



CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY

REGULAR MEETING

WEDNESDAY, JANUARY 8, 2020

MAYOR'S OFFICE

7:30 A.M.

MIKE TYMKEW-CHAIRPERSON

REVISED AGENDA

- I. Call To Order (Reminder: turn off cell phones)
- II. Roll Call of the DDA
- III. Approval of Prior Meeting Minutes
 - November 13, 2019 Regular Meeting Minutes
- IV. Correspondence
- V. Order of Business
 - A. Election of Officers
 - B. Ismon House Rental Rates
 - C. Brownfield Interlocal Agreement 101-109 S. Superior Street Project
 - D. Brownfield Interlocal Agreement 111-119 S. Superior Street Project
 - E. Brownfield Interlocal Agreement 104-108 S. Superior Street Project
 - F. Brownfield Interlocal Agreement 213-221 S. Superior Street Project
 - G. Brownfield Interlocal Agreement 313-315 S. Superior Street Project
 - H. Brownfield Interlocal Agreement 106-108 E. Erie Street Project
 - I. Brownfield Interlocal Agreement 300-304 S. Superior Street Project
 - J. Brownfield Interlocal Agreement 403 S. Superior Street Project
- VI. Citizen Comments (Persons addressing the DDA shall limit their comments to no more than 5 minutes. Proper decorum is required.)
- VII. Board Member Comments
- VIII. Adjournment

City Of Albion
 Albion Downtown Development Authority
 Meeting Minutes – November 13, 2019

I. CALL TO ORDER

Chairperson Mike Tymkew called the meeting to order at 7:30 a.m.

II. ROLL CALL

X	Dave Atchison	X	Nidia Wolf
X	Scott Evans	A	Jennifer Yawson
A	Marcola Lawler		
X	Linda LaNoue		
X	Mike Tymkew		
X	Emily Verbeke		

Administration: Darwin McClary, City Manager and Jill Domingo, City Clerk

III. Approval of Prior Meeting Minutes

- A. August 14, 2019 Regular Meeting Minutes
- B. September 23, 2019 Study Session Minutes

Motion by N Wolf, supported by L LaNoue, CARRIED, to approve prior meeting minutes as presented.

(MOTION carried, voice vote)

IV. Correspondence-None

V. Order of Business

A. Strategic Plan Update-Leah DuMouchel

Leah DuMouchel with Beckett & Raeder provided the following update on the Strategic Plan:

- The project table needs work
- The draft of the DDA Development Plan is complete
- The project list is approximately 50% complete
- The TIFA forecast is almost complete
- Review of Outstanding Items & Assignments:
 - Preliminary draft review-Nidia, Emily, Linda
 - DDA Staffing-Scott Evans
 - Relationship to other TIF programs-Dave Atchison
 - Project Table-Emily
 - Citizens Council-Linda LaNoue

- Final draft review-All Board Members
- Adoption Process

Board Member Dave Atchison stated they will have new members on the DDA Board by the end of the month and asked for a Study Session so an overview could be presented for the new Board Members.

The consensus of the Board is to schedule a Study Session for an overview of the Strategic Plan update for new board members on Tuesday, December 17th at City Hall, 5:00 p.m.

Comments were received from Board Members D Atchison, L LaNoue, E Verbeke, N Wolf, S Evans and Chair M Tymkew and City Manager McClary.

B. Approve 2020 DDA Budget

Chair M Tymkew stated there was not a lot of change in the 2020 DDA Budget. For 2020, a sizeable capture will occur in property taxes however most of this capture must be paid to the Hotel Brownfield as required by the inter-governmental agreement between the DDA and the Brownfield. Because of the increase in taxable value from the Hotel and other properties downtown, the DDA does not qualify for any reimbursement from lost personal property taxes in 2019. There is a small increase in fund balance.

Comments were received from Board Members M Tymkew, E Verbeke, S Evans, N Wolf and D Atchison and City Manager McClary.

N Wolf moved, supported by S Evans, CARRIED, To Approve the 2020 DDA Budget as presented.

(MOTION CARRIED, roll call vote)

C. Approve 2020 Meeting Dates

Discussion among the Board is to return to monthly DDA meetings which would be the 2nd Wednesday of each month at 7:30 a.m. at City Hall, Mayor's Office.

Comments were received from Board Members M Tymkew, N Wolf and L LaNoue

E Verbeke moved, supported by N Wolf, CARRIED, To Approve 2020 Monthly DDA Meetings, the 2nd Wednesday of each month at 7:30 a.m. at City Hall, Mayor's Office.

(MOTION CARRIED, voice vote)

D. Election of Officers (Chairperson, Vice Chairperson, Secretary, Treasurer)

D Atchison moved, supported by E Verbeke, CARRIED, to Table the Election of Officers until the January 8, 2020 meeting.

(MOTION CARRIED, voice vote)

E. Discussion Public Engagement

The Board discussed getting information out to the community and the overall need for more public engagement. How to engage the community in conversation and what role the DDA can play in facilitating outreach to the community and help to incorporate 2-way conversations.

Comments were received from Board Members N Wolf, E Verbeke, L LaNoue and D Atchison and City Manager McClary.

F. Excuse Absent Board Members

S Evans moved, supported by D Atchison, CARRIED, to Excuse Absent Board Members Lawler and Johnson.

(MOTION CARRIED, voice vote)

G. Supporting Downtown Businesses for Small Business Saturday and Holiday Season

Board Member E Verbeke stated a group of local area businesses that meet twice a month are looking for ways to utilize and support the community branding logo. They will be purchasing vinyl shopping bags with the community logo that will be given out to shoppers who spend \$50.00 or more at a local business on Small Business Saturday and through the holiday season. They will be ordering 100 bags at a cost of \$6.00 per bag. They are asking if the DDA would be willing to contribute toward the cost of the bags.

Board questions/comments:

- What is the timeline for the bags? *While supplies last*
- May be difficult to spend \$50.00 in one downtown business-could this be a cumulative amount? *E Verbeke will take the suggestion back to the local businesses for approval.*
- Can this be taken from the community promotions fund?
- Would help support the community branding

Board Member S Evans also stated that Homestead Bank will be hosting two "Cash Mob" events. Members of Homestead Savings Bank will be located on the dates/times listed below handing out \$5.00 bills to people in the downtown area. They hope this money will be spent in the local downtown businesses. These events will be held on:

- Saturday, November 30, 2019 (Small Business Saturday) outside Stirling Books & Brew and Bigbie Coffee
- Friday, December 6th outside between the Albion Malleable Brewery and Foundry Bakehouse.

Comments were received from Board Members N Wolf, L LaNoue, S Evans and D Atchison and Al Smith.

E Verbeke moved, supported by D Atchison, CARRIED, to Fund \$150.00 towards the purchase of the vinyl bags with the community logo to support local area businesses.

(MOTION CARRIED, voice vote)

H. Business Networking Events Sponsored by DDA

The Board discussed opportunities for networking events that could be sponsored by the DDA. Some ideas are as follows:

- DDA sponsor monthly networking events-having a different business host a monthly meeting
- Sponsoring a collaboration meeting between the DDA, EDC and Chamber twice a year
- Need to coordinate a community event such as the Financial Empowerment Fair
- DDA to coordinate support/sponsor February event focused on Housing

Comments were received from Board Members L LaNoue, E Verbeke and S Evans

VI. Citizens Comments (Persons addressing the DDA shall limit their comments to no more than 5 minutes. Proper decorum is required.)

Comments were received by Al Smith.

Board Member Comments:

Comments were received by Board Members L LaNoue, M Tymkew and City Manager McClary.

VII. ADJOURNMENT

Motion by D Atchison, supported by L LaNoue to adjourn the meeting of the DDA.

(MOTION CARRIED, voice vote)

Meeting adjourned at 9:07 a.m.

Recorded by Jill Domingo, City Clerk

Rates & Rental Information

Proposed nRates effective January 2020.

FRIDAY • SATURDAY • SUNDAY • HOLIDAY RATES

TIME PERIOD	GARDEN LEVEL	1st FLOOR	2nd FLOOR	3rd FLOOR
8:00AM-12:00PM	\$15.00/hr	\$25.00/hr	\$25.00/hr	\$35.00/hr
12:00PM-4:00PM	\$20.00/hr	\$30.00/hr	\$30.00/hr	\$40.00/hr
4:00PM-8:00PM	\$25.00/hr	\$35.00/hr	\$35.00/hr	\$50.00/hr
8:00PM-10:00PM	\$30.00/hr	\$40.00/hr	\$40.00/hr	\$70.00/hr
10:00PM-12:00AM	\$100.00/hr	\$100.00/hr	\$100.00/hr	\$100.00/hr

MONDAY • TUESDAY • WEDNESDAY • THURSDAY RATES

(20% discount)

TIME PERIOD	GARDEN LEVEL	1st FLOOR	2nd FLOOR	3rd FLOOR
8:00AM-12:00PM	\$12.00/hr	\$20.00/hr	\$20.00/hr	\$26.00/hr
12:00PM-4:00PM	\$16.00/hr	\$24.00/hr	\$24.00/hr	\$32.00/hr
4:00PM-8:00PM	\$20.00/hr	\$26.00/hr	\$26.00/hr	\$40.00/hr
8:00PM-10:00PM	\$24.00/hr	\$32.00/hr	\$32.00/hr	\$56.00/hr
10:00PM-12:00AM	\$80.00/hr	\$80.00/hr	\$80.00/hr	\$80.00/hr

Note: The event length of time is defined as the time the building is opened for the event until it is closed/inspected at the completion of the event. If the event time extends beyond the contracted time, an additional charge of \$25 per half hour will be due.

*Cleaning Fees of \$75.00 per floor, if not completed properly by the Renter immediately following event.

*For every Deposit returned to the Renter, \$25 fee is kept for each cancellation.

Renter & Guests are eligible for a 10% discount at the Palmer House Bed & Breakfast and the Courtyard by Marriott of Albion.

Rates & Rental Information

Rates effective July 2019

FRIDAY • SATURDAY • SUNDAY • HOLIDAY RATES

TIME PERIOD	GARDEN LEVEL	1st FLOOR	2nd FLOOR	3rd FLOOR
8:00AM-12:00PM	\$10.00/hr	\$20.00/hr	\$20.00/hr	\$30.00/hr
12:00PM-4:00PM	\$15.00/hr	\$25.00/hr	\$25.00/hr	\$40.00/hr
4:00PM-8:00PM	\$20.00/hr	\$30.00/hr	\$30.00/hr	\$60.00/hr
8:00PM-10:00PM	\$25.00/hr	\$35.00/hr	\$35.00/hr	\$75.00/hr
10:00PM-12:00AM	\$100.00/hr	\$100.00/hr	\$100.00/hr	\$100.00/hr

MONDAY • TUESDAY • WEDNESDAY • THURSDAY RATES

(20% discount)

TIME PERIOD	GARDEN LEVEL	1st FLOOR	2nd FLOOR	3rd FLOOR
8:00AM-12:00PM	\$8.00/hr	\$16.00/hr	\$16.00/hr	\$24.00/hr
12:00PM-4:00PM	\$12.00/hr	\$20.00/hr	\$20.00/hr	\$32.00/hr
4:00PM-8:00PM	\$16.00/hr	\$24.00/hr	\$24.00/hr	\$48.00/hr
8:00PM-10:00PM	\$20.00/hr	\$28.00/hr	\$28.00/hr	\$60.00/hr
10:00PM-12:00AM	\$80.00/hr	\$80.00/hr	\$80.00/hr	\$80.00/hr

Note: The event length of time is defined as the time the building is opened for the event until it is closed or inspected at the completion of the event. **If the event time extends beyond the contracted time, an additional charge of \$25 per half hour will be due.**

Cleaning Fees: \$75.00 per floor, if not completed by the renter following the event.

Linen Fees: \$10 per tablecloth rental and \$15 total if centerpiece is included.

*For every Deposit returned to the Renter, \$25 fee is kept for each cancellation.

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, Albion Reinvestment Corporation (ARC) has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

101-109 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

101-109 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adeprez@albioncdc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 4, 2019

Approved by the City of Albion BRA on 12-19-19

Approved by the Albion City Council on _____

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- Figure 1: Property Location Map
- Figure 2: Property Boundary Diagram

TABLES

- Table 1: Brownfield Eligible Activities
- Table 2: Tax Increment Revenue Capture Estimates
- Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

- Attachment A: Legal Description
- Attachment B: Functionally Obsolete Letter

1.0 PROJECT SUMMARY

Project Name:	101-109 S. Superior Street Project
Developer:	Albion Reinvestment Corporation (the “Developer”) 1002 N. Eaton Street Albion, Michigan Contact: William Dobbins
Property Location:	101-109 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of four parcels: 51-002-141-01 51-002-141-02 51-002-142-00 51-002-143-00
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of four mixed-use buildings. The mixed-use project will include a total of 6,261-square feet of ground floor commercial/retail/office space and 10 high-quality residential apartment units totaling approximately 7,556 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$3,276,240 of which \$751,940 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.

Duration of Plan: 21 years (starting in 2021).

**Developer's
Reimbursable Costs:** \$751,940

Distribution of New Taxes Paid	
Developer Reimbursement	\$751,940
Sub-Total Reimbursement	\$751,940
State Brownfield Revolving Fund (SBRF)	\$60,213
BRA Plan Administrative Fees	\$18,358
Local Brownfield Revolving Fund (LBRF)	\$18,358
New Taxes to School /City Debt	\$46,364
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$143,293
Grand Total	\$895,233

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of the platted parcels of land, situated along the east side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
101 S. Superior Street	51-002-141-01	“Functionally Obsolete”
103 S. Superior Street	51-002-141-02	“Functionally Obsolete”
105 S. Superior Street	51-002-142-00	“Functionally Obsolete”
109 S. Superior Street	51-002-143-00	“Functionally Obsolete”

The Property consists of approximately 0.228 acres developed with four two-story mixed-use buildings. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as a restaurant, clothing store, hardware store and office space. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been

determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of the mixed-use buildings. The mixed-use project will include a total of 6,261-square feet of ground floor commercial/retail/office space and 10 high-quality residential apartment units totaling approximately 7,556 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$3,276,240. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as a restaurant, clothing store, hardware store and office space. The second floor was used for residential purposes.

Based on the age, the building also contains lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$751,940.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities..... \$30,000

Demolition \$615,000

Total MSF Eligible Activities..... \$645,000

Contingency (15%) \$96,750

Brownfield Plan/Act 381 Work Plan Preparation \$10,190

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$751,940

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$0 which is the initial taxable value for this Plan.

The estimated final taxable value of \$808,327 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2041 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$895,233.

Distribution of New Taxes Paid	
Developer Reimbursement	\$751,940
Sub-Total Reimbursement	\$751,940
State Brownfield Revolving Fund (SBRF)	\$60,213
BRA Plan Administrative Fees	\$18,358
Local Brownfield Revolving Fund (LBRF)	\$18,358
New Taxes to School /City Debt	\$46,364
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$143,293
Grand Total	\$895,233

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 21 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 21 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

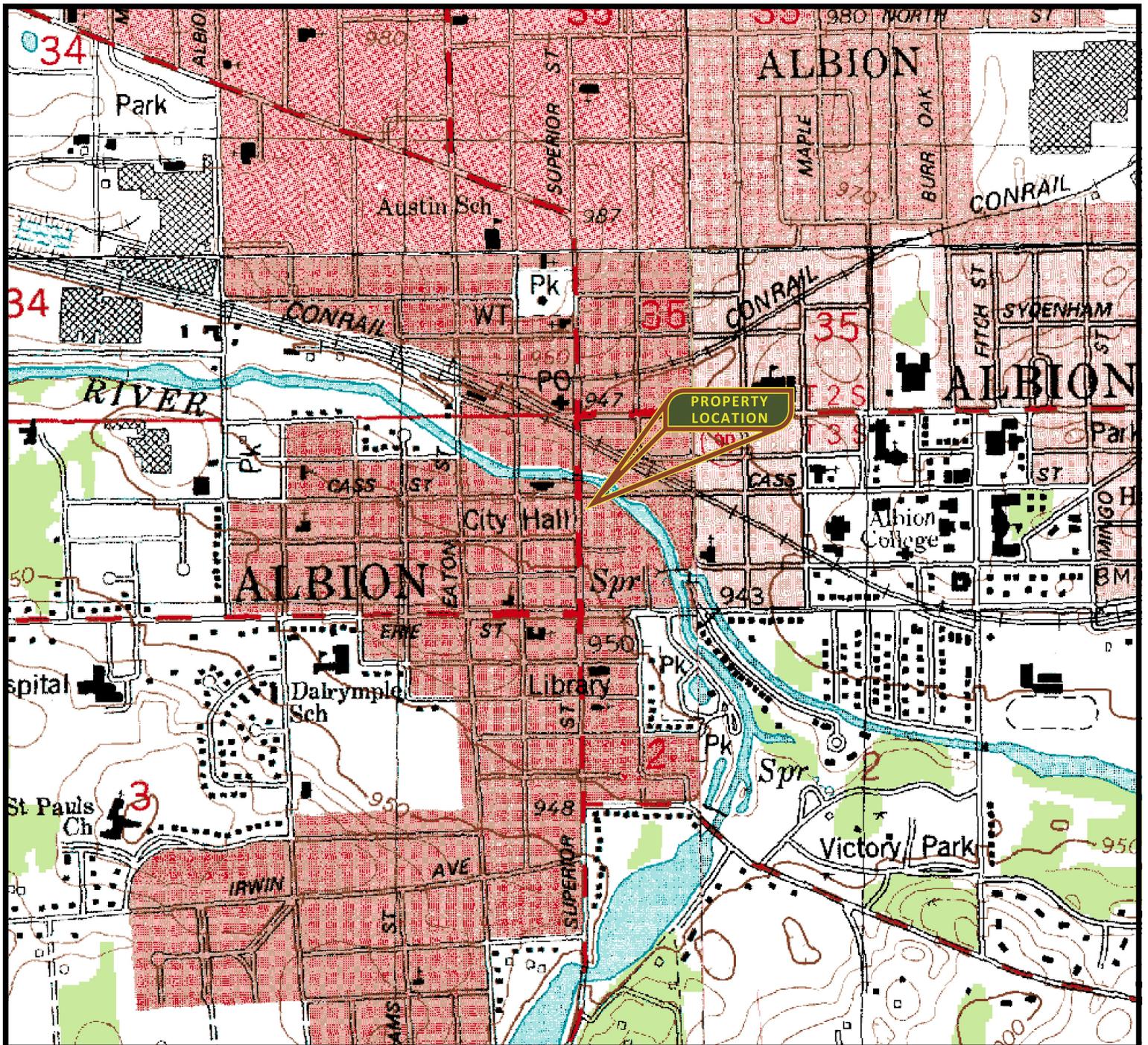


FIGURE 1
PROPERTY LOCATION

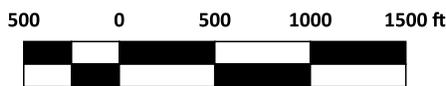


101-109 S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

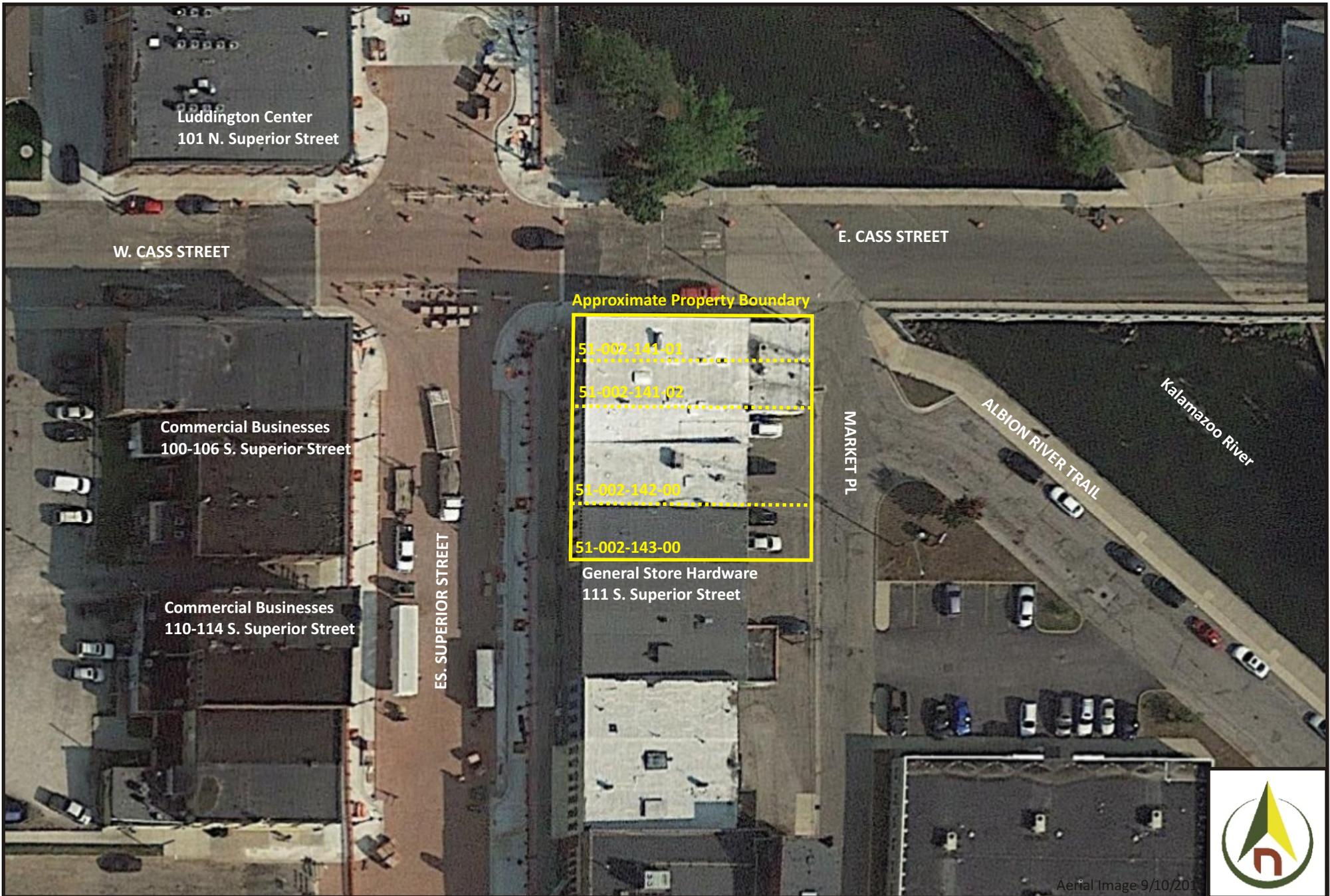
PROJECT NUMBER: 18-1959

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG



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Aerial Image 9/10/201



TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**101-109 S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/2/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
101-109 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ -	\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Inspection/Abatement	1	LS	\$ 30,000	\$ 30,000		\$ 30,000	
Subtotal Asbestos and Lead Activities				\$ 30,000		\$ 30,000	\$ -
Demolition							
Demolition - Interior/Exterior	1	LS	\$ 605,000	\$ 605,000		\$ 605,000	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
				\$ -			
Subtotal Demolition Activities				\$ 615,000	\$ -	\$ 615,000	\$ -
MSF ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 645,000	\$ -	\$ 645,000	\$ -
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 645,000	\$ -	\$ 645,000	\$ -
Contingency (15%)				\$ 96,750	\$ -	\$ 96,750	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 10,190	\$ 10,190		\$ 10,190	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT				\$ 751,940	\$ -	\$ 751,940	\$ -
State Brownfield Revolving Fund				\$ 60,213			
BRA Administrative Fees				\$ 18,358			
Local Brownfield Revolving Fund (LBRF)				\$ 18,358			
GRAND TOTAL				\$ 848,870			
					0.00%	100.00%	0.00%

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
101-109 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year

Plan Year	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12	2033 13	2034 14
Base Taxable Value (TV) of Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Base Taxable Value (TV) of Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV for Land	\$ 9,680	\$ 9,874	\$ 10,071	\$ 10,272	\$ 10,478	\$ 10,688	\$ 10,901	\$ 11,119	\$ 11,342	\$ 11,568	\$ 11,800	\$ 12,036	\$ 12,277	\$ 12,522
Estimated New TV for Building	\$ 798,647	\$ 814,620	\$ 830,912	\$ 847,531	\$ 864,481	\$ 881,771	\$ 899,406	\$ 917,394	\$ 935,742	\$ 954,457	\$ 973,546	\$ 993,017	\$ 1,012,878	\$ 1,033,135
Incremental Difference for Land (New TV - Base TV)	\$ 9,680	\$ 9,874	\$ 10,071	\$ 10,272	\$ 10,478	\$ 10,688	\$ 10,901	\$ 11,119	\$ 11,342	\$ 11,568	\$ 11,800	\$ 12,036	\$ 12,277	\$ 12,522
Incremental Difference for Building (New TV - Base TV)	\$ 798,647	\$ 814,620	\$ 830,912	\$ 847,531	\$ 864,481	\$ 881,771	\$ 899,406	\$ 917,394	\$ 935,742	\$ 954,457	\$ 973,546	\$ 993,017	\$ 1,012,878	\$ 1,033,135
Total Incremental Difference	\$ 808,327	\$ 824,494	\$ 840,983	\$ 857,803	\$ 874,959	\$ 892,458	\$ 910,307	\$ 928,514	\$ 947,084	\$ 966,026	\$ 985,346	\$ 1,005,053	\$ 1,025,154	\$ 1,045,657

School Capture Millage Rate

School Operating	18.0000	\$ 14,550	\$ 14,841	\$ 15,138	\$ 15,440	\$ 15,749	\$ 16,064	\$ 16,386	\$ 16,713	\$ 17,048	\$ 17,388	\$ 17,736	\$ 18,091	\$ 18,453	\$ 18,822
State Education Tax (SET)	6.0000	\$ 4,850	\$ 4,947	\$ 5,046	\$ 5,147	\$ 5,250	\$ 5,355	\$ 5,462	\$ 5,571	\$ 5,683	\$ 5,796	\$ 5,912	\$ 6,030	\$ 6,151	\$ 6,274
School Total:	24.0000	\$ 19,400	\$ 19,788	\$ 20,184	\$ 20,587	\$ 20,999	\$ 21,419	\$ 21,847	\$ 22,284	\$ 22,730	\$ 23,185	\$ 23,648	\$ 24,121	\$ 24,604	\$ 25,096

Local Capture Millage Rate

Albion Operating	11.9376	\$ 116	\$ 118	\$ 120	\$ 123	\$ 125	\$ 128	\$ 130	\$ 133	\$ 135	\$ 138	\$ 141	\$ 144	\$ 12,238	\$ 12,483
Calhoun County	5.3779	\$ 52	\$ 53	\$ 54	\$ 55	\$ 56	\$ 57	\$ 59	\$ 60	\$ 61	\$ 62	\$ 63	\$ 65	\$ 5,513	\$ 5,623
Street/solid waste/ Rec	7.5000	\$ 73	\$ 74	\$ 76	\$ 77	\$ 79	\$ 80	\$ 82	\$ 83	\$ 85	\$ 87	\$ 88	\$ 90	\$ 7,689	\$ 7,842
KCC	3.6136	\$ 35	\$ 36	\$ 36	\$ 37	\$ 38	\$ 39	\$ 39	\$ 40	\$ 41	\$ 42	\$ 43	\$ 43	\$ 3,704	\$ 3,779
Vet/Seniors/Medical	1.0934	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 12	\$ 12	\$ 12	\$ 12	\$ 13	\$ 13	\$ 13	\$ 1,121	\$ 1,143
School Building	1.0000	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11	\$ 11	\$ 11	\$ 12	\$ 12	\$ 12	\$ 1,025	\$ 1,046
CISD - Operating/Voc Ed	1.7057	\$ 17	\$ 17	\$ 17	\$ 18	\$ 18	\$ 18	\$ 19	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 1,749	\$ 1,784
CISD - Special Ed	4.5000	\$ 44	\$ 44	\$ 45	\$ 46	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 53	\$ 54	\$ 4,613	\$ 4,705
Dist. Library	2.5000	\$ 24	\$ 25	\$ 25	\$ 26	\$ 26	\$ 27	\$ 27	\$ 28	\$ 28	\$ 29	\$ 29	\$ 30	\$ 2,563	\$ 2,614
Local Total:	39.2282	\$ 380	\$ 387	\$ 395	\$ 403	\$ 411	\$ 419	\$ 428	\$ 436	\$ 445	\$ 454	\$ 463	\$ 472	\$ 40,215	\$ 41,019
Total Capturable Taxes:	63.2282	\$ 19,780	\$ 20,175	\$ 20,579	\$ 20,990	\$ 21,410	\$ 21,838	\$ 22,275	\$ 22,721	\$ 23,175	\$ 23,638	\$ 24,111	\$ 24,593	\$ 64,819	\$ 66,115

Non-Capturable Millages Millage Rate

School Debt	2.3100	\$ 1,867	\$ 1,905	\$ 1,943	\$ 1,982	\$ 2,021	\$ 2,062	\$ 2,103	\$ 2,145	\$ 2,188	\$ 2,232	\$ 2,276	\$ 2,322	\$ 2,368	\$ 2,415
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ 1,867	\$ 1,905	\$ 1,943	\$ 1,982	\$ 2,021	\$ 2,062	\$ 2,103	\$ 2,145	\$ 2,188	\$ 2,232	\$ 2,276	\$ 2,322	\$ 2,368	\$ 2,415

Table 2
Tax Increment Revenue Capture Estimates
101-109 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2035 15	2036 16	2037 17	2038 18	2039 19	2040 20	2041 21
Base Taxable Value (TV) of Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Base Taxable Value (TV) of Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV for Land	\$ 12,773	\$ 13,028	\$ 13,289	\$ 13,554	\$ 13,825	\$ 14,102	\$ 14,384
Estimated New TV for Building	\$ 1,053,798	\$ 1,074,874	\$ 1,096,371	\$ 1,118,299	\$ 1,140,665	\$ 1,163,478	\$ 1,186,747
Incremental Difference for Land (New TV - Base TV)	\$ 12,773	\$ 13,028	\$ 13,289	\$ 13,554	\$ 13,825	\$ 14,102	\$ 14,384
Incremental Difference for Building (New TV - Base TV)	\$ 1,053,798	\$ 1,074,874	\$ 1,096,371	\$ 1,118,299	\$ 1,140,665	\$ 1,163,478	\$ 1,186,747
Total Incremental Difference	\$ 1,066,570	\$ 1,087,902	\$ 1,109,660	\$ 1,131,853	\$ 1,154,490	\$ 1,177,580	\$ 430,945

School Capture	Millage Rate								
School Operating	18.0000	\$ 19,198	\$ 19,582	\$ 19,974	\$ 20,373	\$ 20,781	\$ 21,196	\$ 7,757	
State Education Tax (SET)	6.0000	\$ 6,399	\$ 6,527	\$ 6,658	\$ 6,791	\$ 6,927	\$ 7,065	\$ 2,586	
School Total:	24.0000	\$ 25,598	\$ 26,110	\$ 26,632	\$ 27,164	\$ 27,708	\$ 28,262	\$ 10,343	

Local Capture	Millage Rate								
Albion Operating	11.9376	\$ 12,732	\$ 12,987	\$ 13,247	\$ 13,512	\$ 13,782	\$ 14,057	\$ 5,144	
Calhoun County	5.3779	\$ 5,736	\$ 5,851	\$ 5,968	\$ 6,087	\$ 6,209	\$ 6,333	\$ 2,318	
Street/solid waste/ Rec	7.5000	\$ 7,999	\$ 8,159	\$ 8,322	\$ 8,489	\$ 8,659	\$ 8,832	\$ 3,232	
KCC	3.6136	\$ 3,854	\$ 3,931	\$ 4,010	\$ 4,090	\$ 4,172	\$ 4,255	\$ 1,557	
Vet/Seniors/Medical	1.0934	\$ 1,166	\$ 1,190	\$ 1,213	\$ 1,238	\$ 1,262	\$ 1,288	\$ 471	
School Building	1.0000	\$ 1,067	\$ 1,088	\$ 1,110	\$ 1,132	\$ 1,154	\$ 1,178	\$ 431	
CISD - Operating/Voc Ed	1.7057	\$ 1,819	\$ 1,856	\$ 1,893	\$ 1,931	\$ 1,969	\$ 2,009	\$ 735	
CISD - Special Ed	4.5000	\$ 4,800	\$ 4,896	\$ 4,993	\$ 5,093	\$ 5,195	\$ 5,299	\$ 1,939	
Dist. Library	2.5000	\$ 2,666	\$ 2,720	\$ 2,774	\$ 2,830	\$ 2,886	\$ 2,944	\$ 1,077	
Local Total:	39.2282	\$ 41,840	\$ 42,676	\$ 43,530	\$ 44,401	\$ 45,289	\$ 46,194	\$ 16,905	
Total Capturable Taxes:	63.2282	\$ 67,437	\$ 68,786	\$ 70,162	\$ 71,565	\$ 72,996	\$ 74,456	\$ 27,248	

Non-Capturable Millages	Millage Rate								
School Debt	2.3100	\$ 2,464	\$ 2,513	\$ 2,563	\$ 2,615	\$ 2,667	\$ 2,720	\$ 995	
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Non-Capturable Taxes:	2.3100								

Total	Pass-Through	Captured
\$ 361,280.97	\$ 36,128.10	\$ 325,152.87
\$ 120,426.99	\$ 6,021.35	\$ 114,405.64
\$ 481,707.96	\$ 42,149.45	\$ 439,558.51

\$ 111,731.64	\$ 11,173.16	\$ 100,558.47
\$ 50,335.21	\$ 5,033.52	\$ 45,301.69
\$ 70,197.30	\$ 7,019.73	\$ 63,177.57
\$ 33,821.99	\$ 3,382.20	\$ 30,439.79
\$ 10,233.83	\$ 1,023.38	\$ 9,210.45
\$ 9,359.64	\$ 935.96	\$ 8,423.68
\$ 15,964.74	\$ 1,596.47	\$ 14,368.26
\$ 42,118.38	\$ 4,211.84	\$ 37,906.54
\$ 23,399.10	\$ 2,339.91	\$ 21,059.19
\$ 367,161.82	\$ 36,716.18	\$ 330,445.64
\$ 848,869.78	\$ 78,865.63	\$ 770,004.15

\$ 46,364.39	\$ 46,364.39	\$ -
\$ -	\$ -	\$ -
\$ 46,364.39	\$ 46,364.39	\$ -

\$ 895,234.17	\$ 125,230.02	\$ 770,004.15
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
101-109 S. Superior Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	56.1%	\$ 421,494	\$ -	\$ 421,494
Local	43.9%	\$ 330,446	\$ -	\$ 330,446
TOTAL		\$ 751,940	\$ -	\$ 751,940
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 751,940		

Estimated Total Years of Plan:	21
--------------------------------	----

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 60,213
BRA Administrative Fees	\$ 18,358
Local Brownfield Revolving Fund	\$ 18,358

* During the life of the Plan

	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12	2033 13	2034 14	2035 15	2036 16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 19,400	\$ 19,788	\$ 20,184	\$ 20,587	\$ 20,999	\$ 21,419	\$ 21,847	\$ 22,284	\$ 22,730	\$ 23,185	\$ 23,648	\$ 24,121	\$ 24,604	\$ 25,096	\$ 25,598	\$ 26,110	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 2,425	\$ 2,473	\$ 2,523	\$ 2,573	\$ 2,625	\$ 2,677	\$ 2,731	\$ 2,786	\$ 2,841	\$ 2,898	\$ 2,956	\$ 3,015	\$ 3,075	\$ 3,137	\$ 3,200	\$ 3,264	
State TIR Available for Reimbursement to Developer	\$ 16,975	\$ 17,314	\$ 17,661	\$ 18,014	\$ 18,374	\$ 18,742	\$ 19,116	\$ 19,499	\$ 19,889	\$ 20,287	\$ 20,692	\$ 21,106	\$ 21,528	\$ 21,959	\$ 22,398	\$ 22,846	
Total Local Tax Capture Available	\$ 380	\$ 387	\$ 395	\$ 403	\$ 411	\$ 419	\$ 428	\$ 436	\$ 445	\$ 454	\$ 463	\$ 472	\$ 481	\$ 490	\$ 499	\$ 508	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 21	\$ 22	\$ 22	\$ 23	\$ 23	\$ 24	\$ 2,011	\$ 2,051	\$ 2,092	\$ 2,134	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 21	\$ 22	\$ 22	\$ 23	\$ 23	\$ 24	\$ 2,011	\$ 2,051	\$ 2,092	\$ 2,134	
Local TIR Available for Reimbursement to Developer	\$ 342	\$ 349	\$ 356	\$ 363	\$ 370	\$ 377	\$ 385	\$ 393	\$ 400	\$ 408	\$ 417	\$ 425	\$ 36,193	\$ 36,917	\$ 37,656	\$ 38,409	
Total State & Local TIR Available for Reimbursement to Developer	\$ 17,317	\$ 17,663	\$ 18,016	\$ 18,377	\$ 18,744	\$ 19,119	\$ 19,501	\$ 19,891	\$ 20,289	\$ 20,695	\$ 21,109	\$ 21,531	\$ 57,722	\$ 58,876	\$ 60,054	\$ 61,255	
DEVELOPER																	
	Beginning Balance																
	\$ 751,940	\$ 734,623	\$ 716,960	\$ 698,944	\$ 680,568	\$ 661,824	\$ 642,705	\$ 623,203	\$ 603,312	\$ 583,023	\$ 562,328	\$ 541,219	\$ 519,688	\$ 461,966	\$ 403,090	\$ 343,036	\$ 281,782
MSF Eligible Activities	\$ 751,940	\$ 734,623	\$ 716,960	\$ 698,944	\$ 680,568	\$ 661,824	\$ 642,705	\$ 623,203	\$ 603,312	\$ 583,023	\$ 562,328	\$ 541,219	\$ 519,688	\$ 461,966	\$ 403,090	\$ 343,036	\$ 281,782
State Tax Reimbursement	\$ 421,494	\$ 16,975	\$ 17,314	\$ 17,661	\$ 18,014	\$ 18,374	\$ 18,742	\$ 19,116	\$ 19,499	\$ 19,889	\$ 20,287	\$ 20,692	\$ 21,106	\$ 21,528	\$ 21,959	\$ 22,398	\$ 22,846
Local Tax Reimbursement	\$ 330,446	\$ 342	\$ 349	\$ 356	\$ 363	\$ 370	\$ 377	\$ 385	\$ 393	\$ 400	\$ 408	\$ 417	\$ 425	\$ 36,193	\$ 36,917	\$ 37,656	\$ 38,409
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 17,317	\$ 17,663	\$ 18,016	\$ 18,377	\$ 18,744	\$ 19,119	\$ 19,501	\$ 19,891	\$ 20,289	\$ 20,695	\$ 21,109	\$ 21,531	\$ 57,722	\$ 58,876	\$ 60,054	\$ 61,255	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
101-109 S. Superior Street
Albion, MI

	2037	2038	2039	2040	2041	
	17	18	19	20	21	TOTALS
Available Tax Increment Revenue (TIR)						
Total State Tax Capture Available	\$ 26,632	\$ 27,164	\$ 27,708	\$ 28,262	\$ 10,343	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 3,329	\$ 3,396	\$ 3,463	\$ 3,533	\$ 1,293	\$ 60,213
State TIR Available for Reimbursement to Developer	\$ 23,303	\$ 23,769	\$ 24,244	\$ 24,729	\$ 9,050	
Total Local Tax Capture Available	\$ 43,530	\$ 44,401	\$ 45,289	\$ 46,194	\$ 16,905	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 2,176	\$ 2,220	\$ 2,264	\$ 2,310	\$ 845	\$ 18,358
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 2,176	\$ 2,220	\$ 2,264	\$ 2,310	\$ 845	\$ 18,358
Local TIR Available for Reimbursement to Developer	\$ 39,177	\$ 39,960	\$ 40,760	\$ 41,575	\$ 15,215	
Total State & Local TIR Available for Reimbursement to Developer	\$ 62,480	\$ 63,729	\$ 65,004	\$ 66,304	\$ 24,265	
 DEVELOPER						
	\$ 219,302	\$ 155,572	\$ 90,568	\$ 24,264	\$ (0)	
MSF Eligible Activities	\$ 219,302	\$ 155,572	\$ 90,568	\$ 24,264	\$ (0)	
State Tax Reimbursement	\$ 23,303	\$ 23,769	\$ 24,244	\$ 24,729	\$ 9,050	\$ 421,494
Local Tax Reimbursement	\$ 39,177	\$ 39,960	\$ 40,760	\$ 41,575	\$ 15,215	\$ 330,446
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 62,480	\$ 63,729	\$ 65,004	\$ 66,304	\$ 24,265	\$ 848,870

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

101 - 109 S. Superior Street

Albion, Michigan 49224

101 S. SUPERIOR STREET (Parcel No. 51-002-141-01) – Property exempt from Ad Valorem taxes and assessed on the Special Act Roll pursuant to PA 261 of 2003 expiring 12/30/2021. ALBION CITY, ASSESSORS PLAT OF MILL RESERVE, N 1/2 OF LOT 41 (101 S SUPERIOR ST)

103 S. SUPERIOR STREET (Parcel No. 51-002-141-02) – ALBION CITY, ASSESSORS PLAT OF MILL RESERVE, S 1/2 OF LOT 41 (103 S SUPERIOR ST)

105 S. SUPERIOR STREET (Parcel No. 51-002-142-00) – Property exempt from Ad Valorem taxes and assessed on the Special Act Roll pursuant to PA 261 of 2003 expiring 12/31/2021. ALBION CITY, ASSESSORS PLAT OF MILL (105 S SUPERIOR ST) RESERVE LOT 42. (105-107 S SUPERIOR ST.)

109 S. SUPERIOR STREET (Parcel No. 51-002-143-00) – ALBION CITY, ASSESSORS PLAT OF MILL RESERVE LOT 43. (109 S SUPERIOR)

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Albion Reinvestment Corporation & City of Albion

Re: Obsolete Property – 101, 103, 105, 107, & 109 S. Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential 4 buildings 2 Story

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is properly that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second floor is completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, Albion Reinvestment Corporation (ARC) has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

111-119 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

111-119 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adeprez@albioncdc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 5, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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- Table 1: Brownfield Eligible Activities
- Table 2: Tax Increment Revenue Capture Estimates
- Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

- Attachment A: Legal Description
- Attachment B: Functionally Obsolete Letter

1.0 PROJECT SUMMARY

Project Name:	111-119 S. Superior Street Project
Developer:	Albion Reinvestment Corporation (the “Developer”) 1002 N. Eaton Street Albion, Michigan Contact: William Dobbins
Property Location:	111-119 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of five parcels: 51-002-144-00 51-002-145-00 51-002-146-00 51-002-147-00 51-002-148-00
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of four mixed-use buildings. The mixed-use project will include a total of 4,400-square feet of ground floor commercial/retail/office space and 11 high-quality residential apartment units totaling approximately 9,172 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$3,276,240 of which \$751,940 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.

Duration of Plan: 21 years (starting in 2021).

**Developer's
Reimbursable Costs:** \$751,940

Distribution of New Taxes Paid	
Developer Reimbursement	\$751,940
Sub-Total Reimbursement	\$751,940
State Brownfield Revolving Fund (SBRF)	\$60,213
BRA Plan Administrative Fees	\$18,358
Local Brownfield Revolving Fund (LBRF)	\$18,358
New Taxes to School /City Debt	\$46,364
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$143,293
Grand Total	\$895,233

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of the platted parcels of land, situated along the east side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
111 S. Superior Street	51-002-144-00	“Functionally Obsolete”
113 S. Superior Street	51-002-145-00	“Functionally Obsolete”
115 S. Superior Street	51-002-146-00	“Functionally Obsolete”
117 S. Superior Street	51-002-147-00	“Functionally Obsolete”
119 S. Superior Street	51-002-148-00	“Functionally Obsolete”

The Property consists of approximately 0.257 acres developed with three two-story mixed-use buildings. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as a jewelry store, clothing store, hardware store and office space. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because:

(a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of the mixed-use buildings. The mixed-use project will include a total of 4,400-square feet of ground floor commercial/retail/office space and 11 high-quality residential apartment units totaling approximately 9,172 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$3,276,240. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as a jewelry store, clothing store, hardware store and office space. The second floor was used for residential purposes.

Based on the age, the building also contains lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, wallboard, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$751,940.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities..... \$30,000

Demolition \$615,000

Total MSF Eligible Activities..... \$645,000

Contingency (15%) \$96,750

Brownfield Plan/Act 381 Work Plan Preparation \$10,190

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$751,940

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$0 which is the initial taxable value for this Plan.

The estimated final taxable value of \$808,327 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2041 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$895,233.

Distribution of New Taxes Paid	
Developer Reimbursement	\$751,940
Sub-Total Reimbursement	\$751,940
State Brownfield Revolving Fund (SBRF)	\$60,213
BRA Plan Administrative Fees	\$18,358
Local Brownfield Revolving Fund (LBRF)	\$18,358
New Taxes to School /City Debt	\$46,364
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$143,293
Grand Total	\$895,233

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 21 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 21 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

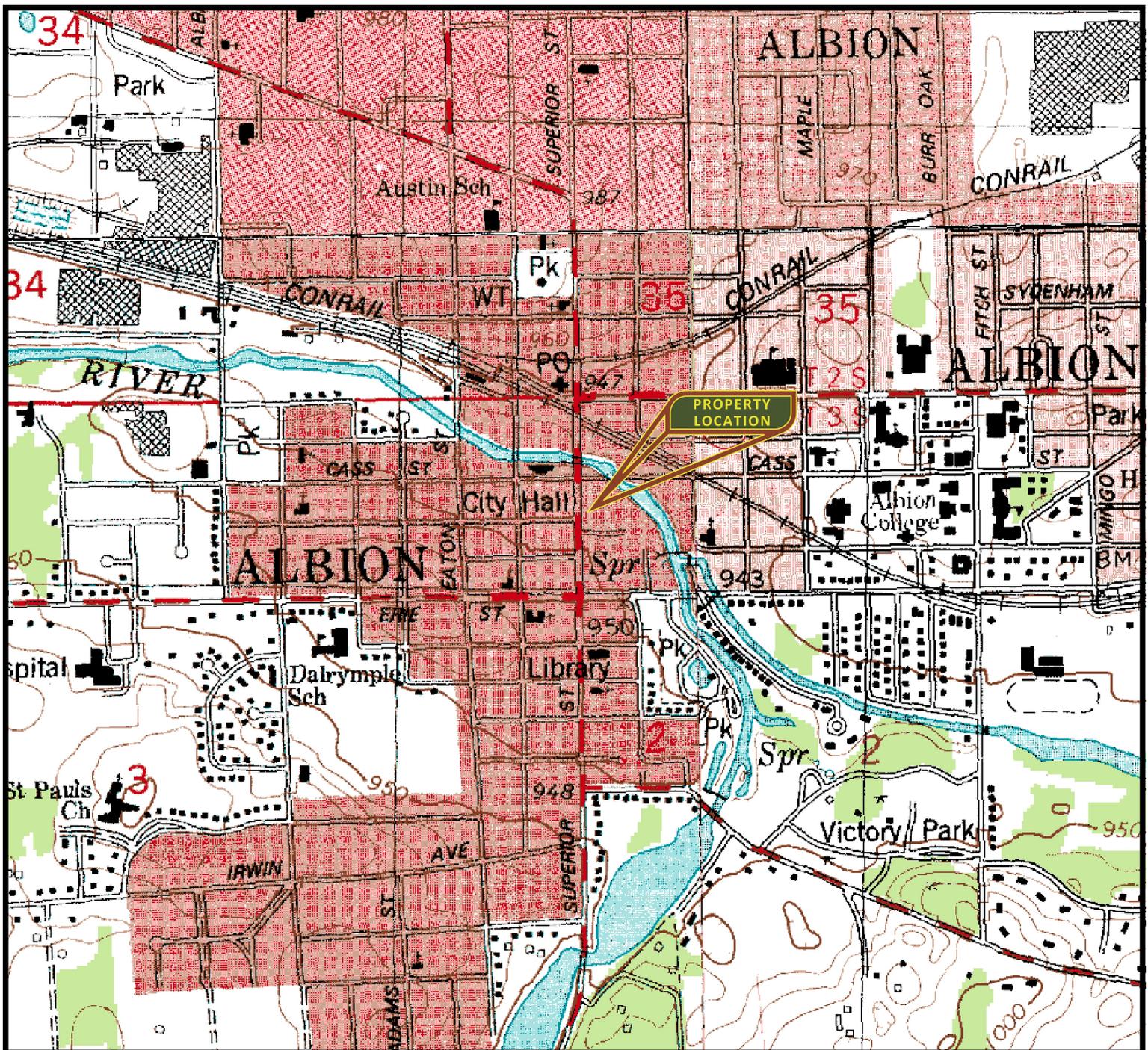


FIGURE 1
PROPERTY LOCATION

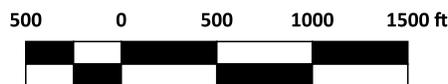


111-119 S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

PROJECT NUMBER: 18-1959

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG



1:12000





Aerial Image 9/10/2019



TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**111-119 S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/2/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
111-119 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ -	\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Inspection/Abatement	1	LS	\$ 30,000	\$ 30,000		\$ 30,000	
Subtotal Asbestos and Lead Activities				\$ 30,000		\$ 30,000	\$ -
Demolition							
Demolition - Interior/Exterior	1	LS	\$ 605,000	\$ 605,000		\$ 605,000	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
				\$ -			
Subtotal Demolition Activities				\$ 615,000	\$ -	\$ 615,000	\$ -
MSF ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 645,000	\$ -	\$ 645,000	\$ -
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 645,000	\$ -	\$ 645,000	\$ -
Contingency (15%)				\$ 96,750	\$ -	\$ 96,750	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 10,190	\$ 10,190		\$ 10,190	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT				\$ 751,940	\$ -	\$ 751,940	\$ -
State Brownfield Revolving Fund				\$ 60,213			
BRA Administrative Fees				\$ 18,358			
Local Brownfield Revolving Fund (LBRF)				\$ 18,358			
GRAND TOTAL				\$ 848,870			
					0.00%	100.00%	0.00%

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
111-119 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year

Plan Year	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12	2033 13	2034 14
Base Taxable Value (TV) of Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Base Taxable Value (TV) of Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV for Land	\$ 9,680	\$ 9,874	\$ 10,071	\$ 10,272	\$ 10,478	\$ 10,688	\$ 10,901	\$ 11,119	\$ 11,342	\$ 11,568	\$ 11,800	\$ 12,036	\$ 12,277	\$ 12,522
Estimated New TV for Building	\$ 798,647	\$ 814,620	\$ 830,912	\$ 847,531	\$ 864,481	\$ 881,771	\$ 899,406	\$ 917,394	\$ 935,742	\$ 954,457	\$ 973,546	\$ 993,017	\$ 1,012,878	\$ 1,033,135
Incremental Difference for Land (New TV - Base TV)	\$ 9,680	\$ 9,874	\$ 10,071	\$ 10,272	\$ 10,478	\$ 10,688	\$ 10,901	\$ 11,119	\$ 11,342	\$ 11,568	\$ 11,800	\$ 12,036	\$ 12,277	\$ 12,522
Incremental Difference for Building (New TV - Base TV)	\$ 798,647	\$ 814,620	\$ 830,912	\$ 847,531	\$ 864,481	\$ 881,771	\$ 899,406	\$ 917,394	\$ 935,742	\$ 954,457	\$ 973,546	\$ 993,017	\$ 1,012,878	\$ 1,033,135
Total Incremental Difference	\$ 808,327	\$ 824,494	\$ 840,983	\$ 857,803	\$ 874,959	\$ 892,458	\$ 910,307	\$ 928,514	\$ 947,084	\$ 966,026	\$ 985,346	\$ 1,005,053	\$ 1,025,154	\$ 1,045,657

School Capture Millage Rate

School Operating	18.0000	\$ 14,550	\$ 14,841	\$ 15,138	\$ 15,440	\$ 15,749	\$ 16,064	\$ 16,386	\$ 16,713	\$ 17,048	\$ 17,388	\$ 17,736	\$ 18,091	\$ 18,453	\$ 18,822	
State Education Tax (SET)	6.0000	\$ 4,850	\$ 4,947	\$ 5,046	\$ 5,147	\$ 5,250	\$ 5,355	\$ 5,462	\$ 5,571	\$ 5,683	\$ 5,796	\$ 5,912	\$ 6,030	\$ 6,151	\$ 6,274	
School Total:	24.0000	37.96%	\$ 19,400	\$ 19,788	\$ 20,184	\$ 20,587	\$ 20,999	\$ 21,419	\$ 21,847	\$ 22,284	\$ 22,730	\$ 23,185	\$ 23,648	\$ 24,121	\$ 24,604	\$ 25,096

Local Capture Millage Rate

Albion Operating	11.9376	\$ 116	\$ 118	\$ 120	\$ 123	\$ 125	\$ 128	\$ 130	\$ 133	\$ 135	\$ 138	\$ 141	\$ 144	\$ 147	\$ 150
Calhoun County	5.3779	\$ 52	\$ 53	\$ 54	\$ 55	\$ 56	\$ 57	\$ 59	\$ 60	\$ 61	\$ 62	\$ 63	\$ 65	\$ 66	\$ 67
Street/solid waste/ Rec	7.5000	\$ 73	\$ 74	\$ 76	\$ 77	\$ 79	\$ 80	\$ 82	\$ 83	\$ 85	\$ 87	\$ 88	\$ 90	\$ 91	\$ 92
KCC	3.6136	\$ 35	\$ 36	\$ 36	\$ 37	\$ 38	\$ 39	\$ 39	\$ 40	\$ 41	\$ 42	\$ 43	\$ 43	\$ 44	\$ 45
Vet/Seniors/Medical	1.0934	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 12	\$ 12	\$ 12	\$ 12	\$ 13	\$ 13	\$ 13	\$ 14	\$ 14
School Building	1.0000	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11	\$ 11	\$ 11	\$ 12	\$ 12	\$ 12	\$ 13	\$ 13
CISD - Operating/Voc Ed	1.7057	\$ 17	\$ 17	\$ 17	\$ 18	\$ 18	\$ 18	\$ 19	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 22
CISD - Special Ed	4.5000	\$ 44	\$ 44	\$ 45	\$ 46	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 53	\$ 54	\$ 55	\$ 56
Dist. Library	2.5000	\$ 24	\$ 25	\$ 25	\$ 26	\$ 26	\$ 27	\$ 27	\$ 28	\$ 28	\$ 29	\$ 29	\$ 30	\$ 30	\$ 31
Local Total:	39.2282	62.04%	\$ 380	\$ 387	\$ 395	\$ 403	\$ 411	\$ 419	\$ 428	\$ 436	\$ 445	\$ 454	\$ 463	\$ 472	\$ 481
Total Capturable Taxes:	63.2282	100.00%	\$ 19,780	\$ 20,175	\$ 20,579	\$ 20,990	\$ 21,410	\$ 21,838	\$ 22,275	\$ 22,721	\$ 23,175	\$ 23,638	\$ 24,111	\$ 24,593	\$ 25,085

Non-Capturable Millages Millage Rate

School Debt	2.3100	\$ 1,867	\$ 1,905	\$ 1,943	\$ 1,982	\$ 2,021	\$ 2,062	\$ 2,103	\$ 2,145	\$ 2,188	\$ 2,232	\$ 2,276	\$ 2,322	\$ 2,368	\$ 2,415
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ 1,867	\$ 1,905	\$ 1,943	\$ 1,982	\$ 2,021	\$ 2,062	\$ 2,103	\$ 2,145	\$ 2,188	\$ 2,232	\$ 2,276	\$ 2,322	\$ 2,368	\$ 2,415

Table 2
Tax Increment Revenue Capture Estimates
111-119 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2035 15	2036 16	2037 17	2038 18	2039 19	2040 20	2041 21
Base Taxable Value (TV) of Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Base Taxable Value (TV) of Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV for Land	\$ 12,773	\$ 13,028	\$ 13,289	\$ 13,554	\$ 13,825	\$ 14,102	\$ 14,384
Estimated New TV for Building	\$ 1,053,798	\$ 1,074,874	\$ 1,096,371	\$ 1,118,299	\$ 1,140,665	\$ 1,163,478	\$ 1,186,747
Incremental Difference for Land (New TV - Base TV)	\$ 12,773	\$ 13,028	\$ 13,289	\$ 13,554	\$ 13,825	\$ 14,102	\$ 14,384
Incremental Difference for Building (New TV - Base TV)	\$ 1,053,798	\$ 1,074,874	\$ 1,096,371	\$ 1,118,299	\$ 1,140,665	\$ 1,163,478	\$ 1,186,747
Total Incremental Difference	\$ 1,066,570	\$ 1,087,902	\$ 1,109,660	\$ 1,131,853	\$ 1,154,490	\$ 1,177,580	\$ 430,945

School Capture	Millage Rate								
School Operating	18.0000	\$ 19,198	\$ 19,582	\$ 19,974	\$ 20,373	\$ 20,781	\$ 21,196	\$ 7,757	
State Education Tax (SET)	6.0000	\$ 6,399	\$ 6,527	\$ 6,658	\$ 6,791	\$ 6,927	\$ 7,065	\$ 2,586	
School Total:	24.0000	\$ 25,598	\$ 26,110	\$ 26,632	\$ 27,164	\$ 27,708	\$ 28,262	\$ 10,343	

Local Capture	Millage Rate								
Albion Operating	11.9376	\$ 12,732	\$ 12,987	\$ 13,247	\$ 13,512	\$ 13,782	\$ 14,057	\$ 5,144	
Calhoun County	5.3779	\$ 5,736	\$ 5,851	\$ 5,968	\$ 6,087	\$ 6,209	\$ 6,333	\$ 2,318	
Street/solid waste/ Rec	7.5000	\$ 7,999	\$ 8,159	\$ 8,322	\$ 8,489	\$ 8,659	\$ 8,832	\$ 3,232	
KCC	3.6136	\$ 3,854	\$ 3,931	\$ 4,010	\$ 4,090	\$ 4,172	\$ 4,255	\$ 1,557	
Vet/Seniors/Medical	1.0934	\$ 1,166	\$ 1,190	\$ 1,213	\$ 1,238	\$ 1,262	\$ 1,288	\$ 471	
School Building	1.0000	\$ 1,067	\$ 1,088	\$ 1,110	\$ 1,132	\$ 1,154	\$ 1,178	\$ 431	
CISD - Operating/Voc Ed	1.7057	\$ 1,819	\$ 1,856	\$ 1,893	\$ 1,931	\$ 1,969	\$ 2,009	\$ 735	
CISD - Special Ed	4.5000	\$ 4,800	\$ 4,896	\$ 4,993	\$ 5,093	\$ 5,195	\$ 5,299	\$ 1,939	
Dist. Library	2.5000	\$ 2,666	\$ 2,720	\$ 2,774	\$ 2,830	\$ 2,886	\$ 2,944	\$ 1,077	
Local Total:	39.2282	\$ 41,840	\$ 42,676	\$ 43,530	\$ 44,401	\$ 45,289	\$ 46,194	\$ 16,905	
Total Capturable Taxes:	63.2282	\$ 67,437	\$ 68,786	\$ 70,162	\$ 71,565	\$ 72,996	\$ 74,456	\$ 27,248	

Non-Capturable Millages	Millage Rate								
School Debt	2.3100	\$ 2,464	\$ 2,513	\$ 2,563	\$ 2,615	\$ 2,667	\$ 2,720	\$ 995	
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Non-Capturable Taxes:	2.3100								

Total	Pass-Through	Captured
\$ 361,280.97	\$ 36,128.10	\$ 325,152.87
\$ 120,426.99	\$ 6,021.35	\$ 114,405.64
\$ 481,707.96	\$ 42,149.45	\$ 439,558.51

\$ 111,731.64	\$ 11,173.16	\$ 100,558.47
\$ 50,335.21	\$ 5,033.52	\$ 45,301.69
\$ 70,197.30	\$ 7,019.73	\$ 63,177.57
\$ 33,821.99	\$ 3,382.20	\$ 30,439.79
\$ 10,233.83	\$ 1,023.38	\$ 9,210.45
\$ 9,359.64	\$ 935.96	\$ 8,423.68
\$ 15,964.74	\$ 1,596.47	\$ 14,368.26
\$ 42,118.38	\$ 4,211.84	\$ 37,906.54
\$ 23,399.10	\$ 2,339.91	\$ 21,059.19
\$ 367,161.82	\$ 36,716.18	\$ 330,445.64
\$ 848,869.78	\$ 78,865.63	\$ 770,004.15

\$ 46,364.39	\$ 46,364.39	\$ -
\$ -	\$ -	\$ -
\$ 46,364.39	\$ 46,364.39	\$ -

\$ 895,234.17	\$ 125,230.02	\$ 770,004.15
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
111-119 S. Superior Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	56.1%	\$ 421,494	\$ -	\$ 421,494
Local	43.9%	\$ 330,446	\$ -	\$ 330,446
TOTAL		\$ 751,940	\$ -	\$ 751,940
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 751,940		

Estimated Total Years of Plan:	21
--------------------------------	----

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 60,213
BRA Administrative Fees	\$ 18,358
Local Brownfield Revolving Fund	\$ 18,358

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 19,400	\$ 19,788	\$ 20,184	\$ 20,587	\$ 20,999	\$ 21,419	\$ 21,847	\$ 22,284	\$ 22,730	\$ 23,185	\$ 23,648	\$ 24,121	\$ 24,604	\$ 25,096	\$ 25,598	\$ 26,110	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 2,425	\$ 2,473	\$ 2,523	\$ 2,573	\$ 2,625	\$ 2,677	\$ 2,731	\$ 2,786	\$ 2,841	\$ 2,898	\$ 2,956	\$ 3,015	\$ 3,075	\$ 3,137	\$ 3,200	\$ 3,264	
State TIR Available for Reimbursement to Developer	\$ 16,975	\$ 17,314	\$ 17,661	\$ 18,014	\$ 18,374	\$ 18,742	\$ 19,116	\$ 19,499	\$ 19,889	\$ 20,287	\$ 20,692	\$ 21,106	\$ 21,528	\$ 21,959	\$ 22,398	\$ 22,846	
Total Local Tax Capture Available	\$ 380	\$ 387	\$ 395	\$ 403	\$ 411	\$ 419	\$ 428	\$ 436	\$ 445	\$ 454	\$ 463	\$ 472	\$ 481	\$ 490	\$ 499	\$ 508	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 21	\$ 22	\$ 22	\$ 23	\$ 23	\$ 24	\$ 2,011	\$ 2,051	\$ 2,092	\$ 2,134	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 21	\$ 22	\$ 22	\$ 23	\$ 23	\$ 24	\$ 2,011	\$ 2,051	\$ 2,092	\$ 2,134	
Local TIR Available for Reimbursement to Developer	\$ 342	\$ 349	\$ 356	\$ 363	\$ 370	\$ 377	\$ 385	\$ 393	\$ 400	\$ 408	\$ 417	\$ 425	\$ 36,193	\$ 36,917	\$ 37,656	\$ 38,409	
Total State & Local TIR Available for Reimbursement to Developer	\$ 17,317	\$ 17,663	\$ 18,016	\$ 18,377	\$ 18,744	\$ 19,119	\$ 19,501	\$ 19,891	\$ 20,289	\$ 20,695	\$ 21,109	\$ 21,531	\$ 57,722	\$ 58,876	\$ 60,054	\$ 61,255	
DEVELOPER																	
	Beginning Balance																
	\$ 751,940	\$ 734,623	\$ 716,960	\$ 698,944	\$ 680,568	\$ 661,824	\$ 642,705	\$ 623,203	\$ 603,312	\$ 583,023	\$ 562,328	\$ 541,219	\$ 519,688	\$ 461,966	\$ 403,090	\$ 343,036	\$ 281,782
MSF Eligible Activities	\$ 751,940	\$ 734,623	\$ 716,960	\$ 698,944	\$ 680,568	\$ 661,824	\$ 642,705	\$ 623,203	\$ 603,312	\$ 583,023	\$ 562,328	\$ 541,219	\$ 519,688	\$ 461,966	\$ 403,090	\$ 343,036	\$ 281,782
State Tax Reimbursement	\$ 421,494	\$ 16,975	\$ 17,314	\$ 17,661	\$ 18,014	\$ 18,374	\$ 18,742	\$ 19,116	\$ 19,499	\$ 19,889	\$ 20,287	\$ 20,692	\$ 21,106	\$ 21,528	\$ 21,959	\$ 22,398	\$ 22,846
Local Tax Reimbursement	\$ 330,446	\$ 342	\$ 349	\$ 356	\$ 363	\$ 370	\$ 377	\$ 385	\$ 393	\$ 400	\$ 408	\$ 417	\$ 425	\$ 36,193	\$ 36,917	\$ 37,656	\$ 38,409
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 17,317	\$ 17,663	\$ 18,016	\$ 18,377	\$ 18,744	\$ 19,119	\$ 19,501	\$ 19,891	\$ 20,289	\$ 20,695	\$ 21,109	\$ 21,531	\$ 57,722	\$ 58,876	\$ 60,054	\$ 61,255	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
111-119 S. Superior Street
Albion, MI

	2037	2038	2039	2040	2041	
	17	18	19	20	21	TOTALS
Available Tax Increment Revenue (TIR)						
Total State Tax Capture Available	\$ 26,632	\$ 27,164	\$ 27,708	\$ 28,262	\$ 10,343	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 3,329	\$ 3,396	\$ 3,463	\$ 3,533	\$ 1,293	\$ 60,213
State TIR Available for Reimbursement to Developer	\$ 23,303	\$ 23,769	\$ 24,244	\$ 24,729	\$ 9,050	
Total Local Tax Capture Available	\$ 43,530	\$ 44,401	\$ 45,289	\$ 46,194	\$ 16,905	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 2,176	\$ 2,220	\$ 2,264	\$ 2,310	\$ 845	\$ 18,358
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 2,176	\$ 2,220	\$ 2,264	\$ 2,310	\$ 845	\$ 18,358
Local TIR Available for Reimbursement to Developer	\$ 39,177	\$ 39,960	\$ 40,760	\$ 41,575	\$ 15,215	
Total State & Local TIR Available for Reimbursement to Developer	\$ 62,480	\$ 63,729	\$ 65,004	\$ 66,304	\$ 24,265	
 DEVELOPER						
	\$ 219,302	\$ 155,572	\$ 90,568	\$ 24,264	\$ (0)	
MSF Eligible Activities	\$ 219,302	\$ 155,572	\$ 90,568	\$ 24,264	\$ (0)	
State Tax Reimbursement	\$ 23,303	\$ 23,769	\$ 24,244	\$ 24,729	\$ 9,050	\$ 421,494
Local Tax Reimbursement	\$ 39,177	\$ 39,960	\$ 40,760	\$ 41,575	\$ 15,215	\$ 330,446
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 62,480	\$ 63,729	\$ 65,004	\$ 66,304	\$ 24,265	\$ 848,870

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

111 - 119 S. Superior Street

Albion, Michigan 49224

111 S. SUPERIOR STREET (Parcel No. 51-002-144-00) – Property exempt from Ad Valorem taxes and assessed on the Special Act Roll pursuant to PA 261 of 2003 expiring 12/31/2022. ALBION CITY, ASSESSORS PLAT OF MILL RESERVE LOT 44.

113 S. SUPERIOR STREET (Parcel No. 51-002-145-00) – Property exempt from Ad Valorem taxes and assessed on the Special Act Roll pursuant to PA 261 of 2003 expiring 12/31/2021. ALBION CITY, ASSESSORS PLAT OF MILL (113 S SUPERIOR ST) RESERVE LOT 45.

115 S. SUPERIOR STREET (Parcel No. 51-002-146-00) – ALBION CITY, ASSESSORS PLAT OF MILL (115 S SUPERIOR) RESERVE LOT 46.

117 S. SUPERIOR STREET (Parcel No. 51-002-147-00) – ALBION CITY, ASSESSORS PLAT OF MILL (117 S SUPERIOR) RESERVE LOT 47.

119 S. SUPERIOR STREET (Parcel No. 51-002-148-00) – ALBION CITY, ASSESSORS PLAT OF MILL RESERVE LOT 48. (119 S. SUPERIOR ST.)

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Albion Reinvestment Corporation & City of Albion

Re: Obsolete Property – 111, 113, 115, 117, & 119 S. Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential 4 buildings 2 Story

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is properly that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second floor is completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, Albion Reinvestment Corporation (ARC) has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

104-108 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

104-108 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adeprez@albionedc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 2, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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FIGURES

Figure 1: Property Location Map

Figure 2: Property Boundary Diagram

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Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

Attachment A: Legal Description

Attachment B: Functionally Obsolete Letter

1.0 PROJECT SUMMARY

Project Name:	104-108 S. Superior Street Project
Developer:	Albion Reinvestment Corporation (the “Developer”) 1002 N. Eaton Street Albion, Michigan Contact: William Dobbins
Property Location:	104-108 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of two parcels: Parcel ID No. 51-000-806-00 Parcel ID No. 51-000-807-00
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of three mixed-use building(s). The mixed-use project will include a total of 2,800-square feet of ground floor commercial/retail/office space and seven high-quality residential apartment units totaling approximately 4,404 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$1,717,325 of which \$683,994 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.
Duration of Plan:	30 years (starting in 2021).

Developer's
Reimbursable Costs: \$683,994

Distribution of New Taxes Paid	
Developer Reimbursement	\$683,994
Sub-Total Reimbursement	\$683,994
State Brownfield Revolving Fund (SBRF)	\$35,432
BRA Plan Administrative Fees	\$19,927
Local Brownfield Revolving Fund (LBRF)	\$19,927
New Taxes to School /City Debt	\$34,721
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$110,007
Grand Total	\$794,001

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of two platted parcels of land, situated along the west side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
104 S. Superior Street	51-000-806-00	“Functionally Obsolete”
106 S. Superior Street	51-000-807-00	“Functionally Obsolete”

The Property consists of approximately 0.132 acres developed with three connected two-story buildings each containing commercial space on the first floor and residential space on the second floor. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as feed and coal office, hotel sample room, barber, saloon, restaurant and tanning gallery. The Property is surrounded by active residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of three mixed-use building(s). The mixed-use project will include a total of 2,800-square feet of ground floor commercial/retail/office space and seven high-quality residential apartment units on the first and second floors of the buildings. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$1,717,325. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as feed and coal office, hotel sample room, barber, saloon, restaurant and tanning gallery. The second floor was used for residential purposes.

Based on the age, these buildings also contain lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$683,994.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities.....\$33,000

Demolition\$554,095

Total MSF Eligible Activities..... \$587,095

Contingency (15%)\$87,614

Brownfield Plan/Act 381 Work Plan Preparation\$9,285

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$683,994

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$43,266 which is the initial taxable value for this Plan.

The estimated final taxable value of \$402,500 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2050 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$794,001.

Distribution of New Taxes Paid	
Developer Reimbursement	\$683,994
Sub-Total Reimbursement	\$683,994
State Brownfield Revolving Fund (SBRF)	\$35,432
BRA Plan Administrative Fees	\$19,927
Local Brownfield Revolving Fund (LBRF)	\$19,927
New Taxes to School /City Debt	\$34,721
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$110,007
Grand Total	\$794,001

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 30 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 25 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

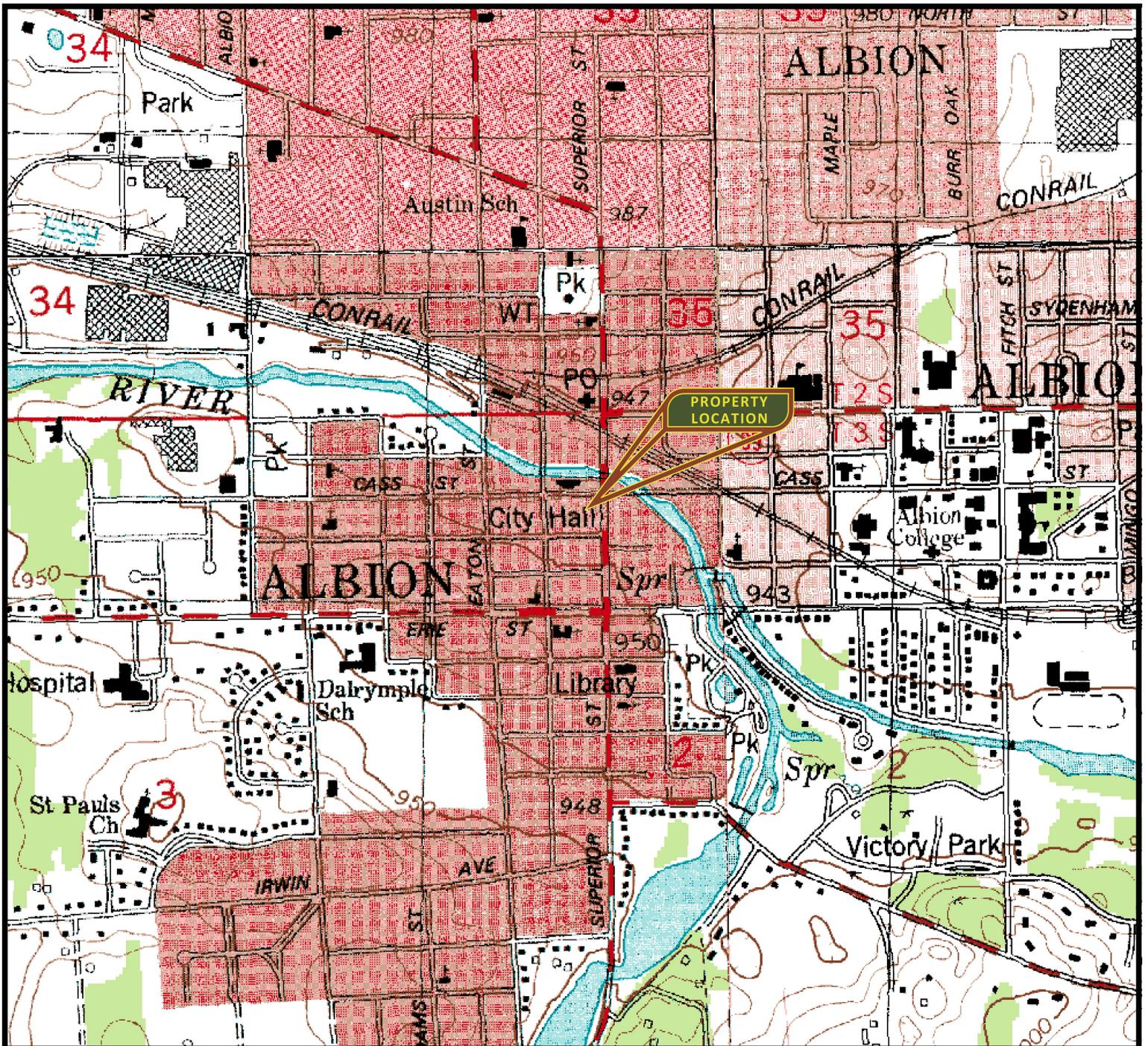


FIGURE 1
PROPERTY LOCATION



104-108 S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

PROJECT NUMBER: 18-1959

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG



500 0 500 1000 1500 ft



1:12000





TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**104-108 S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/2/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
104-108 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Assessment/Survey	1	LS	\$ 3,000	\$ 3,000		\$ 3,000	
Asbestos and Lead - Abatement	1	LS	\$ 30,000	\$ 30,000		\$ 30,000	
Subtotal Asbestos and Lead Activities					\$ 33,000	\$ 33,000	\$ -
Demolition							
Demolition - Building/Interior	1	LS	\$ 539,095	\$ 539,095		\$ 539,095	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 15,000	\$ 15,000		\$ 15,000	
Subtotal Demolition Activities					\$ 554,095	\$ -	\$ 554,095
MSF ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 587,095	\$ -	\$ 587,095
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 587,095	\$ -	\$ 587,095
Contingency (15%)				\$ 87,614	\$ -	\$ 87,614	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 9,285	\$ 9,285		\$ 9,285	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT					\$ 683,994	\$ -	\$ 683,994
State Brownfield Revolving Fund				\$ 35,432			
BRA Administrative Fees				\$ 19,927			
Local Brownfield Revolving Fund (LBRF)				\$ 19,927			
GRAND TOTAL					\$ 759,280		
					<i>0.00%</i>	<i>100.00%</i>	<i>0.00%</i>

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for asbestos and lead survey and Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
104-108 S. Superior
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Plan Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Base Taxable Value (TV) of Land	\$	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840
Base Taxable Value (TV) of Building	\$	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426	38,426
Estimated New TV for Land	\$	4,937	5,036	5,136	5,239	5,344	5,451	5,560	5,671	5,784	5,900	6,018	6,138	6,261	6,386	6,514	6,644	6,777	6,913
Estimated New TV for Building	\$	397,563	405,514	413,625	421,897	430,335	438,942	447,721	456,675	465,809	475,125	484,627	494,320	504,206	514,290	524,576	535,068	545,769	556,684
Incremental Difference for Land (New TV - Base TV)	\$	97	196	296	399	504	611	720	831	944	1,060	1,178	1,298	1,421	1,546	1,674	1,804	1,937	2,073
Incremental Difference for Building (New TV - Base TV)	\$	359,137	367,088	375,199	383,471	391,909	400,516	409,295	418,249	427,383	436,699	446,201	455,894	465,780	475,864	486,150	496,642	507,343	518,258
Total Incremental Difference	\$	359,234	367,284	375,495	383,870	392,413	401,127	410,014	419,080	428,327	437,759	447,379	457,192	467,201	477,411	487,824	498,446	509,280	520,331

School Capture	Millage Rate	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
School Operating	18.0000	\$ 6,466	\$ 6,611	\$ 6,759	\$ 6,910	\$ 7,063	\$ 7,220	\$ 7,380	\$ 7,543	\$ 7,710	\$ 7,880	\$ 8,053	\$ 8,229	\$ 8,410	\$ 8,593	\$ 8,781	\$ 8,972	\$ 9,167	\$ 9,366
State Education Tax (SET)	6.0000	\$ 2,155	\$ 2,204	\$ 2,253	\$ 2,303	\$ 2,354	\$ 2,407	\$ 2,460	\$ 2,514	\$ 2,570	\$ 2,627	\$ 2,684	\$ 2,743	\$ 2,803	\$ 2,864	\$ 2,927	\$ 2,991	\$ 3,056	\$ 3,122
School Total:	24.0000	\$ 8,622	\$ 8,815	\$ 9,012	\$ 9,213	\$ 9,418	\$ 9,627	\$ 9,840	\$ 10,058	\$ 10,280	\$ 10,506	\$ 10,737	\$ 10,973	\$ 11,213	\$ 11,458	\$ 11,708	\$ 11,963	\$ 12,223	\$ 12,488

Local Capture	Millage Rate	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Albion Operating	11.9376	\$ 1	\$ 2	\$ 4	\$ 5	\$ 6	\$ 7	\$ 9	\$ 10	\$ 11	\$ 13	\$ 14	\$ 15	\$ 5,577	\$ 5,699	\$ 5,823	\$ 5,950	\$ 6,080	\$ 6,212
Calhoun County	5.3779	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 5	\$ 6	\$ 6	\$ 7	\$ 2,513	\$ 2,567	\$ 2,623	\$ 2,681	\$ 2,739	\$ 2,798
Street/Solid Waste/ Rec	7.5000	\$ 1	\$ 1	\$ 2	\$ 3	\$ 4	\$ 5	\$ 5	\$ 6	\$ 7	\$ 8	\$ 9	\$ 10	\$ 3,504	\$ 3,581	\$ 3,659	\$ 3,738	\$ 3,820	\$ 3,902
KCC	3.6136	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 4	\$ 4	\$ 5	\$ 1,688	\$ 1,725	\$ 1,763	\$ 1,801	\$ 1,840	\$ 1,880
Vet/Seniors/Medical	1.0934	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 511	\$ 522	\$ 533	\$ 545	\$ 557	\$ 569
School Building	1.0000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 467	\$ 477	\$ 488	\$ 498	\$ 509	\$ 520
CISD Operating/Voc Ed	1.7057	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 797	\$ 814	\$ 832	\$ 850	\$ 869	\$ 888
Special Ed	4.5000	\$ 0	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 5	\$ 5	\$ 6	\$ 2,102	\$ 2,148	\$ 2,195	\$ 2,243	\$ 2,292	\$ 2,341
Dist. Library	2.5000	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 1,168	\$ 1,194	\$ 1,220	\$ 1,246	\$ 1,273	\$ 1,301
Local Total:	39.2282	\$ 4	\$ 8	\$ 12	\$ 16	\$ 20	\$ 24	\$ 28	\$ 33	\$ 37	\$ 42	\$ 46	\$ 51	\$ 18,327	\$ 18,728	\$ 19,136	\$ 19,553	\$ 19,978	\$ 20,412
Total Capturable Taxes:	63.2282	\$ 8,625	\$ 8,822	\$ 9,024	\$ 9,229	\$ 9,438	\$ 9,651	\$ 9,869	\$ 10,091	\$ 10,317	\$ 10,548	\$ 10,783	\$ 11,024	\$ 29,540	\$ 30,186	\$ 30,844	\$ 31,516	\$ 32,201	\$ 32,900

Non-Capturable Millages	Millage Rate	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
School Debt	2.3100	\$ 830	\$ 848	\$ 867	\$ 887	\$ 906	\$ 927	\$ 947	\$ 968	\$ 989	\$ 1,011	\$ 1,033	\$ 1,056	\$ 1,079	\$ 1,103	\$ 1,127	\$ 1,151	\$ 1,176	\$ 1,202
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ 830	\$ 848	\$ 867	\$ 887	\$ 906	\$ 927	\$ 947	\$ 968	\$ 989	\$ 1,011	\$ 1,033	\$ 1,056	\$ 1,079	\$ 1,103	\$ 1,127	\$ 1,151	\$ 1,176	\$ 1,202

Notes:

Table 2
Tax Increment Revenue Capture Estimates
104-108 S. Superior
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30
Base Taxable Value (TV) of Land	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840	\$ 4,840
Base Taxable Value (TV) of Building	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426	\$ 38,426
Estimated New TV for Land	\$ 7,051	\$ 7,192	\$ 7,336	\$ 7,483	\$ 7,632	\$ 7,785	\$ 7,941	\$ 8,099	\$ 8,261	\$ 8,427	\$ 8,595	\$ 8,767
Estimated New TV for Building	\$ 567,818	\$ 579,175	\$ 590,758	\$ 602,573	\$ 614,625	\$ 626,917	\$ 639,455	\$ 652,245	\$ 665,289	\$ 678,595	\$ 692,167	\$ 706,010
Incremental Difference for Land (New TV - Base TV)	\$ 2,211	\$ 2,352	\$ 2,496	\$ 2,643	\$ 2,792	\$ 2,945	\$ 3,101	\$ 3,259	\$ 3,421	\$ 3,587	\$ 3,755	\$ 3,927
Incremental Difference for Building (New TV - Base TV)	\$ 529,392	\$ 540,749	\$ 552,332	\$ 564,147	\$ 576,199	\$ 588,491	\$ 601,029	\$ 613,819	\$ 626,863	\$ 640,169	\$ 653,741	\$ 667,584
Total Incremental Difference	\$ 531,603	\$ 543,100	\$ 554,828	\$ 566,790	\$ 578,991	\$ 591,436	\$ 604,130	\$ 617,078	\$ 630,285	\$ 643,756	\$ 657,496	\$ 671,511

School Capture	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30	Total	Pass-Through	Captured
School Operating	18.0000	\$ 9,569	\$ 9,776	\$ 9,987	\$ 10,202	\$ 10,422	\$ 10,646	\$ 10,874	\$ 11,107	\$ 11,345	\$ 11,588	\$ 11,835	\$ 12,087	\$ 270,552.09	\$ 27,055.21	\$ 243,496.88
State Education Tax (SET)	6.0000	\$ 3,190	\$ 3,259	\$ 3,329	\$ 3,401	\$ 3,474	\$ 3,549	\$ 3,625	\$ 3,702	\$ 3,782	\$ 3,863	\$ 3,945	\$ 4,029	\$ 90,184.03	\$ 5,475.24	\$ 84,708.79
School Total:	24.0000	\$ 12,758	\$ 13,034	\$ 13,316	\$ 13,603	\$ 13,896	\$ 14,194	\$ 14,499	\$ 14,810	\$ 15,127	\$ 15,450	\$ 15,780	\$ 16,116	\$ 360,736.13	\$ 32,530.45	\$ 328,205.68

Local Capture	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30	Total	Pass-Through	Captured
Albion Operating	11.9376	\$ 6,346	\$ 6,483	\$ 6,623	\$ 6,766	\$ 6,912	\$ 7,060	\$ 7,212	\$ 7,366	\$ 7,524	\$ 7,685	\$ 7,849	\$ 8,016	\$ 121,281.61	\$ 12,128.16	\$ 109,153.45
Calhoun County	5.3779	\$ 2,859	\$ 2,921	\$ 2,984	\$ 3,048	\$ 3,114	\$ 3,181	\$ 3,249	\$ 3,319	\$ 3,390	\$ 3,462	\$ 3,536	\$ 3,611	\$ 54,637.48	\$ 5,463.75	\$ 49,173.73
Street/Solid Waste/ Rec	7.5000	\$ 3,987	\$ 4,073	\$ 4,161	\$ 4,251	\$ 4,342	\$ 4,436	\$ 4,531	\$ 4,628	\$ 4,727	\$ 4,828	\$ 4,931	\$ 5,036	\$ 76,197.23	\$ 7,619.72	\$ 68,577.51
KCC	3.6136	\$ 1,921	\$ 1,963	\$ 2,005	\$ 2,048	\$ 2,092	\$ 2,137	\$ 2,183	\$ 2,230	\$ 2,278	\$ 2,326	\$ 2,376	\$ 2,427	\$ 36,712.84	\$ 3,671.28	\$ 33,041.56
Vet/Seniors/Medical	1.0934	\$ 581	\$ 594	\$ 607	\$ 620	\$ 633	\$ 647	\$ 661	\$ 675	\$ 689	\$ 704	\$ 719	\$ 734	\$ 11,108.54	\$ 1,110.85	\$ 9,997.69
School Building	1.0000	\$ 532	\$ 543	\$ 555	\$ 567	\$ 579	\$ 591	\$ 604	\$ 617	\$ 630	\$ 644	\$ 657	\$ 672	\$ 10,159.63	\$ 1,015.96	\$ 9,143.67
CISD Operating/Voc Ed	1.7057	\$ 907	\$ 926	\$ 946	\$ 967	\$ 988	\$ 1,009	\$ 1,030	\$ 1,053	\$ 1,075	\$ 1,098	\$ 1,121	\$ 1,145	\$ 17,329.28	\$ 1,732.93	\$ 15,596.35
Special Ed	4.5000	\$ 2,392	\$ 2,444	\$ 2,497	\$ 2,551	\$ 2,605	\$ 2,661	\$ 2,719	\$ 2,777	\$ 2,836	\$ 2,897	\$ 2,959	\$ 3,022	\$ 45,718.34	\$ 4,571.83	\$ 41,146.50
Dist. Library	2.5000	\$ 1,329	\$ 1,358	\$ 1,387	\$ 1,417	\$ 1,447	\$ 1,479	\$ 1,510	\$ 1,543	\$ 1,576	\$ 1,609	\$ 1,644	\$ 1,679	\$ 25,399.08	\$ 2,539.91	\$ 22,859.17
Local Total:	39.2282	\$ 20,854	\$ 21,305	\$ 21,765	\$ 22,234	\$ 22,713	\$ 23,201	\$ 23,699	\$ 24,207	\$ 24,725	\$ 25,253	\$ 25,792	\$ 26,342	\$ 398,544.02	\$ 39,854.40	\$ 358,689.62
Total Capturable Taxes:	63.2282	\$ 33,612	\$ 34,339	\$ 35,081	\$ 35,837	\$ 36,609	\$ 37,395	\$ 38,198	\$ 39,017	\$ 39,852	\$ 40,704	\$ 41,572	\$ 42,458	\$ 759,280.15	\$ 72,384.85	\$ 686,895.29

Non-Capturable Millages	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30	Total	Pass-Through	Captured
School Debt	2.3100	\$ 1,228	\$ 1,255	\$ 1,282	\$ 1,309	\$ 1,337	\$ 1,366	\$ 1,396	\$ 1,425	\$ 1,456	\$ 1,487	\$ 1,519	\$ 1,551	\$ 34,720.85	\$ 34,720.85	\$ -
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ -	\$ 34,720.85	\$ 34,720.85	\$ -											

\$ 794,001.00	\$ 107,105.70	\$ 686,895.29
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
104-108 S. Superior
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	47.6%	\$ 325,304	\$ -	\$ 325,304
Local	52.4%	\$ 358,690	\$ -	\$ 358,690
TOTAL		\$ 683,994	\$ -	\$ 683,994
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 683,994		

Estimated Total Years of Plan:	30
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Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 35,432
BRA Administrative Fees	\$ 19,927
Local Brownfield Revolving Fund	\$ 19,927

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 8,622	\$ 8,815	\$ 9,012	\$ 9,213	\$ 9,418	\$ 9,627	\$ 9,840	\$ 10,058	\$ 10,280	\$ 10,506	\$ 10,737	\$ 10,973	\$ 11,213	\$ 11,458	\$ 11,708	\$ 11,963	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 1,078	\$ 1,102	\$ 1,126	\$ 1,152	\$ 1,177	\$ 1,203	\$ 1,230	\$ 1,257	\$ 1,285	\$ 1,313	\$ 1,342	\$ 1,372	\$ 1,402	\$ 1,432	\$ 1,463	\$ 1,495	
State TIR Available for Reimbursement to Developer	\$ 7,544	\$ 7,713	\$ 7,885	\$ 8,061	\$ 8,241	\$ 8,424	\$ 8,610	\$ 8,801	\$ 8,995	\$ 9,193	\$ 9,395	\$ 9,601	\$ 9,811	\$ 10,026	\$ 10,244	\$ 10,467	
Total Local Tax Capture Available	\$ 4	\$ 8	\$ 12	\$ 16	\$ 20	\$ 24	\$ 28	\$ 33	\$ 37	\$ 42	\$ 46	\$ 51	\$ 58,327	\$ 18,728	\$ 19,136	\$ 19,553	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 916	\$ 936	\$ 957	\$ 978	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 916	\$ 936	\$ 957	\$ 978	
Local TIR Available for Reimbursement to Developer	\$ 3	\$ 7	\$ 10	\$ 14	\$ 18	\$ 22	\$ 25	\$ 29	\$ 33	\$ 37	\$ 42	\$ 46	\$ 16,495	\$ 16,855	\$ 17,223	\$ 17,598	
Total State & Local TIR Available for Reimbursement to Developer	\$ 7,547	\$ 7,720	\$ 7,896	\$ 8,075	\$ 8,258	\$ 8,445	\$ 8,636	\$ 8,830	\$ 9,028	\$ 9,230	\$ 9,437	\$ 9,647	\$ 26,306	\$ 26,881	\$ 27,467	\$ 28,065	
DEVELOPER																	
	\$ 683,994	\$ 676,447	\$ 668,727	\$ 660,831	\$ 652,756	\$ 644,497	\$ 636,052	\$ 627,416	\$ 618,586	\$ 609,558	\$ 600,328	\$ 590,891	\$ 581,244	\$ 554,938	\$ 528,057	\$ 500,590	\$ 472,525
MSF Eligible Activities	\$ 683,994	\$ 676,447	\$ 668,727	\$ 660,831	\$ 652,756	\$ 644,497	\$ 636,052	\$ 627,416	\$ 618,586	\$ 609,558	\$ 600,328	\$ 590,891	\$ 581,244	\$ 554,939	\$ 528,058	\$ 500,591	\$ 472,525
State Tax Reimbursement	\$ 325,304	\$ 7,544	\$ 7,713	\$ 7,885	\$ 8,061	\$ 8,241	\$ 8,424	\$ 8,610	\$ 8,801	\$ 8,995	\$ 9,193	\$ 9,395	\$ 9,601	\$ 9,811	\$ 10,026	\$ 10,244	\$ 10,467
Local Tax Reimbursement	\$ 358,690	\$ 3	\$ 7	\$ 10	\$ 14	\$ 18	\$ 22	\$ 25	\$ 29	\$ 33	\$ 37	\$ 42	\$ 46	\$ 16,495	\$ 16,855	\$ 17,223	\$ 17,598
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 7,547	\$ 7,720	\$ 7,896	\$ 8,075	\$ 8,258	\$ 8,445	\$ 8,636	\$ 8,830	\$ 9,028	\$ 9,230	\$ 9,437	\$ 9,647	\$ 26,306	\$ 26,881	\$ 27,467	\$ 28,065	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
104-108 S. Superior
Albion, MI

	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	TOTALS
	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
Available Tax Increment Revenue (TIR)															
Total State Tax Capture Available	\$ 12,223	\$ 12,488	\$ 12,758	\$ 13,034	\$ 13,316	\$ 13,603	\$ 13,896	\$ 14,194	\$ 14,499	\$ 14,810	\$ 15,127	\$ 15,450	\$ 15,780	\$ 16,116	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 1,528	\$ 1,561	\$ 1,595	\$ 1,629	\$ 1,664	\$ 1,700	\$ 1,737	\$ 1,774	\$ 1,812						\$ 35,432
State TIR Available for Reimbursement to Developer	\$ 10,695	\$ 10,927	\$ 11,164	\$ 11,405	\$ 11,651	\$ 11,903	\$ 12,159	\$ 12,420	\$ 12,687	\$ 14,810	\$ 15,127	\$ 15,450	\$ 15,780	\$ 16,116	
Local Tax															
Total Local Tax Capture Available	\$ 19,978	\$ 20,412	\$ 20,854	\$ 21,305	\$ 21,765	\$ 22,234	\$ 22,713	\$ 23,201	\$ 23,699	\$ 24,207	\$ 24,725	\$ 25,253	\$ 25,792	\$ 26,342	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 999	\$ 1,021	\$ 1,043	\$ 1,065	\$ 1,088	\$ 1,112	\$ 1,136	\$ 1,160	\$ 1,185	\$ 1,210	\$ 1,236	\$ 1,263	\$ 1,290	\$ 1,317	\$ 19,927
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 999	\$ 1,021	\$ 1,043	\$ 1,065	\$ 1,088	\$ 1,112	\$ 1,136	\$ 1,160	\$ 1,185	\$ 1,210	\$ 1,236	\$ 1,263	\$ 1,290	\$ 1,317	\$ 19,927
Local TIR Available for Reimbursement to Developer	\$ 17,980	\$ 18,370	\$ 18,768	\$ 19,174	\$ 19,588	\$ 20,011	\$ 20,441	\$ 20,881	\$ 21,329	\$ 21,786	\$ 22,252	\$ 22,728	\$ 23,213	\$ 23,708	
Total State & Local TIR Available for Reimbursement to Developer	\$ 28,675	\$ 29,297	\$ 29,932	\$ 30,579	\$ 31,240	\$ 31,913	\$ 32,600	\$ 33,301	\$ 34,016	\$ 36,596	\$ 37,379	\$ 38,178	\$ 38,993	\$ 39,824	
DEVELOPER															
	\$ 443,850	\$ 414,552	\$ 384,620	\$ 354,041	\$ 322,801	\$ 290,888	\$ 258,287	\$ 224,986	\$ 190,971	\$ 154,375	\$ 116,995	\$ 78,817	\$ 39,824	\$ (0)	
MSF Eligible Activities	\$ 443,850	\$ 414,553	\$ 384,621	\$ 354,041	\$ 322,801	\$ 290,888	\$ 258,288	\$ 224,987	\$ 190,971	\$ 154,375	\$ 116,996	\$ 78,817	\$ 39,824	\$ 0	
State Tax Reimbursement	\$ 10,695	\$ 10,927	\$ 11,164	\$ 11,405	\$ 11,651	\$ 11,903	\$ 12,159	\$ 12,420	\$ 12,687	\$ 14,810	\$ 15,127	\$ 15,450	\$ 15,780	\$ 16,116	\$ 325,304
Local Tax Reimbursement	\$ 17,980	\$ 18,370	\$ 18,768	\$ 19,174	\$ 19,588	\$ 20,011	\$ 20,441	\$ 20,881	\$ 21,329	\$ 21,786	\$ 22,252	\$ 22,728	\$ 23,213	\$ 23,708	\$ 358,690
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 28,675	\$ 29,297	\$ 29,932	\$ 30,579	\$ 31,240	\$ 31,913	\$ 32,600	\$ 33,301	\$ 34,016	\$ 36,596	\$ 37,379	\$ 38,178	\$ 38,993	\$ 39,824	\$ 759,280

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

104 - 108 S. Superior Street

Albion, Michigan 49224

104 S. SUPERIOR STREET (Parcel No. 51-000-806-00) – ALBION CITY, ORIGINAL PLAT BLK 49 (104 S SUPERIOR) S 12.59 FT OF LOT 5 & N 4.74 FT OF LOT 6

106 S. SUPERIOR STREET (Parcel No. 51-000-807-00) – ALBION CITY, ORIGINAL PLAT BLK 49 S 44 FT 4 INS OF LOT 6

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Albion Reinvestment Corporation & City of Albion

Re: Obsolete Property – 104, 106, & 108 Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential 4 buildings 2 Story

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is properly that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second floor is completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, Albion Reinvestment Corporation (ARC) has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

213-221 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

213-221 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adeprez@albionedc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 3, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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ATTACHMENTS

- Attachment A: Legal Description
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1.0 PROJECT SUMMARY

Project Name:	213-221 S. Superior Street Project
Developer:	Albion Reinvestment Corporation (the “Developer”) 1002 N. Eaton Street Albion, Michigan Contact: William Dobbins
Property Location:	213-221 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of three parcels: 51-002-154-00 51-002-155-00 51-002-156-01
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of three mixed-use buildings. The mixed-use project will include a total of 7,327-square feet of ground floor commercial/retail/office space and 11 high-quality residential apartment units totaling approximately 7,332 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$2,941,510 of which \$1,125,935 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.
Duration of Plan:	29 years (starting in 2021).

Developer's
Reimbursable Costs: \$1,125,935

Distribution of New Taxes Paid	
Developer Reimbursement	\$1,125,935
Sub-Total Reimbursement	\$1,125,935
State Brownfield Revolving Fund (SBRF)	\$62,154
BRA Plan Administrative Fees	\$32,473
Local Brownfield Revolving Fund (LBRF)	\$32,473
New Taxes to School /City Debt	\$58,093
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$185,193
Grand Total	\$1,311,128

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of the platted parcels of land, situated along the east side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
213 S. Superior Street	51-002-154-00	“Functionally Obsolete”
215 S. Superior Street	51-002-155-00	“Functionally Obsolete”
217 S. Superior Street	51-002-156-01	“Functionally Obsolete”

The Property consists of approximately 0.269 acres developed with a two-story mixed-use building. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as shoe store, barber shop, jewelry store, bake shop and beauty salon. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of the mixed-use building. The mixed-use project will include a total of 7,327-square feet of ground floor commercial/retail/office space and 11 high-quality residential apartment units totaling approximately 7,332 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$2,941,510. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1875. Former commercial uses of the Property included various retail operations, such as shoe store, barber shop, jewelry store, bake shop and beauty salon. The second floor was used for residential purposes.

Based on the age, the building also contains lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$1,125,935.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities..... \$40,000

Demolition \$931,000

Total MSF Eligible Activities..... \$971,000

Contingency (15%) \$145,650

Brownfield Plan/Act 381 Work Plan Preparation \$9,285

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$1,125,935

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$47,339 which is the initial taxable value for this Plan.

The estimated final taxable value of \$683,777 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2049 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$1,311,128.

Distribution of New Taxes Paid	
Developer Reimbursement	\$1,125,935
Sub-Total Reimbursement	\$1,125,935
State Brownfield Revolving Fund (SBRF)	\$62,154
BRA Plan Administrative Fees	\$32,473
Local Brownfield Revolving Fund (LBRF)	\$32,473
New Taxes to School /City Debt	\$58,093
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$185,193
Grand Total	\$1,311,128

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 29 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 25 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

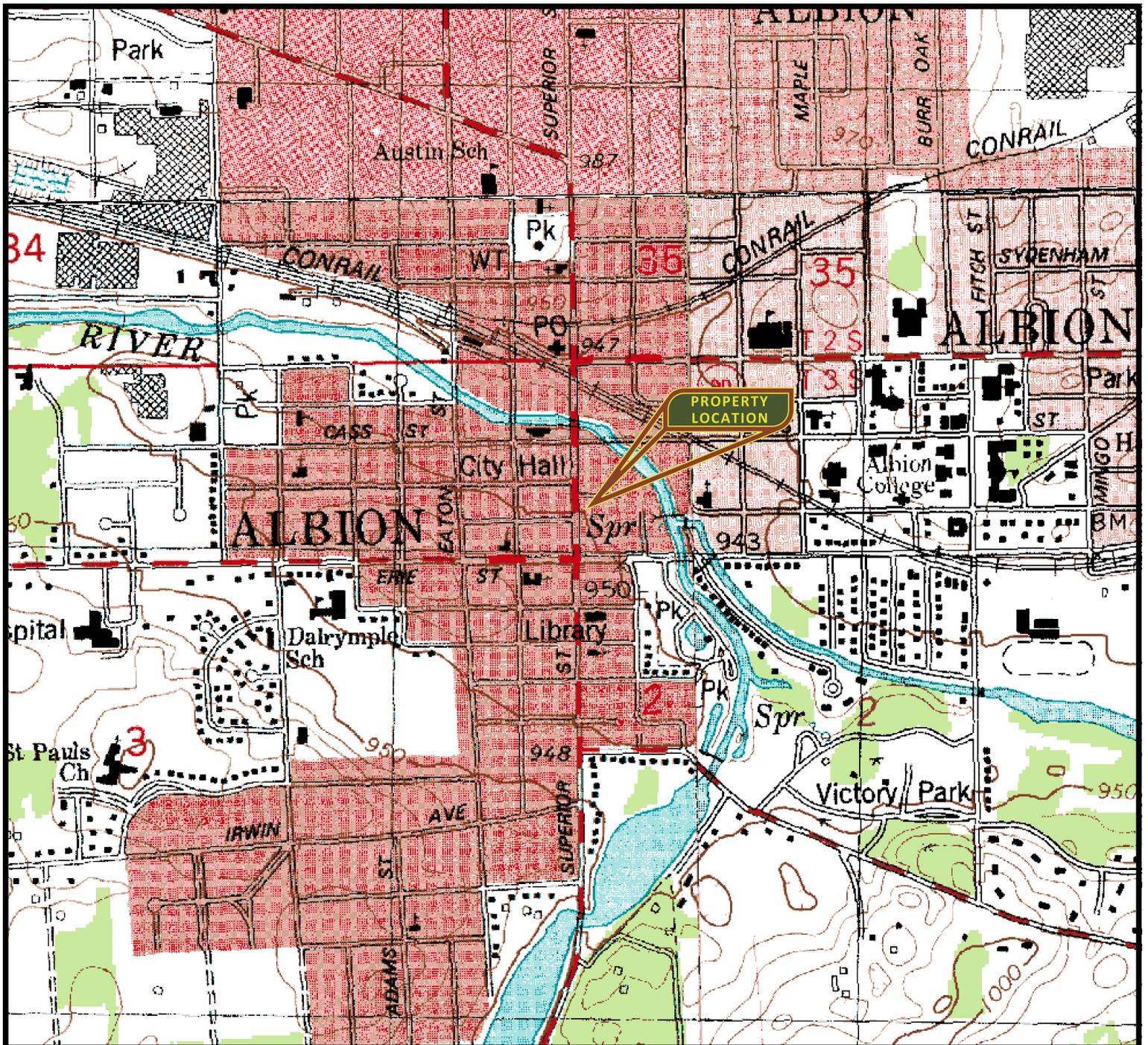


FIGURE 1
PROPERTY LOCATION



200 BLOCK S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

PROJECT NUMBER: 18-1959

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG

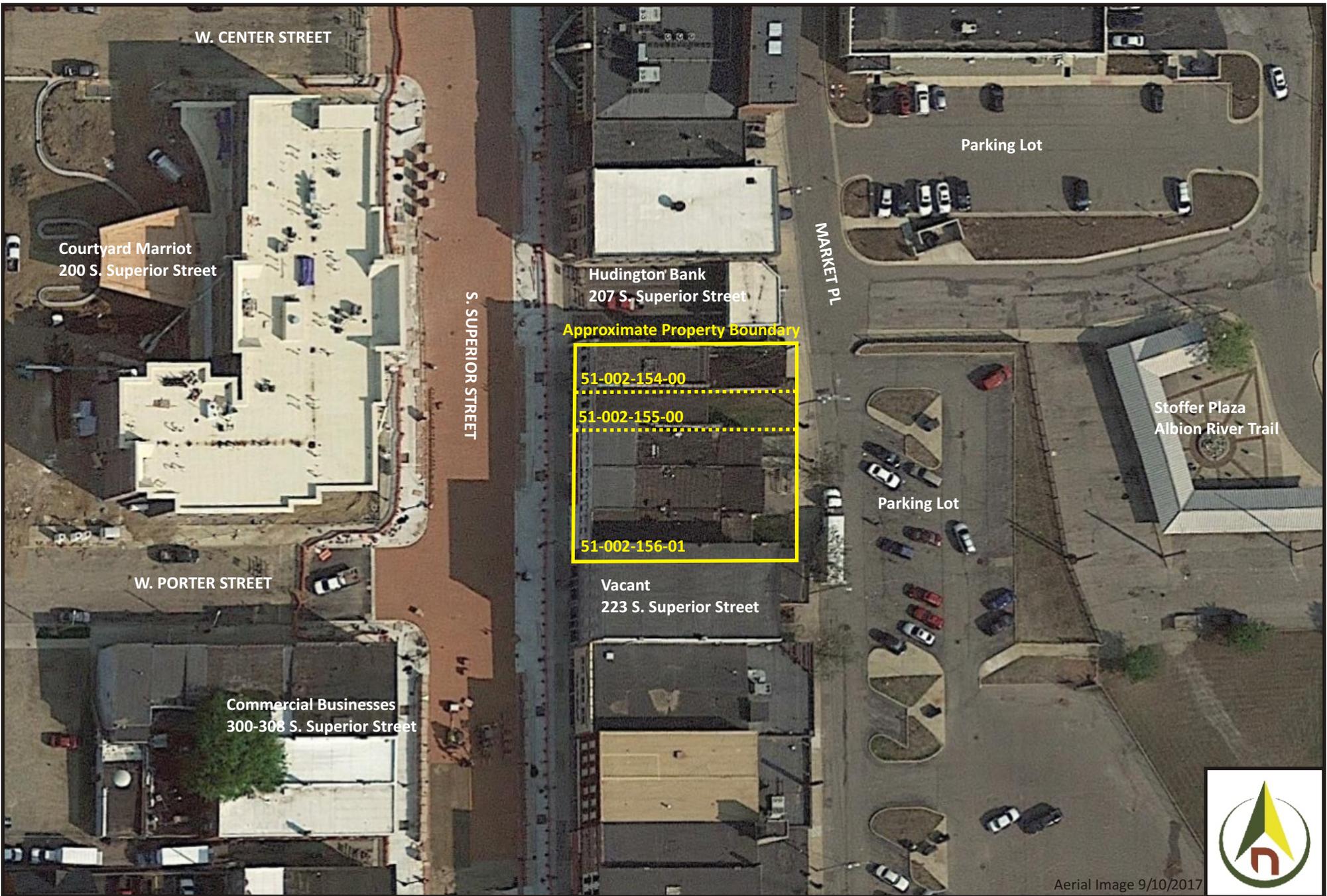


500 0 500 1000 1500 ft



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Aerial Image 9/10/2017



TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**200 BLOCK S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH DATE: 12/3/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
213-221 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					EGL E ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Abatement	1	LS	\$ 40,000	\$ 40,000		\$ 40,000	
Subtotal Asbestos and Lead Activities					\$ 40,000		\$ 40,000
Demolition							
Demolition - Building/Interior	1	LS	\$ 921,000	\$ 921,000		\$ 921,000	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
					\$ -		
Subtotal Demolition Activities					\$ 931,000	\$ -	\$ 931,000
MSF ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 971,000	\$ -	\$ 971,000
MSF AND EGL E ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 971,000	\$ -	\$ 971,000
Contingency (15%)				\$ 145,650	\$ -	\$ 145,650	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 9,285	\$ 9,285		\$ 9,285	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT					\$ 1,125,935	\$ -	\$ 1,125,935
State Brownfield Revolving Fund				\$ 62,154			
BRA Administrative Fees				\$ 32,473			
Local Brownfield Revolving Fund (LBRF)				\$ 32,473			
GRAND TOTAL					\$ 1,253,036		
					0.00%	100.00%	0.00%

NOTES:

These costs and revenue projections should be considered approximate estimates based on expected conditions and available information. It cannot be guaranteed that the costs and revenue projections will not vary from these estimates. Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

**Table 2
Tax Increment Revenue Capture Estimates
213-221 S. Superior Street
Albion, MI**

Estimated Taxable Value (TV) Increase Rate: 2% per year		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Plan Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Base Taxable Value (TV) of Land	\$	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260
Base Taxable Value (TV) of Building	\$	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079	40,079
Estimated New TV for Land	\$	7,260	7,405	7,553	7,704	7,858	8,016	8,176	8,339	8,506	8,676	8,850	9,027	9,207	9,392	9,579	9,771	9,966	10,166
Estimated New TV for Building	\$	676,517	690,047	703,848	717,925	732,284	746,929	761,868	777,105	792,647	808,500	824,670	841,164	857,987	875,147	892,650	910,503	928,713	947,287
Incremental Difference for Land (New TV - Base TV)	\$	-	145	293	444	598	756	916	1,079	1,246	1,416	1,590	1,767	1,947	2,132	2,319	2,511	2,706	2,906
Incremental Difference for Building (New TV - Base TV)	\$	636,438	649,968	663,769	677,846	692,205	706,850	721,789	737,026	752,568	768,421	784,591	801,085	817,908	835,068	852,571	870,424	888,634	907,208
Total Incremental Difference	\$	636,438	650,114	664,063	678,291	692,803	707,606	722,705	738,106	753,815	769,838	786,181	802,852	819,856	837,199	854,890	872,935	891,340	910,114

School Capture	Millage Rate																		
School Operating	18.0000	\$	11,456	11,702	11,953	12,209	12,470	12,737	13,009	13,286	13,569	13,857	14,151	14,451	14,757	15,070	15,388	15,713	16,044
State Education Tax (SET)	6.0000	\$	3,819	3,901	3,984	4,070	4,157	4,246	4,336	4,429	4,523	4,619	4,717	4,817	4,919	5,023	5,129	5,238	5,348
School Total:	24.0000	37.96%	\$ 15,275	\$ 15,603	\$ 15,938	\$ 16,279	\$ 16,627	\$ 16,983	\$ 17,345	\$ 17,715	\$ 18,092	\$ 18,476	\$ 18,868	\$ 19,268	\$ 19,677	\$ 20,093	\$ 20,517	\$ 20,950	\$ 21,392

Local Capture	Millage Rate																		
AlbionOperating	11.9376	\$	-	2	4	5	7	9	11	13	15	17	19	21	23	25	27	29	31
Calhoun County	5.3779	\$	-	1	2	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Street/solid waste/ Rec	7.5000	\$	-	1	2	3	4	6	7	8	9	11	12	13	14	15	16	17	18
KCC	3.6136	\$	-	1	1	2	2	3	3	4	5	5	6	6	7	7	8	8	9
Vet/Seniors/Medical	1.0934	\$	-	0	0	0	1	1	1	1	1	2	2	2	2	2	2	2	2
School Building	1.0000	\$	-	0	0	0	1	1	1	1	1	1	2	2	2	2	2	2	2
CISD	1.7057	\$	-	0	1	1	1	1	2	2	2	2	3	3	3	3	3	3	3
Special Ed	4.5000	\$	-	1	1	2	3	3	4	5	6	6	7	8	8	9	9	10	10
Dist. Library	2.5000	\$	-	0	1	1	1	2	2	3	3	4	4	4	4	4	4	4	4
Local Total:	39.2282	62.04%	\$ -	\$ 6	\$ 12	\$ 17	\$ 23	\$ 30	\$ 36	\$ 42	\$ 49	\$ 56	\$ 62	\$ 69	\$ 76	\$ 83	\$ 90	\$ 97	\$ 104
Total Capturable Taxes:	63.2282	#####	\$ 15,275	\$ 15,608	\$ 15,949	\$ 16,296	\$ 16,651	\$ 17,012	\$ 17,381	\$ 17,757	\$ 18,140	\$ 18,532	\$ 18,931	\$ 19,338	\$ 19,752	\$ 20,174	\$ 20,604	\$ 21,042	\$ 21,488

Non-Capturable Millages	Millage Rate																		
School Debt	2.3100	\$	1,470	1,502	1,534	1,567	1,600	1,635	1,669	1,705	1,741	1,778	1,816	1,855	1,894	1,934	1,975	2,016	2,059
City Debt	0.0000	\$	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Capturable Taxes:	2.3100		\$ 1,470	\$ 1,502	\$ 1,534	\$ 1,567	\$ 1,600	\$ 1,635	\$ 1,669	\$ 1,705	\$ 1,741	\$ 1,778	\$ 1,816	\$ 1,855	\$ 1,894	\$ 1,934	\$ 1,975	\$ 2,016	\$ 2,059

Notes:

Total Annual Real Estate Taxes W/O Abatement	\$	44,814	45,710	46,624	47,556	48,508	49,478	50,467	51,477	52,506	53,556	54,627	55,720	56,834	57,971	59,130	60,313	61,519	62,750
Total Annual Real Estate Taxes with Abatement	\$	19,847	20,213	20,586	20,966	21,354	21,749	22,153	22,564	22,984	23,413	23,849	24,295	24,750	25,216	25,693	26,181	26,680	27,190
Value of Abatement	\$	24,966	25,497	26,038	26,591	27,154	27,728	28,314	28,912	29,522	30,144	30,778	31,425	-	(0)	(0)	-	-	(0)
Annual TIF	\$	13,365	13,658	13,956	14,260	14,570	14,886	15,209	15,538	15,874	16,217	16,566	16,922	46,162	47,139	48,135	49,151	50,187	51,244

Table 2
Tax Increment Revenue Capture Estimates
213-221 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29
Base Taxable Value (TV) of Land	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260	\$ 7,260
Base Taxable Value (TV) of Building	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079	\$ 40,079
Estimated New TV for Land	\$ 10,369	\$ 10,576	\$ 10,788	\$ 11,004	\$ 11,224	\$ 11,448	\$ 11,677	\$ 11,911	\$ 12,149	\$ 12,392	\$ 12,640
Estimated New TV for Building	\$ 966,233	\$ 985,558	\$ 1,005,269	\$ 1,025,374	\$ 1,045,882	\$ 1,066,799	\$ 1,088,135	\$ 1,109,898	\$ 1,132,096	\$ 1,154,738	\$ 1,177,832
Incremental Difference for Land (New TV - Base TV)	\$ 3,109	\$ 3,316	\$ 3,528	\$ 3,744	\$ 3,964	\$ 4,188	\$ 4,417	\$ 4,651	\$ 4,889	\$ 5,132	\$ 5,380
Incremental Difference for Building (New TV - Base TV)	\$ 926,154	\$ 945,479	\$ 965,190	\$ 985,295	\$ 1,005,803	\$ 1,026,720	\$ 1,048,056	\$ 1,069,819	\$ 1,092,017	\$ 1,114,659	\$ 1,137,753
Total Incremental Difference	\$ 929,263	\$ 948,795	\$ 968,718	\$ 989,039	\$ 1,009,766	\$ 1,030,908	\$ 1,052,473	\$ 1,074,470	\$ 1,096,906	\$ 1,119,791	\$ 1,139,425

School Capture	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29
School Operating	18.0000	\$ 16,727	\$ 17,078	\$ 17,437	\$ 17,803	\$ 18,176	\$ 18,556	\$ 18,945	\$ 19,340	\$ 19,744	\$ 20,156	\$ 20,510
State Education Tax (SET)	6.0000	\$ 5,576	\$ 5,693	\$ 5,812	\$ 5,934	\$ 6,059	\$ 6,185	\$ 6,315	\$ 6,447	\$ 6,581	\$ 6,719	\$ 6,837
School Total:	24.0000	\$ 22,302	\$ 22,771	\$ 23,249	\$ 23,737	\$ 24,234	\$ 24,742	\$ 25,259	\$ 25,787	\$ 26,326	\$ 26,875	\$ 27,346

Total	Pass-Through	Captured
\$ 452,676.57	\$ 45,267.66	\$ 407,408.91
\$ 150,892.19	\$ 8,873.79	\$ 142,018.40
\$ 603,568.76	\$ 54,141.44	\$ 549,427.32

Local Capture	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29
Albion Operating	11.9376	\$ 11,093	\$ 11,326	\$ 11,564	\$ 11,807	\$ 12,054	\$ 12,307	\$ 12,564	\$ 12,827	\$ 13,094	\$ 13,368	\$ 13,602
Calhoun County	5.3779	\$ 4,997	\$ 5,103	\$ 5,210	\$ 5,319	\$ 5,430	\$ 5,544	\$ 5,660	\$ 5,778	\$ 5,899	\$ 6,022	\$ 6,128
Street/solid waste/ Rec	7.5000	\$ 6,969	\$ 7,116	\$ 7,265	\$ 7,418	\$ 7,573	\$ 7,732	\$ 7,894	\$ 8,059	\$ 8,227	\$ 8,398	\$ 8,546
KCC	3.6136	\$ 3,358	\$ 3,429	\$ 3,501	\$ 3,574	\$ 3,649	\$ 3,725	\$ 3,803	\$ 3,883	\$ 3,964	\$ 4,046	\$ 4,117
Vet/Seniors/Medical	1.0934	\$ 1,016	\$ 1,037	\$ 1,059	\$ 1,081	\$ 1,104	\$ 1,127	\$ 1,151	\$ 1,175	\$ 1,199	\$ 1,224	\$ 1,246
School Building	1.0000	\$ 929	\$ 949	\$ 969	\$ 989	\$ 1,010	\$ 1,031	\$ 1,052	\$ 1,074	\$ 1,097	\$ 1,120	\$ 1,139
CISD	1.7057	\$ 1,585	\$ 1,618	\$ 1,652	\$ 1,687	\$ 1,722	\$ 1,758	\$ 1,795	\$ 1,833	\$ 1,871	\$ 1,910	\$ 1,944
Special Ed	4.5000	\$ 4,182	\$ 4,270	\$ 4,359	\$ 4,451	\$ 4,544	\$ 4,639	\$ 4,736	\$ 4,835	\$ 4,936	\$ 5,039	\$ 5,127
Dist. Library	2.5000	\$ 2,323	\$ 2,372	\$ 2,422	\$ 2,473	\$ 2,524	\$ 2,577	\$ 2,631	\$ 2,686	\$ 2,742	\$ 2,799	\$ 2,849
Local Total:	39.2282	\$ 36,453	\$ 37,220	\$ 38,001	\$ 38,798	\$ 39,611	\$ 40,441	\$ 41,287	\$ 42,150	\$ 43,030	\$ 43,927	\$ 44,698
Total Capturable Taxes:	63.2282	\$ 58,756	\$ 59,991	\$ 61,250	\$ 62,535	\$ 63,846	\$ 65,182	\$ 66,546	\$ 67,937	\$ 69,355	\$ 70,802	\$ 72,044

\$ 197,640.57	\$ 19,764.06	\$ 177,876.52
\$ 89,037.26	\$ 8,903.73	\$ 80,133.54
\$ 124,171.05	\$ 12,417.10	\$ 111,753.94
\$ 59,827.27	\$ 5,982.73	\$ 53,844.54
\$ 18,102.48	\$ 1,810.25	\$ 16,292.23
\$ 16,556.14	\$ 1,655.61	\$ 14,900.53
\$ 28,239.81	\$ 2,823.98	\$ 25,415.83
\$ 74,502.63	\$ 7,450.26	\$ 67,052.37
\$ 41,390.35	\$ 4,139.03	\$ 37,251.31
\$ 649,467.56	\$ 64,946.76	\$ 584,520.80
\$ 1,253,036.32	\$ 119,088.20	\$ 1,133,948.12

Non-Capturable Millages	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29
School Debt	2.3100	\$ 2,147	\$ 2,192	\$ 2,238	\$ 2,285	\$ 2,333	\$ 2,381	\$ 2,431	\$ 2,482	\$ 2,534	\$ 2,587	\$ 2,632
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ 2,147	\$ 2,192	\$ 2,238	\$ 2,285	\$ 2,333	\$ 2,381	\$ 2,431	\$ 2,482	\$ 2,534	\$ 2,587	\$ 2,632

\$ 58,093.49	\$ 58,093.49	\$ -
\$ -	\$ -	\$ -
\$ 58,093.49	\$ 58,093.49	\$ -

\$ 1,311,129.82	\$ 177,181.69	\$ 1,133,948.12
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Total Annual Real Estate Taxes W/	\$ 64,005	\$ 65,285	\$ 66,591	\$ 67,922	\$ 69,281	\$ 70,666	\$ 72,080	\$ 73,521	\$ 74,992	\$ 76,492	\$ 78,021	\$ 1,738,416
Total Annual Real Estate Taxes w/o	\$ 64,005	\$ 65,285	\$ 66,591	\$ 67,922	\$ 69,281	\$ 70,666	\$ 72,080	\$ 73,521	\$ 74,992	\$ 76,492	\$ 77,778	\$ 1,401,103
Value c	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,071
	\$ 52,323	\$ 53,422	\$ 54,544	\$ 55,688	\$ 56,855	\$ 58,046	\$ 59,260	\$ 60,522	\$ 61,822	\$ 63,140	\$ 64,510	\$ 1,125,935

Table 3
Tax Increment Revenue Reimbursement Allocation Table
213-221 S. Superior Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	48.1%	\$ 541,414	\$ -	\$ 541,414
Local	51.9%	\$ 584,521	\$ -	\$ 584,521
TOTAL		\$ 1,125,935	\$ -	\$ 1,125,935
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 1,125,935		

Estimated Total Years of Plan:	29
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Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 62,154
BRA Administrative Fees	\$ 32,473
Local Brownfield Revolving Fund	\$ 32,473

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 15,275	\$ 15,603	\$ 15,938	\$ 16,279	\$ 16,627	\$ 16,983	\$ 17,345	\$ 17,715	\$ 18,092	\$ 18,476	\$ 18,868	\$ 19,268	\$ 19,677	\$ 20,093	\$ 20,517	\$ 20,950	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 1,909	\$ 1,950	\$ 1,992	\$ 2,035	\$ 2,078	\$ 2,123	\$ 2,168	\$ 2,214	\$ 2,261	\$ 2,310	\$ 2,359	\$ 2,409	\$ 2,460	\$ 2,512	\$ 2,565	\$ 2,619	
State TIR Available for Reimbursement to Developer	\$ 13,365	\$ 13,652	\$ 13,945	\$ 14,244	\$ 14,549	\$ 14,860	\$ 15,177	\$ 15,500	\$ 15,830	\$ 16,167	\$ 16,510	\$ 16,860	\$ 17,217	\$ 17,581	\$ 17,953	\$ 18,332	
Total Local Tax Capture Available	\$ -	\$ 6	\$ 12	\$ 17	\$ 23	\$ 30	\$ 36	\$ 42	\$ 49	\$ 56	\$ 62	\$ 69	\$ 32,161	\$ 32,842	\$ 33,536	\$ 34,244	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 1,608	\$ 1,642	\$ 1,677	\$ 1,712	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 1,608	\$ 1,642	\$ 1,677	\$ 1,712	
Local TIR Available for Reimbursement to Developer	\$ -	\$ 5	\$ 10	\$ 16	\$ 21	\$ 27	\$ 32	\$ 38	\$ 44	\$ 50	\$ 56	\$ 62	\$ 28,945	\$ 29,558	\$ 30,182	\$ 30,819	
Total State & Local TIR Available for Reimbursement to Developer	\$ 13,365	\$ 13,658	\$ 13,956	\$ 14,260	\$ 14,570	\$ 14,886	\$ 15,209	\$ 15,538	\$ 15,874	\$ 16,217	\$ 16,566	\$ 16,922	\$ 46,162	\$ 47,139	\$ 48,135	\$ 49,151	
DEVELOPER																	
	Beginning Balance																
	\$ 1,125,935	\$ 1,112,570	\$ 1,098,912	\$ 1,084,957	\$ 1,070,697	\$ 1,056,127	\$ 1,041,240	\$ 1,026,031	\$ 1,010,493	\$ 994,619	\$ 978,402	\$ 961,836	\$ 944,914	\$ 898,752	\$ 851,613	\$ 803,478	\$ 754,327
MSF Eligible Activities	\$ 1,125,935	\$ 1,112,570	\$ 1,098,912	\$ 1,084,957	\$ 1,070,697	\$ 1,056,127	\$ 1,041,240	\$ 1,026,031	\$ 1,010,493	\$ 994,619	\$ 978,402	\$ 961,836	\$ 944,914	\$ 898,752	\$ 851,613	\$ 803,478	\$ 754,327
State Tax Reimbursement	\$ 541,414	\$ 13,365	\$ 13,652	\$ 13,945	\$ 14,244	\$ 14,549	\$ 14,860	\$ 15,177	\$ 15,500	\$ 15,830	\$ 16,167	\$ 16,510	\$ 16,860	\$ 17,217	\$ 17,581	\$ 17,953	\$ 18,332
Local Tax Reimbursement	\$ 584,521	\$ -	\$ 5	\$ 10	\$ 16	\$ 21	\$ 27	\$ 32	\$ 38	\$ 44	\$ 50	\$ 56	\$ 62	\$ 28,945	\$ 29,558	\$ 30,182	\$ 30,819
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 13,365	\$ 13,658	\$ 13,956	\$ 14,260	\$ 14,570	\$ 14,886	\$ 15,209	\$ 15,538	\$ 15,874	\$ 16,217	\$ 16,566	\$ 16,922	\$ 46,162	\$ 47,139	\$ 48,135	\$ 49,151	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
213-221 S. Superior Street
Albion, MI

	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	TOTALS
	17	18	19	20	21	22	23	24	25	26	27	28	29	
Available Tax Increment Revenue (TIR)														
Total State Tax Capture Available	\$ 21,392	\$ 21,843	\$ 22,302	\$ 22,771	\$ 23,249	\$ 23,737	\$ 24,234	\$ 24,742	\$ 25,259	\$ 25,787	\$ 26,326	\$ 26,875	\$ 27,346	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 2,674	\$ 2,730	\$ 2,788	\$ 2,846	\$ 2,906	\$ 2,967	\$ 3,029	\$ 3,093	\$ 3,157					\$ 62,154
State TIR Available for Reimbursement to Developer	\$ 18,718	\$ 19,112	\$ 19,515	\$ 19,925	\$ 20,343	\$ 20,770	\$ 21,205	\$ 21,649	\$ 22,102	\$ 25,787	\$ 26,326	\$ 26,875	\$ 27,346	
Total Local Tax Capture Available	\$ 34,966	\$ 35,702	\$ 36,453	\$ 37,220	\$ 38,001	\$ 38,798	\$ 39,611	\$ 40,441	\$ 41,287	\$ 42,150	\$ 43,030	\$ 43,927	\$ 44,698	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 1,748	\$ 1,785	\$ 1,823	\$ 1,861	\$ 1,900	\$ 1,940	\$ 1,981	\$ 2,022	\$ 2,064	\$ 2,107	\$ 2,151	\$ 2,196	\$ 2,235	\$ 32,473
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 1,748	\$ 1,785	\$ 1,823	\$ 1,861	\$ 1,900	\$ 1,940	\$ 1,981	\$ 2,022	\$ 2,064	\$ 2,107	\$ 2,151	\$ 2,196	\$ 2,235	\$ 32,473
Local TIR Available for Reimbursement to Developer	\$ 31,469	\$ 32,132	\$ 32,808	\$ 33,498	\$ 34,201	\$ 34,918	\$ 35,650	\$ 36,397	\$ 37,158	\$ 37,935	\$ 38,727	\$ 39,535	\$ 40,228	
Total State & Local TIR Available for Reimbursement to Developer	\$ 50,187	\$ 51,244	\$ 52,323	\$ 53,422	\$ 54,544	\$ 55,688	\$ 56,855	\$ 58,046	\$ 59,260	\$ 63,722	\$ 65,052	\$ 66,410	\$ 67,574	
DEVELOPER														
	\$ 704,140	\$ 652,896	\$ 600,573	\$ 547,151	\$ 492,607	\$ 436,919	\$ 380,063	\$ 322,018	\$ 262,758	\$ 199,036	\$ 133,983	\$ 67,574	\$ (0)	
MSF Eligible Activities	\$ 704,140	\$ 652,896	\$ 600,573	\$ 547,151	\$ 492,607	\$ 436,919	\$ 380,063	\$ 322,018	\$ 262,758	\$ 199,036	\$ 133,983	\$ 67,574	\$ (0)	
State Tax Reimbursement	\$ 18,718	\$ 19,112	\$ 19,515	\$ 19,925	\$ 20,343	\$ 20,770	\$ 21,205	\$ 21,649	\$ 22,102	\$ 25,787	\$ 26,326	\$ 26,875	\$ 27,346	\$ 541,414
Local Tax Reimbursement	\$ 31,469	\$ 32,132	\$ 32,808	\$ 33,498	\$ 34,201	\$ 34,918	\$ 35,650	\$ 36,397	\$ 37,158	\$ 37,935	\$ 38,727	\$ 39,535	\$ 40,228	\$ 584,521
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 50,187	\$ 51,244	\$ 52,323	\$ 53,422	\$ 54,544	\$ 55,688	\$ 56,855	\$ 58,046	\$ 59,260	\$ 63,722	\$ 65,052	\$ 66,410	\$ 67,574	\$ 1,253,036

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

213-217 S. Superior Street

Albion, Michigan 49224

213 S. SUPERIOR STREET (Parcel No. 51-002-154-00) – ALBION CITY, ASSESSORS PLAT OF MILL (213 S SUPERIOR) RESERVE LOT 54.

215 S. SUPERIOR STREET (Parcel No. 51-002-155-00) – Property exempt from Ad Valorem taxes and assessed on the Special Act Roll pursuant to PA 261 of 2003 expiring 12/31/2021. ALBION CITY, ASSESSORS PLAT OF MILL RESERVE LOT 55 AND PART OF LOT 56 (215 S SUPERIOR)

217 S. SUPERIOR STREET (Parcel No. 51-002-156-01) - ASSR'S PLAT OF MILL RESERVE LOTS 56, 57 & 58 (217 S SUPERIOR ST)

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Albion Reinvestment Corporation & City of Albion

Re: Obsolete Property – 213, 215, 217, 119, & 221 S. Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is properly that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second floor is completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, Albion Reinvestment Corporation (ARC) has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

313-315 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

313-315 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adepez@albioncdc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 3, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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- Figure 2: Property Boundary Diagram

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- Table 1: Brownfield Eligible Activities
- Table 2: Tax Increment Revenue Capture Estimates
- Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

- Attachment A: Legal Description
- Attachment B: Functionally Obsolete Letter

1.0 PROJECT SUMMARY

Project Name:	313 and 315 S. Superior Street Project
Developer:	Albion Reinvestment Corporation (the “Developer”) 1002 N. Eaton Street Albion, Michigan Contact: William Dobbins
Property Location:	313 and 315 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of two parcels: Parcel ID No. 51-002-164-00 Parcel ID No. 51-002-165-00
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of two mixed-use building(s). The mixed-use project will include a total of 6,835-square feet of ground floor commercial/retail/office space and 12 high-quality residential apartment units totaling approximately 8,150 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$2,460,171 of which \$460,085 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.
Duration of Plan:	18 years (starting in 2021).

Developer's
Reimbursable Costs: \$460,085

Distribution of New Taxes Paid	
Developer Reimbursement	\$460,085
Sub-Total Reimbursement	\$460,085
State Brownfield Revolving Fund (SBRF)	\$42,000
BRA Plan Administrative Fees	\$9,227
Local Brownfield Revolving Fund (LBRF)	\$9,227
New Taxes to School /City Debt	\$32,340
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$92,794
Grand Total	\$552,879

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of two platted parcels of land, situated along the east side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
313 S. Superior Street	51-002-164-00	“Functionally Obsolete”
315 S. Superior Street	51-002-165-00	“Functionally Obsolete”

The Property consists of approximately 0.182 acres developed with two connected two-story buildings each containing commercial space on the first floor and residential space on the second floor. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as a furniture store, undertaker, department store, grocery store, and office space. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of two mixed-use building(s). The mixed-use project will include a total of 6,835-square feet of ground floor commercial/retail/office space and 12 high-quality residential apartment units totaling approximately 8,150 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$2,460,171. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as furniture store, undertaker, department store, grocery store, and office space. The second floor was used for residential purposes.

Based on the age, these buildings contain lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$460,085.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities.....\$20,000

Demolition\$372,000

Total MSF Eligible Activities..... \$392,000

Contingency (15%)\$58,800

Brownfield Plan/Act 381 Work Plan Preparation\$9,285

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$460,085

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$36,000 which is the initial taxable value for this Plan.

The estimated final taxable value of \$725,541 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2038 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$552,879.

Distribution of New Taxes Paid	
Developer Reimbursement	\$460,085
Sub-Total Reimbursement	\$460,085
State Brownfield Revolving Fund (SBRF)	\$42,000
BRA Plan Administrative Fees	\$9,227
Local Brownfield Revolving Fund (LBRF)	\$9,227
New Taxes to School /City Debt	\$32,340
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$92,794
Grand Total	\$552,879

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 18 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 18 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

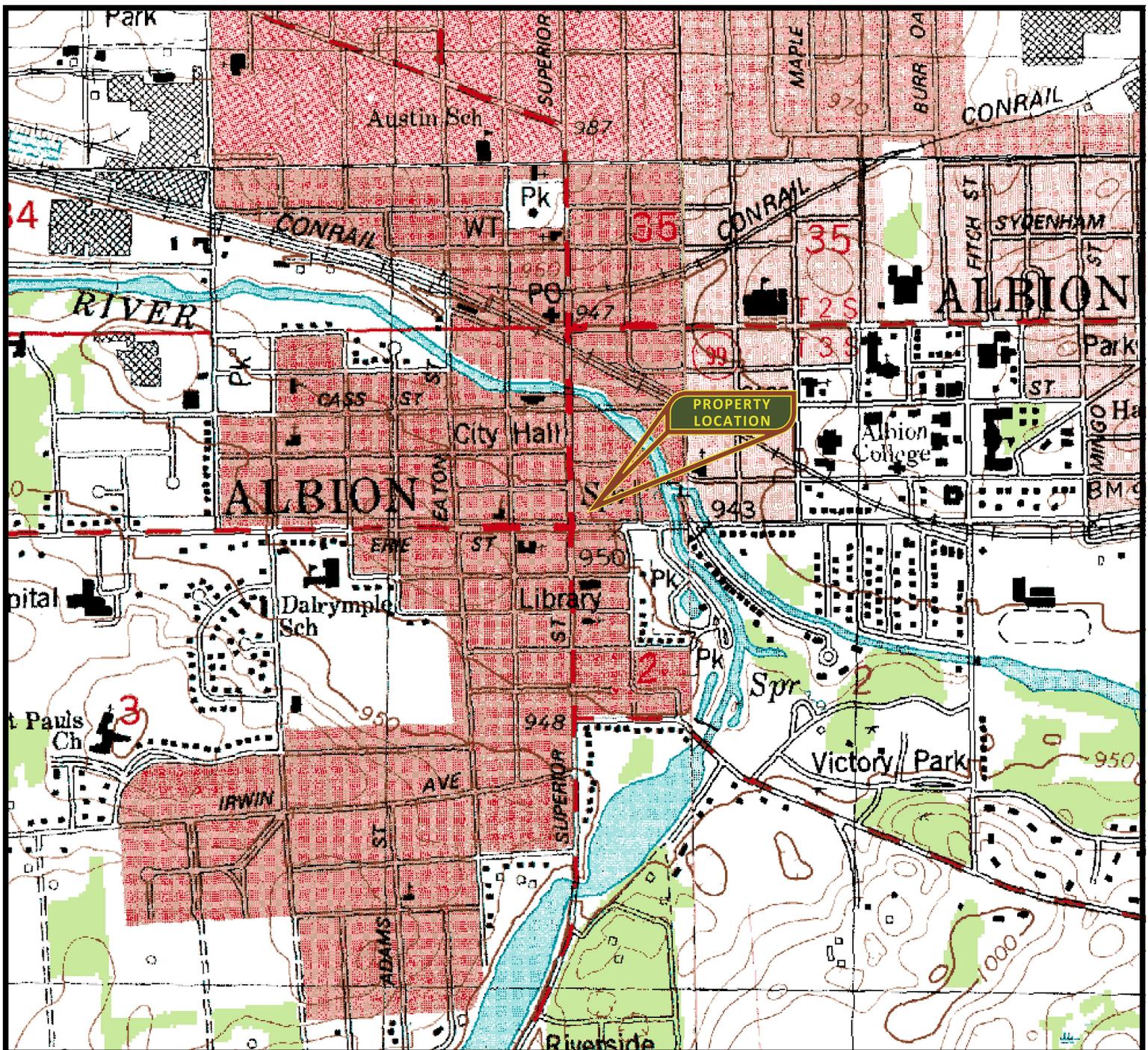


FIGURE 1
PROPERTY LOCATION

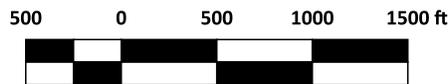


313 & 315 S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

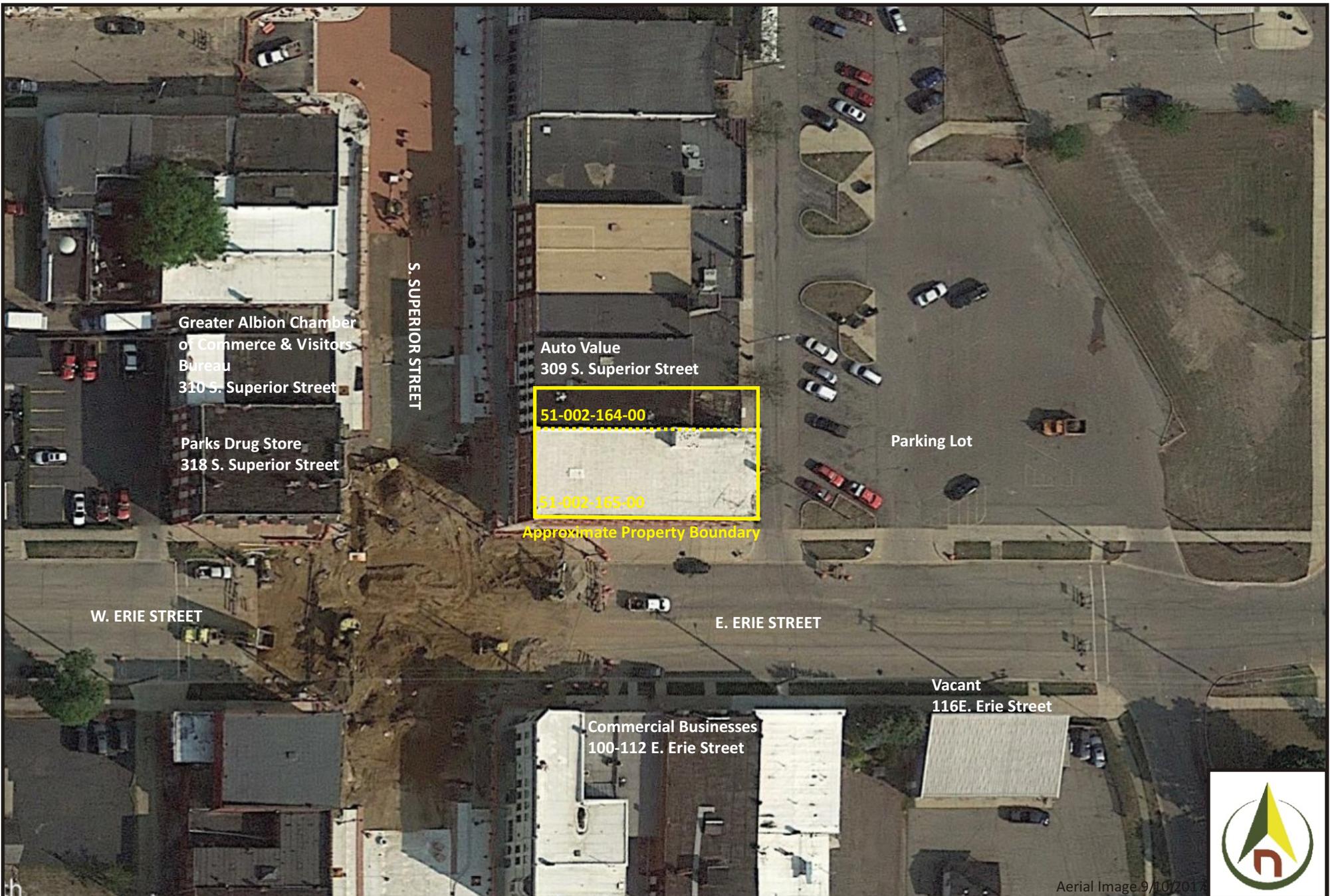
PROJECT NUMBER: 18-1959

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FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**313 & 315 S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/3/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
313 and 315 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Abatement	1	LS	\$ 20,000	\$ 20,000		\$ 20,000	
Subtotal Asbestos and Lead Activities				\$ 20,000		\$ 20,000	\$ -
Demolition							
Demolition - Building/Interior	1	LS	\$ 362,000	\$ 362,000		\$ 362,000	
Demolition - Soft Costs	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
Subtotal Demolition Activities				\$ 372,000	\$ -	\$ 372,000	\$ -
Subtotal Infrastructure Improvement Activities				\$ -		\$ -	\$ -
MSF ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 392,000	\$ -	\$ 392,000	\$ -
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 392,000	\$ -	\$ 392,000	\$ -
Contingency (15%)				\$ 58,800	\$ -	\$ 58,800	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 9,285	\$ 9,285		\$ 9,285	
Brownfield Plan & Act 381 Work Plan Implementation	1	LS	\$ 15,000				
TOTAL ELIGIBLE COST FOR REIMBURSEMENT				\$ 460,085	\$ -	\$ 460,085	\$ -
State Brownfield Revolving Fund				\$ 42,000			
BRA Administrative Fees				\$ 9,227			
Local Brownfield Revolving Fund (LBRF)				\$ 9,227			
GRAND TOTAL				\$ 520,539			
					0.00%	100.00%	0.00%

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
313 and 315 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year

Plan Year	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580
Estimated New TV for Land	\$ 2,420	\$ 2,468	\$ 2,518	\$ 2,568	\$ 2,619	\$ 2,672	\$ 2,725	\$ 2,780	\$ 2,835	\$ 2,892	\$ 2,950	\$ 3,009
Estimated New TV for Building	\$ 723,121	\$ 737,583	\$ 752,335	\$ 767,382	\$ 782,729	\$ 798,384	\$ 814,352	\$ 830,639	\$ 847,252	\$ 864,197	\$ 881,480	\$ 899,110
Incremental Difference for Land (New TV - Base TV)	\$ -	\$ 48	\$ 98	\$ 148	\$ 199	\$ 252	\$ 305	\$ 360	\$ 415	\$ 472	\$ 530	\$ 589
Incremental Difference for Building (New TV - Base TV)	\$ 689,541	\$ 704,003	\$ 718,755	\$ 733,802	\$ 749,149	\$ 764,804	\$ 780,772	\$ 797,059	\$ 813,672	\$ 830,617	\$ 847,900	\$ 865,530
Total Incremental Difference	\$ 689,541	\$ 704,052	\$ 718,853	\$ 733,950	\$ 749,349	\$ 765,056	\$ 781,077	\$ 797,419	\$ 814,087	\$ 831,089	\$ 848,430	\$ 866,119

School Capture Millage Rate

School Operating	18.0000	\$ 12,412	\$ 12,673	\$ 12,939	\$ 13,211	\$ 13,488	\$ 13,771	\$ 14,059	\$ 14,354	\$ 14,654	\$ 14,960	\$ 15,272	\$ 15,590	
State Education Tax (SET)	6.0000	\$ 4,137	\$ 4,224	\$ 4,313	\$ 4,404	\$ 4,496	\$ 4,590	\$ 4,686	\$ 4,785	\$ 4,885	\$ 4,987	\$ 5,091	\$ 5,197	
School Total:	24.0000	37.96%	\$ 16,549	\$ 16,897	\$ 17,252	\$ 17,615	\$ 17,984	\$ 18,361	\$ 18,746	\$ 19,138	\$ 19,538	\$ 19,946	\$ 20,362	\$ 20,787

Local Capture Millage Rate

Albion Operating	11.9376	\$ -	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 4	\$ 5	\$ 6	\$ 6	\$ 7	
Calhoun County	5.3779	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	
Street/solid waste/ Rec	7.5000	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 4	
KCC	3.6136	\$ -	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	
Vet/Seniors/Medical	1.0934	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	
School Building	1.0000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	
CISD	1.7057	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	
Special Ed	4.5000	\$ -	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	
Dist. Library	2.5000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	
Local Total:	39.2282	62.04%	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23
Total Capturable Taxes:	63.2282	100.00%	\$ 16,549	\$ 16,899	\$ 17,256	\$ 17,621	\$ 17,992	\$ 18,371	\$ 18,758	\$ 19,152	\$ 19,554	\$ 19,965	\$ 20,383	\$ 20,810

Non-Capturable Millages

School Debt	2.3100	\$ 1,593	\$ 1,626	\$ 1,661	\$ 1,695	\$ 1,731	\$ 1,767	\$ 1,804	\$ 1,842	\$ 1,881	\$ 1,920	\$ 1,960	\$ 2,001
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100												

Notes:

**Table 2
Tax Increment Revenue Capture Estimates
313 and 315 S. Superior Street
Albion, MI**

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2033 13	2034 14	2035 15	2036 16	2037 17	2038 18
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580	\$ 33,580
Estimated New TV for Land	\$ 3,069	\$ 3,131	\$ 3,193	\$ 3,257	\$ 3,322	\$ 3,389
Estimated New TV for Building	\$ 917,092	\$ 935,434	\$ 954,143	\$ 973,226	\$ 992,690	\$ 1,012,544
Incremental Difference for Land (New TV - Base TV)	\$ 649	\$ 711	\$ 773	\$ 837	\$ 902	\$ 969
Incremental Difference for Building (New TV - Base TV)	\$ 883,512	\$ 901,854	\$ 920,563	\$ 939,646	\$ 959,110	\$ 978,964
Total Incremental Difference	\$ 884,161	\$ 902,565	\$ 921,336	\$ 940,483	\$ 960,012	\$ 92,330

School Capture	Millage Rate	2033 13	2034 14	2035 15	2036 16	2037 17	2038 18
School Operating	18.0000	\$ 15,915	\$ 16,246	\$ 16,584	\$ 16,929	\$ 17,280	\$ 1,662
State Education Tax (SET)	6.0000	\$ 5,305	\$ 5,415	\$ 5,528	\$ 5,643	\$ 5,760	\$ 554
School Total:	24.0000	\$ 21,220	\$ 21,662	\$ 22,112	\$ 22,572	\$ 23,040	\$ 2,216

Local Capture	Millage Rate	2033 13	2034 14	2035 15	2036 16	2037 17	2038 18
Albion Operating	11.9376	\$ 10,555	\$ 10,774	\$ 10,999	\$ 11,227	\$ 11,460	\$ 1,102
Calhoun County	5.3779	\$ 4,755	\$ 4,854	\$ 4,955	\$ 5,058	\$ 5,163	\$ 497
Street/solid waste/ Rec	7.5000	\$ 6,631	\$ 6,769	\$ 6,910	\$ 7,054	\$ 7,200	\$ 692
KCC	3.6136	\$ 3,195	\$ 3,262	\$ 3,329	\$ 3,399	\$ 3,469	\$ 334
Vet/Seniors/Medical	1.0934	\$ 967	\$ 987	\$ 1,007	\$ 1,028	\$ 1,050	\$ 101
School Building	1.0000	\$ 884	\$ 903	\$ 921	\$ 940	\$ 960	\$ 92
CISD	1.7057	\$ 1,508	\$ 1,540	\$ 1,572	\$ 1,604	\$ 1,637	\$ 157
Special Ed	4.5000	\$ 3,979	\$ 4,062	\$ 4,146	\$ 4,232	\$ 4,320	\$ 415
Dist. Library	2.5000	\$ 2,210	\$ 2,256	\$ 2,303	\$ 2,351	\$ 2,400	\$ 231
Local Total:	39.2282	\$ 34,684	\$ 35,406	\$ 36,142	\$ 36,893	\$ 37,660	\$ 3,622
Total Capturable Taxes:	63.2282	\$ 55,904	\$ 57,068	\$ 58,254	\$ 59,465	\$ 60,700	\$ 5,838

Non-Capturable Millages	Millage Rate	2033 13	2034 14	2035 15	2036 16	2037 17	2038 18
School Debt	2.3100	\$ 2,042	\$ 2,085	\$ 2,128	\$ 2,173	\$ 2,218	\$ 213
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total	Pass-Through	Captured
\$ 251,998.34	\$ 25,199.83	\$ 226,798.51
\$ 83,999.45	\$ 4,199.97	\$ 79,799.48
\$ 335,997.79	\$ 29,399.81	\$ 306,597.98

\$ 56,158.10	\$ 5,615.81	\$ 50,542.29
\$ 25,299.28	\$ 2,529.93	\$ 22,769.35
\$ 35,282.28	\$ 3,528.23	\$ 31,754.05
\$ 16,999.47	\$ 1,699.95	\$ 15,299.53
\$ 5,143.69	\$ 514.37	\$ 4,629.32
\$ 4,704.30	\$ 470.43	\$ 4,233.87
\$ 8,024.13	\$ 802.41	\$ 7,221.72
\$ 21,169.37	\$ 2,116.94	\$ 19,052.43
\$ 11,760.76	\$ 1,176.08	\$ 10,584.68
\$ 184,541.39	\$ 18,454.14	\$ 166,087.25
\$ 520,539.18	\$ 47,853.95	\$ 472,685.23

\$ 32,339.79	\$ 32,339.79	\$ -
\$ -	\$ -	\$ -
\$ 32,339.79	\$ 32,339.79	\$ -

\$ 552,878.97	\$ 80,193.73	\$ 472,685.23
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
313 and 315 S. Superior Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	63.9%	\$ 293,998	\$ -	\$ 293,998
Local	36.1%	\$ 166,087	\$ -	\$ 166,087
TOTAL		\$ 460,085	\$ -	\$ 460,085
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 460,085		

Estimated Total Years of Plan:	18
--------------------------------	----

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 42,000
BRA Administrative Fees	\$ 9,227
Local Brownfield Revolving Fund	\$ 9,227

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 16,549	\$ 16,897	\$ 17,252	\$ 17,615	\$ 17,984	\$ 18,361	\$ 18,746	\$ 19,138	\$ 19,538	\$ 19,946	\$ 20,362	\$ 20,787	\$ 21,220	\$ 21,662	\$ 22,112	\$ 22,572	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 2,069	\$ 2,112	\$ 2,157	\$ 2,202	\$ 2,248	\$ 2,295	\$ 2,343	\$ 2,392	\$ 2,442	\$ 2,493	\$ 2,545	\$ 2,598	\$ 2,652	\$ 2,708	\$ 2,764	\$ 2,821	
State TIR Available for Reimbursement to Developer	\$ 14,480	\$ 14,785	\$ 15,096	\$ 15,413	\$ 15,736	\$ 16,066	\$ 16,403	\$ 16,746	\$ 17,096	\$ 17,453	\$ 17,817	\$ 18,188	\$ 18,567	\$ 18,954	\$ 19,348	\$ 19,750	
Total Local Tax Capture Available	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23	\$ 34,684	\$ 35,406	\$ 36,142	\$ 36,893	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,734	\$ 1,770	\$ 1,807	\$ 1,845	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,734	\$ 1,770	\$ 1,807	\$ 1,845	
Local TIR Available for Reimbursement to Developer	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 31,216	\$ 31,865	\$ 32,528	\$ 33,204	
Total State & Local TIR Available for Reimbursement to Developer	\$ 14,480	\$ 14,787	\$ 15,099	\$ 15,418	\$ 15,743	\$ 16,075	\$ 16,413	\$ 16,758	\$ 17,110	\$ 17,470	\$ 17,836	\$ 18,209	\$ 49,783	\$ 50,819	\$ 51,876	\$ 52,954	
DEVELOPER	Beginning Balance																
	\$ 460,085	\$ 445,605	\$ 430,818	\$ 415,718	\$ 400,300	\$ 384,557	\$ 368,482	\$ 352,068	\$ 335,310	\$ 318,199	\$ 300,730	\$ 282,894	\$ 264,685	\$ 214,902	\$ 164,083	\$ 112,206	\$ 59,252
MSF Eligible Activities	\$ 460,085	\$ 445,605	\$ 430,818	\$ 415,718	\$ 400,300	\$ 384,557	\$ 368,482	\$ 352,068	\$ 335,310	\$ 318,199	\$ 300,730	\$ 282,894	\$ 264,685	\$ 214,902	\$ 164,083	\$ 112,206	\$ 59,252
State Tax Reimbursement	\$ 293,998	\$ 14,480	\$ 14,785	\$ 15,096	\$ 15,413	\$ 15,736	\$ 16,066	\$ 16,403	\$ 16,746	\$ 17,096	\$ 17,453	\$ 17,817	\$ 18,188	\$ 18,567	\$ 18,954	\$ 19,348	\$ 19,750
Local Tax Reimbursement	\$ 166,087	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 31,216	\$ 31,865	\$ 32,528	\$ 33,204
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 14,480	\$ 14,787	\$ 15,099	\$ 15,418	\$ 15,743	\$ 16,075	\$ 16,413	\$ 16,758	\$ 17,110	\$ 17,470	\$ 17,836	\$ 18,209	\$ 49,783	\$ 50,819	\$ 51,876	\$ 52,954	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
313 and 315 S. Superior Street
Albion, MI

	2037	2038	
	17	18	
Available Tax Increment Revenue (TIR)			
Total State Tax Capture Available	\$ 23,040	\$ 2,216	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 2,880	\$ 277	\$ 42,000
State TIR Available for Reimbursement to Developer	\$ 20,160	\$ 1,939	
Total Local Tax Capture Available	\$ 37,660	\$ 3,622	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 1,883	\$ 181	\$ 9,227
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 1,883	\$ 181	\$ 9,227
Local TIR Available for Reimbursement to Developer	\$ 33,894	\$ 3,260	
Total State & Local TIR Available for Reimbursement to Developer	\$ 54,054	\$ 5,199	
DEVELOPER			
	\$ 5,198	\$ (0)	
MSF Eligible Activities	\$ 5,198	\$ (0)	
State Tax Reimbursement	\$ 20,160	\$ 1,939	\$ 293,998
Local Tax Reimbursement	\$ 33,894	\$ 3,260	\$ 166,087
EGLE Eligible Activities	\$ -	\$ -	
State Tax Reimbursement	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 54,054	\$ 5,199	
			\$ 520,539

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

313-315 S. Superior Street

Albion, Michigan 49224

313 S. SUPERIOR STREET (Parcel No. 51-002-164-00) – ALBION CITY, ASSESSORS RE-PLAT OF PART OF MILL RESERVE & BLOCK 48, LOT 64. (313 S SUPERIOR)

315 S. SUPERIOR STREET (Parcel No. 51-002-165-00) – ALBION CITY, ASSESSORS RE-PLAT OF PART OF MILL RESERVE & BLOCK 48 LOT 65. (315 S. SUPERIOR ST.)

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Albion Reinvestment Corporation & City of Albion

Re: Obsolete Property – 313, & 315 S. Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is property that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second floor is completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, Albion Reinvestment Corporation (ARC) has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

106 – 108 E. Erie Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

106 and 108 E. Erie Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adepez@albioncdc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 2, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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ATTACHMENTS

- Attachment A: Legal Description
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1.0 PROJECT SUMMARY

Project Name:	106 and 108 E. Erie Street Project
Developer:	Albion Reinvestment Corporation (the “Developer”) 1002 N. Eaton Street Albion, Michigan Contact: William Dobbins
Property Location:	106 and 108 E. Erie Street Albion, Michigan 49224
Parcel Information:	The property consists of one parcel: 51-001-116-00
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of one mixed-use building. The mixed-use project will include a total of 3,000-square feet of ground floor commercial/retail/office space and 10 high-quality residential apartment units totaling approximately 8,498 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$2,273,820 of which \$528,625 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.
Duration of Plan:	20 years (starting in 2021).

Developer's
Reimbursable Costs: \$528,625

Distribution of New Taxes Paid	
Developer Reimbursement	\$528,625
Sub-Total Reimbursement	\$528,625
State Brownfield Revolving Fund (SBRF)	\$44,326
BRA Plan Administrative Fees	\$12,130
Local Brownfield Revolving Fund (LBRF)	\$12,130
New Taxes to School /City Debt	\$34,132
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$102,718
Grand Total	\$631,343

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of the platted parcel of land, situated along the south side of Erie Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
106 E. Erie Street	51-001-116-00	“Functionally Obsolete”

The Property consists of approximately 0.105 acres developed with a two-story mixed-use building. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as agricultural implements, music store, furniture store, and office space. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of the mixed-use building. The mixed-use project will include a total of 3,000-square feet of ground floor commercial/retail/office space and 10 high-quality residential apartment units on the first and second floors of the building. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$2,273,820. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as agricultural implements, music store, furniture store, and office space. The second floor was used for residential purposes.

Based on the age, the building also contains lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$528,625.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities..... \$25,000

Demolition \$426,600

Total MSF Eligible Activities..... \$451,600

Contingency (15%) \$67,740

Brownfield Plan/Act 381 Work Plan Preparation \$9,285

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$528,625

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$32,553 which is the initial taxable value for this Plan.

The estimated final taxable value of \$669,920 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2040 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$631,343.

Distribution of New Taxes Paid	
Developer Reimbursement	\$528,625
Sub-Total Reimbursement	\$528,625
State Brownfield Revolving Fund (SBRF)	\$44,326
BRA Plan Administrative Fees	\$12,130
Local Brownfield Revolving Fund (LBRF)	\$12,130
New Taxes to School /City Debt	\$34,132
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$102,718
Grand Total	\$631,343

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 20 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 20 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

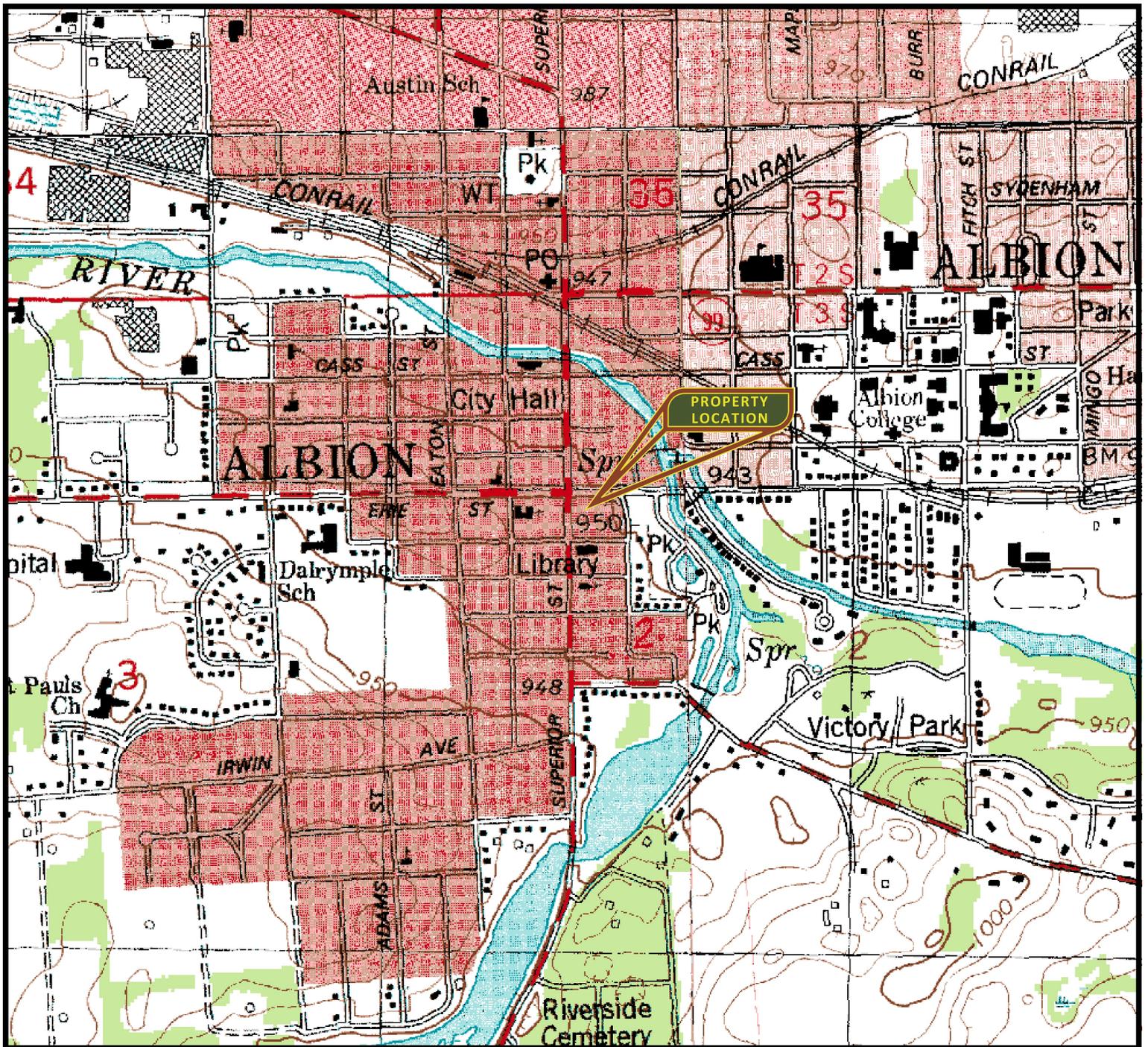


FIGURE 1
PROPERTY LOCATION



106 & 108 E. ERIE
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

PROJECT NUMBER: 18-1959

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG



500 0 500 1000 1500 ft



1:12000





Aerial Image 9/10/2017



TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**106-108 E. ERIE STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/2/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
106 and 108 E. Erie Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Abatement	1	LS	\$ 25,000	\$ 25,000		\$ 25,000	
Subtotal Asbestos and Lead Activities					\$ 25,000		\$ 25,000
Demolition							
Demolition - Building/Interior	1	LS	\$ 450,000	\$ 416,600		\$ 416,600	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
Subtotal Demolition Activities					\$ 426,600	\$ -	\$ 426,600
MSF ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 451,600	\$ -	\$ 451,600
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 451,600	\$ -	\$ 451,600
Contingency (15%)				\$ 67,740	\$ -	\$ 67,740	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 9,285	\$ 9,285		\$ 9,285	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT					\$ 528,625	\$ -	\$ 528,625
State Brownfield Revolving Fund				\$ 44,326			
BRA Administrative Fees				\$ 12,130			
Local Brownfield Revolving Fund (LBRF)				\$ 12,130			
GRAND TOTAL					\$ 597,211		
					0.00%	100.00%	0.00%

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
106 and 108 E. Erie Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year

Plan Year	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12	2033 13	2034 14
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133
Estimated New TV for Land	\$ 2,420	\$ 2,468	\$ 2,518	\$ 2,568	\$ 2,619	\$ 2,672	\$ 2,725	\$ 2,780	\$ 2,835	\$ 2,892	\$ 2,950	\$ 3,009	\$ 3,069	\$ 3,131
Estimated New TV for Building	\$ 667,500	\$ 680,850	\$ 694,467	\$ 708,356	\$ 722,523	\$ 736,974	\$ 751,713	\$ 766,748	\$ 782,083	\$ 797,724	\$ 813,679	\$ 829,952	\$ 846,551	\$ 863,482
Incremental Difference for Land (New TV - Base TV)	\$ -	\$ 48	\$ 98	\$ 148	\$ 199	\$ 252	\$ 305	\$ 360	\$ 415	\$ 472	\$ 530	\$ 589	\$ 649	\$ 711
Incremental Difference for Building (New TV - Base TV)	\$ 637,367	\$ 650,717	\$ 664,334	\$ 678,223	\$ 692,390	\$ 706,841	\$ 721,580	\$ 736,615	\$ 751,950	\$ 767,591	\$ 783,546	\$ 799,819	\$ 816,418	\$ 833,349
Total Incremental Difference	\$ 637,367	\$ 650,765	\$ 664,432	\$ 678,371	\$ 692,590	\$ 707,093	\$ 721,886	\$ 736,975	\$ 752,365	\$ 768,063	\$ 784,076	\$ 800,408	\$ 817,068	\$ 834,060

School Capture Millage Rate

School Operating	18.0000	\$ 11,473	\$ 11,714	\$ 11,960	\$ 12,211	\$ 12,467	\$ 12,728	\$ 12,994	\$ 13,266	\$ 13,543	\$ 13,825	\$ 14,113	\$ 14,407	\$ 14,707	\$ 15,013	
State Education Tax (SET)	6.0000	\$ 3,824	\$ 3,905	\$ 3,987	\$ 4,070	\$ 4,156	\$ 4,243	\$ 4,331	\$ 4,422	\$ 4,514	\$ 4,608	\$ 4,704	\$ 4,802	\$ 4,902	\$ 5,004	
School Total:	24.0000	37.96%	\$ 15,297	\$ 15,618	\$ 15,946	\$ 16,281	\$ 16,622	\$ 16,970	\$ 17,325	\$ 17,687	\$ 18,057	\$ 18,434	\$ 18,818	\$ 19,210	\$ 19,610	\$ 20,017

Local Capture Millage Rate

Albion Operating	11.9376	\$ -	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 4	\$ 5	\$ 6	\$ 6	\$ 7	\$ 9,754	\$ 9,957	
Calhoun County	5.3779	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 4,394	\$ 4,485	
Street/Solid Waste/ Rec	7.5000	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 4	\$ 6,128	\$ 6,255	
KCC	3.6136	\$ -	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2,953	\$ 3,014	
Vet/Seniors/Medical	1.0934	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 893	\$ 912	
School Building	1.0000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 817	\$ 834	
CISD Operating/Voc Ed	1.7057	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,394	\$ 1,423	
CISD Special Ed	4.5000	\$ -	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3,677	\$ 3,753	
Dist. Library	2.5000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2,043	\$ 2,085	
Local Total:	39.2282	62.04%	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23	\$ 32,052	\$ 32,719
Total Capturable Taxes:	63.2282	100.00%	\$ 15,297	\$ 15,620	\$ 15,950	\$ 16,287	\$ 16,630	\$ 16,980	\$ 17,337	\$ 17,702	\$ 18,073	\$ 18,452	\$ 18,839	\$ 19,233	\$ 51,662	\$ 52,736

Non-Capturable Millages Millage Rate

School Debt	2.3100	\$ 1,472	\$ 1,503	\$ 1,535	\$ 1,567	\$ 1,600	\$ 1,633	\$ 1,668	\$ 1,702	\$ 1,738	\$ 1,774	\$ 1,811	\$ 1,849	\$ 1,887	\$ 1,927
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100														

Notes:

Table 2
Tax Increment Revenue Capture Estimates
106 and 108 E. Erie Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2035 15	2036 16	2037 17	2038 18	2039 19	2040 20
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133	\$ 30,133
Estimated New TV for Land	\$ 3,193	\$ 3,257	\$ 3,322	\$ 3,389	\$ 3,456	\$ 3,525
Estimated New TV for Building	\$ 880,752	\$ 898,367	\$ 916,334	\$ 934,661	\$ 953,354	\$ 972,421
Incremental Difference for Land (New TV - Base TV)	\$ 773	\$ 837	\$ 902	\$ 969	\$ 1,036	\$ 1,105
Incremental Difference for Building (New TV - Base TV)	\$ 850,619	\$ 868,234	\$ 886,201	\$ 904,528	\$ 923,221	\$ 942,288
Total Incremental Difference	\$ 851,392	\$ 869,071	\$ 887,104	\$ 905,497	\$ 924,258	\$ 92,525

School Capture	Millage Rate	2035 15	2036 16	2037 17	2038 18	2039 19	2040 20
School Operating	18.0000	\$ 15,325	\$ 15,643	\$ 15,968	\$ 16,299	\$ 16,637	\$ 1,665
State Education Tax (SET)	6.0000	\$ 5,108	\$ 5,214	\$ 5,323	\$ 5,433	\$ 5,546	\$ 555
School Total:	24.0000	\$ 20,433	\$ 20,858	\$ 21,290	\$ 21,732	\$ 22,182	\$ 2,221

Total	Pass-Through	Captured
\$ 265,956.57	\$ 26,595.66	\$ 239,360.91
\$ 88,652.19	\$ 4,432.61	\$ 84,219.58
\$ 354,608.76	\$ 31,028.27	\$ 323,580.49

Local Capture	Millage Rate	2035 15	2036 16	2037 17	2038 18	2039 19	2040 20
Albion Operating	11.9376	\$ 10,164	\$ 10,375	\$ 10,590	\$ 10,809	\$ 11,033	\$ 1,105
Calhoun County	5.3779	\$ 4,579	\$ 4,674	\$ 4,771	\$ 4,870	\$ 4,971	\$ 498
Street/Solid Waste/ Rec	7.5000	\$ 6,385	\$ 6,518	\$ 6,653	\$ 6,791	\$ 6,932	\$ 694
KCC	3.6136	\$ 3,077	\$ 3,140	\$ 3,206	\$ 3,272	\$ 3,340	\$ 334
Vet/Seniors/Medical	1.0934	\$ 931	\$ 950	\$ 970	\$ 990	\$ 1,011	\$ 101
School Building	1.0000	\$ 851	\$ 869	\$ 887	\$ 905	\$ 924	\$ 93
CISD Operating/Voc Ed	1.7057	\$ 1,452	\$ 1,482	\$ 1,513	\$ 1,545	\$ 1,577	\$ 158
CISD Special Ed	4.5000	\$ 3,831	\$ 3,911	\$ 3,992	\$ 4,075	\$ 4,159	\$ 416
Dist. Library	2.5000	\$ 2,128	\$ 2,173	\$ 2,218	\$ 2,264	\$ 2,311	\$ 231
Local Total:	39.2282	\$ 33,399	\$ 34,092	\$ 34,799	\$ 35,521	\$ 36,257	\$ 3,630
Total Capturable Taxes:	63.2282	\$ 53,832	\$ 54,950	\$ 56,090	\$ 57,253	\$ 58,439	\$ 5,850

\$ 73,826.79	\$ 7,382.68	\$ 66,444.11
\$ 33,259.04	\$ 3,325.90	\$ 29,933.13
\$ 46,382.93	\$ 4,638.29	\$ 41,744.64
\$ 22,347.92	\$ 2,234.79	\$ 20,113.12
\$ 6,762.01	\$ 676.20	\$ 6,085.81
\$ 6,184.39	\$ 618.44	\$ 5,565.95
\$ 10,548.72	\$ 1,054.87	\$ 9,493.84
\$ 27,829.76	\$ 2,782.98	\$ 25,046.78
\$ 15,460.98	\$ 1,546.10	\$ 13,914.88
\$ 242,602.53	\$ 24,260.25	\$ 218,342.28
\$ 597,211.29	\$ 55,288.52	\$ 541,922.77

Non-Capturable Millages	Millage Rate	2035 15	2036 16	2037 17	2038 18	2039 19	2040 20
School Debt	2.3100	\$ 1,967	\$ 2,008	\$ 2,049	\$ 2,092	\$ 2,135	\$ 214
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100						

\$ 34,131.09	\$ 34,131.09	\$ -
\$ -	\$ -	\$ -
\$ 34,131.09	\$ 34,131.09	\$ -

\$ 631,342.39	\$ 89,419.61	\$ 541,922.77
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
106 and 108 E. Erie Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	58.7%	\$ 310,283	\$ -	\$ 310,283
Local	41.3%	\$ 218,342	\$ -	\$ 218,342
TOTAL		\$ 528,625	\$ -	\$ 528,625
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 528,625		

Estimated Total Years of Plan:	20
--------------------------------	----

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 44,326
BRA Administrative Fees	\$ 12,130
Local Brownfield Revolving Fund	\$ 12,130

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 15,297	\$ 15,618	\$ 15,946	\$ 16,281	\$ 16,622	\$ 16,970	\$ 17,325	\$ 17,687	\$ 18,057	\$ 18,434	\$ 18,818	\$ 19,210	\$ 19,610	\$ 20,017	\$ 20,433	\$ 20,858	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 1,912	\$ 1,952	\$ 1,993	\$ 2,035	\$ 2,078	\$ 2,121	\$ 2,166	\$ 2,211	\$ 2,257	\$ 2,304	\$ 2,352	\$ 2,401	\$ 2,451	\$ 2,502	\$ 2,554	\$ 2,607	
State TIR Available for Reimbursement to Developer	\$ 13,385	\$ 13,666	\$ 13,953	\$ 14,246	\$ 14,544	\$ 14,849	\$ 15,160	\$ 15,476	\$ 15,800	\$ 16,129	\$ 16,466	\$ 16,809	\$ 17,158	\$ 17,515	\$ 17,879	\$ 18,250	
Total Local Tax Capture Available	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23	\$ 32,052	\$ 32,719	\$ 33,399	\$ 34,092	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,603	\$ 1,636	\$ 1,670	\$ 1,705	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,603	\$ 1,636	\$ 1,670	\$ 1,705	
Local TIR Available for Reimbursement to Developer	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 28,847	\$ 29,447	\$ 30,059	\$ 30,683	
Total State & Local TIR Available for Reimbursement to Developer	\$ 13,385	\$ 13,668	\$ 13,957	\$ 14,251	\$ 14,551	\$ 14,858	\$ 15,170	\$ 15,489	\$ 15,814	\$ 16,146	\$ 16,484	\$ 16,829	\$ 46,005	\$ 46,962	\$ 47,938	\$ 48,933	
DEVELOPER																	
	Beginning Balance																
	\$ 528,625	\$ 515,240	\$ 501,573	\$ 487,616	\$ 473,365	\$ 458,814	\$ 443,956	\$ 428,785	\$ 413,296	\$ 397,482	\$ 381,336	\$ 364,852	\$ 348,022	\$ 302,017	\$ 255,055	\$ 207,117	\$ 158,183
MSF Eligible Activities	\$ 528,625	\$ 515,240	\$ 501,573	\$ 487,616	\$ 473,365	\$ 458,814	\$ 443,956	\$ 428,785	\$ 413,296	\$ 397,482	\$ 381,336	\$ 364,852	\$ 348,022	\$ 302,017	\$ 255,055	\$ 207,117	\$ 158,183
State Tax Reimbursement	\$ 310,283	\$ 13,385	\$ 13,666	\$ 13,953	\$ 14,246	\$ 14,544	\$ 14,849	\$ 15,160	\$ 15,476	\$ 15,800	\$ 16,129	\$ 16,466	\$ 16,809	\$ 17,158	\$ 17,515	\$ 17,879	\$ 18,250
Local Tax Reimbursement	\$ 218,342	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 28,847	\$ 29,447	\$ 30,059	\$ 30,683
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 13,385	\$ 13,668	\$ 13,957	\$ 14,251	\$ 14,551	\$ 14,858	\$ 15,170	\$ 15,489	\$ 15,814	\$ 16,146	\$ 16,484	\$ 16,829	\$ 46,005	\$ 46,962	\$ 47,938	\$ 48,933	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
106 and 108 E. Erie Street
Albion, MI

	2037	2038	2039	2040	
	17	18	19	20	TOTALS
Available Tax Increment Revenue (TIR)					
Total State Tax Capture Available	\$ 21,290	\$ 21,732	\$ 22,182	\$ 2,221	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 2,661	\$ 2,716	\$ 2,773	\$ 278	\$ 44,326
State TIR Available for Reimbursement to Developer	\$ 18,629	\$ 19,015	\$ 19,409	\$ 1,943	
Total Local Tax Capture Available	\$ 34,799	\$ 35,521	\$ 36,257	\$ 3,630	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 1,740	\$ 1,776	\$ 1,813	\$ 181	\$ 12,130
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 1,740	\$ 1,776	\$ 1,813	\$ 181	\$ 12,130
Local TIR Available for Reimbursement to Developer	\$ 31,320	\$ 31,969	\$ 32,631	\$ 3,267	
Total State & Local TIR Available for Reimbursement to Developer	\$ 49,949	\$ 50,984	\$ 52,041	\$ 5,210	
DEVELOPER					
	\$ 108,235	\$ 57,250	\$ 5,210	\$ 0	
MSF Eligible Activities	\$ 108,235	\$ 57,250	\$ 5,210	\$ 0	
State Tax Reimbursement	\$ 18,629	\$ 19,015	\$ 19,409	\$ 1,943	\$ 310,283
Local Tax Reimbursement	\$ 31,320	\$ 31,969	\$ 32,631	\$ 3,267	\$ 218,342
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 49,949	\$ 50,984	\$ 52,041	\$ 5,210	
					\$ 597,211

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

**106 and 108 E. Erie Street
Albion, Michigan 49224**

**106 E. ERIE STREET (Parcel No. 51-001-116-00) – ALBION CITY, ORIGINAL PLAT BLK 65, E 1/2 LOT 2 & W
1/2 OF LOT 3 (106 E ERIE ST)**

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Albion Reinvestment Corporation & City of Albion

Re: Obsolete Property – 106 & 108 E. Erie Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is property that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second and 3rd floors are completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, ACE Investment Properties, LLC has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

300 – 304 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

300-304 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adeprez@albionedc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 3, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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FIGURES

Figure 1: Property Location Map

Figure 2: Property Boundary Diagram

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

Attachment A: Legal Description

Attachment B: Functionally Obsolete Letter

1.0 PROJECT SUMMARY

Project Name:	300 - 304 S. Superior Street Project
Developer:	ACE Investment Properties, LLC (the "Developer") 15901 E. Michigan Avenue Albion, Michigan 49224 Contact: William Dobbins
Property Location:	300-304 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of one parcel: Parcel ID No. 51-001-027-00
Type of Eligible Property:	"Functionally Obsolete"
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of three mixed-use building(s). The mixed-use project will include a total of 3,810-square feet of ground floor commercial/retail/office space and six high-quality residential apartment units totaling approximately 3,771 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, site preparation and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$1,444,945 of which \$403,591 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.
Duration of Plan:	25 years (starting in 2021).

Developer's
Reimbursable Costs: \$403,591

Distribution of New Taxes Paid	
Developer Reimbursement	\$403,591
Sub-Total Reimbursement	\$403,591
State Brownfield Revolving Fund (SBRF)	\$29,436
BRA Plan Administrative Fees	\$10,974
Local Brownfield Revolving Fund (LBRF)	\$10,974
New Taxes to School /City Debt	\$22,666
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$74,050
Grand Total	\$477,641

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of one platted parcel of land, situated along the west side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
300 S. Superior Street	51-001-027-00	“Functionally Obsolete”

The Property consists of approximately 0.111 acres developed with three connected two-story buildings each containing commercial space on the first floor and residential space on the second floor. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as a bank, barber, Post office, shoe store, grocery store and office space. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of two mixed-use building(s). The mixed-use project will include a total of 3,810-square feet of ground floor commercial/retail/office space and six high-quality residential apartment units totaling approximately 3,771 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$1,444,945. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as a bank, barber, Post office, shoe store, grocery store and office space. The second floor was used for residential purposes.

Based on the age, these buildings contain lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, site preparation and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$403,591.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities.....\$20,000

Demolition\$314,875

Site Preparation\$8,000

Total MSF Eligible Activities..... \$342,875

Contingency (15%)\$51,431

Brownfield Plan/Act 381 Work Plan Preparation\$9,285

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$403,591

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$26,063 which is the initial taxable value for this Plan.

The estimated final taxable value of \$337,980 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2045 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$477,641.

Distribution of New Taxes Paid	
Developer Reimbursement	\$403,591
Sub-Total Reimbursement	\$403,591
State Brownfield Revolving Fund (SBRF)	\$29,436
BRA Plan Administrative Fees	\$10,974
Local Brownfield Revolving Fund (LBRF)	\$10,974
New Taxes to School /City Debt	\$22,666
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$74,050
Grand Total	\$477,641

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 25 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 25 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

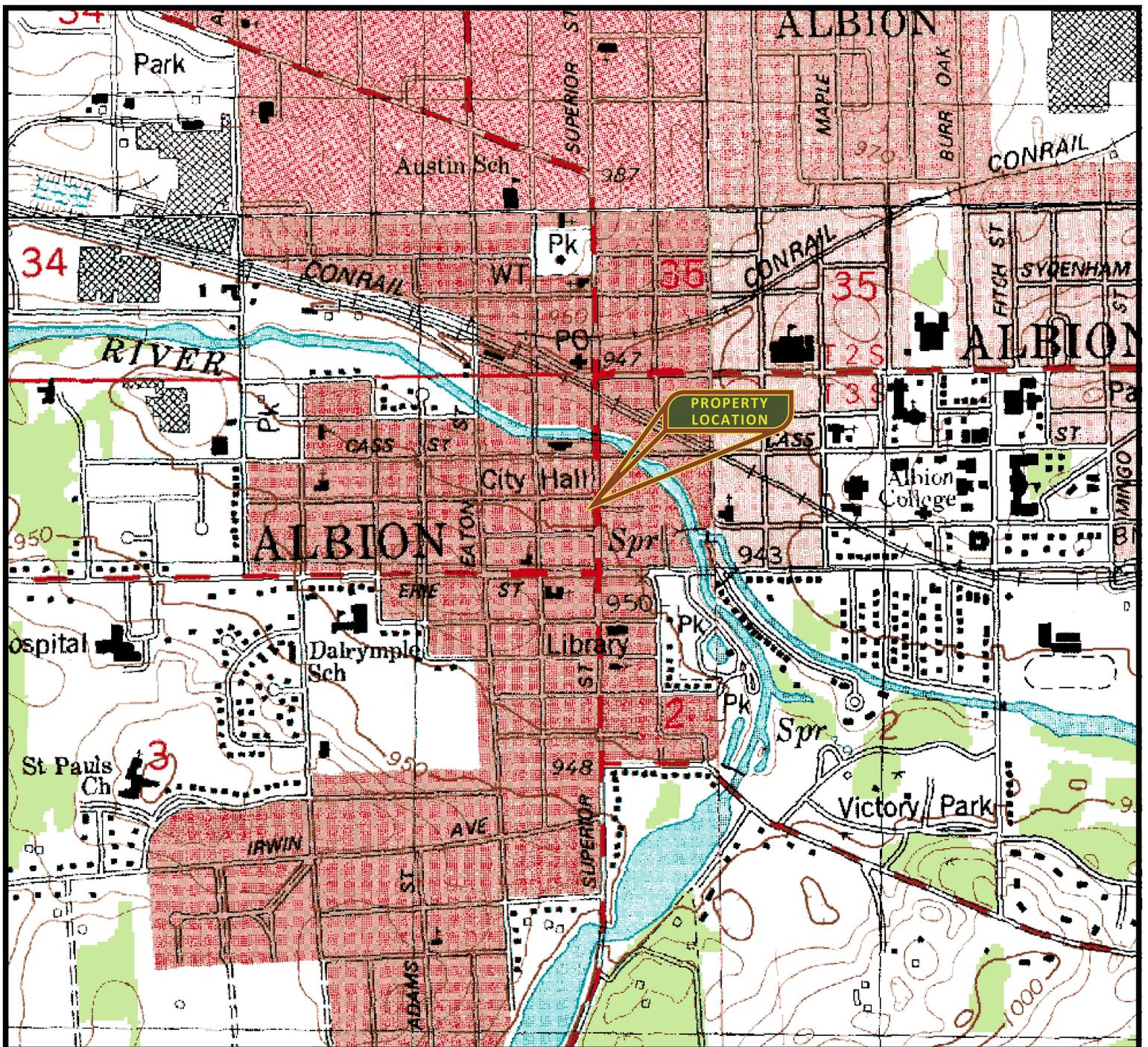


FIGURE 1
PROPERTY LOCATION

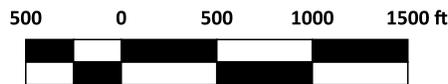


300-304 S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

PROJECT NUMBER: 18-1959

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TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**300-304 S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/3/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
300-304 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Assessment/Abatement	1	LS	\$ 20,000	\$ 20,000		\$ 20,000	
Subtotal Asbestos and Lead Activities					\$ 20,000		\$ 20,000
Demolition							
Demolition - Building Interior/Exterior	1	LS	\$ 304,875	\$ 304,875		\$ 304,875	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
Subtotal Demolition Activities					\$ 314,875	\$ -	\$ 314,875
Site Preparation							
Clearing & Grubbing	1	LS	\$ 8,000	\$ 8,000		\$ 8,000	
Subtotal Site Preparation Activities					\$ 8,000	\$ -	\$ 8,000
MSF ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 342,875	\$ -	\$ 342,875
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 342,875	\$ -	\$ 342,875
Contingency (15%)				\$ 51,431	\$ -	\$ 51,431	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS		\$ 9,285		\$ 9,285	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT					\$ 403,591	\$ -	\$ 403,591
State Brownfield Revolving Fund				\$ 29,436			
BRA Administrative Fees				\$ 10,974			
Local Brownfield Revolving Fund (LBRF)				\$ 10,974			
GRAND TOTAL					\$ 454,976		
					0.00%	100.00%	0.00%

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
300-304 S. Superior
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Plan Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Base Taxable Value (TV) of Land	\$	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420
Base Taxable Value (TV) of Building	\$	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643	23,643
Estimated New TV for Land	\$	2,420	2,468	2,518	2,568	2,619	2,672	2,725	2,780	2,835	2,892	2,950	3,009	3,069	3,131	3,193	3,257
Estimated New TV for Building	\$	335,560	342,271	349,117	356,099	363,221	370,485	377,895	385,453	393,162	401,025	409,046	417,227	425,571	434,083	442,764	451,620
Incremental Difference for Land (New TV - Base TV)	\$	-	48	98	148	199	252	305	360	415	472	530	589	649	711	773	837
Incremental Difference for Building (New TV - Base TV)	\$	311,917	318,628	325,474	332,456	339,578	346,842	354,252	361,810	369,519	377,382	385,403	393,584	401,928	410,440	419,121	427,977
Total Incremental Difference	\$	311,917	318,677	325,571	332,604	339,777	347,094	354,557	362,170	369,934	377,854	385,933	394,173	402,577	411,150	419,894	428,814

School Capture	Millage Rate																		
School Operating	18.0000	\$	5,615	5,736	5,860	5,987	6,116	6,248	6,382	6,519	6,659	6,801	6,947	7,095	7,246	7,401	7,558	7,719	
State Education Tax (SET)	6.0000	\$	1,872	1,912	1,953	1,996	2,039	2,083	2,127	2,173	2,220	2,267	2,316	2,365	2,415	2,467	2,519	2,573	
School Total:	24.0000	37.96%	\$	7,486	7,648	7,814	7,982	8,155	8,330	8,509	8,692	8,878	9,069	9,262	9,460	9,662	9,868	10,077	10,292

Local Capture	Millage Rate																		
Albion Operating	11.9376	\$	-	1	1	2	2	3	4	4	5	6	6	7	8,806	4,908	5,013	5,119	
Calhoun County	5.3779	\$	-	0	1	1	1	1	2	2	2	3	3	3	2,165	2,211	2,258	2,306	
Street/solid waste/ Rec	7.5000	\$	-	0	1	1	1	2	2	3	3	4	4	4	3,019	3,084	3,149	3,216	
KCC	3.6136	\$	-	0	0	1	1	1	1	2	2	2	2	2	1,455	1,486	1,517	1,550	
Vet/Seniors/Medical	1.0934	\$	-	0	0	0	0	0	0	0	0	1	1	1	440	450	459	469	
School Building	1.0000	\$	-	0	0	0	0	0	0	0	0	0	1	1	403	411	420	429	
CISD Operating/Voc Ed	1.7057	\$	-	0	0	0	0	1	1	1	1	1	1	1	687	701	716	731	
CISD Special Ed	4.5000	\$	-	0	0	1	1	1	2	2	2	2	3	3	1,812	1,850	1,890	1,930	
Dist. Library	2.5000	\$	-	0	0	0	0	1	1	1	1	1	1	1	1,006	1,028	1,050	1,072	
Local Total:	39.2282	62.04%	\$	-	2	4	6	8	10	12	14	16	19	21	23	15,792	16,129	16,472	16,822
Total Capturable Taxes:	63.2282	#####	\$	7,486	7,650	7,818	7,988	8,162	8,340	8,521	8,706	8,895	9,087	9,283	9,483	25,454	25,996	26,549	27,113

Non-Capturable Millages	Millage Rate																		
School Debt	2.3100	\$	721	736	752	768	785	802	819	837	855	873	892	911	930	950	970	991	
City Debt	0.0000	\$	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Non-Capturable Taxes:	2.3100																		

Table 2
Tax Increment Revenue Capture Estimates
300-304 S. Superior
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2037 17	2038 18	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 23,643	\$ 23,643	\$ 23,643	\$ 23,643	\$ 23,643	\$ 23,643	\$ 23,643	\$ 23,643	\$ 23,643
Estimated New TV for Land	\$ 3,322	\$ 3,389	\$ 3,456	\$ 3,525	\$ 3,596	\$ 3,668	\$ 3,741	\$ 3,816	\$ 3,892
Estimated New TV for Building	\$ 460,652	\$ 469,865	\$ 479,262	\$ 488,848	\$ 498,625	\$ 508,597	\$ 518,769	\$ 529,144	\$ 539,727
Incremental Difference for Land (New TV - Base TV)	\$ 902	\$ 969	\$ 1,036	\$ 1,105	\$ 1,176	\$ 1,248	\$ 1,321	\$ 1,396	\$ 1,472
Incremental Difference for Building (New TV - Base TV)	\$ 437,009	\$ 446,222	\$ 455,619	\$ 465,205	\$ 474,982	\$ 484,954	\$ 495,126	\$ 505,501	\$ 516,084
Total Incremental Difference	\$ 437,911	\$ 447,191	\$ 456,656	\$ 466,310	\$ 476,158	\$ 486,202	\$ 496,447	\$ 506,897	\$ 516,530

School Capture	Millage Rate	2037	2038	2039	2040	2041	2042	2043	2044	2045
School Operating	18.0000	\$ 7,882	\$ 8,049	\$ 8,220	\$ 8,394	\$ 8,571	\$ 8,752	\$ 8,936	\$ 9,124	\$ 2,800
State Education Tax (SET)	6.0000	\$ 2,627	\$ 2,683	\$ 2,740	\$ 2,798	\$ 2,857	\$ 2,917	\$ 2,979	\$ 3,041	\$ 933
School Total:	24.0000	\$ 10,510	\$ 10,733	\$ 10,960	\$ 11,191	\$ 11,428	\$ 11,669	\$ 11,915	\$ 12,166	\$ 3,733

Total	Pass-Through	Captured
\$ 176,615.98	\$ 17,661.60	\$ 158,954.39
\$ 58,871.99	\$ 2,943.60	\$ 55,928.39
\$ 235,487.98	\$ 20,605.20	\$ 214,882.78

Local Capture	Millage Rate	2037	2038	2039	2040	2041	2042	2043	2044	2045
Albion Operating	11.9376	\$ 5,228	\$ 5,338	\$ 5,451	\$ 5,567	\$ 5,684	\$ 5,804	\$ 5,926	\$ 6,051	\$ 1,857
Calhoun County	5.3779	\$ 2,355	\$ 2,405	\$ 2,456	\$ 2,508	\$ 2,561	\$ 2,615	\$ 2,670	\$ 2,726	\$ 836
Street/solid waste/ Rec	7.5000	\$ 3,284	\$ 3,354	\$ 3,425	\$ 3,497	\$ 3,571	\$ 3,647	\$ 3,723	\$ 3,802	\$ 1,166
KCC	3.6136	\$ 1,582	\$ 1,616	\$ 1,650	\$ 1,685	\$ 1,721	\$ 1,757	\$ 1,794	\$ 1,832	\$ 562
Vet/Seniors/Medical	1.0934	\$ 479	\$ 489	\$ 499	\$ 510	\$ 521	\$ 532	\$ 543	\$ 554	\$ 170
School Building	1.0000	\$ 438	\$ 447	\$ 457	\$ 466	\$ 476	\$ 486	\$ 496	\$ 507	\$ 156
CISD Operating/Voc Ed	1.7057	\$ 747	\$ 763	\$ 779	\$ 795	\$ 812	\$ 829	\$ 847	\$ 865	\$ 265
CISD Special Ed	4.5000	\$ 1,971	\$ 2,012	\$ 2,055	\$ 2,098	\$ 2,143	\$ 2,188	\$ 2,234	\$ 2,281	\$ 700
Dist. Library	2.5000	\$ 1,095	\$ 1,118	\$ 1,142	\$ 1,166	\$ 1,190	\$ 1,216	\$ 1,241	\$ 1,267	\$ 389
Local Total:	39.2282	\$ 17,178	\$ 17,542	\$ 17,914	\$ 18,293	\$ 18,679	\$ 19,073	\$ 19,475	\$ 19,885	\$ 6,101
Total Capturable Taxes:	63.2282	\$ 27,688	\$ 28,275	\$ 28,874	\$ 29,484	\$ 30,107	\$ 30,742	\$ 31,389	\$ 32,050	\$ 9,834

\$ 66,792.71	\$ 6,679.27	\$ 60,113.44
\$ 30,090.18	\$ 3,009.02	\$ 27,081.16
\$ 41,963.66	\$ 4,196.37	\$ 37,767.29
\$ 20,218.65	\$ 2,021.86	\$ 18,196.78
\$ 6,117.74	\$ 611.77	\$ 5,505.97
\$ 5,595.15	\$ 559.52	\$ 5,035.64
\$ 9,543.65	\$ 954.37	\$ 8,589.29
\$ 25,178.19	\$ 2,517.82	\$ 22,660.37
\$ 13,987.89	\$ 1,398.79	\$ 12,589.10
\$ 219,487.83	\$ 21,948.78	\$ 197,539.05
\$ 454,975.81	\$ 42,553.98	\$ 412,421.83

Non-Capturable Millages	Millage Rate	2037	2038	2039	2040	2041	2042	2043	2044	2045
School Debt	2.3100	\$ 1,012	\$ 1,033	\$ 1,055	\$ 1,077	\$ 1,100	\$ 1,123	\$ 1,147	\$ 1,171	\$ 359
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\$ 22,665.72	\$ 22,665.72	\$ -
\$ -	\$ -	\$ -
\$ 22,665.72	\$ 22,665.72	\$ -

\$ 477,641.53	\$ 65,219.70	\$ 412,421.83
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
300-304 S. Superior Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	51.1%	\$ 206,052	\$ -	\$ 206,052
Local	48.9%	\$ 197,539	\$ -	\$ 197,539
TOTAL		\$ 403,591	\$ -	\$ 403,591
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 403,591		

Estimated Total Years of Plan:	25
--------------------------------	----

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 29,436
BRA Administrative Fees	\$ 10,974
Local Brownfield Revolving Fund	\$ 10,974

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 7,486	\$ 7,648	\$ 7,814	\$ 7,982	\$ 8,155	\$ 8,330	\$ 8,509	\$ 8,692	\$ 8,878	\$ 9,069	\$ 9,262	\$ 9,460	\$ 9,662	\$ 9,868	\$ 10,077	\$ 10,292	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 936	\$ 956	\$ 977	\$ 998	\$ 1,019	\$ 1,041	\$ 1,064	\$ 1,087	\$ 1,110	\$ 1,134	\$ 1,158	\$ 1,183	\$ 1,208	\$ 1,233	\$ 1,260	\$ 1,286	
State TIR Available for Reimbursement to Developer	\$ 6,550	\$ 6,692	\$ 6,837	\$ 6,985	\$ 7,135	\$ 7,289	\$ 7,446	\$ 7,606	\$ 7,769	\$ 7,935	\$ 8,105	\$ 8,278	\$ 8,454	\$ 8,634	\$ 8,818	\$ 9,005	
Total Local Tax Capture Available	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23	\$ 15,792	\$ 16,129	\$ 16,472	\$ 16,822	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 790	\$ 806	\$ 824	\$ 841	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 790	\$ 806	\$ 824	\$ 841	
Local TIR Available for Reimbursement to Developer	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 14,213	\$ 14,516	\$ 14,825	\$ 15,139	
Total State & Local TIR Available for Reimbursement to Developer	\$ 6,550	\$ 6,694	\$ 6,840	\$ 6,990	\$ 7,142	\$ 7,298	\$ 7,456	\$ 7,618	\$ 7,783	\$ 7,952	\$ 8,123	\$ 8,298	\$ 22,667	\$ 23,150	\$ 23,642	\$ 24,145	
DEVELOPER																	
	Beginning Balance																
	\$ 403,591	\$ 397,041	\$ 390,347	\$ 383,506	\$ 376,516	\$ 369,374	\$ 362,076	\$ 354,620	\$ 347,001	\$ 339,218	\$ 331,267	\$ 323,143	\$ 314,845	\$ 292,178	\$ 269,028	\$ 245,385	\$ 221,241
MSF Eligible Activities	\$ 403,591	\$ 397,041	\$ 390,347	\$ 383,507	\$ 376,517	\$ 369,374	\$ 362,076	\$ 354,620	\$ 347,002	\$ 339,218	\$ 331,267	\$ 323,144	\$ 314,845	\$ 292,178	\$ 269,028	\$ 245,386	\$ 221,241
State Tax Reimbursement	\$ 206,052	\$ 6,550	\$ 6,692	\$ 6,837	\$ 6,985	\$ 7,135	\$ 7,289	\$ 7,446	\$ 7,606	\$ 7,769	\$ 7,935	\$ 8,105	\$ 8,278	\$ 8,454	\$ 8,634	\$ 8,818	\$ 9,005
Local Tax Reimbursement	\$ 197,539	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 14,213	\$ 14,516	\$ 14,825	\$ 15,139
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 6,550	\$ 6,694	\$ 6,840	\$ 6,990	\$ 7,142	\$ 7,298	\$ 7,456	\$ 7,618	\$ 7,783	\$ 7,952	\$ 8,123	\$ 8,298	\$ 22,667	\$ 23,150	\$ 23,642	\$ 24,145	

Table 3
Tax Increment Revenue Reimbursement Allocation Table
300-304 S. Superior Street
Albion, MI

	2037	2038	2039	2040	2041	2042	2043	2044	2045	TOTALS
	17	18	19	20	21	22	23	24	25	
Available Tax Increment Revenue (TIR)										
Total State Tax Capture Available	\$ 10,510	\$ 10,733	\$ 10,960	\$ 11,191	\$ 11,428	\$ 11,669	\$ 11,915	\$ 12,166	\$ 3,733	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 1,314	\$ 1,342	\$ 1,370	\$ 1,399	\$ 1,428	\$ 1,459	\$ 1,489	\$ 1,521	\$ 467	\$ 29,436
State TIR Available for Reimbursement to Developer	\$ 9,196	\$ 9,391	\$ 9,590	\$ 9,793	\$ 9,999	\$ 10,210	\$ 10,425	\$ 10,645	\$ 3,266	
Total Local Tax Capture Available	\$ 17,178	\$ 17,542	\$ 17,914	\$ 18,293	\$ 18,679	\$ 19,073	\$ 19,475	\$ 19,885	\$ 6,101	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 859	\$ 877	\$ 896	\$ 915	\$ 934	\$ 954	\$ 974	\$ 994	\$ 305	\$ 10,974
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 859	\$ 877	\$ 896	\$ 915	\$ 934	\$ 954	\$ 974	\$ 994	\$ 305	\$ 10,974
Local TIR Available for Reimbursement to Developer	\$ 15,461	\$ 15,788	\$ 16,122	\$ 16,463	\$ 16,811	\$ 17,166	\$ 17,527	\$ 17,896	\$ 5,491	
Total State & Local TIR Available for Reimbursement to Developer	\$ 24,657	\$ 25,179	\$ 25,712	\$ 26,256	\$ 26,810	\$ 27,376	\$ 27,953	\$ 28,541	\$ 8,757	
DEVELOPER										
	\$ 196,584	\$ 171,405	\$ 145,693	\$ 119,437	\$ 92,627	\$ 65,251	\$ 37,298	\$ 8,757	\$ (0)	
MSF Eligible Activities	\$ 196,584	\$ 171,405	\$ 145,693	\$ 119,437	\$ 92,627	\$ 65,251	\$ 37,298	\$ 8,757	\$ 0	
State Tax Reimbursement	\$ 9,196	\$ 9,391	\$ 9,590	\$ 9,793	\$ 9,999	\$ 10,210	\$ 10,425	\$ 10,645	\$ 3,266	\$ 206,052
Local Tax Reimbursement	\$ 15,461	\$ 15,788	\$ 16,122	\$ 16,463	\$ 16,811	\$ 17,166	\$ 17,527	\$ 17,896	\$ 5,491	\$ 197,539
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 24,657	\$ 25,179	\$ 25,712	\$ 26,256	\$ 26,810	\$ 27,376	\$ 27,953	\$ 28,541	\$ 8,757	\$ 454,976

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

**300-304 S. Superior Street
Albion, Michigan 49224**

300 S. SUPERIOR STREET (Parcel No. 51-001-027-00) – ALBION CITY, ORIGINAL PLAT BLK 61 (300 S SUPERIOR ST) E 50 FT 6" & S 19.5 FT OF W 42 FT OF LOT 5. (GERRY'S, BARBER SHOP,

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Ace Investment Properties LLC & City of Albion

Re: Obsolete Property – 300, 302, & 304 S. Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is properly that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second floor is completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof repair/replacement likely for new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated January 8, 2020, is entered into between the **CITY OF ALBION DOWNTOWN DEVELOPMENT AUTHORITY** (the "DDA"), whose address is 112 W. Cass Street., Albion, Michigan 49224; and the **ALBION BROWNFIELD REDEVELOPMENT AUTHORITY** (the "ABRA"), whose address 1002 N. Eaton St., Albion, Michigan 49224. The DDA and the ABRA shall be referred to, collectively, as the "Parties".

WHEREAS, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7" provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the DDA is an authority established pursuant to Act 197 of the Public Acts of 1975, as amended ("Act 197"); and

WHEREAS, the ABRA is an authority established pursuant to Act 381 of the Public Acts of 1996 ("Act 381"); and

WHEREAS, the DDA and ABRA are each considered a "public agency" under Act 7; and

WHEREAS, the ABRA has the authority to reimburse the cost of "Eligible Activities" and other reimbursable costs through the capture "Tax Increment Revenue" on "Eligible Property" pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain activities and capture tax increment revenues generated by the levy of certain taxes on property pursuant to and as described in Act 7; and

WHEREAS, ACE Investment Properties, LLC has completed a Brownfield Plan (the "Brownfield Plan"), which is included with this Agreement as Attachment A, for redevelopment of certain property (the "property"); and

WHEREAS, the DDA and the ABRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property and capturable by the DDA pursuant to Act 197, to the ABRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the DDA and ABRA agree to the **following**:

- 1. Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the ABRA and the City of Albion City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the ABRA to reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.
- 2. Limitation to Tax Increment Revenues from the Property.** The DDA shall only transfer to the ABRA the tax increment revenues generated by the Property to reimburse approved costs identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.
- 3. ABRA as Agent under This Agreement.** The Parties designate the ABRA as the agent to receive and disburse all tax increment revenues generated by the Property until such time as all obligations of the approved Brownfield Plan have been satisfied.
- 4. Effective Date.** The Agreement shall commence upon its approval by the DDA and ABRA boards, its execution by their authorized representatives, and its filing with the Calhoun County Clerk and Secretary of State of the state of Michigan, as required by Act 7.
- 5. Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

6. Term. The Parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Albion City Council. This Agreement extends until all obligations under this Agreement are met.

The Parties have executed this Agreement on the dates set forth below.

CITY OF ALBION DOWNTOWN DEVELOPMENT

AUTHORITY

By: _____

Title: _____

Date: _____

CITY OF ALBION BROWNFIELD REDEVELOPMENT

AUTHORITY

By: _____

Amy Deprez

Title: President

Date: _____

Attachment A

Brownfield Plan

403 S. Superior Street Brownfield Project

**CITY OF ALBION
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

403 S. Superior Street
Albion, Michigan 49224

Prepared By:

City of Albion Brownfield Redevelopment Authority
1002 N. Eaton Street
PO Box 725
Albion, Michigan 49224
Contact Person: Amy Deprez
adeprez@albionedc.org
Phone: 517-629-3926

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

December 5, 2019

Approved by the City of Albion BRA on 12-19-2019

Approved by the Albion City Council on _____

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ATTACHMENTS

Attachment A: Legal Description

Attachment B: Functionally Obsolete Letter

1.0 PROJECT SUMMARY

Project Name:	403 S. Superior Street Project
Developer:	ACE Investment Properties, LLC (the “Developer”) 15901 E. Michigan Avenue Albion, Michigan 49224 Contact: William Dobbins
Property Location:	403 S. Superior Street Albion, Michigan 49224
Parcel Information:	The property consists of one parcel: Parcel ID No. 51-001-111-00
Type of Eligible Property:	“Functionally Obsolete”
Project Description:	<p>The Project is a complete redevelopment of the subject Property and includes the rehabilitation of a mixed-use building. The mixed-use project will include a total of 2,000-square feet of ground floor commercial/retail/office space and six high-quality residential apartment units totaling approximately 4,820 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.</p> <p>Brownfield eligible activities proposed by the Developer include asbestos and lead surveys/assessments and abatement, building interior/exterior demolition, and preparation of a Brownfield Plan and Act 381 Work Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$1,613,392 of which \$525,288 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate at least 4 new full-time equivalent jobs. In addition, this redevelopment will result in the creation/retention of 20 temporary construction related jobs.
Duration of Plan:	30 years (starting in 2021).
Developer’s	

Reimbursable Costs: \$525,288

Distribution of New Taxes Paid	
Developer Reimbursement	\$525,288
Sub-Total Reimbursement	\$525,288
State Brownfield Revolving Fund (SBRF)	\$27,267
BRA Plan Administrative Fees	\$15,289
Local Brownfield Revolving Fund (LBRF)	\$15,289
New Taxes to School /City Debt	\$26,695
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$84,540
Grand Total	\$609,828

2.0 INTRODUCTION AND PURPOSE

The City of Albion Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Albion City Council (the “City”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within City of Albion, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the BRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan allows the BRA to use tax increment financing to reimburse Albion Reinvestment Corporation (“Developer”) for the costs of eligible activities required to redevelop the eligible property. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of one platted parcel of land, situated along the east side of Superior Street, Albion, Calhoun County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
403 S. Superior Street	51-001-111-00	“Functionally Obsolete”

The Property consists of approximately 0.057 acres developed with a two-story building containing commercial space on the first floor and residential space on the second floor. The Property is currently zoned B-2, Central Business District and is located within the City of Albion Downtown Development Authority (DDA) district. Former commercial uses of the Property included various retail operations, such as a saloon, tailor, bicycle repair shop, barber, KOTM Hall and office space. The Property is surrounded by residential and commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Albion, a qualified local governmental unit under MCL 125.2782(k); (c) it has been determined to be “functionally obsolete” as defined in Section 2(c) of ACT 381.

4.0 PROPOSED REDEVELOPMENT

The Project is a complete redevelopment of the subject Property and includes the rehabilitation of the mixed-use building. The mixed-use project will include a total of 2,000-square feet of ground floor commercial/retail/office space and six high-quality residential apartment units totaling approximately 4,820 square feet. The project is in a highly visible area located on Superior Street, the main street of downtown Albion.

The total anticipated investment into the redevelopment project is estimated at \$1,613,392. The development will result in the complete rehabilitation of blighted property in the heart of the City of Albion. This development will dramatically improve the appearance of the highly visible stretch of Superior Street. The Project will increase density to the area and provide additional support to existing retail establishments in the City.

The improvements to the Property will be permanent and significantly increase the taxable value of the Property. These improvements will also assist in increasing the property values in the area.

The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other local incentives outlined in Section 6.12.

This redevelopment is projected to create at least 4 new, full time equivalent. Additionally, the Project is estimated to create 20 temporary construction jobs.

5.0 BROWNFIELD CONDITIONS

The Property has been used for commercial purposes since at least 1888. Former commercial uses of the Property included various retail operations, such as a saloon, tailor, bicycle repair shop, barber, KOTM Hall and office space. The second floor was used for residential purposes.

Based on the age, these buildings contain lead-based paint and asbestos containing materials (e.g. pipe wrap insulation, floor tile, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation. The Property has been determined to be functionally obsolete by the City of Albion Assessing Department.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible MSF activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381.

MSF eligible activities include lead and asbestos survey/assessments, lead and asbestos abatement, selective building demolition, site preparation and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state revenues generated by the Property redevelopment and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$525,288.

The eligible activities are summarized below:

STATE AND LOCAL ELIGIBLE ACTIVITIES

EGLE Eligible Activities

Department Specific Activities

Total EGLE Eligible Activities..... \$0

MSF Eligible Activities

Asbestos and Lead Activities..... \$20,000

Demolition \$428,698

Total MSF Eligible Activities..... \$448,698

Contingency (15%) \$67,305

Brownfield Plan/Act 381 Work Plan Preparation \$9,285

TOTAL DEVELOPER ELIGIBLE ACTIVITIES..... \$525,288

A breakdown in eligible activities between the Developer are provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within MSF eligible activities after the date this Plan is approved by the Albion City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues generated by the Property redevelopment and captured by the BRA. It is the intent of this Plan to include the capture of the School Operating and State Education Tax.

The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes within that portion of the Property located in the DDA. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BRA to allow 100% of the DDA's incremental revenue to be passed through to the BRA and used for the purposes in this Brownfield Plan.

The 2019 taxable value of the Property is \$26,784 which is the initial taxable value for this Plan.

The estimated final taxable value of \$277,886 should be established in 2021. The actual taxable value will be determined by the City Assessor after the development is completed.

It is estimated that the BRA will capture tax increment revenues from 2021 through 2050 to reimburse the cost of the eligible activities and capture for deposit into the State Brownfield Revolving Fund.

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$609,828.

Distribution of New Taxes Paid	
Developer Reimbursement	\$525,288
Sub-Total Reimbursement	\$525,288
State Brownfield Revolving Fund (SBRF)	\$27,267
BRA Plan Administrative Fees	\$15,289
Local Brownfield Revolving Fund (LBRF)	\$15,289
New Taxes to School /City Debt	\$26,695
Sub-Total SBRF, BRA, LBRF Deposits, New Taxes	\$84,540
Grand Total	\$609,828

Impact to specific taxing jurisdictions is presented in Table 2, Tax Increment Revenue Capture Estimates and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. Neither the BRA nor the City will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA and/or the City will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 30 years total tax capture after the first year of tax capture anticipated as 2021. The duration of the Plan includes 25 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and deposits into the State Brownfield Revolving Fund.

In no event shall the duration of the Plan exceed 30 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

A legal description of the Property is provided in Attachment A. The general Property location and boundaries are shown on Figures 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan’s Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

No LBRF monies will be used to finance or reimburse eligible activities described in the Brownfield Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

The Developer is pursuing additional financial support through the Community Revitalization Program (CRP) distributed through the Michigan Economic Development Corporation (MEDC).

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

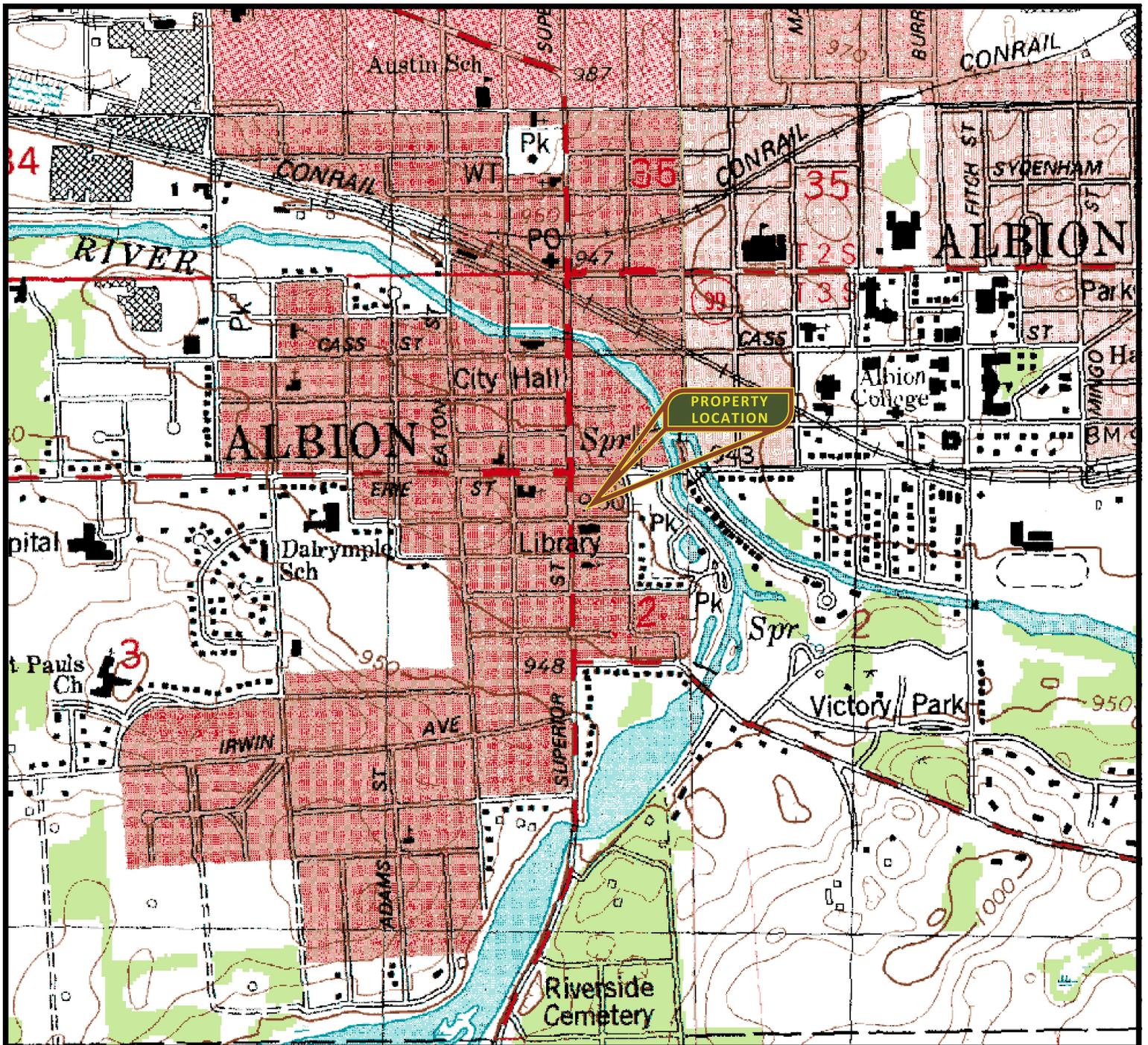


FIGURE 1
PROPERTY LOCATION



403 S. SUPERIOR STREET
ALBION, MICHIGAN 49224

CALHOUN COUNTY
T3S, R4W, SECTION 2

PROJECT NUMBER: 18-1959

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG



500 0 500 1000 1500 ft



1:12000





Aerial Image 9/10/2017



TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 18-1959

**403 S. SUPERIOR STREET
ALBION, MICHIGAN 49224**

DIAGRAM CREATED BY: CJH

DATE: 12/3/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
403 S. Superior Street
Albion, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Department Specific Activities							
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ -	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Abatement	1	LS	\$ 20,000	\$ 20,000		\$ 20,000	
Subtotal Asbestos and Lead Activities					\$ 20,000		\$ 20,000
Demolition							
Demolition - Interior/Exterior	1	LS	\$ 418,698	\$ 418,698		\$ 418,698	
Demolition - Soft Costs including Permits/Disconnect	1	LS	\$ 10,000	\$ 10,000		\$ 10,000	
Subtotal Demolition Activities					\$ 428,698	\$ -	\$ 428,698
MSF ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 448,698	\$ -	\$ 448,698
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL					\$ 448,698	\$ -	\$ 448,698
Contingency (15%)				\$ 67,305	\$ -	\$ 67,305	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	\$ 9,285	\$ 9,285		\$ 9,285	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT					\$ 525,288	\$ -	\$ 525,288
State Brownfield Revolving Fund				\$ 27,267			
BRA Administrative Fees				\$ 15,289			
Local Brownfield Revolving Fund (LBRF)				\$ 15,289			
GRAND TOTAL					\$ 583,133		
					0.00%	100.00%	0.00%

NOTES:

These costs and revenue projections should be considered approximate estimates based on expected conditions and available information. It cannot be guaranteed that the costs and revenue projections will not vary from these estimates. Costs for Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
403 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate: 2% per year

Plan Year	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12	2033 13	2034 14	2035 15	2036 16	2037 17	2038 18
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364
Estimated New TV for Land	\$ 2,420	\$ 2,468	\$ 2,518	\$ 2,568	\$ 2,619	\$ 2,672	\$ 2,725	\$ 2,780	\$ 2,835	\$ 2,892	\$ 2,950	\$ 3,009	\$ 3,069	\$ 3,131	\$ 3,193	\$ 3,257	\$ 3,322	\$ 3,389
Estimated New TV for Building	\$ 302,250	\$ 308,295	\$ 314,461	\$ 320,750	\$ 327,165	\$ 333,708	\$ 340,383	\$ 347,190	\$ 354,134	\$ 361,217	\$ 368,441	\$ 375,810	\$ 383,326	\$ 390,993	\$ 398,812	\$ 406,789	\$ 414,924	\$ 423,223
Incremental Difference for Land (New TV - Base TV)	\$ -	\$ 48	\$ 98	\$ 148	\$ 199	\$ 252	\$ 305	\$ 360	\$ 415	\$ 472	\$ 530	\$ 589	\$ 649	\$ 711	\$ 773	\$ 837	\$ 902	\$ 969
Incremental Difference for Building (New TV - Base TV)	\$ 277,886	\$ 283,931	\$ 290,097	\$ 296,386	\$ 302,801	\$ 309,344	\$ 316,019	\$ 322,826	\$ 329,770	\$ 336,853	\$ 344,077	\$ 351,446	\$ 358,962	\$ 366,629	\$ 374,448	\$ 382,425	\$ 390,560	\$ 398,859
Total Incremental Difference	\$ 277,886	\$ 283,979	\$ 290,195	\$ 296,534	\$ 303,001	\$ 309,596	\$ 316,324	\$ 323,186	\$ 330,185	\$ 337,325	\$ 344,607	\$ 352,035	\$ 359,611	\$ 367,339	\$ 375,222	\$ 383,262	\$ 391,463	\$ 399,828

School Capture	Millage Rate	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
School Operating	18.0000	\$ 5,002	\$ 5,112	\$ 5,224	\$ 5,338	\$ 5,454	\$ 5,573	\$ 5,694	\$ 5,817	\$ 5,943	\$ 6,072	\$ 6,203	\$ 6,337	\$ 6,473	\$ 6,612	\$ 6,754	\$ 6,899	\$ 7,046	\$ 7,197
State Education Tax (SET)	6.0000	\$ 1,667	\$ 1,704	\$ 1,741	\$ 1,779	\$ 1,818	\$ 1,858	\$ 1,898	\$ 1,939	\$ 1,981	\$ 2,024	\$ 2,068	\$ 2,112	\$ 2,158	\$ 2,204	\$ 2,251	\$ 2,300	\$ 2,349	\$ 2,399
School Total:	24.0000	\$ 6,669	\$ 6,816	\$ 6,965	\$ 7,117	\$ 7,272	\$ 7,430	\$ 7,592	\$ 7,756	\$ 7,924	\$ 8,096	\$ 8,271	\$ 8,449	\$ 8,631	\$ 8,816	\$ 9,005	\$ 9,198	\$ 9,395	\$ 9,596

Local Capture	Millage Rate	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Albion Operating	11.9376	\$ -	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 4	\$ 5	\$ 6	\$ 6	\$ 7	\$ 4,293	\$ 4,385	\$ 4,479	\$ 4,575	\$ 4,673	\$ 4,773
Calhoun County	5.3779	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 1,934	\$ 1,976	\$ 2,018	\$ 2,061	\$ 2,105	\$ 2,150
Street/solid waste/ Rec	7.5000	\$ -	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 4	\$ 2,697	\$ 2,755	\$ 2,814	\$ 2,874	\$ 2,936	\$ 2,999
KCC	3.6136	\$ -	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 1,299	\$ 1,327	\$ 1,356	\$ 1,385	\$ 1,415	\$ 1,445
Vet/Seniors/Medical	1.0934	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 393	\$ 402	\$ 410	\$ 419	\$ 428	\$ 437
School Building	1.0000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 360	\$ 367	\$ 375	\$ 383	\$ 391	\$ 400
CISD - Operating/Voc Ed	1.7057	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 613	\$ 627	\$ 640	\$ 654	\$ 668	\$ 682
CISD - Special Ed	4.5000	\$ -	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 1,618	\$ 1,653	\$ 1,688	\$ 1,725	\$ 1,762	\$ 1,799
Dist. Library	2.5000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 899	\$ 918	\$ 938	\$ 958	\$ 979	\$ 1,000
Local Total:	39.2282	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23	\$ 14,107	\$ 14,410	\$ 14,719	\$ 15,035	\$ 15,356	\$ 15,685
Total Capturable Taxes:	63.2282	\$ 6,669	\$ 6,817	\$ 6,969	\$ 7,123	\$ 7,280	\$ 7,440	\$ 7,604	\$ 7,771	\$ 7,941	\$ 8,114	\$ 8,291	\$ 8,472	\$ 22,738	\$ 23,226	\$ 23,725	\$ 24,233	\$ 24,751	\$ 25,280

Non-Capturable Millages	Millage Rate	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
School Debt	2.3100	\$ 642	\$ 656	\$ 670	\$ 685	\$ 700	\$ 715	\$ 731	\$ 747	\$ 763	\$ 779	\$ 796	\$ 813	\$ 831	\$ 849	\$ 867	\$ 885	\$ 904	\$ 924
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ 642	\$ 656	\$ 670	\$ 685	\$ 700	\$ 715	\$ 731	\$ 747	\$ 763	\$ 779	\$ 796	\$ 813	\$ 831	\$ 849	\$ 867	\$ 885	\$ 904	\$ 924

Table 2
Tax Increment Revenue Capture Estimates
403 S. Superior Street
Albion, MI

Estimated Taxable Value (TV) Increase Rate:

Plan Year	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30
Base Taxable Value (TV) of Land	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420	\$ 2,420
Base Taxable Value (TV) of Building	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364	\$ 24,364
Estimated New TV for Land	\$ 3,456	\$ 3,525	\$ 3,596	\$ 3,668	\$ 3,741	\$ 3,816	\$ 3,892	\$ 3,970	\$ 4,050	\$ 4,131	\$ 4,213	\$ 4,298
Estimated New TV for Building	\$ 431,687	\$ 440,321	\$ 449,128	\$ 458,110	\$ 467,272	\$ 476,618	\$ 486,150	\$ 495,873	\$ 505,791	\$ 515,906	\$ 526,225	\$ 536,749
Incremental Difference for Land (New TV - Base TV)	\$ 1,036	\$ 1,105	\$ 1,176	\$ 1,248	\$ 1,321	\$ 1,396	\$ 1,472	\$ 1,550	\$ 1,630	\$ 1,711	\$ 1,793	\$ 1,878
Incremental Difference for Building (New TV - Base TV)	\$ 407,323	\$ 415,957	\$ 424,764	\$ 433,746	\$ 442,908	\$ 452,254	\$ 461,786	\$ 471,509	\$ 481,427	\$ 491,542	\$ 501,861	\$ 512,385
Total Incremental Difference	\$ 408,360	\$ 417,063	\$ 425,940	\$ 434,994	\$ 444,230	\$ 453,650	\$ 463,259	\$ 473,059	\$ 483,056	\$ 493,253	\$ 503,654	\$ 514,263

School Capture	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30	Total	Pass-Through	Captured
School Operating	18.0000	\$ 7,350	\$ 7,507	\$ 7,667	\$ 7,830	\$ 7,996	\$ 8,166	\$ 8,339	\$ 8,515	\$ 8,695	\$ 8,879	\$ 9,066	\$ 9,257	\$ 208,014.42	\$ 20,801.44	\$ 187,212.98
State Education Tax (SET)	6.0000	\$ 2,450	\$ 2,502	\$ 2,556	\$ 2,610	\$ 2,665	\$ 2,722	\$ 2,780	\$ 2,838	\$ 2,898	\$ 2,960	\$ 3,022	\$ 3,086	\$ 69,338.14	\$ 4,207.09	\$ 65,131.05
School Total:	24.0000	\$ 9,801	\$ 10,010	\$ 10,223	\$ 10,440	\$ 10,662	\$ 10,888	\$ 11,118	\$ 11,353	\$ 11,593	\$ 11,838	\$ 12,088	\$ 12,342	\$ 277,352.56	\$ 25,008.53	\$ 252,344.03

Local Capture	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30	Total	Pass-Through	Captured
Albion Operating	11.9376	\$ 4,875	\$ 4,979	\$ 5,085	\$ 5,193	\$ 5,303	\$ 5,415	\$ 5,530	\$ 5,647	\$ 5,767	\$ 5,888	\$ 6,012	\$ 6,139	\$ 93,052.64	\$ 9,305.26	\$ 83,747.38
Calhoun County	5.3779	\$ 2,196	\$ 2,243	\$ 2,291	\$ 2,339	\$ 2,389	\$ 2,440	\$ 2,491	\$ 2,544	\$ 2,598	\$ 2,653	\$ 2,709	\$ 2,766	\$ 41,920.30	\$ 4,192.03	\$ 37,728.27
Street/solid waste/ Rec	7.5000	\$ 3,063	\$ 3,128	\$ 3,195	\$ 3,262	\$ 3,332	\$ 3,402	\$ 3,474	\$ 3,548	\$ 3,623	\$ 3,699	\$ 3,777	\$ 3,857	\$ 58,461.90	\$ 5,846.19	\$ 52,615.71
KCC	3.6136	\$ 1,476	\$ 1,507	\$ 1,539	\$ 1,572	\$ 1,605	\$ 1,639	\$ 1,674	\$ 1,709	\$ 1,746	\$ 1,782	\$ 1,820	\$ 1,858	\$ 28,167.72	\$ 2,816.77	\$ 25,350.95
Vet/Seniors/Medical	1.0934	\$ 447	\$ 456	\$ 466	\$ 476	\$ 486	\$ 496	\$ 507	\$ 517	\$ 528	\$ 539	\$ 551	\$ 562	\$ 8,522.97	\$ 852.30	\$ 7,670.67
School Building	1.0000	\$ 408	\$ 417	\$ 426	\$ 435	\$ 444	\$ 454	\$ 463	\$ 473	\$ 483	\$ 493	\$ 504	\$ 514	\$ 7,794.92	\$ 779.49	\$ 7,015.43
CISD - Operating/Voc Ed	1.7057	\$ 697	\$ 711	\$ 727	\$ 742	\$ 758	\$ 774	\$ 790	\$ 807	\$ 824	\$ 841	\$ 859	\$ 877	\$ 13,295.80	\$ 1,329.58	\$ 11,966.22
CISD - Special Ed	4.5000	\$ 1,838	\$ 1,877	\$ 1,917	\$ 1,957	\$ 1,999	\$ 2,041	\$ 2,085	\$ 2,129	\$ 2,174	\$ 2,220	\$ 2,266	\$ 2,314	\$ 35,077.14	\$ 3,507.71	\$ 31,569.43
Dist. Library	2.5000	\$ 1,021	\$ 1,043	\$ 1,065	\$ 1,087	\$ 1,111	\$ 1,134	\$ 1,158	\$ 1,183	\$ 1,208	\$ 1,233	\$ 1,259	\$ 1,286	\$ 19,487.30	\$ 1,948.73	\$ 17,538.57
Local Total:	39.2282	\$ 16,019	\$ 16,361	\$ 16,709	\$ 17,064	\$ 17,426	\$ 17,796	\$ 18,173	\$ 18,557	\$ 18,949	\$ 19,349	\$ 19,757	\$ 20,174	\$ 305,780.70	\$ 30,578.07	\$ 275,202.63
Total Capturable Taxes:	63.2282	\$ 25,820	\$ 26,370	\$ 26,931	\$ 27,504	\$ 28,088	\$ 28,683	\$ 29,291	\$ 29,911	\$ 30,543	\$ 31,188	\$ 31,845	\$ 32,516	\$ 583,133.26	\$ 55,586.60	\$ 527,546.66

Non-Capturable Millages	Millage Rate	2039 19	2040 20	2041 21	2042 22	2043 23	2044 24	2045 25	2046 26	2047 27	2048 28	2049 29	2050 30	Total	Pass-Through	Captured
School Debt	2.3100	\$ 943	\$ 963	\$ 984	\$ 1,005	\$ 1,026	\$ 1,048	\$ 1,070	\$ 1,093	\$ 1,116	\$ 1,139	\$ 1,163	\$ 1,188	\$ 26,695.18	\$ 26,695.18	\$ -
City Debt	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes:	2.3100	\$ 943	\$ 963	\$ 984	\$ 1,005	\$ 1,026	\$ 1,048	\$ 1,070	\$ 1,093	\$ 1,116	\$ 1,139	\$ 1,163	\$ 1,188	\$ 26,695.18	\$ 26,695.18	\$ -

\$ 609,828.45	\$ 82,281.79	\$ 527,546.66
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Table 3
Tax Increment Revenue Reimbursement Allocation Table
403 S. Superior Street
Albion, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	47.6%	\$ 250,085	\$ -	\$ 250,085
Local	52.4%	\$ 275,203	\$ -	\$ 275,203
TOTAL		\$ 525,288	\$ -	\$ 525,288
EGLE	0.0%	\$ -		
MSF	100.0%	\$ 525,288		

Estimated Total Years of Plan:	30
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Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	\$ 27,267
BRA Administrative Fees	\$ 15,289
Local Brownfield Revolving Fund	\$ 15,289

* During the life of the Plan

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Available Tax Increment Revenue (TIR)																	
Total State Tax Capture Available	\$ 6,669	\$ 6,816	\$ 6,965	\$ 7,117	\$ 7,272	\$ 7,430	\$ 7,592	\$ 7,756	\$ 7,924	\$ 8,096	\$ 8,271	\$ 8,449	\$ 8,631	\$ 8,816	\$ 9,005	\$ 9,198	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 834	\$ 852	\$ 871	\$ 890	\$ 909	\$ 929	\$ 949	\$ 970	\$ 991	\$ 1,012	\$ 1,034	\$ 1,056	\$ 1,079	\$ 1,102	\$ 1,126	\$ 1,150	
State TIR Available for Reimbursement to Developer	\$ 5,836	\$ 5,964	\$ 6,094	\$ 6,227	\$ 6,363	\$ 6,502	\$ 6,643	\$ 6,787	\$ 6,934	\$ 7,084	\$ 7,237	\$ 7,393	\$ 7,552	\$ 7,714	\$ 7,880	\$ 8,048	
Total Local Tax Capture Available	\$ -	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10	\$ 12	\$ 14	\$ 16	\$ 19	\$ 21	\$ 23	\$ 14,107	\$ 14,410	\$ 14,719	\$ 15,035	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capture for BRA Administrative Fees (5%)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 705	\$ 721	\$ 736	\$ 752	
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 705	\$ 721	\$ 736	\$ 752	
Local TIR Available for Reimbursement to Developer	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 12,696	\$ 12,969	\$ 13,247	\$ 13,531	
Total State & Local TIR Available for Reimbursement to Developer	\$ 5,836	\$ 5,965	\$ 6,098	\$ 6,232	\$ 6,370	\$ 6,510	\$ 6,654	\$ 6,800	\$ 6,949	\$ 7,100	\$ 7,255	\$ 7,414	\$ 20,248	\$ 20,683	\$ 21,127	\$ 21,580	
DEVELOPER																	
	Beginning Balance																
	\$ 525,288	\$ 519,452	\$ 513,487	\$ 507,390	\$ 501,157	\$ 494,787	\$ 488,277	\$ 481,623	\$ 474,823	\$ 467,875	\$ 460,774	\$ 453,519	\$ 446,105	\$ 425,857	\$ 405,174	\$ 384,047	\$ 362,468
MSF Eligible Activities	\$ 525,288	\$ 519,452	\$ 513,487	\$ 507,390	\$ 501,157	\$ 494,787	\$ 488,277	\$ 481,623	\$ 474,823	\$ 467,875	\$ 460,774	\$ 453,519	\$ 446,105	\$ 425,857	\$ 405,174	\$ 384,047	\$ 362,468
State Tax Reimbursement	\$ 250,085	\$ 5,836	\$ 5,964	\$ 6,094	\$ 6,227	\$ 6,363	\$ 6,502	\$ 6,643	\$ 6,787	\$ 6,934	\$ 7,084	\$ 7,237	\$ 7,393	\$ 7,552	\$ 7,714	\$ 7,880	\$ 8,048
Local Tax Reimbursement	\$ 275,203	\$ -	\$ 2	\$ 3	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 21	\$ 12,696	\$ 12,969	\$ 13,247	\$ 13,531
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 5,836	\$ 5,965	\$ 6,098	\$ 6,232	\$ 6,370	\$ 6,510	\$ 6,654	\$ 6,800	\$ 6,949	\$ 7,100	\$ 7,255	\$ 7,414	\$ 20,248	\$ 20,683	\$ 21,127	\$ 21,580	

**Table 3
Tax Increment Revenue Reimbursement Allocation Table
403 S. Superior Street
Albion, MI**

	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	TOTALS
	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
Available Tax Increment Revenue (TIR)															
Total State Tax Capture Available	\$ 9,395	\$ 9,596	\$ 9,801	\$ 10,010	\$ 10,223	\$ 10,440	\$ 10,662	\$ 10,888	\$ 11,118	\$ 11,353	\$ 11,593	\$ 11,838	\$ 12,088	\$ 12,342	
State Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)	\$ 1,174	\$ 1,199	\$ 1,225	\$ 1,251	\$ 1,278	\$ 1,305	\$ 1,333	\$ 1,361	\$ 1,390						\$ 27,267
State TIR Available for Reimbursement to Developer	\$ 8,221	\$ 8,396	\$ 8,576	\$ 8,758	\$ 8,945	\$ 9,135	\$ 9,329	\$ 9,527	\$ 9,728	\$ 11,353	\$ 11,593	\$ 11,838	\$ 12,088	\$ 12,342	
Local Tax															
Total Local Tax Capture Available	\$ 15,356	\$ 15,685	\$ 16,019	\$ 16,361	\$ 16,709	\$ 17,064	\$ 17,426	\$ 17,796	\$ 18,173	\$ 18,557	\$ 18,949	\$ 19,349	\$ 19,757	\$ 20,174	
Local Tax Increment to Taxing Unit (10%) ("Pass-Through")	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for BRA Administrative Fees (5%)	\$ 768	\$ 784	\$ 801	\$ 818	\$ 835	\$ 853	\$ 871	\$ 890	\$ 909	\$ 928	\$ 947	\$ 967	\$ 988	\$ 1,009	\$ 15,289
Capture for Local Brownfield Revolving Fund (LBRF) (5% of available Local TIR)	\$ 768	\$ 784	\$ 801	\$ 818	\$ 835	\$ 853	\$ 871	\$ 890	\$ 909	\$ 928	\$ 947	\$ 967	\$ 988	\$ 1,009	\$ 15,289
Local TIR Available for Reimbursement to Developer	\$ 13,821	\$ 14,116	\$ 14,417	\$ 14,725	\$ 15,038	\$ 15,358	\$ 15,684	\$ 16,016	\$ 16,356	\$ 16,702	\$ 17,054	\$ 17,414	\$ 17,782	\$ 18,156	
Total State & Local TIR Available for Reimbursement to Developer	\$ 22,041	\$ 22,512	\$ 22,993	\$ 23,483	\$ 23,983	\$ 24,493	\$ 25,013	\$ 25,543	\$ 26,084	\$ 28,055	\$ 28,648	\$ 29,253	\$ 29,869	\$ 30,499	
DEVELOPER															
	\$ 340,426	\$ 317,914	\$ 294,921	\$ 271,438	\$ 247,455	\$ 222,963	\$ 197,950	\$ 172,407	\$ 146,323	\$ 118,268	\$ 89,621	\$ 60,368	\$ 30,499	\$ 0	
MSF Eligible Activities	\$ 340,426	\$ 317,914	\$ 294,921	\$ 271,438	\$ 247,455	\$ 222,963	\$ 197,950	\$ 172,407	\$ 146,323	\$ 118,268	\$ 89,621	\$ 60,368	\$ 30,499	\$ 0	
State Tax Reimbursement	\$ 8,221	\$ 8,396	\$ 8,576	\$ 8,758	\$ 8,945	\$ 9,135	\$ 9,329	\$ 9,527	\$ 9,728	\$ 11,353	\$ 11,593	\$ 11,838	\$ 12,088	\$ 12,342	\$ 250,085
Local Tax Reimbursement	\$ 13,821	\$ 14,116	\$ 14,417	\$ 14,725	\$ 15,038	\$ 15,358	\$ 15,684	\$ 16,016	\$ 16,356	\$ 16,702	\$ 17,054	\$ 17,414	\$ 17,782	\$ 18,156	\$ 275,203
EGLE Eligible Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT	\$ 22,041	\$ 22,512	\$ 22,993	\$ 23,483	\$ 23,983	\$ 24,493	\$ 25,013	\$ 25,543	\$ 26,084	\$ 28,055	\$ 28,648	\$ 29,253	\$ 29,869	\$ 30,499	\$ 583,133

ATTACHMENT A

Legal Description

ATTACHMENT A

Legal Description

**403 S. Superior Street
Albion, Michigan 49224**

403 S. SUPERIOR STREET (Parcel No. 51-001-111-00) – ORIGINAL PLAT BLK 65 LOT 1 EXCLUDING A PARCEL 22.2 FT E AND W BY 46 FT N AND S IN THE NE CORNER OF SAID LOT. ALSO EXCLUDING THE FIRST FLOOR AND FOUNDATION WALLS LOCATED 24 FT E AND W BY 46 FT N AND S IN THE NW CORNER OF SAID LOT (403-405 S SUPERIOR)

ATTACHMENT B

Functionally Obsolete Letter

Edward Vander Vries

7160 Venice Drive

Portage MI 49024

Phone (269) 720-1928

Saturday, November 2, 2019

To: Ace Investment Properties LLC & City of Albion

Re: Obsolete Property – 403 S. Superior Street Albion MI 49224

Date of Site Visit: Friday, November 1, 2019

Subject Property: Mixed Use Downtown Commercial/Residential

As requested, I have inspected, and reviewed data related to the aforementioned property in an effort to determine the functional obsolescence of the property involved. Functionally obsolete property is properly that is *"unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies of super inadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."*

These properties continues to have functional obsolescence issues, and these are my findings.

1. Exterior walls suffer damage and need repair/replacement, structural block failure and cracked mortar.
2. Electrical system and wiring removed in some areas and insufficient or outdated for today's demand requirements. Repair/replacement/upgrade in lighting must be completed. Wiring for technology is needed.
3. The second and 3rd floors are completely unusable in its present condition, there is significant structural damage, deteriorated flooring, missing and/or falling plaster/drywall on walls and ceilings.
4. Interior walls damaged in many areas needing removal/replacement.
5. Heating and cooling system needs complete replacement. Roof replacement is likely to secure new HVAC.
6. Dis-repair to most stairs, ramps, landings, and doors causing unsafe conditions.
7. Majority of windows are old, and some have been boarded up with metal or plywood.

It is my opinion, as a MMAO, Level IV Assessor, that the properties referenced above continues to suffer from functional obsolescence, as defined in the State of Michigan Assessor's Manual and the Brownfield Redevelopment Financing Act.

If you have any further questions, please feel free to contact me at (269) 720-1928.

Sincerely,



Edward K. VanderVries, MMAO IV, PPE
Assessor & Equalization Director