

EXHIBIT A

THIRD AMENDMENT TO THE MT. PLEASANT DOWNTOWN DEVELOPMENT AUTHORITY MISSION STREET – PICKARD AVENUE DISTRICT DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN

The Mt. Pleasant Downtown Development Authority (the “DDA”) hereby amends its Mission Street – Pickard Avenue District Development Plan and Tax Increment Financing Plan which was approved by the City Commission (the “City Commission”) of the City of Mt. Pleasant, Michigan (the “City”) pursuant to the provisions of Act 197, Public Acts of Michigan, 1975, as amended (the “Act”) and also pursuant to an Ordinance enacted by the City Commission on November 26, 1990, and amended by a First Amendment adopted on June 25, 1993, and a second amendment adopted on October 25, 2010 (the “Plan”).

This Third Amendment to the Mission Street – Pickard Avenue District Development Plan and Tax Increment Financing Plan (the “Third Amendment”) was adopted by the DDA on March 9, 2017, and approved by the City Commission on June 12, 2017, by Ordinance No. 1025.

References herein to the “Plan” shall mean the original Plan as amended by the Third Amendment and any previous amendments. References to “Development Plan” shall mean the Development Plan portion of the Plan and Tax Increment Plan shall mean the Tax Increment Financing Plan Portion of the Plan. Terms used in this Third Amendment shall have the definition set forth in the original Plan, as amended.

Section 1. Section III.B. of the Development Plan entitled “Planned Improvements” is amended to add the following paragraph:

The location, extent, character, and estimated cost of the improvements added to the Development Plan by this amendment are listed in the amendment to the Plan’s Appendix B attached to this Third Amendment. These Improvements will be located throughout the Development Area.

Section 2. Section III.C. of the Development Plan entitled “Construction Stages” is amended to add the following paragraph:

The stages for the construction of the improvements added to the Development Plan by the Third Amendment are listed in the amendment to the Plan’s Appendix B attached to this Third Amendment.

Section 3. Section III.F.2. entitled “Streets” is amended to add the following paragraph with respect to the improvements added to the Development Plan by this Amendment:

The projects added by the Third Amendment include a project pursuant to which decorative street lighting will be added along Pickard Street and Mission Street

and a project pursuant to which alleys or portions of alleys along Mission Street will be improved and reconstructed.

Section 4. Section III.G. entitled, “Estimated Cost of Development; Proposed Method of Financing; Ability to Arrange Financing” is amended to add the following paragraphs with respect to the improvements added to the Development Plan by this Amendment:

The total cost of the improvement added to the Development Plan is estimated to be \$2,700,000. The estimated cost of each particular improvement is indicated in the amendment to Appendix B of the Plan which is attached to this Amendment.

Section 5. Appendix B to the Plan is amended to add language to Appendix B attached to this Amendment regarding the improvements added to the Development Plan by this Amendment.

Section 6. Section C. of the Tax Increment Financing portion of the Plan is amended in its entirety to read as follows:

C. The duration of the program.

The Tax Increment Financing Plan will remain in effect until December 31, 2025, except as the same may be modified from time to time by the City Commission of the City in accordance with the procedures required by the Act. Provided, however, the Tax Increment Financing Plan shall not terminate until the principal of, and interest on, bonds issued pursuant to Section 16 or other obligations incurred to provide funds to implement projects included in the Development Plan have been paid or funds sufficient to make the payment have been segregated.

Section 7. Table 1 and Table 2 to the Tax Increment Financing Plan are amended as follows to provide updated information for the amended term of the Plan:

Table 1
Estimate of Tax Increment Revenues

Plan Year	Initial Taxable Value	Current Taxable Value	Captured Taxable Value	Tax Increment Revenue	Cumulative Revenue
2006 ¹	\$31,136,500	\$56,783,438	\$25,646,938	\$351,277	
2007 ¹	31,136,500	59,845,499	28,708,999	394,210	\$ 745,488
2008 ¹	31,136,500	61,364,222	30,227,722	424,579	1,170,067
2009 ¹	31,136,500	63,686,306	32,549,806	485,158	1,655,224
2010 ¹	31,136,500	62,962,583	31,826,083	472,210	2,127,434
2011 ¹	31,136,500	64,039,993	32,903,493	488,252	2,615,686

¹ Based on actual values

Plan Year	Initial Taxable Value	Current Taxable Value	Captured Taxable Value	Tax Increment Revenue	Cumulative Revenue
2012 ¹	31,136,500	65,063,634	33,927,134	249,573 ³	2,865,259
2013 ¹	31,136,500	67,005,948	35,869,448	262,857	3,128,116
2014 ¹	31,136,500	65,908,731	34,772,231	261,900	3,390,016
2015 ¹	31,136,500	67,049,268	35,912,768	270,491	3,660,507
2016 ¹	31,136,500	66,743,568	35,607,068	268,188	3,928,695
2017 ²	31,136,500	67,077,286	35,940,786	269,529	4,198,224
2018 ²	31,136,500	67,412,672	36,276,172	270,877	4,469,101
2019 ²	31,136,500	67,749,735	36,613,235	272,231	4,741,331
2020 ²	31,136,500	68,088,484	36,951,984	273,592	5,014,924
2021 ²	31,136,500	68,428,926	37,292,426	274,960	5,289,884
2022 ²	31,136,500	68,771,071	37,634,571	276,335	5,566,219
2023 ²	31,136,500	69,114,926	37,978,426	277,717	5,843,935
2024 ²	31,136,500	69,460,501	38,324,001	279,105	6,123,040
2025 ²	31,136,500	69,807,804	38,671,304	280,501	6,403,541

² Assumes a growth in taxable value of 0.5%

³ Reduction in tax increment revenue due to elimination of school tax capture

Table 2
Estimate of Tax Capture by Taxing Jurisdiction

Tax Year ¹	City	Mt. Pleasant Schools ²	State Education Tax	Chippewa River District Library ³	Gratiot Isabella ISD	Isabella County	Isabella County MCF	Isabella County COA	Isabella County Parks	ICTC	TOTAL
2006	\$ 95,667	\$124,750	\$42,590		\$30,237	\$45,512		\$6,190		\$6,331	\$351,277
2007	107,328	140,139	47,734		33,923	51,059		6,926		7,103	394,210
2008	128,497	135,086	50,285		35,751	53,811	\$7,485	5,406		8,258	424,579
2009	138,988	153,682	54,684	\$15,949	39,176	58,967	7,460	6,994		9,258	485,158
2010	135,897	149,438	53,468	15,595	38,305	58,904	6,238	6,683		7,682	472,210
2011	140,498	154,533	55,278	16,123	39,602	60,898	6,449	6,910		7,941	488,252
2012	144,869			16,624		62,792	6,650	7,125	\$3,325	8,188	249,573
2013	153,163			17,576		66,387	7,030	6,528	3,515	8,658	262,857
2014	153,345			17,038		64,356	6,815	8,545	3,408	8,393	261,900
2015	158,375			17,597		66,467	7,039	8,825	3,520	8,668	270,491
2016	157,027			17,447		65,902	6,979	8,750	3,489	8,594	268,188
2017	157,812					66,232	7,014	8,794	3,506	8,637	251,995
2018	158,601					66,653	7,049	8,838	3,524	8,680	253,255
2019	159,394					66,589	7,084	8,882	3,542	8,724	254,521
2020	160,191					67,230	7,120	8,926	3,559	8,767	255,794
2021	160,992					67,566	7,155	8,971	3,577	8,811	257,073
2022	160,797					67,904	7,191	9,016	3,595	8,855	258,358
2023	162,606					68,243	7,227	9,061	3,613	8,899	259,650
2024	163,419					68,585	7,263	9,106	3,631	8,944	260,948
2025	164,236					68,928	7,299	9,152	3,649	8,989	262,253

¹ The numbers for tax years 2006 through 2016 are based on actual numbers. Numbers for 2017 through 2025 assume a growth in taxable value of 0.50%

² Capture of tax increment revenues from the Mt. Pleasant Schools, the State Education Tax and the Gratiot/Isabella Intermediate School District for the payment of the debt service on the City of Mt. Pleasant Limited General Obligation Tax Increment Development Bonds, Series 1992 (the "Bonds") which were eligible obligations under the Act ended upon the retirement of the Bonds.

³ When the Chippewa River District Library ("CRDL") was formed in 1998, the DDA agreed not to capture the CRDL's millage for a period of 10 years. Tax capture for the CRDL millage began in 2009. In accordance with State Law enacted in 2016, Library millage is exempt from capture.

Section 8. Except as provided in this Third Amendment, the original Plan, as amended, is ratified and confirmed.

EXHIBIT B

THIRD AMENDMENT PROJECTS

IMPROVEMENT/ PROGRAM	LOCATION	CHARACTER/EXTENT	COST	ESTIMATED COMPLETION
Decorative Street Lighting	Along Pickard Street and Mission Street within the Development Area	Design, acquire, and install decorative street lights, together with all work incidental to the installation, all work necessary to make the street lighting operational and all work needed to restore streets, sidewalks or any other improvement affected by the project.	\$1,800,000	2025
Alley Improvements and Reconstruction	Alleys along Mission Street with the Development Area	Repair, improve, and reconstruct alleys as required, including, but not limited to, paving, repaving, base reconstruction, drainage improvements, curb and gutter improvements, curb, gutter, sidewalk, signage, lighting, striping and remediation improvements.	\$ 500,000	2025
Mission Street Corridor Study	Mission Street Corridor within the Development Area	Undertake a corridor study for the Mission Street corridor and fund the activities and incentives recommended by the study, including, but not limited to, funding improvements that will impact traffic flow and appearance of the corridor to enhance its business character..	\$ 100,000 (Study) \$ 300,000 (implementation incentive)	2025

The projects listed in this Plan shall include all necessary legal, engineering, architectural and other professional fees, the cost of the DDA to develop and administer the projects and may include such other improvements as the DDA Board determines to be necessary, incidental to, or desirable in connection with the projects set forth above. The DDA Board shall have the authority to undertake the Third Amendment Projects in such order as it determines and as funds are available to do so. The Board and the City Commission may decide to alter the timetable of these projects.