

*Amended Development Plan
and Tax Increment Financing Plan
for the*

*Buena Vista Charter Township
Downtown Development Area*



Downtown Development Authority
Buena Vista Charter Township
Saginaw County, Michigan

**AMENDED DEVELOPMENT PLAN AND
TAX INCREMENT FINANCING PLAN**

for the

**BUENA VISTA CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AREA**



**DOWNTOWN DEVELOPMENT AUTHORITY
BUENA VISTA CHARTER TOWNSHIP
SAGINAW COUNTY, MICHIGAN**

March, 2007

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TAX INCREMENT FINANCING PLAN
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DOWNTOWN DEVELOPMENT AREA**

***Downtown Development Authority
Buena Vista Charter Township,
Saginaw County, Michigan***

**Adopted by the Board of Trustees: March 12, 2007
Recommended by the Citizens District Council: August 16, 2006
Recommended by the Downtown Development Authority: August 9, 2006**

Prepared with the Assistance of:

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ACKNOWLEDGMENTS

BUENA VISTA CHARTER TOWNSHIP

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BACKGROUND AND PURPOSES OF THE TAX INCREMENT FINANCING AND DEVELOPMENT PLAN

On May 16, 1989, the Buena Vista Charter Township Board of Trustees adopted Ordinance No. 137 which created the Buena Vista Charter Township Downtown Development Authority (DDA), pursuant to Act 197 of Public Acts of 1975 as amended, of the State of Michigan. At that time, the Authority was given all of the powers and duties prescribed for a Downtown Development Authority pursuant to the Act. A nine member DDA Board was appointed to represent the Township and its commercial business interests. The Township Board also designated the boundaries of the downtown district within which the Authority may legally operate.

The DDA schedules and conducts regular public meetings for the purpose of:

- Establishing the procedures under which it operates;
- Discussing business district issues, priorities and objectives to be addressed;
- Considering program strategies and approaches to downtown development; and ,
- Reviewing ongoing and planned new public and private development projects within the business district.

The DDA wishes to concentrate its efforts on the redevelopment of the Town Center area, which is the primarily-commercial area surrounding the intersection of Outer Drive and Holland (M-46). This is the primary focus for the DDA and the purpose for updating the Development Plan and Tax Increment Financing (TIF) Plan. Town Center improvements will correct and prevent stagnation and/or future deterioration within the existing business district and eliminate blighting influences and brownfield impacts (where applicable), encourage local history preservation, and promote economic development and growth within the Development Area. The work of the DDA shall include:

1. Town Center Redevelopment Assistance
2. Public Safety
3. Business Retention/ Recruitment & Expansion
4. Façade Improvement Loan Program
5. Civic Park Development
6. Streetscape Improvements
7. Facilitating Redevelopment Opportunities
8. New Housing Development
9. New Office Development
10. Other Projects Consistent with the Plan

Thus, it is the purpose of this Development Plan and Tax Increment Financing Plan to establish the legal basis and procedure for the capture and expenditure of tax increment revenues in accordance with P.A. 197 of 1975, as amended, for the purpose of stimulating and encouraging private investment in the Development Area through the provision of public improvements.

SUMMARY DEVELOPMENT PLAN

The Buena Vista Charter Township Development Plan and TIF Plan is founded on the basis that the future success of Buena Vista Charter Township's efforts to enhance and maintain the downtown area will depend, in large measure, on the successful redevelopment of the Township's major retail center. As part of this effort, the Township and the DDA intend to continue to work together to eliminate the impact of blighting influences and to increase and promote economic opportunities within the district. Current economic and market conditions suggest that further public involvement is needed to enhance existing businesses and to stimulate activity within the retail and commercial economic base.

The participation of the Downtown Development Authority is key to the future sustainability and economic expansion of the District. This plan proposes that the DDA will work with the Township to provide funding to encourage business recruitment/expansion; stimulate private investment in the district and stimulate employment opportunities; assist the Township to identify opportunities for the development of new housing and office development; and generate additional tax revenues.

Implementation of this Plan will result in a variety of economic benefits including employment, increased economic activity, and funding for improvements. There are many projects included in this Plan, some of which may not happen for 15-30 years. The DDA may only pay for a portion of the costs of the proposed improvements. The remaining costs may be paid for with the assistance of a private party, donations, grants, bonds, appropriations, or other public agencies. The DDA will have to be conscious of their budgets and accounts, as well as opportunities to obtain additional resources to make the most effective use of their funds. Thus, this plan provides a framework for the participation and involvement of the DDA in a key priority for Buena Vista Township: the Town Center Redevelopment Program. Among the Plan's goals are:

- Redevelopment of key properties within the Town Center area;
- Elimination or rehabilitation of blighting influences throughout the district;
- Promotion of economic growth within the district;
- Increased public safety;
- Housing and office development within the district;
- Promotion of the downtown and the creation of "signature" events

A number of projects are identified in the Plan to achieve the goals listed above. Among these projects are public improvements, private development and joint public/private improvement efforts. These projects are summarized as follows:

Phase I Primary Project, 2006 - 2015

1. Town Center Redevelopment Program

Phase II Projects

Ongoing Projects, 2006 - 2035:

1. Public Safety
2. Business Recruitment and Retention
3. Façade Improvement Loan Program
4. Professional, Technical, Administrative

Other Projects, 2015-2035:

1. Facilitate Redevelopment Efforts
2. Streetscape Improvements-Phase II
3. Other Projects Consistent with the Plan

DEVELOPMENT PLAN

1. DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA

The boundaries of the Development Area are the same as the Buena Vista Charter Township Downtown Development Authority district, as previously adopted. The Development Area boundaries generally are described in Map 1 (Page 4).

2. LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA; LOCATION, CHARACTER AND EXTENT OF EXISTING PUBLIC AND PRIVATE LAND USES.

Existing streets, public facilities, and land uses in the Development Area are shown on Map 2, "Existing Land Use" (Page 5).

A. Public Utilities

The location and extent of existing streets, the approximate location and size of existing public utilities including watermain, sanitary sewers and sewage pumping stations are shown on the Map 2 (Page 5).

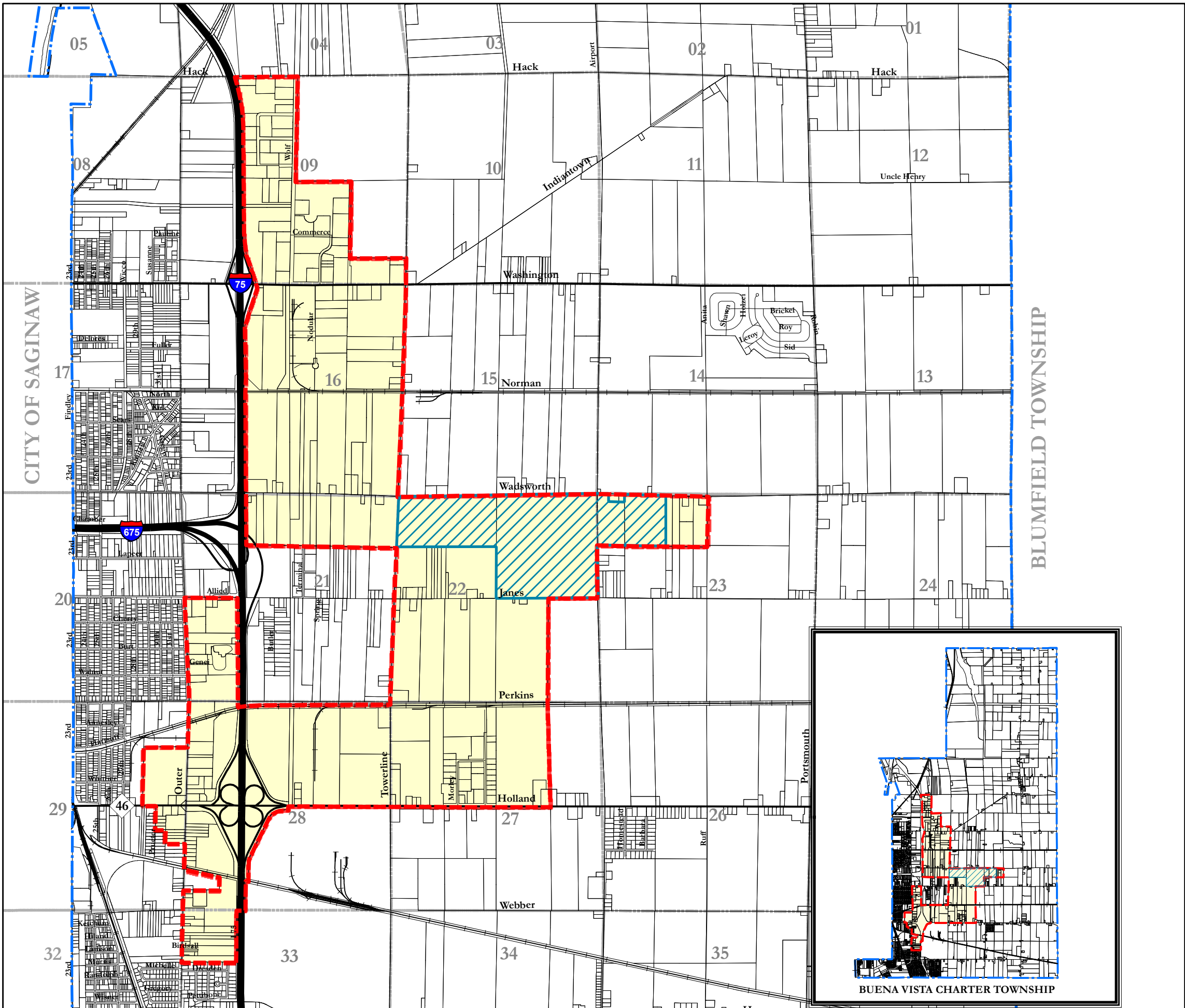
B. Public / Private Uses

(1) Agricultural

There are approximately 77 agricultural parcels within the Development Area, located primarily in the northern and southwestern portions of the district.







(2) Rural Preservation

There is one rural preservation parcel within the Development Area.

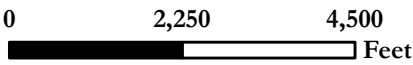


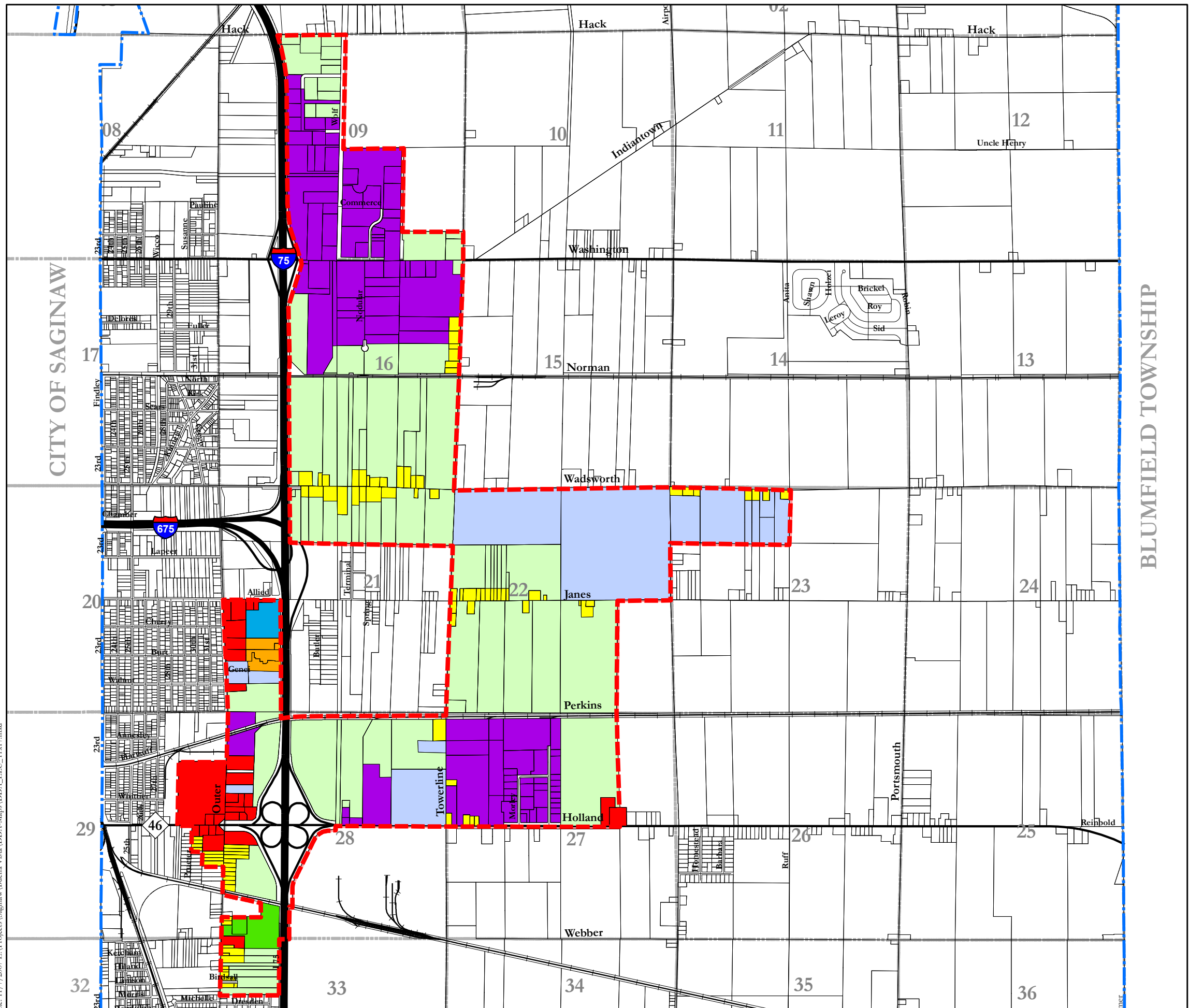
**Downtown Development Authority
Development Area
Boundary**

**Buena Vista Charter Township,
Saginaw County, Michigan**

-  Development Area
-  Municipal Boundary
-  Sections
-  Parcels
-  Railroad
-  Harry E. Browne Airport

Base Map Source: Saginaw Area GIS Authority, 2005





Downtown Development Authority Existing Land Use

Buena Vista Charter Township,
Saginaw County, Michigan

- Development Area
- Municipal Boundary
- Sections
- Railroad
- Agricultural
- Rural Preservation
- Outdoor Recreation
- Public/ Institutional
- Residential
- High-Density Residential
- Commercial
- Industrial

Base Map Source: Saginaw Area GIS Authority, 2005
Data Source: Wilcox Professional Services, LLC

0 2,250 4,500
Feet

McKenna
ASSOCIATES
INCORPORATED



03/12/2007

- (3) Outdoor Recreation
There are two outdoor recreation parcels within the Development Area, located in the very southern part of the district.
- (4) Public / Institutional
There are fifteen public / institutional uses in the Development Area, including the Harry E. Browne Airport and the Buena Vista High School.
- (5) Residential
There are approximately 209 residential units within the Development Area located on 93 parcels. It is anticipated that additional residential development may occur within the district boundaries.
- (6) Commercial
There are 29 parcels within the Development Area used for commercial purposes, mainly located along the Outer Drive corridor.
- (7) Industrial
The DDA, as part of earlier plans, constructed Commerce Center Industrial Park at the intersection of Wolf Road and East Washington Road (M-81). In total, there are 104 industrial uses within the Development Area.

3. LOCATION AND EXTENT OF PROPOSED PUBLIC AND PRIVATE LAND USES.

Proposed land uses for the Development Area are and will be generally consistent with the Township's Comprehensive Development Plan (2005, amended 2006). Both the Master Plan and the Development Plan propose the continuance of the office, commercial, and industrial uses within the Development Area.

The Development Plan and TIF Plan proposes to advance the Development Area by improving the layout of types of uses located within the Area and by placing special importance upon the appearance of the Area through increased streetscaping and landscaping. The Downtown Marketing and Strategic Plan (2005) identifies the range of uses and suggests implementation methods to enhance their functionality. Wide expanses of residential density outside the district transition into concentrations of commercial and office uses within the district. Industrial uses have been reserved for frontage areas adjacent to the CSX Railroad overpass. Use of existing facilities or rehabilitation for future industrial use is encouraged.

It is the intent of this Development Plan to encourage infill development, redevelopment, and expansion of existing commercial and industrial uses consistent with the Master Plan. There are scattered vacant or underutilized sites within the district that have significant redevelopment potential.

4. LEGAL DESCRIPTION OF THE DEVELOPMENT AREA.

The legal description of the Development Area is provided in Appendix A.

5. EXISTING IMPROVEMENTS IN THE DEVELOPMENT AREA TO BE DEMOLISHED, REPAIRED OR ALTERED AND TIME REQUIRED FOR COMPLETION.

The extent of demolition, repair, or alteration of existing improvements has not yet been determined. Once design plans are complete and executable, such activities will become clear. However, streetscape improvements surrounding the Outer Drive / Holland Road (M-46) intersection are expected to include the installation of sidewalks, decorative paver crosswalks, landscaping, irrigation, decorative walls, and other features. Curbing, pavement, and sidewalks (where present) may need to be removed and replaced to allow for installation of the improvements. Demolition and redevelopment on adjacent private sites will likely accommodate landscape installation.

In addition, the streetscape improvements proposed throughout the Development Area are to consist of greenbelts, street trees, ornamental lights, and other features to be determined. Construction of these improvements may require pavement, curb, or sidewalk removal and replacement (where present).

6. THE LOCATION, EXTENT, CHARACTER AND ESTIMATED COST OF IMPROVEMENTS INCLUDING REHABILITATION CONTEMPLATED FOR THE DEVELOPMENT AREA AND AN ESTIMATE OF TIME REQUIRED FOR COMPLETION.

Table 1 shows contemplated public improvements in the Development Area, along with estimated costs and time of completion. Descriptions of each of the proposed projects follows. The proposed improvements are described in Table 1.

Cost estimates for the projects have been prepared. The Town Center Redevelopment Program roads, streetscape, and other estimates are based upon recent, comparable construction and vendor estimates. Funding for the public projects is proposed from a variety of sources including the following: tax increment revenues, Federal and State grants and appropriations, private funding, and additional sources to be determined.

7. A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION.

All contemplated improvements are to be public facilities. The stages of construction will be set once the appropriate studies are completed.

8. PARTS OF THE DEVELOPMENT AREA TO BE LEFT AS OPEN SPACE AND CONTEMPLATED USE.

The redevelopment of the Town Center area will impact the amount of contemplated open space. No areas within the Development Area are currently designated as public open space. The planned Civic Park across Outer Drive from Township Hall will be designated as public open space upon completion (see Page 12 for additional Civic Park information).

Table 1
Project Cost and Timing
Buena Vista Charter Township DDA

PHASE I: PRIMARY PROJECT 2006-2015	Estimated Cost
TOWN CENTER DEVELOPMENT	
Land Acquisition	\$1,550,000
Demolition	\$ 600,000
Right-of-Way Improvements (\$6,704,375)	
Road Construction (Internal)	\$1,500,000
Streetscape Improvements (Landscape, Hardscape & Fixtures)	\$4,163,500
Civic Park Development	\$ 400,000
Contingency (20%)	\$1,819,875
Design/Engineering	\$1,040,875
Administration (Appraisal, Business Relocation Program & Fees)	\$ 245,000
<i>Total: Primary Project</i>	<i>\$11,319,250</i>
PHASE II PROJECTS 2006-2035	Estimated Cost
ONGOING PROJECTS	
Public Safety	\$2,700,000
Business Recruitment and Retention	\$ 300,000
Facade Improvement Loan Program	\$1,000,000
Professional, Technical, Administrative	\$1,000,000
<i>Total Ongoing Projects</i>	<i>\$5,000,000</i>
OTHER PROJECTS 2015-2035	
Facilitate Redevelopment Efforts	\$ 1,000,000
Streetscape Improvements	\$ 500,000
Other Projects Consistent with the Plan	\$ 363,620
<i>Total: Other Projects</i>	<i>\$1,863,620</i>
<i>Total: Phase II Projects</i>	<i>\$6,863,620</i>
TOTAL DDA PROJECTS	<i>\$18,182,870</i>

9. **PHASE I – PRIMARY PROJECT, 2006 - 2015**

A. Town Center Redevelopment Program:

Redevelopment of Enclosed Mall at the Northwest Corner of Outer Drive and Holland (M-46)

The redevelopment of the largest retail property within the Township – a 380,000 SF enclosed mall at the intersection of Outer Drive and Holland (M-46) – is the DDA's primary focus. Ideally, the mall will be demolished and replaced by a more contemporary and relevant mixed-use product. The out-parcel fast food restaurants on the southeastern segment of the site are not planned for redevelopment.

The Downtown Marketing and Strategic Plan (2005) found Town Center area demand to provide for, at a minimum:

- 200,000 sq. ft. of retail space
- 30,000 sq. ft. of office space; and,
- 80 multiple-family, senior oriented housing units.

Demand for the above-listed retail, office, and housing uses will be accommodated by the redevelopment of the site at the northwest portion of the Outer Drive and Holland (M-46) intersection.

Retail space at the redeveloped enclosed mall should include one or two large anchors configured in a neo-traditional downtown style development with stores fronting on a new “main street”. The Town Center site at the northwest corner of Outer Drive and Holland (46) will be enhanced by a streetscape project, as described below. Office uses are intended to augment the Township's and region's economic development efforts by providing locations for new non-retail office-based uses, such as legal and medical offices.

The Downtown Marketing and Strategic Plan (2005) also calls for creating a community gateway at the intersection of Outer Drive and Holland (M-46). The gateway features should include decorative paving and crosswalks, landscaping to frame the gateway, community signage, flag poles, and a small plaza and plaque wall to honor the community's history and/or veterans.

The DDA will assist in financing land acquisition, demolition, right-of-way improvements (including road construction), streetscape and hardscape improvements, and design/engineering costs. Streetscape and hardscape improvements include:

- Street trees, ornamental trees, and park and entry plantings;
- Irrigation and sod;
- Internal (site) walkways and walkways along road frontage; and,
- Fixtures such as lighting, trash receptacles, screen walls, fountains, ornamental fencing, and bike racks.

To further augment the Town Center Redevelopment, the DDA may fund the construction of a new civic park on approximately one acre of land on the enclosed mall site, directly across Outer Drive from the Township Hall. The proposed park includes a small pond area to represent the community's history of timber harvesting and timber transport on the Saginaw River. The proposed park also includes an amphitheatre and a plaza for hosting events.

The DDA may also assist the administrative costs incidental to the above-listed improvements, such as appraisals, business relocation (if necessary), and fees accrued in the undertaking of said redevelopment program.

Any additional improvements and associated costs considered incidental to the redevelopment of the enclosed mall will be eligible for funding by the DDA, pursuant to P.A. 197 of 1975, as amended.

10. PHASE II PROJECTS, ONGOING: 2006 - 2035

A. Public Safety

In 2006, the residents of Buena Vista Charter Township voted to levy four additional mills to provide for expanded Police and Fire services within the Township. The DDA will collect the required tax increment and subsequently re-dedicate those funds to the Township for use on Police and Fire services that directly benefit the district.

B. Business Retention/ Recruitment/ Expansion

The DDA may allocate funds to design a Business Retention & Recruitment Program, which would include ongoing business and marketing strategies for the downtown area. If feasible, the program will include the identification of incentives for businesses to locate downtown. The goal of the program will be to stimulate economic investment within the district, to eliminate and address blighting conditions (where present), and to provide economic incentives to attract new business and investment within the district.

The Business Retention & Recruitment Program will reinforce the positive, business- and user-friendly image of the Township. The DDA will assist the Township in implementing a "One Stop Shop" to review procedures to encourage business investment in the DDA. This will involve a review of current policies for zoning, permitting and regulatory needs. The intent is to assist the Township in implementing user friendly policies (to the extent not already instituted) in order to encourage investment in the downtown district. This process will include clarifying application procedures, consolidating approval, and other efficiencies to simplify and expedite the development process. Tax increment revenues will be allocated annually and utilized on a "pay-as-you-go" basis for such activities.

C. Façade Improvement Loan Program

Funds may be reserved for the creation of a loan program available to current and prospective property owners in the district. A marketing campaign will be instituted to highlight the benefits to the owners and clientele of district businesses. Loan program funds will be available for:

- Façade improvements, including design and construction costs of new facades;
- Infrastructure improvements, including improvements to plumbing, electrical, roofing, etc.; and,
- Acquisition / demolition activities.

Facade designs will be regulated and reviewed to meet guidelines established by the DDA. The purpose of the program is to stimulate physical improvements, strengthen existing and encourage new business, encourage adaptive reuse and creative projects, and spur local lending institutions to reinvest in the economic revitalization of the business district.

D. Professional, Technical, Administrative

The DDA may fund the securing of professional, technical, and administrative assistance in the form of staff, consultants, and other professionals experienced in the execution of DDA plans and projects.

11. PHASE II PROJECTS, OTHER: 2015 - 2035

A. Facilitate Redevelopment Efforts

The DDA, acting as facilitator, may provide financial assistance in the form of public improvements, infrastructure improvements, and advice, when opportunities and offers from national or noteworthy businesses interested in relocating to the Township arise. The DDA will also assist the Township in taking a proactive stance on attractive and desirable redevelopment focused on vacant properties along Holland (M-46).

B. Streetscape Improvements

Streetscape improvements within the district generally, and the Town Center area specifically, are intended to improve the appearance of the downtown area while creating a defined community identity. The streetscape improvements will promote and provide a visual announcement of the uniqueness of Buena Vista Township. The improvements are designed to improve the appearance of Outer Drive and Holland (M-46) (beyond the site at the northwest corner of the two streets) by constructing curb and gutters, improving existing sidewalks and constructing new sidewalks, planting trees and other landscaping, installing street furniture, and installing coordinated lighting. Later improvements would extend past the Town Center area (locations to be determined) and include the installation of decorative lighting, landscaping, and so on.

C. Other Projects Consistent With The Plan

The priorities and projects described in this Development plan will remain flexible in order to permit the DDA to respond to unforeseen redevelopment, incentive opportunities, or improvement opportunities compatible with those projects listed herein.

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

The DDA may sell, donate, exchange, or lease to or from Buena Vista Charter Township, or a private entity, any land acquired in order to facilitate the Town Center Redevelopment Program or projects described herein – specifically the enclosed mall at the northwest corner of Outer Drive and Holland (M-46). The Authority may acquire any property from the Township within the Development Area if opportunities arise in furtherance of the goals of this Plan. All public improvements accomplished by the Authority and any land, property or equipment, etc. obtained to complete the plans in the document may be conveyed to the Township, at no cost, at the discretion of the DDA.

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

At this time, no zoning changes or changes in streets, street levels, intersections and utilities are contemplated. The creation – and dedication – of public right-of-way is planned for the enclosed mall redevelopment site at the intersection of Outer Drive and Holland (M-46).

14. AN ESTIMATE OF THE COST OF THE DEVELOPMENT, PROPOSED METHOD OF FINANCING AND ABILITY OF THE AUTHORITY TO ARRANGE THE FINANCING.

The estimated cost of the DDA's portion of the public improvement projects, including the cost of associated administration, engineering, planning, and design work (as outlined in Table 1), is \$18,182,070. It is anticipated that these projects will be paid for with tax increment revenues. Some of the projects will be assisted with private grants appropriation or additional funds that may be made available to the Authority.

It is anticipated that some projects will be financed on a "pay-as-you-go" basis, using funds on hand or accumulated from prior years' captures.

It is anticipated that the DDA and/or the Township will issue bonds or incur debt in order to finance certain of the projects listed within this plan.

Cost estimates for projects are rough estimates; design and construction plans have not yet been prepared. As a result, costs are based on preliminary concept designs.

15. DESIGNATION OF 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.

All public improvement projects undertaken as part of this Development Plan and Tax Increment Financing Plan will remain in public ownership for the public benefit. The DDA may consider property acquisition, lease, or sale, as appropriate, in furtherance of the goals of this Plan. Buena Vista Charter Township will be the only direct beneficiary of the project investments.

There will be indirect beneficiaries of the proposed improvements. These parties will be identified as the redevelopment proceeds. The Township expects to be a beneficiary in the long term by increased economic activity and - ultimately - increased property values.

16. THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING, OR CONVEYING OF ALL OR A PORTION OF THE DEVELOPMENT UPON ITS COMPLETION, IF THERE IS NO EXPRESSED 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 TO THOSE PERSONS.

The DDA owns 17.3 acres of land in the Commerce Center. The DDA plans to lease, sell, or otherwise convey that property as opportunities arise. In the event the DDA purchases, receives a donation of, or otherwise comes to own property in the Development Area, it will conform with the Township's bidding process.

Any land acquisitions will be in accordance with the procedures of Act 344 of the Michigan Public Acts of 1945, "Blighted Area Rehabilitation," as amended; Act 87 of the Michigan Public Acts of 1980, "Uniform Condemnation Procedures," as amended; the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (Uniform Act), as amended; and the regulations promulgated there under by the U.S. Department of Housing and Urban Development.

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

It is estimated that 375 persons reside in the District.

No individuals are proposed to be displaced under the Plan, and no occupied residences are designated for acquisition and clearance by the Authority.

18. RESPONSE TO MCL 125.1667(2)(m), 125.1667(2)(n), and 125.1667(2)(o).

Not applicable.

TAX INCREMENT FINANCING PLAN

1. Explanation of the Tax Increment Procedure.

As provided in P.A. 197 of 1975, as amended, tax increment financing is a financing tool for the redevelopment of designated Development Area(s) within a Downtown Development Authority District. Tax increment financing is the process of expending new property tax dollars for improvements that generally benefit the source of the taxes. Tax dollars generated from new private property developments and from improvements to existing private property within a designated Development Area are "captured" and utilized by the DDA to finance public improvements within the Development Area. This process supports and encourages continued private investment.

To utilize tax increment financing, the DDA must prepare a Development Plan and a Tax Increment Financing Plan. Both plans are submitted to the Township Board. The Board must adopt the Plans by ordinance. The Plans specify the initial assessed value, estimate the captured assessed value, and provide for the expenditure of the funds. These Plans may be amended in the future to reflect changes desired by the DDA. All amendments must follow the procedures of the Act.

"Captured assessed value" is defined in the Act as the amount, in any one year, by which the current assessed value of the Development Area exceeds the initial assessed value.

"Initial assessed value" is defined as the assessed value, as equalized, of all the taxable property within the boundaries of the Development 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.

Such funds transmitted to a DDA are termed "tax increment revenues". Tax increment revenues are the amount of ad valorem and specific local taxes attributable to the application of the levy of all taxing jurisdictions other than the state education tax and local or intermediate school districts upon the captured assessed value of real and personal property in the Development Area.

For this Plan, the initial assessed value is the total taxable value for all real and personal property in the Development Area as of May 16, 1989.

The applicable tax levy for tax increment purposes in the DDA Development Area will be the total millage levied by the taxing jurisdictions listed in Table 2. The Buena Vista District Schools, State of Michigan state education tax, and Intermediate School District taxes are not included; the tax levies of these jurisdictions are exempt from capture.

The Township also has approved a number of Industrial Facilities Tax exemptions for parcels located within the Development Area. The treatment on these parcels requires the application of a separate millage computation of 10.8170 to obtain the applicable captured increment. The Township anticipates that while a portion of the IFT applications will expire within the projected plan period, others will be added. Thus, an estimated IFT base will be used to project impact on the taxing jurisdictions.

The Township millage rate is projected to remain at the same level indicated in this plan. It is the intent of this plan to capture all revenue from all applicable millages (see Table 2) on the tax increment or “captured assessed value” of all real and personal property in the Development Area over the duration of this plan.

Table 2
Applicable Millages
Buena Vista Charter Township DDA

<i>Taxing Jurisdiction</i>	<i>Projected Captured Millage Rates</i>
Buena Vista Charter Township	11.9618
Saginaw County	7.6294
Delta Community College	2.0427
<hr/>	
Total Applicable Millage (non-IFT Parcels):	21.6339

IFT Valorem Real	
<i>Taxing Jurisdiction</i>	<i>Projected Captured Millage Rates</i>
Buena Vista Charter Township	5.9809
Saginaw County	3.8147
Delta Community College	1.0214
<hr/>	
Total Applicable Millage (IFT Parcels):	10.8170

Notes:

- a. Buena Vista Schools, State Education tax and the ISD millages are not included; the tax levies of these jurisdictions are exempt from capture.
- b. Rates are per \$1,000.00 of taxable value.
- c. Millage rates are estimated using actual Winter 2006 rates

Under this Tax Increment Financing Plan, the tax levy on the entire captured assessed valuation is to be utilized by the DDA. The tax increment revenues will be expended in the manner as set forth in this Plan. Estimates of the projected growth in taxable value, the revenue captured by taxing jurisdictions, and the tax increment revenues to be received by the DDA, are included in Table 3.

2. Duration of the Program.

The duration of this updated Tax Increment Financing Plan is 30 years, commencing upon adoption by the Township Board in 2007, and will terminate with tax collections due in December, 2035, unless this Plan is amended to extend or shorten its duration.

3. Statement of the Estimated Impact of Tax Increment Financing on Taxing Jurisdictions In Which the Development Area is Located.

The maximum effect of this Plan on the taxing jurisdictions in which the Development Area is located is that the taxable value upon which taxes are now levied will remain constant over the life of this Plan. If the proposed private development occurs as anticipated in this Plan, potential taxes captured from each taxing jurisdiction over the duration of the Plan are estimated in Table 3.

At the expiration of this Tax Increment Financing Plan, all taxing jurisdictions will benefit substantially from the new private development and from a tax base that has been stabilized and enhanced as a result of the public improvement program.

4. Plan for the Expenditure of Captured Assessed Value by the Authority

A. Estimate of Tax Increment Revenues

Table 3 shows projected value increases over the next 30 years. The projected annual growth in taxable value is estimated in Table 3 at a two percent (2%) rate. Both real and personal property assessments are included in the taxable value projections. Table 3 also provides estimates of the tax increment revenues to be accrued by the DDA.

Additional increases in the assessed valuation for the Development Area and consequent tax increment revenues may result from other new construction, expansion, rehabilitation, or further appreciation of property values. These increases are beyond those projected in this Plan, but if such increases result, tax increment revenues will be spent according to this Plan to accelerate the implementation of the public improvement program. This Plan may also be amended to provide for the use of additional tax increment revenues for projects to be identified in the future. Funds not required for Development Plan activities may be returned to the taxing jurisdictions.

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

1. Expand the DDA District and Development Area to include additional properties.
2. Delete or reschedule projects.
3. Explore with the Township Board the option of a levy of up to two (2) mills.

B. Maximum Amount of Bonded Indebtedness

The maximum amount of bonded indebtedness to be incurred by the DDA and/or the Township to finance the projects set forth in this Plan is \$5,875,000. If notes and/or bonds are issued by the Township to finance any portion of this Plan, it is anticipated that the DDA and the Township will enter into a contract relating to the use of tax increment revenues to pay the principal of and interest on any such notes and/or bonds.

Table 3
Buena Vista Charter Township DDA
Estimated Impact of TIF on Taxing Jurisdictions and Available Tax Increment

Taxable Year	Total Captured Value	Buena Vista Charter Township (11.9618 mills)	Saginaw Co. (7.6294)	Delta Community College (2.0427)	Total AD VALOREM Captured Value Available 21.6339	Total IFT* Taxable Value	Total IFT Captured Value (10.817)	Total Captured Value Available for Projects	Debt Service	Net Captured Value Available for Projects
2006	\$18,387,584	\$219,949	\$140,286	\$37,560	\$397,795	\$5,943,067	\$64,286	\$462,081	\$11,200	\$450,881
2007	\$18,755,336	\$224,348	\$143,092	\$38,312	\$405,751	\$6,061,928	\$65,572	\$471,323	\$11,200	\$460,123
2008	\$19,130,442	\$228,835	\$145,954	\$39,078	\$413,866	\$6,183,167	\$66,883	\$480,749	\$11,200	\$469,549
2009	\$19,513,051	\$233,411	\$148,873	\$39,859	\$422,143	\$6,306,830	\$68,221	\$490,364	\$11,200	\$479,164
2010	\$19,903,312	\$238,079	\$151,850	\$40,656	\$430,586	\$6,432,967	\$69,585	\$500,172	\$11,200	\$488,972
2011	\$20,301,379	\$242,841	\$154,887	\$41,470	\$439,198	\$6,561,626	\$70,977	\$510,175	\$11,200	\$498,975
2012	\$20,707,406	\$247,698	\$157,985	\$42,299	\$447,982	\$6,692,859	\$72,397	\$520,379	\$11,200	\$509,179
2013	\$21,121,554	\$252,652	\$161,145	\$43,145	\$456,942	\$6,826,716	\$73,845	\$530,786	\$11,200	\$519,586
2014	\$21,543,985	\$257,705	\$164,368	\$44,008	\$466,080	\$6,963,250	\$75,321	\$541,402	\$11,200	\$530,202
2015	\$21,974,865	\$262,859	\$167,655	\$44,888	\$475,402	\$7,102,515	\$76,828	\$552,230	\$11,200	\$541,030
2016	\$22,414,362	\$268,116	\$171,008	\$45,786	\$484,910	\$7,244,566	\$78,364	\$563,275	\$0	\$563,275
2017	\$22,862,650	\$273,478	\$174,428	\$46,702	\$494,608	\$7,389,457	\$79,932	\$574,540	\$0	\$574,540
2018	\$23,319,903	\$278,948	\$177,917	\$47,636	\$504,500	\$7,537,246	\$81,530	\$586,031	\$0	\$586,031
2019	\$23,786,301	\$284,527	\$181,475	\$48,588	\$514,590	\$7,687,991	\$83,161	\$597,751	\$0	\$597,751
2020	\$24,262,027	\$290,218	\$185,105	\$49,560	\$524,882	\$7,841,751	\$84,824	\$609,706	\$0	\$609,706
2021	\$24,747,267	\$296,022	\$188,807	\$50,551	\$535,380	\$7,998,586	\$86,521	\$621,901	\$0	\$621,901
2022	\$25,242,212	\$301,942	\$192,583	\$51,562	\$546,088	\$8,158,557	\$88,251	\$634,339	\$0	\$634,339
2023	\$25,747,057	\$307,981	\$196,435	\$52,594	\$557,009	\$8,321,729	\$90,016	\$647,025	\$0	\$647,025
2024	\$26,261,998	\$314,141	\$200,363	\$53,645	\$568,149	\$8,488,163	\$91,816	\$659,966	\$0	\$659,966
2025	\$26,787,238	\$320,424	\$204,371	\$54,718	\$579,512	\$8,657,926	\$93,653	\$673,165	\$0	\$673,165
2026	\$27,322,983	\$326,832	\$208,458	\$55,813	\$591,103	\$8,831,085	\$95,526	\$686,629	\$0	\$686,629
2027	\$27,869,442	\$333,369	\$212,627	\$56,929	\$602,925	\$9,007,707	\$97,436	\$700,361	\$0	\$700,361
2028	\$28,426,831	\$340,036	\$216,880	\$58,067	\$614,983	\$9,187,861	\$99,385	\$714,368	\$0	\$714,368
2029	\$28,995,368	\$346,837	\$221,217	\$59,229	\$627,283	\$9,371,618	\$101,373	\$728,656	\$0	\$728,656
2030	\$29,575,275	\$353,774	\$225,642	\$60,413	\$639,829	\$9,559,050	\$103,400	\$743,229	\$0	\$743,229
2031	\$30,166,781	\$360,849	\$230,154	\$61,622	\$652,625	\$9,750,231	\$105,468	\$758,093	\$0	\$758,093
2032	\$30,770,116	\$368,066	\$234,758	\$62,854	\$665,678	\$9,945,236	\$107,578	\$773,255	\$0	\$773,255
2033	\$31,385,518	\$375,427	\$239,453	\$64,111	\$678,991	\$10,144,141	\$109,729	\$788,720	\$0	\$788,720
2034	\$32,013,229	\$382,936	\$244,242	\$65,393	\$692,571	\$10,347,024	\$111,924	\$804,495	\$0	\$804,495
2035	\$32,653,493	\$390,595	\$249,127	\$66,701	\$706,422	\$10,553,964	\$114,162	\$820,585	\$0	\$820,585
					\$16,137,785		\$2,607,966	\$18,745,751	\$112,000	<u>\$18,182,870</u>

TOTAL

Assumptions:

1. Annual growth of 2.0% in taxable values
2. Assumption: redevelopment efforts will positively impact taxable values
3. IFT Values based on actual 2006 captured values supplied by the Township
4. Debt Service Assumption Supplied by Township, \$112,000 Principal Payment 10 yr. payback Only.

C. Compliance with Section 15 of Act No., 197, the Public Acts of Michigan 1975, as amended.

The program and schedule for the expenditure of tax increment revenues to accomplish the proposed public improvements for the DDA Development Area is outlined in Table 1. Cost estimates shown are current estimates only. These estimates are based solely upon concepts and have not been developed from construction drawings. No inflationary factor has been forecasted. Stated cost estimates include fees for design, preparation of construction drawings, and other contingencies.

Any additional tax increment revenues beyond those projected in this plan will:

- 1) Be used to further the implementation of the public improvement program;
- 2) Be used to expedite any debt service; or,
- 3) Be returned, pro-rata, to the taxing units.

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

- 1) Collect and hold the captured revenues until a sufficient amount is available to implement specific public improvements;
- 2) Implement public improvement projects based upon the ability to match existing funds with expenditures while seeking out additional funding sources;
- 3) Amend the Development Plan and/or Tax Increment Financing Plan to allow for alternative projects and funding; or,
- 4) Explore with the Township Board the option of a levy of up to two mills.

The Downtown Development Authority shall annually review proposed increment expenditures and revenues to prioritize the use of additional funds. Other public improvements that would further the completion of the Development Plan may be funded by the DDA.

Under this Tax Increment Financing Plan, the tax levy on the entire captured assessed valuation is to be utilized by the DDA. The tax increment revenues will be expended in the manner as set forth in this Plan. Estimates of the projected growth in taxable value, the revenue captured by the taxing jurisdictions, and the tax increment revenues to be received by the DDA, are included in Table 3.

APPENDIX A

Development Area Legal Description

Part of Sections 4, 9, 10, 14, 15, 16, 20, 21, 22, 23, 27, 28, 29, and 33, T.12 N.-R.5 E, Buena Vista Township, Saginaw County, Michigan, described as beginning at a point 60 feet South of the West 114 corner of Section 27, known as the Southerly Right-of-Way of M-46; thence running Westerly along said Right-of-Way to a point of intersection with The Easterly Right-of-Way of Highway 1-75; thence from said point of Southerly along most Easterly line of said Highway Right-of-Way to a point of the intersection of this line and the South line of Section 28; thence continuing South along said Right-of-Way 247 feet into Section 33; thence Westerly across Highway 1-75 to a point of intersection of said line and the Westerly Right-of-Way line of Highway 1-75 and the Southeast corner of a described parcel; thence continuing Westerly 800 feet to the Southwest corner of same described parcel; thence Northerly along the West line of said parcel to a point 50 feet North of the North line of Section 33; thence Westerly parallel with the South Section line to a point of intersection with the Easterly Right-of-Way of Outer Drive; thence Northerly along said Right-of-Way, 280 feet, to the Northwest corner of a described parcel; thence Easterly parallel to the South line of Section 28, 240 feet; thence Northerly along said West line of same parcel 200 feet to the North line of a described parcel; thence S.84'-30'-20"E., 663 feet; thence N.05'-23'-40"W., to the Northerly Right-of-Way line of CSX Railroad; thence Northwesterly along said Right-of-Way line to a point that is 299 feet Easterly of the West line of Section 28; thence Northerly parallel to said West Section line, 771 feet; thence Westerly to a point of intersection with the Westerly Right-of-Way of Outer Drive; thence from said point Northerly along said Right-of-Way line, 150 feet; thence Westerly parallel to the East West 114 line of Section 29, 495 feet to the Southwest corner of a described parcel; thence Northerly parallel to the East line of Section 29, 260 feet to the Southeast corner of a described parcel; thence Westerly parallel to said East-West line, 225 feet, to the Easterly Right-of-Way of John Prueter Street; thence Northerly parallel to the said East Section line to the South line of the M-46 Right-of-Way; thence Westerly along said Right-of-Way 375 feet; thence Northerly across M -46 Right-of-Way to the Southwest corner of a described parcel; thence continuing Northerly to the Northwest corner of same parcel; thence Easterly to a point of intersection with the West Right-of-Way line of Outer Drive; thence northerly from said point to the North Right-of-Way line of Janes Road; thence Easterly along said Right-of-Way line, 1365 feet to the Southeast corner of a described parcel; thence Northerly 110 feet; thence Easterly parallel with Janes Road Right-of-Way to the Westerly Right-of-Way line Highway 1-75; thence Southerly along said Highway Right-of-Way to the South line of Section 21; thence Easterly along said Section line to a point of intersection with the Westerly Right-of-Way line of Towerline Road, Section 21; thence Northerly from said point along said Right-of-Way to a point of intersection with the East-West 1/8 line of Section 21; thence Westerly from said point along said line to a point of intersection of said line and the

Easterly Right-of-Way of Highway 1-675; thence Northwesterly from said point along said Right-of-Way to a point of intersection of this Right-of-Way and the Right-of-Way for Highway 1-75; thence from said point along Easterly Right-of-Way line of Highway 1-75, Northerly, to a point of intersection of said Right-of-Way and the Northerly Right-of-Way line for Hack Road; thence from said point Easterly along the Northerly Right-of-Way line of Hack Road to a point of intersection with the Easterly Right-of-Way line of Wolf Road; thence Southerly from said point along Easterly Right-of-Way line to the East-West V4 line of Section 9; thence Easterly from said point along the said V4 line of Section 9 and the North line of a described parcel, 1465 feet to the Northwest corner of a described parcel; thence Southerly along the Westerly line of said described parcel 1950 feet to the Northwest corner of a described parcel; thence Easterly along a Northerly line of described parcels, parallel to the South Section line of Section 9, to a point on the Easterly right-of-way of Towerline Road; thence Southerly along said Right-of-Way line to a point of intersection with the Northerly Right-of-Way line of Wadsworth Avenue; thence Easterly from said point along said Right-of-Way line to a point 33 feet North of the North V4 corner of Section 23; thence Southerly from said point along North-South Y4 line of Section 23, to a point 1320 feet North of the *center* of said Section and the Northeast corner of a described parcel; thence Westerly along the said line being the North line of described parcels to point of intersection with the Easterly Right-of-Way line of Airport Road; thence Southerly from said point along said line to a point of intersection with the Southerly Right-of-Way line of Janes Road; thence on said Southerly Right-of-Way line, Westerly, to the *center* of Section 22; thence Southerly from said point along North-South 1;4 line of said Section to a point of intersection with the Southerly Right-of-Way line of M-46; thence from said point, Westerly, to a point 33 feet South of the West 1;4 corner of Section 27, the Point of Beginning.

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