

**LOCAL DEVELOPMENT FINANCE AUTHORITY
OF THE CITY OF WESTLAND**

DEVELOPMENT AND TAX INCREMENT FINANCING PLAN

INTRODUCTION

This document amends the development and Tax Increment Financing Plan (the "Plan") of the Local Development Finance Authority of the City of Westland (the "Authority" or "LDFA"). Since its approval on May 18, 1992, the City and the Authority have successfully implemented all key elements of the Plan for the widening of Newburgh Road to five lanes (see attachment for history of projects and funding sources). All five lanes of the 2.5 mile corridor have been completed leveraging City major road, state MDOT and ISTEA funds.

DEVELOPMENT PLAN

The City and Authority have generally met the scheduled construction stages as outlined in the current Plan. The CSX/Newburgh Road grade separation was completed and opened to traffic in 1998 and the widening of Newburgh Road from Palmer Road to Glenwood Road was completed in the Fall of 2004. The Newburgh Road/Palmer Road intersection was realigned to facilitate east-west vehicular traffic and the City widened palmer Road from Edwin west to John Hix Road to three lanes (no LDFA funds were used for the Palmer Road widening). The Authority has, upon successful completion of the Newburgh Road widening projects, determined that it is necessary to continue to promote additional means of ingress and egress to the Cherry Hill Industrial Center area to and from major thoroughfares such as Ford Road and I-275 by providing increased east-west traffic follow and traffic management at the Cherry Hill Road and Newburgh Road intersection. Recent private land development to the west of the Authority boundaries has resulted in the construction of an additional major road that will result in the connection of Cherry Hill Road to Ford Road and I-275. Development of the Brookfield Planned Unit Development has resulted in the construction of Superior Parkway, north from Cherry Hill Road in an existing right-of-way. This major road will be connected to Lotz Road in Canton Township via Huron Parkway. Lotz Road leads to a traffic light at Ford Road just east of I-275. Huron Parkway construction has been approved by the City, Canton Township and Wayne County and is proposed to be constructed in 2005.

Recognizing that this additional east-west connection to Ford Road and I-275 could directly benefit the promotion and long-term viability of the Cherry Hill Industrial Center, the Authority has identified, in conjunction with the City, that the widening of Cherry Hill Road to a five lane road west of Newburgh to the westerly boundary of the Authority should be a priority. Due to the increase in traffic generated by the Newburgh Road widening project and major private developments in the area surrounding the Cherry Hill Industrial Center, the Newburgh Road and Cherry Hill Road intersection has experienced a large increase in traffic volume, especially in east-west bound traffic lanes. This increase has resulted in a negative impact on the flow of east-west traffic on Cherry Hill Road. The Authority recognizes that additional traffic lanes, most importantly, a designated left- turn lane on Cherry Hill Road, west of Newburgh Road is necessary to provide short-term and long-term benefits to traffic flow to and from the Cherry Hill

Industrial Center in anticipation of the future widening of Cherry Hill Road and recently constructed and proposed private development projects in the area.

The Authority proposes, with the cooperation and guidance of the Wayne County Department of Public Service, to acquire rights-of-way from those properties located on the north and south sides of Cherry Hill Road, from Newburgh Road west to the westerly boundary of the Authority at the CSX railroad tracks. The Authority anticipates that funding surveys of the properties involved, appraisals of the proposed rights-of-way to be obtained, title work necessary to facilitate right-of-way acquisition and potentially payment to property owners of the fair market value of the rights of way to be acquired. All documentation will be carefully coordinated with the Wayne County Department of Public Service. The entire cost of the project will be paid for with tax increment revenues. The Authority anticipates that the cost of surveys, appraisals and title work necessary to facilitate right-of-way acquisition at approximately \$10,000 and projects a cost of \$40,000 for right-of-way acquisition. All costs will be paid for with cash in hand. No additional bond issues are necessary or will be pledged for this project. The proposed project should be completed within two years of plan amendment.

TAX INCREMENT FINANCING PLAN

The captured tax revenues based on year-end financial reports from the auditors are as follows:

FISCAL YEAR	CAPTURED ASSESSED VALUE ¹	CAPTURED TAX REVENUE
1993	\$778,380	\$34,194
1994	\$1,332,150	\$73,702
1995	\$2,299,760	\$83,700
1996	\$3,592,650	\$133,653
1997	\$2,693,050	\$107,561
1998	\$2,780,480	\$116,275
1999	\$3,674,780	\$160,354
2000	\$3,980,591	\$191,334
2001	\$4,097,365	\$199,573
2002	\$4,557,634	\$223,173
2003 ²	\$3,610,517	\$184,136
2004 ³	\$3,682,727	\$187,819
2005	\$3,756,381	\$191,575
2006	\$3,831,509	\$195,407
2007	\$3,908,139	\$199,315
2008	\$3,986,302	\$203,301
2009	\$4,066,028	\$207,367
2010	\$4,147,348	\$211,515
2011	\$4,230,295	\$99,412
2012	\$4,314,900	\$101,400
2013	\$4,401,199	\$103,428
2014	\$4,489,223	\$105,497
2015	\$4,579,007	\$107,607
2016	\$4,670,587	\$109,759
2017	\$4,763,999	\$111,954
2018	\$4,859,279	\$114,193
2019	\$4,956,465	\$116,477
2020	\$5,055,594	\$118,806

¹ Captured Assessed Value Based on a _% Growth Rate in Taxable Value.

² Unaudited.

³ Estimated values and revenues through 2020.

DURATION OF PLAN

The Plan was previously amended to extend for an additional ten years through FY 2020 including the collection of Captured Tax Revenue for FY 2020 to continue payments on "eligible obligations" incurred as a result of Michigan tax reform in 1993, as a result of reduced tax capture due to negative impact the current economic climate has had on manufacturing firms, to facilitate the recently completed .5 mile project widening Newburgh Road from Palmer Road to Glenwood Road and to allow more time to market, approve and allow for construction of remaining properties in the Cherry Hill Industrial Center. The Plan duration will not be extended as a result of this amendment. The proposed work plan can be completed within the current Plan duration.

MAXIMUM BONDED INDEBTEDNESS

The Plan was previously amended anticipating a bond issue with a maximum bonded indebtedness of \$2,525,000. The City and LDFA entered into a cost-sharing agreement due to the issuance of bonds for work in conjunction with the Newburgh Road widening project from Palmer Road to Glenwood Road. Maximum bonded indebtedness will not be increased or altered as a result of this Plan amendment.

BUSINESS DEVELOPMENT AREA

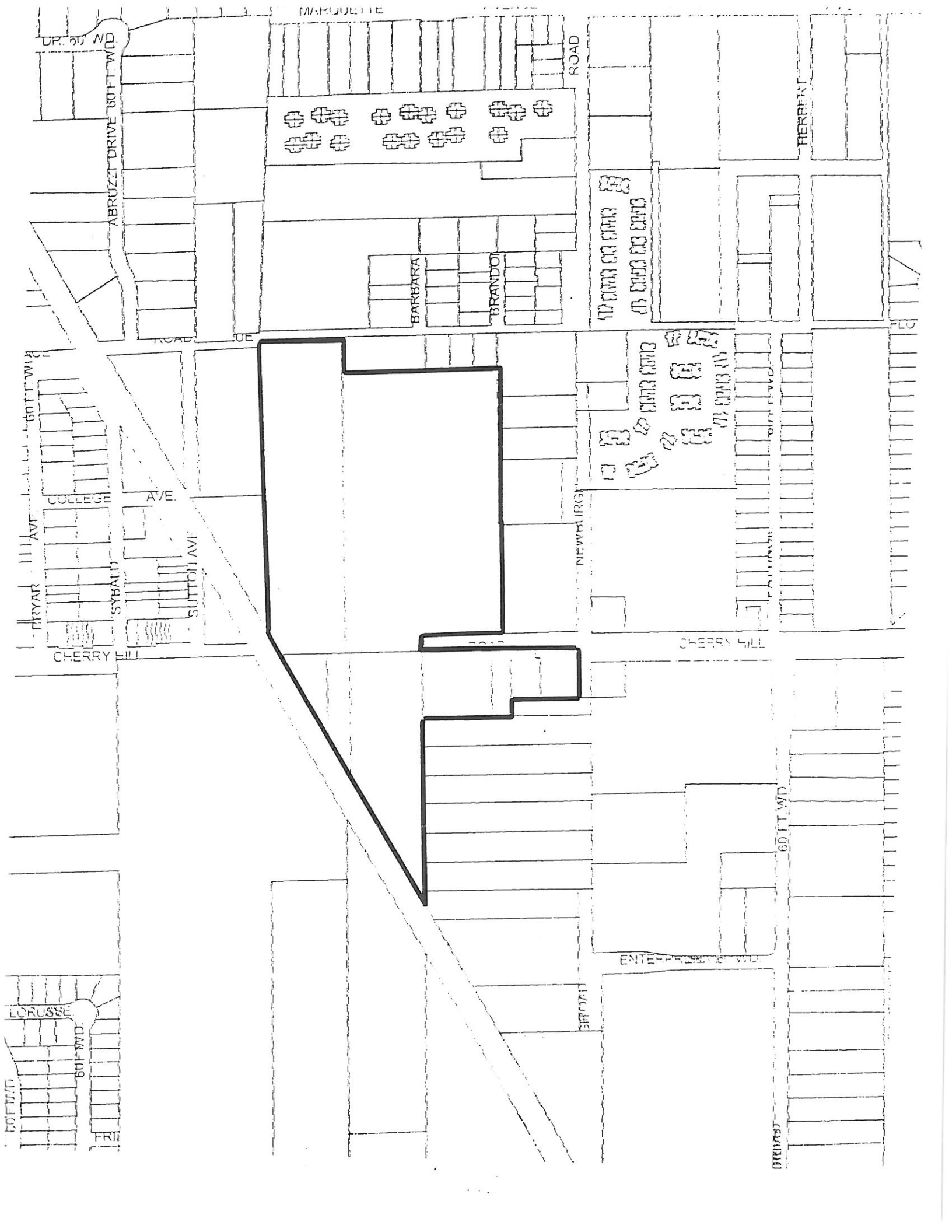
Upon establishment of the LDFA, the Cherry Hill Industrial Center Subdivision was qualified and designated as a "Certified Industrial Park." This designation allowed the LDFA to capture funds from all eligible property within the Certified Industrial Park and to pool these funds together for use in public facility projects within or without the Certified Industrial Park to benefit eligible properties within the Certified Industrial Park.

A subsequent amendment to the Local Development Financing Act, Act 281, Public Acts of Michigan, 1986, as amended (the "Act"), replaced the concept of Certified Industrial Parks with the new concept of Business Development Areas. This change recognized the expansion of eligible property to include high technology uses as well as manufacturing uses.

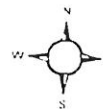
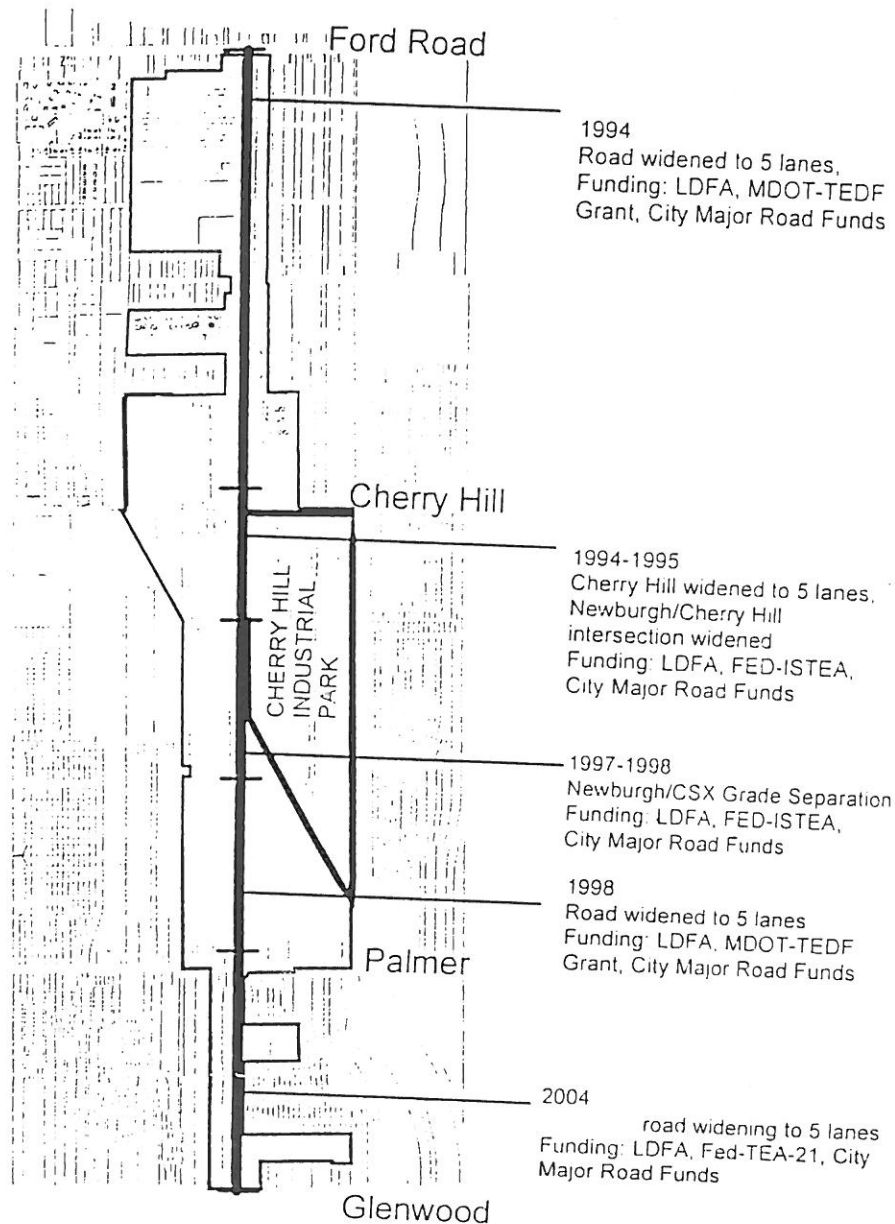
The area described by the complete territory of the Authority District is hereby designated as a "Business Development Area" within the meaning of the Act, excepting any area not zoned to allow for its use for eligible property or without either an approved plat or site plan. The boundaries of the Business Development Area shall automatically be adjusted from time to time without further amendment to this Plan so as to correspond to changes in the boundaries of the Authority District and to reflect zoning changes or the approval of plats or site plans. Tax increment revenues may be used in the Authority's discretion for public facilities for any eligible property located within the Business Development Area to the fullest extent permitted under the Act.

Proposed Schedule For Amending LDFA Plan

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| 12/14/04 | Staff and LDFA Board discuss amending LDFA plan for Newburgh Road right-of-way acquisition. |
| 1/31/05 | Study Session with City Council to discuss amendment proposal. |
| 6/14/05 | LDFA Board adopts resolution amending plan and recommends amendment to City Council for consideration. |
| 7/18/05 | City Council adopts resolution setting dates for public hearings on plan amendment. Amendment sent to taxing jurisdictions for comment and 8/15/05 established as hearing for taxing jurisdictions only. 9/06/05 established as second public hearing date. |
| 7/21/05 | City Clerk publishes public hearing notice in newspaper, not less than 20 days prior to hearing for the public hearing to be held 8/15/05. |
| 8/08/05 | City Clerk publishes second public hearing notice in newspaper for the public hearing to be held 8/15/05. |
| 8/15/05 | Public hearing for taxing jurisdictions only, to comment on LDFA Plan Amendment. |
| 9/06/05 | Public hearing held. City Council receives comment on LDFA plan amendment. |
| 9/19/05 | City Council adopts prepared resolution authorizing LDFA plan amendment. |



City of Westland LDFA District and Newburgh Road Projects



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**LOCAL DEVELOPMENT FINANCE AUTHORITY OF THE
CITY OF WESTLAND
COUNTY OF WAYNE, STATE OF MICHIGAN**

RESOLUTION APPROVING AMENDMENT TO PLAN

Minutes of a regular meeting of the Board of Directors of the Local Development Finance Authority of the City of Westland, County of Wayne, State of Michigan, held in the City on the 14th day of June, 2005 at 8:30 a.m., Eastern Standard Time.

PRESENT: Members Beard, Curry, Farsakian, Keast, McMullen,
Sherman, Tillman

ABSENT: Members Miller, Oncza

The following preamble and resolution were offered by Member Keast and supported by Member Beard;

WHEREAS, pursuant to Act 281, Public Acts of Michigan, 1986, as amended ("Act 281"), the Local Development Finance Authority of the City of Westland (the "Authority") was created on April 6, 1992; and

WHEREAS, in accordance with Act 281, the Authority prepared a Development and Tax Increment Financing Plan (the "Plan"), approved May 18, 1992; and

WHEREAS, it is now necessary to adopt an Amendment to the Development and Tax Increment Financing Plan (the "Plan Amendment"); and

WHEREAS, the Board of Directors of the Authority, pursuant to Act 281, is authorized to approve the Plan Amendment and recommend it to the City Council of the City of Westland (the "City Council").

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Approval of Plan Amendment. The Board hereby adopts and approves the Plan Amendment, a copy of which is on file with the Secretary of the Authority.
2. Deliver Resolution to City Council. The Secretary of the Authority is directed to deliver a certified copy of this resolution to the City Clerk and to request the City Council to call a public hearing on the Plan Amendment.

3. Notify Taxing Jurisdictions. Prior to the public hearing to be held by the City Council with respect to the Plan Amendment, the Authority shall fully inform the taxing jurisdictions levying taxes subject to capture about the fiscal and economic implications of the proposed Plan Amendment.
4. Repealer. All resolutions and parts of resolution in conflict with the provisions of this resolution are hereby repealed or amended to the extent of such conflict.

AYES: Beard, Curry, Farsakian, Keast, McMullen, Sherman, Tillman

NAYS: None

RESOLUTION DECLARED ADOPTED.



Secretary

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of the Local Development Finance Authority of the City of Westland, County of Wayne, State of Michigan, at a regular meeting held on June 14, 2005, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Secretary