Projects and activities described within this Plan will require financial support beyond TIF revenues captured under this Plan. The City and EDDDA are investigating various mechanisms to generate additional revenues through special assessments, parking user fees, creation of a Primary Shopping District under Act 120, Public Acts of Michigan, 1961, as amended, financing available from the Dearborn Brownfield Redevelopment Authority, financing from the Downriver Area Brownfield Consortium, donations and other means as may be identified.

Section 17(2)(f)

PARTS OF DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND USE CONTEMPLATED FOR SUCH SPACE.

For the purpose of this section, “open space” includes, but is not limited to, landscaped areas, courtyards, parks, and parking lots. In general, current open space will remain open with no contemplated change of use.

If current redevelopment initiatives increase or decrease the demand for parking, future redevelopment initiatives may result in the conversion of current open spaces to other uses (such as parking decks, new development, or a combination of both).

The initiative to redevelop the former Montgomery Ward site contemplates the conversion of the site’s current surface parking lot to a mixed-use development with open spaces and a public parking deck.

The Montgomery Ward redevelopment project, and any future initiative that impacts current open space, will be expected to include landscaping or other features that will at least partially offset the loss of current open space.

Section 17(2)(g)

PORTIONS OF THE DEVELOPMENT AREA WHICH THE EDDDA DESIRES TO SELL, DONATE, EXCHANGE OR LEASE TO OR FROM THE MUNICIPALITY AND PROPOSED TERMS.

The City or EDDDA may convey, donate, exchange or lease property as necessary to carry out the projects and activities described within this Plan.

Section 17(2)(h)

ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES.

As previously described, the EDDDA plans to relocate overhead utilities to underground in connection with streetscape activities and parking reconstruction. Streetscape improvements (specifically parking curb bumpouts) has permanently reduced the seven traffic lanes on Michigan Avenue to five traffic lanes and two parking lanes. Similar changes could occur on side streets as well.

Material changes in zoning, streets, street level, intersections and utilities are not contemplated at the time of this Plan’s writing. However, if the Authority and City determine changes would be necessary or convenient to achieve the goal of redeveloping the district, these changes will be undertaken. (Zoning map, page 5.)

Section 17(2)(i)

ESTIMATE OF COST OF DEVELOPMENT, STATEMENT OF PROPOSED METHOD OF FINANCING THE DEVELOPMENT AND THE ABILITY OF THE DDA TO ARRANGE THE FINANCING.

The total cost of various elements of the Development Plan is estimated to be $70,500,000 (including estimated financing costs). To finance the Plan, a combination of cash payments and issuance of a bond or other indebtedness supported by future TIF revenues, parking user fees and other support such as special assessments, obtaining various loans and creation of a Primary Shopping District may be utilized.

Whenever the EDDDA contemplates issuing bonds utilizing the full faith and credit of the City of Dearborn, City Council approval will be requested and secured. Additionally, the EDDDA will seek to use another financing mechanism permitted by the Act if it is determined to be a more feasible method to finance the projects identified.

Pursuant to Act 197, the EDDDA's contractual obligations also are permitted to be financed by donations received by the EDDDA, proceeds of a tax imposed pursuant to Section 12 of Act 197, proceeds of a special assessment district created as provided by law, money obtained from other sources approved by the City Council, or a combination of the foregoing sources.

This plan covers the proposed period through June 30, 2043. This plan period coincides with the maximum life (35 years) of Dearborn Brownfield Redevelopment Authority Plan # 7 (a plan that shall provide financing to the Montgomery Ward Redevelopment Project).

Table I (page 13) summarizes the total estimated project costs identified within this Plan (including estimated financing costs). The number of projects is ambitious and implementation of some projects may be dependent upon obtaining other revenue to support the total Plan.

Table II (page 14) projects TIF revenues over the life of the Plan. Estimated revenues in Table II are based on a projected 1.50% annual growth rate in State Equalized Value (SEV) for the Tax Increment Financing Development Area at millage rates currently in effect.

Both projected revenues and expenditures are estimates based on the best information available at this time. However, attempting to project thirty five years into the future is difficult at best. Revenues and project cost estimates may experience substantial variances from the Plan.

TABLE I

EAST DEARBORN DOWNTOWN DEVELOPMENT AUTHORITY DEVELOPMENT AND TAX INCREMENT FINANCING PLAN PROPOSED DEVELOPMENT AREA EXPENDITURES

Planning/Admin/Staffing	$15,750,000
Marketing/Promotion	5,250,000
Incentive Program	1,750,000
Streetscapes	5,000,000
Parking Lot Reconstruction/Beautification	6,000,000
Construction—New Parking	18,000,000
Signage	250,000
Property Purchases	3,000,000
Demolition	1,500,000
Environmental Due Care	2,000,000
Financing Cost	10,000,000
Contingencies	2,000,000
TOTAL	$70,500,000

NOTE: This table is for illustration purposes only. Figures used within program categories represent the EDDDA's best estimate at this time and are subject to review and change. Actual amounts may vary, even substantially, from these estimates, and different program categories may be pursued.

EDDDA Tax Increment Financing Revenue Projections

TABLE II

	DISTRICT SEV (True Cash * 50%)	CAPTURED SEV (District SEV - Base Year SEV; $9,126,250)	CITY TIF	COUNTY TIF	HFCC TIF	TOTAL TIF RECEIPTS (Captured SEV * Tax Rates)
Projections:						
2008-09	29,683,597	20,557,347	301,525	177,340	61,672	540,537
2009-10	37,628,851	28,502,601	418,062	245,881	85,508	749,451
2010-11	53,098,784	43,972,534	644,967	379,333	131,918	1,156,218
2011-12	53,575,856	44,449,606	651,965	383,449	133,349	1,168,763
2012-13	54,060,176	44,933,926	659,068	387,627	134,802	1,181,497
2013-14	54,551,854	45,425,604	666,280	391,869	136,277	1,194,426
2014-15	51,451,003	42,324,753	620,798	365,119	126,974	1,112,891
2015-16	51,957,736	42,831,486	628,231	369,490	128,494	1,126,215
2016-17	52,472,170	43,345,920	635,776	373,928	130,038	1,139,742
2017-18	52,994,422	43,868,172	643,436	378,433	131,605	1,153,474
2018-19	53,524,611	44,398,361	651,213	383,007	133,195	1,167,415
2019-20	50,462,858	41,336,608	606,305	356,594	124,010	1,086,909
2020-21	51,009,287	41,883,037	614,319	361,308	125,649	1,101,276
2021-22	51,564,021	42,437,771	622,456	366,094	127,313	1,115,863
2022-23	52,127,188	43,000,938	630,716	370,952	129,003	1,130,671
2023-24	52,698,917	43,572,667	639,102	375,884	130,718	1,145,704
2024-25	53,279,339	44,153,089	647,615	380,891	132,459	1,160,965
2025-26	53,868,585	44,742,335	656,258	385,974	134,227	1,176,459
2026-27	54,466,792	45,340,542	665,032	391,135	136,022	1,192,189
2027-28	55,074,094	45,947,844	673,940	396,374	137,844	1,208,158
2028-29	55,690,633	46,564,383	682,983	401,692	139,693	1,224,368
2029-30	56,316,548	47,190,298	692,164	407,092	141,571	1,240,827
2030-31	56,951,983	47,825,733	701,484	412,573	143,477	1,257,534
2031-32	57,597,083	48,470,833	710,946	418,138	145,412	1,274,496
2032-33	58,251,996	49,125,746	720,552	423,788	147,377	1,291,717
2033-34	58,916,872	49,790,622	730,304	429,524	149,372	1,309,200
2034-35	59,591,863	50,465,613	740,204	435,347	151,397	1,326,948
2035-36	60,277,124	51,150,874	750,255	441,258	153,453	1,344,966
2036-37	60,972,811	51,846,561	760,459	447,260	155,540	1,363,259
2037-38	61,679,084	52,552,834	770,819	453,352	157,659	1,381,830
2038-39	62,396,105	53,269,855	781,336	459,538	159,810	1,400,684
2039-40	63,124,038	53,997,788	792,013	465,817	161,993	1,419,823
2040-41	63,863,049	54,736,799	802,852	472,192	164,210	1,439,254
2041-42	64,613,309	55,487,059	813,856	478,665	166,461	1,458,982
2042-43	65,374,990	56,248,740	825,028	485,235	168,746	1,479,009
TOTAL			23,872,677	14,040,570	4,882,772	42,796,019

Projections based on:

SEV Growth Factor	1.5%
City Millage	14.6675
HFCC	3.0000
County Millage	8.6266

Projections for the Montgomery Ward redevelopment project are based on an initial true cash value of $45M (only one-third of the project is shown in 2009-10). Development projections also reflect a slight decline after five and ten years.

NOTE: This spreadsheet is for illustration purposes only. Figures used repesent the City's best estimate at this time and are subject to review and change. Actual amounts may vary, even substantially, from these estimates.

Section 17(2)(j)

DESIGNATION OF PERSON OR PERSONS, NATURAL OR CORPORATE, TO WHOM ALL OR A PORTION OF THE DEVELOPMENT IS TO BE LEASED, SOLD OR CONVEYED, AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN.

The EDDDA may convey, lease or sell all or a portion of the development to any entity, public or private, as may be necessary or convenient to carry out this Plan.

Section 17(2)(k)

PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING OR CONVEYING ALL OR ANY PORTION OF THE DEVELOPMENT.

The EDDDA will comply with the procedures set forth in State law.

Section 17(2)(l)

ESTIMATES OF THE NUMBERS OF PERSONS RESIDING IN THE DEVELOPMENT AREA AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED.

Approximately 246 people reside in the Development Area. No families or individuals will be displaced by the various projects described herein.

In 2002, as a result of the new residential development known as “Georgetown Commons”, the Act required the establishment of a Development Area Citizen Council.

The East Dearborn Development Area Citizens’ Council was created by Ordinance No. 02-871 (Exhibit F) and serves in an advisory capacity to the Authority and City Council in the adoption of development or tax increment financing plans.

Section 17(2)(m)

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

Not applicable.

Section 17(2)(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 FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, BEING PUBLIC LAW 91-646, 42 U.S.C. SECTIONS 4601, ET SEQ.

Not applicable.

Section 17(2)(o)

PLAN FOR COMPLIANCE WITH ACT 227 OF 1972, BEING SECTIONS 213.321 - 213.332 OF MICHIGAN COMPILED LAWS.

Not applicable.

Section 14(2)

A. TAX INCREMENT PROCEDURE

Tax increment revenue to be transmitted to a downtown development authority is generated when the current assessed value of all properties within a development area exceeds the initial assessed value of the properties. The initial assessed value is defined in Act 197 as "the most recently assessed value of all taxable property within the boundaries of the development area at the time the ordinance establishing the area is approved." The current assessed value refers to the assessed value of all properties, real and personal, within the development area as established each year subsequent to the adoption of the tax increment financing plan. The amount in any one year by which the current assessed value exceeds the initial assessed value is defined as the "captured assessed value." The tax increment revenue transmitted to the authority results from applying the total tax levy of all taxing units within the development area to the captured assessed value.

Increases in assessed values within a development area which result in the generation of tax increment revenues can result from any of the following:

a. Construction of new developments occurring after the date establishing the "initial assessed value."

b. Rehabilitation, remodeling, alterations, or additions occurring after the date establishing the "initial assessed value."

c. Increases in property values which occur for any other reasons.

Tax increment revenues transmitted to the authority can be used as they accrue annually, can be held to accumulate amounts necessary to make improvements described in the Plan, can be contractually obligated to the municipality as a revenue source with which to meet debt service on certain of the municipality's obligations, or can be pledged for debt service on general obligation tax increment bonds issued by the municipality.

For the duration of the tax increment financing plan, the local taxing jurisdictions will continue to receive tax revenues based upon the initial assessed value. The authority however (subject to the provisions of agreements for the sharing of captured assessed value), receives that portion of the tax levy of all taxing jurisdictions paid each year on the captured assessed value of the property within the development area; provided, however, that the authority will not receive any part of a millage specifically levied for the payment of principal and interest on obligations approved by the electors or obligations pledging the unlimited taxing power of a local governmental unit.

For example, suppose that in the first year a tax increment financing plan relating to a development area having a state equalized value of $5,000,000 is established. The initial assessed value is $5,000,000. Assume that the tax rate applicable to the development area is 22 mills, and that of the 22 mills, 2 mills are levied by various taxing units for the payment of principal and interest on obligations described above. In the first year the taxes on the eligible property will be $110,000 (22 mills times $5,000,000). None of those taxes will be paid to the authority. In the second year, because of construction, the state equalized valuation of the development area is $25,000,000. The current assessed value in year two is $25,000,000 and the captured assessed value is $20,000,000. ($25,000,000 less the initial assessed value of $5,000,000).

If there were no agreements for the sharing of captured assessed value, the authority would receive tax increments of $400,000 (20 mills times $20,000,000). The taxing jurisdictions would receive $150,000 (22 mills times the initial assessed value of $5,000,000 plus 2 mills times the captured assessed value of $20,000,000). In each subsequent year for the duration of the tax increment financing plan a similar computation would be made.

If agreements to share captured assessed value were in place, the calculations would be adjusted to reflect the terms of those agreements. If we assume that agreements were in effect to share with each of the taxing jurisdictions 50% of the captured assessed value, the calculation for year two would be as follows: Tax increment revenue paid to the authority would be $200,000 (20 mills times $10,000,000 which represents one half of the captured assessed value) and the taxing jurisdictions would receive $350,000 (22 mills times $5,000,000, the initial assessed value, plus 22 mills times $10,000,000 which represents the shared captured assessed value, plus 2 mills times $10,000,000 representing the unshared captured assessed value.) The EDDDA is authorized by this Plan to enter into agreements to share a portion of the captured assessed value. Such agreements are subject to negotiation with the foregoing example; the EDDDA will not capture any TIF revenues attributable to the application of voted millage levied by any taxing units for debt service.

The EDDDA may expend tax increment revenues only in accordance with the tax increment financing plan; surplus revenues revert proportionally to the respective taxing jurisdictions. The tax increment financing plan may be modified upon approval of the City Council after notification and hearings as required by Act 197. When the City Council finds that the purposes for which the Plan was established have been accomplished, they may abolish the Plan.

B. MAXIMUM INDEBTEDNESS AND DURATION OF PLAN

The maximum amount of bonded indebtedness to be incurred under this Tax Increment Plan is not to exceed $20 million.

The maximum duration of the Plan will run through the calendar year 2043 or such time as necessary to fully repay any and all indebtedness created under this Plan.

C. ESTIMATED IMPACT ON ALL TAXING JURISDICTIONS

All taxing units should benefit from the projects and programs initiated under this Plan. The EDDDA Plan will strengthen the Downtown District and arrest stagnation and deterioration in property values. A strengthened district will result in higher property value, which translates into a proportionate increase in property taxes derived from the district.

It is anticipated that the public improvements and programs proposed for the district will induce private sector investment and provide long term stability and growth in the Downtown District. This will greatly benefit all taxing jurisdictions, which are dependent upon the well being of the Downtown District, which impacts the surrounding residential neighborhoods and the city in general. Activities funded under this Plan are an investment in the future of the downtown to assure a viable business district will be part of Dearborn's future. (See Table I).

Exhibit A

ORDINANCE NO. 81-117

AN ORDINANCE TO CREATE A DOWNTOWN
DEVELOPMENT AUTHORITY FOR EAST DEARBORN
WITHIN THE CITY OF DEARBORN

THE CITY OF DEARBORN ORDAINS:

Section 1. DOWNTOWN DEVELOPMENT AUTHORITY - EAST DEARBORN ESTABLISHED. In recognition of the fact that it is in the best interest of the public to halt property value deterioration in the downtown business district of East Dearborn, to eliminate the causes of such deterioration and to promote economic growth in the downtown business district, a Downtown Development Authority is hereby established pursuant to Act No. 197 of the Public Acts of 1975, to be known as the Downtown Development Authority - East Dearborn within the City of Dearborn.

Section 2. ORGANIZATION. The Authority shall be under the supervision and control of a Board consisting of the Mayor and eight (8) members appointed by the Mayor, subject to approval by the City Council. At least five (5) of the members shall be persons having an interest in property located in the downtown district. At least one (1) of the members shall be a resident of the downtown district if the downtown district has 100 or more persons residing within it. Of the members first appointed, two (2) shall be appointed for one (1) year, two (2) for two (2) years, two (2) for three (3) years, and two (2) for four (4) years. Thereafter, a member shall serve for a term of four (4) years. An appointment to fill a vacancy shall be made by the Mayor for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The Chairman of the Board shall be elected by the Board.

Section 3. DUTIES. The Downtown Development Authority - East Dearborn as herein created shall be charged with the following duties:

(a) Prepare an analysis of economic changes taking place in the downtown district.

(b) Study and analyze the impact of metropolitan growth upon the downtown district.

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

(d) Develop long-range plans, in cooperation with the City Plan Commission, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.

Exhibit A

(e) Implement any plan of development in the downtown district necessary to achieve the purposes of this act, in accordance with the powers of the authority as granted by this act.

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

(g) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority deems proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests therein, which the authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect thereto.

(h) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.

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

(j) Lease any building or property under its control, or any part thereof.

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

(l) Acquire and construct public facilities.

Section 4. FINANCING. The activities of the Authority shall be financed from one or more of the following sources:

(a) Donations to the Authority for the performance of its functions.

(b) Proceeds of a tax imposed pursuant to Section 12 of Act No. 197 of the Public Acts of 1975.

(c) Monies borrowed and to be repaid as authorized by Section 13 of Act No. 197 of the Public Acts of 1975.

(d) Revenues from any property, building, or facility owned, leased, licensed or operated by the Authority or under its control, subject to the limitations imposed upon the Authority by trusts or other agreements.

Exhibit A

(e) Proceeds of a tax increment financing plan, established under Sections 14-16 of Act No. 197 of the Public Acts of 1975.

(f) Monies obtained from other sources approved by the City Council of the City of Dearborn.

(g) Monies received by the Authority and not covered under Sub-Section 1 shall be immediately deposited to the credit of the Authority, subject to disbursement pursuant to Act No. 197 of the Public Acts of 1975. Except as provided in Act No. 197 of the Public Acts of 1975, the City shall not obligate itself, nor shall it ever be obligated to pay any sums from public monies, other than monies received by the City pursuant to this section, for or on account of the activities of the Authority.

Section 5. DEVELOPMENT PLANS. When the 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 of Act No. 197 of the Public Acts of 1975, it shall prepare a development plan. The development plan shall contain:

(a) The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

(b) The location and extent of existing streets and other public facilities within the development area and shall designate the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses and shall include a legal description of the development area.

(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.

(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.

(e) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

(f) A description of any parts of the development area to be left as open space and the use contemplated for the space.

(g) A description of any portions of the development area which the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

(h) A description of desired zoning changes and changes in streets, street levels, intersections, and utilities.

Exhibit A

(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.

(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.

(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.

(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 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.

(m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

(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 federal uniform relocation assistance and real property acquisition policies act of 1970, being Public Law 91-646, 42 USC sections 4601, et seq.

(o) A plan for compliance with Act No. 227 of the Public Acts of 1972, being sections 213.321 to 213.332 of the Michigan Compiled Laws.

(p) Other material which the authority, local public agency, or governing body deems pertinent.

Section 6. DEVELOPMENT AREA CITIZENS COUNCIL. If a proposed development area has residing within it 100 or more residents, a Development Area Citizens Council shall be established at least 90 days before the public hearing on the development or tax increment financing plan. The Development Area Citizens Council shall be established by the governing body and shall consist of not less than nine (9) members. The members of

Exhibit A

the Development Area Citizens Council shall be residents of the development area and shall be appointed by the City Council. A member of a Development Area Citizens Council shall be at least 18 years of age. The Development Area Citizens Council shall be representative of the development area.

Section 7. GOVERNING PROCEDURES. The Downtown Development Authority - East Dearborn shall have all the powers and duties prescribed by Act No. 197 of the Public Acts of 1975. Any questions of interpretation of the powers and duties and responsibilities of the Authority shall be resolved by reference to Act No. 197 of the Public Acts of 1975. The Authority shall provide the City Council and Planning Commission with all reports and studies regulating the formation and implementation of project development plans. The Authority shall submit the proposed development plan to the City Plan Commission for review and recommendation to the City Council prior to the hearing specified in Section 18 of Act No. 197 of the Public Acts of 1975. It shall also consult with and advise any Development Area Citizens Council formed pursuant to the state legislation regarding all preparation and implementation of development plans whenever such plans are conceived.

Section 8. BOUNDARIES. The Authority shall exercise its powers within the following described area:

LEGAL DESCRIPTION

Beginning at the intersection of the west line of Oakman Boulevard, 120 feet wide, and the northerly line of Michigan Avenue, variable width; thence westerly along the said northerly line of Michigan Ave. to the northerly extension of the west line of Lois, 58 feet wide; thence southerly along with said northerly extension of the west line of Lois to the southerly line of Lot 111 of Miller Home Subdivision; thence westerly along said southerly line of Lot 111, extended to the west line of Bingham, 50 feet wide; thence southerly along said west line of Bingham to the north line of Osborn, 50 feet wide; thence westerly along said north line of Osborn to the northerly extension of the west line of the 20 foot wide public alley, lying North of Bryan, between Schaefer and Calhoun; thence southerly along the said northerly extension of the west line of said 20 foot wide public alley to the north line of Bryan, 50 feet wide; thence westerly along said north line of Bryan extended to the west line of Schaefer Road, 86 feet wide; thence southerly along said west line of Schaefer Road to the south line of Fractional Section 18, T. 2 S, R. 11 E.; thence westerly along said south line of Fractional Section 18 to the easterly line of Maple, 66 feet wide; thence northerly along said easterly line of Maple to the easterly extension of the north line of the vacated 18 foot wide public alley lying east of Schlaff between Lithgow and Robertson; thence westerly along said

Exhibit A

easterly extension of the north line of the vacated 18 foot wide public alley and extending said north line of alley westerly to the east line of Schlaff, variable width; thence northerly along said east line of Schlaff extended to the north line of Wellesley, 60 feet wide; thence westerly along said north line of Wellesley to the east line of Roemer, 66 feet wide south of Michigan Ave.; thence northerly along said east line of Roemer, to the south line of Michigan Ave., 100 feet wide; thence northerly to the intersection of the northerly line of Michigan Ave. and the east line of Roemer, 60 feet wide north of Michigan Ave.; thence northerly along said east line of Roemer, north of Michigan Ave., to the north line of Lot 95 of Chase Subdivision; thence easterly along said north line of Lot 95 extended to the east line of the 18 foot wide public alley lying north of Michigan between Roemer and Schlaff; thence southerly along the said east line of said 18 foot wide public alley to the north line of Lot 38, Chase Subdivision; thence easterly along said north line of Lot 38 of Chase Subdivision to the westerly line of Schlaff, variable width; thence easterly to the intersection of the easterly line of Schlaff and the southeasterly line of Argyle, variable width; thence northeasterly along said southeasterly line of Argyle to the north line of Lot 245 of Ardross Subdivision; thence easterly along said north line of Lot 245, extended to the east line of Middlesex, 50 feet wide; thence northerly along said east line of Middlesex to the north line of Lot 55 of Ardross Subdivision; thence easterly along said north line of Lot 55, extended to the east line of Horger, 55 feet wide; thence northerly along said east line of Horger to the north line of Lot 381 of Maplewood Park Subdivision; thence easterly along said north line of Lot 381, extended to the east line of the 18 foot wide public alley lying north of Michigan Ave. between Maple and Neckel; thence northerly along the said east line of the said 18 foot wide public alley to the southerly line of Colson, variable width; thence easterly along said southerly line of Colson to the westerly line of Neckel, 55 feet wide; thence easterly to the intersection of the said southerly line of Colson and the easterly line of Neckel; thence northerly along said easterly line of Neckel to the south line of Ruby, 50 feet wide west of Schaefer; thence easterly along said south line of Ruby, extended to the east line of Schaefer, 86 feet wide; thence northerly along said east line of Schaefer to the south line of Ruby, 50 feet wide east of Schaefer; thence easterly along said south line of Ruby, to the west line of Calhoun, 50 feet wide; thence southerly along said west line of Calhoun extended to the south

Exhibit A

line of Colson, 60 feet wide; thence easterly along said south line of Colson to the West line of Bingham, 50 feet wide; thence southerly along said west line of Bingham to the westerly extension of the north line of Lot 297 in the Addition to Maplewood Park Subdivision; thence easterly along said westerly extension to the north line of Lot 297 extended to the center line of the vacated 18 foot wide public alley, lying north of Michigan between Bingham and Jonathon; thence northerly along said center line of the vacated 18 foot wide public alley to the westerly extension of the north line of Lot 397 in the Addition to Maplewood Park Subdivision; thence easterly along said westerly extension of the north line of Lot 397 extended to the east line of Jonathon, 50 feet wide; thence northerly along said east line of Jonathon to the north line of Lot 408 in the Addition to Maplewood Park Subdivision; thence easterly along said north line of Lot 408 extended to the center line of the vacated 18 foot wide public alley lying north of Michigan Ave. between Jonathon and Reuter; thence northerly along said center line of said vacated 18 foot wide public alley to the westerly extension of the north line of Lot 504 in the Addition to Maplewood Park Subdivision; thence easterly along said north line of Lot 504 extended to the east line of Reuter, 60 feet wide; thence northerly along said east line of Reuter to the north line of Lot 137, of Woodbridge Park Subdivision; thence easterly along said north line of Lot 137 extended to the east line of the 18 foot wide public alley lying north of Michigan Ave. between Reuter and Hartwell; thence northerly along the said east line of said 18 foot wide public alley to the north line of Lot 116 of Woodbridge Park Subdivision; thence easterly along said north line of Lot 116, extended to the east line of Hartwell, 50 feet wide; thence northerly along said east line of Hartwell to the south line of Colson, 60 feet wide; thence easterly along said south line of Colson to the west line of Oakman Blvd., 120 feet wide; thence southerly along said west line of Oakman Blvd. to the Point of Beginning.

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance readopted November 4, 1981 and published on November 12, 1981, effective the day following publication.

JOHN B. O'REILLY, Mayor

JOHN JAY HUBBARD, City Clerk

Exhibit B

ORDINANCE NO. 83-272

AN ORDINANCE TO ADOPT THE DEVELOPMENT
AND TAX INCREMENT FINANCING PLAN NO. 1 OF
THE DOWNTOWN DEVELOPMENT AUTHORITY - EAST DEARBORN

THE CITY OF DEARBORN ORDAINS:

Section 1. The Development and Tax Increment Financing Plan No. 1 of the Downtown Development Authority - East Dearborn is hereby adopted pursuant to Michigan Compiled Laws Section 125.1669, and the City does specifically find that said Plan constitutes a public purpose.

Section 2. A copy of the Development and Tax Increment Financing Plan No. 1 of the Downtown Development Authority - East Dearborn, which was adopted by that Body on March 8, 1983, which is approximately forty one pages in length, shall be maintained on file in the Office of the City Clerk for inspection by the public at all times during regular business hours.

Section 3. Should any section, clause or phrase of this Ordinance be declared to be invalid, the same shall not affect the validity of the Ordinance as a whole, or any part thereof other than the part declared to be invalid.

Section 4. All Ordinances or parts of Ordinances in conflict with any of the provisions of this Ordinance are hereby repealed.

Section 5. This Ordinance shall take effect the day after its publication in accordance with the provision of Chapter 9, Section 9.2 of the City Charter.

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance adopted on May 3, 1983 and published on May 12, 1983, effective the day following publication.

JOHN B. O'REILLY, Mayor

DUANE WYDENDORF, City Clerk

Exhibit C

LEGAL DESCRIPTION
FOR
EAST DEARBORN DOWNTOWN DEVELOPMENT AUTHORITY
DEVELOPMENT DISTRICT BOUNDARY

Beginning at the intersection of the southerly extension of the east line of Jonathon, 50 feet wide, north of Michigan Avenue, and the southerly line of Michigan Avenue, 100 feet wide; thence westerly along said southerly line of Michigan Avenue to the east line of Jonathon, 75 feet wide; thence southerly along said east line of Jonathon to the southerly line of the 18 foot wide public alley lying south of and parallel to Michigan Avenue; thence westerly along said southerly line of the 18 foot wide public alley to the east line of Bingham, 50 feet wide; thence southerly along said east line of Bingham to the south line of Lot 198 of Miller Home Subdivision; thence along the westerly extension of said south line of Lot 198 to the west line of said Bingham; thence southerly along said west line of Bingham to the southerly line of Lot 260 of Miller Home Subdivision; thence westerly along said southerly line of Lot 260 to the easterly line of the 18 foot wide public alley lying north of Osborn between Calhoun and Bingham; thence southerly along said easterly line of the 18 foot wide public alley to the north line of Osborn, 50 feet wide; thence westerly along said north line of Osborn to the northerly extension of the west line of the 20 foot wide public alley, lying north of Bryan, between Schaefer and Calhoun; thence southerly along the said northerly extension of the west line of said 20 foot wide public alley to the north line of Bryan, 50 feet wide; thence westerly along said north line of Bryan extended to the west line of Schaefer Road, 86 feet wide; thence southerly along said west line of Schaefer Road to the south line of Fractional Section 18, T. 2 S., R. 11 E.; thence westerly along said south line of Fractional Section 18 to the easterly line of Maple, 66 feet wide; thence northerly along said easterly line of Maple to the easterly extension of the south line of Lithgow, 60 feet wide; thence westerly along said easterly extension of the south line of Lithgow to the southerly extension of the westerly line of the 18 foot wide public alley lying west of and parallel to Maple, north of Lithgow; thence northerly along said southerly extension of the westerly line of the 18 foot wide public alley extended to the northerly line of Wellesley, 60 feet wide; thence easterly along said northerly line of Wellesley to the center line of the vacated 18 foot wide public alley west of and parallel to Maple; thence northerly along said center line of the vacated 18 foot wide public alley to the northerly line of the 18 foot wide public alley south of and parallel to Michigan Avenue; thence easterly along said northerly line of the 18 foot wide public alley to the west line of said Maple; thence northerly along said west line of Maple to the southerly line of Michigan Avenue; variable width; thence westerly along said southerly line of Michigan Avenue to the southerly extension of the west line of Horger, 55 feet wide; thence northerly along said southerly extension of the west line of Horger to the northerly line of the 24 foot wide public alley lying north of and parallel to Michigan Avenue; thence easterly along said northerly line of the 24 foot wide public alley to the west line of Maple, 55 feet wide; thence northerly along said west line of Maple to the westerly extension of the north line of Lot 226 of Maplewood Park Subdivision; thence easterly along said westerly extension of the north line of Lot 226 to the east line of the 18 foot wide public alley lying north of Michigan Avenue between Maple and Neckel; thence northerly along said east line of the 18 foot wide public alley to the southerly line of Colson, variable width; thence easterly along said southerly line of Colson to the west line of vacated Neckel, 55 feet wide; thence easterly to the intersection of the said southerly line of Colson and the east line of said vacated Neckel; thence

Exhibit C

LEGAL DESCRIPTION
FOR
EAST DEARBORN DOWNTOWN DEVELOPMENT AUTHORITY
DEVELOPMENT DISTRICT BOUNDARY

northerly to the intersection of the east line of Neckel, 55 feet wide, and the north line of said Colson; thence easterly along said north line of Colson to the west line of the 18 foot wide public alley lying north of Colson, west of and parallel to Schaefer; thence northerly along said west line of the 18 foot wide public alley to the westerly extension of the north line of Lot 38 of Maplewood Park Subdivision; thence easterly along said westerly extension of the line of the north line of Lot 38 extended to the east line of Schaefer Road, 86 feet wide; thence southerly along said east line of Schaefer Road to the north line of Colson, 60 feet wide; thence easterly along said north line of Colson to the west line of Calhoun, 50 feet wide; thence southerly along said west line of Calhoun extended to the south line of said Colson; thence easterly along said south line of Colson to the west property line of Kennedy Plaza, said west property line lying 150.00 feet west of and parallel to the west line of Bingham, 50 feet wide; thence southerly along said west property line of Kennedy Plaza to the westerly extension of the north line of Lot 281 of Addition to Maplewood Park Subdivision; thence easterly along said westerly extension of the north line of Lot 281 to the said west line of Bingham; thence southerly along said west line of Bingham to the westerly extension of the north line of Lot 297 in the Addition to Maplewood Park Subdivision; thence easterly along said westerly extension of the north line of Lot 297 to the east line of said Bingham; thence southerly along said east line of Bingham to the northerly line of the 18 foot wide public alley lying north of and parallel to Michigan Avenue; thence easterly along said northerly line of the 18 foot wide public alley extended to the said east line of Jonathon; thence southerly along said east line of Jonathon extended to the southerly line of Michigan and Point of Beginning.

J.P.
1-12-90

Exhibit D

ORDINANCE NO. 85-342

AN ORDINANCE TO AMEND
ORDINANCE NO. 81-117
AN ORDINANCE TO CREATE A DOWNTOWN
DEVELOPMENT AUTHORITY FOR EAST DEARBORN
WITHIN THE CITY OF DEARBORN

THE CITY OF DEARBORN ORDAINS:

That Ordinance No. 81-117 entitled "An Ordinance To Create A Downtown Development Authority for East Dearborn within the City of Dearborn" be and is hereby amended by changing Section 2 to read as follows:

Section 2. ORGANIZATION. The authority shall be under the supervision and control of a board consisting of the Mayor and ten (10) members appointed by the Mayor, subject to approval by the City Council. Not less than a majority of the members shall be persons having an interest in property located in the downtown district. Not less than 1 of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it. Of the members first appointed, an equal number of the members, as near as is practicable, shall be appointed for 1 year, 2 years, 3 years and 4 years. A member shall hold office until the member's successor is appointed. Thereafter, each member shall serve for a term of 4 years. An appointment to fill a vacancy shall be made by the Mayor for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The Chairperson of the Board shall be elected by the Board.

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance adopted on November 6, 1985 and published on November 14, 1985, effective the day following publication.

JOHN B. O'REILLY, Mayor

DUANE WYDENDORF, City Clerk

Exhibit E

ORDINANCE NO. 91-528

AN ORDINANCE TO AMEND ORDINANCE NO. 83-272, AS AMENDED "AN ORDINANCE TO ADOPT THE DEVELOPMENT AND TAX INCREMENT FINANCING PLAN AMENDMENT, 1991 OF THE DOWNTOWN DEVELOPMENT AUTHORITY - EAST DEARBORN"

THE CITY OF DEARBORN ORDAINS:

SECTION 1. The City Council has been presented with the Development and Tax Increment Financing Plan Amendments, 1991, as amended, of the Downtown Development Authority - East Dearborn (the "Authority"), which was amended and adopted by that body on September 11, 1991 (as amended and adopted, the "Plan"), pursuant to the provisions of Act 197 of the Public Acts of Michigan, 1975, as amended (the "Act"). The City Council hereby determines that the Plan constitutes a public purpose.

SECTION 2. The Plan, as submitted by the Authority is hereby approved.

SECTION 3. As required by the Act, the City Council has in reviewing and approving the Plan herein taken into account the following considerations:

(a) The Development Plan meets the requirements set forth in Section 17(2) of the Act and the Tax Increment Financing Plan meets the requirements set forth in Section 14(2) of the Act.

(b) The proposed method of financing the development is feasible and the Authority has the ability to arrange the financing.

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) The land included within the Development Area to be acquired (to the extent required by the Plan) is reasonably necessary to carry out the purposes of the Plan and the purposes of the Act in an efficient and economically satisfactory manner.

(e) The Development Plan is in reasonable accord with the Master Plan of the City.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the Development Area.

(g) Changes in streets, street levels, intersections, and utilities (to the extent required by the Plan) are reasonably necessary for the Project and for the City.

Exhibit E

SECTION 5. A copy of the Plan, in the form approved hereby, which is approximately 61 pages in length shall be maintained on file in the office of the City Clerk for inspection by the public at all times during regular business hours.

SECTION 6. Should any section, clause or phrase of this Ordinance be declared to be invalid, the same shall not affect the validity of the Ordinance as a whole, or any part thereof other than the part declared to be invalid.

SECTION 7. All Ordinances or parts of Ordinances in conflict with any of the provisions of this Ordinance are hereby repealed.

SECTION 8. This Ordinance shall take effect the day after its publication in accordance with the provisions of Chapter 9, Section 9.2 of the City Charter.

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance adopted on November 19, 1991 and published on November 27, 1991, effective the day following publication.

Michael A. Guido

MICHAEL A. GUIDO, Mayor

Duane Wydendorf

DUANE WYDENDORF, City Clerk

Exhibit F

ORDINANCE NO. 02-871

AN ORDINANCE TO AMEND THE COMMUNITY DEVELOPMENT CHAPTER (CHAPTER 7) OF THE CODE OF THE CITY OF DEARBORN BY AMENDING SECTION 7-101 OF ARTICLE III, DIVISION 2, ENTITLED "DOWNTOWN DEVELOPMENT AUTHORITY - EAST DEARBORN."

THE CITY OF DEARBORN ORDAINS TO:

Amend Chapter 11 of the Code of the City of Dearborn by amending Section 7-101, to read as follows:

ARTICLE III. DOWNTOWN DEVELOPMENT AUTHORITY

***

DIVISION 2. EAST DEARBORN

***

Sec. 7-101. Development area citizen's council.

If a proposed development area has residing within it 100 or more residents, a development area citizens' council shall be established at least 90 days before the public hearing on the development or tax increment financing plan. The members of the development area citizens' council shall be residents of the development area, **shall be at least 18 years of age, and shall be representative of the development area.**

There is hereby created and established a Downtown Development Authority - East Dearborn Development Area Citizens' Council. The East Dearborn Downtown Development Area Citizens' Council shall consist of nine members appointed by the mayor and approved by the city council. Each term of appointment shall be for three years, except at the creation of the council whereby there shall be three members appointed for one, two, and three year terms. The East Dearborn Development Area Citizens' Council shall be governed by Robert's Rule of Order and shall meet as necessary, in conformity with the Open Meetings Act.

Exhibit F

The East Dearborn Development Area Citizens' Council shall act as an advisory board to the Downtown Development Authority and to the city council in the adoption of the development or tax increment financing plans. The East Dearborn Development Area Citizens' Council shall make findings and recommendations in conformity with MCL 125.1667, *et seq.*

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance adopted on January 15, 2002 and published on January 24, 2002 effective the day following publication. True copies of this Ordinance may be inspected or obtained in the Office of the City Clerk.

Michael A. Guido, Mayor

Kathleen Buda, City Clerk

Exhibit G

ORDINANCE NO. 02-908

AN ORDINANCE TO AMEND ORDINANCE NO. 91-528, AS AMENDED "AN ORDINANCE TO ADOPT THE DEVELOPMENT AND TAX INCREMENT FINANCING PLAN AMENDMENT, 2002 OF THE DOWNTOWN DEVELOPMENT AUTHORITY - EAST DEARBORN"

THE CITY OF DEARBORN ORDAINS:

SECTION 1. The City Council has been presented with the Development and Tax Increment Financing Plan Amendments, 2002, as amended, of the Downtown Development Authority - East Dearborn (the "Authority"), which was amended and adopted by that body on January 10, 2002 (as amended and adopted, the "Plan"), pursuant to the provisions of Act 197 of the Public Acts of Michigan, 1975, as amended (the "Act"). The City Council hereby determines that the Plan constitutes a public purpose.

SECTION 2. The Plan, as submitted by the Authority is hereby approved with the following additions:

(a) The estimated cost for demolition of Section 17(2)(c), 17(2)(d) and 17(2)(e) is increased from $800,000 to $1,500,000.

(b) A new Activity, Environmental Due Care Activities, be included in Section 17(2)(c), 17(2)(d) and 17(2)(e) of the Plan with the estimated cost of the Activity to be $2,000,000.

SECTION 3. As required by the Act, the City Council has in reviewing and approving the Plan herein taken into account the following considerations:

(a) The Development Plan meets the requirements set forth in Section 17(2) of the Act and the Tax Increment Financing Plan meets the requirements set forth in Section 14(2) of the Act.

(b) The proposed method of financing the development is feasible and the Authority has the ability to arrange the financing.

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) The land included within the Development Area to be acquired (to the extent required by the Plan) is reasonably necessary to carry out the purposes of the Plan and the purposes of the Act in an efficient and economically satisfactory manner.

(e) The Development Plan is in reasonable accord with the Master Plan of the City.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the Development Area.

(g) Changes in streets, street levels, intersections, and utilities (to the extent required by the Plan) are reasonably necessary for the Project and for the City.

SECTION 4. The activities of the Authority shall be refinanced from one or more of the following sources:

(a) Donations to the Authority for the performance of its functions.

(b) Proceeds of a tax imposed pursuant to Section 12 of Act No. 197 of the Public Acts of 1975.

(c) Monies borrowed and to be repaid as authorized by Section 13 of Act 197 of the Public Acts of 1975.

(d) Revenues from any property, building, or facility owned, leased, licensed or operated by the Authority or under its control, subject to the limitations imposed upon the Authority by trusts or other agreements.

(e) Proceeds of a tax increment financing plan, established under Sections 14-16 of Act No. 197 of the Public Acts of 1975.

(f) Monies obtained from other sources approved by the City Council of the City of Dearborn.

(g) Monies received by the Authority and not covered under Sub-Section 1 shall be immediately deposited to the credit of the Authority, subject to disbursement pursuant to Act No. 197 of Public Acts of 1975. Except as provided in Act No. 197 of Public Acts of 1975, the City shall not obligate itself, nor shall it ever be obligated to pay any sums from public monies, other than monies received by the City pursuant to this section, for or on account of the activities of the Authority.

Exhibit G

SECTION 5. A copy of the Plan, in the form approved hereby, which is approximately 62 pages in length shall be maintained on file in the Office of the City Clerk for inspection at all times during regular business hours.

SECTION 6. Should any section, clause or phrase of this Ordinance be declared to be invalid, the same shall not affect the validity of the Ordinance as a whole, or any part thereof other than the part declared to be invalid.

SECTION 7. All Ordinances or parts of Ordinances in conflict with any of the provisions of this Ordinance are hereby repealed.

SECTION 8. The Ordinance shall take effect the day after its publication in accordance with the provisions of Chapter 9, Section 9.2 of the City Charter.

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance adopted on July 16, 2002 and published on July 24, 2002 effective the day following publication. True copies of this Ordinance may be inspected or obtained in the Office of the City Clerk.

Michael A. Guido, Mayor

Kathleen Buda, City Clerk

Exhibit H (draft)

ORDINANCE NO. 08-_____

AN ORDINANCE TO AMEND SECTIONS 7-116 AND 7-117
OF THE CODE OF THE CITY OF DEARBORN, ENTITLED
"AN ORDINANCE TO ADOPT THE DEVELOPMENT AND TAX
INCREMENT FINANCING PLAN AMENDMENT 2008
OF THE DOWNTOWN DEVELOPMENT AUTHORITY – EAST DEARBORN"

THE CITY OF DEARBORN ORDAINS:

SECTION 7-116. The Development and Tax Increment Financing Plan Amendment 2008, of the Downtown Development Authority – East Dearborn, which was amended and approved by that body on July 31, 2008, is hereby adopted pursuant to the provisions of Act 197 of the Public Acts of Michigan, 1975, as amended (the "Act", MCL 125.1651 et seq.)

As required by the Act, the City Council has taken into account the following considerations. And, in reviewing and approving the Plan, has specifically determined that the Plan constitutes a public purpose.

(a) The development plan meets the requirements set forth in Section 17(2) of the Act and the tax increment financing plan meets the requirements set forth in Section 14(2) of the Act.

(b) The proposed method of financing the development is feasible and the Authority has the ability to arrange the financing.

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) The land included within the Development Area to be acquired (to the extent required by the Plan) is reasonably necessary to carry out the purposes of the Plan and the purposes of the Act in an efficient and economically satisfactory manner.

(e) The development plan is in reasonable accord with the Master Plan of the City.

(f) Public services, such as fire and police protection and utilities, are or will be adequate to service the development area.

(g) Changes in zoning, streets, street levels, intersections, and utilities (to the extent required by the Plan) are reasonably necessary for the project and for the City.

(h) The findings and recommendations of the East Dearborn Development Area Citizens' Council.

SECTION 7-117. A copy of the Development and Tax Increment Financing Plan Amendment 2008, of the Downtown Development Authority – East Dearborn, which is approximately 19 pages in length plus exhibits, shall be maintained on file in the office of the City Clerk for inspection by the public during regular business hours.

Should any section, clause or phrase of this Ordinance be declared to be invalid, the same shall not affect the validity of the Ordinance as a whole, or any part thereof other than the part declared to be invalid.

All Ordinances or parts of Ordinances in conflict with any of the provisions of this Ordinance are hereby repealed.

The Ordinance shall take effect the day after its publication in accordance with the provisions of Chapter 9, Section 9.2 of the City Charter.

AUTHENTICATION

This is to certify that the undersigned do hereby authenticate the foregoing Ordinance adopted [September 15, 2008] and published on [September 24, 2008], effective the day following publication.

JOHN B. O'REILLY, JR., Mayor

KATHLEEN BUDA, City Clerk