

CITY OF DEARBORN



WARREN BUSINESS DISTRICT IMPROVEMENT AUTHORITY

DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN

Prepared By:

Economic & Community Development Department

CITY OF DEARBORN CITY OFFICIALS

City Council

Mayor John B. O'Reilly, Jr.
Council President Susan A. Dabaja
Council President Pro Tem Thomas P. Tafelski
Councilmember Robert A. Abraham
Councilmember David Bazy
Councilmember Brian C. O'Donnell
Councilmember Michael T. Sareini
Councilmember Mark Shooshanian

Warren Business District Improvement Authority

Board Members

Youseff Bazzi
Fay Beydoun
Ahmad Chebbani
Haider Koussan
Mayor John B. O'Reilly, Jr.
Khalil Rahal
Keith Ward

Recommended for approval by the WBDIA Board: November 10, 2015

Approved by the Dearborn City Council: December 16, 2015

CITY OF DEARBORN, MICHIGAN
16901 MICHIGAN AVENUE
DEARBORN, MI 48126

Table of Contents

1.0 Executive Summary	4-5
2.0 Introduction	6-7
3.0 Development Plan	8-9
Section 21 (2)(a)	10
Section 21 (2)(b)	11
Section 21 (2)(c)	12
Section 21 (2)(d)	13-15
Section 21 (2)(e)	17
Section 21 (2)(f)	18
Section 21 (2)(g)	19
Section 21 (2)(h)	20
Section 21 (2)(i)	21
Section 21 (2)(j)	22
Section 21 (2)(k)	23
Section 21 (2)(l)	24
Section 21 (2)(m)	25
Section 21 (2)(n)	26
Section 21 (2)(o)	27
Section 21 (2)(p)	28
Section 21 (2)(q)	29
Section 21 (2)(r).....	30
4.0 Tax Increment Financial Plan	31-33

Tables

Table 1 – Project Summary Table	16
Table 2 – Anticipated Capture of Taxable Value	34

Exhibits

Exhibit A – Legal Description.....	35
Exhibit B – District Map.....	36
Exhibit C – Existing Land Use Map.....	37
Exhibit D – Current Zoning Map.....	38

1.0 Executive Summary

The City Council of the City of Dearborn, Wayne County, Michigan, having determined that it is necessary for the best interests of the public to redevelop its commercial corridors and to promote economic growth, adopted a resolution on September 7, 2010, declaring its intention to create and provide for the operation of an Authority. The resolution stated that the proposed development area met the following criteria in accordance Section 5 of Act 280 of the Public Acts of 2005 (PA 280):

- (a) Be adjacent to a road classified as an arterial or collector according to the federal highway administration manual “Highway Functional Classification - Concepts, Criteria, and Procedures;”
- (b) Contain at least 10 contiguous parcels or 5 contiguous acres;
- (c) More than ½ of the existing ground floor square footage in the development area is classified as commercial real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c;
- (d) Residential use, commercial use, or industrial use has been allowed or conducted under the zoning ordinance or conducted in the entire development area, for the immediately preceding 30 years;
- (e) Is presently served by municipal water and sewer;
- (f) Zoned to allow for mixed use or high-density residential use;
- (g) The municipality agrees to all of the following:
 - (i) To expedite the local inspection and permitting process in the development area; and,
 - (ii) To modify its master plan to provide for walkable non-motorized interconnections, including sidewalks and streetscapes throughout the development area.

In accordance with PA 280, on November 3, 2010 the City Council held a public hearing to introduce an ordinance that would create the Warren Business District Improvement Authority (WBDIA). On February 7, 2011 the City Council adopted an ordinance establishing the District. On May 11, 2015 the City Council entered into an intergovernmental agreement with Wayne County regarding tax capture in the District. In 2015 initial appointments were made to the Board for the District.

The District is located in the north east portion of Dearborn and generally includes properties fronting Warren Avenue from Greenfield to Wyoming, with additional properties in close proximity to Warren Avenue along certain side streets, as shown on the District Map at [Exhibit B](#).

Among the primary goals of the District are:

- Enhancement of public spaces within the District;
- Delineation of the District through a consistent theme/style along District right-of-way;

- Provision of a unified building style to be implemented through development and re-development of properties within the District, and:
- Economic growth and increased property values.

As a necessary prerequisite to achievement of these goals, a Development Plan and Tax Increment Finance Plan (TIF) have been prepared. The Development Plan outlines the improvements proposed within the District and the Tax Increment Finance Plan identifies the funding mechanisms to be utilized to finance the proposed improvements.

The Development Plan includes: preparing for the planning, administration and staffing of the organization; maintenance; District marketing, promotion, and recruitment of businesses; private sector improvement incentives; and public facility improvements.

The Tax Increment Financing Plan has been prepared utilizing a base year 2015 taxable value for the District of \$48,107,947. Property value growth is calculated based on an annual inflationary growth and the potential of new investment in the District. Over the thirty-year development period, the estimated incremental tax revenues generated within the District is \$13,998,415.

It is the intent of the City and the District to finance the proposed projects from incremental tax revenues generated and captured from within the District. At this time, there are no plans for a District-wide special assessment.

2.0 Introduction

Named after Revolutionary War hero Joseph Warren (1741-75) in 1869, the Warren Avenue business district is the center of Arab-American life in Dearborn and home to one of the largest Arab enclaves in America. Originally coming here to work in the automobile industry, many Arab Americans have established businesses along Warren Avenue. A variety of professional services are available as well as markets, Middle Eastern restaurants, boutiques and bakeries. Notable among these businesses are Shatila Bakery, Famous Hamburgers and New Yasmeeen Bakery. The district has hosted the Arab International Festival, a three-day event in June sponsored by ACCESS (Arab Community Center for Economic and Social Services).

The City Council, having determined that it is necessary for the best interests of the public to redevelop its commercial corridors and to promote economic growth, adopted a resolution on February 7, 2011, declaring its intention to create and provide for the operation of an Authority. The resolution stated that the proposed development area met the following criteria in accordance Section 5 of PA 280:

- (a) Be adjacent to a road classified as an arterial or collector according to the federal highway administration manual “Highway Functional Classification - Concepts, Criteria, and Procedures;”
- (b) Contain at least 10 contiguous parcels or 5 contiguous acres;
- (c) More than ½ of the existing ground floor square footage in the development area is classified as commercial real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c;
- (d) Residential use, commercial use, or industrial use has been allowed or conducted under the zoning ordinance or conducted in the entire development area, for the immediately preceding 30 years;
- (e) Is presently served by municipal water and sewer;
- (f) Zoned to allow for mixed use or high-density residential use;
- (g) The municipality agrees to all of the following:
 - (i) To expedite the local inspection and permitting process in the development area; and,
 - (ii) To modify its master plan to provide for walkable non-motorized interconnections, including sidewalks and streetscapes throughout the development area.

In accordance with PA 280, on November 3, 2010, the City Council held a public hearing to introduce an ordinance that would create the WBDIA. On February 7, 2011 the City Council adopted an ordinance establishing a WBDIA and created a Board for the District. On May 11, 2015 the City Council entered into an intergovernmental agreement with Wayne County regarding tax capture in the District. The District is located in the north east portion of Dearborn and generally includes properties fronting Warren Avenue from Greenfield to Wyoming, with additional properties in close proximity to Warren Avenue along certain side streets.

To meet the requirements of PA 280, it is necessary to prepare a Development Plan and TIF Plan for the WBDIA to adhere to when implementing and financing the District improvements.

The organization of the Development Plan and TIF Plan are in accordance with the requirements and follow the format presented in PA 280. The Development Plan must include a legal description and map of the district, a description of the proposed construction activities, an implementation schedule, estimated construction costs and other pertinent information regarding the District.

The TIF Plan provides a summary of the methods proposed to generate the revenue needed to fund the proposed projects. As outlined in the TIF Plan, funding for projects will be generated through tax increment financing, grants, local cooperation and funding eligible under Section 14 of PA 280.

3.0 Development Plan

The presentation of the Development Plan follows the statutory requirements of PA 280, specifically Section 21(2)(a) through (r). (MCL 125.2891(a) through (r)).

- (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, designating the location, character, and extent of categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, education, and other uses, and including 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 that the District 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 street, street levels, intersections, traffic flow modifications, or utilities.
- (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 District 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 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.

- (m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.
- (n) Provisions for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provision of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 84 Stat. 1894.
- (o) A plan for compliance with 1972 PA 227, MCL 213.321 to 231.332.
- (p) The requirement that amendments to an approved development plan or tax increment plan must be submitted by the authority to the governing body for approval or rejection.
- (q) A schedule to periodically evaluate the effectiveness of the development plan.
- (r) Other material that the District, local public agency, or governing body considers pertinent.

Section 21.(2)(a)

The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise. (MCL 125.2891(2)(a)).

At the February 7, 2011 regular meeting, the City Council adopted an ordinance creating the WBDIA and establishing the boundaries of the development area now identified as the District. Attached as Exhibit B is a map which delineates the boundaries of the District in relation to the adjacent highways, streets and streams.

Section 21.(2)(b)

The location and extent of existing streets and other public facilities within the development area, designating the location, character, and extent of categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, education, and other uses, and including a legal description of the development area. (MCL 125.2891(2)(b)).

Existing Land Uses

The location and extent of existing streets within the District are set forth at Exhibit B.

The existing public and private land uses within the District are shown on the land use plan adopted from the City's Master Plan and is attached as Exhibit C. The District is comprised of predominantly commercial and office uses, including, local convenience retail, restaurants, business and service oriented uses along with single and multiple-family residential properties. The current zoning map is attached as Exhibit D. Development within the District began during the 1920's and will continue to occur in the future through development of the inventory of vacant parcels, in addition to the redevelopment improved parcels.

Legal Description

A detailed legal description of the District is attached at Exhibit A.

Section 21.(2)(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. (MCL 125.2891(2)(c)).

To accomplish the goals established for the District, the WDBIA has identified a variety of projects which are described in detail under MCL 125.2891(2)(c). Of the projects identified by this Development Plan, the proposed commercial façade improvement program has the most potential to effect meaningful alteration of existing improvements within the District. For details on this program, please reference the following section of the Development Plan.

Section 21.(2)(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. (MCL 125.2891(2)(d)).

This section of the plan is intended to reflect current and future programs and activities of the WBDIA.

The WBDIA 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.

B) Maintenance

Activities under this category include annual items such as snow plowing, trash collection and removal, grass cutting and weed treatments.

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

This category includes activities and staffing associated with coordinating district marketing (newsletters, brochures, website, etc.), various promotions, special events, business retention and attraction, management of joint business services (waste management, security, annual flower planting, hanging flower baskets, snow removal, etc.) which sustain and increase business activity within the district. Activities occur annually throughout the life of this Plan.

D) 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 WBDIA Board and to the extent permitted by law.) A commercial façade improvement program will also be established, as well as the development of design standards.

The level of participation under this Plan will be determined on a case by case basis. The WBDIA 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 WBDIA and confirmed by the Dearborn City Council when adopting annual WBDIA/TIF budgets.

E) **Public Facility Improvements**

The WBDIA 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, bicycle and other multi-modal lanes, traffic control improvements potentially including solutions like roundabouts, new signals or other solutions for difficult intersections, signage for the district and other general public beautification improvements.

1) Streetscapes

The WBDIA 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 WBDIA 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 degrees. Scheduling will be determined at a later time as the district's needs and functions 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).

2) 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 or via land acquisition, demolition and redevelopment of residential structures to create surface parking areas adjacent to the commercial businesses.

The Warren corridor district has been designed to include sufficient redevelopment areas for surface parking to improve accessibility to existing businesses. However, as new development increases development density in the corridor, consideration of structured parking may be required. 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.

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

3) District Signage

The WBDIA may plan, 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.

4) 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. 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 WBDIA.

5) Environmental Due Care Activities

To implement or facilitate various improvements and developments contemplated in this Plan, the WBDIA may undertake environmental investigations, remediation or due care activities.

Financing Projects

Projects and activities described within this Plan may require financial support beyond TIF revenues captured under this Plan. The City and WBDIA are investigating various mechanisms to generate additional revenues through special assessments, parking user fees, creation of a Principal Shopping District or Business Improvement 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.

Table 1

WBDIA TIF Plan Project Description			
Project Description	Estimated Annual Cost	Estimated Total Cost	Implementation Period
A. Planning, Administration and Staffing	\$50,000	\$1,500,000	Year 1-30 Ongoing
B. District-Wide Maintenance	200,000	6,000,000	Year 1-30 Ongoing
C. District Marketing, Promotion, Recruitment, Support of Arts and Cultural Programs	100,000	3,000,000	Year 1-30 Ongoing
D. Private Sector Improvement Incentives <i>(includes façade improvement program)</i>	147,000	2,500,000	Year 3-20
E. Public Facility Improvements	400,000	10,000,000	Year 5-30
Total Cost of Improvements		23,000,000	
Contingencies (10%)		2,300,000	
TOTAL		\$25,300,000 ¹	

¹Subject to inflationary cost increases

NOTE: This table is for illustration purposes only. Figures used within program categories represent the WBDIA'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.

Section 21.(2)(e)A statement of the construction or stages of construction planned, and the estimated time of completion of each stage. (MCL 125.2891(2)(e)).

A statement of construction stages planned for implementation of the District project is present in the preceding section of the Development Plan. The phasing or stages of this project are dependent on the amount of incremental tax revenues generated in the District, the timing, amount, and issuance of bonds, and the securing of applicable grant dollars from State or Federal sources.

Section 21.(2)(f)

A description of any parts of the development area to be left as open space and the use contemplated for the space. (MCL 125.2891(2)(f)).

It is anticipated that other open space preservation opportunities will present themselves in the future.

Section 21.(2)(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. (MCL 125.2891(2)(g)).

Not applicable.

Section 21.(2)(h)

A description of desired zoning changes and changes in streets, street levels, intersections, traffic flow modifications, or utilities. (MCL 125.2891(2)(h)).

The City exercises zoning authority pursuant to Michigan Zoning Enabling Act, Public Act 110 of 2006, and the City's Zoning Ordinance and Map establish and define those zoning districts where specified uses may occur.

Zoning consists of dividing the community into districts or zones and regulating within such districts land use, and heights and area of buildings for the purpose of conserving and promoting the health, safety, and general welfare of the people of the community. Zoning also controls numerous aspects of development within each district, such as intensity and bulk of development, and requirements for parking, landscaping and signage. The zoning ordinance and its administration are the legislative and administrative acts or processes for carrying out the goals and objectives of the Master Land Use Plan. The WBDIA streetscape and landscape plan will be consistent with the Master Plan. The Master Plan calls for a comprehensive revision to the Zoning Ordinance.

The proposed changes in streets, street levels, intersections, traffic flow modifications, or utilities are detailed in the preceding sections of this Development Plan. (MCL 125.2891(2)(d)).

Section 21.(2)(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. (MCL 125.2891(2)(i)).

The total cost for the implementation of the projects as outlined in Table 1 above is approximately \$25,300,000. Given the credit of the City and the security to be pledged for any such indebtedness the Authority is confident that financing will be arranged on terms favorable to the WBDIA.

The implementation of the projects within the District shall be financed through one or more of the following sources of funding:

- Tax Increment Financing (TIF)
- Private cooperation throughout the District.
- Funding received through grant programs.
- Municipal participation (Staff and Administrative Support/Start Up Costs)
- Bonding for improvements
- Special assessments as may be approved by the City Council
- Interest on investments
- Donations received by the WBDIA
- Proceeds from any property, building or facility owned, lease or sold by the WBDIA
- Money obtained through other sources as approved by the Dearborn City Council

Section 21.(2)(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. (MCL 125.2891(2)(j)).

The WBDIA 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 21.(2)(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. (MCL 125.2891(2)(k)).

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

Section 21.(2)(I)

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. (MCL 125.2891(2)(I).

Not applicable.

Section 21.(2)(m)

A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area. (MCL 125.2891(2)(m)).

Not applicable.

Section 21.(2)(n)

Provisions for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 84 Stat. 1894. (MCL 125.2891(2)(n)).

Not applicable.

Section 21.(2)(o)

A plan for compliance with 1972 PA 227, MCL 213.321 to 231.332. (MCL 125.2891(2)(o)).

Not applicable.

Section 21.(2)(p)

The requirement that amendments to an approved development plan or tax increment plan must be submitted by the authority to the governing body for approval or rejection. (MCL 125.2891(2)(p)).

As required, the WBDIA shall submit amendments to the Development Plan or Tax Increment Plan to the governing body (City Council) for review and approval.

Section 21.(2)(q)

A schedule to periodically evaluate the effectiveness of the development plan. (MCL 125.2891(2)(q)).

The WBDIA will review and evaluate the effectiveness of the development plan at the first meeting of each year and determine the need to make any amendments in the plan and will do so in accordance with PA 280 (MCL 125.2891(2)(p)).

Section 21.(2)(r)

Other material that the authority, local public agency, or governing body considers pertinent. (MCL 125.2891(2)(r)).

On May 11, 2015 an intergovernmental agreement was signed between the City of Dearborn and Wayne County with the following stipulations:

- 1) That the County contribution to both TIF districts shall not exceed 50% of the captured incremental tax dollars of the county portion of ad valorem property taxes of the most recent year figures used for Tax Rate Request. County tax increment revenues that are not captured under the TIF Plan along with the base property tax revenues shall be remitted to the County in the usual manner by the City;
- 2) Captured County revenues are to be applied for the following costs of development:
 - a. Public infrastructure improvements, including roads, sidewalks, drainage improvements, surface/structural parking and streetscape improvements excluding acquisition of and/or demolition of property.
 - b. Soft costs limited to engineering fees and costs for permits, engineering consultations including with Wayne County Department of Public Services.
 - c. Costs of maintaining the infrastructure improvements as described;
- 3) Captured County revenues shall NOT be used to purchase property or for any eminent domain activity and/or related costs, including demolition;
- 4) The agreement is scheduled to last 30 years from the point of execution, with a 10 year extension possible.

4.0 Tax Increment Financing Plan

The projects detailed within the Development Plan are designed to stimulate private sector investment within the District to achieve a true revitalization of a critical commercial corridor within the City. Proposed project expenditures are intended to directly stimulate potential commercial development and mixed use development construction projects. A number of potential funding sources are available to the WBDIA. The following narrative describes how programming expenditures will be funded.

It is the intention of this Plan to capture the incremental tax revenues generated within the District, and utilized ancillary funding sources such as grant programs, private cooperation, municipal participation, or other funding sources to which the WBDIA may be eligible for under Section 14 of PA 280 (MCL 125.2884).

Detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, the duration of the program, and a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions. (MCL 125.2888).

Tax increment financing (TIF) is a governmental financing mechanism which contributes to economic growth and development by dedicating a portion of the tax base resulting from economic growth and development to certain public facilities and structures or improvements of the type designed and dedicated to public use and thereby facilitates certain projects which create economic growth and development.

The WBDIA adopts by reference and incorporates the contents of the Development Plan contained herein to be adopted simultaneously with the TIF Plan.

Tax Increment Procedure

TIF is a method of funding public investments in an area slated for redevelopment by capturing, for a time, all or a portion of the incremental tax revenue that results from increased property values through private investment and inflation. The capture of incremental tax revenues is applied only to the designated district for which a development plan has been prepared and approved by the WBDIA and governing body. This plan contains both the development plan and TIF plan.

PA 280 treats all increases in valuation resulting from the development plan whether in fact these increases bear any relation to the development, or from inflationary increases on taxable values in the district. With some exceptions, the incremental tax revenues levied by other governmental units are captured through the approved TIF Plan. These include the city, county, community college, SMART, HCMA, or any other millages that may apply in the future. The amount to be transmitted to a WBDIA is that portion of the tax levy of all of these applicable taxing bodies paid each year on real and personal property.

"Initial value" means the taxable value, of all the property within the boundaries of the district area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality at the time the ordinance is adopted. "Captured value," means the amount in any one year by which the current taxable value of the district, exceeds the initial value. Property for which a commercial facilities exemption certificate an industrial facilities exemption certificate, or a commercial housing facilities exemption certificate, is in effect shall not be considered to be property that is exempt from taxation and they will be included in the overall initial value of the district. Tax dollars accrued from any incremental increase in taxable value, as a result of new development or annual inflationary increases, above the initial value (base year total) will then be captured and used by the WBDIA for projects in the District.

Data presented in Table 2 represents the anticipated capture on the taxable value for the District through the year 2045. The base year (2015) Taxable Value for the District is \$48,107,947. The

basic assumptions in this table are a 1 – 2.5% annual inflationary growth resulting in \$37,301,696 in new taxable value.

Total Potential Revenue

The total potential TIF revenue available to the WBDIA from captured taxable value is displayed in Table 2. By the end of the term of this TIF Plan, it is estimated that approximately \$13,998,415 could be captured and used for the projects designated by the WBDIA for the District. The potential TIF revenue is derived from a projected annual 1 - 2.5% annual inflationary growth in the District over a 30 year time period.

Additional Financing

Certain state, federal, and local grants, loans, loan guarantees and other funding sources may be pursued for financing the projects approved for the District. The Development Plan may also be financed through the authorization, issuance, and sale of revenue bonds, general obligation bonds and tax increment bonds. The WBDIA intends to create a project fund to deposit captured tax increment revenues to be used to finance the projects described in the Development Plan as sufficient funds become available.

Duration of Program

The duration of this Development Plan and Tax Increment Financing Plan is 30 years or until all bond indebtedness issued to fund WBDIA projects and paid directly or indirectly from captured tax increment revenues is retired commencing on its adoption by the City Council in December 2015 and terminating at the end of the WBDIA's fiscal year on June 30, 2045 unless the Development Plan and TIF Plan are amended to extend or shorten its duration.

Warren Avenue Corridor Business District

Fiscal Year	Estimated Base Taxable Value	Estimated Change in Taxable Value Increase over Prior Year	Estimated Captured Value	Year	Estimated Growth Percentage	City Tax Capture Rate @100% **	Wayne County Capture Rate @ 50% **	Non-City Capture Tax Rates **	City Tax Capture Dollars @ 100%	Wayne County Tax Capture Dollars @50%	Non-City Capture Dollars @100%	Total Estimated Annual Tax Capture
2017	\$48,107,947	\$0	\$0	1	0.00%	22.2000	3.9110	5.2146	\$0.00	\$0.00	\$0.00	\$0.00
2018	\$48,589,026	\$481,079	\$481,079	2	1.00%	22.2000	3.9110	5.2146	\$10,679.96	\$1,881.50	\$2,508.64	\$15,070.10
2019	\$49,317,862	\$728,835	\$1,209,915	3	1.50%	22.2000	3.9110	5.2146	\$26,860.11	\$4,731.98	\$6,309.22	\$37,901.31
2020	\$50,057,630	\$739,768	\$1,949,683	4	1.50%	22.2000	3.9110	5.2146	\$43,282.96	\$7,625.21	\$10,166.82	\$61,074.98
2021	\$50,808,494	\$750,864	\$2,700,547	5	1.50%	22.2000	3.9110	5.2146	\$59,952.15	\$10,561.84	\$14,082.27	\$84,596.26
2022	\$51,570,622	\$762,127	\$3,462,675	6	1.50%	22.2000	3.9110	5.2146	\$76,871.38	\$13,542.52	\$18,056.46	\$108,470.36
2023	\$52,344,181	\$773,559	\$4,236,234	7	1.50%	22.2000	3.9110	5.2146	\$94,044.39	\$16,567.91	\$22,090.27	\$132,702.57
2024	\$53,129,344	\$785,163	\$5,021,397	8	1.50%	22.2000	3.9110	5.2146	\$111,475.01	\$19,638.68	\$26,184.58	\$157,298.26
2025	\$53,926,284	\$796,940	\$5,818,337	9	1.50%	22.2000	3.9110	5.2146	\$129,167.08	\$22,755.52	\$30,340.30	\$182,262.89
2026	\$54,735,178	\$808,894	\$6,627,231	10	1.50%	22.2000	3.9110	5.2146	\$147,124.53	\$25,919.10	\$34,558.36	\$207,601.99
2027	\$55,829,882	\$1,094,704	\$7,721,935	11	2.00%	22.2000	3.9110	5.2146	\$171,426.95	\$30,200.49	\$40,266.80	\$241,894.24
2028	\$56,946,479	\$1,116,598	\$8,838,532	12	2.00%	22.2000	3.9110	5.2146	\$196,215.42	\$34,567.50	\$46,089.41	\$276,872.33
2029	\$58,085,409	\$1,138,930	\$9,977,462	13	2.00%	22.2000	3.9110	5.2146	\$221,499.65	\$39,021.85	\$52,028.47	\$312,549.98
2030	\$59,247,117	\$1,161,708	\$11,139,170	14	2.00%	22.2000	3.9110	5.2146	\$247,289.58	\$43,565.29	\$58,086.32	\$348,941.19
2031	\$60,432,059	\$1,184,942	\$12,324,112	15	2.00%	22.2000	3.9110	5.2146	\$273,595.30	\$48,199.60	\$64,265.32	\$386,060.22
2032	\$61,640,701	\$1,208,641	\$13,532,754	16	2.00%	22.2000	3.9110	5.2146	\$300,427.13	\$52,926.60	\$70,567.90	\$423,921.63
2033	\$62,875,515	\$1,232,814	\$14,765,568	17	2.00%	22.2000	3.9110	5.2146	\$327,795.60	\$57,748.13	\$76,996.53	\$462,540.26
2034	\$64,130,985	\$1,257,470	\$16,023,038	18	2.00%	22.2000	3.9110	5.2146	\$355,711.44	\$62,666.10	\$83,553.73	\$501,931.28
2035	\$65,413,605	\$1,282,620	\$17,305,658	19	2.00%	22.2000	3.9110	5.2146	\$384,185.60	\$67,682.43	\$90,242.08	\$542,110.11
2036	\$66,721,877	\$1,308,272	\$18,613,930	20	2.00%	22.2000	3.9110	5.2146	\$413,229.24	\$72,799.08	\$97,064.20	\$583,092.52
2037	\$68,389,924	\$1,668,047	\$20,281,977	21	2.50%	22.2000	3.9110	5.2146	\$450,259.88	\$79,322.81	\$105,762.40	\$635,345.09
2038	\$70,099,672	\$1,709,748	\$21,991,725	22	2.50%	22.2000	3.9110	5.2146	\$488,216.29	\$86,009.64	\$114,678.05	\$688,903.97
2039	\$71,852,163	\$1,752,492	\$23,744,216	23	2.50%	22.2000	3.9110	5.2146	\$527,121.61	\$92,863.63	\$123,816.59	\$743,801.83
2040	\$73,648,468	\$1,796,304	\$25,540,521	24	2.50%	22.2000	3.9110	5.2146	\$566,999.56	\$99,888.98	\$133,183.60	\$800,072.13
2041	\$75,489,679	\$1,841,212	\$27,381,732	25	2.50%	22.2000	3.9110	5.2146	\$607,874.46	\$107,089.95	\$142,784.78	\$857,749.19
2042	\$77,376,921	\$1,887,242	\$29,268,974	26	2.50%	22.2000	3.9110	5.2146	\$649,771.23	\$114,470.96	\$152,625.99	\$916,868.18
2043	\$79,311,344	\$1,934,423	\$31,203,397	27	2.50%	22.2000	3.9110	5.2146	\$692,715.42	\$122,036.49	\$162,713.24	\$977,465.14
2044	\$81,294,128	\$1,982,784	\$33,186,181	28	2.50%	22.2000	3.9110	5.2146	\$736,733.22	\$129,791.15	\$173,052.66	\$1,039,577.03
2045	\$83,326,481	\$2,032,353	\$35,218,534	29	2.50%	22.2000	3.9110	5.2146	\$781,851.46	\$137,739.69	\$183,650.57	\$1,103,241.71
2046	\$85,409,643	\$2,083,162	\$37,301,696	30	2.50%	22.2000	3.9110	5.2146	\$828,097.65	\$145,886.93	\$194,513.42	\$1,168,498.01
Grand Totals:										\$1,747,701.56	\$2,330,238.96	\$13,998,414.76

Millage Rate Breakdowns:

- City of Dearborn: Operating 15.0000; Extra Voted 3.5000; Rubbish 2.1600; Library 1.5400
- Wayne City: Operating 5.6483; Extra Voted 0.9529; Jail 0.9381; Park 0.2459; Veterans 0.0368
- Non-City: HFCC 4.0000; HCMA 0.2146; SMART 1.0000

** Calculations based on the 2015 Voter Approved Millage Rates subject to both Headlee Rollback and the expiration of Extra Voted Millages

WARREN AVENUE BUSSINESS DISTRICT
LEGAL DESCRIPTION

BEGINNING AT A POINT AT THE INTERSECTION OF THE CENTERLINES OF GREENFIELD AND WARREN AVENUE IN THE S.W. CORNER OF SECTION 6, T.2, S.P.11E AS DESCRIBED ON WARREN VINEYARDS SUBDIVISION, MICHIGAN, LIBER 45, PAGE 59, PROCEEDING THENCE S.225°41'E., 847.57 FEET, THENCE N.88°27'10"E., 152.84 FEET, THENCE N.227°47'W., 375.32 FEET, THENCE N.88°12'2"E., 848.27 FEET, THENCE N.60°14'47"E., 2.48 FEET, THENCE S.232°17'E., 16.49 FEET, THENCE N.88°3'26"E., 171.45 FEET, THENCE N.241°17'W., 15.42 FEET, THENCE N.87°55'16"E., 190.57 FEET, THENCE N.241°18'W., 7.85 FEET, THENCE S.45°41'14"E., 651.48 FEET, THENCE S.225°58'E., 73.49 FEET, THENCE S.85°3'48"E., 64.35 FEET, THENCE N.3°46'16" W., 154.16 FEET, THENCE S.45°13'25"E., 394.48 FEET, THENCE N.2°25'44"W., 205.00 FEET, THENCE S.87°55'16"W., 125.00 FEET, THENCE N.2°25'44"W., 175.00 FEET, THENCE N.85°55'16"E., 125.00 FEET, THENCE N.2°25'44"W., 70.00 FEET, THENCE S.87°55'16"W., 125.00 FEET, THENCE N.2°25'44"W., 175.00 FEET, THENCE S.87°50'52"E., 449.80 FEET, THENCE S.238°40'E., 977.98 FEET, THENCE S.65°13'14"E., 50.93 FEET, THENCE S.46°16'24"E., 950.90 FEET, THENCE S.47°55'57"E., 453.22 FEET, THENCE N.20°21'49"W., 525.22 FEET, THENCE N.2°54'0"W., 338.90 FEET, THENCE N.88°21'8"E., 557.33 FEET, THENCE N.2°55'15"W., 1187.24 FEET, THENCE N.87°28'50"E., 444.69 FEET, THENCE S.2°41'48"E., 384.53 FEET, THENCE N.87°25'44"E., 349.64 FEET, THENCE N.2°36'2"W., 393.26 FEET, THENCE N.87°25'7"E., 184.71 FEET, THENCE N.2°34'53"W., 11.77 FEET, THENCE N.87°0'50"E., 1412.05 FEET, THENCE N.87°17'41"E., 18.00 FEET, THENCE N.242°19'W., 13.00 FEET, THENCE N.87°14'46"E., 404.16 FEET, THENCE S.246°38'E., 13.00 FEET, THENCE N.87°15'42"E., 286.48 FEET, THENCE N., 0.19 FEET, THENCE S.247°33'E., 404.87 FEET, THENCE N.86°57'35"E., 336.02 FEET, THENCE N.2°29'0"W., 352.02 FEET, THENCE N.87°28'11"E., 200.00 FEET, THENCE N.2°31'42"W., 59.88 FEET, THENCE N.87°58'35"E., 243.01 FEET, THENCE S.243°28'E., 409.05 FEET, THENCE N.87°26'42"E., 413.46 FEET, THENCE N.232°8'W., 404.73 FEET, THENCE N.87°22'58"E., 335.51 FEET, THENCE N.2°47'27"W., 39.60 FEET, THENCE N.87°14'33"E., 282.26 FEET, THENCE S.2°52'27"E., 60.53 FEET, THENCE N.87°22'19"E., 327.30 FEET, THENCE S.2°29'26"E., 394.67 FEET, THENCE N.87°30'34"E., 380.77 FEET, THENCE N.1°33'42"W., 341.99 FEET, THENCE N.87°42'16"E., 125.01 FEET, THENCE S.1°36'54"E., 341.56 FEET, THENCE N.88°48'47"E., 213.74 FEET, THENCE N.2°10'37"W., 66.02 FEET, THENCE N.87°22'3"E., 184.32 FEET, THENCE N.2°16'24"W., 196.69 FEET, THENCE N.87°31'4"E., 139.55 FEET, THENCE S.2°19'12"E., 196.65 FEET, THENCE N.87°22'3"E., 74.50 FEET, THENCE S.2°14'17"E., 125.99 FEET, THENCE N.87°29'36"E., 104.78 FEET, THENCE S.2°45'4"E., 186.44 FEET, THENCE

N.86°39'57"E., 364.82 FEET, THENCE S.33°42'10"E., 386.67 FEET, THENCE N.69°12'56"E., 72.15 FEET, THENCE N.87°33'39"E., 88.39 FEET, THENCE N.63°30'14"E., 36.24 FEET, THENCE S.87°44'30"E., 200.22 FEET, THENCE N.2°15'5"W., 507.55 FEET, THENCE N.87°33'40"E., 15.65 FEET, THENCE N., 20.27 FEET, THENCE N.87°32'17"E., 93.03 FEET, THENCE N.2°26'21"W., 10.17 FEET, THENCE N.87°33'39"E., 5.67 FEET, THENCE N.2°26'20"W., 32.00 FEET, THENCE S.87°33'37"W., 5.72 FEET, THENCE N.2°26'21"W., 28.63 FEET, THENCE S.87°33'38"W., 3.98 FEET, THENCE N.2°25'36"W., 527.78 FEET, THENCE N.2°26'21"W., 58.47 FEET, THENCE N.248°35"W., 110.32 FEET, THENCE S.87°17'11"W., 793.77 FEET, THENCE N.2°24'1"W., 227.94 FEET, THENCE S.87°10'6"W., 636.91 FEET, THENCE N.2°28'19"W., 416.37 FEET, THENCE S.87°48'16"W., 379.55 FEET, THENCE S.2°48'16"E., 284.23 FEET, THENCE S.42°10'31"W., 136.29 FEET, THENCE N.47°58'16"W., 11.32 FEET, THENCE S.44°4'35"W., 177.15 FEET, THENCE N.37°22'16"W., 83.47 FEET, THENCE S.87°36'12"W., 52.28 FEET, THENCE N.2°30'48"W., 17.45 FEET, S.87°37'28"W., 180.27 FEET, THENCE S.2°28'23"E., 40.00 FEET, THENCE S.87°33'13"W., 1499.47 FEET, THENCE N.2°38'13"W., 20.00 FEET, THENCE S.87°28'47"W., 120.00 FEET, THENCE N.2°38'1"W., 140.18 FEET, THENCE S.87°13'8"W., 400.22 FEET, THENCE S.2°46'7"E., 157.80 FEET, THENCE S.87°25'3"W., 240.00 FEET, THENCE N.2°46'7"W., 40.00 FEET, THENCE S.87°7'25"W., 180.55 FEET, THENCE S.2°41'42"E., 20.00 FEET, THENCE S.87°18'W., 140.00 FEET, THENCE N.2°41'42"W., 27.31 FEET, THENCE S.86°42'10"W., 300.97 FEET, THENCE S.2°42'6"E., 45.03 FEET, S.5°5'1"W., 1386.36 FEET, THENCE N.2°34'22"W., 22.91 FEET, THENCE N.12°31'23"W., 162.40 FEET, THENCE N.2°42'24"W., 259.15 FEET, THENCE S.87°15'27"W., 515.48 FEET, THENCE S.2°40'40"E., 421.73 FEET, THENCE S.87°46'26"W., 655.05 FEET, THENCE N.2°34'55"W., 27.78 FEET, THENCE S.87°36'5"W., 136.00 FEET, THENCE S.2°34'54"E., 15.96 FEET, THENCE S.87°46'29"W., 179.17 FEET, THENCE N.2°48'4"W., 407.83 FEET, THENCE S.87°46'29"W., 196.81 FEET, THENCE S.2°41'42"E., 422.84 FEET, THENCE S.87°32'33"W., 125.00 FEET, THENCE N.2°43'43"W., 14.97 FEET, THENCE S.87°33'17"W., 143.00 FEET, THENCE S.2°43'42"E., 15.00 FEET, THENCE S.87°21'23"W., 60.14 FEET, THENCE S.87°34'38"W., 125.00 FEET, THENCE N.2°41'37"W., 30.00 FEET, THENCE S.87°32'37"W., 202.58 FEET, THENCE S.2°46'23"E., 31.28 FEET, THENCE S.87°35'1"W., 449.28 FEET, THENCE N.2°41'38"W., 422.80 FEET, THENCE S.87°32'11"W., 343.16 FEET, THENCE S.2°28'6"E., 420.44 FEET, THENCE S.87°54'2"W., 116.51 FEET, THENCE N.2°39'58"W., 39.61 FEET, THENCE S.87°50'17"W., 187.49 FEET, THENCE N.2°49'17"W., 70.00 FEET, THENCE S.87°57'44"W., 191.50 FEET, THENCE S.2°47'15"E., 70.00 FEET, THENCE S.87°46'45"W., 102.01 FEET, THENCE S.87°12'45"W., 18.00 FEET, THENCE S.2°47'15"E., 8.84 FEET, THENCE N.45°40'28"W., 623.84 FEET, THENCE S.54°28'9"W., 115.76 FEET, THENCE S.87°52'9"W., 15.51 FEET, THENCE S.2°42'15"E., 410.46 FEET, THENCE S.88°15'29"W., 1134.87 FEET, THENCE N.2°34'8"W., 350.05 FEET, THENCE N.4°48'2"W., 58.24 FEET, THENCE N.83°39'25"W., 21.15 FEET, THENCE S.86°16'31"W., 125.03 FEET, THENCE S.2°25'41"E., 682.38 FEET, TO THE BEGINNING, CONTAINING 254.48 ACRES OF LAND MORE OR LESS.

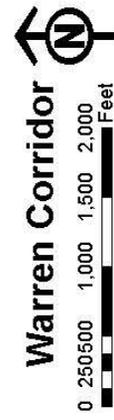
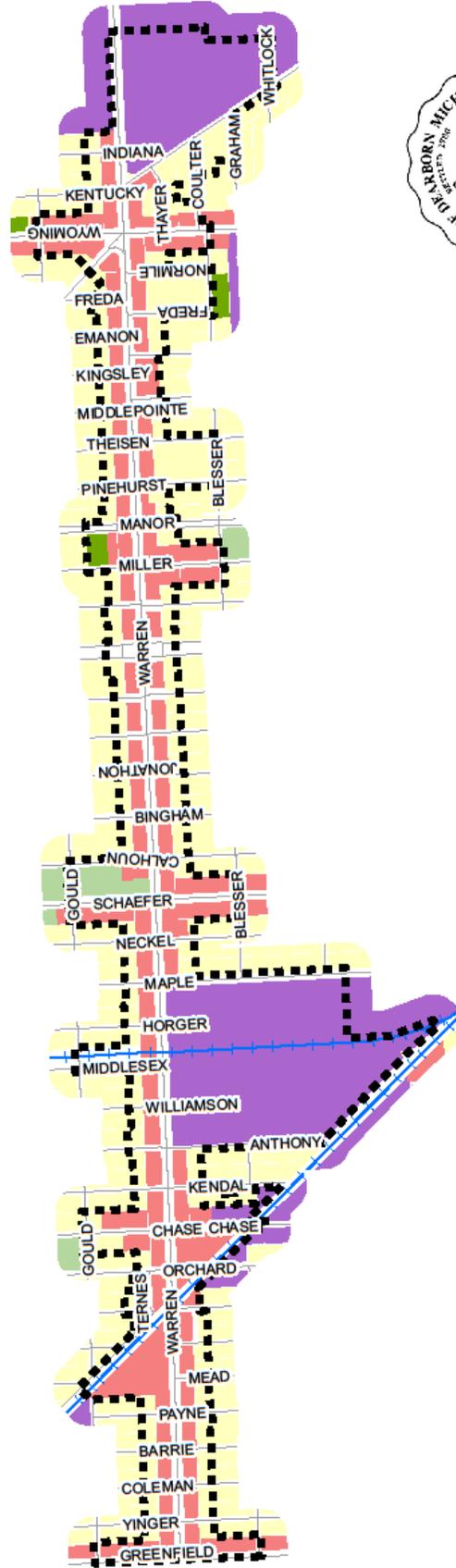


Exhibit B

Warren Avenue District Improvement Authority Existing Land Use

Legend

-  Residential
-  Commercial
-  Industrial/Technology
-  Recreation/ Floodplain
-  Civic
-  Institutional
-  Rouge River



Prepared by: Mohamed Ayoub
October 13, 2015

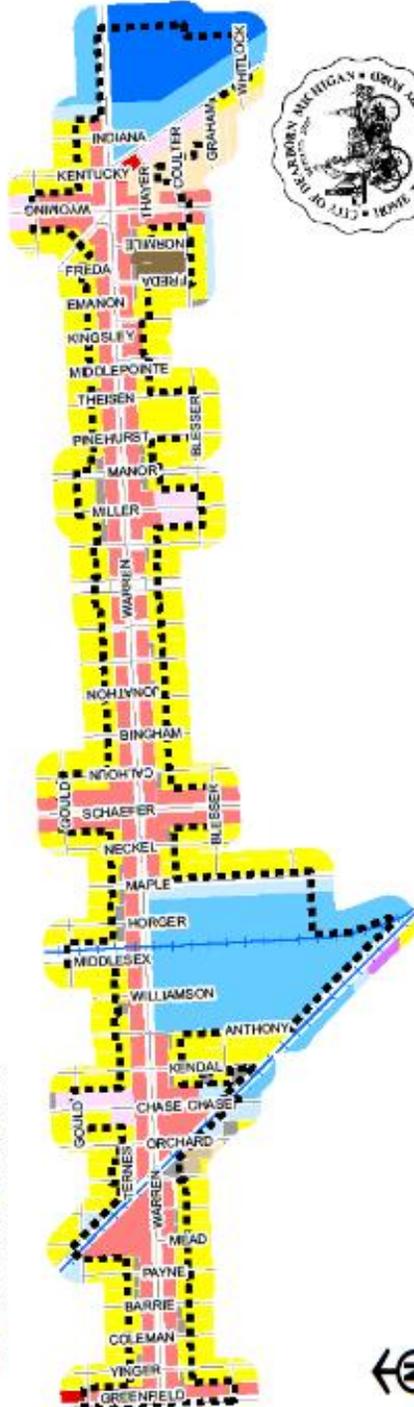
Exhibit D

Warren Avenue District Improvement Authority Zoning Map

Legend

- RA - One Family Residential District
- RB - One Family Residential District
- RD - Multiple Family Residential District
- RE - Multiple Family Residential District
- BA - Local Business District
- BB - Community Business District
- BC - General Business District
- IA - Light Industrial District
- IB - Medium Industrial District
- IC - Intensive Industrial District
- VP - Vehicular Parking District

- IA - Light Industrial District
- IB - Medium Industrial District
- IC - Intensive Industrial District
- VP - Vehicular Parking District

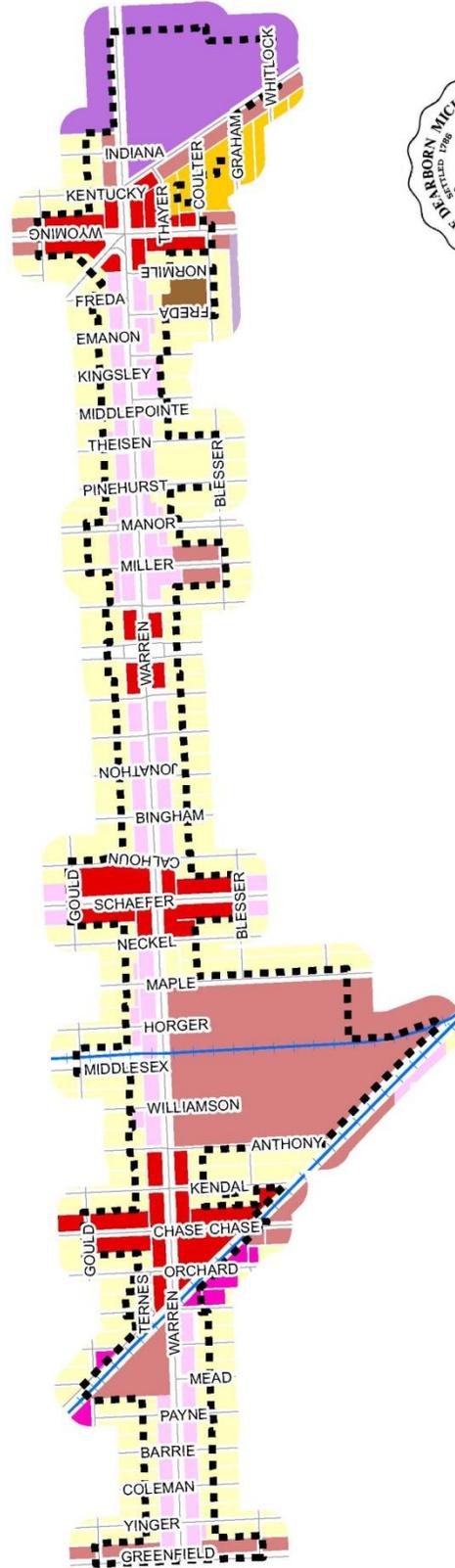


Prepared by: Mohamed Ayoub
October 13, 2015

Warren Avenue District Improvement Authority Future Land Use

Legend

- Low Density Residential
- Medium Density Residential
- High Density Residential
- Town Center
- Vehicle Oriented
- Shopfront
- Artisan & Innovation
- Manufacturing



Prepared by: Mohamed Ayoub
December 14, 2015



0 240 480 960 1,440 1,920 Feet