

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

**AMENDMENT TO  
DEVELOPMENT AND TAX INCREMENT FINANCING PLAN**

Approved by the Board of Directors of the Local Development Finance Authority of the City of Westland on March 20, 2020.

Approved by the City Council of the City of Westland on June 1, 2020, subsequent to a public hearing held on June 1, 2020.

## **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 key portions of the Plan for widening Newburgh Road and Cherry Hill Road to five lanes. The purpose of this amendment is to authorize the acquisition and construction of additional improvements of the types described in the Plan, update cost estimates, and extend the duration of the Plan.

## **DEVELOPMENT PLAN**

The Authority proposes to reconstruct Manufacturers Drive and Enterprise Drive. Manufacturers Drive and Enterprise Drive are both located within the Cherry Hill Industrial Center Subdivision, which is south of Cherry Hill Road and east of Newburgh Road. Upon establishment of the LDFA, the Cherry Hill Industrial Center Subdivision was qualified and designated as a “Certified Industrial Park” and subsequent to certain amendments to Act 57, Public Acts of Michigan, 2018 (which act recodified Act 281, Public Acts of Michigan, 1986, as amended), has been designated a “Business Development Area”. Manufacturers Drive and Enterprise Drive are the two main roads within the Business Development Area and provide access to all of the eligible properties within the Business Development Area. They were selected based on their 2019 PASER rating of 3-4 or poor condition. The scope of the work will primarily include the repairing of all damaged/spalled concrete joints, replacing failed concrete pavement and 2” asphalt overlay. Under normal conditions, construction should take approximately 10-12 weeks. It is expected that the project will be completed by the end of the 2021 construction season. The estimated cost of this project is \$1,030,000, exclusive of any costs of issuance.

The City currently owns various properties within the Business Development Area that are undeveloped. The Authority proposes to undertake site preparation for such sites so that they may be utilized in the development of eligible property. It is anticipated that the site preparation may occur throughout the duration of the Plan. It is estimated that the costs of preparing the various sites would be in the approximate amount of \$78,000.

## TAX INCREMENT FINANCING PLAN

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

<u>FISCAL YEAR</u>	<u>CAPTURED ASSESSED VALUE<sup>1</sup></u>	<u>CAPTURED TAX REVENUE</u>
2020	\$5,217,374.00	\$75,780.83
2021	5,363,359.59	77,014.73
2022	5,513,429.95	79,232.67
2023	5,667,699.39	82,252.11
2024	5,826,285.38	85,931.86
2025	5,989,308.71	90,163.00
2026	6,156,893.55	94,861.74
2027	6,329,167.52	99,963.91
2028	6,506,261.83	105,420.63
2029	6,688,311.36	111,194.95
2030	6,875,454.76	117,259.27
2031	7,067,834.55	123,593.30
2032	7,265,597.25	130,182.45
2033	7,468,893.49	137,016.62
2034	7,677,878.09	144,089.26
2035	7,892,710.22	151,396.57
2036	8,113,553.49	158,937.00
2037	8,340,576.11	166,710.72
2038	8,573,950.97	174,719.33
2039	8,813,855.81	182,965.55
2040	9,060,473.35	191,453.05

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<sup>1</sup> Captured Assessed Value based on a 2.8% growth rate in Taxable Value.

**Duration of Plan.** The duration of the Plan is extended to December 31, 2040, or such longer period as may be needed to pay and retire bonds of the City, or any tax increment bonds issued by or on behalf of the Authority pursuant hereto.

**Maximum Bonded Indebtedness.** The maximum amount of bonded indebtedness to be incurred by or on behalf of the Authority for the purpose of financing improvements under the plan amendment is \$1,150,000.

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