



**AMENDED
LOCAL DEVELOPMENT FINANCE AUTHORITY
TAX INCREMENT FINANCING PLAN**

Section 12(2)(a):
Reasons that the Plan will Result in the Development of Captured Assessed Value

“A statement of the reasons that the plan will result in the development of captured assessed value which could not otherwise be expected. The reasons may also include, but are not limited to, activities of the municipality, authority or others undertaken before formulation or adoption of the plan in reasonable anticipation that the objectives of the plan would be achieved by some means.”

For many years, the City had been planning the expansion of its existing Industrial Park in order to diversify the City’s economy and increase its tax base and employment opportunities; however, it could not secure the necessary funds to accomplish its goals. Expansion of the former Sundor Brands, Inc. facility in the existing Industrial Park in 1992 provided the City with an opportunity to use tax increment revenues through the Authority to finance the costs of land acquisition and improvements.

Sundor Brands, Inc. made approximately \$6,000,000 worth of improvements. The City of Fremont had granted Sundor a P.A. 198 industrial tax exception, which left about \$1,500,000 in capturable assessed value. The Proctor & Gamble Co. closed the Sundor facility and eventually sold it to Dura Automotive Systems, Inc. (the current owner). Dura also made substantial improvements to both the real and personal property (equipment) at the facility. Thus, TIF revenues were adequate enough to repay the LDFA bonds. The City had also invested in excess of \$200,000 to secure property for the proposed Industrial Park for which it is now receiving reimbursement from the Authority.

Over the years since the LDFA was first formed, the City and many other public and private organizations, businesses, individuals and others have made significant investments in this community. Much of these were financed based on increasing Taxable Values of both real & personal property within the City. The increasing values of taxable property within the City has a direct correlation to the number, type and compensation for full- and part-time jobs that are either directly created or retained by businesses in the Industrial Park or are indirectly created or retained through the economic multiplier effect resulting from the directly created positions.

Section 12(2)(b):
Estimate of the Captured Assessed Value for Each Year of the Plan

“An estimate of the captured assessed value for each year of the plan. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used shall be clearly stated in the plan. The board or the municipality creating the Authority may exclude from captured assessed value a percentage of the captured assessed value as specified in the plan or growth in property value resulting solely from inflation. If excluded, the plan shall set forth the method for excluding growth in property value resulting solely from inflation.”

Please refer to Table 3 at the end of this Plan for an estimate of the Captured Taxable Value for each year of the Plan (2006-2026) as well as historical figures for the years prior to the Plan period (2000-2005). The Authority expects to use tax increment revenues derived from Captured Taxable Value of any and all “eligible property” located or to be located from time to time in the expanded Industrial Park. The Authority also expects to use tax increment revenues that may result from growth in property values resulting from inflation or other market causes.

**Section 12(2)(c):
Estimated Tax Increment Revenues for each year of the Plan**

“The estimated tax increment revenues for each year of the plan.”

Please refer to Table 3 for an estimate of the “available” tax increment revenues for each year of the Plan (2006-2026) as well as historical figures for the years prior to the Plan period (2000-2005). The Authority intends to limit the actual future “captured” TIF revenues to the same percentage as in 2006, or approximately 54% of the “available” captured revenues. In 2006, the Authority will capture \$60,000 of TIF revenues out of a possible total capture of \$111,402. By the end of the Plan period in 2026, the Authority is projected to capture approximately \$194,340 out of a possible total capture of \$359,664.

The City, DDA and most recently the LDFA have garnered very favorable reputations with the other Newaygo County jurisdictions that have taxing body within the City limits by not capturing 100% of the TIF revenues available to each Authority. In this way, all taxing jurisdictions share in the revenues from the increasing tax base. This helps counter inflationary costs for operating these entities, as well as reductions or elimination of such State assistance as Revenue Sharing with municipalities, Act 51 Street Funds or the per capita formula allocations to local school districts from the State School Aid Fund.

**Section 12(2)(d):
Explanation of Tax Increment Procedure**

“A detailed explanation of the tax increment procedure.”

Tax increment financing permits the Authority to capture tax revenues attributable to increases in the value of real and personal property resulting from the acquisition and construction of eligible property as defined in Act 281. Property value increases, in the case of the Industrial Park, have been and will be directly & indirectly attributable to the construction of the projects and improvements in the Park.

At the time the original TIF Plan was approved by the City Council in 1991, the value of the eligible property to which the plan pertains (the “Initial Assessed Value”) was established. The Initial Assessed Value is the State Equalized Value of the eligible property on that date. For the LDFA District, that initial value was \$1,651,900.

In each subsequent year for the duration of the TIF Plan, the “Current Taxable Value” (TV) of the eligible property will be determined. This change to the use of TV was due to the adoption by the voters of “Proposal A” to the State Constitution in 1994. The TV of a property is now calculated using the Assessed Value as of 1994 (which became the base year Taxable Value) and increasing that TV each year by an annual inflation factor, or 5%, whichever is less. If a property is sold or changes ownership, the TV is raised to whatever the State Equalized Value (SEV) is for the property at the time of the sale. The SEV is theoretically set at 50% of the True Cash Value (TCV) of the property and is adjusted periodically based on market fluctuations, additions, deletions and other physical property changes. Since Proposal A took effect, the Taxable Value upon which taxes are levied, has lagged significantly behind the market-based SEV for a property. This has led to a substantial amount of “untaxed value” of properties and to the unequal taxation of identical properties due to one of them having recently sold.

The amount by which the Current Taxable Value exceeds the Initial Assessed Value in any one year is the “Captured or Capturable Taxable Value.” For the duration of any TIF Plan, the local taxing jurisdictions continue to receive tax revenues based upon the initial Assessed Value. The Authority receives that portion of the tax levy of all taxing jurisdictions paid each year on the Captured Taxable Value of the eligible property included in the TIF Plan and TIF District; provided, however, that the Authority does not receive any part of a millage specifically levied for the payment of principal of and interest on obligations approved by the electors or obligations pledging the unlimited taxing power of the local

governmental unit. Since Proposal A, the TIF Authority can no longer capture “education” millages once prior obligations (bonds & other eligible debts) are paid off. This includes local school operational millages, as well as millages levied by Intermediate School Districts and the State Education Tax (SET.) Future captures for the LDFA will be limited to millage levied by the City, Newaygo County and the Fremont Area District Library. If new taxing bodies are formed or additional non-educational millages are levied, they will be capturable.

**Section 12(2)(e):
Maximum Amount of Note or Bonded Indebtedness
to be Incurred**

“The maximum amount of note or bonded indebtedness to be incurred, if any.”

The amount of outstanding principal on LDFA note or bonded indebtedness will not exceed \$2 million, unless this Plan is amended as per requirements of the LDFA Act to a different amount or if current or future State Statutes require a different amount. The initial bond issue to finance the costs of the 2006-07 projects and improvements is estimated to be in the principal amount of approximately \$300,000.

**Section 12(2)(f):
Amount of Operating and Planning Expenditures
of the Authority**

“The amount of operating and planning expenditures of the Authority and Municipality, the amount of advances extended by or indebtedness incurred by the Municipality, and the amount of advances by others to be repaid from tax increment revenues.”

The entire cost of planning, engineering and land acquisition, as well as street, utilities & other development and construction on behalf of the Authority and not paid for out of any bond proceeds, will be reimbursed to the City under a “Reimbursement Agreement” or other similar arrangement between the Authority and the City. The estimated amount to be reimbursed to the City over the Plan period, which is subject to final cost determinations & future project costs, may be approximately \$200,000 to \$500,000. Reimbursement funds could come from TIF captures, LDFA Fund Balances, sale of property and others.

As noted earlier in this Plan, the Authority is scheduled beginning in FY 06/07 to make four annual payments of \$25,000 to reimburse the City for prior uncovered costs related to land acquisition, engineering, archaeological assessments and construction cost overruns on the 96/97 FIP expansion project.

As approved in the FY 06/07 LDFA Budget, the Authority also intends to use TIF revenues to cover the City’s actual costs for operational, planning, financial, administrative and other services provided to the Authority. For FY 06/07, those costs are estimated to be approximately \$5,000. This amount will be adjusted annually based on the scope of services required of the City by the Authority and the costs to the City to provide those services during the applicable Plan year. Except for the above-noted \$25,000/year, the City will not seek retroactive reimbursements for any services provided prior to FY 06/07.

**Section 12(2)(g):
Costs of the Plan Anticipated to be paid from
Tax Increment Revenues**

“The costs of the Plan anticipated to be paid from tax increment revenues as received.”

All of the cost of improvements, projects and activities to and for the benefit of the Fremont Industrial Park will be paid from tax increment revenues, proceeds of bonds issued in anticipation or receipt of those revenues or other sources of funds legally available to the Authority. The acquisition of all or a portion of

property necessary for the reasonable and efficient development of the FIP is also to be included in the project costs. Engineering, land surveys, planning, administrative and other costs associated with the enhancement improvements, projects or activities is also to be included in the project costs.

**Section 12(2)(h):
Duration of the Development Plan and Tax Increment Plan**

“The duration of the Development Plan and the Tax Increment Plan.”

This Plan shall not expire until December 31, 2026, or until all bonds, loans & other debt is repaid, including reimbursements due the City under a Reimbursement Agreement, whichever occurs later.

**Section 12(2)(i):
Estimate of the Impact of Tax Increment Financing**

“An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the eligible property is located.”

The overall impact of the Development Plan is expected to generate increased economic activity in the Authority’s District, the City of Fremont and Newaygo County at large. This increase in activity will, in turn, generate additional amounts of tax revenue to local taxing jurisdictions, increases in assessed valuations of real and personal property within the Authority’s District, the City of Fremont, other neighboring communities and throughout Newaygo County. The Authority intends to capture tax increment revenues that result from additional construction and inflation if and to the extent such revenues are needed to implement this Plan, as it may be amended from time to time. The Authority is required to return “surplus” tax increment revenues to the taxing jurisdictions on a proportional basis equal to the jurisdictions millage as a percent of the total millage captured by the Authority.

For purposes of determining the estimated impact of this TIF Plan upon those taxing jurisdictions within the Authority’s District, estimates of captured values (Table 3) were used along with current 2006 tax millage allocations (excluding amounts dedicated to service capital debts & any educational millages) to determine TIF revenue amounts that would be shifted from these jurisdictions to the Authority during each year of the Plan.

Moreover, TIF revenues derive from only “eligible property” as defined in the Act and not necessarily from all of the property located in the Authority’s District.

The Plan has no direct impact on Taxable or Assessed values outside the District. The taxing jurisdictions continue to collect taxes annually based upon the Taxable Value of the real and personal property located outside the District without regard to the Plan or any amendments thereto.

Table 2 on the next page shows for each taxing jurisdiction subject to capture the percentage of its Taxable Valuation for 2006 that is located within the boundaries of the Authority’s LDFA District.

The impact on the taxable values of “eligible property” in the Authority’s District can be estimated by identifying the Captured Taxable Valuation required to produce sufficient TIF revenues to pay for the previously identified enhancement, construction, administration, operating, planning, financing and other costs attributable to the projects, activities and improvements identified in this Plan.

Under the Act and this Plan, TIF revenues in excess of the amounts required to pay the costs of the development program described in this Plan are returned to the taxing jurisdictions.

This TIF Plan and the Development Plan may be amended by the Authority, subject to the approval, public hearing, notice and other conditions imposed by the Act.

Table 2			
AMOUNT & PERCENT OF EACH TAXING JURISDICTION'S TAXABLE VALUES SUBJECT TO CAPTURE WITHIN THE LDFA DISTRICT			
TAXING JURISDICTION (TAX ROLL)	TOTAL 2006 TAXABLE VALUE (TV)	2006 TV IN LDFA DISTRICT	PERCENT OF 2006 TV IN DISTRICT
City of Fremont			
- Ad Valorem Roll	\$ 140,467,640	\$ 6,365,827	4.50 %
- IFT Roll	21,790,200	91,000	0.42
Newaygo County			
- Ad Valorem Roll	1,261,209,460	6,365,827	0.50
- IFT Roll	24,855,700	91,000	0.40
Fremont Area District Library			
- Ad Valorem Roll	376,412,087	6,365,827	1.7
- IFT Roll	21,790,200	91,000	0.42
Fremont Public School District	Not capturable	N/A	N/A
NC-RESA	Not capturable	N/A	N/A
State Education Tax	Not capturable	N/A	N/A

**Section 12(2)(j):
Legal Description of the Eligible Property**

“A legal description of the eligible property to which the Tax Increment Financing Plan applies.”

As amended in April of 1993: See Exhibit A.

**Section 12(2)(k):
Estimate of Number of Jobs to be Created**

“An estimate of the number of jobs to be created as a result of implementation of the tax increment financing plan.”

It is estimated that a minimum of 200 additional jobs could be created as a result of successful implementation of the Development & TIF Plan. This estimate is highly vulnerable to local, regional, state, national & international economic conditions, policies, rules, regulations, market conditions and much more. Every reasonable attempt will be made, however, to secure the creation of these jobs for the greater Fremont Community. Significant efforts will also be taken to retain the existing jobs in the FIP, which were approximately 650 FTE's in 2006.

Table 3
City of Fremont LDFA
ESTIMATE OF CAPTURABLE TAXABLE VALUE and CAPTURED TAX REVENUES (2000 -2026)

Tax Year	Prior Year Taxable Value ⁽¹⁾	Net Change Taxable Value ⁽²⁾	December 31 Taxable Value ⁽³⁾	Capturable Taxable Value ⁽⁴⁾	Available Tax Revenues ⁽⁵⁾	Captured Tax Revenues ⁽⁶⁾	Disbursement Cycle (FY)
	Base Year 1991 ⁽⁷⁾		\$1,651,900				
2000	\$3,922,166	\$1,008,203	\$4,930,369	\$3,278,469	\$151,312	\$91,791	2000-2001
2001	4,930,369	46,293	4,976,662	3,324,762	165,055	70,718	2001-2002
2002	4,976,662	(61,271)	4,915,391	3,263,491	166,749	67,802	2002-2003
2003	4,915,391	217,712	5,133,103	3,481,203	174,997	64,806	2003-2004
2004	5,133,103	1,487,576	6,620,679	4,968,779	270,342	61,726	2004-2005
2005	6,620,679	448,767	7,069,446	5,417,546	296,029	58,590	2005-2006
2006	7,069,446	(612,619)	6,456,827	4,804,927	111,042	60,000	2006-2007
2007	6,456,827	161,421	6,618,248	4,966,348	114,772	62,016	2007-2008
2008	6,618,248	341,505	6,959,753	5,307,853	122,664	66,280	2008-2009
2009	6,959,753	359,127	7,318,880	5,666,980	130,964	70,765	2009-2010
2010	7,318,880	377,658	7,696,538	6,044,638	139,692	75,480	2010-2011
2011	7,696,538	397,145	8,093,683	6,441,783	148,870	80,440	2011-2012
2012	8,093,683	417,638	8,511,322	6,859,422	158,521	85,655	2012-2013
2013	8,511,322	439,189	8,950,510	7,298,610	168,671	91,139	2013-2014
2014	8,950,510	461,851	9,412,361	7,760,461	179,344	96,906	2014-2015
2015	9,412,361	485,683	9,898,044	8,246,144	190,568	102,971	2015-2016
2016	9,898,044	510,744	10,408,789	8,756,889	202,372	109,349	2016-2017
2017	10,408,789	537,099	10,945,888	9,293,988	214,784	116,056	2017-2018
2018	10,945,888	564,814	11,510,701	9,858,801	227,837	123,108	2018-2019
2019	11,510,701	593,958	12,104,660	10,452,760	241,563	130,525	2019-2020
2020	12,104,660	624,607	12,729,267	11,077,367	255,998	138,325	2020-2021
2021	12,729,267	656,837	13,386,104	11,734,204	271,177	146,527	2021-2022
2022	13,386,104	690,730	14,076,834	12,424,934	287,140	155,152	2022-2023
2023	14,076,834	726,372	14,803,206	13,151,306	303,927	164,223	2023-2024
2024	14,803,206	763,853	15,567,059	13,915,159	321,579	173,761	2024-2025
2025	15,567,059	803,269	16,370,328	14,718,428	340,143	183,791	2025-2026
2026	16,370,328	844,718	17,215,045	15,563,145	359,664	194,340	2026-2027
					\$5,715,777	\$2,842,240	

1. Actual District Taxable Value (TV) for years 2000–2006; estimated District TV for years 2007 – 2026.

2. Actual net change (increase/decrease) for 2000-2006; estimated net change for 2007-2026. Increases, which can result from new construction, building expansions, new equipment and inflation, are projected conservatively at 2.5% annually from 2007-2026. (Actual annual change from 2000-2006 was 5.16%.)

3. Sum of columns “Prior Year TV” and “Net Change TV.”

4. Difference between column “12/31 TV” and original base value of \$1,651,900.

5. Represents “Capturable Taxable Value” column multiplied by the actual mills levied through 2006 and 23.11 mills for years thereafter (without school captures.)

6. Years 2000-2006 based on actual tax revenues captured, most of which were used for debt retirement on the 1993 LDFA Bonds. Years 2007-2026 based on preserving the same % capture (54.0336%) as in 2006 (\$60,000 captured out of a possible capture of \$111,402= 54.0336% captured.)

7. Base Year 1991 SEV as stated in the Fremont LDFA 2000 Tax Capture Report.



FREMONT INDUSTRIAL PARK

OWNED & DEVELOPED BY THE CITY OF FREMONT
IN COOPERATION WITH THE
FREMONT ECONOMIC DEVELOPMENT CORPORATION
FREMONT LOCAL DEVELOPMENT FINANCE AUTHORITY
NEWAYGO COUNTY ECONOMIC DEVELOPMENT OFFICE, INC.

- **Year Park Opened:** Original 31 acres: 1977; 117-acre expansion: 1996/97
- **Current Employment:** 770 FTE's (estimate)
- **Total Acres of Park:** 148.04 (fully platted with full utility services installed to each lot)
- **Acres Sold / Occupied:** 48.09 (excludes 30.49 acres of street ROW's & Outlots A, B & C)
- **Acres Available:** 69.46 (excludes 30.49 acres of street ROW's & Outlots A, B & C)
- **List Price of Land:** \$12,500 per acre with full services
- **Environmental Clearance:** Phase I & II Environ. Audits completed; no limitations on occupancy
- **Tax Incentives:** Entire park is a designated P.A. 198 Tax Abatement District

TRANSPORTATION:

- **Interstate Highway Access:** U.S. 31 **Distance:** 20 Miles
U.S. 131 **Distance:** 25 Miles
- **State Trunkline Access:** M-82 **Distance:** Adjacent
M-120 **Distance:** 3 Miles
M-20 **Distance:** 7.5 Miles
M-37 **Distance:** 9.5 Miles
- **Airport Access:**
 - General Utility:** Fremont Municipal Airport **Distance:** 1.5 Miles
(Two asphalt lighted runways, terminal, FBO, F-T Manager, fuel, hangars, apron tie-downs, airframe maintenance)
 - Commercial:** Muskegon County Airport **Distance:** 32 Miles
- **Great Lakes Port:** Muskegon **Distance:** 25 Miles
- **Railroad Access:** CSX Transportation **Distance:** Adjacent

UTILITY SERVICES:

- **Natural Gas:**
- **Electricity (1- or 3-Phase Primary Voltage):**
- **Sanitary Sewer System:**
- **Water Supply System:**
- **Central Stormwater Control System:**
- **Local Telephone Service:**
- **Cellular Phone Service:**
- **PCS Wireless Service:**
- **Fiber-Optic Cable TV & Internet Access:**
- **Local Dial-Up & Wireless Internet Access & Video Conferencing Facilities:**

UTILITY PROVIDERS:

- DTE Energy (formerly MichCon)
- Consumers Energy Company
- City of Fremont
- City of Fremont
- City of Fremont
- AT & T (formerly SBC)
- Alltel; Centennial Wireless; Verizon
- NPI Wireless; Nextel
- Comcast Broadband
- Newaygo Co. Regional Education Services Agency
- Advanced Technology Service (NCATS)

FOR FURTHER INFORMATION:

Andrew Lofgren, Executive Director
Newaygo Co. Economic Development Office, Inc.
4747 W. 48th Street, Suite 108
Fremont, MI 49412
Phone: 231-924-8890 FAX: 231-924-9250
E-Mail: alofgren@ncresa.org Website: www.ncedo.org

Chris A. Yonker, Fremont City Manager
Vice Chair, Fremont EDC & Trustee, NCEDO, Inc.
101 E. Main Street, Fremont, MI 49412
Phone: 231-924-2101 FAX: 231-924-2888
E-Mail: cyonker@cityoffremont.net
Website: www.cityoffremont.net

Ron Vliem, Executive Director
Fremont Area Chamber of Commerce
7 E. Main Street, Fremont, MI 49412
Phone: 231-924-0770 FAX: 231-924-9248
E-Mail: ron@fremontcommerce.com
Website: www.fremontcommerce.com

PARCEL INFORMATION

FIP PLAT LOT NO.	TAX I.D. PARCEL NO.	ACRES	LIST PRICE *	BLDG. SQ. FT.	STREET ADDRESS **	COMPANY/LAND STATUS
1	62-17-03-151-001	2.98	\$ 37,250	N/A	1739 Locust St.	Available
2	62-17-03-151-002	2.53	31,625	N/A	1715 Locust St.	Available
3	62-17-03-151-003	2.72	34,000	N/A	701 Industrial Dr.	Available
4	62-17-03-151-004	2.41	30,125	N/A	613 Industrial Dr.	Available
5	62-17-03-151-005	2.30	For Sale	10,000	515 Industrial Dr.	Noland, LLC w/ Re-Max @ 231-924-9800
6	62-17-03-151-006	3.61	45,125	N/A	423 Industrial Dr.	Available
7	62-17-03-151-007	4.48	56,000	N/A	325 Industrial Dr.	Available
8	62-17-03-151-008	3.95	49,375	N/A	301 Industrial Dr.	Available
9	62-17-03-151-009	3.93	49,125	N/A	209 Industrial Dr.	Available
10	62-17-03-151-010	2.05	25,625	N/A	210 Industrial Dr.	Available
11	62-17-03-151-011	2.66	33,250	N/A	308 Industrial Dr.	Available
12	62-17-03-151-012	11.48	143,500	N/A	402 Industrial Dr.	Available
13	62-17-03-151-013	2.68	33,500	N/A	412 Industrial Dr.	Available
14	62-17-03-151-014	3.09	38,625	N/A	500 Industrial Dr.	Available
15	62-17-03-151-015	2.89	36,125	N/A	518 Industrial Dr.	Available
16	62-17-03-151-016	2.30	SOLD (LC)	7,200	616 Industrial Dr.	Great Lakes Allied
17	62-17-03-151-017	2.23	SOLD	4,800	702 Industrial Dr.	Lakeshore Signs, Inc.
18	62-17-03-151-018	2.27	FOR SALE OR LEASE 29,900	Cleared Lot	1531 Locust St.	William Osterink Trust w/ Coldwell Banker @ 231-924-5880
19	62-17-03-151-019	2.41	30,125	N/A	1714 Locust St.	Available
20	62-17-03-151-020	10.91	136,375	N/A	1654 Locust St.	Available
21	62-17-03-151-021	2.41	30,125	N/A	1634 Locust St.	Available
22	All three parcels combined as Parcel 62-17-03-151-023	3.71	SOLD	20,000	1556 Locust St.	Flor-Dri Supply Co., Inc.
23		3.02				
24		2.38				
25	All four parcels combined as Parcel 62-17-03-151-028	2.78	SOLD	31,000	1340 Locust St.	MPH Trucking, Inc.
26		2.11				
27		2.11				
28		2.11				
29	62-17-03-151-029	2.11	FOR SALE 239,900	4,928	1310 Locust St.	William Osterink Trust w/ Coldwell Banker @ 231-924-5880
30	62-17-03-151-030	1.99	SOLD	12,060	1256 Locust St.	Fremont Mini-Storage, Inc.
31	62-17-03-151-031	1.61	SOLD	3,800	1230 Locust St.	Schwans Sales Enterprises, Inc.
32	62-17-03-151-032	1.58	SOLD	14,600	1212 Locust St.	Hi-Lites Graphics, Inc.
OUTLOT A	62-17-03-151-033	6.10	PUBLIC	N/A	City-Owned Stormwater Ponds & Natural Areas	City of Fremont
OUTLOT B	62-17-03-151-034	9.87				
OUTLOT C	62-17-03-151-035	3.57				
N/A	62-17-03-276-002	0.90	SOLD	5,760	425 Connie Ave.	Progressive Manufacturing, LLC
N/A	62-17-03-280-013	14.85	SOLD	167,000	502 Connie Ave.	Dura Automotive Systems, Inc.
N/A	62-17-03-280-006					

* = List price is currently \$12,500 per acre with full services (price is negotiable depending on level of private investment, job creation, etc.)

** = Addresses for unsold lots are tentative until building & driveway locations are determined.

Data as of 8/10/06



RESTRICTIVE AND PROTECTIVE COVENANTS

THE CITY OF FREMONT INDUSTRIAL PARK

Before commencing construction or alteration of any buildings, enclosures, fences, loading docks, parking facilities, paving, storage yards or any structures or permanent improvement on, or to any site or lot within the City of Fremont Industrial Park, the property owner shall first submit draft site plans to the Fremont Economic Development Corporation (EDC) for its written approval, which approval shall not be unreasonably withheld. The Fremont EDC Board shall consult with the City of Fremont's Site Plan Review Team prior to issuing recommendations for final site plan approval to the City's Planning Commission.

Any violation, or attempted violation of any of these restrictions, shall give the right to the City of Fremont to proceed at law or in equity to enforce compliance with the terms hereof.

The restrictions and covenants are as follows:

1. **USE OF PREMISES.** The site or lot(s) shall be used by the Grantee, its successors and assigns, and the occupants thereof for light industrial purposes only. Only new construction will be allowed in the Industrial Park.
2. **LAND TO BUILDING RATIO.** No buildings are to be built that will reduce the land to building ratio below a 2:1 ratio.
3. **SETBACK - FRONT YARDS.** Building lines shall be maintained at least 60 feet back from all street right-of-way lines. Pedestrian walks, vehicular access drives, railroad tracks, landscaping or berming, stormwater detention and filtering areas, material pits, light fixtures, recording instruments, and utility manholes extending not more than six inches above finished grade shall be permitted within said 60-foot setback. Off-street parking, gate or guard houses, roofs or canopies covering unenclosed pedestrian walks, and walls or fences shall be permitted in the rear 15 feet of any required front yard setback.
4. **SETBACK - SIDE YARDS.** Adequate space shall be maintained between all buildings to provide light and air. Building lines are to be maintained at least 20 feet from side lot lines. In the event more than one building shall be owned by one person or entity and in the improvement of such lot or tract a building shall be built on more than one lot, then the side line restriction on the interior line or lines may be waived by the Fremont EDC Board. Provided, further that if a part of a tract or lot shall be sold before any improvement shall have been erected thereon, then the line between the part sold and the part retained shall be the property line to which the setback restrictions shall apply.
5. **SETBACK - REAR YARDS.** Structures shall be at least 20 feet from the rear property line of any lot except for a lot having a common rear property line with a railroad right-of-way, in which case no rear building setback is required.
6. **CLEAR VISION CORNERS.** Where two streets intersect, no structure or planting of any kind over 20 inches in height above curb level shall be erected on a corner lot within a triangle having its apex at the intersection of the right-of-way lines and having equal legs of fifty feet along the rights-of-way. This shall affect lots 1, 3 and 17. The vision corner provisions also shall apply to lots 11, 13, 19 and

21. This will allow for the future construction of culs-de-sac or access drives to lots 12 and 13 and future subdivision of the two lots.

7. EXTERIOR WALLS.

- a. To establish a standard of quality and to maintain architectural integration, the exterior front walls of the office portion of the building shall be faced with brick or some material equally acceptable to the Fremont EDC Board from an aesthetic point of view.
- b. Concrete block shall be allowed for an exterior wall, provided that the wall is an expansion wall, is located at the rear or side of the building, does not face a street and is painted.
- c. The use of building materials shall be subject to the approval of the Fremont EDC Board, which approval shall not be unreasonably withheld.
- d. No wall shall exceed a height of 40 feet, unless it meets the exception criteria within the City's Zoning Ordinance, Section 4.12.

8. UNDERGROUND UTILITIES. All utilities shall be located underground within the Industrial Park. This includes electric, telephone and cable television lines. Meters for electricity, natural gas, water, or other measurable utility shall not be located within the public right-of-way. Any meters located in the front yard setback shall be underground in acceptable meter pits. Meters may be installed above ground in any side yard, if they are properly screened with mature vegetation from any public street or adjacent building. Electric transformers and electric or telephone switching or junction boxes shall not be installed above ground within the public right-of-way or within the front yard setback. Transformers or junction/switching boxes may be installed above ground in any side yard, if screened with mature vegetation from any public street or adjacent building.

9. EXTERIOR LIGHTING. All exterior lighting of each site, building, parking lot, sign, etc. shall be designated, located, shielded, and maintained in such a manner that the light source is fixed and not directly visible from, nor cast any significant glare upon, any adjacent public rights-of-way or adjoining residential buildings, zones or streets. (Adjoining residential lots shall include lots separated from the industrial lot by only a public street or right-of-way.) The use of perimeter light poles and light fixtures with aiming mechanisms and shields are encouraged.

10. SIGNAGE. Plans and specifications for the construction, installation or alteration of all outdoor signs as to size, location, type and appearance shall first be submitted to the Fremont EDC Board for its written approval, which approval shall not be unreasonably withheld. The following signage requirements shall apply:

- a. Allowable sign types include wall, ground (freestanding) and awning.
- b. Prohibited sign types include all others not above allowable, including, but not limited to: pylon, animated, flashing, changeable copy/message board (unless time/date), neon, exposed bulb, suspended, projection, roof, integral roof, portable, marquee, inflatable, billboard, banner, pennants, or parked vehicles with messages (unless regularly and customarily used to transport persons or property for the business.)
- c. Wall signs shall be flat and parallel to and not more than fifteen inches from the face of the building wall. Wall signs shall not exceed five percent of the face of the building to which they are attached. The maximum width of any sign shall not exceed ninety percent of the width of the wall to which it is attached.
- d. Ground signs shall be no more than fifty square feet in area, as measured on one face of a two-faced sign. Said sign shall be no more than ten feet in height, including any mounting hardware

and foundation. Ground signs may be located within the required front yard setback, as long as they are at least five feet from any property line and not located in any clear vision corner as defined in item #6 of these covenants. Only one ground sign is permitted per business.

- e. Awning signs shall have the same area and wall coverage restrictions as wall signs. Lighting shall be as detailed below in item "h."
- f. Directional signs of up to three square feet each, designating entrances, exits, parking, loading areas, shipping docks or similar traffic control signs are permitted. Such signs shall be located at least one foot from any property line and not within a clear vision corner as previously defined.
- g. Billboards, signs or advertisements for businesses not located on the site are prohibited.
- h. Lighting of signs may be either internal or external, if it meets the following requirements:
 - 1) No direct light or significant glare from a sign shall be cast on any adjacent lot zoned and used for residential purposes or be visible from any public right-of-way.
 - 2) Interior lighted signs shall have light-colored translucent lettering shown against a dark opaque background.

11. PARKING. All vehicle parking, including visitor parking shall be provided on the premises and all parking areas are to be paved to provide dust-free, all-weather surfaces. Employees shall not be permitted to park, and visitors shall be discouraged from parking, during business hours on public streets in front of or to the rear of the premises. Delivery or supply trucks shall not be parked, loaded or unloaded on public streets.

12. LOADING DOCKS. No loading dock shall be constructed facing any public street unless said loading dock and every part thereof is at least one hundred feet from the right-of-way line of the street on which said loading dock fronts.

13. PARKWAY TREES. Each property owner will be required to purchase and install trees in the parkway adjacent to any public street right-of-way. The City's Tree Ordinance prescribes the following specifications for parkway trees:

- a. Minimum diameter of one and one-half inches as measured at breast height.
- b. One of the following species: London Plane, Sugar Maple or Norway Maple (all varieties acceptable.)
- c. Spacing of approximately 50 feet between each tree, at an exact location as directed by the City's Superintendent of Public Works, or his designee. The tree locations shall be shown on the site plan when submitted for approval to the EDC Board.
- d. No trees shall be planted closer than four feet to any curb, curblineline or sidewalk.

Said trees shall be planted upon completion of the building construction and site landscaping, or at a later acceptable time as determined by the Superintendent of Public Works.

14. ACCESS TO LOTS. Permanent access to each industry or business shall be on driveways connected to the Industrial Park's interior streets, currently Locust Street and Industrial Drive. No drives shall connect directly to Green Avenue from lots 1, 6, 7, 8 and 9.

15. OUTDOOR STORAGE. Materials, supplies or products stored outside are to be surrounded by a masonry wall or other appropriate type of wall, approved in writing by the Fremont EDC Board. The

wall shall be two feet above stored materials or four feet in height, whichever is higher and which shall shield such stored items from view from a public street or adjoining properties.

16. NOISE, ODOR, VIBRATION, SMOKE. No use is allowed in which the tenant shall be operating outside the limits of applicable use and zoning ordinances by reason of noise, odor, vibration, smoke or other hazardous nature of operation. **Exhibit D**
Page 4 of 5

17. EARTHWORK. No earthwork shall commence on the property until an acceptable soil erosion control plan is submitted to the Newaygo County Drain Commissioner. Because all sites within the Industrial Park are within 500 feet of Outlots A, B or C, or an inlet to the City's stormsewer system, a P.A. 347 Soil Erosion and Sedimentation Control Permit shall be first obtained from the Drain Commissioner.

18. STORMWATER CONTROL SYSTEM. All roof, parking lot and foundation drains shall be discharged to only the established stormwater control system within the Industrial Park, and shall not be discharged overland or into the City's sanitary sewer system. Several stormwater control detention basins have been constructed within the Park to accommodate the surface runoff from the public streets and private buildings, parking lots, and foundation drains. Businesses are encouraged, however, to construct on-site surface drainage systems to include the use of permanent vegetative filters to detain and filter stormwater before it enters the public stormwater system. Periodic cleaning and removal of sediments from the public stormwater ponds will be necessary, and the costs will be assessed upon the benefiting properties in an equitable and fair manner.

19. ZONING AND OTHER REGULATIONS. The restrictive and protective covenants contained herein are not the sole regulations that may apply to the development of lots within the Park, although they represent the more significant ones. Other provisions within the City's Zoning and Subdivision Control Ordinances, and other local and State codes will apply to developments within the Park.

20. NON-RELOCATION RESTRICTIONS. Because the development of the Industrial Park was financed in part with funds from the U.S. Department of Commerce, Economic Development Administration, all employers locating within the Park must comply with EDA's Non-relocation Regulations as set forth in 13 CFR Sec. 309.3. An EDA Form 101A shall be submitted by each employer prior to closing on the sale of the land (a copy of said form is attached.) This form states, in part, that an employer may not move jobs from one commuting area to another commuting area. An expansion of an existing business to a new location is allowable if the expansion will not cause unemployment in other areas where the business conducts its operations. **(This non-relocation restriction expired February 14, 1998.)**

21. MAINTENANCE.

- a. The owner of any site or lot shall at all times keep the premises, buildings, improvements and appurtenances in a safe, clean and wholesome condition and comply in all respects with all government, health, fire and police requirements and regulations. Any owner will remove, at its own expense, any rubbish of any character whatsoever that may accumulate on said site or lot. In the event said owner fails to comply with any or all of the aforesaid specifications and/or requirements within a reasonable time after notification by registered or certified mail from the Fremont EDC Board or the City of Fremont, then, in addition to such other rights and remedies, the Fremont EDC Board or the City of Fremont also shall have the right, privilege and license to enter upon the premises and make any and all corrections or improvements that may be necessary to meet such standards at the expense of the site owners and such expense shall constitute a lien upon the property.

- b. The owner of any site or lot shall at all times keep the landscaping in good order and citation. Should the owner of any site or lot fail to remedy a deficiency within a reasonable time in the maintenance of the landscaping after notification by registered or certified mail from the Fremont EDC Board or the City of Fremont, the EDC Board and the City expressly reserve the right, privilege and license to make any and all corrections or improvements in landscape maintenance at the expense of the site owner and any such expense shall constitute a lien upon the property.

22. TIME LIMITS ON COMMENCEMENT OF CONSTRUCTION. If, after the expiration of one year from the date of execution of a contract for the sale of any lot lying within the Industrial Park, or after the expiration of one year from the date of completion of public utility service, whichever is later, any purchaser shall not have begun in good faith the construction of a permanent building upon said lot, the Fremont EDC Board retains the option to rescind such contract, refund such portion of the purchase price as had been paid and enter into possession of said land. Any refund of the purchase price paid shall be reduced by the following costs, where applicable: land sale closing costs; land surveying; title commitment or title insurance policies; utility extensions (municipal or other, such as gas or electric); payment in full of any outstanding special assessments for improvements to or adjacent to the property; any unpaid real estate taxes; and any non-refundable option costs per agreement with the purchaser. However, the Fremont EDC Board, in its sole discretion, may extend in writing the time in which such construction may be begun.

Exhibit D
Page 5 of 5

Original Version Adopted by:
Fremont EDC Board: 2/23/93
Fremont City Council: 3/15/93

Amendments Adopted by:
Fremont EDC Board: 4/11/95
Fremont City Council: 4/17/95

Final Document to be recorded with
Newaygo County Register of Deeds
as an exhibit to each Warranty Deed
upon sale of each FIP lot by the City.

The Covenants shall run with the land
in perpetuity, regardless of owner.

