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BOYNE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY

Monday, April 10, 2017 Noon
364 N. Lake St., Boyne City, MI 49712

- 1. CALL MEETING TO ORDER**
- 2. ROLL CALL**
Excused Absences
- 3. HEARING CITIZENS PRESENT (ON NON-AGENDA ITEMS)**
- 4. UNFINISHED BUSINESS**
 - a. TIF Plan and Development Plan Amendment
 - b. Other
- 5. NEW BUSINESS**
 - a. Meeting Times
 - b. Other
- 6. GOOD OF THE ORDER**
- 7. ANNOUNCEMENTS**
 - The next regular meeting is scheduled for May 8, 2017
- 8. ADJOURNMENT**

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Cindy Grice, City Clerk/Treasurer, 364 North Lake Street, Boyne City, Michigan 49712 (231) 582-0334

TAX INCREMENT FINANCING PLAN and DEVELOPMENT PLAN AMENDMENT

CITY OF BOYNE CITY

LOCAL DEVELOPMENT FINANCE AUTHORITY AND DISTRICT

at

Boyne City Air Business Park

April 2017



Approved by Boyne City Local Development

Finance Authority: April 10, 2017

Public Hearing: April 25, 2017

Approved by Boyne City Commission: April 25, 2017

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Introduction

This Boyne City Local Development Financing Authority (LDFA) Tax Increment Financing Plan and Development describes the approach, elements, and impacts to continue and expand upon the success for the Boyne City Air Business Park LDFA District.

LOCAL DEVELOPMENT FINANCING ACT

In 1986, the Michigan legislature enacted Public Act 281 titled the ***Local Development Financing Authority Act***. This legislation allows Michigan villages and other qualified local governments to form an authority to:

“encourage local development to prevent conditions of unemployment and promote economic growth; to provide for the establishment of local development finance authorities and to prescribe their powers and duties; to provide for the creation of a board to govern an authority and to prescribe its powers and duties; to provide for the creation and implementation of development plans; to authorize the acquisition and disposal of interests in real and personal property; to permit the issuance of bonds and other evidences of indebtedness by an authority; to prescribe powers and duties of certain public entities and state officers and agencies; to reimburse authorities for certain losses of tax increment revenues; and to authorize and permit the use of tax increment financing.”

POWERS OF THE AUTHORITY

Section 7 of the act provides a detailed explanation of the powers of the Board of Directors of the LDFA. These are as follows:

(a) Study and analyze unemployment, underemployment, and joblessness and the impact of growth upon the authority district or districts.

(b) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility.

(c) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, to promote the growth of the authority district or districts, and take the steps that are necessary to implement the plans to the fullest extent possible to create jobs, and promote economic growth.

(d) Implement any plan of development necessary to achieve the purposes of this act in accordance with the powers of the authority as granted by this act.

(e) Make and enter into contracts necessary or incidental to the exercise of the board's powers and the performance of its duties.

(f) Acquire by purchase or otherwise on terms and conditions and in a manner the authority considers proper, own or lease as lessor or lessee, convey, demolish, relocate, rehabilitate, or otherwise dispose of real or personal property, or rights or interests in that property, which the authority determines is reasonably necessary to

achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect to the property.

(g) Improve land, prepare sites for buildings, including the demolition of existing structures, and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, or operate a building, and any necessary or desirable appurtenances to a building, as provided in section 12(2) for the use, in whole or in part, of a public or private person or corporation, or a combination thereof.

(h) Fix, charge, and collect fees, rents, and charges for the use of a building or property or a part of a building or property under the board's control, or a facility in the building or on the property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.

(i) Lease a building or property or part of a building or property under the board's control.

(j) Accept grants and donations of property, labor, or other things of value from a public or private source.

(k) Acquire and construct public facilities.

(l) Incur costs in connection with the performance of the board's authorized functions including, but not limited to, administrative costs, and architects, engineers, legal, and accounting fees.

(m) Plan, propose, and implement an improvement to a public facility on eligible property to comply with the barrier free design requirements of the State Construction Code promulgated under the State Construction Code act of 1972, Act No. 230 of the Public Acts of 1972."

BOYNE CITY LOCAL DEVELOPMENT FINANCING AUTHORITY

The City of Boyne City Commission established the Local Development Financing Authority by resolution approved on November 12, 1996 under the auspices of Act 281, PA 1986 ("the Act"). The resolution established that the Authority District as all properties in a Planned Industrial District (PID), General Commercial/Industrial District (GC/I), and Industrial District I.

The LDFA developed and approved a resolution to adopt the Development and TIF Plan on April 8, 1997 and the City Commission approved a resolution to adopt the Development and TIF Plan on April 29, 1997. The duration of the Plan was established as 20 years, with the ending date of April 29, 2017.

The LDFA was charged with the duty of improving the economic environment of the Authority District under the parameters of the Act. The LDFA serves as the principle instrument in acquiring and developing land to expand the Boyne City Air Business Park.

The Development and TIF Plan also included a list of projects, separated into immediate, short-term, long-term, and on-going. The Development and TIF Plan included a total cost of \$1,956,500, but the total of Table 1, List of Projects and Cost, was actually \$2,318,650.

The public facilities proposed under the Development Plan have been completed and the obligations for those public facilities have been met through tax capture and reimbursement under the Tax Increment Financing Plan.

The LDFA Board is proposing to build on and continue the success by updating the LDFA Plan.

This Boyne City LDFA Tax Increment Financing Plan and Development Plan describes the District boundaries, providing for additional public facilities, and extending the time period for tax capture.

I. Tax Increment Financing Plan

The Boyne City LDFA board has determined that the following TIF plan is necessary for the achievement of the purposes of PA 281 of 1986, as amended to help eliminate the causes of unemployment, underemployment and joblessness, and to promote economic growth in the city. This determination is consistent with the Boyne City Commission resolution adopted December 10, 1996 that stated, in part, that “the Authority can assist in development, expansion, and improvements to the industrial sectors of the City of Boyne City.”

The extension of the Boyne City Air Business Park LDFA TIF and Development Plan will help to diversify the local economic base with industrial and technology-led economic development by:

- Attracting and retaining industrial and technology related jobs in the city;
- Attracting and retaining industrial technology related capital in the city;
- Creating and expanding tax base over the long term; and
- Providing the only viable financing mechanism available to Boyne City for implementing the LDFA TIF and Development Plan.

A. Statement of Increase Value Creation

MCL 125.2162(1)(a)

(a) A statement of the reasons that the plan will result in the development of captured assessed value that could not otherwise be expected.

The City of Boyne City may capture operating levies of all taxing jurisdictions within the LDFA district, with the exception of School Operation and State Education Tax, and Intermediate School District taxes. Investment in reimbursable public

facilities and improvements is a proven mechanism for generating private capital in the form of business retention, attraction and expansion. Private investment, in turn, creates tax base and assessed value subject to capture by the LDFA to pay for past and future public facilities and improvements. The implementation of the LDFA TIF and Development Plan has resulted in over \$2.0 million in public investment, almost \$10 million in private investment, and an increase of \$4,799,689 in taxable value, with anticipated continued success with the extension of the LDFA TIF and Development Plan. With the support of the LDFA Development and TIF Plan public facilities, the project is estimated to stimulate \$4.5 million in new investment and generate an estimated \$ 6.3 million in additional taxes for all taxing jurisdiction over the 20-year life of the TIF and Development Plan and will continue to accrue beyond the plan.

B. Annual Estimated Capture Assessed Value
MCL 125.2162(1)(b)

(b) An estimate of the captured assessed value for each year of the plan.

The base value for the original LDFA TIF and Development Plan was determined on the basis of assessments as of December 31, 1997, which was \$6,342,306. The schedule of initial taxable values for each parcel including in the LDFA District is provided in Attached B. The LDFA TIF Plan proposed an extension of the capture period for twenty (20) years, to 2037. The annual estimated taxable values for this period are shown in Table 2 and have been developed with the assumptions that accompany that chart.

C. Annual Estimated Tax Increment Revenues
MCL 125.2162(1)(d).

(c) The estimated tax increment revenues for each year of the plan.

Table 2 also estimates the tax increment revenues generated from estimated taxable value for each year of the proposed plan. Key assumptions behind these estimates involve:

- The rate of Business Park build out;
- The pattern of types of development within the park and corresponding costs of construction;
- The ratio of estimated taxable real and personal property;
- Depreciation and inflationary projections; and
- Eligibility/approval of all taxable projects for PA 198 tax exemption certification.

D. Tax Increment Procedure

MCL 125.2162(1)(d)

(d) A detailed explanation of the tax increment procedure.

In subsequent years, any increase in assessment above the base year level is referred to as the “captured assessed value.” Property taxes levied on the state equalized value of all real and personal property within the designated area by taxing jurisdictions (less any debt service or other millages specified as exempt in the enabling statutes) is diverted, or “captured” for use in carrying out the adopted development plan for the district.

For the purposes of this TIF plan, the initial assessed value of all property in the LDFA district shall be established as of December 31, 1997. The total assessed value, as of that date, was \$1,946,506. Increases in assessed values of properties within a development district that result in the generation of tax increment revenue, can be attributable to any of the following sources:

- New construction occurring after the date established as the tax base year;
- Improvements to existing properties occurring after the date established as the tax base year; and
- Increases in property values that occur for any other reason.

The procedure for authorizing or amending a TIF plan and the development plan, if part of the TIF plan, includes holding and noticing a public hearing, disclosure to taxing jurisdictions impacted by the plan, and an approval process as outlined in sections 16 and 17 of PA 281, as amended.

Public Hearing: The City Commission shall hold a public hearing on the TIF plan and the development plan and shall provide a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture to express their views and recommendations regarding the TIF plan. The LDFA shall fully inform the taxing jurisdictions about the fiscal and economic implications of the proposed TIF plan. The taxing jurisdictions may present their recommendations at the public hearing on the TIF plan. Notice of the time and place of the City Commission’s public hearing shall be published twice in a newspaper of general circulation in the city, the first of which shall not be less than 20 days before the date set for the hearing. The notice shall contain all the information required in section 16 (2). At the public hearing, the City Commission shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference to the TIF plan and development plan. The City Commission shall make and preserve a record of the public hearing, including data presented at that time. After the public hearing the City Commission shall determine whether the TIF plan and

development plan each constitutes a public purpose and shall, by resolution, approve, reject or modify each plan. Unless contested in a court of competent jurisdiction within 60 days of adoption of resolution, the procedure, notice and findings shall be conclusive. The treasurer is required by law to transmit taxes collected from all applicable taxing units on captured assessed value of all real and personal property located in the development district (with exceptions as previously defined) to the LDFA. The taxes transmitted to the LDFA, known as tax increment revenue, must be deposited by the LDFA in the project fund established under the TIF plan.

Public Act 281 of 1986, as amended, authorizes an LDFA to use tax increment revenues to pay the cost of public facilities and improvements, as defined in Section 2, on a cash pay-as-you-go basis or to make payments on bonds issued by the city or LDFA to finance the facilities or improvements. The LDFA shall expend tax increment revenue only in accordance with the TIF plan. Surplus revenue shall revert proportionately to the respective taxing units unless retained to further the implementation of the development plan pursuant to a resolution of the LDFA.

The TIF plan and development plan may be amended upon approval of the City Commission following the same notice and public hearing process as required for approval or rejection of an original plan except if amendment is for revisions in estimates for captured assessed value and tax increment revenue. When the City Commission determines that the purpose for which the TIF plan and development plan was established has been achieved, it may abolish the plan.

E. Maximum Indebtedness

MCL 125.2162(1)(e)

(e) The maximum amount of note or bonded indebtedness to be incurred, if any.

The maximum indebtedness is anticipated to be \$4,912,225, the estimated cost of the public facilities. There are three options for financing the cost of the public facilities: 1) pay-as-you-go with TIF revenues; 2) an advance from the City of Boyne City with reimbursement from TIF revenues; and 3) the issuance of a promissory note or sale of bonds with bond payments made with TIF revenues. is not anticipated for the implementation of the development plan. The method of financing will depend on the timing, cost, and need for the public facilities to encourage private investment. The LDFA and City of Boyne City reserve the option of issuing a note or incurring bonded indebtedness in an amount up to \$4.91 million. This limitation shall include the principal amount of any note of bonded indebtedness only and shall not include any reimbursement agreement to repay any advances made by the City of Boyne City, or any owner or lessee of eligible property in the LDFA district for costs incurred for a

public facility or improvement. The exact type of note or bond to be issued will be determined by the LDFA and City Commission as the occasion arises.

F. Operating/Planning Expenditures; Advances
MCL 125.2162(1)(f)

(f) The amount of operating and planning expenditures of the authority and municipality, the amount of advances extended by or indebtedness incurred by the municipality, and the amount of advances by others to be repaid from tax increment revenues.

Table 1 provides a breakdown of all estimated expenditures of the LDFA for the anticipated duration of the TIF plan. Advances extended by the City of Boyne City, State and Federal sources, and others are estimated as follows:

CATEGORY	COST ESTIMATE
Road Improvements	\$850,000
Stormwater Improvements	\$1,061,500
Water and Sewer Improvements	\$300,000
Other Infrastructure	\$750,000
Property Acquisition	\$550,000
Infrastructure maintenance and repair	\$400,000
Analysis and feasibility assessments	\$160,000
Administrative support	\$200,000
SUBTOTAL	\$4,271,500
Contingency (15%)	\$640,725
TOTAL	\$4,912,225

Estimated advances are presented as “up to” amounts because, at the time of adoption of this plan, the pace of continued Business Park buildout is uncertain and as a result, the amount that the city and others may need to advance or the amount of captured assessed value available to support the repayment of advances.

G. TIF Plan Cost
MCL 125.2162(1)(g)

(g) The costs of the plan anticipated to be paid from tax increment revenues as received.

Table 1 provides further detail about public facilities and public improvement projects anticipated in the TIF and development plans. Section 12 (7) of PA 281, as amended, states, “The tax increment financing plan may provide for the use of tax increment

revenues for public facilities for any eligible property located in the business development area.

Table 2 provides projections for tax increment revenue and expenditures for the duration of the TIF and development plans. As the chart indicates, all tax increment revenue will be expended for eligible costs until such time as annual revenues exceed annual costs, including the repayment of advances as identified in section F above.

H. Development and TIF Plan Duration

MCL 125.2162(1)(h)

(h) The duration of the development plan and the tax increment plan.

The anticipated duration of the Development and TIF Plans is twenty years, from 2017 to 2037.

I. Estimate of Impact of TIF on Taxing Jurisdictions

MCL 125.2162(1)(i)

(i) An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the eligible property is or is anticipated to be located.

Table 4 provides an estimate of the impact of the TIF plan on the revenues of all taxing jurisdictions that levy taxes in the LDFA district.

J. Legal Description of the Eligible Property

MCL 125.2162(1)(j)

(j) A legal description of the eligible property to which the tax increment financing plan applies or shall apply upon qualification as eligible property.

The TIF plan applies to the LDFA district boundaries, which, in part, include those of the Boyne City Air Business Park. The boundaries of the LDFA district are identified by the legal descriptions presented Appendix C – Legal Descriptions and in Figures 1 - 3.

K. Estimated Job Creation

MCL 125.2162(1)(k)

(k) An estimate of the number of jobs to be created as a result of implementation of the tax increment financing plan.

Based upon estimates based on anticipated buildout of the Boyne City Air Business Park, 400 new jobs are anticipated to be created within ten years from 2017. This estimate assumes full park build out, the expansion of existing employers in the park during this

period, and the “graduation” of start-up firms incubated in the park’s Innovation Center into new locations both within and outside the park.

II. Development Plan

The LDFA board has determined that the preceding TIF plan is necessary for the achievement of the purposes of the LDFA act and the TIF plan requires project financing. Therefore, the following development plan is determined to be necessary to accomplish the development program contained in the TIF plan.

A. Property Description; LDFA District Boundaries **MCL 125.2165(2)(a)**

(a) A description of the property to which the plan applies in relation to the boundaries of the authority district and a legal description of the property.

The TIF plan applies to the LDFA district boundaries, which, in part, include those of the Boyne City Air Business Park. The boundaries of the LDFA district are identified by the legal descriptions presented Appendix A – Legal Descriptions and Figures 1 -3.

B. Property Boundaries **MCL 125.2165(2)(b)**

b) The designation of boundaries of the property to which the plan applies in relation to highways, streets, or otherwise.

Figure 2 and Figure 3 are maps that depicts the boundaries of the LDFA within which the Development Plan applies. The property is irregularly shaped. The LDFA District includes the Boyne City Air Business Park, generally bounded by the Boyne City Airport and bisected by the Boyne Rive to the north, Boyne Avenue (M-75) and LexaMar Drive to the south, Beardsley Street to the west, and Moll Drive to the east.

C. Public Infrastructure and Land Uses **MCL 125.2165(2)(c)**

(c) The location and extent of existing streets and other public facilities in the vicinity of the property to which the plan applies; the location, character, and extent of the categories of public and private land uses then existing and proposed for the property to which the plan applies, including residential, recreational, commercial, industrial, educational, and other uses.

There are two primary north-south access roads into Boyne City Air Business Park from Boyne Avenue (M-75); the west entrance is Air Business Park Drive and the west entrance is Moll Drive. The Park is linked east-west by LexaMar Drive, with a north loop along Airview Drive. The Development Area also includes property accessed by Beardsley

Street to the west of the Park. The road network and water, sewer, and initial stormwater infrastructure was installed under the original Development and TIF Plans. The City of Boyne City acquired property within the Park, a substantial portion of which has been sold and developed by private and other parties. A number of parcels owned by the City, particularly in the east portion of the Park, remain undeveloped and available for sale and redevelopment.

Proposed uses for the property within the Development Area have been and are anticipated to be primarily industrial.

D. Public Facilities Acquisition

MCL 125.2165(2)(d)

(d) A description of public facilities to be acquired for the property to which the plan applies, a description of any repairs and alterations necessary to make those improvements, and an estimate of the time required for completion of the improvements.

The focus of the Boyne City Air Business Park LDFA Development and TIF Plan is to provide for maintenance and improvements to existing infrastructure, as well as additional stormwater management systems and road improvements, and investigation of new communication and green infrastructure opportunities.

The timing and implementation will depend upon need, useful life of existing infrastructure, opportunity to encourage business retention and expansion, and available funding.

Depending upon availability, opportunity, cost and return, additional property may be acquired within the LDFA Development Area over the 20-year period of the Plan.

E. Public Facilities Development, Cost, Schedule

MCL 125.2165(2)(e)

(e) The location, extent, character, and estimated cost of the public facilities for the property to which the plan applies, and an estimate of the time required for completion.

Table 1 provides public facility and public improvement project information in a summary format.

The Boyne City Air Business Park includes approximately 1.9 miles of roadway and comparable length of water and sewer infrastructure that require maintenance and eventual rehabilitation.

The Development Plan also calls for improvements to communication and stormwater infrastructure, and infrastructure to support sale and development of vacant parcels

F. Construction and Schedule

MCL 125.2165(2)(f)

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

Information on the stages of construction and timeframe is provided in Figure 4 – Public Facility Implementation Schedule.

G. Property Transaction with Municipality

MCL 125.2165(2)(g)

(g) A description of any portions of the property to which the plan applies, which the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

There is no anticipated property which the authority desires to sell, donate, exchange, or lease to or from the municipality.

H. Desired Zoning and Infrastructure Changes

MCL 125.2165(2)(h)

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

The LDFA district is properly zoned for the purposes of implementing the Development Plan and no zoning changes are needed. The infrastructure for the Boyne City Air Business Park has been completed under the first LDFA Development and TIF Plans and there are no proposed adjustments to streets, street topography or current utilities. Tax increment revenue will be used, however, to maintain and repair infrastructure during the life of the Development Plan. Utility connections from water and sewer mains onto developed lots may be supported by the Development Plan. The LDFA may consider improvements, installation and maintenance of additional infrastructure at a future date after studies contemplated in this updated Development Plan are conducted.

I. Public Facility Cost and Financing

MCL 125.2165(2)(i)

(i) An estimate of the cost of the public facility or facilities, a statement of the proposed method of financing the public facility or facilities, and the ability of the authority to arrange the financing.

Table 1 summarizes the estimated costs and method of financing for each anticipated public facility and public improvement project. These projects have been or will be funded by the city or others with reimbursement anticipated from tax increment

revenues generated within the LDFA district over time. Table 2 provides cash flow projections for the operation of the LDFA during its 20-year life. Based upon the assumptions that accompany Table 2, adequate tax increment revenue is anticipated to cover public facility and public improvement projects identified in the development plan.

J. Public Facility Conveyance and Benefit

MCL 125.2165(2)(j)

(j) Designation of the person or persons, natural or corporate, to whom all or a portion of the public facility or facilities is to be leased, sold, or conveyed and for whose benefit the project is being undertaken, if that information is available to the authority.

There are no plans to lease, sell or convey public facilities, as defined by Section 2 (aa) of PA 281, as amended, within the LDFA district.

Residents of the City of Boyne City, as well as Charlevoix County and adjacent counties, are among the beneficiaries of the development plan through the creation of new jobs and investment, economic growth, and long-term tax base enhancement. Firms located in the LDFA district will benefit from public improvements and the maintenance and operation of public facilities supported by the development plan.

K. Public Facility Transfer Procedures

MCL 125.2165(2)(k)

(k) The procedures for bidding for the leasing, purchasing, or conveying of all or a portion of the public facility or facilities 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.

Parcels are available for sale for industrial development or other approved purposes. Potential purchasers may submit an offer for purchase that will be reviewed by the LDFA Board. As part of the due diligence process, prospective purchasers must provide development and financing plans and agree to enter into a Development Agreement that will include, among other terms and conditions, milestones for development and reimbursement and/or liquidated damages conditions for lack of performance.

L. Residential Displacement

MCL 125.2165(2)(l)

(l) Estimates of the number of persons residing on the property to which the plan applies and the number of families and individuals to be displaced...

There are currently no residential dwellings or residences that occupy the LDFA District.

M. Plan for Residential Relocation

MCL 125.2165(2)(m)

(m) A plan for establishing priority for the relocation of persons displaced by the development.

The Eligible Property does not currently contain any residential dwellings; therefore, a plan for residential relocation is not applicable.

N. Provision of Costs of Relocation

MCL 125.2165(2)(n)

(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, 42 U.S.C. 4601 to 4655.

The Eligible Property does not currently contain any residential dwellings; therefore, a provision for residential relocation has not been allocated.

O. Strategy to Comply with Relocation Assistance Act, 1972 PA 227

MCL 125.2165(2)(o)

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

The Eligible Property does not currently contain any residential dwellings; therefore, relocation is not necessary.

P. Other material that the LDFA or city considers pertinent

MCL 125.2165(2)(p)

(p) Other material which the authority or governing body considers pertinent.

None.

LIST OF EXHIBITS

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Table 3	Captured Taxes and Tax Revenues
Table 4	Impact on Tax Jurisdictions

FIGURES

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**TABLE 1
PUBLIC FACILITIES
BOYNE CITY LDFA TIF DEVELOPMENT PLAN
BOYNE CITY LOCAL DEVELOPMENT FINANCING AUTHORITY
BOYNE CITY, MICHIGAN**

Public Facility Description	TOTAL PUBLIC FACILITIES
<i>Road Improvements</i>	
Additional Access Roads (inc North property access)	\$850,000
Maintenance and Improvements	<u>\$200,000</u>
<i>Subtotal</i>	<u>\$1,050,000</u>
<i>Stormwater Improvements</i>	
Drainage Area 51a	\$415,500
Drainage Area 51b	\$646,000
Maintenance and Improvement	<u>\$100,000</u>
<i>Subtotal</i>	<u>\$1,161,500</u>
<i>Water and Sewer Improvements</i>	
Water and Sewer Extensions	\$300,000
Maintenance and Improvement	<u>\$100,000</u>
<i>Subtotal</i>	<u>\$400,000</u>
<i>Other Infrastructure</i>	
Fiber Connections	\$300,000
Trail Development	\$100,000
Signage	\$100,000
Lighting Improvements	\$150,000
Landscaping	<u>\$100,000</u>
<i>Subtotal</i>	<u>\$750,000</u>
<i>Property Acquisition</i>	
	\$550,000
<i>Analysis and Feasibility Assessments</i>	
Communications	\$50,000
Workforce Housing	\$35,000
Economic Development	<u>\$75,000</u>
<i>Subtotal</i>	<u>\$160,000</u>
<i>Administrative and Operational Support</i>	
	\$200,000
<i>Subtotal Totals</i>	
	\$4,271,500
<i>Contingencies (15%)</i>	
	<u>\$640,725</u>
LDFA PUBLIC FACILITIES TOTAL	<u>\$4,912,225</u>

**TABLE 2
CASH FLOW STATEMENT
Boyne City Air Business Park
Boyne City Local Development Financing Authority**

REVENUE YEAR	2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032	16 2033	17 2034	18 2035	19 2036	20 2037	TOTALS
ANNUAL VALUE ADDITIONS																						
Buildings/Land	\$4,500,000																					
Personal Property	\$0																					
TOTAL	\$4,500,000																					
CUMULATIVE VALUE - EXISTING																						
Buildings/Land	\$12,699,156	\$12,953,139	\$13,212,202	\$13,476,446	\$13,745,975	\$14,020,894	\$14,301,312	\$14,587,338	\$14,879,085	\$15,176,667	\$15,480,200	\$15,789,804	\$16,105,600	\$16,427,712	\$16,756,267	\$17,091,392	\$17,433,220	\$17,781,884	\$18,137,522	\$18,500,272	\$18,870,278	
Personal Property	\$15,888,034	\$11,916,026	\$9,532,820	\$7,944,017	\$5,560,812	\$3,972,009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$28,587,190	\$24,869,165	\$22,745,022	\$21,420,463	\$19,306,787	\$17,992,903	\$14,301,312	\$14,587,338	\$14,879,085	\$15,176,667	\$15,480,200	\$15,789,804	\$16,105,600	\$16,427,712	\$16,756,267	\$17,091,392	\$17,433,220	\$17,781,884	\$18,137,522	\$18,500,272	\$18,870,278	
CUMULATIVE VALUE - NEW																						
Buildings/Land	\$0	\$0	\$750,000	\$765,000	\$1,530,300	\$1,560,906	\$2,342,124	\$2,388,967	\$3,186,746	\$3,250,481	\$4,065,490	\$4,146,800	\$4,979,736	\$5,079,331	\$5,180,918	\$5,284,536	\$5,390,227	\$5,498,031	\$5,607,992	\$5,720,152	\$5,834,555	
Personal Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$750,000	\$765,000	\$1,530,300	\$1,560,906	\$2,342,124	\$2,388,967	\$3,186,746	\$3,250,481	\$4,065,490	\$4,146,800	\$4,979,736	\$5,079,331	\$5,180,918	\$5,284,536	\$5,390,227	\$5,498,031	\$5,607,992	\$5,720,152	\$5,834,555	
CUMULATIVE VALUE - TOTAL																						
Buildings/Land	\$12,699,156	\$12,953,139	\$13,962,202	\$14,241,446	\$15,276,275	\$15,581,800	\$16,643,436	\$16,976,305	\$18,065,831	\$18,427,148	\$19,545,691	\$19,936,605	\$21,085,337	\$21,507,043	\$21,937,184	\$22,375,928	\$22,823,447	\$23,279,915	\$23,745,514	\$24,220,424	\$24,704,833	
Personal Property	\$15,888,034	\$11,916,026	\$9,532,820	\$7,944,017	\$5,560,812	\$3,972,009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$28,587,190	\$24,869,165	\$23,495,022	\$22,185,463	\$20,837,087	\$19,553,809	\$16,643,436	\$16,976,305	\$18,065,831	\$18,427,148	\$19,545,691	\$19,936,605	\$21,085,337	\$21,507,043	\$21,937,184	\$22,375,928	\$22,823,447	\$23,279,915	\$23,745,514	\$24,220,424	\$24,704,833	
TAXABLE VALUE - EXISTING																						
Buildings/Land	\$6,349,578	\$6,476,570	\$6,606,101	\$6,738,223	\$6,872,987	\$7,010,447	\$7,150,656	\$7,293,669	\$7,439,543	\$7,588,333	\$7,740,100	\$7,894,902	\$8,052,800	\$8,213,856	\$8,378,133	\$8,545,696	\$8,716,610	\$8,890,942	\$9,068,761	\$9,250,136	\$9,435,139	
Personal Property/Land	20.00% \$6,355,214	\$4,766,410	\$3,813,128	\$3,177,607	\$2,224,325	\$1,588,803	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$12,704,792	\$11,242,980	\$10,419,229	\$9,915,830	\$9,097,312	\$8,599,251	\$7,150,656	\$7,293,669	\$7,439,543	\$7,588,333	\$7,740,100	\$7,894,902	\$8,052,800	\$8,213,856	\$8,378,133	\$8,545,696	\$8,716,610	\$8,890,942	\$9,068,761	\$9,250,136	\$9,435,139	
TAXABLE VALUE - NEW																						
Buildings/Land	\$0	\$0	\$375,000	\$382,500	\$765,150	\$780,453	\$1,171,062	\$1,194,483	\$1,593,373	\$1,625,240	\$2,032,745	\$2,073,400	\$2,489,868	\$2,539,666	\$2,590,459	\$2,642,268	\$2,695,113	\$2,749,016	\$2,803,996	\$2,860,076	\$2,917,277	
Personal Property/Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$375,000	\$382,500	\$765,150	\$780,453	\$1,171,062	\$1,194,483	\$1,593,373	\$1,625,240	\$2,032,745	\$2,073,400	\$2,489,868	\$2,539,666	\$2,590,459	\$2,642,268	\$2,695,113	\$2,749,016	\$2,803,996	\$2,860,076	\$2,917,277	
TAXABLE VALUE - TOTAL																						
Buildings/Land	Initial Taxable Value \$1,199,406	\$6,349,578	\$6,476,570	\$6,981,101	\$7,120,723	\$7,638,137	\$7,790,900	\$8,321,718	\$8,488,153	\$9,032,916	\$9,213,574	\$9,772,845	\$9,968,302	\$10,542,668	\$10,753,522	\$10,968,592	\$11,187,964	\$11,411,723	\$11,639,958	\$11,872,757	\$12,110,212	\$12,352,416
Personal Property/Land	\$747,100	\$6,355,214	\$4,766,410	\$3,813,128	\$3,177,607	\$2,224,325	\$1,588,803	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$1,946,506	\$12,704,792	\$11,242,980	\$10,794,229	\$10,298,330	\$9,862,462	\$9,379,704	\$8,321,718	\$8,488,153	\$9,032,916	\$9,213,574	\$9,772,845	\$9,968,302	\$10,542,668	\$10,753,522	\$10,968,592	\$11,187,964	\$11,411,723	\$11,639,958	\$11,872,757	\$12,110,212	\$12,352,416
INITIAL TAXABLE VALUE (as of) 12/31/1996																						
Buildings/Land	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406	\$1,199,406
Personal Property/Land	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100	\$747,100
TOTAL	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506	\$1,946,506
TAXABLE VALUE SUBJECT TO LDFA CAPTURE																						
Buildings/Land	\$5,150,172	\$5,277,164	\$5,781,695	\$5,921,317	\$6,438,731	\$6,591,494	\$7,122,312	\$7,288,747	\$7,833,510	\$8,014,168	\$8,573,439	\$8,768,896	\$9,343,262	\$9,554,116	\$9,769,186	\$9,988,558	\$10,212,317	\$10,440,552	\$10,673,351	\$10,910,806	\$11,153,010	
Personal Property/Land	\$5,608,114	\$4,019,310	\$3,066,028	\$2,430,507	\$1,477,225	\$841,703	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$10,758,286	\$9,296,474	\$8,847,723	\$8,351,824	\$7,915,956	\$7,433,198	\$7,122,312	\$7,288,747	\$7,833,510	\$8,014,168	\$8,573,439	\$8,768,896	\$9,343,262	\$9,554,116	\$9,769,186	\$9,988,558	\$10,212,317	\$10,440,552	\$10,673,351	\$10,910,806	\$11,153,010	
REVENUES																						
SCHOOL TAXES	\$46,716	\$304,915	\$269,832	\$259,061	\$247,160	\$236,699	\$225,113	\$199,721	\$203,716	\$216,790	\$221,126	\$234,548	\$239,239	\$253,024	\$258,085	\$263,246	\$268,511	\$273,881	\$279,359	\$284,946	\$290,645	\$296,458
NON-SCHOOL TAXES	\$49,732	\$324,602	\$287,254	\$275,788	\$263,118	\$251,982	\$239,648	\$212,617	\$216,869	\$230,787	\$235,403	\$249,692	\$254,686	\$269,361	\$274,748	\$280,243	\$285,848	\$291,565	\$297,396	\$303,344	\$309,411	\$315,599
ISD TAXES	\$5,414	\$35,336	\$31,270	\$30,022	\$28,643	\$27,430	\$26,088	\$23,145	\$23,608	\$25,123	\$25,626	\$27,181	\$27,725	\$29,322	\$29,909	\$30,507	\$31,117	\$31,739	\$32,374	\$33,022	\$33,682	\$34,356
TOTAL TAXES	\$101,862	\$664,853	\$588,355	\$564,872	\$538,921	\$516,112	\$490,848	\$435,483	\$444,193	\$472,701	\$482,155	\$511,422	\$521,650	\$551,707	\$562,741	\$573,996	\$585,476	\$597,186	\$609,129	\$621,312	\$633,738	\$646,413
CAPTURED LDFA TAXES																						
State Allocation																						
Total Allocation	\$274,870	\$237,521	\$226,056	\$213,386	\$202,250	\$189,915	\$181,972	\$186,225	\$200,143	\$204,759	\$219,048	\$224,042	\$238,717	\$244,104	\$249,599	\$255,204	\$260,921	\$266,752	\$272,700	\$278,767	\$284,955	\$4,911,903
CUMULATIVE LDFA CAPTURED TAXES																						
LDFA LOCAL TAXES	\$274,870	\$512,391	\$738,447	\$951,833	\$1,154,082	\$1,343,997	\$1,525,970	\$1,712,194	\$1,912,337	\$2,117,096	\$2,336,144	\$2,560,186	\$2,798,902	\$3,043,006	\$3,292,605	\$3,547,809	\$3,808,729	\$4,075,481	\$4,348,181	\$4,626,948	\$4,911,903	\$

Table 3 Revenues and LDFA Captured Taxes Boyerne City LDFA Plan Amendment

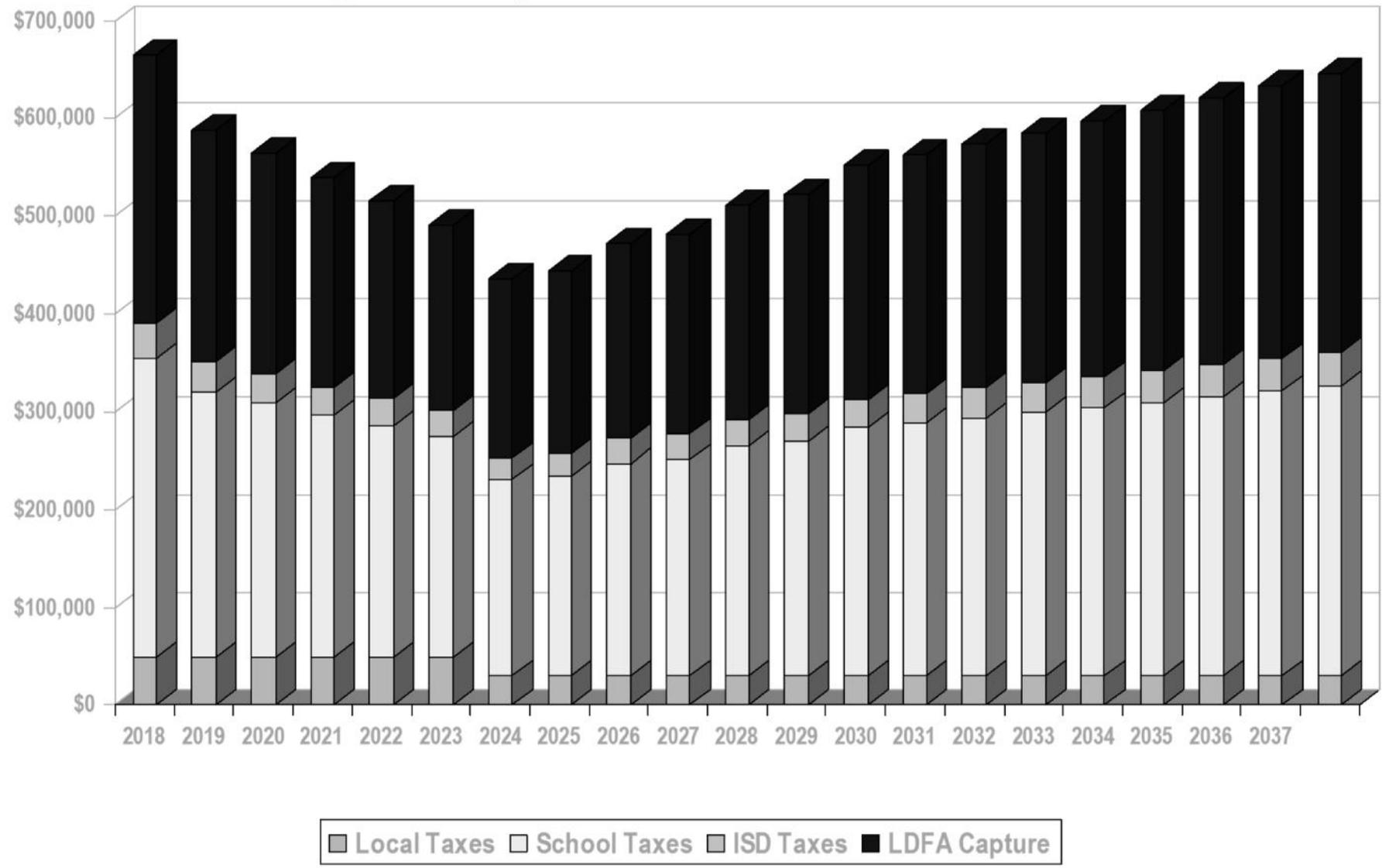
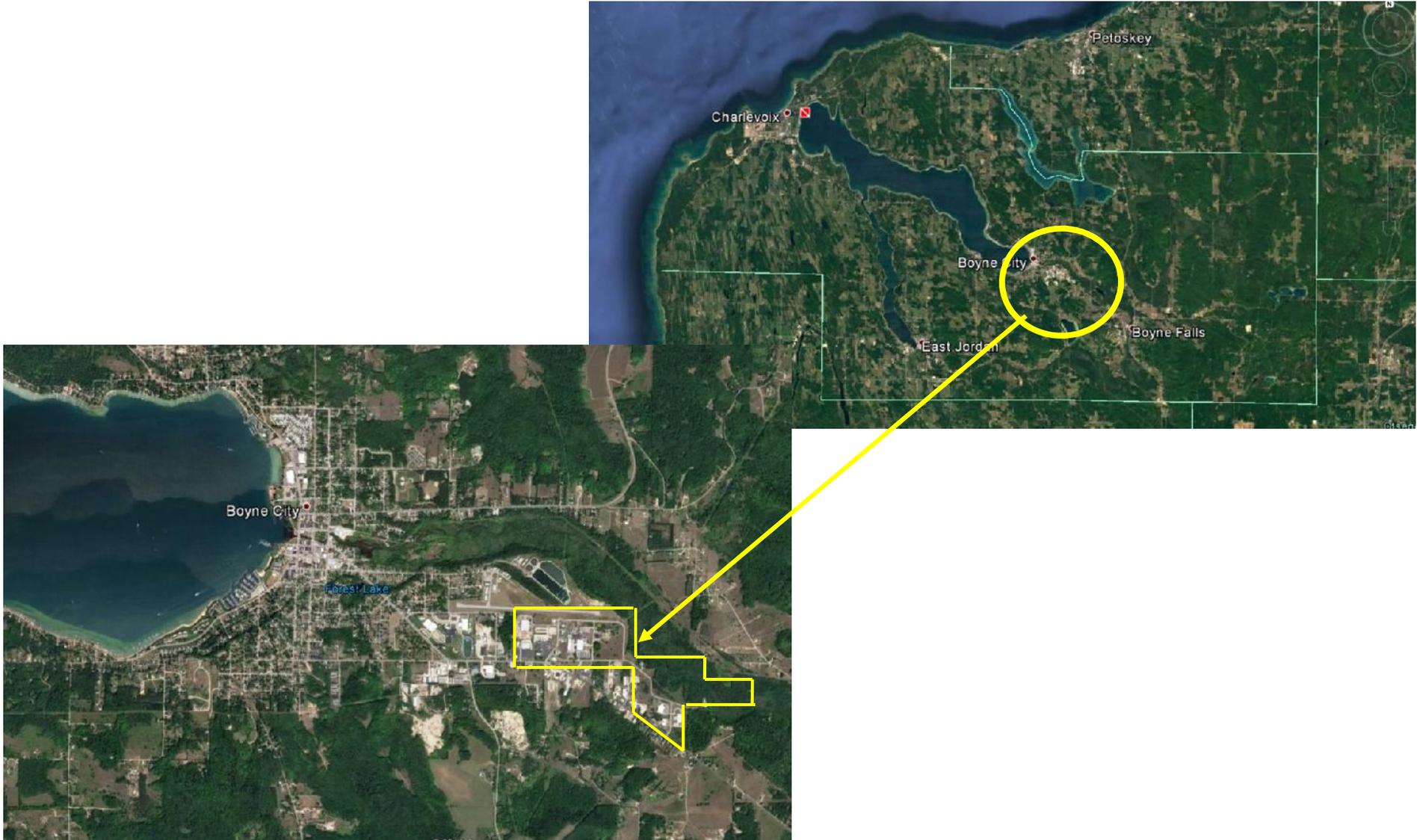


Table 4 Impact on Taxing Jurisdictions
Development Plan and Tax Increment Financing Plan
Boyne City Local Development Finance Authority

	Millages	Millage Total	Percent Allocation	Total Capture \$4,911,903	Total Revenues \$6,311,378
City of Boyne City		16.83000	65.87%	\$3,235,562	\$466,589
Allocated	15.51000				
Voted	1.32000				
Charlevoix County		7.75000	30.33%	\$1,489,935	\$214,858
Allocated	4.70000				
Transit	0.25000				
Recycling	0.15000				
Sr Citizen	0.65000				
Grandvue Operating	0.75000				
County Parks	0.15000				
County Veterans	0.10000				
Roads	1.00000				
Library	0.96960	0.96960	3.79%	\$186,405	\$26,881
Library Debt*					
Boyne City Schools			0.00%		
School Debt*	3.35000				
Local Taxes Total	31.68090	25.54960	100.00%	\$4,911,903	\$708,327
ISD	2.78130	2.78130		\$0	\$581,890
State Taxes		24.00000		\$0	\$5,021,161
School Operating	18.00000				
State Educ Tax	6.00000				
Total	55.68090	52.33090		\$4,911,903	\$6,311,378



<p>Boyne City LDF Development Area Boundaries</p>	<p>Figure 1: Development Area Location</p>
 <p>Boyne City Local Development Financing Authority</p>	<p>Date: January 2017</p>



Boyne City LDFA Development Area Boundaries	Figure 3a: Eligible Property West
 Boyne City Local Development Financing Authority	Date: January 2017



<p>Boyne City LDFA Development Area Boundaries</p>	<p>Figure 3b: Eligible Property East</p>
 <p>Boyne City Local Development Financing Authority</p>	<p>Date: January 2017</p>

Public Facility Implementation Schedule

Boyer City LDFA

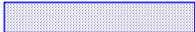
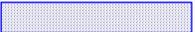
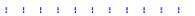
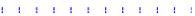
ID	Task Name	Duration	Start	Finish	2017				2018				2019				2020				2021				2022			
					Q1	Q2	Q3	Q4																				
1	Road Improvements	250 days	Tue 10/1/19	Mon 9/14/20																								
2	Design	60 days	Tue 10/1/19	Mon 12/23/19																								
3	Financing	60 days	Tue 12/24/19	Mon 3/16/20																								
4	Bidding	30 days	Tue 3/17/20	Mon 4/27/20																								
5	Construction	100 days	Tue 4/28/20	Mon 9/14/20																								
6	Stormwater Improvements	401 days	Tue 1/1/19	Tue 7/14/20																								
7	Drainage Area 51a	140 days	Tue 1/1/19	Mon 7/15/19																								
8	Design	30 days	Tue 1/1/19	Mon 2/11/19																								
9	Financing	30 days	Tue 2/12/19	Mon 3/25/19																								
10	Bidding	20 days	Tue 3/26/19	Mon 4/22/19																								
11	Construction	60 days	Tue 4/23/19	Mon 7/15/19																								
12	Drainage Area 52a	140 days	Wed 1/1/20	Tue 7/14/20																								
13	Design	30 days	Wed 1/1/20	Tue 2/11/20																								
14	Financing	30 days	Wed 2/12/20	Tue 3/24/20																								
15	Bidding	20 days	Wed 3/25/20	Tue 4/21/20																								
16	Construction	60 days	Wed 4/22/20	Tue 7/14/20																								
17	Water and Sewer Improvements	240 days	Mon 1/3/22	Fri 12/2/22																								
18	Design	60 days	Mon 1/3/22	Fri 3/25/22																								
19	Financing	30 days	Mon 3/28/22	Fri 5/6/22																								
20	Bidding	30 days	Mon 5/9/22	Fri 6/17/22																								
21	Construction	120 days	Mon 6/20/22	Fri 12/2/22																								
22	Other Infrastructure	951 days	Mon 4/3/17	Wed 12/2/20																								
23	Fiber Connections	170 days	Tue 1/2/18	Mon 8/27/18																								
24	Design	30 days	Tue 1/2/18	Mon 2/12/18																								
25	Financing	30 days	Tue 2/13/18	Mon 3/26/18																								
26	Bidding	20 days	Tue 3/27/18	Mon 4/23/18																								

Project: Boyne City LDFA Dev Date: Tue 4/4/17	Task		Rolled Up Task		Project Summary	
	Split		Rolled Up Split		External Milestone	
	Progress		Rolled Up Milestone		Deadline	
	Milestone		Rolled Up Progress			
	Summary		External Tasks			

Public Facility Implementation Schedule

Boyne City LDFA

ID	Task Name	Duration	Start	Finish	2017				2018				2019				2020				2021				2022			
					Q1	Q2	Q3	Q4																				
27	Construction	90 days	Tue 4/24/18	Mon 8/27/18																								
28	Trail Development	240 days	Thu 1/2/20	Wed 12/2/20																								
29	Design	60 days	Thu 1/2/20	Wed 3/25/20																								
30	Financing	30 days	Thu 3/26/20	Wed 5/6/20																								
31	Bidding	30 days	Thu 5/7/20	Wed 6/17/20																								
32	Construction	120 days	Thu 6/18/20	Wed 12/2/20																								
33	Signage	60 days	Mon 4/3/17	Fri 6/23/17																								
34	Design	10 days	Mon 4/3/17	Fri 4/14/17																								
35	Financing	10 days	Mon 4/17/17	Fri 4/28/17																								
36	Bidding	20 days	Mon 5/1/17	Fri 5/26/17																								
37	Construction	20 days	Mon 5/29/17	Fri 6/23/17																								
38	Lighting Improvements	160 days	Thu 3/1/18	Wed 10/10/18																								
39	Design	60 days	Thu 3/1/18	Wed 5/23/18																								
40	Financing	20 days	Thu 5/24/18	Wed 6/20/18																								
41	Bidding	20 days	Thu 6/21/18	Wed 7/18/18																								
42	Construction	60 days	Thu 7/19/18	Wed 10/10/18																								
43	Landscaping	140 days	Thu 2/1/18	Wed 8/15/18																								
44	Design	30 days	Thu 2/1/18	Wed 3/14/18																								
45	Financing	30 days	Thu 3/15/18	Wed 4/25/18																								
46	Bidding	20 days	Thu 4/26/18	Wed 5/23/18																								
47	Construction	60 days	Thu 5/24/18	Wed 8/15/18																								
48	Analysis and Feasibility Studeies	207 days	Mon 5/1/17	Thu 2/22/18																								
49	Communications	120 days	Mon 5/1/17	Tue 10/17/17																								
50	Workforce Housing	120 days	Fri 9/1/17	Thu 2/22/18																								
51	Economic Development	120 days	Fri 9/1/17	Thu 2/22/18																								

Project: Boyne City LDFA Dev Date: Tue 4/4/17	Task		Rolled Up Task		Project Summary	
	Split		Rolled Up Split		External Milestone	
	Progress		Rolled Up Milestone		Deadline	
	Milestone		Rolled Up Progress			
	Summary		External Tasks			

ATTACHMENT A

Description of LDFA Development Area

The intent for creation of the Boyne City Local Development Finance Authority is to make available potential economic development tools authorized by Act 281 of 1986, as amended. All properties in the current zoning classification are:

(RCIND) Regional Commercial/Industrial District

(PID) Planned Industrial District

These are considered "eligible properties". However, only properties with a "Standard Industrial Classification" inside the GC/I District are eligible.

Eligible properties can receive support for public improvements required for private sector expansion and new investment. They can also utilize the LDFA as a conduit for private expansion and machinery acquisition.

All properties contained in the following legal description are included in the tax increment financing portion of this plan.

Boyne City Air/Industrial Park, being a part of the S 1/2 of the SE 1/4 of Section 36, T33N-R6W, City of Boyne City, Charlevoix County, Michigan, described as beginning at the S 1/4 corner of said Section 36; thence N 01 degrees 25' 00" E 32.68' along the N/S 1/4 line of said Section 36; thence N 38 degrees 13' 46" E 208.51'; thence N 01 degrees 25' 25" E, 003.83'; thence N 49 degrees 11' 18" W 33.20'; thence S 87 degrees 21' 23" E 2,147.30'; thence S 02 degrees 36' 07" W 1,124.23'; thence N 89 degrees 59' 20" W 2,223.63' along the south line of said Section 36 to the point of beginning; containing twelve (12) lots numbers 1 through 12 inclusive, two outlets lettered "A" and "B"; the total area of the subdivision being 57.12 acres more or less.

Also,

Commencing at the South ¼ corner, Section 36, T33N-R6W; thence N89°36'51"W along the South line of Section 36, 335.78'; thence N01°19'49" E, 621.00' to the POINT OF BEGINNING; thence N89°36'43"W, 613.49'; thence N01°09'08"E, 727.15' to the centerline of earth berm; thence S87°39'56"E along said centerline 620.76'; thence S01°19'49"W, 706.10' to the Point of Beginning, part of the SE ¼ of the SW ¼, Section 36, T33N-R6W.

Also,

City of Boyne City, Section 36, T33-R6W, commencing at the SE corner of the SE ¼ of the SW ¼, Section 36, West 20 rods, North 80 rods, East 20 rods, South 80 rods, to PLACE OF BEGINNING.

Also,

Commencing at the south ¼ corner, Section 36, T33N-R6W; thence N01°25'00"E, 32.68' to the POINT OF BEGINNING; then N01°25'00E, 1,274.05'; thence S49°11'18"E, 161.75'; thence S01°25'00"W, 1,004.07'; thence S38°10'44"W, 208.88' to the POINT OF BEGINNING.

Also,

Commencing at the South $\frac{1}{4}$ corner, Section 36, T33M-R6W; thence N89°36'50"W along South line of said Section, 1,343.10' to the West $\frac{1}{8}$ line of said Section 36; thence N01°03'38"E along said $\frac{1}{8}$ line, 865.11' to the POINT OF BEGINNING; thence N01°03'38"E along said $\frac{1}{8}$ line, 412.44' to the South $\frac{1}{8}$ line of said Section; thence M88°06'08"E along said North $\frac{1}{8}$ line, 393.50'; thence S01°09'08"W, 425.56'; thence N89°59'20"W, 392.36' to the West $\frac{1}{8}$ line of said Section and Point of Beginning, being part of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 36, T33N-R6W.

Also,

Commencing at the South $\frac{1}{4}$ corner, Section 36, T33N-R6W; thence N89°36'51"W along the South line of Section 36, 952.34'; thence N001°09'08"E, 366.00' for the POINT OF BEGINNING; thence S89°36'44"E, 262.35'; thence N01°14'27"E, 255.00'; thence N89°36'43"W, 262.74'; thence S01°09'08"W, 255.00' for the Point of Beginning.

Also,

Commencing at the NE corner, Section 1, T32N-R6W, Charlevoix County; thence South along the East line of said Section, 319.12'; thence Northwesterly to the North line of said Section to a point on the North line, 386.42' West of the NE corner; thence East along the North line to the NE corner of said Section 1.

Also,

Land in Section 6, T32N-R5W, Charlevoix County, Described as the South $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$, also, the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$, also the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$, also the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$, lying North of State Highway M-75, excluding the following:

Land in the Township of Boyne Valley, Charlevoix County, Michigan; commencing at the NW corner of Section 6, T32N-R5W; thence South along the West line of said Section, 1,118.29' to the POINT OF BEGINNING; thence South along said section line, 364.90' to the Northeasterly right-of-way of Highway M-75; thence S54°18'30" E along said highway, 260.80' (also recorded as S54°35'00"E, 130.80'); thence N35°34'51"E, 296.36' (also recorded as N45°35'00"E, 300') to a T-iron stake; thence N54°47'25" (also recorded as N54°25'00"W, 346.25') to the Point of Beginning; being a part of the West $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Section 6, T32N-R5W.

Also,

Land in the City of Boyne City, Section 36, T33N-R6W, Charlevoix County described as commencing at the SE corner of said Section 36; thence N89°59'20"W, 449.49'; thence N02°36'07"E, 1,124.23'; thence S89°21'23"E to the East line of said Section 36; thence South along the East line of said Section to the SE corner of said Section 36.

Schedule of Initial Assessed Values
City of Boyne City LDFA

Owner	Parcel ID	Property Type	1996 Taxable Value	1996 IFT Exempt	1997 Taxable Value	1997 IFT Exempt	2016 Taxable Value	2016 IFT Value
12th Avenue Realty CO LLC	15-051-306-001-35	Real					\$17,600.00	
12th Avenue Realty Co LLC	15-051-306-001-45	Real					\$21,500.00	
12th Avenue Realty Co LLC	15-051-306-001-55	Real					\$0.00	
Altair Leasing	15-051-900-002-20	Personal					\$77,600.00	
Arete Industries Inc	15-051-900-045-40	Personal					\$7,600.00	
ATT Mobility	15-051-888-501-00	Personal					\$10,431.00	
ATT Mobility	15-051-900-032-65	Personal					\$65,500.00	
August Altair	15-051-900-001-25	Personal	\$1,166,800		\$1,212,600			
August Altair	15-051-990-008-00	Personal	\$669,500	\$334,750	\$670,700	\$335,350		
August Altair	15-051-995-008-00	Personal	\$167,200	\$83,600	\$159,600	\$79,800		
August Altair	15-051-336-165-15	Real	\$39,193		\$41,390		\$494,441	
Boyne Area Gymnastics	15-051-336-163-30	Real					\$101,120	
Boyne City	15-051-300-003-00	Real	\$0		\$0		\$0	
Boyne City	15-051-300-004-00	Real	\$0		\$0		\$0	
Boyne City	15-051-336-164-20	Real	\$0					
Boyne Precision	15-051-995-003-00	Personal	\$16,500	\$8,250				
Boyne Precision	15-051-900-004-10	Personal	\$30,200		\$50,600			
Boyne Precision	15-051-990-003-00	Personal	\$74,400	\$37,200		\$0		
Boyne Precision	15-051-300-002-00	Real	\$5,200		\$81,800		\$70,410	
Bulmann Property Ventgures LLC	15-051-306-006-00	Real					\$12,900.00	
Christopher Fair DC	15-051-900-038-55	Personal					\$3,000.00	
City of BC	15-051-306-005-00	Real					\$29,600.00	
City of Boyne City	15-051-300-901-00	Real					\$0	
Consumers Energy	15-051-900-031-10	Personal					\$54,500.00	
Federal Screw Works	15-051-900-038-40	Personal					\$232,600.00	
Federal Screw Works	15-051-995-020-00	Personal					\$150,900.00	\$75,450.00
GAG Sim / Tech Filters Inc	15-051-900-045-10	Personal					\$800.00	
GAG Sim / Tech Filters Inc	15-051-306-013-00	Real					\$105,942.00	
GCC Enterprises	15-051-336-163-25	Real					\$117,469	
Grandma's Day Care	15-051-336-163-15	Real	\$36,100		\$100,000			
Ira Green	15-051-306-007-00	Real					\$84,944.00	
JNR Investments	15-051-306-001-60	Real					\$17,500.00	
Kirtland Products LLC	15-051-900-055-80	Personal					\$431,900.00	
Kirtland Products LLC	15-051-995-021-00	Personal					\$851,700.00	\$425,850.00
Lexamar	15-051-900-059-20	Personal	\$344,100		\$1,541,800		\$408,100	
Lexamar	15-051-990-002-00	Personal	\$1,107,100	\$553,550	\$1,129,400	\$564,700		
Lexamar	15-051-990-009-00	Personal	\$196,300	\$98,150	\$185,600	\$92,800		
Lexamar	15-051-995-002-00	Personal	\$1,981,800	\$990,900	\$1,887,000	\$943,500		
Lexamar	15-051-995-009-00	Personal	\$2,029,900	\$1,014,950	\$1,747,200	\$873,600		
Lexamar	15-051-995-018-00	Personal					\$739,700.00	\$369,850.00
Lexamar	15-051-995-022-00	Personal					\$1,552,700.00	\$776,350.00
Lexamar	15-051-995-024-00	Personal						
Lexamar	15-051-300-012-00	Real	\$107,500		\$684,000		\$2,204,500	
Manufacturer Services/Wells Fargo	15-051-900-048-30	Personal					\$151,800.00	
MDR Enterprises LLC	15-051-336-166-20	Real	\$2,154		\$2,214		\$125,380	
Patricks Auto Parts	15-051-900-042-00	Personal					\$8,800.00	
Pneumatech Retreading	Personal Property	Personal			\$41,000			
Pneumatech Retreading	15-051-300-007-00	Real	\$52,200		\$52,700		\$85,497	
Point's North	15-051-900-071-50	Personal	\$32,600		\$31,300		\$60,100	
Point's North	15-051-300-001-00	Real	\$65,596		\$66,700		\$82,412	
Precision Edge	15-051-990-023-00	Personal					\$1,302,546.00	\$651,273.00
Precision Edge	15-051-995-023-00	Personal					\$602,800.00	\$301,400.00
Precision Edge	15-051-995-023-01	Personal					\$54,540.00	\$27,270.00
RBI	15-051-900-072-50	Personal	\$15,100		\$15,400			
RBI	15-051-300-005-00	Personal	\$44,443		\$45,200		\$59,738	
Steven Schunk	15-051-306-014-10	Real					\$694,700.00	
Temprel	15-051-900-084-00	Personal	\$12,100		\$29,400			
Temprel	15-051-990-004-00	Personal	\$53,500	\$26,750		\$0		
Temprel	15-051-995-004-00	Personal	\$7,000	\$3,500		\$0		
Temprel	15-051-300-006-00	Real	\$6,300		\$96,000		\$85,000	
Top O Michigan	15-051-336-024-20	Real					\$112,572	
Top O' Michigan	15-051-900-086-00	Personal	\$370,400		\$385,400		\$1,176,400	
Top O' Michigan	15-051-300-009-00	Real			\$7,800		\$0	
Top O' Michigan	15-051-300-010-00	Real			\$6,400			
Top O' Michigan	15-051-300-011-00	Real			\$6,500			
Top O' Michigan	15-051-309-009-10	Real					\$45,671	
Top O' Michigan	15-051-336-164-00	Real	\$780,920					
Top O' Michigan	15-051-336-164-10	Real			\$787,653		\$1,699,841	
Trumco Inc. Magnetic Technologies Inc.	15-051-900-066-75	Personal	\$10,000		\$12,500			
Trumco Inc. Magnetic Technologies Inc.	15-051-900-084-50	Personal	\$10,000		\$12,500			
Trumco Inc. Magnetic Technologies Inc.	15-051-300-008-00	Real	\$59,800		\$61,474		\$80,841	
	Real Property		\$1,199,406				\$6,349,578	
	Personal Property		\$8,294,500				\$7,944,017	
	Retired Personal Property		-\$7,547,400					
	Personal Property Net		\$747,100					
			\$1,946,506	\$3,151,600	\$11,151,831	\$2,889,750	\$14,293,595	\$2,627,443

RESOLUTION
Boyne City Local Development Financing Authority
Boyne City, Michigan

**TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN AMENDMENT
BOYNE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY**

Upon a motion made by _____ and seconded by _____, the following resolution was adopted:

WHEREAS, the Michigan Local Development Financing Act, Act 281, P.A. 1996 as amended, authorizes municipalities to create a local development financing authority to encourage local development to prevent conditions of unemployment and promote economic growth through tax increment financing of public facilities with the approval of a Tax Increment Financing (TIF) Plan and Development Plan by the authority and governing body; and

WHEREAS, the Boyne City Commission established the Boyne City Local Development Financing Authority (the "Authority") and the boundaries of the Authority's district (the "District") in December 1996; and

WHEREAS, the Authority developed and approved a Development Plan and Tax Increment Financing Plan (the "Plan") on April 8, 1997 and the Boyne City Commission approved the Plan on April 29, 1997 in accordance with the provisions of Act 281; and

WHEREAS, the Plan included the acquisition of property and development of infrastructure and amenities for the Boyne City Air Industrial Park and nearby properties within a twenty-year timeframe; and

WHEREAS, the Authority has determined that there continues to be a public purpose for extending the timeframe of the Plan to continue to invest in public facilities and encourage private investment and job creation and has developed a Plan Amendment; and

WHEREAS, a public hearing on the Plan has been noticed and will be held by the Boyne City Commission on April 25, 2017 and notice to taxing jurisdictions has been provided in compliance with the requirements of Act 281;

WHEREAS, The Authority has determined that the Plan Amendment constitutes a public purpose of job creation, increased private investment and economic development and increased property tax value; and

NOW THEREFORE BE IT RESOLVED, that pursuant to the Local Development Financing Act, Act 281 of the Public Acts of 1996, as amended, the Boyne City Local Development Finance Authority hereby approves the

Development Plan and Tax Increment Financing Plan Amendment and recommends approval by the Boyne City Commission.

The following aye votes were recorded: _____

The following nay votes were recorded: _____

STATE OF MICHIGAN)

) ss

County of Charlevoix)

I, _____, Secretary of the Boyne City Local Development Financing Authority do hereby certify that the above is a true and correct copy of the Resolution relative to the Development Plan and Tax Increment Financing Plan for the Boyne City Local Development Finance Authority, which Resolution adopted by the Boyne City Local Development Finance Authority at a meeting held on the 10th day of April 2017.

Boyne City Local Development Finance Authority

By: _____
_____, Secretary

Date: _____

RESOLUTION
City of Boyne City
Boyne City, Michigan

**TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN AMENDMENT
BOYNE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY**

Upon a motion made by _____ and seconded by _____, the following resolution was adopted:

WHEREAS, the Michigan Local Development Financing Act, Act 281, P.A. 1996 as amended, authorizes municipalities to create a local development financing authority to encourage local development to prevent conditions of unemployment and promote economic growth through tax increment financing of public facilities with the approval of a Tax Increment Financing (TIF) Plan and Development Plan by the authority and governing body; and

WHEREAS, the Boyne City Commission established the Boyne City Local Development Financing Authority (the "Authority") and the boundaries of the Authority's district (the "District") in December 1996; and

WHEREAS, the Authority developed and approved a Development Plan and Tax Increment Financing Plan (the "Plan") on April 8, 1997 and the Boyne City Commission approved the Plan on April 29, 1997 in accordance with the provisions of Act 281; and

WHEREAS, the Plan included the acquisition of property and development of infrastructure and amenities for the Boyne City Air Industrial Park and nearby properties within a twenty-year timeframe; and

WHEREAS, the Authority has determined that there continues to be a public purpose for extending the timeframe of the Plan to continue to invest in public facilities and encourage private investment and job creation and has developed a Plan Amendment; and

WHEREAS, the Authority has reviewed and approved the Plan Amendment at their April 10, 2017 and recommends approval by the Boyne City Commission; and

WHEREAS, The Boyne City Commission has determined that the Plan Amendment constitutes a public purpose of job creation, increased private investment and economic development and increased property tax value; and

WHEREAS, a public hearing on the Plan Amendment has been noticed and held on April 25, 2017 and notice to taxing jurisdictions has been provided in compliance with the requirements of Act 281;

NOW THEREFORE BE IT RESOLVED, WHEREAS, The Boyne City Commission has reviewed the Amended TIF and Development Plan and finds, in accordance with the requirements of Section 17 of Act 281 that:

- (a) The Amended TIF Plan meets the requirements of Section 12 of Act 281, TIF Plan Provisions including a statement that the plan will result in the development of captured assessed value that could not otherwise be expected, estimate of captured taxable value and tax increment revenues, an explanation of the tax increment procedure, maximum amount of indebtedness, the amount of operating and planning expenditures of the authority, the cost and duration of the plan, estimate of the impact on taxing jurisdictions, and an estimate of the number of jobs to be created as a result of the implementation of the TIF Plan; and the Amended Development Plan meets the requirements of Section 15 of Act 281, Development Plan Provisions including a description of the property to which the plan applies, the designation of boundaries, location and character of existing street and public facility and public and private land uses in the vicinity of the district, a description of the public facilities to be developed or acquired that are intended to be paid with tax increment revenues and the estimated timeframe for completion, a brief summary and cost estimated of eligible activities, method of financing, estimates of persons residing on the eligible property if applicable, and a plan and provisions for relocation of residents, if applicable; and
- (b) The proposed method of financing the costs of public facilities, pay as you go or bonding, as described on Page 9 and 14 of the Amended TIF and Development Plan;
- (c) The public facilities proposed are reasonable and necessary to carry out the purposes of Act 281, and the cost estimates are based on evaluation from certified professionals, experience in comparable projects, and preliminary discussions with reputable companies, as described on Pages 10, 13, and 14 of the Amended TIF and Development Plan; and
- (d) The amount of captured taxable value estimated from the adoption of the Amended TIF and Development Plan is reasonable, as calculated in Table 2 of the Plan, based on calculations of the tax revenues derived from taxable value increases and millage rates approved and authorized by the taxing jurisdictions on an annualized basis and balances against the outstanding eligible activity obligation approved as part of the Amended TIF and Development Plan; and
- (e) Potential acquisition of property to be determined will be reasonable and necessary to carry out the purposes of the plan and Act 281; and
- (f) The development plan is in reasonable accord with the approved Boyne City Master Plan;
- (g) Public services, such as fire and police protection and utilities are or will be adequate to service the district; and
- (h) Changes in zoning, streets, intersections and utilities are reasonably necessary for the project and the municipality.

BE IT FURTHER RESOLVED, that pursuant to the Local Development Financing Act, Act 281 of the Public Acts of 1986, as amended, being MCL 125.2151, *et seq*, the Boyne City Commission hereby approves the Amended TIF and Development Plan of the Boyne City Local Development Finance Authority for the Boyne Air Business Park.

The following aye votes were recorded: _____

The following nay votes were recorded: _____

