
Development Plan
Tax Increment Financing Plan

Charter Township of Lyon
Downtown Development Authority

Draft: January 28, 2004
Revised: May 5, 2004
Revised: December 17, 2004
Revised: April 28, 2009



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EXECUTIVE SUMMARY

This document is an amendment to the Lyon Township Downtown Development Authority's Development Plan and the Tax Increment Financing Plan. The original Plans were adopted by the Lyon Charter Township Board on December 23, 1999. These amended Plans have been prepared in compliance with the requirements of the Downtown Development Authority Act, PA 197 of 1975, as amended.

CREATING A *NEW* NEW HUDSON

Lyon Township plans to redevelop the New Hudson area, its traditional central business district, to create a Neo-Traditional downtown with defined spaces, mixed land uses, and higher density residential areas. The *new* New Hudson will not only be a focal point promoting a sense of community, but it will also be a gateway to Oakland County establishing a tone of vibrant urban areas.

TRAFFIC RETARDS PROGRESS

At the center of New Hudson is a five-point intersection with Grand River Avenue, Pontiac Trail, and Milford Road. The 2002 peak hour traffic volume at the intersection is 3,117 cars per hour, with a level of service "E" in the morning and "D" in the evening peaks. From 2000 through 2002, there were 66 crashes at the intersection. Storm water flooding in the intersection, recognized as a major problem by the Federal Emergency Management Administration, can bring traffic to a stop. Continued residential growth in the surrounding areas and continued development along the Grand River Industrial Corridor east of New Hudson will only exacerbate these problems in the future.

TRANSPORTATION IMPROVEMENTS KEY TO SUCCESS

In 2003, the DDA commissioned a traffic study, which recommended a three-lane roundabout, 245 feet in diameter, as the most cost-efficient alternative to handle the five-point intersection's traffic. However, such a large roundabout would require the demolition of historic buildings that lie at the heart of and define New Hudson. Growing traffic congestion will eventually strangle New Hudson, yet the engineered solution would demolish New Hudson.

In a collaborative effort between the Township's Planning Commission and the Downtown Development Authority, the *Plan for New Hudson* was developed. The visionary plan calls for the completion of a ring road to divert through traffic around from the five-point intersection, and the construction of a smaller scale roundabout at the intersection. A copy of the Plan is included as Appendix C.

FOCUSED DEVELOPMENT PROJECTS

The Development Plan proposes 11 projects focused on alleviating concrete problems and revitalizing the Township's traditional central business district. The total projected cost is \$30,611,540, of which about 60 percent is required for the ring road and the roundabout. The DDA's Development Plan and the Planning Commission's Master Plan will transform New Hudson into a vibrant place to live, work, shop, and recreate.

BALANCED FUNDING

The Development Plan calls for a mix of funding sources. More than \$11 million of the proposed funding comes from sources other than tax increment revenues, including SAD financing, federal and state grants, and water and sewer fees. Also balanced are the sources of revenues the DDA will use: 33.0 percent are captured Lyon Township millage, 29.0 percent from Oakland County millage, 14.3 percent from other taxing jurisdictions, and 23.7 percent from SAD payments.

EXTENSIVE PASS-THROUGH REVENUE

Unlike most DDAs that build up fund balances over time, the Lyon Township DDA proposes a TIF plan that captures only the revenues required for development and operations, and returns remaining funds to the taxing jurisdictions. Over thirty years, the Plan calls for 74.6 percent of tax increment revenues to be returned to the taxing jurisdictions. Although pass-throughs are planned to begin in the first year of the TIF Plan, most of the surplus funds occur in later years as debt is retired.

AN INVESTMENT IN ECONOMIC DEVELOPMENT

From 1998 (the year the DDA was established) through 2001, employment in the New Hudson area increased by 57.0 percent, increasing payrolls by \$32,231,000. The proposed development plan provides an opportunity for Lyon Township and Oakland County, and the other taxing jurisdictions to partner in fostering expanded economic development opportunities. The proposed development projects will improve access to Oakland Southwest airport, improving its ability to support economic development. The proposed projects will open up 500 acres of developable land to high-quality development under unified ownership, providing an unparalleled opportunity to attract a large corporate expansion to Oakland County.

AN INVESTMENT THAT PAYS OFF

The TIF Plan demonstrates that the taxing jurisdictions will be better off with an active Lyon DDA than without a DDA. Higher quality development will occur with the planned improvements. After eight years, each of the taxing jurisdictions will have cumulatively received more total tax revenues from the development area with the DDA capturing taxes and investing in the area than will have been received with no DDA capture. Over thirty years, Lyon Township will receive \$24,174,033 in additional tax revenues generated by property value growth made possible by the Development Plan. Oakland County operations will receive \$21,207,512 in additional tax revenues, a significant return on investment.

INTRODUCTION

ESTABLISHMENT OF THE DOWNTOWN DEVELOPMENT AUTHORITY

On December 7, 1998, the Township Board of the Charter Township of Lyon adopted Ordinance 58A-98, creating the Lyon Township Downtown Development Authority (DDA). The DDA was created pursuant to Michigan Public Act 197 of 1975, as amended (referred to herein as “Act 197”), the Downtown Development Authority Act. The Preamble to Act 197 states that it was created for the following purposes:

“...to provide for the establishment of a downtown development authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interest in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials.”

It is the purpose of the amended Development Plan and the Tax Increment Financing Plan to establish the legal basis for the capture and expenditure of tax increment revenues in accordance with Public Act 197 of 1975, as amended, for the purpose of financing public improvements that are necessary to accomplish the objectives of the DDA.

The Development Plan and the Tax Increment Financing Plan are both required by Act 197. They are presented here as one document. Common elements are contained in appendices and are appropriately referenced in the plans.

PURPOSE OF THE DOWNTOWN DEVELOPMENT AUTHORITY

The Downtown Development Authority in Lyon Township was created to reverse the pattern of deterioration in New Hudson – the Township’s main downtown business district – and to plan for and implement certain public improvements that are considered necessary for future economic growth in New Hudson and along Grand River Avenue, the main thoroughfare through New Hudson.

In 1993, groundwater contamination was detected in New Hudson. One source of contamination was the closed landfill south of I-96 and west of Milford Road. Two other sources of contamination were also detected. Residents of several homes were required to use bottled water for drinking purposes and special treatment devices were installed so that well water could be used for bathing and washing. As a result of the contamination, in 1994 the Assessed Values of 111 properties were reduced between 10% and 30%. In 1999, these properties are still devalued because of the contamination, with values ranging between 15% to 20% lower than comparable properties in other parts of the Township.

The DDA was created to address current and anticipated utility needs in New Hudson to alleviate public health concerns related to the prior unavailability of public utilities, and to reverse the pattern of property devaluation associated with groundwater contamination and utility needs. The DDA was also created to address other hindrances to development of New Hudson, such as the inadequate road system, the presence of blighted buildings, and an unattractive streetscape.

AMENDED DEVELOPMENT AND TAX INCREMENT FINANCING PLANS

The amendment to these Plans focuses on the old stagecoach stop at the crossroads of Milford Road/Grand River Avenue/Pontiac Trail. This intersection is in essence a “place with a zip code” historically referred to as “New Hudson”. Neither a City nor a Village, the intersection spawned an identifiable “place” of residential and non-residential land uses. The key issue in the development of a *new* New Hudson is solving problems brought about by new development.

The intersection functioned well as a stagecoach stop on the route to Lansing, but fails horribly at meeting today’s traffic circulation needs. The pressures of new development throughout the DDA district have surpassed the limits of the existing infrastructure. Future development of the vacant land along the Grand River corridor and in areas to the south of New Hudson will occur. The quality of development, and the eventual quality of life provided in the area, is in question unless steps are taken to upgrade the road network and the related aesthetics.

Without public financial participation, these improvements simply cannot happen. If the problems continue, quality development will be stifled. Without these improvements, a lower level of development will occur. Implementation of the projects stated in the plan will significantly elevate the quality level of new development. Increased quality equates to increased taxable value and higher tax revenues. This is a major principle of tax increment financing and nowhere will it be more appropriately applied than in the new New Hudson. The high level of quality development represents an investment with significant return.

TAX REVENUE PASS-THROUGH TO TAXING JURISDICTIONS

Unlike many other DDA operations that generate a fund balance, the Lyon Township DDA proposes to capture some, but not all of the funds from new development to meet the public costs of improvements to the area. The plans are conservatively drafted. Development of all vacant land is not considered. By limiting tax increment usage to a set list of projects and by capping the capture to an amount equal to the required bond repayments, the DDA proposes that all taxing jurisdictions will see a swift increase in collections and quick return on their investment.

The Financing plan also makes extensive use of special assessments and other funding sources. The captured funds, though significant, are a public catalyst for improved quality.

NEW HUDSON MASTER PLAN

Concurrent with the processing of these amended DDA plans, the Township has been undertaking an update to the Comprehensive Development Plan. A recently stated goal has the creation of a “new” New Hudson. The concept plan has the support of the DDA, the Planning commission, the DDA, and, most importantly, the public. It calls for the creation of a Neo-Traditional downtown with defined spaces, mixed land uses, and higher density residential areas. As this area has felt the brunt of the problems generated by growth, the new New Hudson will be the main beneficiary of the public projects stated within the Plans.

The *Plan for New Hudson* is intended to be a part of the Township’s overall Master Plan update, which is scheduled for adoption in the first part of 2005. The *Plan for New Hudson*, a copy of which is included as Appendix C, has been adopted by the DDA and the Township Board as a part of this amended Development Plan and Tax Increment Financing Plan.

DEVELOPMENT PLAN

Downtown Development Authority
of the
Charter Township of Lyon

BOUNDARY DESIGNATIONS

Section 17(a) The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

Boundaries of the Development Area are shown on Map 1 and a narrative legal description follows. The Development Area boundaries encompass substantially less land than the Downtown Development Authority district boundaries, as noted in the following chart.

Table 1
Total Land Area and Percentage of Township Land Area,
DDA District and Development Area

	Land Area	Percent of Total Township Land Area
Adopted Downtown Development Authority District Boundaries	3,918 acres	19.1%
Development Plan and Tax Increment Financing Development Area Boundaries	2,162 acres	10.6%

Exhibit 1

Boundaries of the Development Area for the Development Plan and the Tax Increment Financing Plan

Land in Section 2 of the Charter Township of Lyon, Oakland County, Michigan, bounded by the northerly line of Interstate 96 (I-96) right-of-way on the north, the southerly line of Section 2 on the south, and the westerly line of Section 2 on the west;

also including land in Section 3, bounded by the northerly line of I-96 on the north, the easterly line of Section 3 on the east, the southerly line of Section 3 on the south, and the westerly line of Section 3 on the west;

also including land north of I-96 in Section 3, bounded by the north boundary of the Township on the north, the north-south quarter line of Section 3 and the northwesterly edge of the Pontiac Trail Court right-of-way on the east, the northerly line of I-96 right-of-way on the south, and the centerline of Milford Road on the west;

also including land in Section 4 bounded by the northerly line of parcels 21-04-201-014 and 21-04-201-012 on the north, the centerline of Milford Road on the east, the northerly right-of-way line of Grand River Avenue on the south, and the westerly line of parcel 21-04-201-014 on the west;

also including land in Section 4, bounded by the northerly right-of-way line of Grand River Avenue on the north, the centerline of Milford Road on the east, the south line of Section 4 on the south, and a line described as follows on the west: beginning at a point on the South line of said Section 4 (said point located North 89°39'37" East, 1236.90 feet, from the Southwest Corner of said Section 4); thence North 00°57'06" West, 327.90 feet; thence South 81°56'36" West, 376.40 feet; thence North 00°24'43" West, 214.31 feet; thence South 89°58'22" East, 39.83 feet; thence North 00°46'42" West, 831.44 feet; South 89°49'54" West, 252.17 feet; thence North 00°18'53" East, 525.89 feet; thence South 89°27'54" West, 56.86 feet; thence North 00°56'37" East, 787.80 feet, to a point on the East and West 1/4 line of said Section 4; thence South 89°42'04" West, 606.82 feet, along the East and West 1/4 line of said Section 4; thence North 00°07'02" East along an extension of and the Easterly line of A Wilson Estates®, (recorded as North 00°38'13" East), as recorded in Liber 156 of Plats, on Pages 9 and 10, Oakland County Records to a point on the southerly right-of-way line of Grand River Avenue;

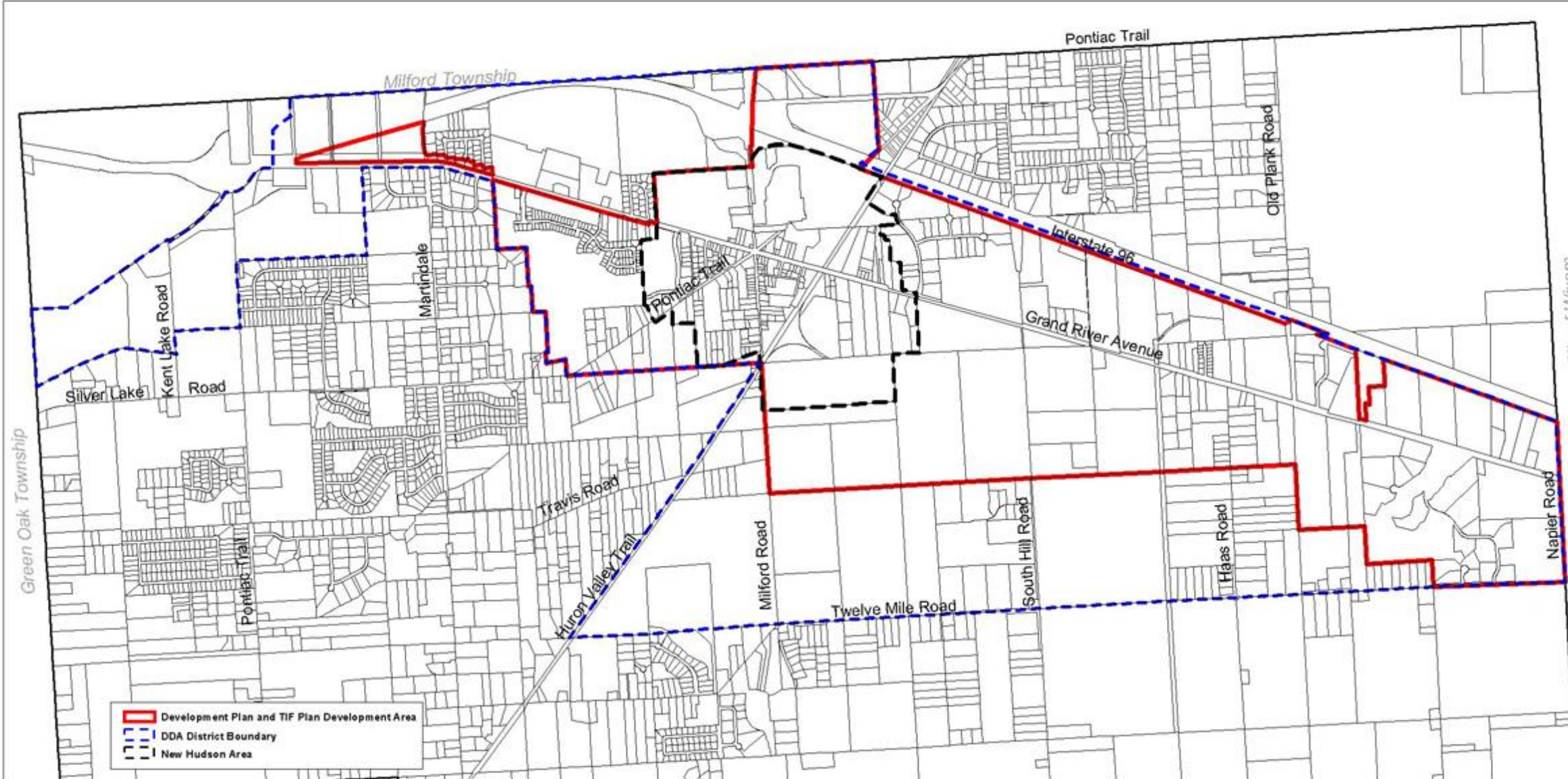
also including land in Section 5 bounded by the southerly line of the Grand River Avenue right-of-way on the south, and including the portions of the following parcels lying south of I-96: 21-05-102-002, 21-05-126-001, 21-05-126-002, 21-05-127-001, 21-05-127-002, 21-05-201-001, and 21-05-201-002;

also including land in Section 5 bounded by the southerly line of the Grand River Avenue right-of-way on the south, and including the following parcels: 21-05-227-013, 21-05-227-014, 21-05-227-015, 21-05-228-001, 21-05-228-009, 21-05-228-010, and 21-05-228-019.

also including all land in Section 10 lying north of the East-West quarter line of Section 10;

also including all land in Section 11 lying north of the East-West quarter line of Section 11;

also including land in Section 12 beginning at the point where the west line of Section 12 intersects the north right-of-way line of I-96, thence east along the north right-of-way line of I-96 to the east line of Section 12, thence south along the east line of Section 12 to the southerly right-of-way line of Twelve Mile Road, thence west along the southerly right-of-way line of Twelve Mile Road to the east line of parcel 21-12-300-030 thence north along the east line of parcel 21-12-300-030 to the south line of parcel 21-12-300-024, thence west along the south line of parcel 21-12-300-024, thence north along the west line of parcel 21-12-300-024 to the south line of parcel 21-12-300-003, thence west along the south lines of parcels 21-12-300-003, 21-12-300-002 and 21-12-300-001, thence north along the west line of Section 12, thence north along the west line of Section 12 to the point of beginning.



Development Plan and TIF Plan Development Area
 DDA District Boundary
 New Hudson Area

Base Map Source: Orchard, Hiltz, McCliment
 Data Source: McKenna Associates, Inc. 9/98
 Revised: 12/14/2004

11/15/2004
 0 Ft. 2000 Ft.
 1000 Ft.



Map 1

Development Area for Development Plan and Tax Increment Financing

EXISTING AND PROPOSED DEVELOPMENT

Section 17(b) The location and extent of existing streets and other public facilities within the development area, the location character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses and shall include a legal description of the development area.

The Development Area encompasses land north and south of Grand River Avenue, bounded generally by I-96 on the north and Napier Road (the Township's east boundary) on the east. The Development Area extends west to encompass a small wedge of vacant land located between Grand River Avenue and I-96 in Section 5. The Development Area has an irregular southern boundary, but the Area extends more-or-less one-half mile south of Grand River Avenue.

ROAD AND HIGHWAYS

Major roads and highways in the Development Area are:

- East-West: Grand River Avenue, I-96
- North-South: Martindale Road, Milford Road (the major north-south route), South Hill Road, Haas Road, and Napier Road
- Pontiac Trail extends more-or-less diagonally through the main intersection in New Hudson

EXISTING LAND USE

A mixed-use development pattern exists in New Hudson, an unincorporated settlement which contains buildings that date from the mid-1800's (see Map 2 on page 8). Commercial, industrial, and service uses are located along Grand River Avenue in New Hudson, and single family residential on small lots exists south of the commercial frontage.

Between New Hudson and Napier Road, Grand River Avenue is characterized by a mixture of industrial, vacant, residential, office and service uses. Most recent development along the corridor has been industrial in nature, consistent with the Township's plans and zoning.

West of New Hudson a mixture of commercial, public, residential and vacant land exists. Kensington Mobile Home Park and Kensington Apartments are located beyond the Development Area's western boundary, and Kent Lake Elementary School was built outside of the Development Area on the west side of Kent Lake Road in 2001. Plans call for residential and commercial development on much of the vacant land west of New Hudson.

The most significant new developments to occur in New Hudson are the Lyon Towne Center and Lyon Crossing Shopping Centers, north of Grand River Avenue, east and west of Milford Road, respectively. Lyon Towne Center will accommodate approximately 602,000 sq. ft. of retail, with Wal-Mart being the anchor, with construction in 2003. Lyon Crossing is a community shopping center which will accommodate approximately 150,000 sq. ft. of floor space.

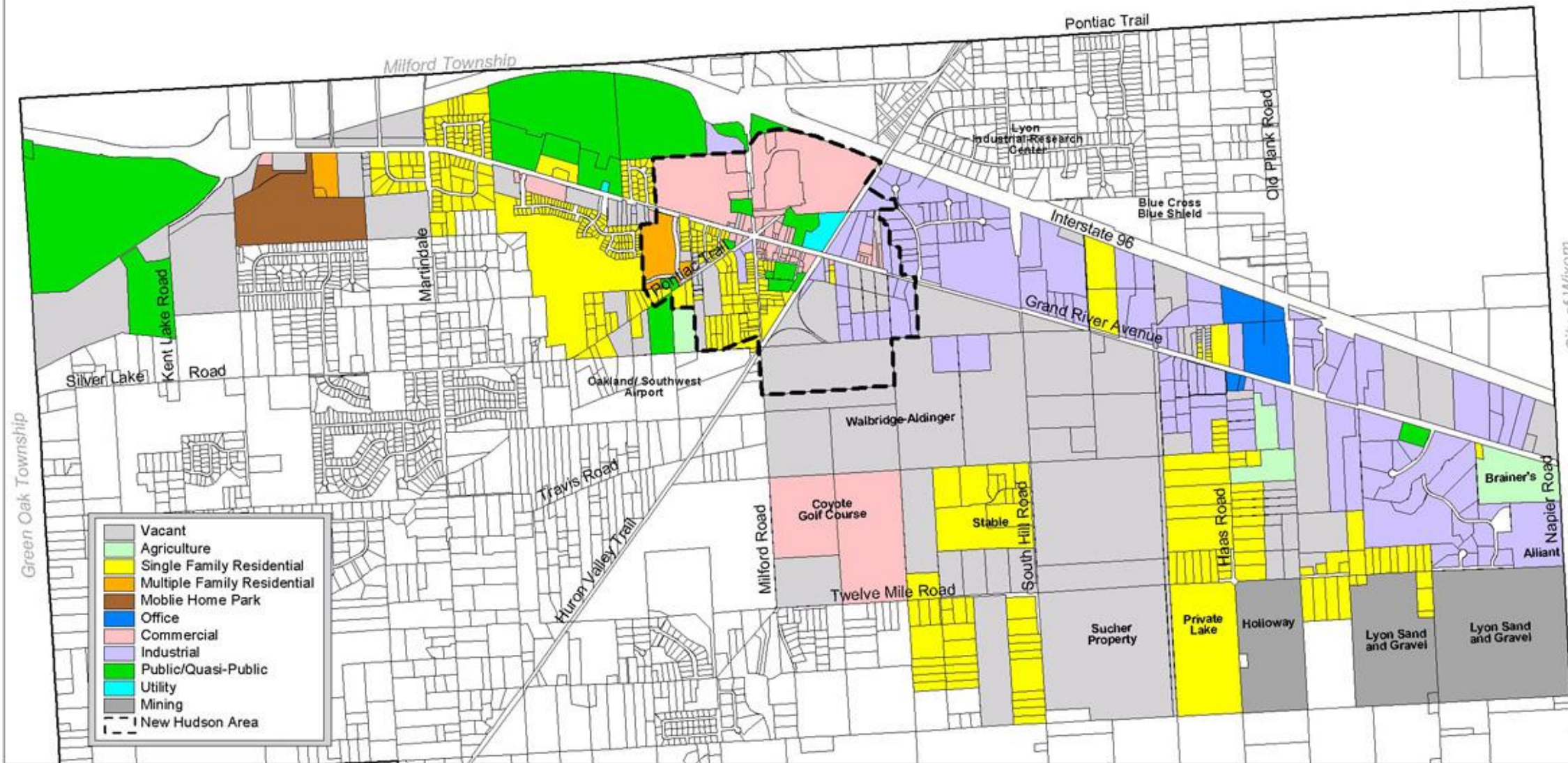
PUBLIC USES

Public uses in or adjacent to the Development Area include (see Map 1): the Township Hall and Township Park on the north side of Grand River Avenue, approximately 2 mile west of Milford Road; Fire Station 1 on Grand River Avenue, west of the Township Hall; the U. S. Post Office on the south side of Grand River Avenue, west of Milford Road; Dolsen Elementary School, on Rice Street in New Hudson; the Township Well Site on South Hill Road, approximately 2 mile south of Grand River Avenue; the New Hudson Cemetery on the west side of Milford Road, north of Grand River Avenue; and the water tower for the Township's water system, which is on the north side of Grand River Avenue, about 3/4 of a mile west of Milford Road. The Oakland/Southwest Airport is partially in the Development Area on the south side of Pontiac Trail, west of Milford Road. The Huron-Clinton Metropolitan Authority (HCMA) owns vacant land on the north side of Grand River Avenue beyond the Development Area's west boundary.

PLANNED USES

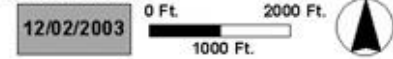
The Lyon Township Master Plan calls for mixed use development in downtown New Hudson, with commercial development along Grand River Avenue, near the I-96 interchange, and in the southwest quadrant of the I-96 interchange. Commercial uses are planned south of I-96 and east of Milford Road. East of New Hudson, the Grand River Avenue corridor is planned for light industrial/research/office uses, although some land is set aside for general industrial uses. West of New Hudson on the south side of Grand River Avenue, the frontage is generally planned for commercial use, with single family residential development south of the commercial frontage. Public, residential, and commercial land use is planned west of New Hudson on the north side of Grand River Avenue. A detailed description of the areas of future land uses is provided in Table 3 on page 16.

Charter Township of Lyon, Oakland County, Michigan



Base Map Source: Orchard, Hiltz, McCliment
Data Source: McKenna Associates, Inc. 2001

Revised: 12/14/2004



Map 2
Existing Land Use

PROJECT IMPROVEMENTS AND PHASING

Section 17(c) A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

Section 17(d) The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

Section 17(e) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

The Development Plan includes the projects described below. The estimated costs and phasing of the Development Plan activities are described in Table 2, which follows the project descriptions. The location of the development projects are shown on Map 3.

1. **Intersection Study.** DLZ, an engineering firm, completed a study in December 2003 determining necessary road improvements to handle the current and projected traffic flow at the five-point intersection at New Hudson. The intersection study recommended the construction of a four-lane roundabout for the New Hudson intersection. The proposed roundabout is strongly supported by the Road Commission for Oakland County. The DDA funded the intersection study cost of \$23,500.

Subsequent to the intersection study, the Township began developing a Master Plan for the New Hudson area, and an overall Township Master Plan update. As the New Hudson Master Plan was developed, the Township realized that the size and scale of proposed roundabout was inappropriate for New Hudson because:

- Constructing the roundabout would necessitate demolishing several buildings located at the intersection;
- Having six lanes of traffic at Grand River Avenue would destroy the ambiance and character of the traditional sense of place; and
- The projected flow of traffic would effectively eliminate pedestrian crossings, thereby destroying the pedestrian orientation necessary for a successful downtown.

To address the problems created by the proposed roundabout and to effectively handle the existing and proposed traffic flow at the five-point intersection in New Hudson, the Township and the DDA propose a major initiative that includes the following two projects. The first project will construct improvements to the five-

point intersection that include a roundabout, albeit smaller in scale than the one proposed by the intersection study. The second project will construct a ring road around New Hudson that will divert through traffic around rather than through the five-point intersection.

2. **Intersection Improvements.** The purpose of this project is to improve the five-point intersection – Grand River Avenue, Milford Road, and Pontiac Trail – at New Hudson. The project includes the following two components:

- 2a. ***Construct roundabout.*** The existing signalized intersection will be replaced with a roundabout. The estimated cost, \$3,791,911, includes right-of-way acquisition, remediation, engineering, and construction.

- 2b. ***Eliminate flooding hazard.*** Flooding at the existing five-point intersection has been recognized by the Federal Emergency Management Agency (FEMA) and the Township as a public safety hazard. Flooding in New Hudson will be eliminated by constructing stormwater management facilities, including subsurface conveyance to carry storm waters to the County drain located south of New Hudson. The total cost of the project is \$842,629, of which \$265,000 will be paid for by a grant from FEMA. Costs may be further reimbursed by a special assessment district.

3. **Construction of Ring Road.** The intent of this project is to construct a road around New Hudson to divert through traffic from the southern portion of the Township, from South Lyon, from the Oakland/Southwest Airport, and from the Grand River Industrial Corridor around New Hudson. The ring road will be developed in three phases, each of which is described below. The estimated costs for each phase includes right-of-way acquisition, grading, erosion control, roadside drainage, paving, concrete sidewalk, road lighting, signalization, entrance landscaping, environmental remediation, retention/detention, engineering and design, legal and bonding costs, administration and 15 percent contingency.

- 3a. ***Construction of ring road: completion of NE leg.*** In anticipation of this Plan, the Township required the developer of a tract of land north of New Hudson to construct a portion of the ring road from north Milford Avenue, southeasterly towards east Grand River Avenue. The first phase of the ring road project will complete the northeast leg of the ring road, connecting the existing portion to east Grand River Avenue. The estimated cost of this phase is \$3,198,716. The cost of this project may be offset by a special assessment district, based on the portion of the project that is deemed to be a private benefit.

- 3b. ***Construction of ring road: SE leg.*** This phase will construct the portion of the Ring Road in the southeast quadrant of Grand River Avenue and Milford Road, connecting east Grand River Avenue, southwesterly to south Milford Avenue. This leg of the ring road will provide access to the Walbridge-Aldinger tract, which is over 500 acres of undeveloped land under unified ownership. Providing access to this site creates an unparalleled economic development opportunity to create a large-scale corporate campus office development. The cost of this project may be offset by a special assessment district, based on the portion of the project that is deemed to be a private benefit. The estimated cost of right-of-way acquisition and construction is \$6,087,192.

- 3c. **Construction of ring road: SW leg.** This phase will construct the portion of the Ring Road in the southeast quadrant of Milford Road and Pontiac Trail, connecting south Milford Avenue, northwesterly to west Grand River Avenue. This leg of the ring road will improve access to Oakland/Southwest Airport. Although the location of the right-of-way for this leg has yet to be determined, it is constrained by the location of the remainder of the ring road and the location of Oakland Southwest Airport. To minimize any impacts to existing residences, existing rights-of-way will be used to the extent feasible. The cost of this project may be offset by a special assessment district, based on the portion of the project that is deemed to be a private benefit. The estimated cost of right-of-way acquisition and construction is \$4,728,504.
4. **Adopt and Implement a Downtown Management Plan.** This project is to adopt and implement a Downtown Management Plan, which identifies an appropriate organizational structure, needed promotional activities, urban design issues, and economic restructuring. This plan will also identify specific retail uses for New Hudson, and redevelopment opportunities for targeted properties. The cost of this work is approximately \$120,000.
5. **Continued Streetscape Improvements In New Hudson.** The streetscape improvements will include sidewalks and brick crosswalks; trees, shrubs and perennials; entry signs and related plantings; decorative street lights; and street furniture, such as benches and trash receptacles. Parts of the streetscape on the east side of Milford Road have been completed by the developer (see Exhibit 2 on Page 17). Additional improvements are planned on Grand River Avenue, Milford Road, and Pontiac Trail. The estimated cost for the improvements is \$2,650,445. The use of DDA funds will be enhanced by a \$201,969 Transportation Enhancement Grant, which requires a \$134,646 local match. Phase I of the new streetscape improvements, using the grant funds, will bid in the fall of 2004 at an estimated cost of \$465,000.
6. **Improvements to Historic New Hudson Cemetery.** This project will improve access, parking, visibility, and use of the historic New Hudson Cemetery, which is located in and contributes to the sense of place of New Hudson. The project includes land acquisition, construction of a new entrance drive to the New-Hudson Cemetery, landscaping, restoration of the historic fence, realignment of the interior cemetery drive, seating areas, and construction of additional parking. The estimated cost of this project is \$1,476,379.
7. **Grand River Avenue Improvements.** This project will construct curbs and gutters, drainage improvements, new paving, defined entrances to each lot and street lighting along Grand River Avenue in New Hudson. The estimated cost of this project is \$2,527,941.
8. **Milford Road Improvements.** Milford Road is one of the most heavily traveled north-south roads in the Township, and traffic increases in proportion to residential growth. This project will upgrade the road south of Grand River Avenue, through land acquisition, widening, new paving, and street lighting. The estimated cost of this project is \$2,527,941.
9. **Upgrade South Hill Road For Industrial Use.** The intent of this project is to pave South Hill Road, between Grand River Avenue and Twelve Mile Road to facilitate development on industrially zoned property. The cost of this project is estimated at

\$1,516,765. The cost may be offset by property owner participation through a special assessment district.

10. **Trailhead.** This project involves construction of a trailhead to serve users of the Huron Valley Trail. The trailhead would consist of 6-parking spaces and restrooms. The estimated cost of this project is \$178,000. The DDA anticipates lower its level of funding by obtaining DNR grant funding for a portion of the costs.
11. **Establishment of a Facade Improvement Revolving Fund.** The purpose of this project is to establish a low interest loan program to help fund facade improvements for existing buildings in New Hudson. Initially, \$50,000 in seed money is required for this purpose.

Table 2
Estimated Costs of Development Plan Activities

Activity	Year Implemented	Total Estimated Costs*	Other Funding Sources	SAD	TIF Revenues	Total Bond Amount**
1. Intersection Study	2004	23,500	23,500 ¹	-	-	-
2. Intersection Improvements						
2a. Construct Roundabout	2006	3,791,911	-	-	3,791,911	3,791,911
2b. Eliminate Flooding Hazard	2004	842,628	265,000 ²	-	577,628	577,628
3. Construction of Ring Road						
3a. Phase 1: Remainder NE Leg	2004	3,198,716	305,482 ³	2,208,625	684,608	2,893,233
3b. Phase 2: SE Leg	2008	6,087,192	753,264 ³	4,044,343	1,289,586	5,333,929
3c. Phase 3: SW Leg	2006	4,728,504	337,315 ³	1,221,446	3,169,742	4,391,188
4. Adopt and Implement a Downtown Management Plan	2004	120,000	120,000 ⁴	-	-	-
5. Continued Streetscape Improvements in New Hudson	2004	2,650,445	201,969 ⁵	-	2,448,476	2,448,476
6. Improvements to Historic New Hudson Cemetery	2004	1,476,379	-	-	1,476,379	1,476,379
7. Grand River Avenue Improvements	2006	2,527,941	-	-	2,527,941	2,527,941
8. Milford Road Improvements	2006	2,527,941	-	-	2,527,941	2,527,941
9. Upgrade South Hill Road for Industrial Use	2006	1,516,765	-	1,516,765	-	1,516,765
10. Trailhead	2004	178,020	178,020 ⁶	-	-	-
11. Establishment of a Facade Improvement Revolving Fund	2004	50,000	50,000 ⁴	-	-	-
SUBTOTAL		29,719,941	2,234,550	8,991,179	18,494,212	27,485,391
Costs to Obtain Financing (3%)		<u>891,598</u>	<u>67,037</u>	<u>269,735</u>	<u>554,826</u>	<u>824,562</u>
TOTAL		30,611,540	2,301,587	9,260,914	19,049,039	28,309,953
	2004	8,795,878	1,178,290	2,274,884	5,342,704	2,980,030
Totals by Year:	2006	15,545,853	347,435	2,820,357	12,378,061	11,292,750
	2008	6,269,808	775,862	4,165,673	1,328,273	5,493,946

* Includes adjustments for contingency costs and inflation rate.

**Is the sum of SAD and TIF Revenues.

Assumptions:

Inflation Rate	3.2%
Contingency Rate	15.0%
Costs to Obtain Financing	3.0%

Public Percentage for:

NE Leg	25.0%
SE Leg	25.0%
SW Leg	75.0%

1. The full cost of the intersection study has been funded by the DDA through previous TIF revenues.

2. Other funding sources includes a FEMA grant for \$265,000.

3. Other funding sources includes project costs funded through water and sewer connection fees.

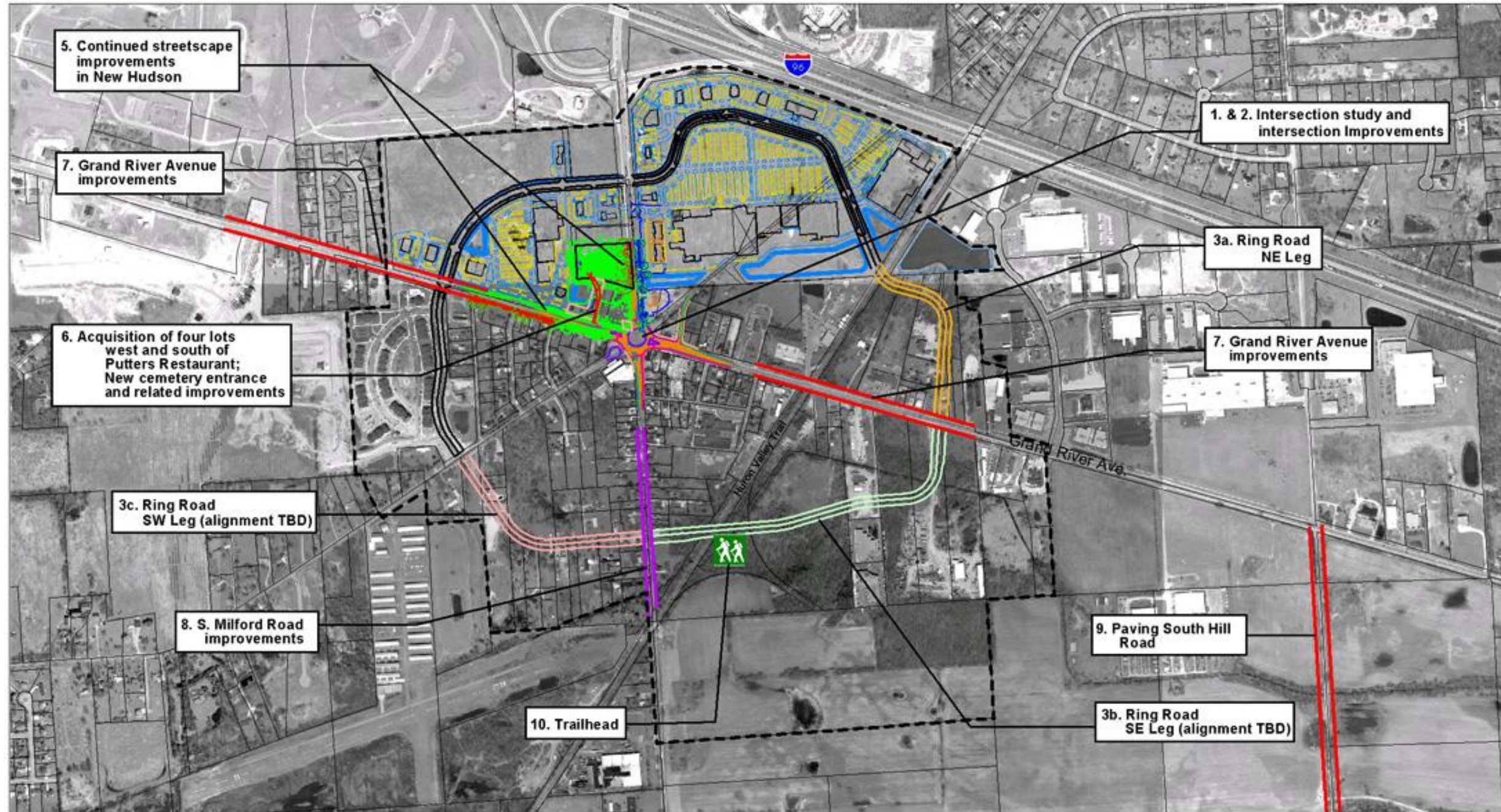
4. Other funding includes project costs paid for with DDA's operating budget and not funded through bonds.

5. Other funding sources includes a Transportation Enhancement Grant.

6. Other funding sources includes an anticipated future Land and Water Conservation Fund / Michigan Natural Resources Trust Fund Grant.

Exhibit 2
Phasing Plan for Development Project #5 Continued Streetscape Improvements, New Hudson





**Map 3
Proposed DDA Projects**

New Hudson Area

Base Map Source: Oakland County, GIS 2002
Data Source: McKenna Associates, Inc. 4/04

Revised 12/14/2004



10/20/04

OPEN SPACE

Section 17(f) A description of any parts of the development area to be left as open space and the use contemplated for the space.

There is a 5.26 acre triangle of land located along the Huron Valley Trail, east of Milford Road, which will be left as public open space, to be developed into a trail head with parking and restroom facilities. No other part of the Development Area is proposed to be set aside as public open space at this time, except for existing public lands, which area proposed to be used as noted in the response to Section 17(a).

LAND AND DEVELOPER TRANSACTIONS

Section 17(g) A description of any portions of the development area which the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

Section 17(j) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken, if that information is available to the authority.

Section 17(d) The procedures for bidding for the leasing, purchasing, or conveying of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed to those persons.

The Authority owns no property at this time. At the present time the Authority has no plans to lease, own, or otherwise control property in its own name. The Authority currently has no plans to sell, donate, exchange, or lease any land, structures, or other portions of the development area to or from the Charter Township of Lyon or other entities.

It is intended that the DDA be authorized to acquire land, as necessary, to facilitate the projects described previously. It is not intended for the DDA to take on a redevelopment authority role.

Should acquisition of property be required to accomplish the objectives of the DDA, or should the Authority receive property by donation, through purchase or by any other means of acquisition, the Authority will establish and formally adopt appropriate procedures for property disposition, subject to applicable Federal, State, and local regulations.

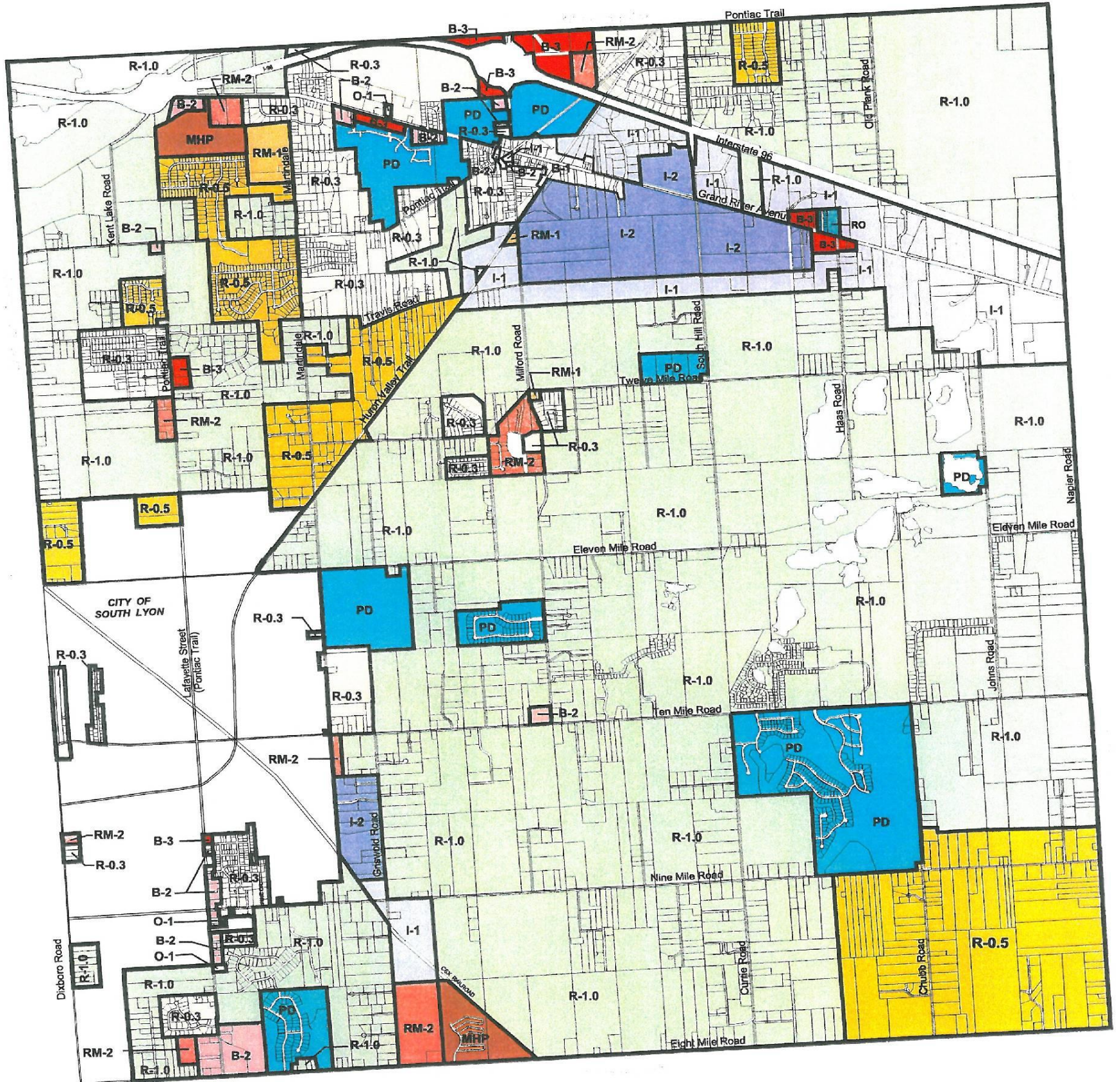
ZONING CHANGES

Section 17(h) A description of desired zoning changes and changes in streets, street levels, intersections, and utilities.

Zoning changes are anticipated in the vicinity of the ring road, north of Grand River Avenue and east of the Huron Valley Trail. The property is currently zoned I-1, Light Industrial, and B-1, New Hudson Development District. Zoning changes being considered include a new mixed-use zoning district, a different configuration of B-1 and I-1, and a mixed zoning including multiple-family residential.

Proposed changes in utilities and streets are described previously (see **Project Improvements and Phasing**).

Charter Township of Lyon, Oakland County, Michigan



Zoning Classifications		Zoning Classifications	
R-2.5	R-2.5 Agricultural-Residential District	O-1	O-1 Office District
R-1.0	R-1.0 Residential-Agricultural District	B-1	B-1 New Hudson Development District
R-0.5	R-0.5 Single Family Residential District	B-2	B-2 Community Business District
R-0.3	R-0.3 Single Family Residential District	B-3	B-3 General Business District
RM-1	RM-1 Suburban Townhouse District	I-1	I-1 Light Industrial District
RM-2	RM-2 Multiple Family Residential District	I-2	I-2 General Industrial District
MHP	MHP Mobile Home Park District	P-1	P-1 Vehicular Parking District
		PD	PD Planned Development District
		RO	RO Research Office District

**Map 4
Zoning Map**

DATE OF ADOPTION: November 12, 1991
EFFECTIVE DATE: December 23, 1991
OFFICIAL ZONING MAP ON FILE AT LYON TOWNSHIP OFFICE
REVISED & CURRENT AS OF: March 16, 2004



Print Date:
03/16/2004

DEVELOPMENT COSTS AND FINANCING CAPABILITIES

Section 17(i) An estimate of the cost of the development, a statement of the proposed method of financing the development and the ability of the authority to arrange the financing.

The cost estimates for the proposed public sector improvements to be undertaken by the DDA are provided earlier in this plan (see **Project Improvements and Phasing**, Sections 17(c), (d) and (e)).

It is presently planned that the public sector improvements undertaken by the DDA will be financed largely through the use of captured tax increments in accordance with a tax increment financing plan established pursuant to Act 197 of 1975, as amended. It is contemplated that the Authority and/or the Charter Township of Lyon will issue bonds or incur debt in order to finance certain of the improvements listed within this Plan and that the Authority will pledge future captured tax increments to pay some or all of such bonds or debt. A comprehensive discussion of tax increment financing for the proposed public improvements is set forth in the Tax Increment Financing Plan.

In addition, the Authority has and will continue to pursue with the Charter Township of Lyon alternative supplementary sources of funding. To the extent permitted by law, the Township will require developers to finance public improvements that are made necessary and that would directly benefit proposed private developments. Such financing may occur through special assessment districts.

RELOCATION

Section 17(l) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including the number of private and public units in existence or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

Section 17(m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

Section 17(n) Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal uniform relocation assistance and real property acquisition policies act of 1970, being Public Law 91-646, 42 U.S.C. sections 4601, et seq.

Section 17(o) A plan for compliance with At No. 227 of the Public Acts of 1972, being sections 213.321 to 213.332 of the Michigan Compiled Laws.

It is estimated that there are more than 100 individuals living in the Development Area. No displacement of individuals or families is anticipated at this time as a direct result of DDA activities. Should relocation of individuals, or families be required in the future, the DDA, with the cooperation of the Township, will prepare and adopt a formal relocation plan. The relocation plan will include surveys required by Section 17(l) of Act 197, and it will require the provision of relocation payments and other assistance to families, individuals, businesses, and non-profit organizations as required by the Uniform Relocation Assistance and Real Property Acquisition Act, Federal Uniform Relocation Act and Michigan Public Act 227 of 1972, as amended, to the extent that any of these Acts are applicable.

It is anticipated that at least one (1) business will be displaced as a result of the extension of the ring road. As plans move forward and it becomes better known which businesses must be displaced, a formal relocation assistance plan will be prepared.

If acquisition of any real property should result in the displacement of persons or businesses, the DDA recognizes its obligation to make the affected parties economically whole.

OTHER PERTINENT INFORMATION

Section 17(p) Other material which the authority, local public agency, or government body deems pertinent.

DEVELOPMENT AREA CITIZENS COUNCIL

Section 21 of Act 197 of 1975 requires that a Development Area Citizen=s Council be established if a proposed development Area has residing within it 100 or more residents. A Development Area Citizens Council has been established and is functioning consistent with the requirements of Act 197 of 1975.

FUTURE LAND USE PLAN

The future land use planned for the DDA District, the Development Area, and the New Hudson planning area are presented in the following table. The boundaries of the DDA District and the Development Area, and the New Hudson Planning Area are shown in Appendix A.

Table 3
Future Land Use Plan: Land Use Type by Percentage of Total Area,
DDA District, Development Area, and New Hudson Planning Area

<i>Future Land Use Designation</i>	DDA District ^a		Development Area ^a		New Hudson Planning Area ^b	
	<i>Acres</i>	<i>Percentage</i>	<i>Acres</i>	<i>Percentage</i>	<i>Acres</i>	<i>Percentage</i>
Multi-Family	178.7	4.6	43.9	2.0	81.4	17.6
Single Family	764.0	19.5	298.4	13.8	66.3	14.4
Institutional	370.4	9.4	21.4	1.0	19.4	4.2
Recreation & Conservation	171.3	4.4	0.0	0.0	24.0	5.2
Other ^c	59.5	1.5	50.4	2.3	55.1 ^d	11.9
Commercial/Office	432.1	11.0	263.1	12.2	163.9	35.5
Industrial	1,711.0	43.7	1,351.7	62.5	0.0	0.0
Research/Office	230.7	5.9	133.7	6.2	51.9	11.2
Total	3,917.6	100.0	2,162.4	100.0	462.0	100.0

a. Future Land Use based upon existing adopted Township-wide Master Plan.

b. Future Land Use based upon sub-area plan for New Hudson Area as endorsed by Planned Commission, Township Board, and DDA in 2004 to be included in new Master Plan upon adoption

c. Other includes right-of-ways and utility services.

d. Includes proposed new road and roundabout r-o-w acquisitions.

Please note:

The data in Table 3 indicate slightly more land area than the data in Table 1 on 6 due to improvements in computer mapping technology. The data in Table 3 have been determined in 2004 for the current Development Plan and TIF Plan update, while the data in Table 1 were determined in 1998 during preparation of the original Development Plan and TIF Plan.

TAX INCREMENT FINANCING PLAN

Downtown Development Authority
of the
Charter Township of Lyon



EXPLANATION OF THE TAX INCREMENT PROCEDURE

Section 14(2) When the authority determines that it is necessary for the achievement of the purposes of this act, the authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The plan shall include a development plan as provided in section 17, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, and the duration of the program, and shall be in compliance with Section 15. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located.

ADOPTION PROCEDURES

The procedures for tax increment financing are based on the standards set forth in Michigan Public Act 197 of 1975, as amended, the Downtown Development Authority Act (hereinafter referred to as the AAct@). Sections 14 through 16 of the Act specifically address tax increment financing requirements.

According to Section 14 of the Act, the Tax Increment Financing Plan (hereinafter referred to as the APlan@) is prepared under the auspices of the DDA. After reviewing the Plan and making modifications, if necessary, it is anticipated that the DDA will forward the Tax Increment Financing Plan, together with the Development Plan, to the Township Board with a recommendation for adoption.

In accordance with Section 14(4) of the Act, the Township Board will provide a reasonable opportunity to the members of the County Board of Commissioners, the Huron-Clinton Metropolitan Authority, Oakland Community College, and Oakland County Parks and Recreation to meet with the Township Board to present their recommendations concerning the Tax Increment Financing Plan.

The Development Area Citizens Council (DACC) has been and will continue to be advised of progress on the Development Plan and Tax Increment Financing Plan, consistent with the provisions of Sections 22 and 23 of the Act.

The Township Board will then hold a public hearing on _____. Within twenty days after the public hearing of these plans, the DACC will be asked to notify the Township Board of its findings and recommendations. Following the public hearing and receipt of the DACC's recommendations, it is anticipated that the Township Board will take action on the Tax Increment Financing Plan and Development Plan. Action to approve the Plans by the Township Board will be by ordinance.

TAX INCREMENT FINANCE PROCEDURES

Tax increment financing will be used to finance certain public improvements in the development area by capturing, for a specified period of time, increased tax revenues generated largely as a result of the development program which is designed to stimulate private, taxable investment in the Development Area. As private investments add to the tax base within the Development Area, the increased tax revenues will be captured by the DDA to be used for the purposes outlined in this Plan and in the Development Plan.

The paragraphs which follow describe the procedures involved in establishing the base year, initial assessed value, and tax increment for each year.

Chronologically, establishing the "base year", which will serve as the point of reference for determining future tax increments, is the first step in the tax increment financing procedure. The Township Board takes this step at the time it adopts an ordinance approving the Tax Increment Financing Plan. Adoption of the Plan establishes the initial assessed value, which is defined in the Act as follows:

"Initial assessed value" means the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted.

The "initial assessed value" is based on the assessment roll in place on December 31, 1998, for which equalization was completed in May of 1999. The Act states that "assessed value" is the taxable value determined under Section 27a of Michigan Public Act 206, as amended. **Accordingly, the initial assessed value of real property for the Development Area was \$44,341,390, according to County records.**

Taxable values for all real property in the Development Area are provided in the Appendix.

As the Development Plan is carried out, resulting in private sector investment within the development area, the planned investments will result in additions of real and personal property value to the tax base. Each year following adoption of this Plan, the total current assessed value in the development area will be compared to the initial assessed value. This comparison indicates the amount of "captured assessed value", which is the amount by which the current assessed value exceeds the initial assessed value.

The tax increment revenues are determined for each year by applying the total current millage rate for affected taxing jurisdictions in the Development Area against the captured assessed value. In other words, the property tax revenues which are generated as a result of the difference in assessed value between the base year and the current year are the tax increment revenues that can be used by the DDA to carry out the Development Plan. Thus, the taxes generated on behalf of the DDA are based on the captured assessed value only. Throughout the duration of this Plan, the affected taxing jurisdictions will continue to collect property taxes which are based on the initial assessed value.

The tax increment to be collected by the DDA will be based on the *operating millage* of the taxing jurisdictions, rather than total millage (subject to any adjustments made necessary by any agreements between the DDA and taxing jurisdiction, as described later). Thus, the *debt millage* of the taxing jurisdictions will be unaffected by this Plan and will continue to generate tax revenue for the taxing jurisdictions based on current assessed value, rather than on the initial assessed value.

The current operating millage of the taxing jurisdictions in the Development Area that could be affected by the Tax Increment Finance Plan is 11.0374 mills, as noted in the following chart:

**Table 4
Operating Millage of Taxing Jurisdictions (2002)**

Oakland Community College	1.6090 mills
Oakland County Combined (includes HCMA and County Parks and Recreation)	4.6523
Lyon Township (includes township and fire operating millage)	4.7761
Total	11.0374 mills

The Township and County will collect the tax increment revenues following their normal property tax collection processes and schedules and then distribute the revenues to the DDA.

ESTIMATED CAPTURED ASSESSED VALUE

The first step in estimating the captured assessed value is to determine the growth in property values in the district. Revenue Projections, estimates the projected growth in assessed value of properties within the Development Area over the next 30 years. The estimates in the tables are based on consideration of the following:

1. In the absence of new development, existing properties are assumed to increase in value at an annual rate of 3.2 percent. This rate is based on the average increase in property values in the Development Area from 1999 through 2002, excluding increases due to new construction.
2. Installation of utilities that may be partially financed by the DDA will result in substantial new development. The following projections are based on build-out over the next 16 years on 80 percent of the 1,064 acres of land in the Grand River Avenue corridor that are most suitable for development. Beyond 20 years the projections are based on 3.2 percent annual growth.
3. Installation of utilities has resulted in implementation of The Orchards of Lyon Planned Development in New Hudson (identified as A Langan=s New Hudson Property@ in the table). Based on a fiscal impact study submitted by the developer, this development will increase the assessed value of the property to \$55,349,502. For the purposes of these projections, a 10Year build-out is projected. The estimated captured assessed value is based on the final six years of the build-out, with 3.2 percent annual growth thereafter. (Sanitary sewer extensions to serve the Orchards of Lyon are being financed privately, with a combination of special assessment district and private lender financing. This is evidence of Lyon Township=s intent to identify several

methods of financing needed public improvements and not rely on a single source, such as tax increment financing.)

As explained previously, the captured assessed value is the amount by which the current assessed value exceeds the initial assessed value. Column (j) in the following table indicates the estimated captured assessed value through the year 2033.

TAX INCREMENT REVENUES

After determining the captured assessed value, the tax increment is determined for each year by applying the total current millage rate for all affected taxing jurisdictions in the Development Area against the captured assessed value. As noted previously, the tax increment to be collected by the DDA will be based on the operating millage of the taxing jurisdictions. Accordingly, the computed tax increment revenues in column (p) in the following table have been derived by applying 11.0374 mills against the captured assessed value.

MAXIMUM AMOUNT OF BONDED INDEBTEDNESS

The maximum amount of bonded indebtedness to be incurred by the DDA and/or by the Township is set forth in the next paragraph. If notes and/or bonds are issued by the Township to finance any portion of the Development Plan, it is contemplated that the DDA and the Township will enter into a Contract relating to the use of tax increment revenues to pay the principal and interest on any such notes and/or bonds.

Based on documentation presented in the Development Plan, public improvements currently planned to be undertaken with tax increment revenues will cost approximately \$ 29.2 million. The amount of bonded indebtedness will be equal to the cost of the public improvements, as adjusted for inflation and contingencies, plus expenses related to issuance of the bonds, including the fees of legal, engineering, and financial counsel, bond printing of the prospectus, notice of sales, and miscellaneous expenses. Accordingly, the amount of bonded indebtedness under this plan will be approximately \$27.2 million.

ADMINISTRATIVE, OPERATING, PLANNING, LEGAL AND MAINTENANCE EXPENDITURES

A portion of the tax increment revenue available after payment of debt service requirements will be used to pay annual administrative, operating, planning, and legal expenditures that have been or are expected to be incurred by the DDA and Township for the purposes of preparation and implementation of the Development Plan and Tax Increment Financing Plan. These costs include advances extended by the Township for payment of legal, municipal finance, and planning advisors and consultants. No other advances have been extended by others that will be repaid from tax increment revenues. Approximately \$48,000 is proposed to be expended annually by the DDA for maintenance of the streetscape.

SURPLUS FUNDS

As required by Section 15 of Act 197, the DDA shall expend the tax increment revenues only pursuant to this tax increment financing plan. Surplus funds shall revert proportionally to the taxing bodies. The DDA will annually retain up to \$100,000 of its tax increment revenues (inflation adjusted at 3.2 percent annually) for the cost of administration and operation of the DDA, including the approximate \$48,000 for annual streetscape maintenance.

DURATION OF THE DEVELOPMENT PROGRAM

The term of the tax increment financing plan shall be coterminous with the term of the Development Plan and shall be for a period of time required to:

1. Pay all principal and interest on any tax increment bonds issued by the DDA, and
2. Pay all debts and obligations to the Township pursuant to any Contract pledging DDA tax increment revenues to secure notes and/or bonds issued by the Township to finance improvements listed in the Development Plan, and
3. Honor the terms of any agreement entered into by the DDA with taxing jurisdictions.

At the time of Plan adoption, it is envisioned that it will take 24 years to pay all debts and obligations of the DDA. Assuming that the DDA can satisfy all debts and obligations identified in this Plan, the Development Plan and Tax Increment Financing Plan shall expire on December 31, 2028.

AGREEMENTS TO ALTER CAPTURED REVENUE

There are no agreements and no proposed agreements that would alter the amount of lawfully captured revenues from any source. Any proposed agreements that would alter the amount of lawfully captured revenues from any source shall be disclosed to all taxing jurisdictions.

IMPACT ON TAXING JURISDICTIONS

Section 14(1) of the Act requires the plan to contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in the Development Area.

The taxing jurisdictions that would be affected by the Lyon Township DDA generate a small portion of their total revenue from property taxes generated in the Development Area. Table 6 reveals that the total tax revenue captured from the Development Area in 2002 ranged from \$17,277 for the Huron-Clinton Metropolitan Authority to \$ 380,257 for Lyon Township.

In comparison to total revenue, the property taxes captured from the Development Area amount to substantially less than one percent of the total revenue of all of the affected taxing jurisdictions except Lyon Township. Lyon Township contributed about 4.66 percent of its total revenue in 2002 through property taxes captured from the Development Area.

The lack of sanitary sewer and public water utilities has stymied growth in the Development Area, so the increases in taxable value of properties in the Development Area have generated modest increases in

property tax revenues from the taxing jurisdictions. Column (d) in projects the increase in taxable value of real property in the Development Area based on 3.2% growth in taxable value per year. With the DDA being fully operational and able to finance utility extensions and other improvements in the Development Area, taxable value is expected to increase substantially, as noted in columns (f) and (g) in . Column (f) is based on the assumption that if utilities are installed about 42.5 acres of industrial land would be developed per year over the next 20 years.

Column (p) in projects the tax increment revenue that could be captured within the Development Area, based on the projected taxable values in column (h) and the captured assessed values in column (j).

The values in column (p) are somewhat misleading because the DDA intends to retain only the revenue it needs to implement the Development Plan, and then return all surplus revenues to the taxing jurisdictions. The DDA proposes to retain an additional \$100,000 per year (annually adjusted for inflation at 3.2 percent) for maintenance and administration.

provides two scenarios to illustrate the revenue benefit of a fully-operational, active DDA.

The first scenario is based there being no active DDA, with the following assumptions:

- § the DDA will capture no tax increment revenues
- § None of the Development Plan projects will be implemented
- § 33 percent of the growth and development projected under the Development Plan and TIF Plan will occur, even in the absence of the DDA and with none of the Development Plan projects implemented
- § the reduced level of growth and development will generate increases in taxable value

The second scenario is based on the Development Plan and the TIF Plan, with the following assumptions:

- § the DDA will be fully funded and capture the tax increment revenues as projected in the TIF Plan
- § the DDA will implement each of the Development Plan projects
- § the Development Plan projects will facilitate growth and development, generating increases in taxable value

Under the first scenario, no DDA, the projected taxable value is indicated in column (d). The total property tax revenues generated within the Development Area for each of the taxing jurisdictions is shown in columns (f) through (j).

Under the second scenario, an active DDA, the projected taxable value is indicated in column (e). The total property tax revenues generated within the Development Area for each of the taxing jurisdictions is shown in columns (k) through (o).

The difference between the two scenarios in total property tax revenues is shown in columns (p) through (t). Each of the taxing jurisdictions will receive less in total property tax revenues from the Development Area in the first three years, with an active DDA. In year 5, as the debt service on the final bond begins, each of the taxing jurisdictions will once again receive less in total property tax

revenues from the Development Area, with an active DDA. However, in year 4, and in year 6 and every year thereafter, all of the taxing jurisdictions will receive more property tax revenues from the Development Area with an active DDA, than they would receive if there were no DDA.

Table 5
Revenue Projections
Part 1 - Estimate of Taxable Value and Tax Increment Revenues

(a)	(b) <i>Period</i>		(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
Taxable Value Set Dec. 31	Fiscal Year Ending Dec. 31	Dec.	Program Year	Taxable Value: Current Real Property	Taxable Value: Current Personal Property	Potential Industrial Property Value with Utilities	Potential Increase in Value of The Orchards of Lyon Development	Total Taxable Value	Base Year Taxable Value	Total Taxable Value Subject to DDA Capture	Lyon Charter Township Millage	Oakland Community College Millage	Oakland County General Operating Millage	Oakland County Parks and Recreation Millage	Huron Clinton Metro Authority Millage	Total Millage and Captured Tax Revenue
											4.7761	1.6090	4.1900	0.2453	0.2170	11.0374
2002	2003		0	101,754,110	22,203,970	-	-	123,958,080	44,341,390	79,616,690	380,257	128,103	333,594	19,530	17,277	878,761
2003	2004		1	105,050,110	22,923,197	18,513,600	5,534,950	152,021,856	44,341,390	107,680,466	514,293	173,258	451,181	26,414	23,367	1,188,512
2004	2005		2	108,452,873	23,665,721	37,027,200	11,069,900	180,215,693	44,341,390	135,874,303	648,949	218,622	569,313	33,330	29,485	1,499,699
2005	2006		3	111,965,857	24,432,296	55,540,800	16,604,850	208,543,804	44,341,390	164,202,414	784,247	264,202	688,008	40,279	35,632	1,812,368
2006	2007		4	115,592,634	25,223,702	74,054,400	22,139,800	237,010,536	44,341,390	192,669,146	920,207	310,005	807,284	47,262	41,809	2,126,566
2007	2008		5	119,336,889	26,040,744	92,568,000	27,674,750	265,620,382	44,341,390	221,278,992	1,056,851	356,038	927,159	54,280	48,018	2,442,345
2008	2009		6	123,202,426	26,884,250	111,081,600	28,571,185	289,739,462	44,341,390	245,398,072	1,172,046	394,845	1,028,218	60,196	53,251	2,708,557
2009	2010		7	127,193,176	27,755,080	129,595,200	29,496,658	314,040,113	44,341,390	269,698,723	1,288,108	433,945	1,130,038	66,157	58,525	2,976,773
2010	2011		8	131,313,193	28,654,117	148,108,800	30,452,108	338,528,218	44,341,390	294,186,828	1,405,066	473,347	1,232,643	72,164	63,839	3,247,058
2011	2012		9	135,566,665	29,582,276	166,622,400	31,438,507	363,209,847	44,341,390	318,868,457	1,522,948	513,059	1,336,059	78,218	69,194	3,519,479
2012	2013		10	139,957,914	30,540,499	185,136,000	32,456,857	388,091,270	44,341,390	343,749,880	1,641,784	553,094	1,440,312	84,322	74,594	3,794,105
2013	2014		11	144,491,404	31,529,761	203,649,600	33,508,193	413,178,958	44,341,390	368,837,568	1,761,605	593,460	1,545,429	90,476	80,038	4,071,008
2014	2015		12	149,171,742	32,551,067	222,163,200	34,593,584	438,479,593	44,341,390	394,138,203	1,882,443	634,168	1,651,439	96,682	85,528	4,350,261
2015	2016		13	154,003,685	33,605,455	240,676,800	35,714,133	464,000,073	44,341,390	419,658,683	2,004,332	675,231	1,758,370	102,942	91,066	4,631,941
2016	2017		14	158,992,143	34,693,997	259,190,400	36,870,978	489,747,517	44,341,390	445,406,127	2,127,304	716,658	1,866,252	109,258	96,653	4,916,126
2017	2018		15	164,142,186	35,817,798	277,704,000	38,065,296	515,729,279	44,341,390	471,387,889	2,251,396	758,463	1,975,115	115,631	102,291	5,202,897
2018	2019		16	169,459,048	36,978,001	286,699,335	39,298,299	532,434,684	44,341,390	488,093,294	2,331,182	785,342	2,045,111	119,729	105,916	5,387,281
2019	2020		17	174,948,133	38,175,786	295,986,045	40,571,242	549,681,206	44,341,390	505,339,816	2,413,553	813,092	2,117,374	123,960	109,659	5,577,638
2020	2021		18	180,615,020	39,412,368	305,573,568	41,885,418	567,486,375	44,341,390	523,144,985	2,498,593	841,740	2,191,977	128,327	113,522	5,774,160
2021	2022		19	186,465,467	40,689,006	315,471,649	43,242,163	585,868,285	44,341,390	541,526,895	2,586,387	871,317	2,268,998	132,837	117,511	5,977,049
2022	2023		20	192,505,421	42,006,997	325,690,346	44,642,855	604,845,619	44,341,390	560,504,229	2,677,024	901,851	2,348,513	137,492	121,629	6,186,509
2023	2024		21	198,741,019	43,367,680	336,240,046	46,088,918	624,437,662	44,341,390	580,096,272	2,770,598	933,375	2,430,603	142,298	125,881	6,402,755
2024	2025		22	205,178,600	44,772,437	347,131,469	47,581,821	644,664,328	44,341,390	600,322,938	2,867,202	965,920	2,515,353	147,259	130,270	6,626,004
2025	2026		23	211,824,706	46,222,697	358,375,685	49,123,082	665,546,171	44,341,390	621,204,781	2,966,936	999,518	2,602,848	152,382	134,801	6,856,486
2026	2027		24	218,686,092	47,719,934	369,984,122	50,714,268	687,104,416	44,341,390	642,763,026	3,069,900	1,034,206	2,693,177	157,670	139,480	7,094,433
2027	2028		25	225,769,730	49,265,669	381,968,577	52,356,995	709,360,971	44,341,390	665,019,581	3,176,200	1,070,017	2,786,432	163,129	144,309	7,340,087
2028	2029		26	233,082,820	50,861,473	394,341,230	54,052,932	732,338,456	44,341,390	687,997,066	3,285,943	1,106,987	2,882,708	168,766	149,295	7,593,699
2029	2030		27	240,632,794	52,508,968	407,114,656	55,803,805	756,060,223	44,341,390	711,718,833	3,399,240	1,145,156	2,982,102	174,585	154,443	7,855,525
2030	2031		28	248,427,326	54,209,829	420,301,836	57,611,391	780,550,381	44,341,390	736,208,991	3,516,208	1,184,560	3,084,716	180,592	159,757	8,125,833
2031	2032		29	256,474,336	55,965,783	433,916,173	59,477,528	805,833,820	44,341,390	761,492,430	3,636,964	1,225,241	3,190,653	186,794	165,244	8,404,897
2032	2033		30	264,782,004	57,778,616	447,971,502	61,404,113	831,936,235	44,341,390	787,594,845	3,761,632	1,267,240	3,300,022	193,197	170,908	8,692,999

Notes:
Figures in blue represent a 3.2% inflationary increase over the previous year's value.
Figures in green represent an annual increase of \$18,513,600 resulting from continued industrial development of vacant property.
Figures in brown represent an annual increase of \$5,534,950 resulting from continued residential development of The Orchards of Lyon Planned Development.

Source: McKenna Associates, Inc., 2003.

Table 5

Revenue Projections
Part 2 - Estimated DDA Revenues and Expenditures

(a) Taxable Value Set Dec. 31	(b) Period Fiscal Year Ending Dec. 31		(c) Program Year	(q) Estimated Tax Increment Revenue	(r) SAD Payments	(s) Revenue Subtotal	(u) DDA Cash Flow			(w) Revenue Retained for Cost of DDA Operations	(x) Expenditure Subtotal	(y) Debt Service and Expenditures	(y) Surplus Revenue (Revenue Excess to DDA Needs)	(z) Lyon Charter Township	(aa)-(cc) Anticipated DDA Payments (Surplus Revenue) to:				(dd) Huron Clinton Metro Authority
	(t) Annual Debt Service Payment - Bond #1	(u) Annual Debt Service Payment - Bond #2					(v) Annual Debt Service Payment - Bond #3	(aa) Oakland Community College	(bb) Oakland County General Operating						(cc) Oakland County Parks and Recreation				
			0	878,761			2,980,030	11,292,750	5,493,946			878,761	380,257	128,103		19,530	17,277		
2002	2003		0	878,761			-	-	-			878,761	380,257	128,103		19,530	17,277		
2003	2004	1	1	1,188,512		1,188,512	(696,122)	-	(100,000)	(796,122)	796,122	392,390	169,795	57,201	148,958	8,721	7,715		
2004	2005	2	2	1,499,699	352,607	1,852,306	(696,122)	-	(103,200)	(799,322)	799,322	1,052,984	455,647	153,501	399,732	23,402	20,702		
2005	2006	3	3	1,812,368	340,095	2,152,463	(696,122)	(809,681)	(106,502)	(1,612,306)	1,612,306	540,157	233,736	78,742	205,053	12,005	10,620		
2006	2007	4	4	2,126,566	973,263	3,099,829	(696,122)	(809,681)	(109,910)	(1,615,714)	1,615,714	1,484,115	642,206	216,350	563,397	32,984	29,178		
2007	2008	5	5	2,442,345	937,840	3,380,184	(696,122)	(809,681)	(789,388)	(2,408,619)	2,408,619	971,565	420,415	141,632	368,824	21,592	19,101		
2008	2009	6	6	2,708,557	1,339,572	4,048,129	(696,122)	(809,681)	(789,388)	(117,057)	2,412,249	1,635,880	707,877	238,474	621,010	36,357	32,162		
2009	2010	7	7	2,976,773	1,288,637	4,265,410	(696,122)	(809,681)	(789,388)	(120,803)	2,415,995	1,849,415	800,278	269,602	702,072	41,102	36,360		
2010	2011	8	8	3,247,058	1,237,702	4,484,759	(696,122)	(809,681)	(789,388)	(124,669)	2,419,860	2,064,899	893,522	301,015	783,874	45,891	0,597		
2011	2012	9	9	3,519,479	1,186,767	4,706,245	(696,122)	(809,681)	(789,388)	(128,658)	2,423,850	2,282,396	987,637	332,721	866,439	50,725	44,873		
2012	2013	10	10	3,794,105	1,135,832	4,929,937	(696,122)	(809,681)	(789,388)	(132,775)	2,427,967	2,501,970	1,082,652	364,730	949,794	55,605	49,190		
2013	2014	11	11	4,071,008	1,084,897	5,155,904	(696,122)	(809,681)	(789,388)	(137,024)	2,432,216	2,723,689	1,178,594	397,051	1,033,962	60,532	53,549		
2014	2015	12	12	4,350,261	806,473	5,156,734	(696,122)	(809,681)	(789,388)	(141,409)	2,436,600	2,720,134	1,177,055	396,533	1,032,613	60,453	53,479		
2015	2016	13	13	4,631,941	768,050	5,399,991	(696,122)	(809,681)	(789,388)	(145,934)	2,441,126	2,958,865	1,280,359	431,335	1,123,240	65,759	58,173		
2016	2017	14	14	4,916,126	313,060	5,229,185	(696,122)	(809,681)	(789,388)	(150,604)	2,445,795	2,783,390	1,204,427	405,754	1,056,626	61,859	54,723		
2017	2018	15	15	5,202,897	297,548	5,500,444	(696,122)	(809,681)	(789,388)	(155,423)	2,450,615	3,049,830	1,319,721	444,595	1,157,771	67,781	59,961		
2018	2019	16	16	5,387,281		5,387,281	(696,122)	(809,681)	(789,388)	(160,397)	2,455,588	2,931,693	1,268,601	427,374	1,112,924	65,155	57,638		
2019	2020	17	17	5,577,638		5,577,638	(696,122)	(809,681)	(789,388)	(165,529)	2,460,721	3,116,917	1,348,751	454,375	1,183,239	69,272	61,280		
2020	2021	18	18	5,774,160		5,774,160	(696,122)	(809,681)	(789,388)	(170,826)	2,466,018	3,308,143	1,431,498	482,251	1,255,832	73,522	65,039		
2021	2022	19	19	5,977,049		5,977,049	(696,122)	(809,681)	(789,388)	(176,293)	2,471,484	3,505,565	1,516,927	511,031	1,330,777	77,909	68,921		
2022	2023	20	20	6,186,509		6,186,509	(696,122)	(809,681)	(789,388)	(181,934)	2,477,126	3,709,384	1,605,123	540,743	1,408,150	82,439	72,928		
2023	2024	21	21	6,402,755		6,402,755	-	(809,681)	(789,388)	(187,756)	1,786,825	4,615,929	1,997,403	672,897	1,752,292	102,586	90,751		
2024	2025	22	22	6,626,004		6,626,004	-	(809,681)	(789,388)	(193,764)	1,792,833	4,833,171	2,091,408	704,566	1,834,761	107,415	95,022		
2025	2026	23	23	6,856,486		6,856,486	-	-	(789,388)	(199,965)	989,353	5,867,133	2,538,824	855,294	2,227,272	130,394	115,350		
2026	2027	24	24	7,094,433		7,094,433	-	-	(789,388)	(206,364)	995,752	6,098,681	2,639,019	889,048	2,315,171	135,540	119,903		
2027	2028	25	25	7,340,087		7,340,087	-	-	-	(212,967)	212,967	7,127,120	3,084,045	1,038,971	2,705,586	158,396	140,122		
2028	2029	26	26	7,593,699		7,593,699	-	-	-	(219,782)	219,782	7,373,917	3,190,839	1,074,948	2,799,274	163,881	144,974		
2029	2030	27	27	7,855,525		7,855,525	-	-	-	(226,815)	226,815	7,628,710	3,301,093	1,112,091	2,895,999	169,544	149,984		
2030	2031	28	28	8,125,833		8,125,833	-	-	-	(234,073)	234,073	7,891,760	3,414,920	1,150,438	2,995,857	175,390	155,155		
2031	2032	29	29	8,404,897		8,404,897	-	-	-	(241,564)	241,564	8,163,333	3,532,435	1,190,027	3,098,951	181,425	160,495		
2032	2033	30	30	8,692,999		8,692,999	-	-	-	(249,294)	249,294	8,443,706	3,653,757	1,230,899	3,205,386	187,657	166,007		

Notes to Table 5:

- (1) The data in this column indicate the date as of which the taxable value is set for real and personal property taxation for each row in the table.
- (2) The data in this column indicate the fiscal year for each row in the table.
- (3) The data in this column indicate the program year for the Tax Increment Financing Plan.
- (4) The data in this column are the projected taxable value of real property within the boundaries of the Development Area covered by this Development Plan and Tax Increment Financing Plan. The datum for program year 1 is the actual taxable value of real property within the boundaries of the development area, as determined by the Lyon Charter Township Assessor. The data for the remaining program years are derived by applying an annual growth rate of 3.2 percent. This value was determined by the annual growth in real property values within boundaries of the development area from 1999 to 2002, excluding those properties that increased in value from investment in new construction and development.¹
- (5) The data in this column are the projected taxable value of personal property within the boundaries of the Development Area covered by this Development Plan and Tax Increment Financing Plan. The datum for program year 1 is the actual taxable value of personal property within the boundaries of the Development Area, as determined by the Lyon Charter Township Assessor. The data for the remaining program years are derived by applying an annual growth rate of 3.2 percent (see note (d) above).
- (6) The data in this column indicate the projected value of new industrial development within the boundaries of the Development Area. The assumed industrial development is predicated upon the installation of utilities and the implementation of the Development Plan. The projections deal with 1,064 acres in New Hudson and the Grand River Avenue corridor that are most suitable for development due to access, proper zoning, lack of substantial wetlands, etc. The projections assume that 80 percent of this land will be developed over a 20-year period, resulting in absorption of 42.5 acres of land per year. The taxable value of these lands was \$3,829,230, or \$3,599 when the original Development Plan and Tax Increment Financing Plan was adopted in 1999. Upon build-out, the value of these lands is projected to increase to \$435,000/acre. This figure is based on land values in neighboring communities and the value of recent developments in the Township. The data in this column reflect the remaining 16 years of the 20-year build-out estimate. Starting in program year 16, the data reflect an annual 3.2 percent growth in property values (see note (d) above).
- (7) The data in this column indicate the projected value of the continued residential development of The Orchards of Lyon planned development, a 198.6-acre mixed-use development in New Hudson. The pre-development taxable value of this land was \$566,020, or \$2,850/acre. According to the fiscal impact study submitted by the developer, the taxable value of this land will increase to \$55,349,502, or \$278,726 per acre, upon completion. The projection assumes that the development will be built-out over a ten-year period, ending in program year 5. Starting

¹For the purposes of this Tax Increment Financing Plan, it is assumed that any real property that increased in value in excess of 15.0 percent benefitted from investment in new construction or development.

in program year 7, the data reflect an annual 3.2 percent growth in property value (see note (d) above).

- (8) The data in this column are the project total taxable value of real and personal property within the boundaries of the Development Area. The datum in each row is the sum of the data in that row in columns (d), (e), (f), and (g).
- (9) The figure in this column is the base year taxable value. This figure is the taxable value of real and personal property within the boundaries of the Development Area as of December 31, 1998, as determined by the Lyon Charter Township Assessor.
- (10) The data in this column are the total taxable value that are subject to capture by the DDA. The figure for each row is obtained by subtracting the base year taxable value in column (i) from the total taxable value in column (h). It is this increase in taxable value over the base year that constitutes the DDA source of property tax revenue each year.
- (11) The figure at the top of this column is the property tax rate, expressed in mills, assessed by Lyon Charter Township, as certified by Oakland County for 2002. Each year that the Tax Increment Financing Plan is in effect, the DDA=s capture of the Township=s property tax revenues will be based on the Township=s property tax rate that is in effect that year, and this rate is subject to change. The data in this column are the property tax revenues that the DDA will capture from the Township. The figure in each row is obtained by applying the Township=s property tax rate to the total taxable value subject to DDA capture in column (j).
- (12) The figure at the top of this column is the property tax rate, expressed in mills, assessed by Oakland Community College, as certified by Oakland County for 2002. Each year that the Tax Increment Financing Plan is in effect, the DDA=s capture of the College=s property tax revenues will be based on the College=s property tax rate that is in effect that year, and this rate is subject to change. The data in this column are the property tax revenues that the DDA will capture from the College. The figure in each row is obtained by applying the College=s property tax rate to the total taxable value subject to DDA capture in column (j).
- (13) The figure at the top of this column is the property tax rate, expressed in mills, assessed by Oakland County for its general operations, as certified by Oakland County for 2002. Each year that the Tax Increment Financing Plan is in effect, the DDA=s capture of the County=s property tax revenues will be based on the County=s property tax rate that is in effect that year, and this rate is subject to change. The data in this column are the property tax revenues that the DDA will capture from the County. The figure in each row is obtained by applying the County=s property tax rate to the total taxable value subject to DDA capture in column (j).
- (14) The figure at the top of this column is the property tax rate, expressed in mills, assessed by Oakland County for parks and recreation, as certified by Oakland County for 2002. Each year that the Tax Increment Financing Plan is in effect, the DDA=s capture of the County=s park and recreation property tax revenues will be based on the County=s park and recreation property tax rate that is in effect that year, and this rate is subject to change. The data in this column are the property tax revenues that the DDA will capture from the County. The figure in each row is obtained by applying the County=s park and recreation property tax rate to the total taxable value subject to DDA capture in column (j).

- (15) The figure at the top of this column is the property tax rate, expressed in mills, assessed by Huron Clinton Metropolitan Authority, as certified by Oakland County for 2002. Each year that the Tax Increment Financing Plan is in effect, the DDA=s capture of the Authority=s property tax revenues will be based on the Authority=s property tax rate that is in effect that year, and this rate is subject to change. The data in this column are the property tax revenues that the DDA will capture from the Authority. The figure in each row is obtained by applying the Authority=s property tax rate to the total taxable value subject to DDA capture in column (i).
- (16) The figure at the top of this column is the total property tax rate that is subject to capture by the DDA. Each year that the Tax Increment Financing Plan is in effect, the DDA=s capture of property tax revenues will be based on the property tax rates that are in effect that year, and these rates are subject to change. The data in this column are the total property tax revenues that the DDA will capture. The figure in each row is obtained by applying the total captured property tax rate to the total taxable value subject to capture in column (j).
- (17) The data in this column are the estimated tax increment revenues that the DDA will receive each year. The figures in each row are equal to the value in column (p).
- (18) The data in this column are the payments to the DDA from the Special Assessment Districts for the projects identified in the Project Improvements and Phasing section of this Plan. The SAD payments reflect payment for the portions of the projects that are deemed to be a private benefit.
- (19) The data in this column are the total annual DDA revenues projected for each of the plan years. The figure in each row is the sum of columns (q) and (r).
- (20) The figure at the top of this column is the total amount of funds to be acquired through the issuance of bond(s) to finance the projects identified in the DDA=s Development Plan (see the Project Improvements and Phasing section of the Development Plan) for year 2004. The bond amount represents the total costs of the projects, including both the private benefit and the public benefit. The data in this column are the annual debt service payments that will be required of the DDA to repay the bonds used to finance the Development Plan. The figure in each row is based on a 20-year repayment with an interest rate of 5.5 percent.
- (21) The figure at the top of this column is the total amount of funds to be acquired through the issuance of bond(s) to finance the projects identified in the Project Improvements and Phasing section for year 2006. The bond amount represents the total costs of the projects, including both the private benefit and the public benefit. The data in this column are the annual debt service payments that will be required of the DDA to repay the bonds used to finance the Development Plan. The figure in each row is based on a 20-year repayment with an interest rate of 5.5 percent.
- (22) The figure at the top of this column is the total amount of funds to be acquired through the issuance of bond(s) to finance the projects identified in the Project Improvements and Phasing section for year 2008. The bond amount represents the total costs of the projects, including both the private benefit and the public benefit. The data in this column are the annual debt service payments that will be required of the DDA to repay the bonds used to finance the Development Plan. The figure in each row is based on a 20-year repayment with an interest rate of 5.5 percent.

- (23) The data in this column are the revenues retained each year for the administration and operations of the DDA. The figure in each row represents a 3.2 percent inflationary increase from the previous year, with a base amount of \$100,000 in program year 1.
- (24) The data in this column are the total annual DDA expenditures for each of the plan years. The figure in each row is a sum of the values in columns (t), (u), (v), and (w).
- (25) The data in this column are the net DDA revenues in excess of the DDA needs for each program year. The figure in each row is obtained by subtracting annual expenditures in column (x) from the annual revenues in column (s). Section 15(1) of the Act requires that surplus funds revert proportionately to the taxing jurisdictions. Thus, the figure in each row represents the total amount of surplus funds that the DDA anticipates it will return to the taxing jurisdictions in each program year.
- (z),
(aa),
(bb),
(cc),
and
(dd) The data in these columns are the surplus funds that the DDA will return to each of the taxing jurisdictions in each year. The figure in each row is obtained by multiplying the total amount of surplus funds in column (y) by the ratio of the property tax rate of each taxing jurisdiction to the total millage captured by the DDA. In addition to these amounts, the DDA will pass through any additional incremental tax revenues generated from development of significant numbers of vacant sites developed on an in-fill basis over the life of the Plan.

Table 6
Impact on Taxing Jurisdictions

Jurisdiction	Captured Taxable Value, 2002	Millage Rate, 2002	Estimated Captured Tax Revenue from Development Area	Total Revenue of Taxing Jurisdiction, 2002	Captured Revenue from District as a Percent of Total Revenue
Lyon Charter Township	79,616,690	4.7761	380,257	8,164,517	4.66%
Oakland Community College	79,616,690	1.6090	128,103	153,651,183	0.08%
Oakland County General Operating, and I	79,616,690	4.4353	353,124	602,622,396	0.06%
Huron Clinton Metro Authority	79,616,690	0.2170	17,277	40,521,077	0.04%

Source: McKenna Associates, Inc., 2003.

Table 7

Net Property Tax Revenue Impact to Taxing Jurisdictions

Comparison of Property tax Revenue Collections with DDA Funded Improvements and Tax Capture, and without DDA

33.0% Non-DDA Growth Assumption

(a)	(b)	(c)	(d)	(e)	(f)-(j) Total Development Area Revenues With No DDA					(k)-(o) Total Development Area Revenues with Active DDA					(p)-(t) Net Revenue Impact With Active DDA				
Taxable Value Set Dec. 31	Fiscal Year Ending Dec. 31	Program Year	Total Taxable Value (without DDA)	Total Taxable Value (with Active DDA)	Lyon Charter Township Millage	Oakland Community College Millage	Oakland County General Operating Millage	Oakland County Parks and Recreation Millage	Huron Clinton Metro Authority Millage	Lyon Charter Township Millage	Oakland Community College Millage	Oakland County General Operating Millage	Oakland County Parks and Recreation Millage	Huron Clinton Metro Authority Millage	Lyon Charter Township Millage	Oakland Community College Millage	Oakland County General Operating Millage	Oakland County Parks and Recreation Millage	Huron Clinton Metro Authority Millage
2002	2003	0	123,958,080	123,958,080	592,036	199,449	519,384	30,407	26,899	592,036	199,449	519,384	30,407	26,899	-	-	-	-	-
2003	2004	1	137,234,353	152,021,856	655,445	220,810	575,012	33,664	29,780	381,574	128,547	334,749	19,598	17,337	(273,871)	(92,263)	(240,263)	(14,066)	(12,443)
2004	2005	2	141,422,559	180,215,693	675,448	227,549	592,561	34,691	30,689	667,426	224,846	585,522	34,279	30,324	(8,023)	(2,703)	(7,038)	(412)	(365)
2005	2006	3	145,746,430	208,543,804	696,100	234,506	610,678	35,752	31,627	445,515	150,088	390,844	22,882	20,242	(250,584)	(84,418)	(219,834)	(12,870)	(11,385)
2006	2007	4	150,210,358	237,010,536	717,420	241,688	629,381	36,847	2,596	853,985	287,695	749,188	43,861	8,800	136,565	46,007	119,806	7,014	6,205
2007	2008	5	154,818,881	265,620,382	739,430	249,104	648,691	37,977	33,596	632,194	212,977	554,614	32,469	28,723	(107,236)	(36,126)	(94,077)	5,508	(4,872)
2008	2009	6	158,045,973	289,739,462	754,843	254,296	662,213	38,769	34,296	919,656	309,819	806,800	47,233	41,784	164,813	55,523	144,588	8,465	7,488
2009	2010	7	162,967,471	314,040,113	778,349	262,215	682,834	39,976	35,364	1,012,057	340,948	887,862	51,979	45,982	233,708	78,733	205,029	12,003	10,618
2010	2011	8	168,048,384	338,528,218	802,616	270,390	704,123	41,222	36,466	1,105,301	372,360	969,664	56,768	50,219	302,685	101,970	265,541	15,546	13,752
2011	2012	9	173,293,878	363,209,847	827,669	278,830	726,101	42,509	37,605	1,199,416	404,066	1,052,230	61,602	54,495	371,747	125,236	326,128	19,093	16,890
2012	2013	10	178,709,283	388,091,270	853,533	287,543	748,792	43,837	38,780	1,294,430	436,075	1,135,584	66,482	58,812	440,897	148,532	386,792	22,644	20,032
2013	2014	11	184,300,103	413,178,958	880,236	296,539	772,217	45,209	39,993	1,390,373	468,397	1,219,753	71,409	63,171	510,137	171,858	47,535	26,201	23,178
2014	2015	12	190,072,019	438,479,593	907,803	305,826	796,402	46,625	41,246	1,388,834	467,878	1,218,403	71,330	63,101	481,031	162,053	422,001	24,706	21,855
2015	2016	13	196,030,898	464,000,073	936,263	315,414	821,369	48,086	2,539	1,492,138	502,680	1,309,030	76,636	67,795	555,875	187,266	487,661	28,550	25,256
2016	2017	14	202,182,796	489,747,517	965,645	325,312	847,146	49,595	43,874	1,416,206	477,100	1,242,416	72,736	64,345	450,561	151,788	395,270	23,141	20,471
2017	2018	15	208,533,965	515,729,279	995,979	335,531	873,757	51,153	45,252	1,531,500	515,941	1,343,562	78,658	69,583	535,521	180,409	469,805	27,504	24,331
2018	2019	16	211,949,833	532,434,684	1,012,294	341,027	888,070	51,991	45,993	1,480,380	498,719	1,298,715	76,032	67,260	468,086	157,692	410,645	24,041	21,267
2019	2020	17	218,815,271	549,681,206	1,045,084	352,074	916,836	53,675	47,483	1,560,530	525,720	1,369,029	80,149	70,902	515,446	173,647	452,193	26,473	23,419
2020	2021	18	225,903,094	567,486,375	1,078,936	363,478	946,534	55,414	49,021	1,643,277	553,597	1,441,622	84,399	74,662	564,341	190,119	495,088	28,985	25,641
2021	2022	19	233,220,504	585,868,285	1,113,884	375,252	977,194	57,209	50,609	1,728,706	582,376	1,516,567	88,786	78,543	614,821	207,124	539,373	31,577	27,934
2022	2023	20	240,774,937	604,845,619	1,149,965	387,407	1,008,847	59,062	52,248	1,816,902	612,088	1,593,941	93,316	82,550	666,937	224,682	585,094	34,254	30,302
2023	2024	21	248,574,073	624,437,662	1,187,215	399,956	1,041,525	60,975	53,941	2,209,182	744,242	1,938,082	113,463	100,373	1,021,968	344,286	896,557	52,488	46,433
2024	2025	22	256,625,837	644,664,328	1,225,671	412,911	1,075,262	62,950	55,688	2,303,187	775,911	2,020,551	118,291	104,644	1,077,516	363,000	945,289	55,341	48,956
2025	2026	23	264,938,412	665,546,171	1,265,372	426,286	1,110,092	64,989	57,492	2,750,603	926,639	2,413,062	141,271	124,972	1,485,230	500,353	1,302,970	76,281	67,481
2026	2027	24	273,520,247	687,104,416	1,306,360	440,094	1,146,050	67,095	59,354	2,850,798	960,393	2,500,962	146,417	129,525	1,544,438	520,299	1,354,912	79,322	70,171
2027	2028	25	282,380,062	709,360,971	1,348,675	454,350	1,183,172	69,268	61,276	3,295,824	1,110,316	2,891,376	169,273	149,744	1,947,148	655,967	1,708,204	100,005	88,468
2028	2029	26	291,526,863	732,338,456	1,392,361	469,067	1,221,498	71,512	63,261	3,402,618	1,146,293	2,985,065	174,758	154,596	2,010,256	677,227	1,763,567	103,247	91,335
2029	2030	27	300,969,946	756,060,223	1,437,463	484,261	1,261,064	73,828	65,310	3,512,872	1,183,436	3,081,789	180,421	159,606	2,075,409	699,176	1,820,725	106,593	94,295
2030	2031	28	310,718,907	780,550,381	1,484,025	499,947	1,301,912	76,219	67,426	3,626,699	1,221,783	3,181,648	186,267	164,777	2,142,674	721,836	1,879,735	110,048	97,351
2031	2032	29	320,783,654	805,833,820	1,532,095	516,141	1,344,084	78,688	69,610	3,744,214	1,261,372	3,284,742	192,302	170,117	2,212,119	745,231	1,940,658	113,614	100,507
2032	2033	30	331,174,417	831,936,235	1,581,722	532,860	1,387,621	81,237	71,865	3,865,536	1,302,244	3,391,176	198,534	175,629	2,283,814	769,384	2,003,556	117,296	103,764

Source: McKenna Associates, Inc., 2003.

APPENDIX

A. 1998-1999 TAXABLE VALUE OF ALL PARCELS IN THE TAX INCREMENT FINANCING DISTRICT

B. THE PLAN FOR NEW HUDSON