

**EXHIBIT A**

**DEVELOPMENT PLAN  
AND  
TAX INCREMENT FINANCING PLAN**

**DETROIT GATEWAY PARK OUTLET MALL/SHOPPES AT GATEWAY  
DEVELOPMENT**

Eight Mile/Woodward Corridor Improvement Authority  
of the City of Detroit

Dated: \_\_\_\_\_, 2011

## **I. INTRODUCTION**

### **A. Purpose of Corridor Improvement Authority Act.**

Michigan Public Act 280 of 2005, as amended, commonly referred to as the Corridor Improvement Authority Act ("Act 280", or, sometimes, the "Act"), was created to assist cities with efforts to halt property value deterioration and increase property tax valuation in a business district, to eliminate the causes of that deterioration, and to promote economic growth, particularly in commercial corridors of the City. Specifically, the Act was enacted to provide for the establishment of a corridor improvement authority; to prescribe the powers and duties of the authority; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas in the districts; to promote the economic growth of the districts; to create a board; to prescribe the powers and duties of the board; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to prescribe powers and duties of certain state officials; to provide for rule promulgation; and to provide for enforcement of the act.

To achieve its goals, Act 280 provides for the financing of certain activities of an authority and allows the authority to levy special assessments, borrow money, own, develop and dispose of property, issue revenue bonds and prepare a tax increment financing plan and/or a development plan, if the authority deems such necessary. Pursuant to Act 280, municipal and county treasurers are required to transmit tax increment revenues to the authority pursuant to any such tax increment financing plan.

### **B. Creation of the Eight Mile/Woodward Corridor Improvement Authority.**

The Eight Mile/Woodward Corridor Improvement Authority of the City of Detroit (the "Authority") was created pursuant to Act 280 by ordinance passed by the Detroit City Council ("City Council") on February 5, 2008, effective as of February 15, 2008, in order to promote economic growth by assisting with the redevelopment of a commercial corridor within the City of Detroit.

The City Council identified as a development area pursuant to Act 280 an approximately 34.89 acre tract located at the southeast corner of the intersection of Woodward Avenue and Eight Mile Road (the "Development Area"). The Development Area is legally described on Exhibit A hereto, and its boundaries are depicted on Exhibit B hereto. The Authority has determined that the Development Area is a "qualified development area" under Section 3(d) of Act 280, insofar as it meets all of the criteria for a development area under Act 280 and also meets the following additional criteria in order to constitute a qualified development area: (a) such area (i) is located within a city with a population of 700,000 or more, (ii) contains at least 30 contiguous acres, (iii) was owned by the State of Michigan on December 31, 2003 and was conveyed to a private owner before June 30, 2004, (iv) is zoned to allow for mixed use that includes commercial use and that may include residential use and (v) is located in a distressed area; and (b) construction within such area began on or before July 17, 2009.

**C. Preparation of a Development Plan and Tax Increment Financing Plan.**

Under Act 280, the Authority must prepare and submit a tax increment financing plan (the "TIF Plan") pursuant to Sections 18 and 19 of the Act and a development plan pursuant to Section 21 of the Act (the "Development Plan" and, together with the TIF Plan, the "Plans") if it determines that the Plans are necessary for the achievement of the purposes of Act 280 and if it wishes to expend funds available to the Authority pursuant to the Act in furtherance of the development objectives set forth in the Plans. The Development Plan and the TIF Plan for the Development Area are set forth, respectively, in Articles II and III below.

**D. Overview of the Project Proposed in the Plans and Status of Development and Construction of the Project to Date.**

For several years, members of Detroit Gateway Park Outlet Mall, LLC, a Michigan limited liability company (the "Developer"), have pursued development of the Development Area as a retail shopping center to be known as the Shoppes at Gateway (the "Project"). While the Developer commenced site construction prior to July 17, 2009 in furtherance of the Project and in conformity with the requirements for a qualified development area under the Act and the Developer has continued to pursue such work, due to numerous factors, including the decline in the economy, the difficulty in attracting national retailers to the City of Detroit and an insufficient level of public improvements available in and around the Development Area, the Developer has so far been unable to move the Project past the initial stages described in this Section D and in the Development Plan detailed below.

The proposed Project consists of an approximately 351,344 square foot retail development. The proposed Project site is depicted on the site plan attached as Exhibit C hereto (the "Site Plan"). The Developer is currently the owner and developer of the majority of the land in which the Project is to be located. Most significantly, the Developer has entered into a contract with Meijer, Inc. ("Meijer") for the transfer to Meijer of approximately 17 acres on the eastern side of the Project site. Upon delivery of the parcel, Meijer is contractually obligated to build and open to the public an approximately 194,566 square foot "supercenter," an approximately 18,668 square foot garden center and an approximately 2,544 square foot Meijer-branded gas station.

Under its contract with Meijer, the Developer must deliver the parcel to Meijer pad-ready for Meijer's construction and with all site improvements and infrastructure in place for both the Meijer parcel and the balance of the Project site. The required site improvements, completion of which is an essential trigger for performance of the Meijer contract and for commencement of construction of actual buildings and other structures within the Project site (including both the Meijer superstore and other retail improvements), include, but are not limited to, all excavation, underground utilities, parking lots, lighting, entrance, exit and internal drives (collectively, hereinafter, the "Project Site Improvements").

Coincident with the transfer to Meijer, and on the strength of the Meijer development, the Developer intends to develop the remainder of the Project site as a retail development. It is anticipated that the Developer will develop the Project site as a site condominium under

Michigan's Condominium Act, with the Meijer parcel and the Developer's retained portion of the Project site as the respective units of a two-unit site condominium (the Developer's retained portion, including building pads for inline retail stores and out lots, as well as parking areas, internal drives and walkways, is hereafter referred to as the ("Developer Parcel"). The Developer is negotiating with several national and local retailers to lease, ground lease and/or acquire space in the Developer Parcel as part of the Project. The Developer has made it clear that in order to fulfill its obligations to Meijer and otherwise develop the Project, it is of vital importance that the Developer has adequate financing to complete construction of the Project Site Improvements.

The Authority has determined that, when fully realized, the Project will result in substantial economic growth to the Development Area. Accordingly, the Authority has prepared and adopted the Plans detailed herein so as to provide requisite assistance to the Developer in its efforts to meet its contractual obligations to Meijer and otherwise to develop the Project. As of the date of adoption of the Plans, it is envisaged that this assistance will primarily related to assistance with financing the substantial costs of the Project Site Improvements that are a required precondition for moving forward with the Meijer development as well as the other Project components. As more particularly described in Section I.2 of the Development Plan set forth in Article II hereof, and in the TIF Plan set forth in Article III hereof, the Authority will reimburse the Developer, as permitted under Section 11(2) of the Act, for the Developer's costs in connection with the construction of the Project Site Improvements. In order to finance the Project Site Improvements and other Project-related costs, Developer intends to obtain a loan from a third party lender, that will be (i) collateralized in part by the Developer's pledge of its right to reimbursement of its costs for the Project Site Improvements from tax increment revenues generated within the Development Area and (ii) repaid, directly or indirectly, with tax increments received by the Developer pursuant to the TIF Plan. The Developer intends to obtain additional financing, independent of the loan to be supported by the aforesaid pledge of tax increments, for the construction of the inline retail stores and out lot buildings on the Developer's portion of the Development Area. The Authority may also elect to issue bonds in the manner provided for in Act 280 to finance the Project Site Improvements and/or other Project-related improvements and costs and use some or all of the tax increment revenues to pay for the bond debt service.

## **II. DEVELOPMENT PLAN**

The Development Plan set forth below includes information that corresponds to the specific components of a development plan required under the Act pursuant to Subsections 21(2)(a) through 21(2)(r).

### **A. The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise (Section 21(2)(a)).**

The Development Area is bounded by Woodward Avenue to the west, by Eight Mile Road to the north, Ralston Road to the east and the northern line of the Michigan State Fairgrounds property as the southern boundary. A map showing the boundaries of the Development Area is set forth on Exhibit B. The Development Area has been subject to

substantial previous development, and there are no streams or other prominent natural features remaining.

**B. The location and extent of existing streets and other public facilities within the development area, designating the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial educational, and other uses, and including a legal description of the development area (Section 21(2)(b)).**

**1. Legal Description of the Development Area.** See Exhibit A

**2. Location and Extent of Existing Streets within the Development Area.** There are no streets or alleys presently within the Development Area, except for one abandoned alley located to the south of, and running parallel to, Eight Mile Road, as shown on Exhibit B.

**3. Other Public Facilities within the Development Area.** All public utilities have been capped and have remained unused for several years.

**4. Existing Land Uses in Development Area.** The Development Area was originally used for primarily residential purposes and is currently vacant. The entire Development Area was recently been re-zoned from residential to B-3 in anticipation of the development of the Project.

**5. Proposed Land Uses.** It is anticipated that the Development Area will be used primarily as a retail shopping center, including all typical and ancillary uses for in connection with such a development.

**6. Perimeter Parcels.** Certain parcels along Woodward Avenue and Eight Mile Road (the "Perimeter Parcels") are identified as part of the proposed Project site and are depicted in the Site Plan, and the Authority views the possible incorporation of the Perimeter Parcels as part of the Project as being consistent with the Development Plan. However, the Perimeter Parcels are not currently included in the Development Area, and their acquisition and any site work or other development thereon will be financed separately from the financing provided for in the TIF Plan.

**C. A description of existing improvements in the development area to be demolished, repaired, or altered, a description of repairs and alterations, and an estimate of the time required for completion (Section 21(2)(c)).**

**1. Structures.** There are currently no above-ground structures within the Development Area. The Developer has previously demolished all buildings and removed all streets (other than the remaining alley), and crushed and stockpiled all stone for future use. The topsoil has been stripped and stockpiled and is almost entirely removed. If they are acquired, the buildings and other improvements located on the Perimeter Parcels will also be demolished, with such demolition expected to commence and be completed within approximately two months after the Developer's construction financing has been finalized.

**2. Public Utilities and Infrastructure.** All above ground utilities (transformers, lights and poles) have been removed from the Development Area, and all underground utilities have been capped. An abandoned alley, depicted on Exhibit C, has not been removed.

**3. Estimate of Time for Completion of Demolition and Related Work.** Once the plans have been implemented and the construction financing has been finalized, the Developer intends to demolish the existing improvements on the Perimeter Parcels within two months, as set forth on the Construction Schedule attached as Exhibit D.

**4. Other Activities in or Affecting the Development Area.** Construction of the Project Site Improvements commenced before July 17, 2009, including land balancing work. The topsoil throughout the Development Area has been stripped and stockpiled and is almost entirely removed. Environmental cleanup work has been substantially completed, and will be finalized prior to December 31, 2011. Developer's Site Plan has been submitted to the Planning and Development Department of the City.

**D. The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion (Section 21(2)(d)).**

**1. Location of Improvements.** The improvements to be constructed will be located substantially in the locations shown on the Site Plan, Exhibit C.

**2. Extent and Character of Improvements.** The Project will be primarily a retail shopping center and will include, without limitation, retail buildings, parking lots, berms, lighting structures, drives and driveways, utilities and all related improvements necessary to develop a retail shopping center, all as shown on the Site Plan.

**3. Time for Completion.** The Project will be completed substantially in accordance with the Construction Schedule. It is anticipated that the entire Project will be completed no later than March 31, 2013.

**4. Estimated Costs.** The total construction costs for the Project are estimated to be approximately \$23,600,000, of which approximately \$10,750,000 will be incurred with respect to Project Site Improvements (to be reimbursed pursuant to the TIF Plan), and the remaining \$12,850,000 will be incurred with respect to the buildings to be constructed and related improvements for the Development Area (excluding such improvements on the Meijer parcel) and other project costs. Acquisition of the Perimeter Parcels is estimated to cost approximately \$1,792,500. It is contemplated that the Project will be financed as set forth on the Sources & Uses of Funds schedule attached as Exhibit E.

**E. A statement of the construction or stages of construction planned, and the estimated time of completion of each stage (Section 21(2)(e)).**

**1. Project Site Improvements.** It is contemplated that all Project Site Improvements will be completed by year-end 2012.

**2. Vertical Site Improvements.** It is contemplated that all building or related or “vertical” improvements on the Project Site (excluding those on the Meijer parcel) will be completed by mid-year 2013.

**F. A description of any parts of the development area to be left as open space and the use contemplated for the space (Section 21(f)).**

None.

**G. A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms (Section 21(2)(g)).**

None.

**H. A description of the desired zoning changes and changes in streets, street levels, intersections, traffic flow modifications, or utilities (Section 21(2)(h)).**

**1. Zoning.** The Development Area is currently zoned B-3, and there is no need to change this zoning classification for the Project.

**2. Changes in Streets, Street Levels, Intersections or Utilities.** Developer previously removed all streets (other than the aforementioned alley) and aboveground utilities from within the Development Area. Submissions have been made to MDOT for approval of the approach and turn-in configuration for the shopping center from Eight Mile Road.

**I. An estimate of the cost of the development, a statement of the proposed method of financing the development and the ability of the authority to arrange the financing (Section 21(2)(i)).**

**1. Cost of the Development.** It is anticipated that the entire Project will cost the Developer approximately \$54,300,000 of which approximately \$10,750,000 will be incurred with respect to Project Site Improvements to be reimbursed under the TIF Plan<sup>1</sup>; \$1,792,500 will be incurred with respect to acquisition of the Perimeter Parcels, and approximately \$ 12,850,000 will be incurred with respect to the buildings and related improvements in the Development Area (excluding the Meijer parcel) and other project costs.

**2. Proposed Method of Financing.** The Developer intends to obtain a conventional loan or loans from a third party lender to cover, among other costs, the costs of Project Site Improvements and ancillary costs necessary to commence full development of the Project.<sup>2</sup> It is proposed that this loan will be collateralized by (a) a pledge by the Developer of the Developer’s right to be reimbursed for the Project Site Improvements costs from tax

---

<sup>1</sup> These figures include hard and soft costs and development fees.

<sup>2</sup> The loan or loans are anticipated to be invested in the Project in the form of a so-called “leverage loan” that will flow through a federal New Markets Tax Credit financing structure, which will also bring additional sources of capital to the Project.

increment revenues from the Development Area, as set forth in the TIF Plan, and (b) a first mortgage on all or a portion of the Developer Parcel. The Developer also intends to obtain third party lender financing and other financial support for the construction of the retail stores and out lot developments on the Developer Parcel. The Developer's financing will be secured by, among other things, a mortgage and collateral assignment of leases and rents encumbering the Developer's Parcel, including the retail buildings and other improvements developed thereon. As noted above, in addition to the mortgage loan, the Developer anticipates obtaining additional capital for the Project through a New Markets Tax Credit ("NMTC") financing structure, and it may seek other forms of tax credit or other financial support for the Project. Meijer is solely responsible at its own expense for construction of its supercenter and gas station. It is also possible that the Developer will pay for a portion of its Project costs by selling and/or ground leasing one or more of the out parcels to various retailers. The Developer may request that the Authority issue bonds repayable by tax increment revenues in the manner provided for in Act 280 to finance some or all of the Project Site Improvements or other Project-related improvements and costs.

**3. Ability of Authority to Arrange Financing.** To the extent that the Authority determines that Developer's costs for Project Site Improvements are eligible for reimbursement under Act 280, the Authority will use the tax increment revenues from the Development Area to reimburse the Developer for the cost of the Project Site Improvements. In the event that the Developer requests that the Authority issue bonds financed by tax increment revenues in the manner provided for in Act 280 to finance Project Site Improvements or other Project-related improvements and costs, the Authority will evaluate its ability to do so at the time the request is made.

**J. A designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority (Section 21(2)(j)).**

The entire Development Area is presently owned by the Developer. As various stages of the Project are completed, interests therein will be conveyed or leased to the various retailers, including Meijer. In addition to the direct benefit to Meijer and the other merchants, who will gain an attractive point of access to the marketplace in the Eight Mile/Woodward Corridor area, the Project will benefit (i) the public, who will have access to convenient shopping in a previously underserved area, (ii) surrounding residential and commercial areas anticipated to benefit from the spillover effects of Project success, and (iii) the tax base of the City of Detroit. As previously stated, the Developer is currently under contract to transfer to Meijer fee simple title to the approximately 17 acres of the Eastern portion of the Development Area as soon as an agreed portion of the Project Site Improvements are in place and the Meijer parcel is pad-ready for Meijer's construction. Upon delivery of the Meijer parcel in the condition, Meijer is contractually obligated to build and open an approximately 194,566 square foot "supercenter," an approximately 18,668 square foot garden center and an approximately 2,544 square foot Meijer-branded gas station. The remaining anticipated 135,566 square feet of retail development will be leased, ground leased and/or sold by the Developer to various in-line and out parcel retailers in connection with the Project. The Developer's primary contact information is as follows:



**Detroit Gateway Park Outlet Mall, LLC**  
**c/o REDICO Management, Inc.**  
One Towne Square  
Suite 1600  
Southfield, MI 48076  
Attn: Kenneth Till, Vice President  
Phone: (248) 784-6466

The Developer has also retained the services of the following entities to assist in the development of the Project:

General Contractor: **The Dailey Company**  
179 Northpointe Drive  
Lake Orion, Michigan 48359  
Attention: John S. Fekaris, Operations Manager  
Telephone: (248) 364-2600

The General Contractor is seeking for form a joint-venture with one of the following Detroit Based Partners that have been solicited for bids:

**Jenkins Construction**  
**KEO & Associates**  
**L.S. Brinker Co.**  
**O'Brien Edwards Construction**  
**W-3 Construction**  
**White Construction**  
**3LK Construction**  
**Clark's Construction**  
**Dumas Concepts**  
**MIG**  
**Toole's Contracting**

All but the later latter five firms have submitted proposals. These RFP's are being reviewed, and interviews are to be conducted shortly, with a final selection to follow.

Architect: **Rogvoy Architects P.C.**  
32500 Telegraph Road, Suite 250  
Bingham Farms, Michigan 48025  
Attention: Mark Drane, AIA, LEED AP  
Telephone: (248) 540-7700

Engineering: **Andersen Eckstein & Westrick**  
51301 Schoenherr Road  
Shelby Twp, MI 48315-2733  
Attention: Stephen V. Pangori, P.E., Executive Vice President

Telephone: (586) 726-1234

Retail Leasing: **Redico Management, Inc.**  
One Towne Square  
Suite 1600  
Southfield, MI 48076  
Attn: Scott McCarthy, Vice President  
Phone: (248) 784-6466

- K. The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons (Section 21(2)(k)).**

As noted in Section J, above, the Developer has already engaged the services of Andersen Eckstein & Westrick, as engineer, and REDICO Management, Inc. ("Redico") as retail leasing coordinator/broker, subject to a current contract. Redico will devise appropriate plans for leasing, or sale, if appropriate, of inline and outlet space to appropriate retailers in accordance with market conditions. As noted above, a contract governing the Meijer "Supercenter" is already in place.

- L. Estimate the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan must include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals (Section 21(2)(m)).**

There are no residents located within the Development Area, and, therefore, there will be no families or individuals who will be displaced by the development.

- M. A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area (Section 21 (2)(m)).**

There are no residents located within the Development Area and, therefore, there will be no need to relocate persons displaced by the development.

- N. A provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses**

**and expenses incident to the transfer of tide, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 84 Stat 1894 (Section 21(2)(n)).**

There are no residents located within the Development Area and, therefore, there will be no need to provide for the costs of relocating persons displaced by the development.

**O. A plan for compliance with 1972 PA 227, MCL 213321 to 213332 (Section 21(2)(o)).**

There are no residents located within the Development Area and, therefore, there is no need to comply with 1972 PA 227.

**P. The requirement that amendments to an approved development plan or tax increment plan must be submitted by the authority to the governing body for approval or rejection (Section 21(2)(p)).**

The Plans require that all amendments to the Plan, once approved by the Authority, be submitted to the City Council of the City of Detroit for approval or rejection.

**Q. A schedule to periodically evaluate the effectiveness of the development plan (Section 21(2)(q)).**

The Authority will hold meetings, pursuant to its bylaws, to review and evaluate the progress of the Development Plan. The Developer will be required to provide periodic updates.

**R. Other material that the authority, local public agency, or governing body considers pertinent (Section 21(2)(r)).**

None.

### **III. TAX INCREMENT FINANCING PLAN**

Section 18(1) of Act 280 requires that the Authority prepare and submit a tax increment financing plan to the governing body of the municipality (herein, the "TIF Plan"). TIF Plan must include a development plan as provided in Section 21 of the Act (a Development Plan conforming to Section 21 is set forth in Article II above); a detailed explanation of the tax increment procedure; the maximum amount of bonded indebtedness to be incurred; the duration of the program; compliance with Section 19 of Act 280; a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located; and provision for use of part or all of the captured assessed value, particularly the portion to be used by the Authority. Information covering each of the foregoing is set forth in this Article III.

#### **A. Detailed Explanation of the Tax Increment Procedure.**

##### **1. General Overview.**

It is of prime importance to increase property tax valuations; eliminate the continued causes of property value deterioration; and promote economic growth throughout the City of Detroit and particularly at one of the City's principal entry points. The causes of property value deterioration can be eliminated by obtaining substantial private development and investment in various commercial corridors in the City of Detroit. Strategically located, the Development Area is the first thing most people see when entering the City of Detroit from the northern suburbs via Woodward Avenue. For the last several decades, the vast majority of the property within the Development Area was owned by the state of Michigan and has generated zero property taxes for the City of Detroit, the County of Wayne and the State of Michigan.

Tax increment financing provides a method of obtaining funds based on anticipated increased property tax receipts resulting from the sought-after development in initially low tax base areas. A portion of the increased tax receipts can be leveraged to motivate private developers, investors and lenders to reinvest in the City of Detroit by lowering the relative costs of development for a developer and increasing return on investment to competitive levels. Tax increments can be used to enhance opportunities in the City of Detroit for private improvements, public facilities, relocation of occupants as necessary, demolition, site clearance, land acquisition, etc. Tax increment financing as a tool to enhance investment in the commercial corridors of the City of Detroit became available with the adoption of Act 280. Given the current severely depressed valuations in the Development Area, tax increment financing pursuant to Act 280 is an ideal basis for funding, costs of constructing the Project described in the Development Plan.

Under Act 280, property tax increments captured annually can be used either as a "pay as you go" basis as they are collected or can be pledged to bonds or other debt obligations for obtaining up-front leveraged funds for immediate use. Under the Authority's TIF Plan, the Authority initially intends to use property tax increments on a pay as you go basis in order to reimburse the Developer for costs incurred in carrying out the Project Site Improvements.

Developer will finance the up-front costs of the Project Site Improvements (among other Project Costs) with one or more conventional loans (which may be invested in the Project indirectly through an NMTC structure) (the "Loans"), the Developer will pledge its right under the Plans to receive such reimbursements from, tax increments as part of the collateral for the Loans, in a manner consistent with Act 280. Thus, the tax increments will function, indirectly, as leverage for workable conventional financing of the vital initial portion of the Project, which financing would otherwise be extremely difficult or impossible to obtain under current market conditions. However, if circumstances relating to the successful completion of the Project require it, the Authority may pledge the tax increment revenue to fund bonds or other debt obligations as permitted by Act 280 and may use tax increment revenues to finance other Project-related improvements and/or other Project-related costs, or for any other purposes permitted by Act 280.

## **2. Explanation of Tax Increment Financing Concept/Procedure.**

The TIF Plan will be administered in full compliance with Section 18 and all other provisions of Act 280. The tax increment financing concept, as well as the method for calculating tax increment proceeds under Act 280, is explained in detail in this Section 2. The basis of tax increment financing lies in the fact that increases in property values in an area produce increases in property tax assessments, and, hence, in property taxes generated from such area. Pursuant to Act 280, the TIF Plan provides for direct allocation to the Authority of a portion of the tax revenues attributable to increases in the value of real and personal property within the boundaries of the Development Area. These increases in property value may be attributable to new construction, rehabilitation, remodeling, alterations, additions, inflation, new or reuse of the Project by viable entities or other factors the assessor may deem appropriate.

As set forth in Section 2(m) of Act 280, the most recently assessed values as equalized by the State Board of Equalization of all eligible taxable properties located within the boundaries of the Development Area at the time the resolution establishing the TIF Plan is approved by the Detroit City Council, as shown by the most recent assessment roll of the City of Detroit for which equalization has been completed by or before the date of approval, will become the "initial assessed value."

In each year after the TIF Plan is approved, the total assessed value for that year of eligible real and personal property within the boundaries of the Development Area is referred to in the Act as the "current assessed value." As set forth in Section 2(f) of Act 280, the amount in any one year by which the current assessed value of the Development Area exceeds the initial assessed value is identified as the "captured assessed value." It is the intent of the TIF Plan, as permitted by the Act, to include the increase in property value from inflation in the captured assessed value.

During the period the TIF Plan is in force, the local taxing jurisdictions continue to receive the full amount of tax revenue levied on the initial assessed value. However, that portion allocable to the captured assessed value is transmitted to the Authority for use according to the TIF Plan. This portion is known as "tax increment revenue." Tax increment revenues are collected from all property taxing jurisdictions, except that such revenues do not include (i) property taxes 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 or those issued

by schools systems taxing the Development Area or (ii) taxes under the state education tax act or taxes levied by local or intermediate school districts under the revised school code (collectively, the "School Taxes") except that tax increment revenues from School Taxes may be collected in connection with a development and tax increment financing plan for a qualified development area, as allowed under Section 29 of Act 280. Since the Development Area is a qualified development area, the Authority is authorized to request, and intends to request, that the Michigan Economic Growth Authority ("MEGA) allow the School Taxes to be included within the definition of tax increment revenues for this Project.

Each year, the municipal and county treasurers will transmit to the Authority the tax increment revenues generated within the Development Area. The amount of tax increment revenues to be transmitted to the Authority by the city and county treasurers will be that portion of the tax levy of all taxing bodies paid each year on eligible real and personal property in the Development Area on the captured assessed value, if any. Tax increment revenues are generated only in years when the current assessed valuation exceeds the initial assessed valuation. If there is no aggregate increase in assessed valuation in the Development Area over the initial assessed valuation in such area, there is no tax increment revenue. If there is, in any year, a decrease in the current assessed valuation below the initial assessed valuation, there will be no tax increment for that year.

The Authority may use tax increment revenue to carry out the approved Development Plan for the Development Area in the manner described in and for the purposes set forth in this TIF Plan. The Act requires that surplus funds revert to the appropriate taxing bodies. If bonds or other obligations have been issued or the tax increment flow has been otherwise pledged, then the tax increments each year are paid to the appropriate entity for use in retiring the bonds or other obligations.

### **3. Use of Tax Increment Revenue.**

In general, tax increment revenue may be used to pay costs of carrying out the development plan, including, but not limited to, engineering, architectural, legal, accounting or financial expenses. Under Section 17 of Act 280, an authority may finance all or part of the costs of acquiring or constructing or causing to be constructed property in connection with a development plan in the development area. If the development plan is to be implemented in a qualified development area, the authority's funds can be used to cover the costs of reimbursing a public or private person for various costs initially borne by the private person.

Section 11(2) of Act 280 provides that an authority that is located within a qualified development area may, in addition to the powers enumerated elsewhere in Act 280, do one or more of the following:

- (a) Perform any necessary or desirable site improvements to the land, including, but not limited to, installation of temporary or permanent utilities, temporary or permanent roads and driveways, silt fences, perimeter construction fences, curbs and gutters, sidewalks, pavement markings, water systems, gas distribution lines, concrete, including, but not limited to, building pads, storm drainage systems, sanitary sewer systems, parking lot paving and light fixtures,

electrical service, communications systems, including broadband and high-speed internet, site signage, and excavation, backfill, grading of site, landscaping and irrigation, within the development area for the use, in whole or in part, of any public or private person or business entity, or a combination of these.

(b) Incur expenses and expend funds to pay *or reimburse a public or private person* for costs associated with any of the improvements described in subdivision (a). [Emphasis Added]

(c) Make and enter into financing arrangements with a public or private person for the purposes of implementing the board's powers described in this section, including, but not limited to, lease purchase agreements, land contracts, installment sales agreements, sale leaseback agreements, and loan agreements.

Accordingly, under this TIF Plan, except for those portions necessary to fund the costs of operating the Authority, all available tax increment revenue, including that portion attributable to School Taxes, will be pledged by the Authority to the Developer for the purpose of reimbursing the Developer (or its assignee) for all unreimbursed eligible costs of the Project Site Improvements, and, if and to the extent permitted under the Act, other Project-related improvements, land acquisition, and other purposes. Tax increment revenues will also be first used to pay for all expenses incurred by the Authority in administering this TIF Plan as provided in the Act. At the time of the drafting of the Plans, the Board of the Authority estimates that the costs of administering the Plan will be approximately \$100,000.00 per year. The Board may increase or decrease that sum to reflect the actual costs incurred.

In order to fully effectuate the primary purpose of this TIF Plan, the Authority will enter into a development agreement with the Developer (the "Agreement"). The Agreement will run with the land and bind any successor in title (whether as a fee owner or ground lessee consistent with the terms of the contemplated NMTC financing structure for the Project) to the Developer Parcel, whereby the Authority will pledge and agree to pay over to the Developer (or its successor in title to the Developer Parcel or applicable portion thereof), the tax increment revenues necessary to reimburse the Developer for its costs incurred by it in connection with the Project Site Improvements. The Developer may collaterally assign to a third party lender the tax increment revenues the Developer is entitled to receive from the Authority. In the event of an uncured default by the Developer (or the Developer's affiliate or other obligated party under the NMTC structure), such third party lender would both be able to exercise its rights and remedies under foreclosure of the mortgage or accept a deed-in-lieu and attempt to realize upon the stream of income consisting of the promised reimbursements of Project Site Improvement costs under the TIF Plan. Thus, the Authority would pay over to such lender, or to the purchaser at a foreclosure sale of the Developer Parcel (or such portion thereof or interest, or interests therein that is mortgaged to the lender), the tax increment revenues as and when received by the Authority for so long as the TIF Plan remains in effect until the full amount of the eligible reimbursement has been expended. Pursuant to the Agreement the Authority will be obligated to pay the full amount of eligible costs for which the Developer is entitled to be reimbursed, but such obligation on the part of the Authority should be clearly distinguished from in any way constituting a guaranty or direct collateralization of the Developer's financing. In addition, the

Agreement will either establish the maximum amount of tax increment reimbursement the Developer will be entitled to receive or provide a method for calculating that sum.

**B. The maximum amount of bonded indebtedness to be incurred.**

At the time of the adoption of the Plans, the Authority does not intend to incur any bonded indebtedness in connection with the implementation of the Project. However, as noted above if circumstances relating to the successful completion of the Project require it, the Authority may pledge the tax increment revenue to fund bonds or other debt obligations as permitted by Act 280.

**C. The duration of the program.**

The duration of the Tax Increment Financing Plan shall be the period of time necessary to recover the amount of tax increment revenue necessary for the Developer to recover the amortization of the reimbursement of eligible costs as currently and reasonably estimated as \$10,750,000, pursuant to this Plan, as established in the Agreement and to repay bonds, if any are issued.

The City may abolish this TIF Plan when it finds that the purposes for which this TIF Plan was approved have been accomplished. Since the TIF Plan's primary purpose is to reimburse Developer for all eligible costs incurred by it in connection with the Project, the TIF Plan shall not be abolished until all such reimbursement has been accomplished in full. Unless amended, the purposes of the Plans shall be accomplished when the Developer recovers its eligible costs from tax increment revenue.

**D. Compliance with Section 19 of the Act.**

It is the intent of these Plans to comply with Section 19 of Act 280 regarding tax increments, amount of tax increments, expenditure of tax increments and submission of the tax increment financing report.

Annually, the Authority shall submit to the City and the state tax commission a report on the status of the tax increment financing account. The report shall include: (i) the amount and source of revenue in the account; (ii) the amount in any bond reserve account; (iii) the amount and purpose of expenditures from the account; (iv) the amount of principal and interest on any outstanding bonded indebtedness; (v) the initial assessed value of the project area; (vi) the captured assessed value retained by the authority; (vii) the tax increment revenues received; (viii) the increase in the state equalized valuation as a result of the implementation of the tax increment financing plan; (ix) the type and cost of capital improvements made in the development area; and (x) any additional information the governing body considers necessary.

It is recognized that the amount of tax increment revenues to be transmitted to the Authority by the City Treasurer and/or County Treasurer shall be that portion of the tax levy of all taxing bodies paid each year on the assessed value of real and personal property in the Development Area on the captured assessed value.



It is further recognized that tax increment revenues shall be expended by the Authority only in accordance with the terms of this TIF Plan.

**E. A statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located.**

The impact of the tax increment financing on the assessed values of the various taxing jurisdictions is set forth on the Property Tax Impact Projections on the attached Exhibit F.

The Authority will collect the tax increment revenues from the existing Development Area for the term of the TIF Plan from the various taxing jurisdictions. It is also the intent of the Authority to seek approval from MEGA for the capture of tax increment revenues of School Taxes, as authorized under Section 29 of Act 280. After the adoption of this Plan, the Authority will begin to obtain tax increment revenues from the various taxing jurisdictions, including the local school districts, for the Development Area. Accordingly, these taxing jurisdictions, including the local school districts, will not receive tax revenues attributable to appreciation of property values within the Development Area. The Authority's estimate of the impact of the capture of these tax increment revenues is shown on Exhibit F.

The Authority proposes to strengthen the commercial corridor in and around the Development Area and to arrest the causes of declining property values by establishing the TIF Plan and by using revenues generated in the area affected by the Plans to promote redevelopment in that area. It is estimated that the Authority would direct an amount of approximately \$10,750,000, of tax increment revenue to the Project over the duration of the Development Plan. Over time, this Project will greatly benefit all the taxing jurisdictions concerned by increasing, strengthening and stabilizing the area tax base. It is anticipated that the completion of the proposed Project will yield new sources of employment and revenue and will encourage property valuation increases in the surrounding areas and eliminate the causes of deterioration and decline along the Eight Mile/Woodward Avenue commercial corridor. It is estimated that an amount in excess of \$37 million in new private construction will be built. Thus, it is projected that assessments should eventually increase. In addition, the proposed Project is expected to generate approximately 900 local jobs and, once operational, the Project, is projected to generate approximately \$ 5,400,000.00 in sales tax annually for the State of Michigan. Upon the completion of the Development/TIF Plan, all remaining captured property taxes will revert proportionately back to the appropriate taxing jurisdictions.

**F. Provision for use of part or all of the captured assessed value, particularly the portion to be used by the authority.**

At the time these Plans are adopted, except for those portions of tax increment revenue necessary to pay for the administrative cost of the Authority, all of the tax increment revenues generated by the captured assessed value on property in the Development Area will be pledged to the Developer in reimbursement for its Project Site Improvement costs and such other purposes as may be permitted under Act 280 up to maximum amount set forth in the Agreement. The Developer will be able to pledge its right to receive these reimbursements as security for the Loans and, so long as the Loans remain in compliance, to use the annual cash flow from such reimbursements to pay periodic debt service. However, it is possible that in future years tax

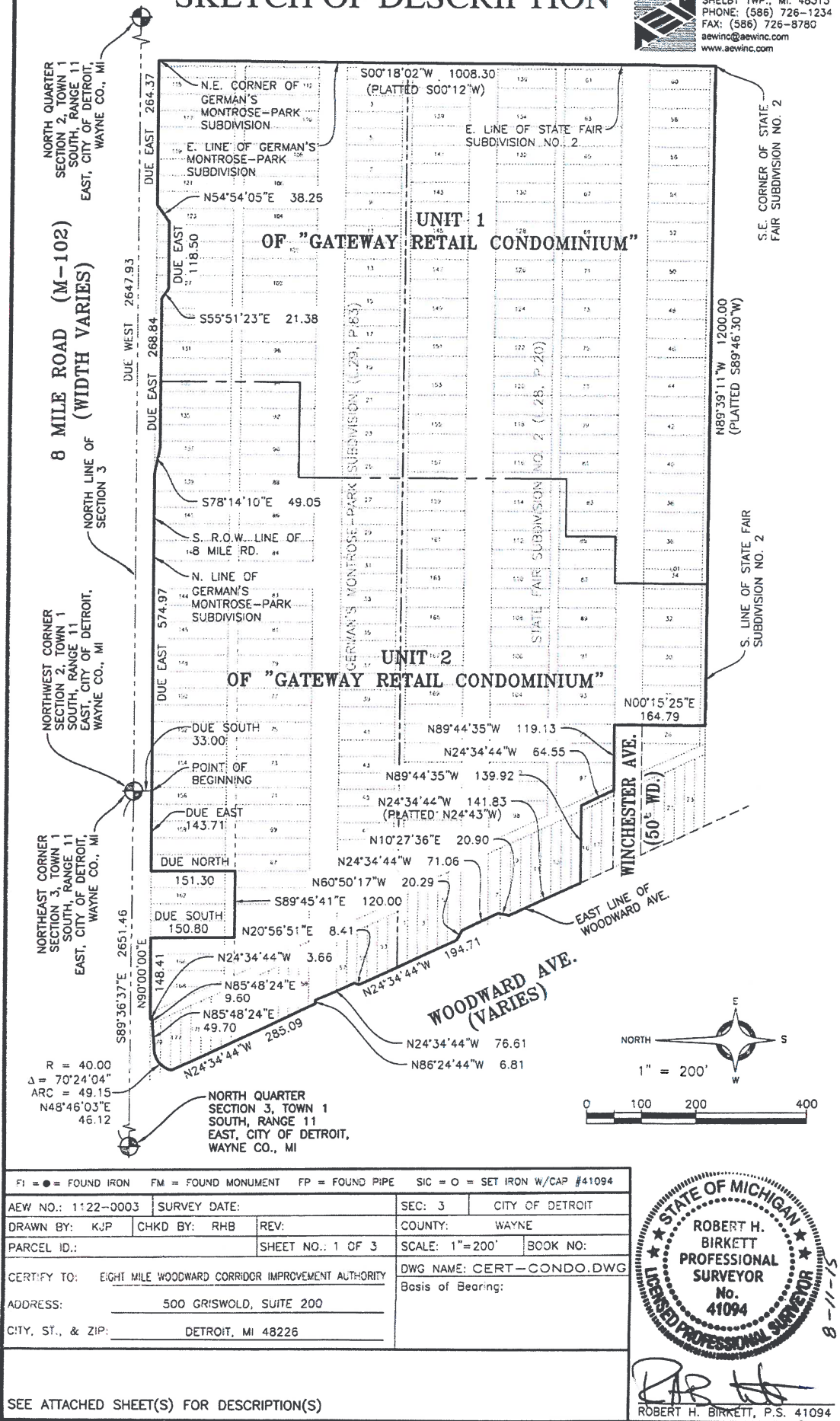
increment revenues may be generated in excess of the sum necessary for the Developer to meet annual debt service on the Loans and/or to pay for other Project-related costs up to the permitted maximum, including all amounts necessary to retire any tax increment financing bonds issued by the Authority. Tax increments revenues in excess of the sum necessary to reimburse the Developer for the cost of Project Site Improvements, or to be used for other Project-related costs permitted under Act 280, including, without limitation, bond debt service, adequate reserves and the sums required for the Authority to implement and administer the Plans and other permitted costs, will be distributed to the local taxing jurisdictions in accordance with the requirements of Act 280. At the time of the drafting of the Plans, the Board of the Authority estimates that the costs of administering the Plan will be approximately \$100,000 per year. The Board may increase or decrease that sum to reflect the actual costs incurred.

## **EXHIBITS**

Exhibit A	Legal Description of Development Area
Exhibit B	Boundary Map of Development Area
Exhibit C	Site Plan of Development Area
Exhibit D	Construction Schedule for Project
Exhibit E	Sources & Uses of Funds
Exhibit F	Property Tax Impact Projections for Development Area, including Projected Tax Increment Revenue Collections

# SKETCH OF DESCRIPTION

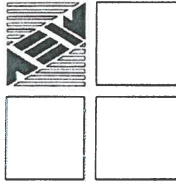
ANDERSON, ECKSTEIN AND WESTRICK, INC.  
51301 SCHONHERR ROAD  
SHELBY TWP., MI. 48315  
PHONE: (586) 726-1234  
FAX: (586) 726-8780  
aewinc@aewinc.com  
www.aewinc.com



F1 = ● = FOUND IRON FM = FOUND MONUMENT FP = FOUND PIPE SIC = O = SET IRON W/CAP #41094	
AEW NO.: 1122-0003	SURVEY DATE:
DRAWN BY: KJP	CHKD BY: RHB
PARCEL ID.:	SHEET NO.: 1 OF 3
CERTIFY TO: EIGHT MILE WOODWARD CORRIDOR IMPROVEMENT AUTHORITY	
ADDRESS: 500 GRISWOLD, SUITE 200	
CITY, ST., & ZIP: DETROIT, MI 48226	
SEC: 3	CITY OF DETROIT
COUNTY: WAYNE	BOOK NO:
DWG NAME: CERT-CONDO.DWG	
Basis of Bearing:	

STATE OF MICHIGAN  
ROBERT H. BIRKETT  
PROFESSIONAL SURVEYOR  
No. 41094  
8-11-15

ROBERT H. BIRKETT, P.S. 41094



# ANDERSON, ECKSTEIN AND WESTRICK, INC.

51301 Schoenherr Road, Shelby Township, Michigan 48315

Civil Engineers • Surveyors • Architects 586-726-1234

JULY 1, 2015  
AEW 1122-0003  
CONDO  
SHEET 2 OF 3



## GATEWAY RETAIL CONDOMINIUM WAYNE COUNTY CONDOMINIUM PLAN No. 1005 (LESS WOODWARD AND 8 MILE RIGHT-OF-WAY)

PART OF "GERMAN'S MONTROSE-PARK SUBDIVISION", ALL OF LOTS 1 AND 2 OF SUBDIVISION OF PART OF SECTIONS 2 AND 3, TOWN 1 SOUTH, RANGE 11 EAST, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN, AS RECORDED IN LIBER 29 OF PLATS, PAGE 83, WAYNE COUNTY RECORDS AND PART OF "STATE FAIR SUBDIVISION No. 2" OF LOTS 3 AND 4 OF SUBDIVISION OF THAT PART OF SECTION 3, LYING NORTHEAST OF THE SAGINAW TURNPIKE AND THE NORTH PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 2, TOWN 1 SOUTH, RANGE 11 EAST, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN, AS RECORDED IN LIBER 28 OF PLATS, PAGE 20, WAYNE COUNTY, RECORDS BEING DESCRIBED AS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 2, ALSO BEING THE NORTHEAST CORNER OF SECTION 3, THENCE DUE SOUTH 33.00 FEET TO THE NORTH LINE OF "GERMAN'S MONTROSE-PARK SUBDIVISION", THE SOUTH LINE OF EIGHT MILE ROAD (M-102, 204 FEET WIDE) AND THE POINT OF BEGINNING; THENCE ALONG THE SOUTH LINE OF EIGHT MILE ROAD THE FOLLOWING SEVEN (7) COURSES, DUE EAST 574.97 FEET, SOUTH 78 DEGREES 14 MINUTES 10 SECONDS EAST 49.05 FEET, DUE EAST 268.84 FEET, SOUTH 55 DEGREES 51 MINUTES 23 SECONDS EAST 21.38 FEET, DUE EAST 118.50 FEET, NORTH 54 DEGREES 54 MINUTES 05 SECONDS EAST 38.26 FEET AND DUE EAST 264.37 FEET TO THE NORTHEAST CORNER OF "GERMAN'S MONTROSE-PARK SUBDIVISION"; THENCE SOUTH 00 DEGREES 18 MINUTES 02 SECONDS WEST (PLATTED AS SOUTH 00 DEGREES 12 MINUTES WEST) 1008.30 FEET ALONG THE EAST LINE OF "GERMAN'S MONTROSE-PARK SUBDIVISION", THE FORMER MICHIGAN STATE FAIR GROUNDS AND THE EAST LINE OF "STATE FAIR SUBDIVISION No. 2" TO THE SOUTHEAST CORNER OF "STATE FAIR SUBDIVISION No. 2"; THENCE NORTH 89 DEGREES 39 MINUTES 11 SECONDS WEST (PLATTED AS NORTH 89 DEGREES 46 MINUTES 30 SECONDS WEST) 1200.00 FEET ALONG THE SOUTH LINE OF "STATE FAIR SUBDIVISION No. 2" AND THE FORMER MICHIGAN STATE FAIR GROUNDS; THENCE NORTH 00 DEGREES 15 MINUTES 25 SECONDS EAST 164.79 FEET ALONG THE EXTENSION OF THE LINE COMMON TO LOTS 26 AND 27 OF "STATE FAIR SUBDIVISION No. 2" TO THE NORTH LINE OF WINCHESTER AVENUE (50 FEET WIDE); THENCE NORTH 89 DEGREES 44 MINUTES 35 SECONDS WEST 119.13 FEET ALONG THE NORTH LINE OF WINCHESTER AVENUE TO THE CENTERLINE OF A VACATED ALLEY (18.00 FEET WIDE); THENCE NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST 64.55 FEET ALONG THE CENTERLINE OF THE VACATED ALLEY; THENCE NORTH 89 DEGREES 44 MINUTES 35 SECONDS WEST 139.92 FEET ALONG THE EXTENSION OF THE NORTH LINE OF LOT 16 OF "STATE FAIR SUBDIVISION No. 2" TO THE EAST LINE OF WOODWARD AVENUE AND THE WEST LINE OF "STATE FAIR SUBDIVISION No. 2"; THENCE ALONG THE EAST LINE OF WOODWARD AVENUE THE FOLLOWING NINE (9) COURSES, NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST (PLATTED AS NORTH 24 DEGREES 45 MINUTES WEST) 141.83 FEET, NORTH 10 DEGREES 27 MINUTES 36 SECONDS EAST 20.90 FEET, NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST 71.06 FEET, NORTH 60 DEGREES 50 MINUTES 17 SECONDS WEST 20.29 FEET, NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST 194.71 FEET, NORTH 20 DEGREES 56 MINUTES 51 SECONDS EAST 8.41 FEET, NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST 76.61 FEET, NORTH 86 DEGREES 24 MINUTES 44 SECONDS WEST 6.81 FEET AND NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST 285.09 FEET; THENCE ON THE FOLLOWING TWO COURSES AS DESCRIBED IN THE DEED RECORDED IN LIBER 12805, PAGE 633 OF WAYNE COUNTY RECORDS, ALONG A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 40.00 FEET, A CENTRAL ANGLE OF 70 DEGREES 24 MINUTES 04 SECONDS, AN ARC LENGTH OF 49.15 FEET AND WHOSE CHORD IS NORTH 48 DEGREES 46 MINUTES 03 SECONDS EAST 46.12 FEET; THENCE NORTH 85 DEGREES 48 MINUTES 24 SECONDS EAST 49.70 FEET TO THE EAST LINE OF LOT 179 OF "GERMAN'S MONTROSE-PARK SUBDIVISION", THENCE CONTINUING NORTH 85 DEGREES 48 MINUTES 24 SECONDS EAST 9.60 FEET TO THE CENTERLINE OF A



AEW 1122-0003  
CONDO  
SHEET 3 OF 3

GATEWAY RETAIL CONDOMINIUM  
WAYNE COUNTY CONDOMINIUM PLAN No. 1005  
(LESS WOODWARD AND 8 MILE RIGHT-OF-WAY), CONTINUED

VACATED ALLEY (18.00 FEET WIDE); THENCE NORTH 24 DEGREES 34 MINUTES 44 SECONDS WEST 3.66 FEET ALONG THE CENTERLINE OF THE VACATED ALLEY TO THE NORTH LINE OF "GERMAN'S MONTROSE-PARK SUBDIVISION", ALSO BEING THE SOUTH LINE OF EIGHT MILE ROAD; THENCE DUE EAST 148.41 FEET ALONG THE SOUTH LINE OF EIGHT MILE ROAD TO THE LINE COMMON TO LOTS 164 AND 165 OF "GERMAN'S MONTROSE-PARK SUBDIVISION"; THENCE DUE SOUTH 150.80 FEET ALONG THE LINE COMMON TO LOTS 164 AND 165 AND IT'S EXTENSION TO THE SOUTH LINE OF A PUBLIC ALLEY (18 FEET WIDE); THENCE SOUTH 89 DEGREES 45 MINUTES 41 SECONDS EAST 120.00 FEET ALONG THE SOUTH LINE OF A PUBLIC ALLEY; THENCE DUE NORTH 151.30 FEET ALONG THE EXTENSION OF THE LINE COMMON TO LOTS 160 AND 161 TO THE SOUTH LINE OF EIGHT MILE ROAD; THENCE DUE EAST 143.71 FEET ALONG THE SOUTH LINE OF EIGHT MILE ROAD TO THE POINT OF BEGINNING. CONTAINING 35.54 ACRES, MORE OR LESS.

SUBJECT TO ANY AND ALL EASEMENTS AND RIGHTS OF WAY OF RECORD OR OTHERWISE.

ANDERSON, ECKSTEIN AND WESTRICK, INC.



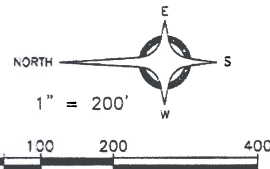
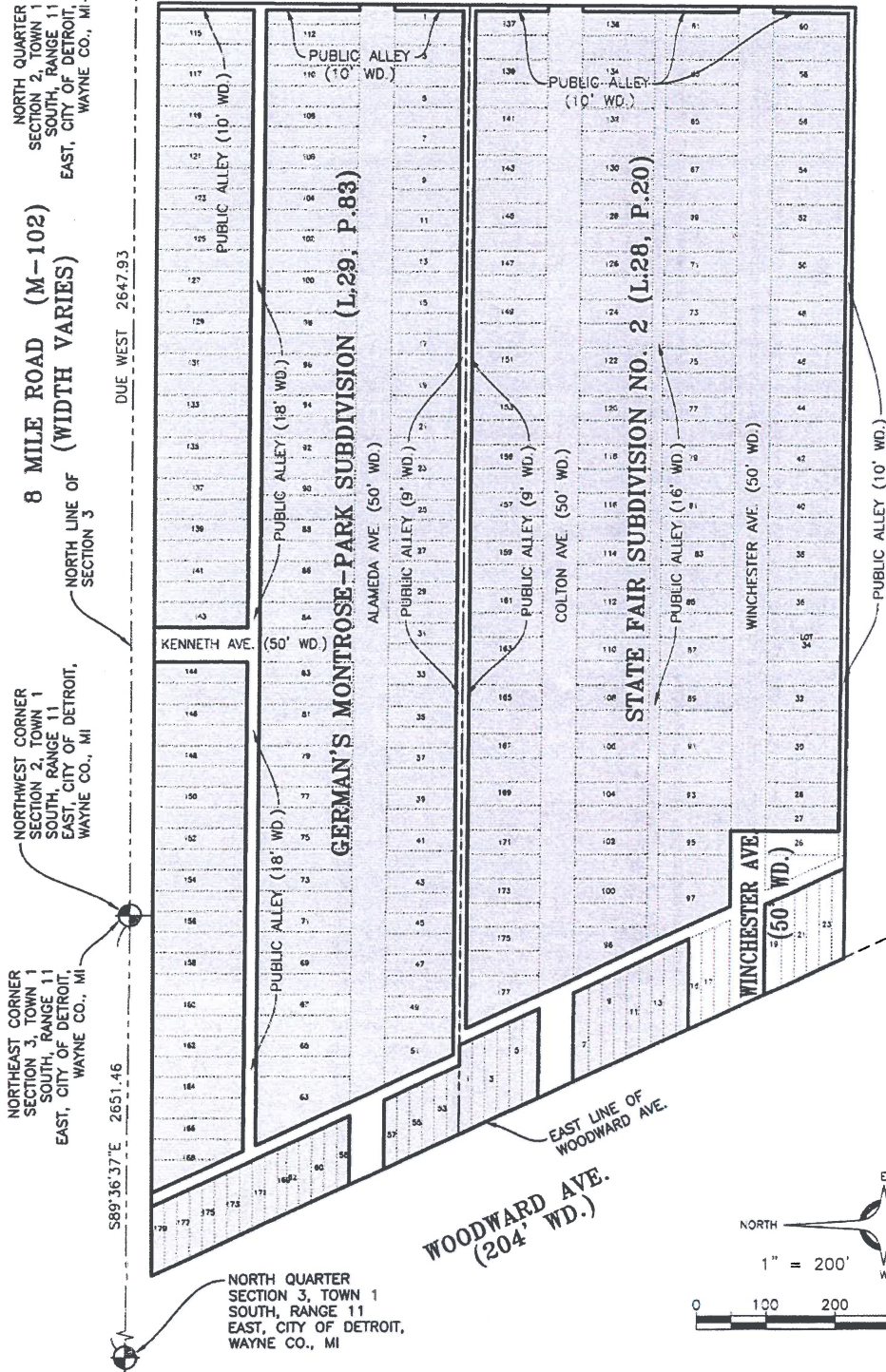


# SKETCH OF DESCRIPTION

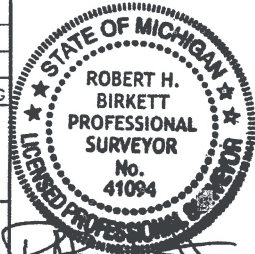
CHAPTER 14 OF THE DETROIT CITY CODE  
ARTICLE XI SECTION 14-11-3  
ADOPTED FEBRUARY 5, 2008

ANDERSON, ECKSTEIN AND WESTRICK, INC.  
51301 SCHOENHERR ROAD  
SHELBY TWP., MI. 48315  
PHONE: (586) 726-1234  
FAX: (586) 726-8780  
aewinc@aewinc.com  
www.aewinc.com

W:\1122\1122-0003\DWG\SURVEY\AGENTS\AGRT\_LFWC.AWG LAYOUT: CERT\_EMWCA 8/11/2005 2:35 PM



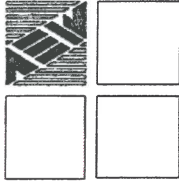
FI = ● = FOUND IRON		FM = FOUND MONUMENT		FP = FOUND PIPE		SIC = ○ = SET IRON W/CAP #41094	
AEW NO.: 1122-0003		SURVEY DATE:				SEC: 3	CITY OF DETROIT
DRAWN BY: KJP		CHKD BY: RHB		REV:		COUNTY: WAYNE	
PARCEL ID.:				SHEET NO.: 1 OF 2		SCALE: 1"=200'	BOOK NO:
CERTIFY TO: EIGHT MILE WOODWARD CORRIDOR IMPROVEMENT AUTHORITY						DWG NAME: CERT_EMWCA.DWG	
ADDRESS: 500 GRISWOLD, SUITE 200						Basis of Bearing:	
CITY, ST., & ZIP: DETROIT, MI 48226							



SEE ATTACHED SHEET(S) FOR DESCRIPTION(S)

ROBERT H. BIRKETT, P.S. 41094

8-11-15



# ANDERSON, ECKSTEIN AND WESTRICK, INC.

51301 Schoenherr Road, Shelby Township, Michigan 48315

Civil Engineers • Surveyors • Architects 586-726-1234

JUNE 26, 2015  
AEW 1122-0003  
SHEET 2 OF 2



DESCRIPTION  
CHAPTER 14 OF THE DETROIT CITY CODE  
ARTICLE XI, SECTION 14-11-3  
DATED FEBRUARY 5, 2008

LOT 1 THROUGH LOT 179, INCLUSIVE, ALSO ALL THAT PART OF KENNETH AVENUE (50 FEET WIDE), BETWEEN ALAMEDA AVENUE (50 FEET WIDE), AND THE EAST-WEST PUBLIC ALLEY (18 FEET WIDE), LYING EASTERLY OF AND ABUTTING THE EAST LINE OF LOT 83 AND LYING WESTERLY OF AND ABUTTING THE WEST LINE OF LOT 84; ALSO ALL THAT PART OF ALAMEDA AVENUE (50 FEET WIDE), BETWEEN THE NORTH-SOUTH PUBLIC ALLEY (18 FEET WIDE), AND RALSTON AVENUE (30 FEET WIDE), LYING NORTHERLY OF AND ABUTTING THE NORTH LINE OF LOTS 1 THROUGH 51, BOTH INCLUSIVE, AND LYING SOUTHERLY OF AND ABUTTING THE SOUTH LINE OF LOTS 63 THROUGH 113, BOTH INCLUSIVE, ALL IN THE "GERMAN'S MONTROSE PARK SUBDIVISION", ALL OF LOTS 1 AND 2 OF SUBDIVISION OF PART OF SECTIONS 2 AND 3, GREENFIELD TOWNSHIP (NOW CITY OF DETROIT), MICHIGAN, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 29, PAGE 83 OF PLATS, WAYNE COUNTY RECORDS.

ALSO, LOT 1 THROUGH LOT 177, INCLUSIVE, EXCEPT LOT 16 THROUGH LOT 26, INCLUSIVE; ALSO ALL THAT PART OF COLTON AVENUE (50 FEET WIDE), BETWEEN THE NORTH-SOUTH PUBLIC ALLEY (18 FEET WIDE), AND RALSTON AVENUE (30 FEET WIDE), LYING NORTHERLY OF AND ABUTTING THE NORTH LINE OF LOTS 98 THROUGH 136, BOTH INCLUSIVE, AND LYING SOUTHERLY OF AND ABUTTING THE SOUTH LINE OF LOTS 137 THROUGH 177, BOTH INCLUSIVE; ALSO ALL THAT PART OF WINCHESTER AVENUE BETWEEN THE NORTH SOUTH PUBLIC ALLEY (18 FEET WIDE), AND RALSTON AVENUE (30 FEET WIDE), LYING NORTHERLY OF AND ABUTTING THE NORTH LINE OF LOTS 27 (THROUGH) AND 60, BOTH INCLUSIVE, AND LYING SOUTHERLY OF AND ABUTTING THE SOUTH LINE OF LOTS 61 THROUGH 94, BOTH INCLUSIVE, ALL IN THE "STATE FAIR SUBDIVISION NO. 2" OF LOTS 3 AND 4, OF SUBDIVISION OF THAT PART OF SECTION 3 LYING NORTHEAST OF THE SAGINAW TURNPIKE AND THE NORTH PART OF THE WEST 1/4 OF THE NORTHWEST QUARTER OF SECTION 2, TOWN 1 SOUTH, RANGE 11 EAST, GREENFIELD TOWNSHIP (NOW CITY OF DETROIT), MICHIGAN, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 28, PAGE 20 OF PLATS, WAYNE COUNTY RECORDS.

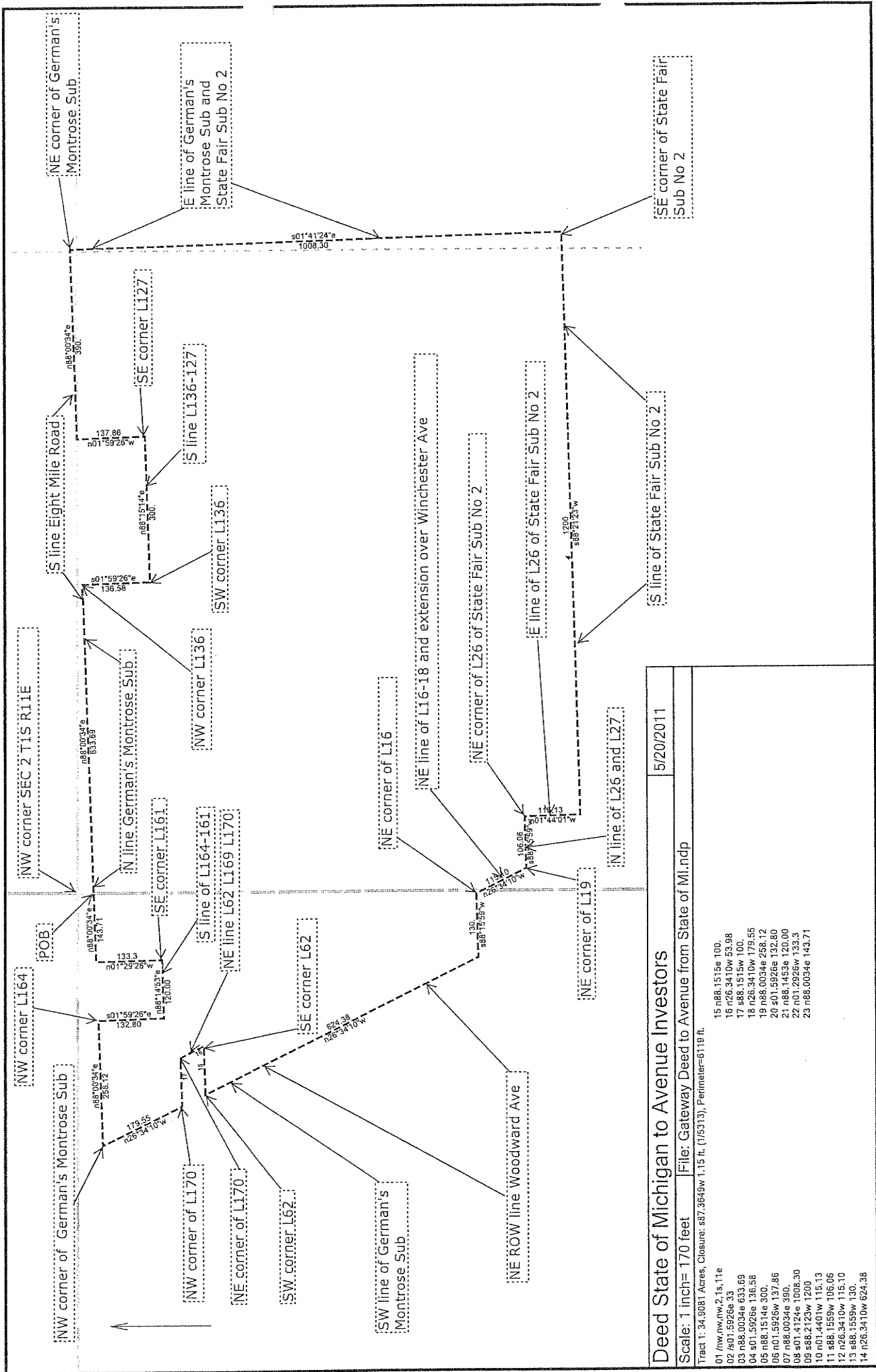
ALSO, ALL THAT PART OF THE EAST-WEST PUBLIC ALLEY (18 FEET WIDE), IN THE BLOCK BOUNDED BY ALAMEDA AVENUE (50 FEET WIDE), COLTON AVENUE (50 FEET WIDE), WOODWARD AVENUE, (204 FEET WIDE) AND RALSTON AVENUE (30 FEET WIDE), LYING NORTHERLY AND ABUTTING THE NORTH LINE OF LOTS 137 THROUGH 177, BOTH INCLUSIVE IN THE "STATE FAIR SUBDIVISION NO. 2" OF LOTS 3 AND 4, OF SUBDIVISION OF THAT PART OF SECTION 3 LYING NORTHEAST OF THE SAGINAW TURNPIKE AND THE NORTH PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 2, TOWN 1 SOUTH, RANGE 11 EAST, GREENFIELD TOWNSHIP (NOW CITY OF DETROIT) ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 28, PAGE 20 OF PLATS, WAYNE COUNTY RECORDS, AND LYING SOUTHERLY OF AND ABUTTING THE SOUTH LINE OF LOTS 1 THROUGH 51, BOTH INCLUSIVE, IN THE "GERMAN'S MONTROSE PARK SUBDIVISION", ALL OF LOTS 1 AND 2 OF SUBDIVISION OF PART OF SECTIONS 2 AND 3, GREENFIELD TOWNSHIP (NOW CITY OF DETROIT), MICHIGAN, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 29, PAGE 83 OF PLATS, WAYNE COUNTY RECORDS.

ALSO, ALL THAT PART OF THE EAST-WEST PUBLIC ALLEY (16 FEET WIDE), IN THE BLOCK BOUNDED BY COLTON AVENUE (50 FEET WIDE), WINCHESTER AVENUE (50 FEET WIDE), WOODWARD AVENUE, (204 FEET WIDE) AND RALSTON AVENUE (30 FEET WIDE), LYING NORTHERLY OF AND ABUTTING THE NORTH LINE OF LOTS 61 THROUGH 97, BOTH INCLUSIVE, AND LYING SOUTHERLY OF AND ABUTTING THE SOUTH LINE OF LOTS 98 THROUGH 136, BOTH INCLUSIVE, ALL IN THE "STATE FAIR SUBDIVISION NO.2" OF LOTS 3 AND 4, OF SUBDIVISION OF THAT PART OF SECTION 3 LYING NORTHEAST OF THE SAGINAW TURNPIKE AND THE NORTH PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 2, TOWN 1 SOUTH, RANGE 11 EAST, GREENFIELD TOWNSHIP (NOW CITY OF DETROIT), MICHIGAN.



**EXHIBIT B**  
**BOUNDARY MAP OF DEVELOPMENT AREA**





# Deed State of Michigan to Avenue Investors

5/20/2011

Scale: 1 inch= 170 feet File: Gateway Deed to Avenue from State of MI.ndp

Tract 1: 34.9081 Acres, Closure: s87.3649w 1.15 ft. (1/5313), Perimeter=6119 ft.

- 01 n88.1515e 100.
- 02 s01.5926e 33
- 03 n88.0034e 633.69
- 04 s01.5926e 136.58
- 05 n88.1514e 300.
- 06 n01.5926w 137.86
- 07 n88.0034e 390.
- 08 s01.4124e 1008.30
- 09 s88.2123w 1200
- 10 n01.4401w 115.13
- 11 s88.1559w 106.06
- 12 n26.3410w 115.10
- 13 s88.1559w 130.
- 14 n26.3410w 624.38
- 15 n88.1515e 100.
- 16 n26.3410w 53.98
- 17 s88.1515w 100.
- 18 n26.3410w 179.55
- 19 n88.0034e 258.12
- 20 s01.5926e 132.80
- 21 n88.1453e 120.00
- 22 n01.2926w 133.3
- 23 n88.0034e 143.71

8 MILE

01008201-24	01008200	01008198-9	01008197	01008196	01008195	01008194	01008193	01008192	01007966-8191
-------------	----------	------------	----------	----------	----------	----------	----------	----------	---------------

01009855-73

01008875

01008874-5

01008846-51

**EXHIBIT C**  
**SITE PLAN OF DEVELOPMENT AREA**

1

**Presented by:**

(DEC) Woodward Ave. 2 5  
David, Michigan

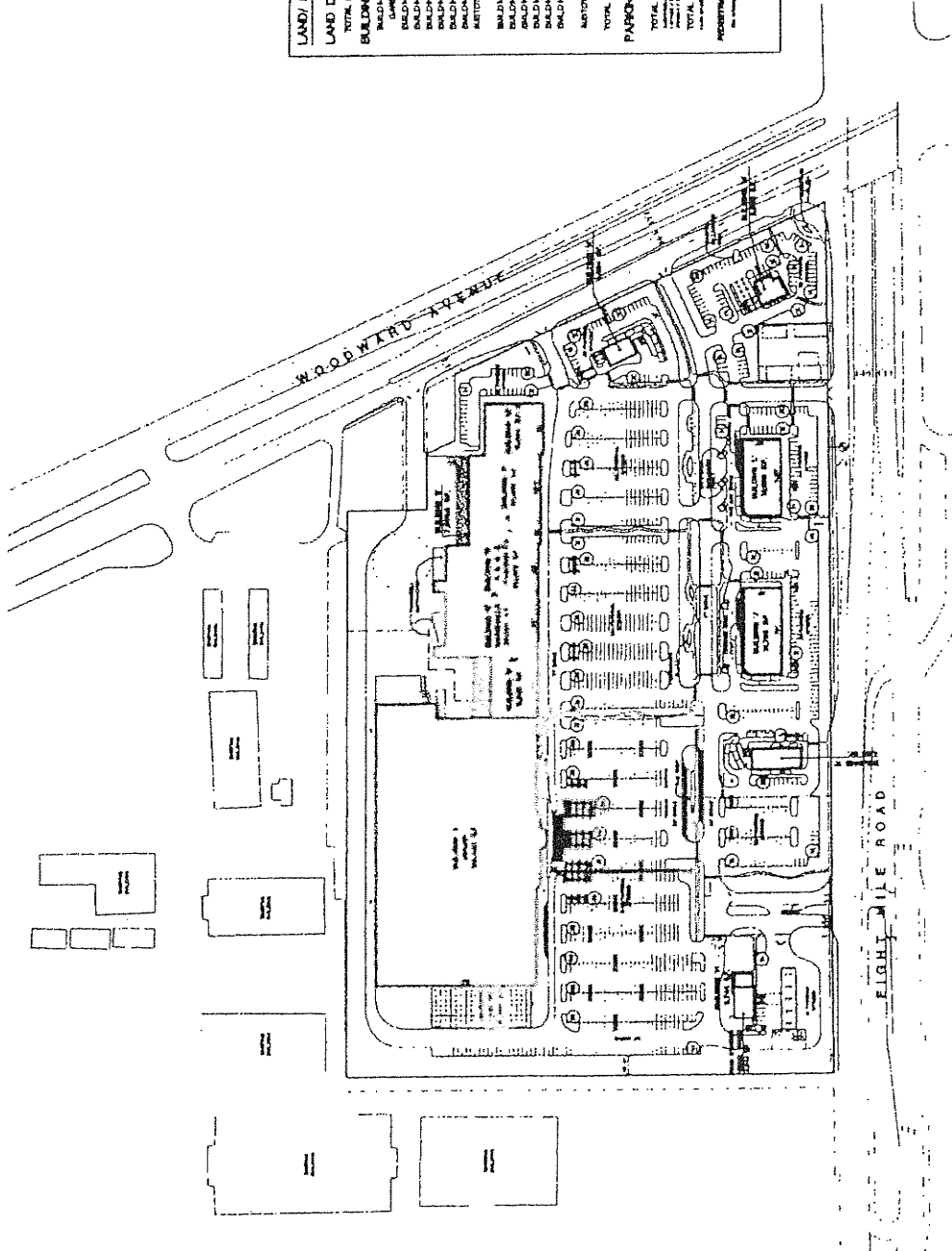
4225 KONGONGUOLIMONY  
ALABAMA 361 9477999 361  
ALABAMA 361 9477999 361

[illegible]

**Abstract**

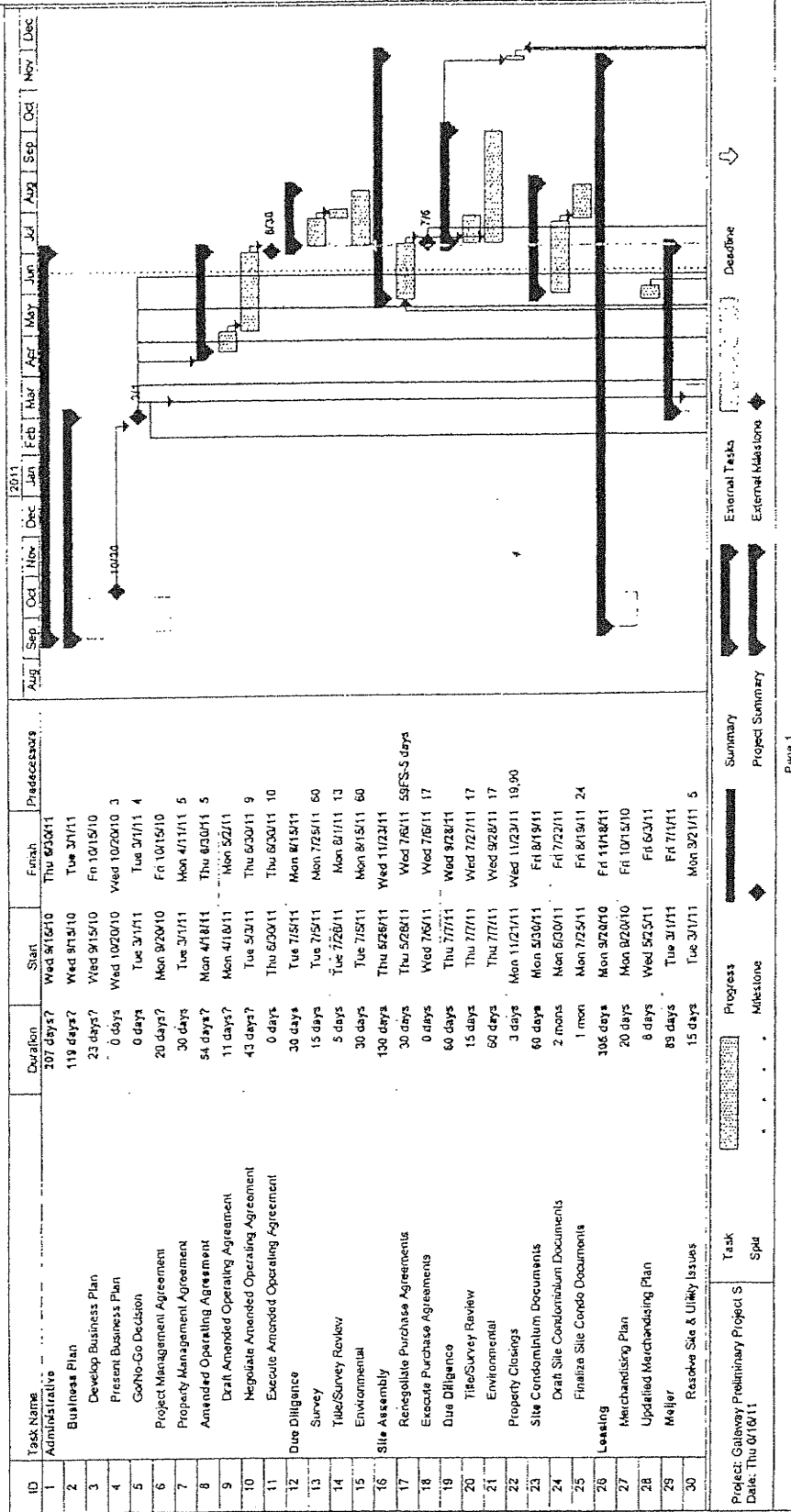
100-1000

4. **COMMITTEE ON THE STATUS OF WOMEN**



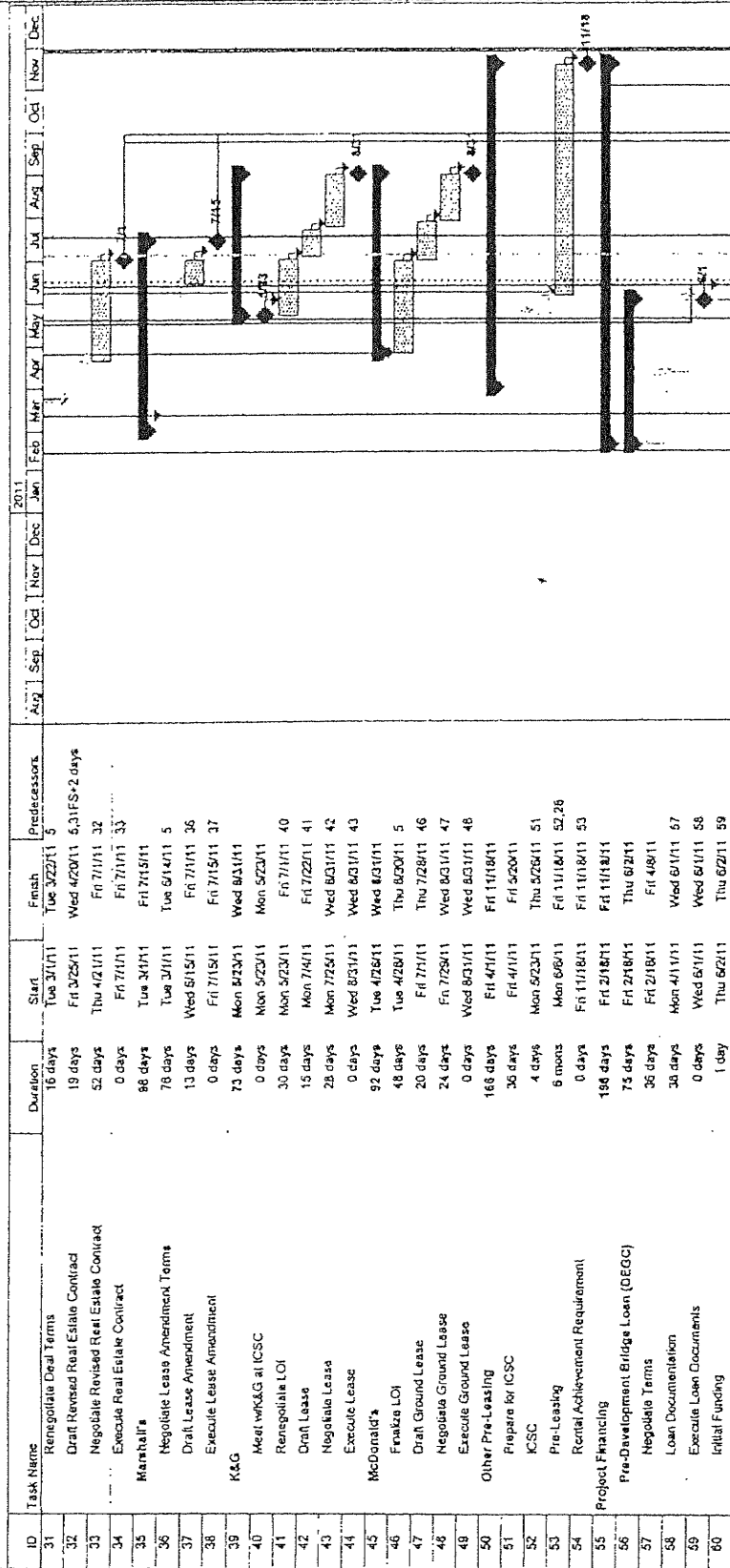
**EXHIBIT D**  
**CONSTRUCTION SCHEDULE FOR PROJECT**

# Gateway Marketplace Preconstruction Schedule 6-15-11

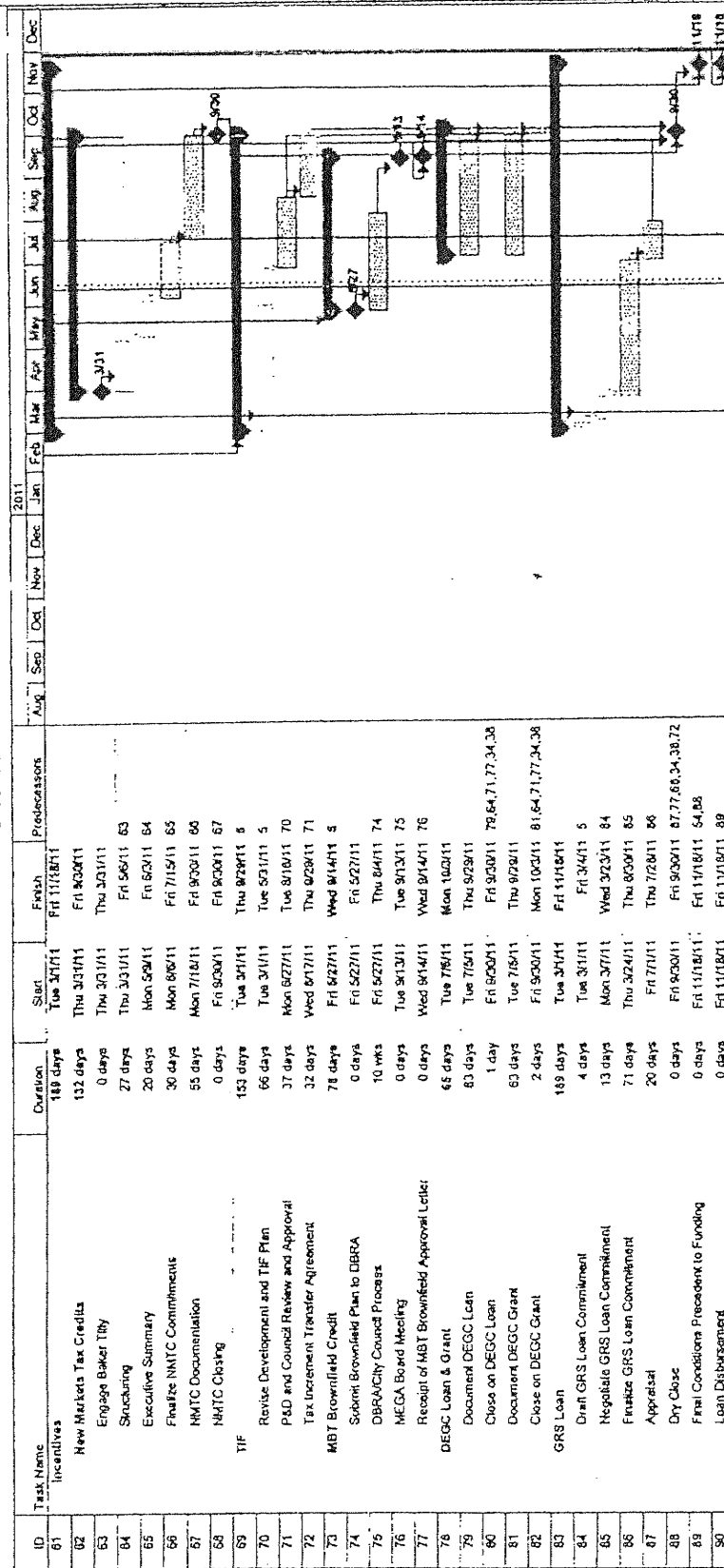




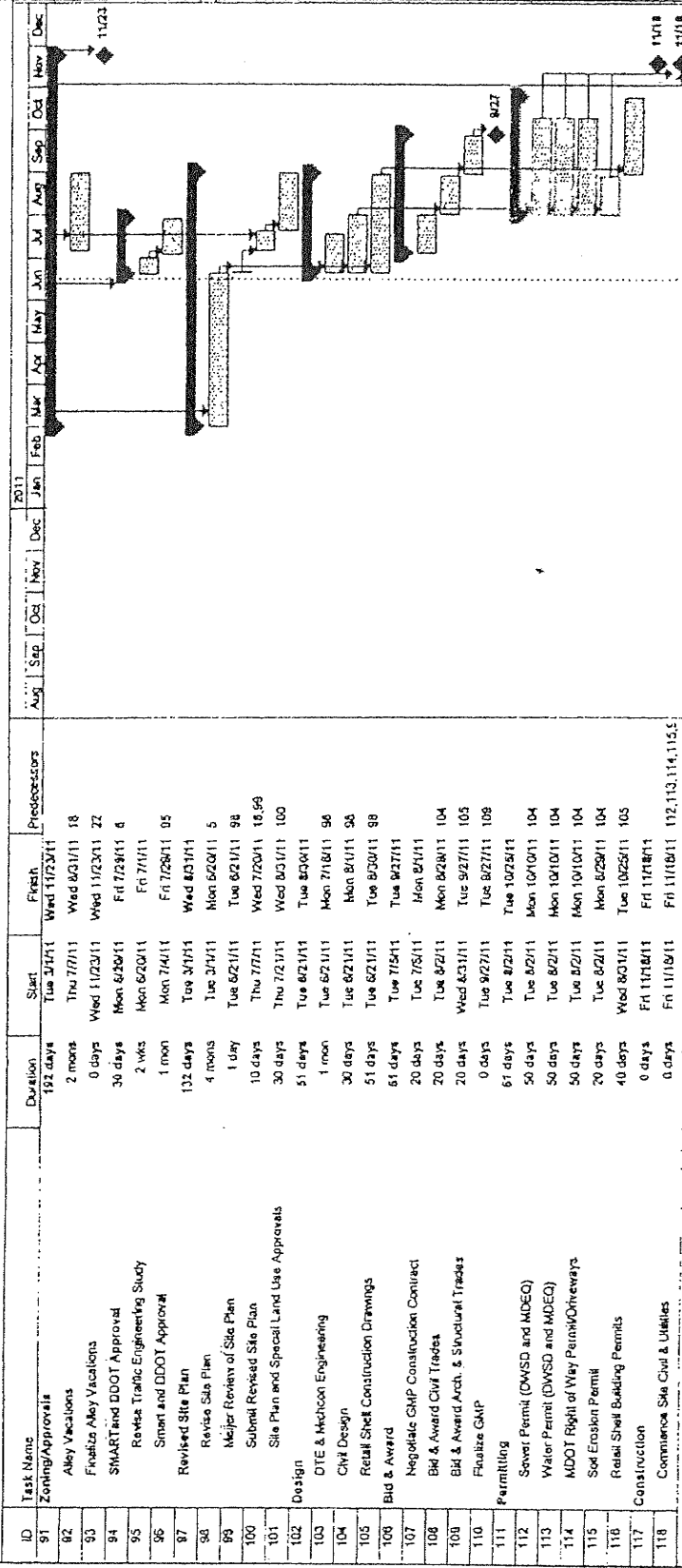
# Gateway Marketplace Preconstruction Schedule 6-15-11



# Gateway Marketplace Preconstruction Schedule 6-15-11



# Gateway Marketplace Preconstruction Schedule 6-15-11



**EXHIBIT E**  
**CONSTRUCTION PLANS FOR PROJECT**

## Sources & Uses By Phase

	Construction Financing	Permanent Financing	Notes
<b>Sources of Funds</b>			
Current Equity	6,688,800	6,688,800	
Existing Loan	10,531,800	10,531,800	
Construction Loan	18,068,200		Includes additional funding to be repaid through Brownfield Credits
Permanent Loan		12,068,200	Permanent Loan through GRS
NMTC -- Project	7,224,000	7,224,000	Tax Credit Investor / Lender
NMTC -- Meijer	6,020,000	6,020,000	Tax Credit Investor / Lender
MBT -- Project		6,000,000	Monetize upon completion of Project
MEDC Funding	1,000,000	1,000,000	
UDAG Loan	1,500,000	1,500,000	
City Infrastructure Grant	1,500,000	1,500,000	
Deferred Dev Fee	2,000,000	2,000,000	Ownership fee being carried to increase NMTC proceeds
Equity / Other Sources	\$0	\$0	
<b>Total Sources of Funds</b>	<b>\$ 54,532,800</b>	<b>\$ 54,532,800</b>	
<b>Uses of Funds</b>			
Land	\$17,220,600	17,220,600	
Purchase of Ancillary Parcels	\$1,906,000	1,906,000	
Soft Costs	6,146,110	6,146,110	
Deferred Developer Fee	2,000,000	2,000,000	Ownership fee being carried to increase NMTC proceeds
Hard Costs	22,093,662	22,093,662	
Contingency	1,411,989	1,411,989	5% of Hard & Soft Costs
Interest Reserve	2,000,000	2,000,000	
Loan Fees / Closing Costs	1,754,440	1,754,440	
<b>Total Uses of Funds</b>	<b>\$54,532,800</b>	<b>\$54,532,800</b>	

**EXHIBIT F**  
**PROPERTY TAX IMPACT PROJECTIONS**  
**FOR DEVELOPMENT AREA, INCLUDING PROJECTED TAX INCREMENT**  
**REVENUE COLLECTIONS**

[illegible]