

TAX INCREMENT FINANCING PLAN
and
DEVELOPMENT PLAN
No. 1
AMENDMENT NO. 3
DOWNTOWN DEVELOPMENT AUTHORITY
CITY OF MIDLAND, MICHIGAN
1989

Adopted - December 11, 1989

Amendment No. 1 Adopted - November 6, 1991

Amendment No. 2 Adopted – February 20, 2006

Amendment No. 3 Adopted – September 9, 2011

Amendment No. 4 Adopted – July 9, 2012

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I. INTRODUCTION

The City of Midland, located in the eastern part of Midland County, was incorporated in 1889 and has grown to a community of 41,868 residents in 2010. The city encompasses 35.5 square miles. Between 1960 and 1980, the population increased 35%. From 1980-2000 the population increased to 41,685, peaking at roughly 42,000 in 2002. In 1984, when the Consumers Power Company Midland Nuclear Power Plant was discontinued, the community suffered a loss of both jobs and population. The community has recovered and achieved a steady population growth rate the most recent recession caused a steady population decline from 2002 – 2010.

The new Dow Diamond, home to a minor league baseball team, was constructed in 2006, spurring growth in the downtown area. Also promoting renewed interest in downtown was the redevelopment of the hotel and conference center on Main Street and the addition of two newly constructed restaurants and a bar.

Midland experienced a growth in commercial development again in the late 2000's. Currently there is almost 279,000 square feet of commercial development planned or under construction in the community and over 150 residential lots or units. The major areas for commercial developments historically have been along the Eastman Avenue and Saginaw Road corridors. However, new development and redevelopment is taking place in the downtown area.

The establishment of the Downtown Development Authority Development and Tax Increment Financing Plan and district in 1989 was done to address decline in the City's downtown business district and meet the public and private concern for creating opportunities to foster growth and improvements in the City's downtown business district. Pursuant to this goal, the City of Midland, Midland County, and local private foundations began this effort with a \$10 million investment in a new City and County government complex in 1989, followed by major streetscape improvements throughout downtown, a Farmer's Market, a hotel and conference center, baseball diamond and various façade, beautification and special events to draw people to downtown.

This is the third amendment to the Development Plan since 1989. The development and TIF plans are being prepared by the Authority pursuant to Act 197 of 1975, the Downtown Development Authority Act.

II. DEVELOPMENT PLAN

Section 17 of P.A. 1980, No. 197, the Downtown Development Authority (DDA) Act describes the required contents of a Development Plan. A Development Plan is necessary when a DDA decides to finance a project with DDA funds. This Development Plan is being prepared as a result of the City of Midland DDA's desire to use tax increment revenues to finance projects outlined in this document. This Development Plan embraces the same boundaries as the DDA district. Attachment 1 includes a map and legal description of the development plan and area boundary

Existing Land Use

The entire Downtown Development District is zoned "Downtown." Public, semi-public, recreational, commercial, office, and residential uses above the first floor, comprise the land uses in this area.

Public and Semi-public Land Use

The Midland County Courthouse, the Midland County Services Building, the Midland City Hall, the Farmer's Market, Tittabawassee Riverfront (Chippewassee Park and Pere Marquette Rail Trail), the Midland Foundation property, five City of Midland public parking areas, the Midland County United Way the First United Methodist Church, and St. Brigid's Catholic Church and School occupy the 143.4-acre district .

Commercial, Office, and Residential Land Use

The balance of the development area is used for commercial, retail, office, and residential land uses. The entire development area is zoned as “Downtown” and in parts also the “Downtown Overlay District” and the “Northside Overlay” district. Each of these is a complimentary district with business and mixed uses.

The zoning ordinance describes these districts: “The Downtown District is intended to be a compact, lively, pedestrian-oriented District that offers a wide diversity of commercial, office, civic, cultural, entertainment, recreation, residential, and tourism uses. Building design and layout should be based on traditional design principles, with architectural features that create visual interest. Primary building entrances should be physically and visually oriented toward streets. The D-O, Downtown Overlay, is intended to promote a vibrant traditional downtown environment, along Main Street between Jerome and George Streets. Residential development, particularly on the upper floors of retail and office buildings, is encouraged in the Downtown Overlay District. The D classification applies to more outlying areas in the Downtown where vehicle oriented uses exist in a less compact urban setting.”

The purpose of the Midland Downtown Northside Overlay District is to provide specific regulations to achieve the following:

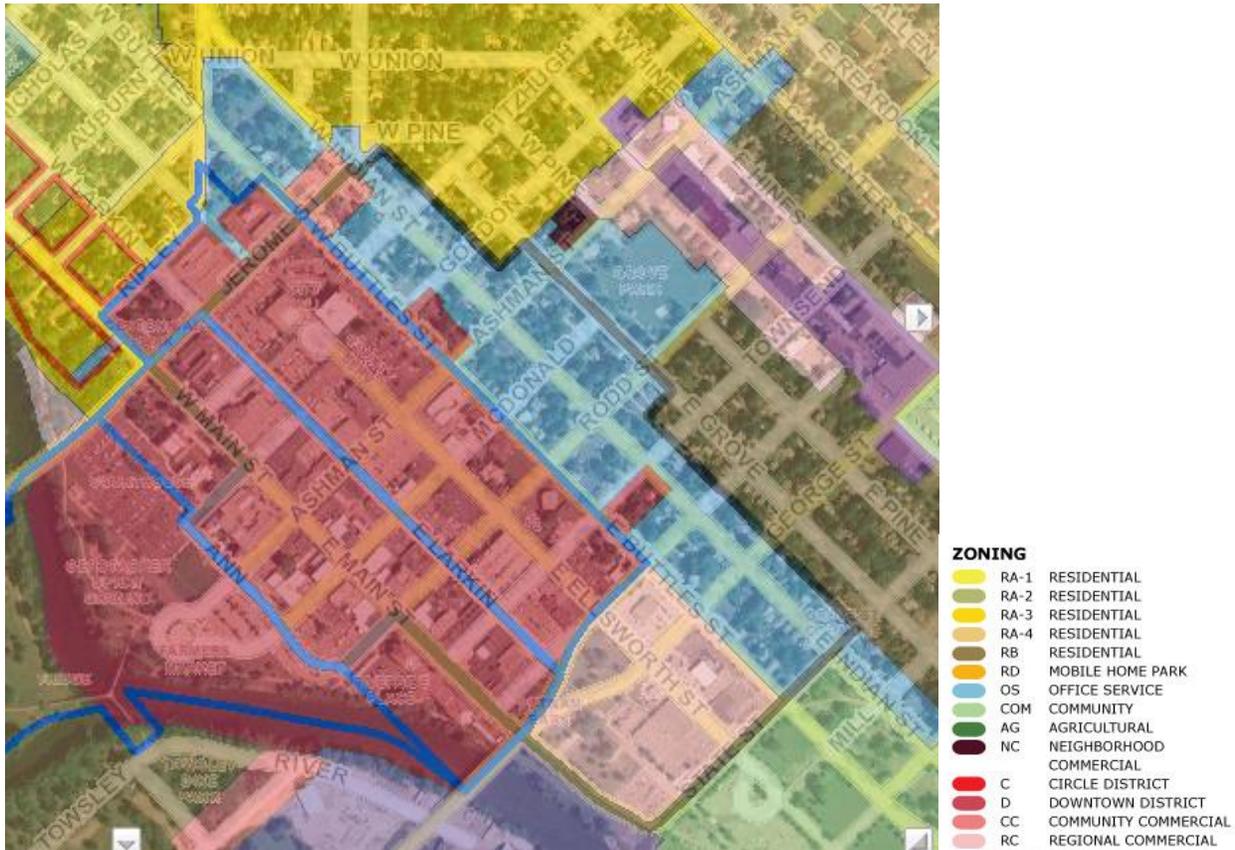
1. Facilitate redevelopment of the district as a fully integrated, mixed-use, pedestrian-oriented environment with mixed-use buildings that contain commercial, residential and office uses.
2. Provide for a variety of housing types that include a more-urban alternative to single family detached, including townhouses, apartments above commercial uses and live-work units.
3. Calm traffic traveling through the City to create a more pedestrian-friendly environment and improve pedestrian linkages to the Downtown.
4. Regulate building height and placement to achieve appropriate scale along streetscapes and ensure proper transition between the downtown and surrounding neighborhoods.
5. Establish clear controls on building form and placement to frame a well-defined public realm comprised of human-scale streets, neighborhoods and public spaces, all of which contribute to creating a safe, comfortable and livable environment.
6. Create a more pedestrian-oriented development pattern by placing storefronts near the sidewalk, locating parking in the side, or rear yard and limiting auto-oriented uses such as those with a drive-through.

An overlay district applies over the existing underlying zoning. The existing underlying zoning of a property is not changed nor is any legal use at the time of adoption of the overlay district made illegal or nonconforming. Not until such time as the property changes use or is redeveloped does the provisions of the overlay district become required.

Main Street, from Gordon Street to Cronkright Street is where most of the commercial activity is located. Office related uses, although scattered along Main Street, both at street level and in upper stories, are also located between Ashman Street and Cronkright Street on Larkin and Ellsworth Streets.



Map 1 Existing Land Use



Map 2 Zoning

Public Improvements in the Development Area

There is a three story parking structure located on property owned by the City of Midland and used as a public and private parking facility in the block bounded by Ellsworth, Rodd, Larkin and Townsend. The first two levels are owned by the City of Midland, and the third level is owned by the Chemical Bank and Trust Company of Midland.

A \$3 million streetscape improvement on Main Street and the side streets from Jerome to Cronkright Street was completed in 1992 and 1993. The Ashman Street improvement project was completed in 2005.

Improvements were made to the riverfront adjacent to the Main Street area. The improvements were coordinated with the H Hotel and Conference Center. Improvement amenities included art improvements, pedestrian ways, and enhancement of the Farmer's Market.

Ann Street Project and Downtown Utility Improvements

Ann Street improvements completed in 1995 involved relocation of the street right-of-way and the reconstruction of the street including curb, gutter, and street surfacing. In addition, elements of the Main Street Streetscape Plan were incorporated such as street lighting and other outlawn improvements. The downtown utility improvements included the relocation of a water main and the relocation and separation of a combined storm water and sanitary sewer line in the Downtown Development Authority district. Also, the relocation of underground gas lines and overhead electric lines along Ashman Street was part of the project.

Parking Construction

Property was acquired on Jerome Street to add additional parking to the Downtown district to support parking demand in the Development Area.

Downtown Office Building

The parcel on which the Downtown Office Building was constructed is located at the corner of Main Street and Rodd Street, one of the most traveled corners in the development area. The building footprint is 12,686 square feet. The gross area and rentable space on each floor of the building are as follows:

	<u>Gross Area</u>	<u>Rentable Area</u>
1st floor	12,686 square feet	9,197 square feet
2nd floor	12,423 square feet	9,722 square feet
3rd floor	<u>12 392 square feet</u>	<u>8 390 square feet</u>
TOTAL	37,501 square feet	27,309 square feet

The style of architecture is contemporary, but the character of the building is harmonious to the existing Main Street streetscape. The building is set back from the right-of-way of both Main and Rodd Streets, to permit an area of landscaping adjacent to the building. The remainder of the site is used for a 25-space parking area, intended for visitor or patron parking. The parking area is screened by a low brick wall and landscaping. The privately purchased third level of the parking structure provides 120 spaces for employees of the Chemical Bank and Trust Company and its affiliates. The Downtown Office Building project was completed in 1982.

Deckers Restaurant / Lounge

The restaurant/lounge is a 2,600 square foot development provides seating for 50 people. The \$200,000 development provides on-site parking for 30 vehicles.

At this time, the only sources of tax increment revenues are the office building, the third level of the parking structure, and the restaurant/lounge described in this plan. It is anticipated that future redevelopment will generate additional revenues.

the H Hotel and Conference Center

the H Hotel and Conference Center is a mixed-use development bringing first-class executive conference and meeting facilities, lodging, and dining to the heart of downtown Midland. The development, valued at \$9.2 million in 2012, was developed on approximately six acres and includes an executive conference center providing 20,500 square feet of conference/meeting space. A 131-room hotel serving group meeting/conference attendees, as well as general travelers and tourists in the Midland area. Amenities at the hotel include an indoor swimming pool, exercise room and whirlpool. Two restaurants and a lounge seating approximately 250 people and featuring fine, upscale dining as well as outdoor seating.

The facility is served by 374 parking spaces, 100 of which are in a parking structure in the ground floor of the facility. The surface parking area accommodates the remaining 274 parking spaces.

The building has a one-story above-grade component adjacent to Main Street and a six-story component oriented to the Tittabawassee riverfront area. Incorporated in the design is a landscaped pedestrian courtyard/plaza which serves as a connection from the hotel to Main Street and a kiosk, which serves as a strong visual focal point for the facility.

Future public improvements anticipated within the development area include:

- a. Other Downtown Improvements
Projected Year of Completion: 2024
Estimated Cost: \$1,000,000

The Midland Downtown Plan states several goals to improve our downtown which is "...an undersized downtown district with a perceived lack of desired commercial and entertainment opportunities and a physical character which fails to reflect the overall community image...."

Tax increment revenues will be used to fund public improvements which will carry out the goals of the Downtown Plan. Examples of those improvements include streetscape improvements on streets in the district, public parking area improvements, utility improvements, property acquisition, funding public improvements to attract mixed-use developments and other appropriate public improvements yet to be determined at the time this plan is adopted. (Amendment 1, November 6, 1991)

b. Programming

Projected Year of Completion: Beginning in 2012 and annually thereafter

Estimated Cost: \$ 400,000

Project Description: Engaging in outreach, education, training, recruitment, and marketing efforts to further improve the desirability, business climate, and consumer, employee, and citizen experiences in the district, all in a manner consistent with the Act.

Such programming – including but not limited to seminars, community events, and partnerships with other community organizations – will assist in maintaining a favorable image of downtown as well as attracting new shoppers, tourists, businesses, and residents. (Amendment 2, April 13, 2005)

c. Property Acquisition

Projected Year of Completion:

Estimated Cost: \$ 1,000,000

Project Description: Review and research opportunities to purchase, develop, or redevelop property within the district for the purpose of attracting new shoppers, tourists, businesses, and residents.

(Amendment 2, April 13, 2005)

d. Streetscape Expansion

Projected Year of Completion:

Estimated Cost: \$ 300,000

Project Description: Continuation of the streetscape concept established on Main Street to any public right-of-way within the district for the purpose of enhancing the physical appearance and value of property within the district. Such enhancement – including but not limited to the addition of brick paver sidewalks and crosswalks, additional lighting and planter boxes – will assist in maintaining a favorable image of downtown as well as attracting new shoppers, tourists, businesses, and residents.

(Amendment 2, April 13, 2005)

e. Utility Relocations

Projected Year of Completion:

Estimated Cost: \$ 5,000,000

Project Description: Relocation of utility improvements within the district to upgrade appearance and performance of the utility systems. Such relocations, whether underground or otherwise, will assist in supporting new business development, property development and redevelopment and streetscape improvements.

(Amendment 2, April 13, 2005)

Total Estimated Cost of New Projects \$7,700,000

Main Street Streetscape

Since the adoption of the Tax Increment Finance Plan, many changes have occurred in the downtown that have resulted in a loss of Main Street retail space. The office building, parking structure, and Riverside Place Senior Citizen Apartments are examples of those changes. However, there are still several blocks of small commercial establishments that are trying to compete in our City's retail community. The October, 1991 opening of a 500,000 square foot regional shopping center is caused concern for the downtown merchants, and the development of the regional shopping center is the reason the downtown's largest merchant is no longer located there.

Part of the plan to revitalize the downtown includes maintaining a work force in downtown, creating housing opportunities, and improving the downtown's image to attract new shoppers, tourists, and business.

It has been demonstrated that one way to accomplish this goal is to develop a streetscape environment that will improve the image. In 1991 the City embarked on a \$2,750,000 streetscape funded through a variety of sources with local private funding providing approximately 65% of the funding, the City's general fund and street fund providing approximately 17%, special assessments approximately 6% and tax increment revenues approximately 12%.

The method by which the streetscape costs were proportioned allowed for affected property owners to contribute their fair share. Without the use of tax increment revenues, it was felt that the financial burden of the streetscape project would have been too much for most businesses to undertake. "It is this finding of necessity that makes the use of tax increment revenues justified.
(Added per Amendment 1, November 6, 1991)

Open Space Acquisition and Development

The development of the Tittabawassee riverfront has been part of the Midland Downtown Plan since it was adopted in 1988. The use of tax increment revenues to purchase and develop property in this vicinity for active and passive recreational activities is in keeping with the public purpose, which is to develop the riverfront as an area to be enjoyed by the entire community. It is this finding of necessity that makes the use of tax increment revenues justified.
(Added per Amendment 1, November 6, 1991)

Other Downtown Improvements

As stated earlier in this part of the Plan, it is a finding of necessity to improve the downtown image to attract new shoppers, tourists, and businesses. The development and revitalization of Midland's downtown so that it can attract the above-mentioned groups is important to the entire community. It is this finding of necessity that makes the use of tax increment revenues justified.

Anticipated Development (Tax Increment Revenue Sources) in the Development Area

Description of Portions of Development Area

- a. Sold by the DDA to-municipality, or by the municipality to DDA;
- b. Donated by the DDA to municipality or by the municipality to DDA;
- c. Exchanged by the DDA with municipality;
- d. Leased by the DDA to municipality or by municipality to DDA

No portions of the development are planned to be sold, leased, donated or exchanged between the DDA and the City of Midland as part of the Development Plan.

Zoning Changes and Utilities

No zoning or utility changes are anticipated.
(Amended per Amendment 1, November 6, 1991)

Estimates of Number of Persons Residing in Development Area

There are an estimated 89 people that reside in the development area. No families or individuals will be displaced as a result of the implementation of the development plan. Because no one will be displaced, the preparation of a plan or provisions for relocating residents is not required:

Other Lease Arrangements

(Amended per Amendment 1, November 6, 1991)

Finding of Necessity

(Amended per Amendment 1, November 6, 1991)

III. TAX INCREMENT PROCEDURE

Tax increment revenue to be transmitted to the DDA is generated when the current assessed value of all properties within a development area exceeds the initial assessed value of the properties. The initial assessed value is defined in Act 197 as the most recently assessed value of all taxable property within the boundaries of the development area at the time the ordinance establishing the development area is approved. The current assessed value refers to the assessed value of all properties, real and personal, within the development area as established each year subsequent to the adoption of the tax increment financing plan. The amount in any one year by which the current assessed exceeds the initial assessed value, including real and personal property, is defined as the captured assessed value." The-tax increment revenue transmitted to the DDA results from applying the total tax levy of all taxing units within the development area to the captured assessed value. Increases in assessed value within a development area which results in the generation of tax increment revenues, can result from any of the following:

- a. Construction of new developments occurring after the date enabling the "initial assessed value."
- b. Construction of new rehabilitation, remodeling alterations, or additions accruing after the date establishing, or additions accruing after the date establishing the "initial assessed value."
- c. Increases in property values which occur for any other reason.

Tax increment revenues transmitted to the DDA can be used as they accrue annually, can be held to accumulate amounts necessary to make improvements described in the plan, or they can be pledged for debt service on general obligation tax increment bonds issued by the municipality.

If bonds are to be sold, the municipality may not pledge for annual debt service requirements in excess of 80 percent of the estimated tax increment financing to be received from a development area for that year. Should the actual tax increment revenues fall below projections, any previously accumulated revenue would be devoted to retirement of the bonds. Any tax increment revenues collected in excess of the 80 percent measure will be used to pay current debt service on any bonds issued under the Plan and to pay or provide for payment by deposit into an improvement fund of development costs described in the Development Plan. The bonds are subject to the Michigan Municipal Finance Act and may not mature in more than thirty years. If tax increment revenues are insufficient for any-reason, the Michigan Municipal Finance Act provides that if the bond issue has been approved by the electors of the municipality, the municipality must meet debt service requirements from its general fund and, if necessary, levy whatever additional taxes are required. If the bond issue has not been approved by the electors, meeting debt service requirements becomes a first budget obligation of the general fund.

The DDA may expend tax increment revenues only in accordance with the tax increment financing plan;

surplus revenues revert proportionally to the respective taxing jurisdictions. The tax increment financing plan may be modified upon approval of the governing body after notification and hearings as required by Act 197. When the governing body finds that the purposes for which the plan was established have been accomplished, they may abolish the plan.

Administration of the Tax Increment Finance Plan

All miscellaneous costs associated with the plan will be absorbed by the City of Midland.

**IV. and V, INDEBTEDNESS AND DURATION OF PLAN
(Amended in its entirety by Amendment 2, April 13, 2005)**

The maximum amount of bonded indebtedness shall be \$15,000,000. –

The Plan, as amended, shall not expire prior to June 30, 2030.

State and federal grants, loans, loan guarantees and other funding sources may be such for carrying out the activities listed in the Plan, as amended. The Plan, as amended, can be financed through the authorization, issuance and sale of revenue bonds, general obligation bonds and tax increment bonds by Authority, the City, or other related entities.

**- VI. AMOUNT OF CAPTURED ASSESSED VALUE TO BE USED BY
DOWNTOWN DEVELOPMENT AUTHORITY**

(Amended per Amendment 1, November 6, 1991) The revenues that are projected include estimated increases in S.E.V. as a result of anticipated inflationary increases in new development.

Real & Personal Property - Proposed DDA Expansion Estimate (2.00% growth per year)

Year	Real Property TV	%Chg	Personal Prop TV	%Chg	Base Value 2011	Captured Value	Millages Captured			Taxes Captured
							City	County	College	
2011	6,071,236		127,500		6,198,736	Base	Base	Base	Base	
2012 - Est.	6,192,661	2.00%	130,050	2.00%	6,198,736	123,975	14.8000	0.0000	2.0427	\$2,088.07
2013 - Est.	6,316,514	2.00%	132,651	2.00%	6,198,736	250,429	14.8000	0.0000	2.0427	\$4,217.90
2014 - Est.	6,442,844	2.00%	135,304	2.00%	6,198,736	379,412	14.8000	0.0000	2.0427	\$6,390.33
2015 - Est.	6,571,701	2.00%	138,010	2.00%	6,198,736	510,975	14.8000	0.0000	2.0427	\$8,606.20
2016 - Est.	6,703,135	2.00%	140,770	2.00%	6,198,736	645,169	14.8000	0.0000	2.0427	\$10,866.40
2017 - Est.	6,837,198	2.00%	143,586	2.00%	6,198,736	782,048	14.8000	0.0000	2.0427	\$13,171.79
2018 - Est.	6,973,942	2.00%	146,457	2.00%	6,198,736	921,663	14.8000	0.0000	2.0427	\$15,523.30
2019 - Est.	7,113,421	2.00%	149,387	2.00%	6,198,736	1,064,071	14.8000	0.0000	2.0427	\$17,921.83
2020 - Est.	7,255,689	2.00%	152,374	2.00%	6,198,736	1,209,327	14.8000	0.0000	2.0427	\$20,368.34
2021 - Est.	7,400,803	2.00%	155,422	2.00%	6,198,736	1,357,489	14.8000	0.0000	2.0427	\$22,863.77
2022 - Est.	7,548,819	2.00%	158,530	2.00%	6,198,736	1,508,613	14.8000	0.0000	2.0427	\$25,409.12
2023 - Est.	7,699,795	2.00%	161,701	2.00%	6,198,736	1,662,760	14.8000	0.0000	2.0427	\$28,005.37
2024 - Est.	7,853,791	2.00%	164,935	2.00%	6,198,736	1,819,990	14.8000	0.0000	2.0427	\$30,653.55
2025 - Est.	8,010,867	2.00%	168,234	2.00%	6,198,736	1,980,365	14.8000	0.0000	2.0427	\$33,354.69
2026 - Est.	8,171,084	2.00%	171,598	2.00%	6,198,736	2,143,947	14.8000	0.0000	2.0427	\$36,109.85
2027 - Est.	8,334,506	2.00%	175,030	2.00%	6,198,736	2,310,800	14.8000	0.0000	2.0427	\$38,920.11
2028 - Est.	8,501,196	2.00%	178,531	2.00%	6,198,736	2,480,991	14.8000	0.0000	2.0427	\$41,786.59
2029 - Est.	8,671,220	2.00%	182,101	2.00%	6,198,736	2,654,585	14.8000	0.0000	2.0427	\$44,710.39
2030 - Est.	8,844,644	2.00%	185,743	2.00%	6,198,736	2,831,652	14.8000	0.0000	2.0427	\$47,692.66
2031 - Est.	9,021,537	2.00%	189,458	2.00%	6,198,736	3,012,260	14.8000	0.0000	2.0427	\$50,734.59

\$499,394.82

VII. ESTIMATED IMPACT ON ASSESSED VALUES OF OTHER TAXING JURISDICTIONS

(Amended per Amendment 1, November 6, 1991)

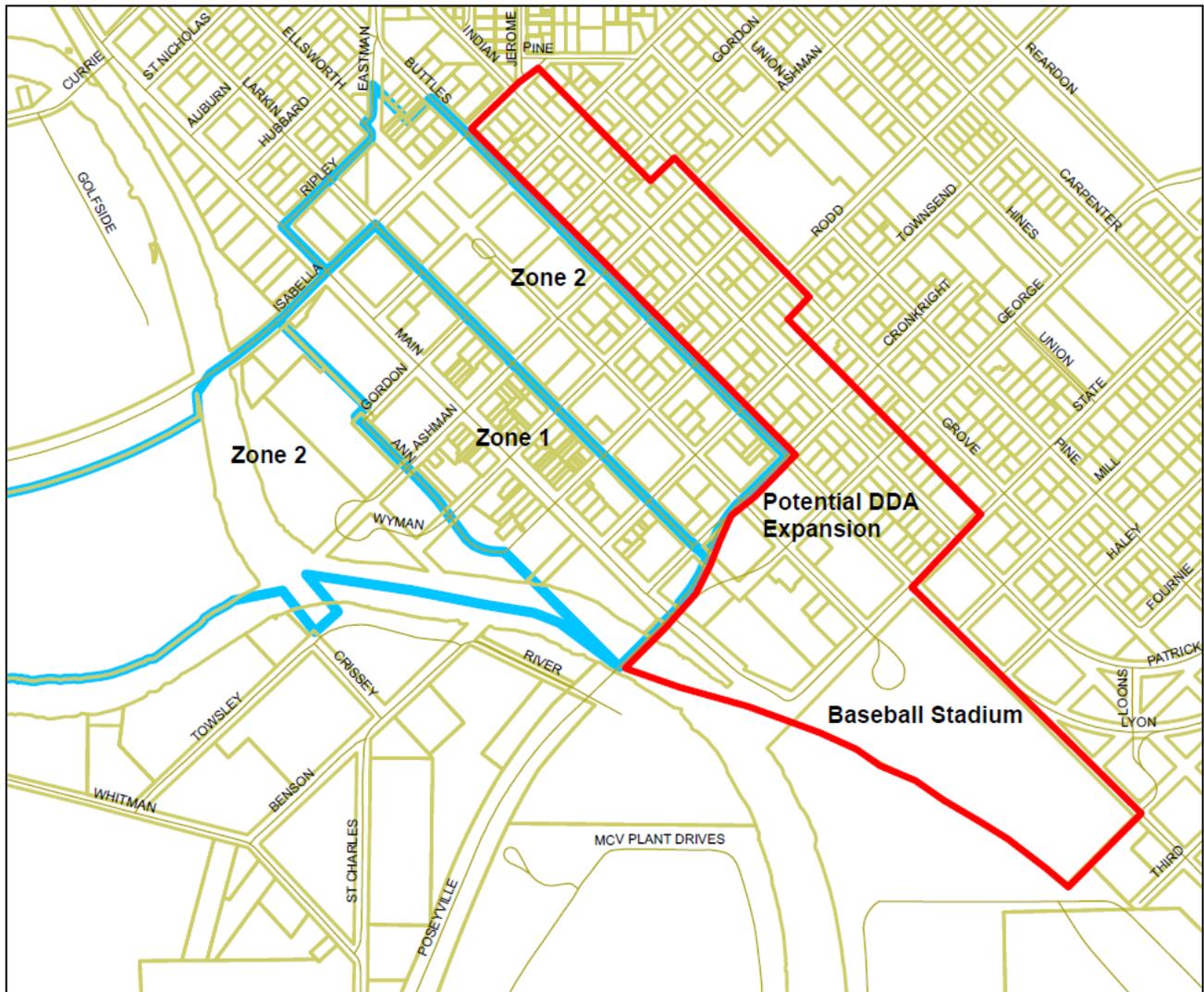
The TIF district is within the jurisdiction of the City of Midland, Midland County, the Midland Public School District, the Midland County Intermediate School District, Delta College, and the City of Midland Downtown Development Authority for tax levying purposes. Midland Public Schools, Intermediate School District, and Delta College do not receive State aid; therefore, the districts will only realize the increase in tax dollars generated from the economy's growth after the TIF plan is implemented. The Downtown Development Authority will also not receive increases in the tax dollars generated until the development plan is completed. However, the increases in tax dollars, or tax increment revenues, are monies which the taxing jurisdictions would never have anyway, but for the establishment of the Downtown Development Authority and development financed from the anticipated increments. Therefore, it should be understood that the revenues created as a result of tax increment financing will not have a short term impact, but will have long-term benefits.

The taxing jurisdictions would have received tax revenues in the amount of the millage rate times the captured assessed value, as identified in the plan, for each year of the plan, if the development occurred without the creation of the Tax Increment Finance Plan. The total revenue not received by all taxing jurisdictions is projected to be \$499394.82 over the length of the plan.

Once again, it should be emphasized that the tax increment revenues would never occur, without the establishment of the Downtown Development Authority and development financed from the anticipated increments.

VIII. ATTACHMENT

Map and Legal Description of Development Plan and Tax Increment Finance District



EXISTING DDA BOUNDARY AND EXPANSION COMBINED

LAND SITUATED IN THE CITY OF MIDLAND, MIDLAND COUNTY MICHIGAN BEING FURTHER DESCRIBED AS BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF JEROME STREET WITH THE CENTERLINE OF BUTTLES STREET, CARPENTER AND HINES ADDITION RECORDED IN LIBER A OF PLATS, PAGE 25, MIDLAND COUNTY RECORDS; THENCE NORTHWESTERLY ALONG THE CENTERLINE OF BUTTLES STREET TO THE INTERSECTION OF SAID CENTERLINE WITH NORTHEASTERLY EXTENSION OF THE NORTHWESTERLY LINE OF THE SOUTHEASTERLY 25 FEET OF LOT 4, BLOCK 35 OF SAID PLAT; THENCE SOUTHWESTERLY ALONG SAID LINE TO THE CENTERLINE OF SAID BLOCK 35; THENCE NORTHWESTERLY ALONG THE CENTERLINE OF SAID BLOCK 35 AND THE NORTHWESTERLY EXTENSION THEREOF TO THE CENTERLINE OF THE SOUTHERLY EXTENSION OF EASTMAN AVENUE; THENCE SOUTHERLY AND SOUTHWESTERLY ALONG SAID EXTENSION TO THE CENTERLINE OF ELLSWORTH STREET; THENCE SOUTHEASTERLY ALONG THE CENTERLINE OF ELLSWORTH STREET TO THE CENTERLINE OF RIPLEY STREET; THENCE SOUTHWESTERLY ALONG THE CENTERLINE OF RIPLEY STREET, MAP OF MIDLAND CITY RECORDED IN LIBER A OF PLATS, PAGE 1, MIDLAND COUNTY RECORDS, TO THE CENTERLINE OF MAIN STREET IN SAID PLAT; THENCE SOUTHEASTERLY ALONG THE CENTERLINE OF MAIN STREET TO THE CENTERLINE OF JEROME STREET IN SAID PLAT; THENCE SOUTHWESTERLY ALONG THE CENTERLINE OF HIGHWAY M-20 TO THE WESTERLY BANK OF THE TITTABAWASSEE RIVER; THENCE SOUTHERLY ALONG

SAID WESTERLY BANK TO THE SOUTHERLY RIGHT-OF-WAY LINE OF HIGHWAY M-20; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE EASTERLY BANK OF THE OLD CHANNEL OF THE CHIPPEWA RIVER IN THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 20, T14N-R2E, CITY OF MIDLAND, MIDLAND COUNTY, MICHIGAN; THENCE SOUTHERLY ALONG SAID EASTERLY BANK TO THE NORTHERLY BANK OF THE CURRENT CHANNEL OF THE CHIPPEWA RIVER IN SAID NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE EASTERLY ALONG SAID NORTHERLY BANK TO A LINE WHICH IS PARALLEL WITH AND 75 FEET, MORE OR LESS, SOUTHERLY OF THE WESTERLY LEG OF THE TRIDGE, A BRIDGE LOCATED AT THE CONFLUENCE OF THE CHIPPEWA AND TITTABAWASSEE RIVERS; THENCE EASTERLY PARALLEL WITH SAID WESTERLY LEG TO A LINE WHICH IS PARALLEL WITH AND 75 FEET, MORE OR LESS, SOUTHWESTERLY OF THE SOUTHEASTERLY LEG OF SAID TRIDGE; THENCE SOUTHEASTERLY ALONG SAID LINE TO THE EASTERLY EXTENSION OF THE NORTHERLY RIGHT-OF-WAY LINE OF TOWSLEY STREET; THENCE NORTHEASTERLY ALONG SAID EASTERLY EXTENSION TO A LINE WHICH IS PARALLEL WITH AND 65 FEET, MORE OR LESS, NORTHEASTERLY OF THE AFOREMENTIONED SOUTHEASTERLY LEG, AND THE SOUTHEASTERLY EXTENSION THEREOF; THENCE NORTHWESTERLY ALONG SAID LINE TO A POINT IN THE CENTERLINE OF THE TITTABAWASSEE RIVER WHICH LIES 75 FEET, MORE OR LESS, SOUTHEASTERLY FROM THE NORTHEASTERLY LEG OF THE AFOREMENTIONED TRIDGE; THENCE EASTERLY ALONG SAID CENTERLINE TO A POINT WHICH IS 350 FEET, MORE OR LESS, NORTHWESTERLY FROM THE CENTERLINE OF POSEYVILLE ROAD; THENCE SOUTHEASTERLY TO THE INTERSECTION OF THE CENTERLINE OF POSEYVILLE ROAD WITH THE SOUTHERLY BANK OF THE TITTABAWASSEE RIVER; THENCE NORTHEASTERLY ALONG THE CENTERLINE OF POSEYVILLE ROAD TO THE INTERSECTION OF SAID CENTERLINE WITH THE CENTERLINE OF EAST MAIN STREET, MAP OF MIDLAND CITY RECORDED IN LIBER A OF PLATS, PAGE 1, MIDLAND COUNTY RECORDS; THENCE SOUTHEASTERLY ALONG THE CENTERLINE OF EAST MAIN STREET TO THE INTERSECTION OF SAID CENTERLINE WITH THE CENTERLINE OF STATE STREET; THENCE NORTHEASTERLY ALONG THE CENTERLINE OF STATE STREET, MAP OF LARKIN'S ADDITION TO MIDLAND CITY, RECORDED IN LIBER A OF PLATS, PAGE 26, MIDLAND COUNTY RECORDS, TO REFERENCE POINT "A", SAID POINT BEING THE INTERSECTION OF SAID CENTERLINE WITH THE NORTHWESTERLY EXTENSION OF THE NORTHEASTERLY LINE OF BLOCK 70 OF SAID PLAT; THENCE CONTINUING NORTHEASTERLY ALONG THE CENTERLINE OF STATE STREET TO THE INTERSECTION OF SAID CENTERLINE WITH NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF BLOCK 57 OF SAID PLAT EXTENDED SOUTHEASTERLY; THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY LINE EXTENDED THROUGH SAID BLOCK 57 AND BLOCK 57 OF CARPENTER AND HINES ADDITION RECORDED IN LIBER A OF PLATS, PAGE 25, MIDLAND COUNTY RECORDS AND BLOCK 57 MAP OF CARPENTER'S DIVISION OF MIDLAND RECORDED IN LIBER C OF PLATS, PAGE A, MIDLAND COUNTY RECORDS, TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF GEORGE STREET; THENCE NORTHWESTERLY CROSSING GEORGE STREET AND CONTINUING NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF BLOCK 58, MAP OF CARPENTER'S DIVISION OF MIDLAND, TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF CRONKRIGHT STREET; THENCE NORTHWESTERLY CROSSING CRONKRIGHT STREET AND CONTINUING NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF BLOCK 59 IN SAID PLAT TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF TOWNSEND STREET; THENCE NORTHWESTERLY CROSSING TOWNSEND STREET AND CONTINUING NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF BLOCK 60 IN SAID PLAT TO THE CENTER OF SAID BLOCK; THENCE NORTHEASTERLY ALONG THE SOUTHEASTERLY LINE OF LOT 3 IN SAID BLOCK AND THE NORTHEASTERLY EXTENSION THEREOF TO THE CENTERLINE OF GROVE STREET IN SAID PLAT; THENCE NORTHWESTERLY ALONG SAID CENTERLINE TO THE INTERSECTION OF SAID CENTERLINE WITH THE NORTHEASTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF LOT 3, BLOCK 44, OF AFOREMENTIONED CARPENTER AND HINES ADDITION; THENCE SOUTHWESTERLY ALONG SAID LINE TO THE CENTER OF SAID BLOCK 44; THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF SAID BLOCK TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF GORDON STREET; THENCE NORTHWESTERLY CROSSING GORDON STREET AND CONTINUING NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF BLOCK 44 1/2 IN SAID PLAT TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF FITZHUGH STREET; THENCE NORTHWESTERLY CROSSING FITZHUGH STREET AND CONTINUING NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 OF BLOCK K IN SAID PLAT AND THE

NORTHWESTERLY EXTENSION THEREOF TO THE CENTERLINE OF JEROME STREET PER SAID RECORDED PLAT; THENCE SOUTHWESTERLY ALONG SAID CENTERLINE TO THE POINT OF BEGINNING. ALSO BEGINNING AT THE AFOREMENTIONED REFERENCE POINT "A"; THENCE SOUTHEASTERLY ALONG THE NORTHWESTERLY EXTENSION OF THE NORTHEASTERLY LINE OF BLOCK 70, MAP OF LARKIN'S ADDITION TO MIDLAND CITY, RECORDED IN LIBER A OF PLATS, PAGE 26, MIDLAND COUNTY RECORDS, TO THE NORTHERLY CORNER OF SAID BLOCK; THENCE S47°14'05"E 580.53 FEET; THENCE S47°10'05"E 886.15 FEET; THENCE S43°00'00"W 458.26 FEET; THENCE N51°59'28"W 134.20 FEET; THENCE N53°17'45"W 84.00 FEET; THENCE N57°30'38"W 124.00 FEET; THENCE N59°36'47"W 379.00 FEET; THENCE N62°22'00"W 127.42 FEET; THENCE N64°21'35"W 89.08 FEET; THENCE N65°14'57"W 578.34 FEET; THENCE NORTH TO THE AFOREMENTIONED INTERSECTION OF EAST MAIN STREET WITH THE CENTERLINE OF STATE STREET; THENCE NORTHEASTERLY ALONG THE CENTERLINE OF STATE STREET TO REFERENCE POINT "A" AND THE POINT OF BEGINNING.