

INTRODUCTION

The Village of Fowlerville (the "Village") created the Local Development Finance Authority of the Village of Fowlerville (the "Authority" or the "LDFA") pursuant to Act 281, Public Acts of Michigan, 1986, as amended ("Act 281") on August 1, 1988. The purpose of the Authority is to prevent conditions of unemployment and promote economic growth through the use of tax increment financing to finance infrastructure and other public facilities.

Following a public hearing held pursuant to Act 281, the Village Council approved its Tax Increment Financing and Development Plan on July 1, 1993 (the "Original Plan"). On May 26, 1998, the Village Council approved an amendment to and restatement of the Original Plan (the "1998 Amended and Restated Plan"), and subsequently approved an amendment to and restatement of the 1998 Amended and Restated Plan on September 28, 1998 (the "Second Amended and Restated Plan").

On November 8, 1999, the Village Council approved Addendum I to the Second Amended and Restated Plan (the "1999 Amendment", and together with the Second Amended and Restated Plan, the "1999 Amended Plan") to incorporate property added to the Authority's district by certain agreements between the Village and the Township of Handy (the "Township") to conditionally transfer land from the Township to the Village pursuant to the provisions of Act 425, Public Acts of Michigan, 1984, as amended. On August 12, 1993 and August 7, 1998, the Michigan Economic Development Corporation ("MEDC") designated the property subject to the Second Amended and Restated Plan as a LDFA Certified Industrial Park. On March 1, 2000, the MEDC allowed inclusion of the property added to the Authority's district by the 1999 Amendment to the LDFA Certified Industrial Park. On December 27, 2004, the Village Council approved Addendum II to the Second Amended and Restated Plan (the "2004 Amendment", and together with the 1999 Amended Plan, the "2004 Amended Plan").

Since the adoption of the 2004 Amended Plan, the Authority and the Village have successfully instituted many of the improvements described in the 2004 Amended plan. The purpose of this Amendment to the Development Plan and Tax Increment Financing Plan (the "2014 Amendment") is to authorize the acquisition and construction of additional public facilities, to provide the authority for the LDFA to acquire, own, lease or dispose of property within the district, pursuant to Act 281, and to extend the duration of the Development Plan and Tax Increment Financing Plan. This 2014 Amendment supplements and does not supersede or replace the 2004 Amended Plan. The 2014 Amendment references and amends only those sections of the 2004 Amended Plan that are supplemented by the information contained in this 2014 Amendment and should be read in conjunction with the 2004 Amended Plan (the 2014 Amendment, together with the 2004 Amended Plan, the "2014 Amended Plan").

Amendments to the 2004 Amended Plan are as follows:

1. The Section titled "**Description of Public Facilities to be Acquired for the Property to which the Plan Applies, a Description of any Repairs and Alterations Necessary to Make Those Improvements, and an Estimate of the Time Required for Completion of the Improvements**" is amended to add the following language to the list of public facilities to be acquired, expanded or improved:

The Authority may acquire one or more of any of the public facilities as defined in Act 281, including but not limited to: electric, gas, telephone or other communication, including but not limited to high speed internet lines, or any other type of utility line or pipeline. The Authority intends to acquire and construct improvements in three phases as further described herein.

2. The Section titled **“Descriptions of any Portions of the Property to which the Plan Applies, with the Authority desires to Sell, Donate, Exchange, or Lease to or from the Village of Fowlerville, and the Proposed Terms”** is deleted, and replaced with a Section titled **“Description of Property to be Acquired, Owned, Leased or Disposed of by the Authority”**, to which the following language is added:

The Authority may acquire by purchase or otherwise on terms and conditions and in a manner the Authority considers proper, own or lease as lessor or lessee, convey, demolish, relocate, rehabilitate, or otherwise dispose of real or personal property, or rights or interests in that property, which the Authority determines is reasonably necessary to achieve the purposes of Act 281, and to grant or acquire licenses, easements, and options with respect to the property.

3. The Section titled **“The Location, Extent, Character and Estimated Cost of the Public Facilities for the Property to which the Plan Applies, and an Estimate of the Time Required for Completion”** is amended to add the following provisions:

The Authority intends to acquire and construct the improvements under this Plan in three phases, as follows:

- A. The short-term phase projects are expected to be implemented within 18 months of approval of this 2014 Amendment and will consist of the following, with cost estimates:

High speed internet	\$ 30,000
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Property acquisition (Approx. 25 acres for expansion/prospects)	\$700,000
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- B. The mid-term phase projects are expected to be implemented from 18-36 months of approval of this 2014 Amendment and will consist of the following, with cost estimates:

Garden Lane Phase I road improvements (S. Grand Ave. to approx. 895 Garden Lane)	\$250,000
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Van Riper Road East Phase II road improvements	\$150,000
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Garden Lane Bridge improvements	\$250,000
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- C. The long term phase projects are expected to be implemented from 36-60 months of approval of this 2014 Amendment and will consist of the following, with cost estimates:

Garden Lane Phase II road improvements
(West of 895 Garden Lane to N. Gregory Rd.) \$175,000

Gregory Road north of Garden Lane improvements \$175,000

4. The Section titled **“Statement of the Construction or Stages or Construction Planned, and the Estimated Time of Completion of each Stage”** is amended to add the following language:

The Authority intends to acquire and construct the improvements under this Plan in three phases, as described in the Section titled “The Location, Extent, Character and Estimated Cost of the Public Facilities for the Property to which the Plan Applies, and an Estimate of the Time Required for Completion”.

5. The Section titled **“Estimate of the Cost of the Public Facility or Facilities, a Statement of the Proposed Method of Financing the Public Facility or Facilities, and the Ability of the Authority to Arrange the Financing”** is amended to add the following language:

It is expected that the cost of the improvements under this 2014 Amendment will not exceed \$1,730,000. Tax Increment Financing will be the primary source of funding for the project. The LDFA may issue bonds to generate capital for improvements, within existing bonded indebtedness limits, or it may elect to pay the improvements on a “pay-as-you-go” basis.

6. **The Duration of the Development Plan and Tax Increment Financing Plan.**

The duration of the Tax Increment Financing and Development Plan is hereby extended to December 31, 2039, or such longer period as may be needed to pay and retire bonds of the Village, or any tax increment bonds issued by or on behalf of the Authority pursuant hereto.

7. **An Estimate of the Captured Assessed Value and Tax Increment Revenues for Each Year of the Plan.**

Please refer to Exhibit A for an estimate of the captured assessed value and tax increment revenues for each year of the 2014 Amended Plan.

EXHIBIT A

**ESTIMATES OF CAPTURED ASSESSED VALUE AND
TAX INCREMENT REVENUES**

[Insert table here]

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VILLAGE OF FOWLerville LDFA - 2014 PLAN AMENDMENT

TAXES CAPTURED (2014 RATES)	AD VALOREM MILLAGE RATE	IFT ACT 198 MILLAGE RATE
VILLAGE	15.09740	7.54870
TOWNSHIP	0.86960	0.43480
LIBRARY	1.40260	0.70130
COUNTY	3.95430	1.97715
TOTALS	21.32390	10.66195

FISCAL YEAR COMMENCING	INITIAL ASSESSED VALUE	ESTIMATED CURRENT ASSESSED VALUE	ESTIMATED TOTAL CAPTURED VALUE	VILLAGE ESTIMATED TAX CAPTURE	TOWNSHIP ESTIMATED TAX CAPTURE	LIBRARY ESTIMATED TAX CAPTURE	COUNTY ESTIMATED TAX CAPTURE	TOTAL ESTIMATED TAX CAPTURE	OUTSTANDING BOND PAYMENTS	AUTHORITY ADMINISTRATIVE COSTS	TAX INCREMENT REVENUES REMAINING
2014	\$ 5,123,380	\$ 66,699,000	\$ 61,575,620	\$ 621,391	\$ 35,791	\$ 57,730	\$ 162,754	\$ 877,666	\$ 394,975	\$ 24,000	\$ 458,691
2015	5,123,380	66,865,748	61,742,368	622,944	35,880	57,874	163,161	879,860	-	24,240	855,620
2016	5,123,380	67,032,912	61,909,532	624,502	35,970	58,019	163,569	882,060	-	24,482	857,577
2017	5,123,380	67,200,494	62,077,114	626,063	36,060	58,164	163,978	884,265	-	24,727	859,538
2018	5,123,380	67,368,495	62,245,115	627,628	36,150	58,309	164,388	886,476	-	24,974	861,501
2019	5,123,380	67,536,917	62,413,537	629,197	36,241	58,455	164,799	888,692	-	25,224	863,468
2020	5,123,380	67,705,759	62,582,379	630,770	36,331	58,601	165,211	890,914	-	25,476	865,437
2021	5,123,380	67,875,023	62,751,643	632,347	36,422	58,748	165,624	893,141	-	25,731	867,410
2022	5,123,380	68,044,711	62,921,331	633,928	36,513	58,895	166,038	895,374	-	25,989	869,385
2023	5,123,380	68,214,823	63,091,443	635,513	36,604	59,042	166,453	897,612	-	26,248	871,364
2024	5,123,380	68,385,360	63,261,980	637,102	36,696	59,190	166,869	899,856	-	26,511	873,345
2025	5,123,380	68,556,323	63,432,943	638,694	36,788	59,338	167,286	902,106	-	26,776	875,330
2026	5,123,380	68,727,714	63,604,334	640,291	36,880	59,486	167,704	904,361	-	27,044	877,317
2027	5,123,380	68,899,533	63,776,153	641,892	36,972	59,635	168,124	906,622	-	27,314	879,308
2028	5,123,380	69,071,782	63,948,402	643,497	37,064	59,784	168,544	908,889	-	27,587	881,301
2029	5,123,380	69,244,461	64,121,081	645,105	37,157	59,933	168,965	911,161	-	27,863	883,297
2030	5,123,380	69,417,573	64,294,193	646,718	37,250	60,083	169,388	913,439	-	28,142	885,297
2031	5,123,380	69,591,117	64,467,737	648,335	37,343	60,233	169,811	915,722	-	28,423	887,299
2032	5,123,380	69,765,094	64,641,714	649,956	37,436	60,384	170,236	918,012	-	28,708	889,304
2033	5,123,380	69,938,507	64,816,127	651,581	37,530	60,535	170,661	920,307	-	28,995	891,312
2034	5,123,380	70,114,356	64,990,976	653,210	37,624	60,686	171,088	922,607	-	29,285	893,323
2035	5,123,380	70,289,642	65,166,262	654,843	37,718	60,838	171,516	924,914	-	29,577	895,336
2036	5,123,380	70,465,366	65,341,986	656,480	37,812	60,990	171,944	927,226	-	29,873	897,353
2037	5,123,380	70,641,529	65,518,149	658,121	37,907	61,142	172,374	929,544	-	30,172	899,372
2038	5,123,380	70,818,133	65,694,753	659,766	38,001	61,295	172,805	931,868	-	30,474	901,394
2039	5,123,380	70,995,178	65,871,798	661,416	38,096	61,448	173,237	934,198	-	30,778	903,419
TOTAL			\$ 16,671,291	\$ 960,236	\$ 1,548,837	\$ 4,366,525	\$ 23,546,889	\$ 394,975	\$ 708,615	\$ 22,443,299	

NOTES:

1. Assumes 0.25% annual increase in captured values of taxable property due to inflation.
2. Does not take into account existing or future IFT tax abatements.
3. Tax increment revenues may be used for payment of bonds issued by or on behalf of the LDFA, or to fund the costs of additional public, or for reversion to taxing jurisdictions.
4. Projections based on current tax rates.

