A Waiver Of Reconsideration is requested.

Respectfully submitted,
JAMES E. BUSH
Executive Fire Commissioner

Approved:
JON MESSNER
Deputy Budget Director
ROGER SHORT
Deputy Finance Director

By Council Member Scott:

Resolved, That the 1997-98 Budget be and is hereby amended as follows:

Decrease Appropriation 26-0715, Vehicle Management & Supply by $500,000;

Decrease Appropriation 26-0718, Fire Fighting Operations by $2,000,000;

Increase Appropriation 26-0064, Executive Management & Support by $500,000;

Increase Appropriation 26-0067, Emergency Medical Services by $2,000,000; and be it further

Resolved, That the Finance Director be and is hereby authorized to transfer funds and honor payrolls and vouchers when presented in accordance with the foregoing communication, and standard City procedures.

Adopted as follows:

Yeas — Council Members Cleveland, K. Cockrel, Jr., S. Cockrel, Everett, Hood, Mahaffey, Scott, and President Hill — 8.

Nays — None.

*WAIVER OF RECONSIDERATION (No. 10) per motions before adjournment.

Housing Commission

June 18, 1998

Honorable City Council:

Re: Award Recommendation — Detroit Housing Commission.

The Detroit Housing Commission under section 14-5-10 of the City Code recommends the award of the following:

H244—(100% Federal Funding) — Security Maintenance and Monitoring Service from July 1, 1998 to June 30, 1999, ADT Security Systems, Inc. 23285 Military St. Dearborn, MI. Thirty-one items, service charges range from $36.74/month to $1,017.00/month. Estimated annual cost $44,166.72.

Renewal of existing contract.

76016—(CCR: 07/16/97) — DHC #1737, Change Order No. 1 — (100% Federal Funding), Technical Management Consulting Services. Contract amendment will extend services for an additional one (1) year period. Contractor to provide assistance in updating and implementing Operational Policies & Procedures of the Owned Housing Div., Site Based Mgt. Plans and staff training. From December 1, 1997 to November 30, 1998. Security Planners, Inc. 15700 W. Ten Mile Rd., Southfield, MI 48075. Increase of $56,610.00. New Contract Amount Not to Exceed $156,610.00.

Renewal of existing contract.

73762—(CCR: 01/17/96) — DHC #1660, Change Order No. 1 — (100% Federal Funding), Job Order Contracting Programming Services. Contract amendment will extend consulting services for an additional one (1) year period. DHC is implementing two (2) new JOCS programs; one for Hazardous Material Removal & Abatement, and for Demolition Services. Consultant to provide program implementation services including; all software, program publications, staff and contractor training in systems usage. From December 1, 1997 to November 30, 1998. The Gordian Group, Inc. 3735 Buckeystown, Buckeystown, MD 21717. Increase of $58,525.20. New Contract Amount Not to Exceed $278,525.20.

Renewal of existing contract.

The approval of your Honorable Body and a waiver of reconsideration is requested.

Respectfully submitted,
OREESE COLLINS, JR.
General Manager — Purchasing

By Council Member Scott:

Resolved, That the items referred to the foregoing communication dated June 18, 1998, be and hereby are approved.

Adopted as follows:

Yeas — Council Members Cleveland, K. Cockrel, Jr., S. Cockrel, Everett, Hood, Mahaffey, Scott, and President Hill — 8.

Nays — None.

*WAIVER OF RECONSIDERATION (No. 11) per motions before adjournment.

Local Development Finance Authority of City of Detroit

May 11, 1998

Honorable City Council:

Re: Jefferson/Conner Industrial Revitalization Project. Request for Public Hearing on and Approval of the Second Amendment to City of Detroit Local Development Finance Authority Tax Increment Financing and Development Plan.

On May 6, 1998, the Local Development Finance Authority (the "LDFA") approved the Second Amendment (the "Second Amendment") to LDFA's Tax Increment Financing Plan and Development Plan for the Jefferson/Conner Industrial Revitalization Project (the "Plan").

The reasons for the Second Amendment are set forth in the introduction contained in the Second Amendment. For your review and consideration, please find copies of the following:

a) Memorandum addressed to the LDFA Board and dated April 27, 1998 containing a section by section explanation of the Second Amendment (Attachment A).

b) The LDFA Resolution approving the

Second Amendment (Appendix I to Attachment A).

c) Second Amendment to the Jefferson/Conner Industrial Revitalization Project Tax Increment Financing Plan and Development Plan (Exhibit I to Appendix I).

d) The Plan marked to show the changes (both additions and deletions) proposed by the Second Amendment (Attachment B).

The LDFA respectfully requests that the City Council take the following actions:

On June 23, 1998, and prior to the Public Hearing, schedule a discussion with the Taxing Jurisdictions on the Second Amendment.

On June 24, 1998, and subsequent to the Public Hearing, consider the following resolution for approval of the Second Amendment of the LDFA's Plan.

If you or any of your staff have any questions, please call me.

Respectfully submitted,
ART PAPAPANOS
Director

By Council Member Mahaffey:

Whereas, The City Council of Detroit (the "City Council") approved a resolution on September 14, 1988, creating the City of Detroit Local Development Finance Authority (the "LDFA"), pursuant to Act 281 of the Public Acts of Michigan, 1986, as amended ("Act 281"); and

Whereas, The Development Agreement between The Economic Development Corporation of the City of Detroit (the "EDC") and Chrysler Motors Corporation, dated February 12, 1988, as amended, required the EDC to request City Council approval of the City of Detroit Local Development Finance Authority Tax Increment Financing and Development Plan (the "Original Plan") to finance a portion of the public facility costs incurred by the City in connection with the Development of a new Chrysler Jefferson Avenue assembly plant (the "Project"); and

Whereas, The Original Plan was approved by City Council on September 20, 1989; and

Whereas, On December 7, 1990 and December 12, 1990, the City Council and the Mayor of the City, respectively, approved an amendment to the Original Plan in accordance with the provisions of Act 281 (the Original Plan, as amended by such amendment, is hereinafter, the "Plan"); and

Whereas, Since the adoption of the Plan, the Project has been completed, tax increment revenues have been generated pursuant to the Plan, a more complete accounting of the public facility costs incurred by the City for the Project has been obtained and Act 281 has been amended; and

Whereas, As a result of the changes which have occurred since the adoption of the Plan, the Board of Directors of the LDFA has determined that it is necessary to request the City Council to approve a second amendment to the Plan (the "Second Amendment"); and

Whereas, A public hearing was held on the Second Amendment on June 23, 1998, in accordance with Act 281.

Now, Therefore, Be It Resolved, by the City Council as follows:

1. Capitalized terms used herein and defined in the preamble are used herein as therein defined.

2. The Second Amendment constitutes a public purpose.

3. The Second Amendment is hereby approved based on the following considerations:

(a) The Second Amendment meets the requirements of Sections 12 (1)-(3) and 15 of Act 281.

(b) The proposed method of financing the unreimbursed costs incurred by the City of Detroit in providing public facilities for the Project is feasible, and the LDFA has the ability to arrange financing.

(c) The development is reasonable and necessary to carry out the purposes of Act 281.

(d) The estimated amount of captured assessed value is reasonable.

(e) No land is to be acquired under the Second Amendment.

(f) The Second Amendment does not provide for any changes in development.

(g) The Second Amendment does not make any changes in any public services.

(h) The Second Amendment does not necessitate any changes in zoning, streets, street levels, intersections, or utilities.

A Waiver of Reconsideration is requested.

Adopted as follows:

Yeas — Council Members Cleveland, K. Cockrel, Jr., S. Cockrel, Everett, Hood, Mahaffey, Scott, and President Hill — 8.

Nays — None.

*WAIVER OF RECONSIDERATION (No. 12) per motions before adjournment.

Planning & Development Department

May 26, 1998

Honorable City Council:

Re: Reprogramming of Bond Funds for the NDC Project #1.

On March 20, 1998, the Detroit City Council approved the Neighborhood Development Corporation Project #1 Project Plan, the amendment of the Master Plan, and the Resolution of Necessity for the project. Upon approval of the Project Plan, the Economic Development Corporation (EDC), the Neighborhood Development Corporation (NDC), and the City of Detroit acting through the Planning and Development Department will enter into a three party funding agree-

SECOND AMENDED AND RESTATED JEFFERSON/CONNER INDUSTRIAL REVITALIZATION PROJECT TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN

SECOND AMENDED AND RESTATED JEFFERSON/CONNER INDUSTRIAL REVITALIZATION PROJECT TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN

INTRODUCTION

The City of Detroit Local Development Finance Authority (*LDFA*) was created on October 31, 1988, by resolution of the Detroit City Council (City Council), pursuant to Act 281 of the Michigan Pubic Acts of 1986 (*Act 281*). The creation and establishment of the LDFA was one of many steps taken by the City Council in connection with the financing of the Jefferson/Conner Industrial Revitalization Project (*JCIRP*). The JCIRP was initially undertaken by the Economic Development Corporation of the City of Detroit (*EDC*) pursuant to a Project Plan approved by City Council on February 10, 1987 in accordance with Act 338 of the Michigan Public Acts of 1974, as amended (*Act 338*), which Project Plan was subsequently amended on September 20, 1989. The Project Area, as defined in Act 338, is located in Southeast Detroit and includes approximately 380 acres.

The Project Area is generally bounded on the west by the alley first west of St. Jean, on the north by Mack Avenue, on the east by Anderdon to Jefferson Avenue, Jefferson Avenue and Clairpointe and on the south by Freud Avenue. Services performed and to be performed by the EDC in connection with the JCIRP include land acquisition, relocation of residential and commercial occupants, demolition of buildings, site preparation, environmental remediation and the relocation of roads, rail lines and utilities.

The purpose of the EDC's undertakings in connection with the JCIRP is to assemble and prepare a site to allow the expansion and ultimate replacement of Chrysler Motors Corporation's (*Chrysler*) Jefferson Avenue Assembly Plant. The proposed new plant (the *Project*) will occupy approximately 1,700,000 square feet of floor space within the Project Area on the north side of Jefferson Avenue. A substantial portion of the site will be dedicated to employee parking, truck haul-away, rail marshalling, interior road service and landscaping. Rail service will be provided to the site by reconfiguring an existing rail line to run from the north near the western boundary of the site to Jefferson Avenue and then in a generally southeasternly direction from St. Jean and Jefferson to link with the existing rail line servicing the Detroit Edison "Seven Sisters" Plant. Land area between Jefferson Avenue and Edlie Avenue, which is not required for the rail line, may be made available for Chrysler suppliers. The rights-of-way of St. Jean Avenue, Mack Avenue and Conner Avenue will be widened, and, when combined with Jefferson Avenue, will comprise a ring road around the new plant. The obligation of the EDC in connection with the construction of the JCIRP are fully set forth in the Development Agreement by and between the EDC and Chrysler, dated as of February 12, 1988, as amended on May 22, 1989 and November 2, 1990 (the *Development Agreement*).

Since acquisition, relocation, demolition, utility relocation, site preparation and environmental remediation, Chrysler has undertaken construction of a new Jefferson Avenue Assembly Plant. The old assembly plant will be demolished prior to completion of the new Assembly Plant. This Jefferson/Conner Industrial Revitalization Tax Increment Financing Plan and Development Plan (*Plan*), which was approved by City Council on September 20, 1989, is an integral part of the JCIRP and describes the development plan for the JCIRP, explains the tax increment financing procedure set forth in Act 281, discusses the estimated impact of the Plan on the various taxing jurisdictions in the Authority District where the "eligible property" is located and discusses the uses of the tax increment financing proceeds to be received by the LDFA under the Plan. The Plan has been prepared to meet the requirements of Act 281.

The First Amendment

The First Amendment to the Plan eliminated references to Interim Notes that were to be issued by the EDC (the *Interim Notes*) as the Interim Notes will not be issued. The first amended Plan further revised the use of the proceeds of the issuance of the LDFA Tax Increment Bonds and updated the projected tax increment revenues to be generated by the Project. Finally, the First Amendment Plan brought current other factual information that had changed since the adoption of the Plan.

The Second Amendment

Because of the lack of any captured assessed valuation at the time, the Development Agreement provided for a guarantee by Chrysler of LDFA Bonds in order for the City to obtain at least partial reimbursement of its costs of providing Public Facilities. In accordance with the Development Agreement, the Plan as in effect prior to amendment by the Second Amendment (the *1990 Plan*) limited the maximum principal amount of LDFA Bonds to the amount Chrysler was willing to guarantee and restricted the use of tax increment revenues to primarily the repayment of such LDFA Bonds. Such limitations were considered temporary, pending the growth of the captured assessed value to permit the LDFA to independently access the capital market, and the LDFA has intended at all times to fully reimburse the City for all costs related to providing Public Facilities. In anticipation of full reimbursement once the limitations were removed and in reliance on the intent of LDFA, the City continued to provide all necessary Public Facilities, incurring its own debt to do so, the costs of which to be considered part of the costs of providing Public Facilities.

In order to demonstrate sufficient captured assessed value to access the capital market without reliance in every instance on the Chrysler guarantee, LDFA obtained the report of its Fiscal Consultant, Katz Hollis, (such report, dated July 1997 (the *Fiscal Consultant's 1997 Report),* is appended hereto as *Appendix A)* and restructured the outstanding LDFA bonded indebtedness in September, 1997, pursuant to the Indenture of Trust, dated as of June 1, 1997, between the LDFA and First Trust National Association (the *Trust Indenture*).

As a result of the restructuring, the limitations and restrictions contained in the 1990 Plan are no longer necessary; accordingly, the Second Amendment to the Plan is adopted to fulfill the intent of completely reimbursing the City for all costs related to providing Public Facilities and to provide for other lawful uses of tax increments.

In order that this Plan may reflect the most recent information available to the LDFA with respect to captured assessed values, the reasons therefore, current millage rates and estimated tax increment revenues resulting therefrom, contained in any future report of a fiscal consultant (as such term is defined by the Trust Indenture), such fiscal consultant's report shall be incorporated by reference in the applicable section of this Plan together with such ancillary or descriptive material as shall be necessary to properly reference such information *if*

(i) the LDFA shall, by resolution of it Board, designate such report and such ancillary or descriptive material as a *Current Report* for purpose of this Plan and

(ii) such designation is accompanied by

   (A) a recalculation of the actual dollar impact on each taxing jurisdiction or

   (B) a statement to the effect that such information does not change the actual dollar impact on each taxing jurisdiction,

   either of which shall thereby be incorporated by reference in Section I(I).

Any such incorporation by reference shall be limited to information of the types described above; accordingly, no such incorporation by reference shall constitute an amendment for the purposes of Act 281.

I. COMPLIANCE WITH SECTION 12

A. STATEMENT OF THE REASONS THE PLAN WILL RESULT IN CAPTURED ASSESSED VALUE.

The preparation of the site for the new Chrysler Jefferson Avenue Assembly Plant in accordance with the terms of the Development Agreement was a condition precedent to Chrysler's obligation to begin construction of the new facility. But for the EDC's Project Plan and its implementation pursuant to the terms of the Development Agreement, there would be no reasonable expectation that a private corporation would invest approximately $784 million in the Site Area (as described in the Development Agreement) of the new Jefferson Avenue Assembly Plant.

The initial assessed value of the eligible property designated in Exhibit 1 hereto is the value of such property at the time of the adoption of this Plan on September 20, 1989 by City Council. The construction of the new plant on the eligible property will increase the assessed value of the eligible property and will result in captured assessed value.

Section 3.15 of the Development Agreement requires the EDC to cause the LDFA to adopt, and the City to approve, a tax increment financing plan and development plan authorizing the LDFA to capture and retain captured tax increments as defined in Act 281, together with any State reimbursements to LDFA by reason of any reduction in school operating millage, each year through 2021. The adoption of the 1990 Plan by the City represented compliance by the EDC with its obligations under Section 3.15 of the Development Agreement.

The captured assessed values estimated for the tax years 1997-98 through 2021-22 are based on the projections contained in the narrative portion of Part III and the Schedule of New Development, Figure III-2, of the Fiscal Consultant's 1997 Report, which after review and full consideration are incorporated herein by reference. Such estimate may change in whole or in part based on a Current Report.

B. ESTIMATE OF CAPTURED ASSESSED VALUE FOR EACH YEAR OF THE PLAN.

Estimated captured assessed value to be generated by the Project during each of the tax years ending in calendar years 1991 through 1997 (as projected in the 1990 Plan) and during each of the tax years 1998-99 through 2021-22 (as projected in Fiscal Consultant's 1997 Report) of the Plan is set forth below. Such estimate may change in whole or in part based on a Current Report.

The Project is covered by Industrial Facilities Exemption Certificate No. 88-532 (the *IFE Cert*) issued by the State Tax Commission under Act 198 of Michigan Public Acts of 1974, as amended. Accordingly, the Project is subject to the industrial facilities tax at a rate equal to one-half of the total millage levied as ad valorem tax on the Project.

With respect to its projections, the 1990 Plan noted that increases in taxes levied on the Project may result from revocation by the State Tax Commission at the request of Chrysler of either the real property component or the personal property component of the IFE Cert.

Tax Years Ending	Annual Captured Assessed Value
1991	$ 30,681,860
1992	181,408,620
1993	170,446,825
1994	149,517,035
1995	136,791,410
1996	126,440,120
1997	117,766,065

The annual captured assessed values for the tax years 1997-98 through 2020-21 are set forth in Figure III-1 of the Fiscal Consultant's 1997 Report, which except for the line Net Tax Increment Revenue and note 1 are incorporated by reference herein. Such annual captured assessed values may charge in whole or in part based on a Current Report.

C. ESTIMATE OF TAX INCREMENT REVENUES FOR EACH YEAR OF THE PLAN.

Tax Years Ending in Calendar Years 1991-1997

Tax Data

Estimated tax increment revenues for the tax years ending in calendar years 1991 through 1997 are based on the following tax data, which appeared in the 1990 Plan:

City	24.00	mills
Schools	40.90	mills
County	10.32	mills
	75.22	mills

Estimated Tax Increment Revenues

Estimated tax increment revenues to be generated by the Project during the tax years ending in calendar years 1991 through 1997 (as projected in the 1990 Plan) and during tax years 1998-99 through 2021-22 (as projected in the Fiscal Consultant's 1997 Report) of the Plan are set forth below.

Tax Years Ending	Tax Increment Revenues
1991	$1,266,490
1992	7,047,870
1993	6,523,051
1994	5,735,882
1995	5,257,270
1996	4,867,959
1997	4,541,727

Tax Years 1998-99 Through 2021-22

Tax Data

Estimated tax increment revenues for the tax years 1998-99 through 2021-22 are based on the tax data appearing in Figure II-4 of the Fiscal Consultant's 1997 Report, which, including the notes thereto (as to which, references to *a Local Development Finance Authority* shall refer to the LDFA), is incorporated by reference herein. Such tax data may change in whole or in part based on a Current Report.

Estimated Tax Increment Revenues

Tax increment revenues estimated for the tax years 1997-98 through 2020-21 are set forth opposite *Net Tax Increment Revenue* in Figure III-1 of the Fiscal Consultant's 1997 Report, which together with note 1 are incorporated by reference herein. The terms *eligible obligations*, *eligible advances* and *other protected obligations* appearing in note 1 have the respective meanings given such terms in Act 281. Such estimate may change in whole or in part based on a Current Report.

D. DETAILED EXPLANATION OF THE TAX INCREMENT PROCEDURE.

The method for calculating tax increment proceeds under Act 281 is explained in detail in this Section of the Plan.

Captured assessed value is defined in Section 12(a) of Act 281 as follows:

> *Captured assessed value* means the amount in any one year by which the current assessed value, as equalized, of the eligible property identified in the tax increment financing plan, including the current assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision (c), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

Initial assessed value is defined in Section 12(b) of Act 281 as follows:

> *Initial assessed value* means the assessed value, as equalized, of the eligible property identified in the tax increment financing plan at the time the resolution establishing the tax increment financing plan is approved as shown by the most recent assessment roll for which equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero. Property for which a specific local tax is paid in lieu of property tax shall not be considered exempt from taxation. The initial assessed value of property for which a specific local tax was paid in lieu of property tax shall be determined as provided in subdivision (c).

Eligible property is defined in Section 2(h) of Act 281 as follows:

> Eligible property means land improvements, land acquisition buildings, structures, and other real property, and machinery, equipment, furniture, and fixtures, or any part or accessory thereof whether completed or in the process of construction comprising an integrated whole, located within an authority district of which the primary purpose and use is 1 of the following:
>
> (i) Manufacture of goods or materials, or the processing of goods or materials by physical or chemical change.
>
> (ii) Agricultural processing.

(iii) A high technology activity that has as its primary purpose research, product development, engineering, laboratory testing, or development of industrial technology. This subparagraph shall not apply after December 31, 1991.

Tax increment to be transmitted to a local development financing authority is that portion of the tax levy of all taxing jurisdictions paid each year on the captured assessed value of each eligible property included in a tax increment financing plan. Excluded from such tax increment shall be millage (i) specifically levied for the payment of principal and interest of obligations approved by electors or obligations pledging the unlimited taxing power of the City of Detroit and (ii) attributable to the levy of the state education tax act, a local school district or an intermediate school district (*Education Taxes*) on the captured assessed value except for purposes permitted by Act 281. See Sections 2, *Tax Increment Revenues,* and 13(1) of Act 281 and the information set forth under *Tax Allocation Procedures* in Part IV of the Fiscal Consultant's 1997 Report, which is incorporated by reference herein.

The process for calculating tax increment to be transmitted to a local development financing authority can be summarized as follows:

1. The City Council approves a resolution creating an authority and an "authority district" within which the authority shall exercise its powers.

2. The City Council approves a tax increment plan which identifies "eligible property" or the location of future "eligible property." Please note that eligible property to be used in the calculation of tax increment is <u>only</u> such eligible property as is identified in the tax increment plan. The mere presence of property that could qualify as eligible within the authority district is not determinative of whether that property will be included in such calculation.

3. At the time a resolution adopting the tax increment plan is approved, the initial assessed value is determined by adding the assessed value of eligible property identified in the plan, as such assessed value is reflected in the most recent assessment roll for which equalization has been completed.

4. The captured assessed value is determined by subtracting the initial assessed value of the identified eligible property from the assessed value of such eligible property at the completion of the equalization of the assessment roll in each year during the term of the tax increment plan subsequent to the year in which the tax increment plan was adopted.

5. The portion of the tax increment to be transmitted to a local development financing authority is determined as provided above .

A formula for calculating tax increment proceeds to be transmitted to the local development financing authority would be constructed as follows:

> Subsequent Year Assessed Value - Initial Assessed Value =
> Captured Assessed Value
>
> Captured Assessed Value x Levy of Taxing Jurisdictions
> (excluding (i) millage described in Section 13(1) of Act 281 and
> (ii) Education Taxes except for purposes permitted by Act 281) =
> Tax Increment Revenue

A tax increment plan may only provide for the use of tax increment revenues for public facilities for eligible property whose captured assessed value produces the tax increment revenues or, to the extent the eligible property is within a certified industrial park, for other eligible property located in the certified industrial park. The JCIRP is not located within a certified industrial park.

Tax increment revenues may only be used for "public facilities" (*Public Facilities*), which are defined at Section 2(k) of Act 281 as follows:

> (i) A street, road, bridge, sewer, sewage treatment facility, drainage system, waterway, waterline, water storage facility, rail line, utility line or pipeline, and other similar or related structures or improvements, together with necessary easements for these structures or improvements, owned or used by a public agency or functionally connected to similar or supporting facilities owned or used by a public agency, or designated and dedicated to use by, for the benefit of, or for the protection of the health, welfare, or safety of the public generally, whether or not used by a single business entity provided that any road, street, or bridge shall be continuously open to public access and that other facilities shall be located in public easements or rights-of-way and sized to accommodate reasonably foreseeable development of eligible property in adjoining areas.
>
> (ii) The acquisition and disposal of real and personal property or an interest in that property, demolition of structures, site preparation, relocation costs, building rehabilitation, and all administrative costs related to the above, including, but not limited to, architect's, engineer's, legal, and accounting fees as contained in the resolution establishing the district's development plan.
>
> (iii) An improvement to a facility used by the public or a public facility as those terms are defined in section 1 of Act No. 1 of the Public Acts of 1966, being section 125.1351 of the Michigan Compiled Laws, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated under the state construction code, Act No. 230 of the Public Acts of 1972, being sections 125.1501 to 125.1531 of the Michigan Compiled Laws.

E. THE MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED.

To provide funding for reimbursement for the costs of Public Facilities incurred or to be incurred by the City and to pay the reasonable and necessary cost of issuance, the LDFA issued LDFA Bonds guaranteed by Chrysler, on June 28, 1991 (the *1991 Bonds*), pursuant to the 1990 Plan. On September 18, 1997, pursuant to the 1990 Plan, the LDFA restructured its bonded indebtedness and provided further partial reimbursement to the City for costs of Public Facilities by issuing three series of LDFA Bonds under the Trust Indenture based on the projections contained in the Fiscal Consultant's 1997 Report. As a consequence of such projections, it was necessary for only one of the three series to be guaranteed by Chrysler, and Chrysler concurred in provisions of the Trust Indenture permitting the issuance of additional LDFA Bonds based on debt service coverage to be provided by tax increment revenues projected to be received by LDFA's Fiscal Consultant; accordingly, the maximum amount of LDFA Bonds that may be issued is limited to the maximum amounts permitted to be issued under the Trust Indenture based on a Consultant's Report for the purpose of reimbursing the City for costs incurred by it in respect of providing Public Facilities, including costs related to the use of City money advanced to provide Public Facilities. See also Section I(G), below regarding limitations on the use of tax increment revenues to pay LDFA Bonds.

F. THE AMOUNT OF EXPENDITURES TO BE PAID FROM TAX INCREMENT REVENUES.

Tax increment revenues shall be applied in accordance with the Trust Indenture, *subject* to the limitations contained in Act 281 with respect to Education Taxes.

The annual cost of administering the Plan shall not exceed $150,000, including, without limitation, costs of administrative services, legal fees and maintenance of public facilities. The amount of advances extended by or indebtedness incurred by the City, and the amount of advances by others to be repaid from tax increments are estimated to be $118,745,273.

Such amounts are estimated as of February 1, 1998, and may be increased as a result of the continuing review by the City of its records with respect to expenditures made in respect of providing Public Facilities, *but* reimbursement of the City for such expenditures is limited to $136,000,000 in the aggregate, of which $53,000,000 has been reimbursed as of February 1, 1998.

G. THE COSTS OF THE PLAN TO BE PAID FROM TAX INCREMENT REVENUES.

Tax increment revenues will be used to pay costs related to LDFA Bonds, including debt service thereon. Such LDFA Bonds shall be issued only for the purpose of reimbursing the City for costs in respect of providing Public Facilities and for other purposes permitted by Act 281. Tax increment revenues available after payment of debt service and other costs related to LDFA Bonds, will be used for the purpose of reimbursing the City for otherwise unreimbursed costs in respect of providing Public Facilities and for other purposes permitted by Act 281. The uses described in this paragraph are *subject* to (i) the limitations contained in Act 281 with respect to Education Taxes and (ii) the limit contained in Section I(F), above with respect to reimbursement of the City for costs in respect of providing Public Facilities.

H. THE DURATION OF THE DEVELOPMENT PLAN AND TAX INCREMENT PLAN.

This Plan will remain in effect until December 31, 2021 or until the LDFA Bonds are retired, whichever last occurs.

I. ESTIMATE OF IMPACT OF TAX INCREMENT FINANCING ON TAXING JURISDICTIONS.

The Plan will have the effect of deferring tax revenues generated by increases in State equalized value caused by the construction of the new Jefferson Avenue Assembly Plant while the Plan is in effect. Unlike the Downtown Development Authority Act, being Act 197 of the Michigan Public Acts of 1975, as amended (the *DDA Act*), and the Tax Increment Finance Authority Act, being Act 450 of the Michigan Public Acts of 1980, as amended (the *TIFA Act*), Act 281 excludes from the calculation of ad valorem millage rate to be applied to captured assessed value millage specifically levied for the payment of principal and interest of obligations approved by electors or obligations issued or secured pledging the unlimited taxing power of the local taxing jurisdiction (the *Debt Service Millage Exclusion*). Act 281 also excludes Education Taxes on the captured assessed value except for the purpose of repaying eligible obligations, eligible advances and other protected obligations. These exclusions, set forth in Section 2, definition of *Tax Increment Revenues,* and Section 13(1) of Act 281, reduce the impact of the Plan on taxing jurisdictions, including eliminating the possibility that the Plan will impair their ability to pay unlimited obligations of such taxing jurisdictions.

Further, unlike the DDA and the TIFA Act, Act 281 provides that tax increment revenues shall only be generated by "eligible property" identified in the Plan. Eligible property for purposes of this Plan is the construction of improvements by Chrysler within the Authority District which meet the definition of "eligible property" in Section 2(h) of Act 281. Increases in assessed value within the Authority District which are not caused by such eligible property will continue to generate taxes to the taxing jurisdictions and will not be impacted by the Plan.

Act 281 was intended by the State legislature to minimize the tax revenue impact on taxing jurisdictions of increases resulting from captured assessed value that are caused by factors that are incidental to a tax increment financing plan. Taxes captured are limited to increased taxes that result directly from the implementation of such a plan. The long term impact of the Plan will be to create increased taxable assessed value that would not have occurred without the adoption of the Plan.

To calculate the actual dollar impact on a particular taxing jurisdiction for each year of the Plan, multiply the number of mills levied by that taxing jurisdiction (excluding any Debt Service Millage) by the captured assessed value reflected in Section I(B) of the Plan. Such impact may change in whole or in part based on a Current Report.

It is important to note that the impact is not a cost to any taxing jurisdiction. The impact is a deferral of the benefit of the increased assessed value of the Project Area resulting from the actions undertaken by the LDFA. Deferral does not result in any actual (*i.e.*, out-of-pocket) cost to any taxing jurisdiction; nor does it result in an accounting (*i.e.*, imposition of a liability) charge against any taxing jurisdiction. Furthermore, as noted above, there is no deferral of any benefits of increased assessed valuation of property in the Project Area that is not *eligible property* within the meaning of Act 281.

The following are the dollar amounts of the deferral in each tax year ending in calendar years 1991 through 1997 are as projected in the 1990 Plan.

Tax Year Ending	City	Schools	County
1991	404,092	688,639	173,759
1992	2,248,722	3,832,197	966,951
1993	2,081,271	3,546,833	894,947
1994	1,830,114	3,118,819	786,949
1995	1,677,406	2,858,579	721,285
1996	1,553,191	2,646,896	667,872
1997	1,449,102	2,469,511	623,114

The dollar amounts of the deferral in each of tax years 1998-99 through 2021-22, are derived from the projections contained in the Fiscal Consultant's 1997 Report, are set forth in the following tables. Such dollar amounts may change in whole or in part based on a Current Report.

The following defined terms are used for simplicity of presentation of the amounts of deferral for the relevant tax years:

Education Taxes: State and local school district taxes; *i.e.*, those taxes described in Section 1(y)(ii) of Act 281.

Eligible Expenditures of Education Taxes: Repayment of Eligible Advances, Eligible Obligations and Other Protected Obligations (as defined by Act 281) and such reserves as are established by the LDFA to provide for the timely payment of the foregoing.

Eligible Expenditures of Unprotected Taxes: Any legal expenditure of Unprotected Taxes under Act 281, including, without limitation, (i) any Eligible Expenditure of Education Taxes that exceeds Education Taxes, (ii) repayment of LDFA Bonds that are not Eligible Obligations, (iii) administrative costs and (iv) such reserves as are established by the LDFA to provide for the timely payment of legal expenditures under Act 281.

Unprotected Taxes: The amount of a tax levy that does not consist of Education Taxes.

The tables illustrate the maximum amount of benefit deferral for each of the taxing jurisdictions for tax years 1998-99 through 2021-22 under the two sets of assumptions: full deferral and limited deferral.

Full Deferral:	(1)	Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
	(2)	Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.
Limited Deferral:	(1)	There are no Eligible Expenditures for Education Taxes.
	(2)	Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

The amounts appearing under the column captions for each set of assumptions do not necessarily portray the actual amount of benefit deferral for any taxing jurisdiction in any tax year. The actual amount of deferral in each case is dependant upon the Eligible Expenditures for Education Taxes and the Eligible Expenditures for Unprotected Taxes in each tax year.

School Districts and the State:	Taxing jurisdictions that have tax levies consisting of only Education Taxes, which under Act 281 are limited in their availability to the LDFA (see columns captioned *Limited Availability Levy* in the following tables), will be affected only by changes in Eligible Expenditures for Education Taxes and will not be affected by changes in Eligible Expenditures for Unprotected Taxes.
Other Taxing Jurisdictions:	Taxing jurisdictions which have tax levies consisting of only Unprotected Taxes, which under Act 281 are fully available to the LDFA (see columns captioned *Fully Available Levy* in the following tables), will be affected by changes in both Eligible Expenditures for Education Taxes and Eligible Expenditures for Unprotected Taxes.

While the actual amount of deferral is dependent upon expenditures, the full deferral assumption does show the maximum amount of deferral for each taxing jurisdiction in each tax year assuming no increase in the tax levy of that taxing jurisdiction. An increase in tax levy will result in an additional amount of benefit deferral for that taxing jurisdiction only to the extent that there is a corresponding amount of expenditures which may be paid from the type of taxes represented by the levy increase.

Where the tax levy of the taxing jurisdiction includes only Unprotected Taxes (as in the case of the City of Detroit), the amount of benefit deferral under each assumption, full deferral and limited deferral, is the same for the particular tax year. Conversely, where the tax levy includes only Education Taxes (as in the case of Wayne County Community College), there is no benefit deferral under the limited deferral assumption.

City of Detroit

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	25.6400	0.0000	5,146,692	5,146,692
1999-2000	359,953	25.6400	0.0000	9,229,195	9,229,195
2000-2001	322,212	25.6400	0.0000	8,261,516	8,261,516
2001-2002	291,873	25.6400	0.0000	7,483,624	7,483,624
2002-2003	272,080	25.6400	0.0000	6,976,131	6,976,131
2003-2004	255,465	25.6400	0.0000	6,550,123	6,550,123
2004-2005	242,175	25.6400	0.0000	6,209,367	6,209,367
2005-2006	233,174	25.6400	0.0000	5,978,581	5,978,581
2006-2007	226,033	25.6400	0.0000	5,795,486	5,795,486
2007-2008	220,044	25.6400	0.0000	5,641,928	5,641,928
2008-2009	214,095	25.6400	0.0000	5,489,396	5,489,396
2009-2010	208,247	25.6400	0.0000	5,339,453	5,339,453
2010-2011	202,592	25.6400	0.0000	5,194,459	5,194,459
2011-2012	197,078	25.6400	0.0000	5,053,080	5,053,080
2012-2013	192,231	25.6400	0.0000	4,928,803	4,928,803
2013-2014	188,512	25.6400	0.0000	4,833,448	4,833,448
2014-2015	188,512	25.6400	0.0000	4,833,448	4,833,448
2015-2016	188,512	25.6400	0.0000	4,833,448	4,833,448
2016-2017	188,512	25.6400	0.0000	4,833,448	4,833,448

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2017-2018	188,512	25.6400	0.0000	4,833,448	4,833,448
2018-2019	188,512	25.6400	0.0000	4,833,448	4,833,448
2019-2020	188,512	25.6400	0.0000	4,833,448	4,833,448
2020-2021	188,512	25.6400	0.0000	4,833,448	4,833,448

1. Amount of levy that is fully available to LDFA; *i.e.*, the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA *only* for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are *no* Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

County of Wayne

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	7.9290	0.0000	1,591,580	1,591,580
1999-2000	359,953	7.9290	0.0000	2,854,067	2,854,067
2000-2001	322,212	7.9290	0.0000	2,554,819	2,554,819
2001-2002	291,873	7.9290	0.0000	2,314,261	2,314,261
2002-2003	272,080	7.9290	0.0000	2,157,322	2,157,322
2003-2004	255,465	7.9290	0.0000	2,025,582	2,025,582
2004-2005	242,175	7.9290	0.0000	1,920,206	1,920,206
2005-2006	233,174	7.9290	0.0000	1,848,837	1,848,837
2006-2007	226,033	7.9290	0.0000	1,792,216	1,792,216
2007-2008	220,044	7.9290	0.0000	1,744,729	1,744,729
2008-2009	214,095	7.9290	0.0000	1,697,559	1,697,559
2009-2010	208,247	7.9290	0.0000	1,651,190	1,651,190
2010-2011	202,592	7.9290	0.0000	1,606,352	1,606,352
2011-2012	197,078	7.9290	0.0000	1,562,631	1,562,631
2012-2013	192,231	7.9290	0.0000	1,524,200	1,524,200
2013-2014	188,512	7.9290	0.0000	1,494,712	1,494,712

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2014-2015	188,512	7.9290	0.0000	1,494,712	1,494,712
2015-2016	188,512	7.9290	0.0000	1,494,712	1,494,712
2016-2017	188,512	7.9290	0.0000	1,494,712	1,494,712
2017-2018	188,512	7.9290	0.0000	1,494,712	1,494,712
2018-2019	188,512	7.9290	0.0000	1,494,712	1,494,712
2019-2020	188,512	7.9290	0.0000	1,494,712	1,494,712
2020-2021	188,512	7.9290	0.0000	1,494,712	1,494,712

1. Amount of levy that is fully available to LDFA; *i.e.*, the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA *only* for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are *no* Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

Wayne County Community College

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	1.2019	0.0000	241,256	241,256
1999-2000	359,953	1.2019	0.0000	432,628	432,628
2000-2001	322,212	1.2019	0.0000	432,628	432,628
2001-2002	291,873	1.2019	0.0000	387,267	387,267
2002-2003	272,080	1.2019	0.0000	327,013	327,013
2003-2004	255,465	1.2019	0.0000	307,043	307,043
2004-2005	242,175	1.2019	0.0000	291,070	291,070
2005-2006	233,174	1.2019	0.0000	280,252	280,252
2006-2007	226,033	1.2019	0.0000	271,669	271,669
2007-2008	220,044	1.2019	0.0000	264,471	264,471
2008-2009	214,095	1.2019	0.0000	257,321	257,321
2009-2010	208,247	1.2019	0.0000	250,292	250,292
2010-2011	202,592	1.2019	0.0000	243,495	243,495
2011-2012	197,078	1.2019	0.0000	236,868	236,868

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2012-2013	192,231	1.2019	0.0000	231,042	231,042
2013-2014	188,512	1.2019	0.0000	226,573	226,573
2014-2015	188,512	1.2019	0.0000	226,573	226,573
2015-2016	188,512	1.2019	0.0000	226,573	226,573
2016-2017	188,512	1.2019	0.0000	226,573	226,573
2017-2018	188,512	1.2019	0.0000	226,573	226,573
2018-2019	188,512	1.2019	0.0000	226,573	226,573
2019-2020	188,512	1.2019	0.0000	226,573	226,573
2020-2021	188,512	1.2019	0.0000	226,573	226,573

1. Amount of levy that is fully available to LDFA; *i.e.*, the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA *only* for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are *no* Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

Huron Clinton Metropolitan Authority

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	0.2236	0.0000	44,883	44,883
1999-2000	359,953	0.2236	0.0000	80,485	80,485
2000-2001	322,212	0.2236	0.0000	72,047	72,047
2001-2002	291,873	0.2236	0.0000	65,263	65,263
2002-2003	272,080	0.2236	0.0000	60,837	60,837
2003-2004	255,465	0.2236	0.0000	57,122	57,122
2004-2005	242,175	0.2236	0.0000	54,150	54,150
2005-2006	233,174	0.2236	0.0000	52,138	52,138
2006-2007	226,033	0.2236	0.0000	50,541	50,541
2007-2008	220,044	0.2236	0.0000	49,202	49,202
2008-2009	214,095	0.2236	0.0000	47,872	47,872

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2009-2010	208,247	0.2236	0.0000	46,564	46,564
2010-2011	202,592	0.2236	0.0000	45,300	45,300
2011-2012	197,078	0.2236	0.0000	44,067	44,067
2012-2013	192,231	0.2236	0.0000	42,983	42,983
2013-2014	188,512	0.2236	0.0000	42,151	42,151
2014-2015	188,512	0.2236	0.0000	42,151	42,151
2015-2016	188,512	0.2236	0.0000	42,151	42,151
2016-2017	188,512	0.2236	0.0000	42,151	42,151
2017-2018	188,512	0.2236	0.0000	42,151	42,151
2018-2019	188,512	0.2236	0.0000	42,151	42,151
2019-2020	188,512	0.2236	0.0000	42,151	42,151
2020-2021	188,512	0.2236	0.0000	42,151	42,151

1. Amount of levy that is fully available to LDFA; *i.e.*, the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA *only* for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are *no* Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

Wayne County Education Service Agency

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	0.0000	1.9971	400,876	0.0000
1999-2000	359,953	0.0000	1.9971	718,862	0.0000
2000-2001	322,212	0.0000	1.9971	643,490	0.0000
2001-2002	291,873	0.0000	1.9971	582,900	0.0000
2002-2003	272,080	0.0000	1.9971	543,371	0.0000
2003-2004	255,465	0.0000	1.9971	510,189	0.0000
2004-2005	242,175	0.0000	1.9971	483,648	0.0000
2005-2006	233,174	0.0000	1.9971	465,672	0.0000
2006-2007	226,033	0.0000	1.9971	451,411	0.0000

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2007-2008	220,044	0.0000	1.9971	439,450	0.0000
2008-2009	214,095	0.0000	1.9971	427,569	0.0000
2009-2010	208,247	0.0000	1.9971	415,890	0.0000
2010-2011	202,592	0.0000	1.9971	404,596	0.0000
2011-2012	197,078	0.0000	1.9971	393,584	0.0000
2012-2013	192,231	0.0000	1.9971	383,905	0.0000
2013-2014	188,512	0.0000	1.9971	376,477	0.0000
2014-2015	188,512	0.0000	1.9971	376,477	0.0000
2015-2016	188,512	0.0000	1.9971	376,477	0.0000
2016-2017	188,512	0.0000	1.9971	376,477	0.0000
2017-2018	188,512	0.0000	1.9971	376,477	0.0000
2018-2019	188,512	0.0000	1.9971	376,477	0.0000
2019-2020	188,512	0.0000	1.9971	376,477	0.0000
2020-2021	188,512	0.0000	1.9971	376,477	0.0000

1. Amount of levy that is fully available to LDFA; *i.e.*, the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA *only* for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are *no* Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

Detroit Board of Education

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	0.0000	18.0000	3,613,122	0.0000
1999-2000	359,953	0.0000	18.0000	6,479,154	0.0000
2000-2001	322,212	0.0000	18.0000	5,799,816	0.0000
2001-2002	291,873	0.0000	18.0000	5,253,714	0.0000
2002-2003	272,080	0.0000	18.0000	4,897,440	0.0000
2003-2004	255,465	0.0000	18.0000	4,598,370	0.0000

Tax Years	Captured Assessed Value	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2004-2005	242,175	0.0000	18.0000	4,359,150	0.0000
2005-2006	233,174	0.0000	18.0000	4,197,132	0.0000
2006-2007	226,033	0.0000	18.0000	4,068,594	0.0000
2007-2008	220,044	0.0000	18.0000	3,960,792	0.0000
2008-2009	214,095	0.0000	18.0000	3,853,710	0.0000
2009-2010	208,247	0.0000	18.0000	3,748,446	0.0000
2010-2011	202,592	0.0000	18.0000	3,646,656	0.0000
2011-2012	197,078	0.0000	18.0000	3,547,404	0.0000
2012-2013	192,231	0.0000	18.0000	3,460,158	0.0000
2013-2014	188,512	0.0000	18.0000	3,393,216	0.0000
2014-2015	188,512	0.0000	18.0000	3,393,216	0.0000
2015-2016	188,512	0.0000	18.0000	3,393,216	0.0000
2016-2017	188,512	0.0000	18.0000	3,393,216	0.0000
2017-2018	188,512	0.0000	18.0000	3,393,216	0.0000
2018-2019	188,512	0.0000	18.0000	3,393,216	0.0000
2019-2020	188,512	0.0000	18.0000	3,393,216	0.0000
2020-2021	188,512	0.0000	18.0000	3,393,216	0.0000

1. Amount of levy that is fully available to LDFA; *i.e.*, the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA *only* for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are *no* Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

State of Michigan

Tax Years	Captured Assessed Valuation	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
1998-1999	200,729	0.0000	6.0000	1,204,374	0.0000
1999-2000	359,953	0.0000	6.0000	2,159,718	0.0000
2000-2001	322,212	0.0000	6.0000	1,933,272	0.0000
2001-2002	291,873	0.0000	6.0000	1,751,238	0.0000

Tax Years	Captured Assessed Valuation	Fully Available Levy[1]	Limited Availability Levy[2]	Full Deferral[3]	Limited Deferral[4]
2002-2003	272,080	0.0000	6.0000	1,632,480	0.0000
2003-2004	255,465	0.0000	6.0000	1,532,790	0.0000
2004-2005	242,175	0.0000	6.0000	1,453,050	0.0000
2005-2006	233,174	0.0000	6.0000	1,399,044	0.0000
2006-2007	226,033	0.0000	6.0000	1,356,198	0.0000
2007-2008	220,044	0.0000	6.0000	1,320,264	0.0000
2008-2009	214,095	0.0000	6.0000	1,284,570	0.0000
2009-2010	208,247	0.0000	6.0000	1,249,482	0.0000
2010-2011	202,592	0.0000	6.0000	1,215,552	0.0000
2011-2012	197,078	0.0000	6.0000	1,182,468	0.0000
2012-2013	192,231	0.0000	6.0000	1,153,386	0.0000
2013-2014	188,512	0.0000	6.0000	1,131,072	0.0000
2014-2015	188,512	0.0000	6.0000	1,131,072	0.0000
2015-2016	188,512	0.0000	6.0000	1,131,072	0.0000
2016-2017	188,512	0.0000	6.0000	1,131,072	0.0000
2017-2018	188,512	0.0000	6.0000	1,131,072	0.0000
2018-2019	188,512	0.0000	6.0000	1,131,072	0.0000
2019-2020	188,512	0.0000	6.0000	1,131,072	0.0000
2020-2021	188,512	0.0000	6.0000	1,131,072	0.0000

1. Amount of levy that is fully available to LDFA; i.e., the levy does not include any Education Taxes. The amount of the levy also does not include any Debt Service Millage.

2. Amount of levy that consists of only Education Taxes. This levy amount is available to LDFA only for Eligible Expenditures for Education Taxes.

3. Full Deferral Assumptions:
   (1) Eligible Expenditures for Education Taxes equal or exceed Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

4. Limited Deferral Assumptions:
   (1) There are no Eligible Expenditures for Education Taxes.
   (2) Eligible Expenditures for Unprotected Taxes at least equal Unprotected Taxes.

J. LEGAL DESCRIPTION OF ELIGIBLE PROPERTY.

The legal description of eligible property within the Authority District is attached hereto in Exhibit 2.

K. ESTIMATE OF JOBS TO BE CREATED BY IMPLEMENTATION OF THE PLAN.

In Section 4.02 of the Development Agreement Chrysler estimates that the new Jefferson Avenue Assembly Plant will employ 2,500 to 3,000 workers in the operation of its facilities on or before January 31, 1992.

II. COMPLIANCE WITH SECTION 15.

A. DESCRIPTION OF THE PROPERTY TO WHICH THE PLAN APPLIES.

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 are set forth in Exhibits 1 and 2.

B. DESIGNATION OF BOUNDARIES OF THE PROPERTY TO WHICH THE PLAN APPLIES.

The designation of boundaries of the property to which the Plan applies in relation to highways, streets and otherwise is set forth in Exhibit 1.

C. LOCATION AND CHARACTER OF EXISTING STREETS, OTHER PUBLIC FACILITIES AND PUBLIC AND PRIVATE LAND USES.

1. Existing Streets and Public Facilities.

The existing streets and Public Facilities are indicated on the attached reference map, Exhibit 3.

2. Existing Land Use.

The easterly portion, most of which lies between Hart Street and Conner Avenue is characterized by light-to-heavy industrial uses, dominated by the large plant facilities of Chrysler and the Budd Company.

The following chart represents a summary of the existing land uses for this Project prior to condemnation of property by the City:

Existing Land Uses in the Authority District
(Including Chrysler Property)

Land Used	Acreage
Residential	132.400
Commercial	27.899

Institutional	6.244
Industrial	316.642
Public/Recreation	17.240
Rights-Of-Way	
Streets	113.637
Railroads	23.106
TOTAL:	637.160

3. Proposed Land Use.

The proposed land use for the Authority District is primarily industrial. See Exhibits 1 and 3. The following chart represents a summary of proposed land usage for the JCIRP:

Proposed Land Uses in the Authority District
(Including Chrysler Property)

Land Use	Acreage
Residential	2.000
Commercial	10.000
Industrial	473.105
Institutional	6.670
Public	7.952
Rights-Of-Way	
Streets	104.815
Railroads	42.617
TOTAL	637.160

D. DESCRIPTION OF PUBLIC FACILITIES TO BE ACQUIRED FOR THE PROPERTY TO WHICH THE PLAN APPLIES.

Public Facilities for the Project will include the reconfiguration of the existing rail line to run from the north near the Western boundary of the Project Site to Jefferson Avenue and then in a generally southeasterly direction from St. Jean and Jefferson to link with the existing rail line servicing the Detroit Edison "Seven Sisters" Plant.

The rights-of-way of St. Jean Avenue, Mack Avenue and Conner will be widened, and when combined with Jefferson Avenue, will comprise a ring road around the new plant.

A landscaped earthen noise barrier along the west side of St. Jean between Mack and Kercheval and between Kercheval and Jefferson will be constructed. Further, a combination earth and wall landscaped noise barrier along the west side of Anderdon Avenue between Signet and Kercheval will be constructed.

New water lines in Beniteau, Mack and Algonquin to replace existing lines to be abandoned in Kercheval and Vernor will be constructed, as well as new public lighting system transmission and distribution lines in St. Jean and Jefferson Avenue to replace existing lines in Kercheval and Vernor. New 66-inch, 48-inch and 42-inch sewers will run under Charlevoix Avenue from Conner Lane to Algonquin Avenue and under Algonquin from Charlevoix Avenue to Kercheval Avenue. The existing 12-inch sewer in the alley west of Lycaste Avenue between Kercheval Avenue and Jefferson Avenue will be abandoned and replaced by replacement sewers in existing rights of way and in easements to be established in land to be retained in City or EDC ownership west of Hillger Avenue.

All Public Facilities are completed.

E. LOCATION, EXTENT, CHARACTER, AND ESTIMATED COSTS OF PUBLIC FACILITIES IN THE PLAN AND ESTIMATE OF THE TIME FOR COMPLETION.

The character and estimated time for completion of the Public Facilities for the Project described in Section II(D), and the location of such Public Facilities is shown on the map attached hereto as Exhibit 3. The costs of the City in respect of providing Public Facilities are estimated as of February 1, 1998, to be as follows:

Type of Cost	**Cost**
Acquisition	$29,368,728
Relocation	4,610,981
Improvements	49,520,154
Financing	35,245,410
Total	$118,745,273

Such costs may increase as a result of the review of the City described in Section I(G), *but*, as therein provided, such costs are limited to $135,000,000, less the amount reimbursed as of February 1, 1998, as to which see Section I(G).

F. STATEMENT OF CONSTRUCTION PLAN AND ESTIMATED TIME OF COMPLETION.

All construction is complete. See the 1990 Plan for a description of such construction and the estimated time of completion at the time of adoption of the 1990 Plan.

G. DESCRIPTION OF PROPERTY WHICH THE LDFA DESIRES TO SELL, DONATE, EXCHANGE OR LEASE TO OR FROM THE CITY OF DETROIT AND THE PROPOSED TERMS.

The City of Detroit, acting under the authority of the Home Rule Act, the City Charter, Act 338 and Act 87 of the Michigan Public Acts of 1980, will acquire (or has acquired) real and personal property in the Project Area, which is not owned by Chrysler through purchase or condemnation. Under the provisions of Act 87, the City is required to offer to pay just compensation for the property and to submit to the owners a good faith offer to acquire the property for that amount of money. The acquired properties will subsequently be conveyed by the City of Detroit to the EDC in furtherance of the project described in this Plan.

The EDC will pay a nominal amount to the City for the property. Proceeds of any sale by the EDC will be paid to the City or used for economic development activities authorized by the City.

H. DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES.

<u>ZONING</u>

The JCIRP area presently has M4 zoning classification (intensive industrial). Uses permitted in the M4 district classification include:

- Automobile manufacturing or assembly;
- Automobile accessory manufacture (not including heat treating or foundry work);
- Engine manufacture;
- Glass manufacture;
- Plating or anoding;
- Pyroxylin plastic manufacture or processing;
- Steel warehousing;
- Accessory uses, incidental to and on the same zoning lot as the principal use;
- Uses similar to the above-specified uses.

<u>STREET CHANGES</u>

Proposed street changes are described in Exhibit 11, "Right-Of-Way Adjustment Plan."

I. ESTIMATE OF COSTS AND PROPOSED FINANCING OF PUBLIC FACILITIES AND STATEMENT OF THE LDFA'S ABILITY TO ARRANGE FINANCING.

The estimated costs of the Public Facilities are set forth in Section II(E) of this Plan. It is proposed that outstanding costs of the Public Facilities be paid by the issuing of additional

LDFA bonds to the extent permitted by the Trust Indenture. Any costs of the Public Facilities not paid from proceeds of additional LDFA bonds shall be paid from tax increment revenues as and to the extent the same are available therefore in accordance with Section I(F).

The Development Agreement evidenced the LDFA's ability to arrange financing for the Public Facilities through the issuance of LDFA Bonds contemplated by the 1990 Plan. Chrysler guaranteed certain of the LDFA Bonds issued under the 1990 Plan, including one series issued as part of the restructuring. The restructuring of LDFA bonded indebtedness issued under the Trust Indenture was carried out under the 1990 Plan, and the ability of the LDFA to market LDFA Bonds without a Chrysler guarantee was evidenced by the Fiscal Consultant's 1997 Report. The ability of the LDFA to arrange additional financing will be evidenced as provided in the Trust Indenture for the issuance of additional bonds.

J. DESIGNATION OF PERSONS TO WHOM PUBLIC FACILITIES WILL BE SOLD.

The major portion of the Authority District has been sold by the EDC to Chrysler. The sale is to be governed by the Development Agreement.

K. PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING OR CONVEYING OF THE PUBLIC FACILITIES UPON COMPLETION.

Any lease or sale of parcels of land within the Authority District to parties other than sale described in the Development Agreement will be consummated after the preparation of a "Request for Proposals for Development", which will be distributed to parties having expressed an interest in purchasing or leasing property within the Authority District. The availability of these properties will be advertised in a newspaper of general public circulation. Selection of the party or parties to purchase or lease will be based upon a review of the response to the "Request for Proposals for Development", including, but not limited to, a review of the extent of development proposed, the financial ability of the responding parties to undertake and complete the development and the amount of consideration offered for the properties available for development.

L. ESTIMATE OF THE NUMBER OF PERSONS RESIDING ON THE PROPERTY TO WHICH THE PLAN APPLIES AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED.

Residential Displacement

The Relocation Staff of the Community and Economic Development Department conducted a planning survey of the proposed JCIRP. The purpose of the survey was to determine the size and general demographics of the workload to be displaced. This survey was done August through November, 1986.

It is estimated that 118 businesses and non-profit organizations along with 854 residential households will be or have been relocated. Following is a demographic description of the residential displacement.

1. Number of Households to be Displaced

Black	722
White	117
Asian Islander & Hispanic	7
Unknown	8
Total	854

Eighty-four percent of the households to be displaced are headed by a black person. Fourteen percent are headed by a white person. One percent of the households are headed by either an Asian Islander or Hispanic. In addition, one percent of the households are headed by persons for which no racial characteristic is given because a survey was not completed in person.

2. Number of Individuals to be Displaced by Race

Black	458
White	53
Asian Islander & Hispanic	1
Unknown	4
Total	516

3. Number of Families to be Displaced by Race

Black	264
White	64
Asian Islander & Hispanic	5
Unknown	5
Total	338

Slightly over 60% of the households to be relocated are comprised of families and just under 40% are individuals.

4. Total Displacement by Family Size

Family Size

	1	2	3	4	5	6	7	8	9
x Families	333	195	121	85	59	28	12	6	6
= Members	333	390	363	340	295	168	84	48	54

5. Displacement by Family Size and Race

Black

Family Size	1	2	3	4	5	6	7	8	9
x Families	264	165	114	77	56	25	10	5	6
= Members	264	330	342	308	280	150	70	40	54

White

Family Size	1	2	3	4	5	6	7	8	9
x Families	64	29	7	8	3	3	2	1	0
= Members	64	58	21	32	15	18	14	8	0

Asian Islander and Hispanic

Family Size	1	2	3	4	5	6	7	8	9
x Families	5	1	-	-	-	-	-	-	-
= Members	5	2	-	-	-	-	-	-	-

Approximately 2,075 persons will be or have been relocated from residential dwelling units. The final figure will probably be higher when the households from the unknown group are relocated and family size is determined.

Generally, households are 3 persons or less among the total to be relocated. 76% are in this category. Approximately 86% of the households headed by a white person and 75% of the households headed by a black persons are in this group.

6. Income Characteristics of Total Households to be Relocated

Income	\$ -0- 4,999	5,000 9,999	10,000 14,999	15,000 24,999	+25,000
Households	298	238	100	61	46

Household income ranges from approximately \$1,200 to over \$85,000 annually. While the range is varied, it tends to be skewed to the lower end of the scale.

Over 70% of the householders answering financial questions have incomes of less than \$10,000 on an annual basis.

7. Income Characteristics by Race

Black

Income	$-0- 4,999	5,000 9,999	10,000 14,999	15,000 24,999	+25,000
Households	269	199	84	49	43

Unknown or refused = 78

White

Income	$-0- 4,999	5,000 9,999	10,000 14,999	15,000 24,999	+25,000
Households	29	37	16	11	3

Unknown or refused = 21

Asian Islander and Hispanic

Income	$-0- 4,999	5,000 9,999	10,000 15,000 14,999	24,999	+25,000
Households	-	2	-	1	-

Unknown or refused = 4
Surveys incomplete = 8

8. Income Characteristics of Total Households to be Relocated Owners

Income	$-0- 4,999	5,000 9,999	10,000 15,000 14,999 24,999 +25,000		
Households	50	76	54	36	29

Unknown or refused = 48

Tenants

Income	$-0- 4,999	5,000 9,999	10,000 14,999	15,000 24,999	+25,000
Households	248	161	47	22	16

Unknown or refused = 67

Based on the survey results, 293 homeowners occupants and 561 tenant occupants will be relocated from the Project area. Approximately 73% of the tenants and 43% of the homeowners have incomes of less than $10,000 annually.

9. Age of Read of Household

Less than 62		62 or older
612		189
	Unknown or refused	
	53	

Slightly over 76% of the heads of households volunteering information regarding age are less than 62 years old.

10. Age of Head of Households by Race

Owners

	Less than 62		62 or older
Black	131		101
White	23		22
Other	3		1
Total	157		124
		Unknown or refused	
		12	

Tenants

	Less than 62		62 or older
	411		43
	43		22
	1		—
Total	455		65
		Unknown or refused	
		41	

The tenant heads of households tend to be younger than the owner group. Seven out of eight heads of households are less than 62 while only slightly over one-half of the owners are.

There are a number of additional breakouts of demographic information that could be made. The range of rents and average rent paid is one example. Another breakout could be the percentage of income used for rent.

The need for this kind of information must be measured against the requirements of the Uniform Relocation Act and the "Common Rule" adopted by 17 federal agencies in 1986. The "Common Rule" changed the financial means standards used by Department of Housing and Urban Development from a percentage of gross income to a "Make Whole" standard.

In the case of a tenant, the displacing agency may make a rehousing payment to make up the difference between old and new rent paid by the relocatee without regard to the percentage of income paid for rent. For owner-occupants, the displacing agency may meet the new standard by making a rehousing payment sufficient to cover (1) the price differential between the displacement and replacement dwelling, (2) the present value of increased interest costs, and (3) settlement costs.

With the implementation of the "Common Rule" many demographic descriptions are of little value and are not included in this Plan.

NON-RESIDENTIAL DISPLACEMENT.

The JCIRP will cause the displacement of 117 non-residential units. This displacement will include:

Commercial Businesses	78
Industrial Businesses	25
Non-Profit Businesses	15
TOTAL	118

In the survey conducted by Community and Economic Development Department Relocation staff, it was determined that 55 of the above businesses are in owner-occupied buildings and 29 are tenant occupied. Thirty-Four of the businesses did not disclose if they owned or rented their facilities.

The types of business ownership include:

Sole Proprietorships	35
Partnerships	5
Corporations	46
Did not disclose	32
TOTAL	118

The above businesses have a total of 681 employees with a range of 1 to as many as 50 employees. The number of employees per business includes:

EMPLOYEE GROUPINGS

	1-5	6-10	11-15	16-20	21-25	26-30	Over 30
Number of Businesses	58	11	7	3	2	1	6

STATISTICAL DESCRIPTION OF HOUSING SUPPLY IN THE COMMUNITY

(a) The number of private and public units in existence or under construction is 445,000.

(b) The condition of existing residential units is as follows:

Standard	315,000
Sub-Standard	30,000

(c) The number of owner occupied and tenant occupied units is as follows:

Owner occupied	258,000
Tenant occupied	187,000

(d) The annual rate of turnover of various types of housing is estimated to be a vacancy rate of 6% for homeowners and 7.5% for tenants.

(e) Sale prices for single family decent, safe, and standard dwelling units begin at, approximately $15,000 and range to well over $100,000. There are several hundred standard sales units available between $15,000 and $40,000. Rental units are available at rents ranging from approximately $175.00 to over $1,200 a month on the private market.

(f) The demand for standard housing units is approximately 6.5% less than the supply of standard housing (i.e. demand equals about 294,000 out of a standard supply of 315,000 total standard units).

(g) Persons to be displaced will receive at least one referral to a comparable unit, and, where possible, a choice of units to rent or purchase depending on their preference.

The comparable referrals will be to standard, decent, safe and Sanitary units similar in size and number of rooms to the unit from which the displacement occurs. Tenants and homeowner occupants may also receive a rehousing payment to assist in renting or purchasing a replacement unit.

M. PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE JCIRP AND PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED BY THE JCIRP.

There is no new housing planned within the Authority District.

N. PROVISION FOR THE COST OF RELOCATING PERSONS DISPLACED

Displaced persons* from the Authority District will receive relocation assistance and payments as provided in the Uniform Relocation Act of 1970 which provides for a maximum payment of $15,000 for owner/occupants and a maximum payment of $4,000 for tenants. These payments are in addition to moving expenses.

Persons requiring assistance with social, economic, health or behavioral problems which impede their relocation will be offered specific assistance in overcoming these problems by professional social workers.

Commercial, business and non-profit enterprises* to be relocated will also be provided with relocation payments and other relocation assistance according to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. In addition, they will be given information about the availability of suitable replacement locations and also information on federal, state and local programs that may be of help in re-establishing a business.

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* For purposes of Section N and Section O of this Plan:

1. "Persons" shall mean those individuals and family units comprised and living in the Project Area at the time a notice of displacement is issued pursuant to the requirements of regulations issued by the Department of Housing and Urban Development.

2. "Commercial, business and non-profit enterprises" shall mean such enterprises located in the project area at the time a notice of displacement is issued pursuant to the requirements issued by the Department of Housing and Urban Development.

Companion loans to be administered by the EDC may be available to provide financing for displaced businesses to renovate a replacement facility.

Based on a survey begun in August, 1986 and completed in November 1986, the following budget was estimated for the relocation costs of the Project.

Moving Payments: Residential	$ 335,000
Moving Payments: Non-Residential	1,700,000
Rehousing Payments	7,255,000
TOTAL RELOCATION PAYMENTS	$ 9,290,000
Ten Percent (10%) Contingency	$ 929,000
Technical Assistance	1,075,000
TOTAL ESTIMATED BUDGET	$ 11,294,000

O. PLAN FOR COMPLIANCE WITH ACT 227 OF THE MICHIGAN PUBLIC ACTS OF 1972.

A planning survey conducted by the Relocation staff of the Community and Economic Development Department has determined that approximately 807 homeowners and tenants and 118 businesses and non-profit organizations have been or will be required to relocate because of the JCIRP.

The purpose of the survey was to determine the potential workload and the needs for technical assistance and relocation payments as required by the Uniform Relocation Act of 1970 (P.L. 91-646). Persons interviewed for the survey were informed of their possible displacement and were provided with a general description of the relocation program required by the Uniform Relocation Act of 1970. Each person was told that they will be given not less than 90 days to relocate after receiving a referral to a comparable dwelling unit. The various types of relocation payments and eligibility requirements for each of these were also discussed.

The survey provided information regarding the resource needs of the relocatees. Of the 807 residential relocatees, 283 are homeowner and occupants and 524 are tenant occupants.

SALES HOUSING (Needs 293 Referrals)

The Department of Housing and Urban Development, along with 16 other federal agencies, adopted a "Common Rule" implementing the Uniform Relocation Act. One provision of this Rule was a definition of a comparable replacement dwelling. One sub-paragraph of this definition states that a comparable unit must be "functionally similar to the displacement dwelling with particular attention to the number of rooms and living space". The planning survey has shown that current owner-occupants are living in a wide variety of house sizes. The smallest unit has three rooms and 320 net square feet of living area, while the largest has 18 rooms and 2,100 square feet.

In order to meet this wide variety of housing needs, the relocation staff made several presentations to members of the real estate industry. As a result, numerous real estate brokers and agents agreed to share their individual listings for this program.

When a house passes inspection it is put into a referral bank. If a house has deficiencies, the real estate agent or homeowner is informed and told that the house may be used as a referral if the deficiencies are corrected.

Numerous homeowners have contacted the Relocation staff and have listed houses directly in this program. The homeowners were worked with in the same manner as real estate brokers.

RENTAL HOUSING (Needs 561 Referrals)

Tenants from the proposed Project area live in units almost as varied as owner-occupants. The size of tenant units ranges from one to ten rooms and from 290 to 1,349 net square feet.

All residential tenants in the Project area were informed as to the availability of assistance from various federal, state and local agencies in helping them relocate successfully. Examples of this information included the availability of mortgage assistance from the Michigan State Housing Development Authority and antidiscrimination assistance from the Detroit Human Rights Department.

RELOCATION PAYMENTS

The Uniform Relocation Act (P.L. 91-646) provides the basis for technical assistance and relocation payments. Regulations implementing the Act, adopted by Department of Housing and Urban Development and 16 other federal agencies were effective on May 1, 1986.

1. Moving Claim

   Residential displacees received up to $300.00 for moving furniture and personal items. In addition, residential displacees choosing this fixed moving payment received a dislocation allowance of $200.00.

   As an alternative, some families and individuals choose to receive a moving claim for the actual, reasonable expenses to move from a residential unit. A business or non-profit owner received or will receive a payment for the actual, reasonable expenses in moving to another location.

2. Replacement Housing Payments

   An owner-occupant may receive up to $15,000 to purchase another dwelling unit. This payment has three components: differential, interest, and incidental expenses. In order to qualify for the payment, the owner must have occupied his/her unit for at least 180 days immediately prior to the acquisition offer from the City of Detroit. In addition, he/she must purchase and occupy a decent, safe and sanitary dwelling within one (1) year after moving or receiving the final payment for the unit sold to the City, whichever is later.

   The payment is intended to cover the following:

   (a) The amount necessary to purchase a comparable replacement dwelling, or the actual cost of the standard replacement dwelling, if it is less;

(b) The amount necessary to compensate the displacee for increased interest costs related to the replacement dwelling, or comparable dwelling if it is less. The increased interest costs relates to the amount and term remaining on an existing mortgage on the property acquired by the City.

(c) Reasonable expenses which are incidental to the purchase of the replacement dwelling. A tenant occupant may qualify for a payment up to $4,000 to rent a comparable decent, safe and sanitary dwelling unit. The tenant may choose to apply his/her replacement housing grant to the purchase of a decent, safe and sanitary unit.

4. Relocation Payments In Hardship Cases

Generally relocation payments are made after a person relocates. If this caused an undue hardship on a relocatee, advance payments were made available.

5. Technical Assistance For Business

Business and non-profit owners were or will be given assistance in finding replacement locations. They were or will also be kept informed of federal, state and local programs that may be of assistance in the re-establishment of their businesses.

The businesses received or will receive a payment for the actual reasonable moving expenses including the cost of transportation, packing, storage, licenses and permits, re-lettering of signs and replacement of signs and replacement of printed material and any other related costs or fixed payment in lieu of the payment for the actual moving expenses.

6. Assistance In Minimizing Hardships To Displaced Persons

The City provides adequate counselling and referral services to minimize undue hardships for relocatees.

It has been the City's experience that approximately 10% of the households relocated from a project area require assistance in resolving a problem or series of problems prior to relocating. These problems may be economic, behavioral, social or health related.

In order to meet this need, the City contracted with the Neighborhood Service Organization to provide professional social workers to work closely with relocatees requiring assistance.

The City also recognized that some elderly relocatees may have special relocation problems. To assist in resolving these difficulties, the City contracted with Dr. Lee Pastalan, Gerontologist, University of Michigan to provide training for Relocation personnel to increase their skills and knowledge in working with the elderly and resolving the problems.

P. GUIDELINES FOR TREATMENT OF OUTDOOR AREAS - GENERAL AND SITE SPECIFIC

Adherence to the following Guidelines for Treatment of Outdoor Areas will also be required. Assurance of these standards will be the responsibility of the staff of the Community and Economic Development Department and the City Planning Department which will monitor the work of the Developer, the Construction Manager and other City departments.

1. Treatment of Outdoor Areas (General)

Improvements within the JCIRP, including streets, sidewalks, street furniture, lighting, signs and landscaping should conform to standards of good design, and should be coordinated to achieve orderliness and a high standard of integrated design throughout the development.

All buildings should be well designed, harmonious in appearance with one another, and when taken together, express a character appropriate to a modern industrial park. All landscaped areas shall be maintained in an orderly and attractive condition.

2. East Jefferson Avenue Area Treatment

Land facing East Jefferson Avenue shall be developed and landscaped so as to screen parking lots from the public rights-of-way through the use of walls, earthen berms, depressions, shrubs, trees or a combination of the above. This screening should be designed to allow and enhance views of the buildings located on the land. Trees and other plant materials should accent the continuity of East Jefferson Avenue.

3. St. Jean Area Treatment

a. Land which faces the west side of St. Jean Street (excess right-of-way) between East Jefferson Avenue and the new right-of-way of Mack Avenue shall be developed with a 20 foot high (minimum height) solid barrier. This barrier, with minimum size openings required at the intervening cross streets shall be mostly constructed of earth with maintainable slopes and incorporate landscaping and recreation elements so as to create an attractive development and to form a noise barrier to reduce the railroad and truck noise to adjacent existing and proposed development. Trees and other plant materials should accent the continuity of St. Jean Street.

b. Land which immediately abuts the east side of St. Jean Street between Kercheval Avenue and the new right-of-way of Mack Avenue contains railroad tracks (arrival and departure yard) and a 50 foot wide Detroit Edison Easement for the construction of an above-ground transmission line. The view from St. Jean Street right-of-way shall be filtered or partially screened by trees, shrubs, berms, metal fabric or similar means so as to create an attractive development and to form a setting for any view of the facilities located on the land. Trees and other plant materials should accent the continuity of St. Jean Street.

4. Conner Avenue Street Area Treatment

a. Land which faces the west side of Anderdon Avenue (excess right-of-way) between Kercheval Avenue and the new right-of-way of Mack Avenue shall be developed with a 14 foot (minimum height) solid barrier.* This barrier, minimum size openings required at the intervening cross streets, shall be constructed as an opaque vertical wall on top of an earth berm to achieve 14 foot height. The excess public right-of-way shall incorporate landscaping and recreation elements to create an attractive development and to form a noise barrier to reduce vehicular noise to adjacent existing and proposed development. Trees and other plant materials should accent the continuity of Conner Avenue.

b. Land which immediately abuts the east side of Conner Avenue between East Jefferson Avenue and Charelvoix Avenue shall be developed and landscaped to screen parking lots, structures and buildings located on the land from the public rights-of-way through the use of walls, earthen berms, depressions, shrubs, trees or a combination of the above. This landscaping should be designed to allow and enhance views of the major buildings located on the land, and screen views of the accessory buildings and structures located on the land. Trees and other plant materials should accent the continuity of Conner Avenue.

* The United States Department of Housing and Urban Development has been petitioned by the Economic Development Corporation, the City of Detroit Planning Department, the Project Citizens District Council and the Anderdon residents to modify the Record of Decision approving the Environmental Impact Statement for the Project to allow construction of an eight foot barrier comprised of a four foot wall on top of a four foot berm as the noise mitigation measure.

5. Kercheval Avenue Area Treatment

Land which immediately abuts the north side of Kercheval Street between St. Jean Street and Hillger Avenue (to be vacated) contains railroad tracks (arrival and departure yard) and a 50 foot wide Detroit Edison easement for the construction of an above-ground transmission line. The view from Kercheval Street shall be visually screened by evergreen landscaped planting, shrubs, berms, metal fabric or similar means so as to create the most desirable visual screening possible. Trees and other plant materials should accent the continuity of Kercheval Street.

6. Other Perimeter Treatment

Where land which immediately abuts rights-of-way contains railroad tracks, truck marshalling or loading/unloading operations, the view from the rights-of-way shall be filtered by trees, shrubs, berms, metal fabric or similar means. Landscaping on the land along public rights-of-way shall include at least ground○" cover plants, appropriate shrubs and trees.

EXHIBIT 2

LEGAL DESCRIPTION OF ELIGIBLE PROPER-

LOCAL DEVELOPMENT FINANCIAL AUTHORITY DISTRICT

ELIGIBLE PROPERTY

Land in the City of Detroit, County of Wayne, State of Michigan, beginning at the intersection of the easterly line of Lycaste Ave., 60 feet wide, with the northerly line of Jefferson Ave., 120 feet wide, at the southwesterly corner of Lot 55 of Block 1 of "Hart Farm Subdivision" as recorded in Liber 24, Page 53 of Plats, W.C.R.; thence, along the northerly line of Jefferson Ave., 120 feet wide, N. 63° 24' 50" E., 802.37 feet; thence N. 78° 39' 47" E., 356.40; thence N. 26° 08' 40" W., along the easterly line of Corey Ave., 50 feet wide, 985.38 feet to the southerly line of Kercheval Avenue, 80 feet wide; thence N. 61° 44' 37" E. along the southerly line of Kercheval Ave., 1197.27 feet to the westerly line of Conner Avenue, 86 feet wide; thence N. 25° 53' 53" W., along the westerly line of Conner Ave. 1753.07 feet to the southerly line of Charlevoix Ave., 60 feet wide; thence, along the southerly line of Charlevoix Ave., S. 63° 31' 20" W., 1394.50 feet; thence S. 02° 34' 29" E., 55.78 feet; thence S. 63° 31' 20" W., 117.00 feet; thence N. 25° 48' 01" W., 111.01 feet; thence N. 63° 31' 20" E., 2.50 feet to the westerly line of Conner Lane, 33 feet wide; thence, along the easterly line of Conner Lane, N. 25° 48' 01" W., 2403.29 feet, to a line 50.00 feet southerly of and parallel to the construction center line of the Mack Ave, being the centerline of proposed Mack Avenue, 100 feet wide; thence, along said line S. 53° 07' 30" w., 1073.71 feet, to a point of curve; thence 197.63 feet on the arc of a curve to the left with a radius of 2815.00 feet, a delta angle of 04° 01' 21" and a long chord which bears S. 51° 06' 50" W., 197.59 feet, to the southerly line of Mack Ave., 120 feet wide (as widened March 6, 1928); thence along the southerly line of Mack Ave., 120 feet wide, south 44° 38' 55" W., 490.74 feet, to the easterly line of St. Jean Ave., 66 feet wide; thence along the easterly line of St. Jean Ave., S. 26° 01' 15" E., 1113.74 feet; and S. 25° 56' 01" E., 2727.88 feet, to the intersection with the northerly line of Kercheval Ave., 80 feet wide: thence, along the northerly line of Kercheval Ave., N. 61° 44' 37" E., 893.09 feet, to the easterly line of Lycaste Ave., 60 feet wide; thence, along the easterly line of Lycaste Ave., S. 25° 55' 08" E., 938.38 feet, to the northerly line of Jefferson Ave., and the point of beginning:

Also, beginning at the intersection of the westerly line of Lycaste Ave., 60 feet wide, and the northerly line of Jefferson Ave., 120 feet wide; thence S. 63° 24' 50" W., along the northerly line of Jefferson Ave., 335.78 feet; thence N. 26° 15' 31" w., 334.69 feet to a point of curvature; thence 515.59 feet along the arc of a curve, concave to the south west, having a radius of 1935.08 feet, a delta of 15° 15' 58", and a long chord of 514.07 feet which bears N. 33° 53' 30" W., to the southerly line of Kercheval Ave., 80 feet wide; thence N. 61° 44' 37" E., along said line, 88.54 feet to the westerly line of Hillger Ave., 70 feet wide; thence S. 25° 59' 53" E., along said line, 175.78 feet; thence N. 64° 04' 48" E., 70.00 feet to the easterly line of Hillger Ave.; thence N. 63° 24' 50" E., 135.13 feet to the easterly line of a Public Alley, 18 feet wide; thence S. 26° 13' 21" E., along said line, 19.25 feet; thence N. 64° 04' 52" E., 115.12 feet to the westerly line of Lycaste Ave., 60 feet wide; thence S. 25° 55' 08" E., along said line 650.02 feet to the point of beginning.

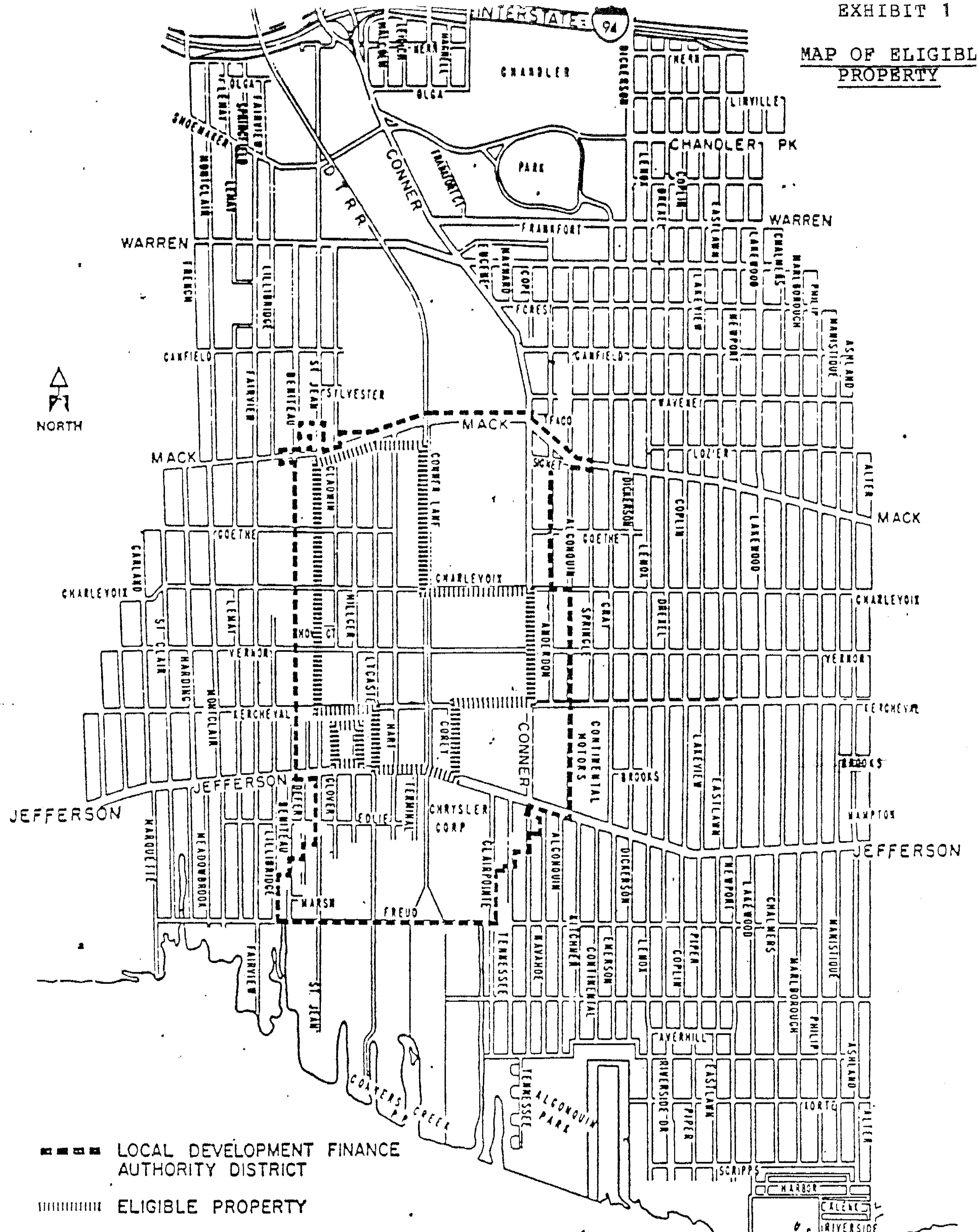
L.D. 55,56 (88-25)

3-17-88

AJT/tkw

EXHIBIT 1

MAP OF ELIGIBL PROPERTY



JEFFERSON-CONNER INDUSTRIAL REVITALIZATION PROJECT

CITY OF DETROIT TAX INCREMENT FINANCE AUTHORITY

EXHIBIT 2

LEGAL DESCRIPTION OF ELIGIBLE PROPERTY

LOCAL DEVELOPMENT FINANCIAL AUTHORITY DISTRICT

ELGIBLE PROPERTY

Land in the City of Detroit, County of Wayne, State of Michigan, beginning at the intersection of the easterly line of Lycaste Ave., 60 feet wide, with the northerly line of Jefferson Ave., 120 feet wide, at the southwesterly corner of Lot 55 of Block 1 of "Hart Farm Subdivision" as recorded in Liber 24, Page 53 of Plats, W.C.R.; thence, along the northerly line of Jefferson Ave., 120 feet wide, N. 63° 24' 50" E., 802.37 feet; thence N. 78° 39' 47" E., 356.40; thence N. 26° 08' 40" W., along the easterly line of Corey Ave., 50 feet wide, 985.38 feet to the southerly line of Kercheval Avenue, 80 feet wide; thence N. 61° 44' 37" E. along the southerly line of Kercheval Ave., 1197.27 feet to the westerly line of Conner Avenue, 86 feet wide; thence N. 25° 53' 53" W., along the westerly line of Conner Ave. 1753.07 feet to the southerly line of Charlevoix Ave., 60 feet wide; thence, along the southerly line of Charlevoix Ave., S. 63° 31' 20" W., 1394.50 feet; thence S. 02° 34' 29" E., 55.78 feet; thence S. 63° 31' 20" W., 117.00 feet; thence N. 25° 48' 01" W., 111.01 feet; thence N. 63° 31' 20" E., 2.50 feet to the westerly line of Conner Lane, 33 feet wide; thence, along the easterly line of Conner Lane, N. 25° 48' 01" W., 2403.29 feet, to a line 50.00 feet southerly of and parallel to the construction center line of the Mack Ave, being the centerline of proposed Mack Avenue, 100 feet wide; thence, along said line S. 53° 07' 30" W., 1073.71 feet, to a point of curve; thence 197.63 feet on the arc of a curve to the left with a radius of 2815.00 feet, a delta angle of 04° 01' 21" and a long chord which bears S. 51° 06' 50" W., 197.59 feet, to the southerly line of Mack Ave., 120 feet wide (as widened March 6, 1928); thence along the southerly line of Mack Ave., 120 feet wide, S. 44° 38' 55" W., 490.74 feet, to the easterly line of St. Jean Ave., 66 feet wide; thence along the easterly line of St. Jean Ave., S. 26° 01' 15" E., 1113.74 feet; and S. 25° 56' 01" E., 2727.88 feet, to the intersection with the northerly line of Kercheval Ave., 80 feet wide; thence, along the northerly line of Kercheval Ave., N. 61° 44' 37" E., 893.09 feet, to the easterly line of Lycaste Ave., 60 feet wide; thence, along the easterly line of Lycaste Ave., S. 25° 55' 08" E., 938.38 feet, to the northerly line of Jefferson Ave., and the point of beginning:

Also, beginning at the intersection of the westerly line of Lycaste Ave., 60 feet wide, and the northerly line of Jefferson Ave., 120 feet wide; thence S. 63° 24' 50" W., along the northerly line of Jefferson Ave., 335.78 feet; thence N. 26° 15' 31" W., 334.69 feet to a point of curvature; thence 515.59 feet along the arc of a curve, concave to the south west, having a radius of 1935.08 feet, a delta of 15° 15' 58", and a long chord of 514.07 feet which bears N. 33° 53' 30" W., to the southerly line of Kercheval Ave., 80 feet wide; thence N. 61° 44' 37" E., along said line, 88.54 feet to the westerly line of Hillger Ave., 70 feet wide; thence S. 25° 59' 53" E., along said line, 175.78 feet; thence N. 64° 04' 48" E., 70.00 feet to the easterly line of Hillger Ave.; thence N. 63° 24' 50" E., 135.13 feet to the easterly line of a Public Alley, 18 feet wide; thence S. 26° 13' 21" E., along said line, 19.25 feet; thence N. 64° 04' 52" E., 115.12 feet to the westerly line of Lycaste Ave., 60 feet wide; thence S. 25° 55' 08" E., along said line 650.02 feet to the point of beginning.

L.D. 55,56 (88-25)

3-17-88

AJT/tkw

EXHIBIT 3

MAP OF PUBLIC FACILITIES