

Village of Sparta Restated Development Plan & Tax Increment Financing Plan

Village of Sparta Downtown Development Authority

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Introduction

The Village of Sparta Downtown Development Authority ("SDDA") has been established in accordance with Act 197, Public Acts of Michigan, 1975, as amended (the "DDA Act"). The Authority's primary purpose is to re-establish and maintain the vitality of the commercial business district of the Village of Sparta. The Village of Sparta Development Plan & Tax Increment Financing Plan ("The Plan") is being restated on the basis that the future success of the Village of Sparta's current effort to revitalize its commercial area will depend, in large measure, on the readiness and ability of its public corporate entity to initiate public improvements that strengthen the commercial area and to encourage and participate where feasible in the development of new private uses that clearly demonstrate the creation of new jobs, the attraction of new business, and the generation of additional tax revenues.

The Village of Sparta established the SDDA in December 1991. The Authority prepared, and the Village Council approved, The Plan that identified needed improvements in the SDDA Development Area and outlined various means for financing those improvements in 1992. The plan was originally set to expire in 2006. The plan was amended in 1999 to include acquisition and construction of parking lots and improvements. In 1999, the plan was amended to continue through 2016. An amendment in 2007 included planned improvements of community beautification, east entrance enhancement, Property Enhancement Program, parking lot construction. The completion date of these projects was established as 2019.

Funds to finance activities of the authority may be derived from several sources including taxes, revenues generated from the use of assets, proceeds from revenue bonds, municipal funds, state and federal grants, special assessment levies and tax increment financing receipts.

The purpose of this document is to establish development and improvements within the SDDA's Development Area. This document may be amended to reflect expanded project or financing needs in order to achieve the goals and objectives of the Village of Sparta Development Plan. Any such amendments will be in accordance with the requirements of the DDA Act.

The Village of Sparta applied for the 2009 Blueprints Program and received grant funding to assist with the development of "Sparta's Downtown Blueprint Revitalization Plan" ("The Blueprint Plan"). The SDDA officially recommended the Blueprint Plan on June 9, 2009, which was ultimately adopted by the Sparta Village Council on November 9, 2009 as the official guide in developing future action plans for the enhancement of Downtown Sparta.

This 2009 restatement of the plan is written to reevaluate and prioritize DDA projects that have been recommended as a result of the adoption of the Blueprint Plan. The recommendations in the Blueprint Plan are aimed at enhancing the aesthetics of Downtown Sparta and to promote economic development within the SDDA Development Area. In addition, the Plan is being updated to reflect the SDDA's current plans for financing the SDDA improvements as recommended in the Blueprint Plan.

Village of Sparta Downtown Development Authority Development Plan

The following references to "sections" related to the specific items that must be addressed in any Development Plan as required by the DDA Act.

SECTION 17(2)(a): DISTRICT BOUNDARIES

"The designation of boundaries of the development area in relation to highways, streets, streams or otherwise."

The Development Area boundaries as previously approved are confirmed. A legal description of the boundaries of the Development Area is attached as Exhibit A. The Development Area boundaries are co-terminus with the boundaries of the SDDA's Downtown District.

SECTION 17(2)(b): EXISTING & PROPOSED LAND USES

"The location and extent of existing streets and other public facilities within the development area and shall designate 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 shall include a legal description of the development area."

The SDDA Development Area includes a traditional downtown area (see photo at right) and more conventional general commercial development along State Street, East Division and West Division. The downtown includes specialty retail shops, a bank, offices, personal & professional service businesses, Post Office, restaurants, and upper level rental housing. The downtown also includes a civic center, Village Hall, Township Hall, Sparta Carnegie Township Library, and public park spaces including Rogers Park, Library Memorial Park, and Balyeat Field.



The commercial district on State Street, East Division and West Division in the Development Area include auto-oriented businesses allowed in the general and neighborhood commercial district. The Development Area includes several zoning districts containing but not limited to General Commercial, Neighborhood Commercial, Residential, Central Business District, Light Industrial, and Single Family Residential. Please see Zoning Map 2.

SECTION 17(2)(c): EXISTING IMPROVEMENTS TO BE ADDRESSED

"A description of existing improvements in the development area to be demolished, repaired or altered, a description of any repairs and alterations, and an estimate of the time required for completion."

A full description of all projects, including those that may involve any of the changes described above is provided in Section 17(2)(d).

SECTION 17(2)(d): PROJECT IMPROVEMENT PLAN

"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."

The SDDA is empowered to undertake a variety of activities in the rejuvenation of the Downtown District and Development Area, including:

- · Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation or reconstruction of a public facility, an existing building or a multiple family dwelling unit that may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the downtown district.
- · Plan, propose and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the State of Michigan.
- · Acquire property by purchase or otherwise, on terms and conditions and in a manner the Authority deems proper, or own, convey or otherwise dispose of, or rights of interests therein, which the Authority determines is reasonable and necessary to achieve the purposes of the DDA Act and to grant or acquire licenses, easements and options with respect thereto.
- · Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair and operate any building, including multiple family dwellings, and any necessary or desirable appurtenances thereto, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination thereof. The following project improvement plan is intended to be general in nature allowing for flexibility in design and implementation. Detailed planning, design and engineering studies should be conducted to specifically set project parameters.

1. Streetscape Improvements

\$800,000

This component involves streetscape improvements for the streets, alleys and public parking lots in the development area. This category provides for physical and natural improvements within the public right-of-ways (ROW) to enhance the visual image and functionality of the streetscape. To date, the SDDA has successfully completed an extensive array of streetscape improvement projects in the Central Business District to create a more inviting appearance and a pedestrian friendly shopping environment. The SDDA wishes to continue its past success through carrying out the projects listed below:

- Removal of plant material, bituminous material, sidewalk, curb and gutter.
- Filling, grading and other site preparation.
- Installation of curb, gutter and sidewalks.
- Installation of brick pavers.
- Purchase and install tree plantings and other landscaping materials to fill in "green gaps" inside the public ROW areas of the Development Area.
- Landscape improvements and site amenities, including, but not limited to grass, trees, other plantings, and other decorative items.
- Construction of outdoor seating in the Development Area.
- New street, alley, walkway & parking lot lighting, including street lights, new decorative or other lights within the Development Area as needed and parking lot, alley, park and walkway lighting so as to create a safe, inviting and customer friendly atmosphere.
- Installation of benches, trash receptacles, signage, banners, seasonal decorations, tree grates, etc.
- Assist with the partial or whole funding of the construction and maintenance of shared commercial dumpsters to reduce the visual impact of trash storage areas. The SDDA may evaluate and recommend to the Village Council the licensing of a single or cooperative refuse and/or recycling firm(s), both profit and nonprofit, for the Downtown, the Development Area or other feasible geographic sub areas.

- Engineering, legal and other professional fees.
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

2. Nash Creek Enhancement

\$400,000

This component involves the clean-up and development of the banks and waters of Nash Creek in order to create a more welcoming waterfront environment and make use of this natural resource in developing the Development Area. This component includes:

- Clearing obstructions and Removal of trash, plant material, and outdated structures or other material.
- Weed and plant control.
- Environmental due diligence.
- Environmental remediation.
- Acquiring real property, rights of way, easements or other property interests.
- Improvements to the bank of the creek and the creek waters.
- Dredging any portion of the waterway and disposal of removed material.
- Construction of bridge improvements.
- Installation of walk ways, including curb, gutter and sidewalks, brick pavers, boardwalk, and other paving.
- Landscape improvements and site amenities, including, but not limited to grass, trees, other plantings, and other decorative items.
- Installation of benches, trash receptacles, lighting, signage, banners, tree grates, etc.
- Installation of railings, ramps and signage.
- Cooperation in the development of a restaurant on the creek.
- Engineering, legal and other professional fees.
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

3. On and Off-Street Parking Improvements.

\$700,000

This component includes the acquisition, construction and development or redevelopment of public parking areas to serve the Development Area. The SDDA may expand, develop, and enhance parking areas within the Development Area to improve accessibility for customers, employees and residents. This may also include acquiring or leasing the private parking lots. It also provides for the installation of screening and landscaping along the perimeter and within parking lots to shield them from view at the pedestrian and vehicular levels. This component includes:

- Acquisition of or leasing of land for parking lots, including the purchase of any necessary easements or rights of way.
- Demolition of existing structures and clearing the sites of other obstacles.
- Filling, grading and other site preparation.
- Installation of black top.
- Installation of curb, gutter and sidewalks.
- Striping lots.
- Creation of angled parking spaces.
- Construction of pedestrian walk ways.
- Drainage improvements for the parking lots.
- Landscape improvements and site amenities, including, but not limited to grass, trees, other plantings, and other decorative items.
- Installation of benches, trash receptacles, lighting, signage, banners, tree grates, etc.
- Remediation of landscaping, driveways and parking lots damaged as a result of this project.
- Engineering, legal and other professional fees.

• Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

4. Walkways, Bicycle Trails and Pedestrian Safety

\$400,000

This component consists of the construction of sidewalks, walkways, pathways, trails, bicycle trails and other improvements in the Development Area to enhance pedestrian access and safety, and to create a walkable community. This component includes:

- Acquisition of property or rights-of-way.
- Removal of plant material, bituminous material, sidewalk, curb and gutter.
- Filling, grading and other site preparation.
- Installation of curb, gutter, sidewalks, boardwalk and other paving.
- Landscape improvements and site amenities, including, but not limited to grass, trees, other plantings, and other decorative items.
- Installation of shelters, benches, trash receptacles, lighting, signage, banners, tree grates, etc.
- Installation of lighting, signage and safety improvements.
- Engineering, landscape architects, easements, legal and other professional fees.
- Any other items which are necessary or incidental to the items listed above, or which the SDDA Board determines to be necessary in connection with this project.

5. Park Improvements.

\$250,000

This component consists of park improvements in the development area. This component includes:

- Acquisition of property.
- Removal of old grass, plantings, debris, soil and other material.
- Installation of irrigation.
- Landscaping, including, but not limited to, the installation of grass, bushes, trees, other plantings, wood chips, ground coverings and other decorative items.
- Installation of shelters, fountains, benches, picnic tables, trash receptacles, lighting, signage, banners, dumpster enclosures, tree grates, public art and sculptures, etc.
- Engineering and other professional fees.
- Any other items which are necessary or incidental to the items listed above, or which the SDDA Board determines to be desirable to include in the park.
- 6. Improvements to and Renovation of Buildings \$ 300,000

This component will include the renovation of existing buildings and structures in the Development Area. This project will include, but not be limited to, improvements to the Sparta Civic Center, the post office and the historic opera house. Improvements may be funded with tax increment revenues to the extent the building is a public building or a building in which the public has an appropriate property interest. This component includes:

- The purchase or lease of property or an interest in property and the improvement of the property.
- Environmental due diligence and remediation.
- The demolition of buildings, where necessary.
- Clearing of sites including the removal of plant material, bituminous material, concrete and other items which must be removed to prepare the property for redevelopment.
- Filling grading and other site work.
- Construction of structures and remodeling of structures.
- Engineering, architectural, legal and professional fees
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

7. Building Improvement and Redevelopment.

\$ 300,000

This component consists of a program to enhance the appearance of the Development Area by encouraging building restoration that revitalizes front and rear facades. The program will encourage coordination of colors and façade designs and will encourage some recognition of historical building characteristics. The program will include funding participation and façade and rear entrance improvements in exchange for some control over type and timing of improvements and requirements for regular maintenance. To secure control over façade improvements and maintenance, and in exchange for such funding and other benefits, the Authority will enter into lease or easement agreements with participating property owners. In the case of facades the SDDA will take an interest in the first twelve (12) inches of depth of the front or rear of the building, as applicable, pursuant to a written lease or easement agreement. In the case of rear entrance improvements, the SDDA will lease the first twelve (12) inches of depth of the rear of the building and so much space in the rear of the building, pursuant to a written lease agreement, as is necessary to give the SDDA the necessary control over the rear entrance. Professional consultants may be utilized to study building needs, accessibility to parking facility and traffic flows. This component includes:

- Removal and/ or renovation of exterior building features.
- Exterior insulation facing systems.
- Trim work.
- · Restoration of brickwork.
- Installation of rear entrances.
- Walkways from rear entrances to parking facilities and sidewalks.
- Professional studies of building needs, accessibility to parking, and traffic flows.
- Engineering, architectural, legal and other professional fees.
- Other improvements which may enhance the coordination of colors and façade designs, or enhance the historical building characteristics and appearance of the buildings, or enhance accessibility to the buildings.
- Engineering, legal and other professional fees.
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

8. Construction of Upper Floor Apartments.

\$75,000

This component will include the construction of upper floor apartments in the Development Area. Improvements may be funded with tax increment revenues to the extent the building is a public building or a building in which the public has an appropriate property interest. This component includes:

- The purchase or lease of property or an interest in property and the improvement of the property.
- Environmental due diligence and remediation.
- The demolition of building improvements, where necessary.
- Clearing of sites including the removal of plant material, bituminous material, concrete and other items which must be removed to prepare the property for redevelopment.
- Filling grading and other site work.
- Construction of structures and remodeling of structures.
- Engineering, architectural, legal and professional fees
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

9. Construction of a Farmer's Market.

\$25,000

This component will include the construction of a farmer's market in the Development Area. Improvements may be funded with tax increment revenues to the extent the building is a public building or a building in which the public has an appropriate property interest. This component includes:

- The purchase or lease of property or an interest in property and the improvement of the property.
- Environmental due diligence and remediation.
- The demolition of building improvements, where necessary.
- Clearing of sites including the removal of plant material, bituminous material, concrete and other items which must be removed to prepare the property for redevelopment.
- Filling grading and other site work.
- Construction of structures and remodeling of structures.
- Engineering, architectural, legal and professional fees
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

10. Business Recruitment Marketing.

\$40,000 per year

This component involves the creation, operation and funding of marketing initiatives that seek to recruit businesses to fill vacant sites or buildings in the Development Area. This component includes:

- The creation, operation and funding of marketing initiatives to market the development area of the downtown district to attract new businesses to the downtown and further the economic development of the downtown.
- The marketing may be done by the SDDA acting alone or though collaboration with other entities, including collaboration with the Village on specific marketing efforts.
- Specific activities may include, but are not limited to the following activities designed to attract businesses to the downtown:
 - (a) The purchase of advertising, including, but not limited to, print advertising, radio advertising, television advertising, billboard advertising, direct mail advertising and the use of other electronic media.
 - (b) The production and distribution of informational material about the downtown and available properties and development potential in the downtown.
 - (c) Efforts to identify potential businesses for relocation to the development area and efforts to inform those businesses of available business opportunities in the development area and to encourage their location in the development area.
 - (d) Efforts to identify and promote grant, low interest loan and other funding and other assistance for businesses that locate in the development area.
- The following goals are established for the specific marketing initiatives which will be implemented by the SDDA. The marketing should:
 - (a) Provide a public benefit.
 - (b) Stimulate private investment in the development area.
 - (c) Stimulate job creation.
 - (d) Support the development of a year round economy.
 - (e) Seek to fill empty store fronts, vacant lots and other underutilized areas within the development area.
 - (f) Should be consistent with the Village's overall goals for the downtown.
- Such other marketing as the SDDA Board deems to be necessary or incidental to the items set forth above.

11. Marketing

\$45,000 per year

This component involves the creation, operation and funding of marketing initiatives that benefit the retain business character of the Development area, and general marketing of the Downtown District. This component includes:

• Marketing initiatives undertaken by the SDDA acting alone or through collaboration with other entities.

- Purchase of advertising, including, but not limited to, print advertising, radio advertising, internet or electronic advertising, television advertising, billboard advertising, and direct mail advertising.
- Marketing blitzes and promotions.
- Sponsoring downtown festivals and events, including sidewalk sales, art fairs, parade celebrations, summer concerts, Town & Country Days, Harvest Apple Festival, and family oriented events in Rogers Park in the summer.
- Production of informational material about the downtown.
- Collaboration with the Village on specific marketing efforts.
- Professional fees.
- Such other marketing necessary or desirable.

12. Historic Related Undertakings.

\$200,000

This component will include a number of activities to develop historic properties as a tourist attraction within the Development Area. This may include the acquisition renovation of existing buildings and structures in the Development Area. It may also include the acquisition of other historic sites and the relocation of them to the Development Area in order to facilitate an historical tour. Improvements may be funded with tax increment revenues to the extent the building is a public building or a building in which the public has an appropriate property interest. This component includes:

- The funding or partial funding of a feasibility study for the creation of a Sparta Historical Museum. It is hoped that a suitable location for such a museum could be secured in or very near to downtown.
- The purchase or lease of property or an interest in property and the improvement of the property.
- Environmental due diligence and remediation.
- The demolition of buildings, where necessary.
- Clearing of sites including the removal of plant material, bituminous material, concrete and other items which must be removed to prepare the property for redevelopment.
- Filling grading and other site work.
- Construction of structures and remodeling of structures.
- Engineering, architectural, legal and professional fees
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

13. Artistic Related Undertakings. \$200,000

This component will include the development of the arts within the Development Area. This component includes:

- The purchase of public art.
- Provide support of a public nature to the Regional Arts Guild of Sparta.
- Develop an art co-op feasibility plan to explore the feasibility of opening an art co-op in the Development Area.
- Development of an arts co-op.
- Architectural, legal and professional fees
- Such other improvements as the SDDA Board deems to be necessary or incidental to the items set forth above.

Table 1 LIST OF PLANNED PROJECTS by PRIORITY and ESTIMATED COST Village of Sparta DDA

| | village of Sparta DDA | |
|---------|---|--------------------------|
| Project | Project Description 2006-2030 | Estimated Finance |
| Length | | Cost |
| | Promotional & Identity Building | |
| S & L | Historic Related Undertakings | 200,000 |
| | Historic properties, attractions, tours | |
| S & L | Artistic Related Undertaking | 200,000 |
| | Art Co-op, public art projects | |
| S & L | Festivals & Events | 200,000 |
| | Public Improvements | |
| L | Streetscape Improvements & Refuse Disposal | 800,000 |
| | Street, alley, & parking lot lighting, street improvements, pedestrian | |
| | safety improvements, refuse disposal | |
| L | Parking Area Expansion, Renovation, Screening and Landscaping | 700,000 |
| | Off-street Parking Lot acquisition, Angled Parking, Pedestrian Crosswalks, | |
| L | Walk/ bike Trails | 400,000 |
| L | Park Enhancements, Civic Center Enhancements, Pedestrian Safety Enhancements | 250,000 |
| S & L | Nash Creek Enhancement | 400,000 |
| | Bank & park cleanup, handicap access, beautification | |
| | Building Improvements | |
| L | Grants & Programs | 700,000 |
| | Façade Grant Program, Design Guidelines, Business Signs & Awnings, | |
| | New Construction, Upper Floor Apartments, | |
| | Building Improvement & Redevelopment | |
| | Business Development | |
| S & L | Business Development & Attraction | 800,000 |
| | Outdoor Seating, Farmers Market, Post Office, Opera House, | |
| | Business Recruitment, Internal/ External Recruitment, Growth Management | |
| | Marketing | |
| S & L | Promotional and Identity Building | 700,000 |
| | Flowers, Banners, Winter Appeal, Wayfinding signage, Web Presence, | , 50,000 |
| | Print Media, Story Placement, Agri-tourism, Seasonal Decorations | |
| | Decorations | |
| G 0 Y | Administration | 000 000 |
| S & L | Administrator | 800,000 |
| | Estimated Total | 6,150,000 |
| | Actual project cost will depend upon the design and specification of project components | |
| | and market conditions at the time of implementation. | |
| | S = Short Term Projected Completion $L = Long Term Projected Completion$ | |

SECTION 17(2)(e): CONSTRUCTION STAGES

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

The statement of the stages of planned construction is identified in Table 1 in Section 17(2)(d). As noted in the Table, short term projects represent activities to be emphasized for construction, particularly in the early stages (first 5-10 years) of the development program. Long term projects are seen as longer range capital projects that will likely take precedence later in the development program unless major funds are available sooner; however, all projects are anticipated to be completed by 2030. The annual SDDA budget and the availability and timing of other sources of funding will largely determine the pace at which the desired projects are completed.

SECTION 17(2)(f): OPEN SPACE

"A description of any parts of the development area to be left as open space and the use contemplated for the space."

The areas identified to be left as public open space within the Development Area:

- · Rogers Park
- · Balyeat Field
- · Library Park

SECTION 17(2)(g): PROPERTY OWNERSHIP/LEASES

"Descriptions 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."

The Authority currently owns or leases no portion of the Development Area. Future transactions between the Authority and the Village will be done according to the best interests of the Village.

SECTION 17(2)(h): DESIRED ZONING CHANGES

"A description of desired zoning changes and changes in streets, street levels, intersections and utilities."

The Authority currently has no plans to change the zoning or streets in the Development Area. Future changes will be done according to the best interests of the Village.

SECTION 17(2)(i): DEVELOPMENT COSTS/ FINANCING

"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."

The total cost for undertaking the projects identified under Section 17(2)(d) is approximately \$6,150,000. (see Table 1.) Financing for the development may come from the following potential sources:

- A. Donations and grants to the SDDA for the performance of its functions.
- B. Proceeds of an ad valorem tax imposed pursuant to Section 12 of the DDA Act.
- C. Money borrowed and to be repaid as authorized by Section 13 of the DDA Act.

- D. Revenues from any property, building or facility owned, leased, licensed or operated by the SDDA or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.
- E. Proceeds of a tax increment financing plan, established under Sections 14 to 16 of the DDA Act.
- F. Proceeds from a special assessment district created as provided by law.
- G. Money obtained from other sources approved by the governing body of the municipality or otherwise authorized by law for use by the municipality to finance a development program.

Where receipt of specific funds is indicated as being anticipated by the Authority, methods of repayment will be established as necessary. Where repayment is not necessary, funds shall be credited to the general fund of the SDDA for the purpose of financing only those activities, as indicated in this plan or otherwise appropriate as provided in the DDA Act.

The ability of the Authority to arrange the financing is considered to be established on the basis of tax increment revenues currently available to the SDDA.

SECTION 17(2)(j): CONVEYANCE OF DEVELOPMENT

"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."

At this time, there are no persons, natural or corporate, to whom all or any portion of the development is to be leased, sold, or conveyed in any manner. As redevelopment occurs, properties may be acquired and later sold. Potential future purchases have not been identified at this time.

SECTION 17(2)(k): PROCEDURES FOR CONVEYANCE

"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."

Not applicable

SECTION 17(2)(1): DISPLACEMENT OF RESIDENTS

"Estimates of 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 shall 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."

No displacement or relocation is anticipated.

SECTION 17(2)(m): RELOCATION PRIORITY

"A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area."

Not applicable

SECTION 17(2)(n): RELOCATION COSTS

"Provision for the cost of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, being Public Law 91646, 42 USC sections 4601, et seq."

Not applicable

SECTION 17(2)(o): ACT 227 COMPLIANCE PLAN

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

Not applicable

SECTION 17(2)(p): OTHER PERTINENT MATERIALS

"Other material which the authority, local public agency, or governing body deems pertinent."

Wherever the provisions of this restated Plan are inconsistent with any provisions of the prior adopted versions of the Plan, the provisions of this restated Plan shall be controlling. All provisions of the prior versions of the Plan, consistent with the provisions of this restated Plan shall be and remain in full force and effect.

Village of Sparta Downtown Development Authority Tax Increment Financing Plan

The proposed projects described in the Development Plan included information of each program or construction project, the implementation schedule, and estimated cost and source of funding. The schedule begins in the year 2009 and ends in the year 2030. Projects have been scheduled based on priority of need and the anticipated ability of the SDDA to finance individual projects. Prior to or during the year 2030, the SDDA will consider action to update the Development Plan & Tax Increment Financing Plan or make recommendation for the rescission of the SDDA. Rescission of the SDDA (pursuant to Section 30 of the DDA Act) would terminate the existence of the SDDA.

The schedule and budget assume the SDDA will complete all projects before 2030. Where projects require continuation beyond this date, the SDDA will assign completion responsibilities to other Village and Township agencies, should a decision to rescind the SDDA be contemplated. If cumulative SDDA revenues exceed the anticipated needs of all projects contained in the budget, excess revenue shall be remitted to respective taxing units in proportion to applicable tax millage rates imposed on property in the SDDA Development Area, as required by the DDA Act (Section 15(2)).

The Plan contains project cost estimates. These are estimates only, and are not intended to be maximum amounts. Actual costs will vary from these estimates.

The DDA Act requires the SDDA to address three legislative requirements in the Tax Increment Financing Plan. These provide information about funds anticipated by the SDDA and the impact of tax increment financing upon taxing jurisdictions.

These requirements are found in Section 14(c) of the DDA Act and state that:

"When the authority determines that it is necessary for the achievement of the purposes of this act, the authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The plan shall include a development plan as provided in section 17..."

SECTION 12(1): DISTRICT TAX LAW

"An authority with the approval of the municipal governing body may levy an ad valorem tax on the real and tangible personal property not exempt by law and as finally equalized in the downtown district. The tax shall not be more then 1 mill if the downtown district is in a municipality having a population of 1,000,000 or more, or not more than 2 mills if the downtown district is in a municipality having a population of less than 1,000,000. The tax shall be collected by the municipality creating the authority levying the tax. The municipality shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be paid to the treasurer of the authority and credited to the general fund of the authority for purposes of the authority."

The Authority and the Village Council have no intention of levying an ad valorem tax at this time or in the future.

SECTION 14(1): TAX INCREMENT FINANCING

"A detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, the duration of the program, and a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions."

Specifically the Tax Increment Financing Plan must include, pursuant to Section 14(2) of the Act:

- 1. A detailed explanation of the tax increment process,
- 2. The maximum amount of bonded indebtedness to be incurred, and
- 3. The duration of the program.

1. Detailed Explanation of the Tax Increment Procedure. Section 14(1).

The DDA Act permits the SDDA to undertake a broad range of activities which will promote economic growth and eliminate the causes of value deterioration in its business district. These activities include the adoption and implementation of a plan of development in the downtown district necessary to achieve the purposes of the DDA Act.

One of the SDDA's means of implementing a plan of development is tax increment financing. A tax increment financing plan must be prepared, submitted to, and approved by the governing body of the municipality through an ordinance adopting a tax increment financing plan.

The purpose of tax increment financing is to capture tax revenues attributable to increases in value of real and personal property within the boundaries of the Development Area. The increases in property value may be attributable to new construction, rehabilitation, remodeling, alterations, additions, inflation or other factors the assessor may deem appropriate.

Section 1(b) of the DDA Act defines "assessed value" for valuations made after December 31, 1994 as taxable value as determined under MCL 211.27a. The most recently assessed values, as finally equalized by the State Board of Equalization, of all the taxable properties located within the boundaries of the Development Area (based on assessed values as of December 31, 1992) at the time the ordinance establishing the tax increment financing plan is approved will become what is called the "initial assessed value." At the time the ordinance adopting the tax increment financing plan is approved, property exempt from taxation is given an initial assessed value of zero.

In each year after the tax increment financing plan is approved, the total assessed value of real and personal property within the boundaries of the Development Area is referred to as the "current assessed value." The difference between the current assessed value and the initial assessed value in each year is known as the "captured assessed value."

Each year tax increments will be captured from all local taxing jurisdictions whose taxes are eligible for capture under the DDA Act. During the period the development plan and tax increment financing plan are in force, the local taxing jurisdictions continue to receive the full amount of tax revenue based on the initial assessed value. However, the portion allocable to the captured assessed value is transmitted to the SDDA for use according to the tax increment financing plan. This portion is known as "tax increment revenue." The tax increment revenue will be used for the purposes set forth in this tax increment financing plan and, if bonds are

issued to finance a project in the development plan, the tax increment revenues will be pledged to the repayment of such bonds.

The amount of tax increment revenue to be transmitted to the SDDA by the Township and County Treasurers will be that portion of the tax levy of all taxing bodies, whose taxes are eligible for capture, paid each year on real and personal property in the Development Area on the captured assessed value. The SDDA will expend the tax increment revenue received for the development program only pursuant to this tax increment financing plan. Any surplus funds shall revert proportionately to the respective taxing bodies.

This tax increment financing plan shall be administered in full compliance with Sections 14, 15 and 16 and all other provisions of the DDA Act.

2. The maximum amount of bonded indebtedness to be incurred. Section 14(1).

The maximum amount of bonded indebtedness to be incurred under this Tax Increment Financing Plan shall be \$5,000,000. Bonds issued under this Tax Increment Financing Plan may be issued in any form authorized under the DDA Act.

3. The duration of the program. Section 14(1).

The Tax Increment Financing Plan will remain in effect until December 31, 2030, except as the same may be modified from time to time by the Village Council of the Village of Sparta in accordance with the procedures required by the DDA Act. The Village may abolish this plan when it finds that the purposes for which this plan was approved have been accomplished, but not before the principal and interest owing on any bonds which are outstanding has been paid in full, or funds sufficient for such payment have been segregated.

4. Compliance with Section 15 of the DDA Act. Section 14(1).

As referred to above, it is the intent of these plans to comply with Section 15 of the DDA Act regarding tax increments, amount of tax increments, expenditure of tax increments, and submission of the tax increment financing report.

These revenues shall not be used to circumvent existing property tax limitations. The Village Council may abolish the tax increment financing plan when it finds that the purposes for which it was established are accomplished. However, the tax increment financing plan shall not be abolished until the principal of, and interest on, bonds issued pursuant to Section 16 have been paid or funds sufficient to make the payment have been segregated.

Annually the SDDA Board shall submit to the Village Council a report on the status of the tax increment financing account. The report shall include: the amount and source of revenue in the account; the amount and purpose of expenditures from the account; the amount of principal and interest on any outstanding bonded indebtedness; the amount in any bond reserve account; the initial assessed value of the project area; the captured assessed value retained by the SDDA; the tax increments received; the number of jobs created as a result of the implementation of the Tax Increment Financing Plan; and any additional information the governing body considers necessary. The report shall be published in a newspaper of general circulation in the Village.

It is recognized that the amount of tax increment revenue to be transmitted to the SDDA by the Township 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 SDDA only in accordance with the provisions of this Tax Increment Financing Plan and that surplus tax increment revenues shall be returned to the local taxing jurisdictions.

5. 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. Section 14(1).

The tax increment financing plan will in no way diminish the assessed values of property within the area boundaries. Local taxing jurisdictions will therefore, suffer no loss of current tax revenues.

For the period during which the tax increment financing plan is in effect, the assessed values of properties within the Development Area will effectively remain constant insofar as the local taxing jurisdictions are concerned. Any increase in property values will generate tax increment revenues which will be available only to the SDDA during the duration of the plan unless excess funds are available and if available will be distributed proportionally to the taxing units.

It is anticipated that the development activities of the SDDA, financed in whole or in part by tax increment revenues, will produce a positive material effect on the assessed values of property within and in the proximity of the development and will ultimately result in the eventual collection of greater real property tax revenues than would otherwise have been available.

Pursuant to Section 14(4) of the DDA Act, the SDDA shall fully inform the taxing jurisdiction within the Development Area subject to capture of the fiscal and economic implications of the proposed development.

Table 2 and Table 3 contain an estimate of the impact on the taxing jurisdictions is included as Exhibit E in the Appendix.

Table 2

Estimate of Capturable Taxable Value Village of Sparta DDA 2009 - 2030

| Tax Year | Prior Year | Net Change | December 31 | Capturable |
|--------------------|-------------------|-------------------|-------------------|-------------------|
| | Taxable Value (1) | Taxable Value (2) | Taxable value (3) | Taxable Value (4) |
| Base Year 1992 (5) | | | \$7,000,600 | |
| 2009 | \$19,556,859 | \$1,122,269 | \$20,679,128 | \$13,678,528 |
| 2010 | 20,679,128 | 206,791 | 20,885,919 | 13,885,319 |
| 2011 | 20,885,919 | 208,859 | 21,094,778 | 14,094,178 |
| 2012 | 21,094,778 | 210,948 | 21,305,726 | 14,305,126 |
| 2013 | 21,305,726 | 213,057 | 21,518,784 | 14,518,184 |
| 2014 | 21,518,784 | 215,188 | 21,733,971 | 14,733,371 |
| 2015 | 21,733,971 | 217,340 | 21,951,311 | 14,950,711 |
| 2016 | 21,951,311 | 219,513 | 22,170,824 | 15,170,224 |
| 2017 | 22,170,824 | 221,708 | 22,392,532 | 15,391,932 |
| 2018 | 22,392,532 | 223,925 | 22,616,458 | 15,615,858 |
| 2019 | 22,616,458 | 226,165 | 22,842,622 | 15,842,022 |
| 2020 | 22,842,622 | 228,426 | 23,071,049 | 16,070,449 |
| 2021 | 23,071,049 | 230,710 | 23,301,759 | 16,301,159 |
| 2022 | 23,301,759 | 233,018 | 23,534,777 | 16,534,177 |
| 2023 | 23,534,777 | 235,348 | 23,770,124 | 16,769,524 |
| 2024 | 23,770,124 | 237,701 | 24,007,826 | 17,007,226 |
| 2025 | 24,007,826 | 240,078 | 24,247,904 | 17,247,304 |
| 2026 | 24,247,904 | 242,479 | 24,490,383 | 17,489,783 |
| 2027 | 24,490,383 | 244,904 | 24,735,287 | 17,734,687 |
| 2028 | 24,735,287 | 247,353 | 24,982,640 | 17,982,040 |
| 2029 | 24,982,640 | 249,826 | 25,232,466 | 18,231,866 |
| 2030 | 25,232,466 | 252,325 | 25,484,791 | 18,484,191 |

^{1.} Actual DDA District Taxable Value for 2009, and estimated DDA District Taxable Value for years 2010 – 2030.

^{2.} Actual net change (increase/decrease) for 2009. Estimated net change for 2010 – 2030.

Sum of columns "prior Year Taxable Value" and "Net Change Taxable Value".
 Difference between column "12/31 Taxable Value" and original base value of \$7,000,600.

^{5.} Base year 1992 SEV as stated in Sparta DDA Development Plan.

Estimate of Available Revenue Stream Village of Sparta DDA 2009 - 2030

Table 3

Estimate of Available Revenue Stream Village of Sparta DDA 2009 - 2030

| 2009 - 2030 | | | | | | |
|------------------------------------|--------------------|--------------------|--------------|--|--|--|
| Tax Year | Capturable Taxable | Available Tax | Disbursement | | | |
| | Values | Increment Revenues | Cycle | | | |
| 2009 | 13,678,528.00 | 247,126.00 | 2009 | | | |
| 2010 | 13,885,319.28 | 252,068.52 | 2010 | | | |
| 2011 | 14,094,178.47 | 257,109.89 | 2011 | | | |
| 2012 | 14,305,126.26 | 262,252.09 | 2012 | | | |
| 2013 | 14,518,183.52 | 267,497.13 | 2013 | | | |
| 2014 | 14,733,371.36 | 272,847.07 | 2014 | | | |
| 2015 | 14,950,711.07 | 278,304.01 | 2015 | | | |
| 2016 | 15,170,224.18 | 283,870.09 | 2016 | | | |
| 2017 | 15,391,932.42 | 289,547.50 | 2017 | | | |
| 2018 | 15,615,857.75 | 295,338.45 | 2018 | | | |
| 2019 | 15,842,022.32 | 301,245.22 | 2019 | | | |
| 2020 | 16,070,448.55 | 307,270.12 | 2020 | | | |
| 2021 | 16,301,159.03 | 313,415.52 | 2021 | | | |
| 2022 | 16,534,176.62 | 319,683.83 | 2022 | | | |
| 2023 | 16,769,524.39 | 326,077.51 | 2023 | | | |
| 2024 | 17,007,225.63 | 332,599.06 | 2024 | | | |
| 2025 | 17,247,303.89 | 339,251.04 | 2025 | | | |
| 2026 | 17,489,782.93 | 346,036.06 | 2026 | | | |
| 2027 | 17,734,686.76 | 352,956.78 | 2027 | | | |
| 2028 | 17,982,039.62 | 360,015.92 | 2028 | | | |
| 2029 | 18,231,866.02 | 367,216.24 | 2029 | | | |
| 2030 | 18,484,190.68 | 374,560.56 | 2030 | | | |
| Total Available TIF \$6,499,162.61 | | | | | | |
| Revenue 2010 - 2030 | | | | | | |

1. Data from last column in Table 1.

3. Fiscal period during which funds will become available for expenditures.

^{2.} Represents "Capturable Taxable Value" column values multiplied by the apportionment of 12 mills from the Village, and .98 mills from the Township, 1.7865 mills from Grand Rapids Community College, 4.2803 miles from Kent County, .4909 from Sparta Township Fire Department, and 1.1137 from Kent County Jain and Kent County Sr. Citizens.

6. Provision for use of part or all of the captured assessed value, particularly the portion to be used by the SDDA. Section 14(1).

Under this tax increment financing plan, the entire tax increment amount is to be utilized by the SDDA.

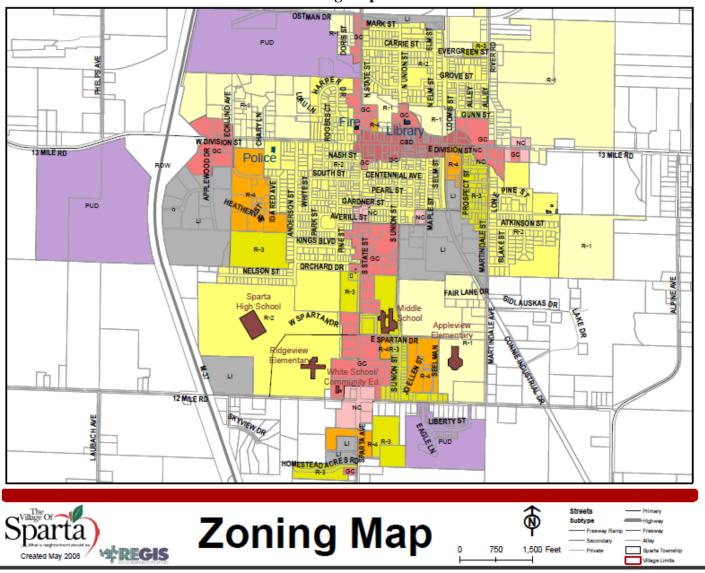
The tax increment revenue paid to the SDDA by the Township and County treasurers is to be disbursed by the SDDA from time to time in such manner as the SDDA may deem necessary and appropriate in order to carry out the purposes of the Development Plan, including, but not limited to, the following:

- The principal, interest, and reserve payments required for any bonded indebtedness to be incurred in its behalf for purposes provided in the Development Plan.
- Cash payments for initiating and completing any improvement or activity called for in the Development Plan.
- Cash payments for professional fees incurred by the SDDA in connection with its operation and in the planning and implementation of projects provided for in this Plan.
- Cash payments to public or private entitles for services rendered in drafting and developing grant applications.
- Payments to the Village of Sparta to reimburse the Village for services, materials and other assistance provided to the SDDA.
- Any annual operating deficits that the SDDA may incur from acquired and/or leased property in the Development Area.
- Payments of principal and interest on any sums that the SDDA should borrow before or during the construction of any improvement or activity to be accomplished by the development plan, after approval by the Village Council of the Village of Sparta.
- Payments required to establish and maintain a capital replacement reserve.
- Payments required to establish and maintain a capital expenditure reserve.
- Payments of the costs of any additional improvements to the Development Area that
 are determined necessary by the SDDA and approved by the Village Council of the
 Village of Sparta.

The SDDA may modify its priority of payments at any time if within its discretion such modification is necessary.

Instead of financing a project, the SDDA may accumulate funds that it receives from tax capture in order to build up a fund balance that is sufficient to pay the cost of a project. To the extent that the tax increment revenues of the SDDA in any one year exceed the sum necessary for the SDDA to implement the projects listed in the Development Plan to meet the commitments and payments as set forth above, such surplus funds shall revert proportionately to the respective taxing bodies as provided in Section 15(2) of the DDA Act.

Village of Sparta **Zoning Map**





Village of Sparta Downtown Development Authority District Map

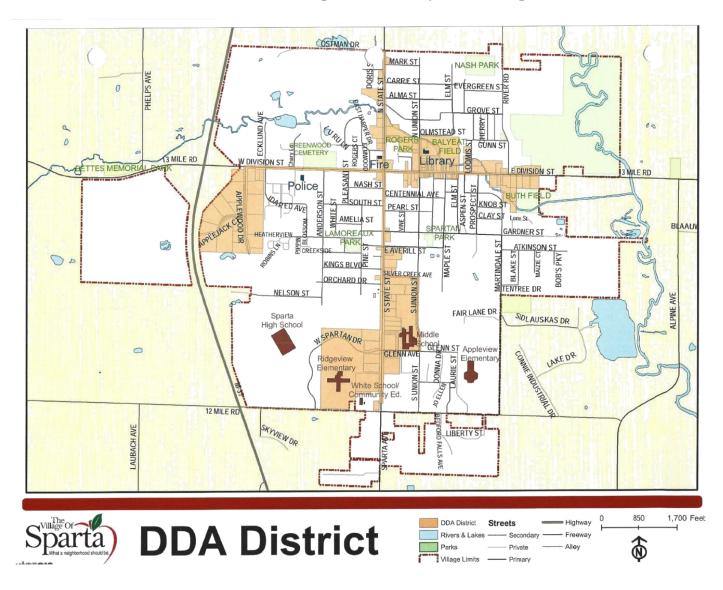


Exhibit A

DESCRIPTION FOR THE VILLAGE OF SPARTA DOWNTOWN DEVELOPMENT AUTHORITY NOVEMBER 7, 1991

Part of Sections 14, 15, 22 and 23, Township 9 North, Range 12 West, Village of Sparta, Kent County, Michigan, being more particularly described as beginning at the Southwest Corner of the East ½ of the Southeast ¼ of said Section 22; thence Northerly along the West line of said East ½ of the Southeast ¼ of Section 22 to the North Line of the South 1804 feet of the East ½ of the Southeast ¼; thence Easterly along said North Line to the Westerly 50 foot right-of-way line of S. State (Sparta Avenue) Street; thence Northerly along said right-of-way line to a point being 5 feet North of the Southeast corner of Lot 42 of the recorded plat of "Sparta Heights Addition" as recorded in Plat Liber 38, Page 20 Kent County Records; thence Northwesterly along a line to a point which is located by the following two courses from the Southeast corner of said Lot 42 (1) Westerly, along the South Line of said Lot 42, 123.5 feet and (2) Northerly, 11.4 feet to said point; thence Southerly, 11.4 feet to said South Line, said point being Westerly, 123.5 feet from said Southeast corner of Lot 42; thence Westerly, along said South Line to the Southwest corner of Lot 42; thence Northerly along the West Line of Lots 41 and 42 of "Sparta Heights Addition" to the Northwest corner of said Lot 41; thence Easterly along the North Line of said Lot 41 to the Westerly 50 foot right-of-way line of S. State (Sparta Avenue) Street; thence Northerly along said right-of-way line to the South Line of the recorded plat of "Herbert E. Stiles 2nd Addition" as recorded in Plat Liber 20, Page 31 Kent County Records; thence Easterly along said South Line to the Westerly 33 foot right-of-way line of S. State (Sparta Avenue) Street; thence Northerly along said right-ofway line to the Southeast corner of Lot 44 of said plat "Herbert E. Stiles 2nd Addition"; thence Westerly along the South Line of said Lot 44 to the Southwest corner of said lot; thence Northerly along the Westerly lot line of Lot 44 to the South Line of Averill Street; thence Easterly along said South Line to the Westerly 33 foot right-of-way line of S. State Street; thence Northerly along said right-of-way line to South Line of the North 11 feet of Lot 8, Block 1 of the recorded plat of "Hinmans Addition to Sparta" as recorded in Plat Liber 4, Page 16 Kent County Records; thence Westerly along said South Line to the West Line of said Lot 8; thence Northerly along said West Line to the South Line of Lot 2, Block 1 of said recorded plat of "Hinmans Addition to Sparta"; thence Westerly along the South Line of said Lot 2 to the Southwest corner of said Lot 2; thence Northerly along the West Line of said Lot 2 to a point on the North Line of the South 33 feet of said Lot 2, Block 1; thence Easterly along said North Line to a point on the East Line of said Lot 2; thence Northerly along a line common to Lots 1 and 2 of Block 1 of said plat of "Hinmans Addition to Sparta" to the Southerly right-of-way line of W. Division (13 Mile Road) Street; thence Westerly along said Southerly right-of-way line to the East Line of Ida Red Avenue (as platted); thence Southerly along said East Line to the intersection of said East Line and the Easterly extension of the North Line of Lot 19 of the recorded plat of "Appletree Industrial Park Plat" as recorded in Plat Liber 85, Pages 25, 26, 27, and 28 Kent County Records; thence Westerly along said Easterly extension to the Northeast corner of said Lot 19; thence Southerly along the East Line of Lots 19 and 18 of said recorded plat to the Southeast corner of said Lot 18; thence Westerly along the South Line of Lot 18 to the Northeast corner of Lot 16 of "Appletree Industrial Park Plat";

thence Southerly along the East Line of Lots 13, 14, 15 and 16 of said plat of "Appletree" Industrial Park Plat" to the Southeast corner of said Lot 13, also being a point on the South Line of said recorded plat; thence Westerly along said South Line to the Easterly right-of-way line of Highway M-37 (as described in Liber 1916, Page 729 Kent County Records), also being the Westerly plat line of "Appletree Industrial Park Plat"; thence Northerly and Northeasterly along said Easterly right-of-way line of Highway M-37 to the Southerly platted 60 foot right-of-way line of 13 Mile Road, (as described in Liber 1916, Page 729 Kent County Records); thence Easterly along said 60 foot right-of-way line to the platted West Line of "Appletree Industrial Park Plat"; thence Northerly along said West Line and the Northerly extension of said West Line to the Northerly right-ofway line of W. Division (13 Mile Road) Street; thence Easterly along said Northerly right-of-way line to the West Line of the East 39 feet of Lot 2, Block 1 of the recorded plat of "Smith's Addition to the Village of Sparta"; thence Northerly along said West Line of the East 39 feet of said Lot 2 to the South Line of Lot 9, Block 1 of said recorded plat; thence Westerly along said South Line to the Southwest corner of said Lot 9, Block 1; thence Northerly along the West Line of Lots 9 and 8 of Block 1 of said "Smith's Addition to the Village of Sparta" to the Northwest corner of said Lot 8; thence Easterly along the North Line of said Lot 8 to the Westerly right-of-way line of N. State (Sparta Avenue) Street; thence Northerly along said Westerly right-of-way line to the Southeast corner of Lot 12, Block 2 of "Smith's Addition to the Village of Sparta"; thence Westerly along the South Line of Lots 11 and 12 of Block 2 of said plat to the Southwest corner of said Lot 11; thence Northerly along the West Line of said Lot 11 and the Northerly extension of said West Line to a point being 27 feet South of the Southeast corner of Lot 6 of the recorded plat of "Harper Newhof Addition" as recorded in Plat Liber 38, Page 22 Kent County Records; thence Westerly along a line, in the direction of a point being on the East Line of Harper Street and 20 feet North of the Southeast corner of Lot 5 of "Harper Newhof Addition" to the intersection of said line and the Southerly extension of the West Line of the East 112 feet of Lot 6 of "Harper Newhof Addition"; thence Northerly along said Southerly extension and the West Line of the East 112 feet of said Lot 6 to the South Line of Lot 7 of "Harper Newhof Addition"; thence Westerly along said South Line to the East Line of the West 150 feet of Lots 7, 8, 9 and 10 of said plat; thence Northerly along said East Line to the North Line of said Lot 10; thence Easterly along said North Line to the East Line of the recorded plat of "Harper Newhof Addition"; thence Northerly along said East Line to the Northeast corner of said plat; thence continuing Northerly along the Northerly extension of said East Line of said plat to a point on the South Line of the North 175 feet of the South 1984.5 feet of the Southeast 1/4 of said Section 15; thence Easterly along said South Line to Westerly right-of-way line of N. State (Sparta Avenue) Street; thence Northerly along said right-of-way line to the South Line of the North 672.2 feet of the Northeast ¼ of the Southeast ¼ of said Section 15; thence Westerly along said South Line to a point on the East Line of the recorded plat of "Ostman Addition" as recorded in Plat Liber 55, Page 35 Kent County Records; thence Northerly along said East Line to the South Line of Mark Street (as platted); thence Easterly along said South Line to the Westerly right-of-way line of N. State Street; thence Northerly along said right-of-way line to the South Line of Ostman Drive; thence Easterly along said South Line of Ostman Drive to the East Line of said Section 15, also being the West Line of said Section 14; thence Southerly along said West Line of said Section 14 to the Southerly railroad right-of-way line; thence Easterly along the railroad right-of-way line to the Northeast corner of the following described property: Commencing 596 feet West of the Northwest corner of Union and Mark Streets; thence North to South Line of the railroad right-of-way; thence West to West Line of Section 14; thence South to the North Line of Mark Street; thence East to the point of beginning; thence Southerly along the East Line and its Southerly extension of the above described property to the South Line of Mark Street; thence Westerly along said South Line to the Easterly right-of-way line of N. State (Sparta Avenue) Street; thence Southerly along said right-of-way line to the centerline of Nash Creek; thence Southeasterly along said centerline to a point on a line, said line is described as beginning at a point which is located Northerly, 517.5 feet along the Easterly Line of State Street from the Northwest corner of Lot 1, Block 1 "Village of Sparta" and ending at a point which is located by the following two courses from the Southwest corner of Lot 29, Block 1 "Village of Sparta" (1) Westerly, along the Westerly extension of the Southerly Line of said Lot 29, 33 feet and (2) Northerly, 46 feet to said point; thence Easterly along said line from said centerline of Nash Creek to the above described point of ending; thence Southerly to a point in the centerline of the Nash Creek; thence Southeasterly along said centerline to a point on the Easterly Line of Union Street (as platted); thence Northerly along said Easterly Line of Union Street to the Southerly Line of Olmstead Street (50 feet wide as platted); thence Easterly along said Southerly Line to the West Line of the recorded plat of "Nash's 1st Addition" as recorded in Plat Liber 2, Page 92 Kent County Records; thence Southerly along said West Line to the South Line of said plat of "Nash's 1st Addition", also being the Southerly Line of Olmstead Street (66 feet wide as platted); thence Easterly along said South Line to the Southwest corner of Lot 6 of said plat of "Nash's 1st Addition"; thence continuing Easterly along said line and the South Line of said Lot 6 to the Westerly right-of-way line of the C & O Railroad; thence Southerly along said right-of-way line to the intersection of said right-of-way and the Westerly extension of the Southerly Line of the recorded plat of "Cheney & Stebbins Addition" as recorded in Plat Liber 19, Page 35 Kent County Records; thence Easterly along said Westerly extension and the Southerly Line of "Cheney & Stebbins Addition" to the West Line of Loomis Street (being 50 feet in width); thence Southerly along said West Line of Loomis Street to a point in the centerline of Nash Creek; thence Northeasterly and Southeasterly along said centerline to a point on the Northerly extension of the Easterly lot line of Lot 7, Black 7 of the recorded plat of "Nash's 1st Addition" as recorded in Plat Liber 2, Page 92 Kent County Records; thence Northerly along said Northerly extension of said Lot 7 to the North Line of the South 300 feet of the East ½ of the Southwest ¼ of said Section 14; thence Easterly along said North Line to the North and South 1/4 Line of said Section 14; thence Southerly along said ¼ line to the North Line of the South 137 feet of the Southeast ¼ of said Section 14; thence Easterly along said North Line to the West right-of-way line of Stebbins Avenue; thence Southerly along said West Line to the Northerly right-of-way line of E. Division (13 Mile Road) Street; thence Easterly along said right-of-way line to the East Line of the West 275 feet of the West ½ of the Southeast 1/4 of said Section 14; thence Northerly along said East Line to the North Line of the South 183 feet of the West ½ of the Southeast ¼ of said Section 14; thence Easterly along said North Line to the West Line of the East 297.42 feet of the West 752.42 feet of the Southwest ¼ of the Southeast ¼ of said Section 14; thence Northerly along said West Line to the North Line of the South 208.71 feet of said Southwest 1/4 of the Southeast 1/4; thence Easterly along said North Line to the East Line of the West

872.42 feet of said Southwest ¼ of the Southeast ¼ of Section 14; thence Southerly along said East Line to a point on the South Line of said Section 14; also being the North Line of said Section 23; thence Westerly along the North Line of said Section 23 to the East Line of the West 846 feet of the Northeast ¼ of said Section 23; thence Southerly along said East Line to the South Line of the North 300 feet of the Northeast 1/4 of said Section 23; thence Westerly along said South Line to the West Line of the East 516 feet of the West 846 feet of the Northwest ¼ of the Northeast ¼ of said Section 23; thence Southerly along said West Line to the centerline of Nash Creek; thence Northwesterly and Northerly along said centerline to the Southerly right-of-way line of E. Division (13 Mile Road) Street; thence Westerly along said Southerly right-of-way line to the East Line of the Westerly vacated 18 feet of Elm Street as platted in "Nash's 1st Addition"; thence Southerly along said East Line to the intersection of said East Line and the Easterly extension of the North Line of Lot 5, Block 10 of "Nash's 1st Addition"; thence Westerly along said extension and the North Line of Lots 5 and 14, Block 10 to the Northwest corner of said Lot 14, Block 10; thence continuing Westerly along the Easterly extension of the North Line of Lot 20 of the recorded plat of "Nash's 2nd Addition" as recorded in Plat Liber 6, Page 21 Kent County Records to the Northeast corner of said Lot 20; thence Westerly along said North Line of Lot 20 and Lot 19 of said plat to the Northwest corner of Lot 19; thence Westerly along the Westerly extension of said North Line of Lot 19 to the centerline of Washington Street (as platted); thence Southerly along said centerline to the intersection of said centerline and the Easterly extension of the South Line of Lot 23 of "Nash's 2nd Addition"; thence Westerly along said Easterly extension and the South Line of Lots 23 and 24 of said plat to the Southwest corner of said Lot 24; thence continuing Westerly along the Westerly extension of the South Line of Lot 24 to the West Line of Union Street (as platted); thence Southerly along said West Line to the Southeast corner of Lot 6, Block 1 of the recorded plat of "Cheney & Loomis Addition" recorded in Plat Liber 5, Page 30 Kent County Records; thence Westerly along the South Line of Lot 6 and the Westerly extension of said South Line to a point on the West Line of Lot 15, Block 3 of the "Village of Sparta"; thence Southerly along said West Line of Lot 15 to the North Line of the recorded plat of "Cheney & Loomis Addition"; thence Westerly along said North Line to the West Line of the East 1/3 of Lot 19, Block 1 of the recorded plat of "Cheney & Loomis Addition"; thence Southerly along said West Line to the South Line of the North 50 feet of said Lot 19, Block 1; thence Westerly along said South Line and the South Line of the North 50 feet of Lot 20, Block 1 of said "Cheney & Loomis Addition" to the West Line of said Lot 20; thence Northerly along said West Line to the North Line of "Cheney & Loomis Addition"; thence Easterly to the Southwest Corner of Lot 3, Block 3 of the "Village of Sparta"; thence Northerly along the West Line of Lot 3, Block 3 to the Southerly right-of-way line of E. Division (13 Mile Road) Street; thence Westerly along said Southerly right-of-way line to the Easterly right-ofway line of S. State (Sparta Avenue) Street; thence Southerly along said right-of-way line to the intersection of said right-of-way line with the South Line of the North 46.5 feet of Lot 14, Block 3 of the recorded plat of "Village of Sparta"; thence Easterly along said South Line to the East Line of the West 100 feet of said Lot 14, Block 3; thence Southerly along said West Line to the centerline of Gardner Street; thence Westerly along said centerline to the intersection of said centerline and the Northerly extension of the West Line of the East 35 feet of Lot 52 of the recorded plat of "Johnson & Averill's Addition" recorded in Plat Liber 20, Page 12 Kent County Records; thence Southerly

along said Northerly extension and the West Line of the East 35 feet of said Lot 52 to the South Line of said Lot 52; thence Westerly along said South Line to the Easterly right-ofway line of S. State (Sparta Avenue) Street; thence Southerly along said Easterly right-ofway line to the South Line of Averill Street (as platted); thence Easterly along said South Line of Averill Street to the East Line of the West ½ of Lot 27 of said recorded plat of "Johnson & Averill's Addition"; thence Southerly along said East Line to the South Line of "Johnson & Averill's Addition"; thence Easterly along said South Line to the West Line of the East 250 feet of that part of the West ½ of the Southwest ¼ of the Northwest 1/4 of said Section 23; thence Southerly along said West Line to the South Line of the north 132 feet of that part of the West ½ of the Southwest ¼ of the Northwest ¼ lying South of "Johnson & Averill's Addition"; thence Westerly along said South Line to the West Line of the East 350 feet of that part of the West ½ of the Southwest ¼ of the Northwest ¼ of said Section 23; thence Southerly along said West Line to a point on the North Line of the recorded plat of "Sparta Silver Creek Park" recorded in Plat Liber 69, Pages 9 and 10 Kent County Records; thence Westerly along said North Line to the Northeast corner of Lot 2 of said plat of "Sparta Silver Creek Park"; thence Southerly along the East lot line of said Lot 2 and the Southerly extension of said lot line to the centerline of Silver Creek Street (as platted); thence Easterly along said centerline to the Westerly right-of-way line of Union Street; thence Southerly along said right-of-way line to the South Line of Glenn Avenue; thence Westerly along said Southerly right-of-way line of Glenn Avenue to the West Line of Leisure Acres Drive, also said point being the Northwest corner of "Leisure Acres Condominiums of Sparta"; thence Southerly along said West Line of Leisure Acres Drive to a point on the North Line of the South 841.5 feet of the Southwest 1/4 of said Section 23; thence Westerly along said North Line to the Easterly 50 foot right-of-way line of S. State (Sparta Ave.) Street; thence Southerly along said right-of-way line to the North line of the South 478.5 feet of the Southwest ¼ of said Section 23; thence Westerly along said North Line to the Easterly 40 foot right-of-way line of S. State (Sparta Ave.) Street; thence Southerly along said Easterly 40 foot right-ofway line to the intersection of said right-of-way and the Easterly extension of the North Line of the South 183.5 feet of the Southeast ¼ of said Section 22; thence Westerly along said Easterly extension and said North Line of the South 183.5 feet of the Southeast 1/4 to the West Line of the East 167 feet of the Southeast 1/4 of said Section 22; thence Southerly along said West Line to a point on the South Line of said Section 22; thence Westerly along said South Line to the East Line of the West 130 feet of the East 697 feet of the Southeast ¼ of said Section 22; thence Northerly along said East Line to a point North Line of the South 200 feet of said Southeast 1/4; thence Westerly along said North Line to the West Line of the East 697 feet of said Southeast 1/4; thence Southerly along said West Line to a point on said South Line of Section 22; thence Westerly to the point of beginning. Except the following described area being part of the West ½ of the Southwest ¼ of Section 14, Township 9 North, Range 12 West, Village of Sparta, Kent County, Michigan, more particularly described as beginning at the intersection of the Easterly right-of-way line of N. State (Sparta Avenue) Street and the North Line of the South 132 feet of Lot 4, Block 1 of the recorded plat of "Village of Sparta" as recorded in Kent County Records; thence Northerly along said right-of-way line to the Northwest corner of Lot 1, Block 1 of the "Village of Sparta"; thence continuing Northerly along said right-of-way line 153 feet; thence Easterly parallel with the North Line of said Lot 1 to the Northerly extension of the West lot line of Lot 32, Block 1 of "Village of Sparta";

thence Southerly along said Northerly extension to the Northwest corner of said Lot 32; thence Southerly along said lot line to a point which is 200 feet North of the Southwest corner of said Lot 32; thence Easterly along the North Line of the South 200 feet of Lots 30, 31, and 32, Block 1, "Village of Sparta" to the West Line of Lot 16 of "Village of Sparta"; thence Southerly along the West Line of Lots 10, 11, 12, 13, 14, 15, and 16 of "Village of Sparta" to the Southwest corner of Lot 10, Block 1 of said plat, also said point being on the Northerly right-of-way of E. Division (13 Mile Road) Street; thence Westerly along said right-of-way line to the Southeast corner of Lot 8, Block 1, "Village of Sparta"; thence Northerly along the East Line of said Lot 8 to the Northeast corner of said Lot 8; thence Westerly along the North Line of said Lot 8 to the West Line of the East 2/3 of Lot 8, Block 1; thence Southerly along said West Line to the Northerly rightof-way line of E. Division Street; thence Westerly along said right-of-way line to the East Line of the West 46 feet of Lot 5, Block 1 "Village of Sparta"; thence Northerly along said East Line to the North Line of the South 132 feet of said Lot 5; thence Westerly along the North Line of the South 132 feet of Lot 4 and 5 of Block 1 to the point of beginning.