

**ESTIMATE OF CAPTURED VALUE AND  
CAPTURED TAXES**

(

(

(

## **M E M O R A N D U M**

---

**DATE:** June 30, 2005  
**TO:** Gina Cavaliere, DDA Director  
**FROM:** Philip O. Mastin III, City Assessor   
**RE:** 2005 Updated Estimate of Future Captured Values  
**CC:**

---

You have requested an update to the captured value projections made in the January 2002 (Section K ) DDA plan. Attached are my estimates.

I have prepared a chart showing the original 2002 estimates with comparisons to actual performance through 2005 and estimated performance through 2034. The 2002 estimates were based primarily on five points: 1) development of the General Motors property west of Mound, 2) development of a portion of the City Center property, 3) development of the Arsenal District, 4) completion of the General Motors Tech Center Campus, and 5) incremental value growth among the remaining properties within the DDA district. Several significant events have occurred since the January 2002 estimates were made. These events include:

1. "General Motors West of Mound" – now known as the Grand Sakwa property. The 2002 estimates of captured value were made following two different scenarios. The first, and most conservative, scenario assumed a golf course development with a mix of residential and commercial property. The second, and more aggressive, scenario assumed a residential development with some commercial added. Grand Sakwa has since purchased the property and has been approved for a development of 918 residential units, a 150 unit senior citizen center and approximately 450,000 square feet of commercial and office space.
2. "City Center" – The 2002 estimates were based on assumptions of 0%, 50% and 100% development of the City Center area. As of today, the entire civic center portion of the City Center area is being redeveloped, anchored by a 110,000 square foot Library/City Hall with a 554 car parking garage and a two acre urban park. A new street grid has been built creating six new development blocks containing nearly 18 acres that will be available for high density urban commercial, office, residential and mixed use projects. This future use of presently tax exempt land should provide the impetus for additional development along the Van Dyke corridor.
3. "Arsenal District" – development within the Arsenal District started in 1999, though very little had been built by 2001. The 2002 estimates conservatively estimated zero capture through 2010 due to the development's status as a Renaissance Zone. As a "built-out" site, the estimate was projected at \$44.6 million by 2014. As of 2005 the site has a total of \$98.3 million captured value, over double the initial estimate. There are still two sites left to be developed.
4. "General Motors Tech Center" – GM continued to redevelop the campus, investing over \$1 billion in new and rehabilitated office and research space. The reinvestment in Warren has met our expectations, and is viewed in balance with the recent financial news regarding GM's credit rating.

(

(

(

5. "Remaining DDA Properties" – The sluggish economy has kept values of existing properties steady. We have experienced low annual inflation rates recently – 3.2% (2001), 1.5% (2002), 2.3% (2003) and 2.3% (2004). Commercial and Industrial values have been soft, but there has been adequate new construction to keep the 2002 projections viable.

I trust that the attached documents are of value to you. Please contact me if you have any questions regarding the information contained herein, or if I may be of further assistance.

(

(

(

## Measure of Estimated Captured Value to Actual Captured Value

	Year	Estimated Captured Value (January 2002 Section K)	Actual Effective Captured Value as of March 2005	Difference
Significant Events	December 2001	109,596,208	109,596,208	0
	2002	123,549,000	137,293,385	13,744,385
	2003	178,884,000	163,023,533	(15,860,467)
	2004	189,439,325	183,848,595	(5,590,730)
Sakwa Project approved	2005	201,584,450	208,866,366	7,281,916
	2006	213,850,475	estimated future captured value	5,355,738
	2007	228,238,900	250,657,517	22,418,617
	2008	239,754,825	282,407,327	42,652,502
City Square projects start	2009	253,397,750	322,241,752	68,844,002
	2010	287,189,375	362,343,710	75,154,335
RenZone 25% taxable	2011	292,673,800	401,706,601	109,032,801
RenZone 50% taxable	2012	318,817,525	441,336,418	122,518,893
RenZone 75% taxable	2013	345,389,260	481,226,876	135,837,616
RenZone 100% taxable	2014	386,335,695	514,150,991	127,815,296
GM IFTs Expire	2015	483,475,589	581,253,586	97,777,997
GM IFTs Expire	2016	496,935,381	676,488,000	179,552,619
	2017	510,643,448	691,226,543	180,583,095
	2018	524,505,297	706,186,920	181,681,623
GM IFTs Expire	2019	538,928,363	737,649,377	198,721,014
	2020	553,514,110	753,305,481	199,791,371
	2021	568,371,012	769,195,721	200,824,709
	2022	579,738,432	785,325,686	205,587,254
	2023	591,333,201	801,695,969	210,362,768
	2024	603,159,865	818,313,177	215,153,312
	2025	615,223,062	835,178,923	219,955,861
	2026	627,527,523	852,298,830	224,771,307
	2027	640,078,074	869,674,531	229,596,457
	2028	no	887,311,667	
	2029	estimates	905,213,891	
	2030	made	923,384,863	
	2031	"	941,827,254	
	2032	"	960,546,746	
	2033	"	979,547,031	
	2034	"	998,831,809	

(

(

(

# Valuation Model - City Center

data as of 5/22/05 program

**DRAFT**

Site#	1350 sf (15% core)			
	0.4 FAR Office sf	0.4 FAR Retail sf	0.5 FAR Housing units	
1 - 3.62 acres	39,422	39,422		50 mixed
2 - 2.86 acres	31,145	31,145		39 mixed
3 - 2.47 acres	26,898	26,898		34 mixed
4 - 2.40 acres	0	0		33 res only
5 - 1.56 acres	16,988	16,988		21 mixed
6 - 1.30 acres	parking deck probable			
7 - 1.75 acres	0	0		24 res only
8 - 1.57 acres	0	0		22 res only
<b>Totals:</b>	<b>114,453</b>	<b>114,453</b>		144 mixed 79 res only
<b>Unit Values:</b>	<b>\$85</b>	<b>\$80</b>		\$290,000 mixed \$220,000 res only
<b>Total Values:</b>	<b>\$9,728,505</b>	<b>\$9,156,240</b>	<b>\$59,140,000</b>	<b>\$78,024,745</b>
<b>Taxable Values:</b> (1st completed year)	<b>\$4,864,253</b>	<b>\$4,578,120</b>	<b>\$29,570,000</b>	<b>\$39,012,373</b>

Estimated Capture by Year (5 year absorption):

2009	\$7,802,474.50
2010	\$15,604,949.00
2011	\$23,407,423.50
2012	\$31,209,898.00
2013	\$39,012,372.50
2014 built out	

(

(

(

# Valuation Model - Grand Sakwa

12-Jun-05

Base Value = \$6,485,017

2004 Captured value = \$368,993

**DRAFT**

Type of Unit	Unit Size	Number of Units	Unit Value/sf	Unit Value/each	Total Value
Detached residential	2000	205	\$135	\$270,000	\$55,350,000
Detached residential	1400	87	\$135	\$189,000	\$16,443,000
Duplex residential	1500	158	\$125	\$187,500	\$29,625,000
Duplex residential	1400	108	\$125	\$175,000	\$18,900,000
Quadplex residential	1400	204	\$125	\$175,000	\$35,700,000
12plex residential	1200	156	\$120	\$144,000	\$22,464,000
Senior Center	660-800	150		\$40,000	\$6,000,000
Commercial Real	1	454,000	\$75	\$75	\$34,050,000
Commercial Personal	1	454,000	\$10	\$10	\$4,540,000
True Cash Value of Complex					\$223,072,000

Absorption	Year	Assmt/Capture Year	Captured Value above base	
Infrastructure/Models/10%	2005	2006	\$22,307,200	\$4,299,590
22.5% of Improvements	2006	2007	\$50,191,200	\$29,395,190
22.5% of Improvements	2007	2008	\$50,191,200	\$54,490,790
22.5% of Improvements	2008	2009	\$50,191,200	\$79,586,390
22.5% of Improvements	2009	2010	\$50,191,200	\$104,681,990
			\$223,072,000	\$104,681,990 total

(

(

(

# DDA Values

	1993	2002	Total
Real:	295,194,283	12,208,410	307,402,693
Personal:	109,741,200	953,104	110,694,304
Total:	404,935,483	13,161,514	418,096,997

## 2005 DDA Existing Captured Value Summary

	Taxable Values	Base Values	Captured Values	Equivalent Capture %	Equivalent Capture \$
<u>Non-RZ</u>					
Real:	325,535,640	307,402,693	18,132,947	100%	18,132,947
Personal:	<u>135,964,966</u>	<u>110,694,304</u>	<u>25,270,662</u>	100%	25,270,662
Total:	461,500,606	418,096,997	43,403,609		
<u>RZ Property</u>					
Real:	43,095,410	0	43,095,410	8.4%	3,620,014
Personal:	<u>55,254,009</u>	0	<u>55,254,009</u>	8.4%	4,641,337
Total:	98,349,419	0	98,349,419		
<u>IFT Property</u>					
IFT Real Rehab:	64,842,630	0	64,842,630	100%	64,842,630
IFT Real New:	143,531,480	0	143,531,480	50%	71,765,740
IFT Pers New:	<u>39,142,394</u>	0	<u>39,142,394</u>	50%	19,571,197
Total:	247,516,504	0	247,516,504		
<u>OPRA Property</u>					
OPRA Frozen	1,152,190	0	1,152,190	100%	1,152,190
OPRA Rehab:	<u>2,674,100</u>	0	<u>2,674,100</u>	0%	0
Total:	3,826,290	0	3,826,290		

2005 Total Equivalent Captured Value: 208,996,717

(

(

(

## New (2005+) Projects

<u>Project Name</u>	<u>Year</u>	<u>Estimated ITCV</u>	<u>Est Taxable Value</u>	<u>Current Base + Captured Value</u>	<u>Est Additional Captured Value</u>
Grand Sakwa \$223,072,000	2006	22,307,200	11,153,600	6,854,010	4,299,590
	2007	50,191,200	25,095,600	0	25,095,600
	2008	50,191,200	25,095,600	0	25,095,600
	2009	50,191,200	25,095,600	0	25,095,600
	2010	50,191,200	25,095,600	0	25,095,600
<b>Total:</b>		<b>223,072,000</b>	<b>111,536,000</b>	<b>6,854,010</b>	<b>104,681,990</b>
City Center \$78,024,745	2009	15,604,949	7,802,475	0	7,802,475
	2010	15,604,949	7,802,475	0	7,802,475
	2011	15,604,949	7,802,475	0	7,802,475
	2012	15,604,949	7,802,475	0	7,802,475
	2013	15,604,949	7,802,475	0	7,802,475
<b>Total:</b>		<b>78,024,745</b>	<b>39,012,373</b>	<b>0</b>	<b>39,012,373</b>

(

(

(

**City of Warren**  
**Downtown Development Limited Tax Bonds, Series 2004**

**Estimated Revenues from Captured Value  
and Debt Service Coverage on Bonds, Series 2002, Series 2003 and Series 2004**

Captured Prior June 30	Effective Captured Value*	(22.6 Mills) Estimated Capture	Unexpended Balance from Prior Year	Total Actual Series 2002 Bond Debt Service	Total Actual Series 2003 Bond Debt Service	Total Actual Series 2004 Bond Debt Service	Cumulative Balance***
2002**	\$109,596,208	\$2,476,874	\$1,000,000				\$2,726,874
2003**	137,293,385	3,102,831	2,726,874	\$799,270.83			4,280,434
2004**	186,585,329	4,216,828	4,280,434	959,125.00	\$578,437.50		6,209,700
2005	189,439,325	4,281,329	6,209,700	959,125.00	771,250.00	\$ 878,375.00	7,132,279
2006	201,584,450	4,555,809	7,132,279	959,125.00	771,250.00	878,375.00	8,329,337
2007	213,850,475	4,833,021	8,329,337	1,450,062.50	771,250.00	878,375.00	9,312,670
2008	228,238,900	5,158,199	9,312,670	1,431,625.00	1,263,750.00	878,375.00	10,147,120
2009	239,754,825	5,418,459	10,147,120	1,412,562.50	1,248,750.00	1,370,250.00	10,784,016
2010	253,397,750	5,726,789	10,784,016	1,392,562.50	1,233,750.00	1,354,000.00	11,780,493
2011	287,189,375	6,490,480	11,780,493	1,371,625.00	1,218,750.00	1,337,750.00	13,592,848
2012	292,673,800	6,614,428	13,592,848	1,350,250.00	1,203,750.00	1,320,875.00	15,582,401
2013	318,817,525	7,205,276	15,582,401	1,328,500.00	1,188,125.00	1,302,750.00	18,218,302
2014	345,389,260	7,805,797	18,218,302	1,550,625.00	1,171,875.00	1,283,375.00	21,268,224
2015	386,335,695	8,731,187	21,268,224	1,516,875.00	1,400,625.00	1,263,375.00	25,068,536
2016	483,475,589	10,926,548	25,068,536	1,481,250.00	1,374,375.00	1,488,375.00	30,901,084
2017	496,935,381	11,230,740	30,901,084	1,931,250.00	1,347,187.50	1,456,500.00	36,646,886
2018	510,643,448	11,540,542	36,646,886	1,868,750.00	1,808,125.00	1,422,750.00	42,337,803
2019	524,505,297	11,853,820	42,337,803	1,806,250.00	1,758,125.00	1,877,750.00	47,999,498
2020	538,928,363	12,179,781	47,999,498	1,987,500.00	1,708,125.00	1,821,500.00	53,912,154
2021	553,514,110	12,509,419	53,912,154	1,912,500.00	1,903,125.00	1,765,250.00	60,090,698
2022	568,371,012	12,845,185	60,090,698	1,837,500.00	1,843,125.00	1,953,375.00	66,551,882
2023	579,738,432	13,102,089	66,551,882	1,762,500.00	1,783,125.00	1,885,875.00	73,472,471
2024	591,333,201	13,364,130	73,472,471	1,687,500.00	1,722,187.50	1,817,625.00	80,859,289
2025	603,159,865	13,631,413	80,859,289	1,612,500.00	1,659,375.00	1,748,437.50	88,720,389
2026	615,223,062	13,904,041	88,720,389	1,537,500.00	1,595,625.00	1,678,125.00	97,063,180
2027	627,527,523	14,182,122	97,063,180		1,531,875.00	1,606,875.00	107,356,553
2028	640,078,074	14,465,764	107,356,553			1,536,625.00	119,536,692
		\$421,903,267		\$35,906,333.33	\$32,855,937.50	\$34,803,937.50	

\*Source: City Assessor, City of Warren

\*\*Actual Capture Numbers

\*\*\*Includes an estimated \$750,000 operating expense each year

(

(

(



## **Downtown Development Authority**

**Estimate of Captured Value and Captured Taxes**

**January 28, 2002**

(

(

(

# Estimate of Captured Value - 30 Year projection - 1.5% annual appreciation

Valuation Area	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Existing Ad Valorem<sup>1</sup></b>	43,403,609	50,326,000	57,352,000	64,484,000	71,723,000	79,070,000	86,528,000	94,097,000	101,780,000	109,578,000	117,493,000	125,527,000	133,681,000	141,958,000	150,359,000
<b>Captured Ad Valorem<sup>2</sup></b>	461,500,806	468,423,000	475,449,000	482,581,000	489,820,000	497,167,000	504,625,000	512,194,000	519,877,000	527,675,000	535,590,000	543,624,000	551,778,000	560,055,000	568,456,000
<b>TV of Prop in DDA</b>															
<b>Existing IFTOPRA</b>															
<b>Real Rehab Property<sup>3</sup></b>	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820	65,994,820
<b>Real New Property<sup>4</sup></b>	71,665,740	72,740,726	73,831,837	74,939,315	76,063,404	77,204,355	78,362,421	79,537,857	80,730,925	81,941,889	83,171,017	166,342,034	168,837,165	171,369,722	173,940,268
<b>Personal New Property<sup>5</sup></b>	19,571,197	17,614,077	15,852,670	14,267,403	12,840,662	11,556,596	10,400,937	9,380,843	8,424,759	7,582,283	6,848,109	6,208,109	5,668,109	5,228,109	4,888,109
<b>Equivalent TV of IFTs</b>	157,231,757	156,349,623	155,679,327	155,201,537	154,898,687	154,755,771	154,756,177	154,893,520	155,150,503	155,518,991	212,445,586	297,351,000	301,606,543	305,925,920	326,588,377
<b>GM West of Mount<sup>6</sup></b>															
<b>Current Sakawa Project</b>	0	4,299,590	29,395,190	54,490,790	79,586,390	104,681,990	106,232,000	107,846,000	109,464,000	111,106,000	112,773,000	114,465,000	116,182,000	117,925,000	119,694,000
<b>Existing TV</b>	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010
<b>Renaissance Zone<sup>7</sup></b>	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000	8,231,000
<b>Whole taxable Value</b>	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000
<b>City Center<sup>8</sup></b>	0	0	0	0	7,802,475	15,604,949	23,407,424	31,209,898	39,012,373	39,598,000	40,192,000	40,795,000	41,407,000	42,028,000	42,658,000
<b>Summary Totals -</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	208,866,366	219,206,213	250,657,517	282,407,327	322,241,752	362,343,710	401,706,601	441,336,418	481,226,876	514,150,991	581,253,586	676,488,000	691,226,543	706,186,920	737,649,377

**Notes:**

- <sup>1</sup> Existing - value increases estimated at +1.5% per year over total value for all Property
- Total DDA taxable value for 2005: 461,500,806
- <sup>2</sup> GM Rehab projects have "Frozen" values computed against normal millage rates. Value returned to Market Value upon expiration of IFTs.
- <sup>3</sup> GM new project value - IFT values are adjusted to 50% of ECTV for application to "whole" millage rates. Values returned to 100% of TV upon expiration of IFTs circa 2014-2016.
- <sup>4</sup> GM Real Property component estimated at annual 1.5% increase in TV, accounting for appreciation and normal new construction
- <sup>5</sup> GM West of Mount - Grand Sakwa has started development of a Planned Unit Development consisting of approximately 900 attached and detached condominiums and 450,000 sf of retail office. Although Sakwa projects a 3 year build out exceeding \$400 million, this analysis projects a five year absorption at \$223 million
- <sup>6</sup> Real Zone expires in 2013. Through 2010, taxable at about 8.4% of normal rates; 2011 at about 31.3%; 2012 at about 54.2%; 2013 at about 77.1%; 2014 taxable at 100% of normal rates
- <sup>7</sup> Allows for absorption rate of 20% per year in years one through five beginning with construction year 2008 and tax year 2009.
- Cap Val Summary 06.2005.xls 30 year - 1.5% 6/12/2005 3:15 PM



DRAFT DOCUMENT - NOT FOR DISTRIBUTION

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
159,898,000	167,541,000	176,326,000	185,242,000	194,292,000	203,478,000	212,802,000	222,266,000	231,870,000	241,620,000	251,516,000	261,560,000	271,755,000	282,103,000	292,606,000	303,266,000
576,963,000	586,638,000	594,423,000	603,339,000	612,389,000	621,573,000	630,899,000	640,362,000	649,967,000	659,717,000	669,613,000	679,657,000	689,852,000	700,202,000	710,703,000	721,363,000
141,085,000	143,201,000	145,349,000	147,529,000	149,742,000	151,988,000	154,268,000	156,582,000	158,931,000	161,315,000	163,735,000	166,191,000	168,684,000	171,214,000	173,782,000	176,387,000
176,549,372	179,197,612	181,885,577	184,613,860	187,383,068	190,193,814	193,046,721	195,942,422	198,881,559	201,864,782	204,892,754	207,966,145	211,085,637	214,251,922	217,465,701	220,726,372
13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109	13,648,109
331,282,481	336,046,721	340,882,686	345,790,969	350,773,177	355,823,923	360,962,830	366,172,531	371,460,667	376,827,891	382,275,863	387,805,254	393,417,746	399,114,031	404,895,809	410,758,387
121,489,000	123,311,000	125,161,000	127,038,000	128,944,000	130,878,000	132,841,000	134,834,000	136,857,000	138,910,000	140,994,000	143,109,000	145,256,000	147,435,000	149,647,000	151,892,000
6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010	6,854,010
98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000	98,350,000
43,298,000	43,947,000	44,606,000	45,275,000	45,954,000	46,643,000	47,343,000	48,053,000	48,774,000	49,506,000	50,249,000	51,003,000	51,768,000	52,545,000	53,333,000	54,132,000
753,305,491	769,195,721	785,325,686	801,695,969	818,313,177	835,178,923	852,298,830	869,674,531	887,311,667	905,213,891	923,384,863	941,827,254	960,546,746	979,547,031	998,831,809	1,018,391,387





# Warren

City of Progress

City Assessor's Office  
29500 Van Dyke Avenue  
Warren, Michigan 48093  
phone (810) 574-4532  
fax (810) 574-0793

January 28, 2002

To: Gina Cavaliere, Director  
Warren Downtown Development Authority ("DDA")

From: Philip Mastin, City Assessor  
Staff Advisor to DDA

Re: Captured Value Projections

Pursuant to your request, I have prepared an estimate of Captured Value for each of four areas of development within the boundaries of the DDA. The four areas include existing and potential development areas, each with different development scenarios. These areas have been previously addressed as, and are currently known as:

1. The General Motors Tech Center (existing development/redevelopment)
2. The Renaissance Zone (existing and future development)
3. The City Center (proposed development)
4. GM West of Mound (proposed development)

I have examined the existing and proposed development scenarios on each of the above listed areas. I have formulated estimates of Captured Value based on review of documents filed with the City of Warren (in the case of the General Motors Tech Center and the Renaissance Zone) and documents presented by Urban Design Associates (in the case of the City Center and the GM West of Mound property).

In addition to the four areas of development listed above, I have estimated the change in captured value on existing property within the district, as well as the potential loss of captured value from the district resulting from the proposed Van Dyke improvements scenario. The following pages summarize my findings.

Please contact me if you have any questions regarding this analysis or if I may be of further service to the DDA.

(

(

(

## **Assumptions and Limiting Conditions**

## **Site Review**

## **Valuation Methodology**

## **Captured Value Estimates**

- GM Tech Center
- Arsenal District
- City Center
- GM West of Mound
- Summary – Flat Growth

## **20 Year Summary – 2% Growth**

- Annual Estimate of Capture

## **Exhibits**

- Maps of Area
- Aerial of City Center
- UDA Block Calculations
- Calculation of Existing Equivalent Value
- Summary of Van Dyke Avenue Impact

(

(

(

## Assumptions and Limiting Conditions

1. No responsibility is assumed for matters legal in character, nor is any opinion rendered regarding title to any property. It is assumed that, where appropriate, title to property is marketable and free and clear of any liens and encumbrances.
2. Any information supplied by others and used in this analysis is believed to be reliable; however, no responsibility is assumed for its accuracy.
3. No actual surveys of the properties contained in this analysis have been made. Boundaries of the projects listed herein were obtained from data filed with the DDA by secondary sources. Sketches and/or maps contained in this report are to assist the reader in visualizing the projects and are not to be construed as being to scale.
4. Each area addressed in this report involves an area, a project, or group of projects that is either a) currently under construction, b) proposed for future development by Urban Design Associates in their Warren Downtown Development Authority Corridor Study (draft) dated July 6, 2001, or c) existing property. Changes in the scope or detail of any existing property, current project, or future project may affect the conclusions reached in this analysis.
5. Unless otherwise stated in this report, the existence of any hazardous materials or contamination, which may or may not be present on any property within the project areas. discussed in this report, or other adverse environmental conditions, were not called to the attention of the author. The author has no knowledge of the existence of such conditions, nor is the author qualified to test for such substances or conditions. The existence of any such hazardous materials or contaminants could have an impact on the conclusions reached herein.
6. This report is to be used only in its entirety and for the purpose for which it is rendered. Abstraction of a portion of the report, separate from the whole, may alter the conclusions reached by the author.
7. This report is prepared for the use of the Warren Downtown Development Authority for the purposes of projecting Captured Value within the boundaries of the DDA within the four specific areas (contained in the cover letter) as well as projected growth in existing captured taxable values. The analysis and conclusions are based on hypothetical scenarios that are subject to change. Third party readers of this report should not rely on representations made in this report as fact, unless independently verified.
8. The calculations regarding Base Value, Taxable Value, Assessed Value, State Equalized Value and Captured value are made assuming that property tax law in Michigan remains in its current form. Future changes in tax law could alter the conclusions contained in this report.
9. This report includes value attributable to the four areas of development as listed on the cover letter and values attributable to existing property. The anticipated development plan of the DDA is not limited to these four projects, therefore the total captured value within the boundaries of the DDA may be significantly different than those listed within this report.

(

(

(

## Site Review

The area of study encompassed in this report is commonly known as the Warren DDA area. The geographic boundaries are, in a general sense, those commercial and industrial properties within an area bounded by and including Van Dyke Avenue on the east, Mound Road on the west, I-696 on the south, and Fourteen Mile Road on the north.

As of the 2001 assessment year, the Warren DDA had an equivalent captured value of \$109,569,208. This represents the sum of Ad Valorem and IFT Rehab captured value plus 50% of IFT New Facility captured value. Included in the captured value is value attributable to property that may be affected by any improvements made to Van Dyke Avenue. The current captured value of Van Dyke properties that may be affected is \$1,426,500.

### **1. General Motors Tech Center**

The GM Tech Center is contained in two parts. The largest portion is bounded on the east by Van Dyke Avenue, on the west by Mound Road, on the north by Chicago Road, and on the south by Twelve Mile Road, and contains 669+/- acres. The smaller portion is bounded on the east by the Amtrak railroad tracks, on the north by Twelve Mile Road, and is bordered on the south and west by other commercial and industrial properties, and contains 45+/- acres. Total size of the Tech Center is approximately 714+/- acres.

Prior to 1999, the facility contained approximately 8.5 million square feet of research and engineering office space, along with ancillary structures associated with an automotive world headquarters research and design center. After the completion of the redevelopment, it is expected that the facility will contain in excess of 9 million square feet of building, net of demolitions and additions.

General Motors began a redevelopment of the Tech Center in 1999, the major components of which included the demolition of obsolete structures, the addition of new engineering space, and the rehabilitation of existing research and engineering space. The financial commitment for this project exceeds \$1 billion, of which \$787 million is dedicated to taxable investment. Industrial Facility Tax ("IFT") incentives were granted to General Motors for this project, including the "freezing" of some Taxable Value on rehabilitated structures. There is, however approximately \$531 million of new facility investment associated with the project. This new facility investment is captured at 50% of normal *ad valorem* capture due to additional tax incentives given to GM. Further, although the project injects substantial new investment into the Tech Center facility, it also results in the removal (through demolition of real property and disposal of personal property) of existing tax base.

The projections in this report are net of new investment value and disposals combined, with consideration given to the equivalent value of IFT in addition to ad valorem property. Since this project has been approved and is currently under construction, the values considered in this report have a somewhat immediate affect, that is, there is no consideration for market absorption or any other future construction that may occur outside the scope of the immediate projects.

### **2. Renaissance Zone**

The Renaissance Zone is a nearly tax-free area. Formerly part of a U.S. Army base, this area encompasses approximately 153 acres of land. The primary structure on the site is the 1.1 million square foot high bay manufacturing facility once occupied by General Dynamics for the production of tanks and military armaments.

(

(

(

The City of Warren purchased this site shortly after the United States announced the closing of the plant. This occurred in conjunction with the passing of the Michigan Renaissance Zone Act which allowed the development and redevelopment of certain geographical areas in Michigan to become "tax-free." Those doing business within the Renaissance Zone are exempt from approximately 95% of all property taxes. Businesses may also receive tax credits for Michigan state income tax and single business taxes. The goal of the Renaissance Zone is to promote quality development and redevelopment within the Renaissance Zone, and provide jobs for area workers.

The Renaissance Zone has been remarkably successful. Within the past two years, the 1.1 million square foot main structure and 75 acres of land were sold to private ownership. The building is 50% leased to Noble International, with the remaining 50% soon to be leased to another high-quality tenant. Other parcels have been acquired through sale or lease by Macomb Community College, Stage 3 Productions, Johnson Controls, United Auto Workers, and Sennett Steel. Negotiations are pending with other companies for the sale or lease of the remaining parcels still owned by the City of Warren. Additional development is anticipated on the 75 acre site housing the aforementioned primary structure.

The Renaissance Zone is scheduled to expire in 2013. The benefits associated with exemption from property taxes will also expire at that time, however, there will be a period of partial exemption. Under current law, the property will enjoy a 100% exemption from all property taxes (except debt millage) through 2010. In 2011 the exemption is reduced to 75%, in 2012 the exemption is reduced to 50%, and in 2013 the exemption is reduced to 25%. In 2014, after expiration of the Renaissance Zone, the properties on those sites will be fully taxable.

The projections contained in this report are in consideration of the future taxation of the property. It is assumed that all vacant land will be developed prior to the beginning of the reduction in benefits within the Renaissance Zone, therefore, no allowances need be made for market absorption.

### **3. City Center**

The City Center is generally considered to be that area bounded by Van Dyke on the west and bounded on the north, east, and south by Kennedy Circle, including those commercial properties on both sides of Kennedy Circle. Historical documents (see "Direction for Warren – a comprehensive development plan" March 1966) indicate that this area would be developed as

"a vital element of a healthy urban community, a place where trade, commerce, administration and culture go hand in hand. A City Center acts as a magnet both for people and activities providing the focal point for the community, cohesion and a sense of identity."

Within the City Center noted above was an area captioned as the Civic Center, which proposed the following:

Government Center	118,000 square feet
Library	70,000 square feet
Community Activities	70,000 square feet
Auditorium	40,000 square feet

Although the City of Warren government offices were built on this site, the area never developed as planned, and the result has become a mixture of commercial and residential development that under-utilizes the land upon which the developments sit.

(

(

(

In 2000 the City of Warren, in a joint venture with General Motors Corporation, hired Urban Design Associates ("UDA") of Pittsburgh, Pennsylvania to study the principal development corridors within the Downtown Development Authority. UDA has made recommendations for planning, design, development, and redevelopment of the areas that were within the scope of the study. Some of those recommendations are remarkably similar to those made in 1966.

The design scenario presented by UDA includes the redirection of existing streets as well as the development of new streets within the City Center area. The scenario calls for the removal of some existing structures to provide an area for development of new structures. In sum, this scenario provides the City of Warren with a new "downtown" area that contains adequate government, civic, cultural, and commercial development. The plan is as aggressive as it is comprehensive.

The projections in this report are based on the author's consideration of existing development, the implementation of the UDA design scenario in phases, and the feasibility of certain aspects of the design proposal. Consideration has also been given to disposals, demolitions, and market absorption.

#### **4. GM – West of Mound**

Adjacent to the General Motors Technical Center, west of Mound Road, is the single largest tract of undeveloped land left in the City of Warren. Containing approximately 312 acres, this land is now being considered for sale or development by General Motors. GM has not yet announced its plans for development. However, previous discussions with GM and other parties have included scenarios that include a championship length golf course, downtown type commercial, up-scale housing, big-box retail, and other.

Drawing upon the many and diverse ideas that have been presented, the author considers two to be among the most likely. One scenario includes a golf course, commercial development, and housing. The other includes commercial development, housing, and approximately 100 acres of open space dedicated to public use.

Both scenarios are considered within this report. Each is considered feasible. Market absorption for the Golf Course scenario will be different than for the Increased Housing scenario.

(

(

(

## Valuation Methodology

The design and development scenarios presented to the author are very general in nature. Concepts are presented as "57 acres of commercial" or "70,000 sq. ft. of office" and so forth, with very little reference made to specific construction type or to the highest and best use of the subject properties. The one exception to that statement is the redevelopment of the GM Tech Center, the details of which have been made available to the author by General Motors.

Given such limitations, it is difficult to estimate the future value of these unknown entities. However, one can uniformly apply general valuation models to the scenarios to develop comprehensive estimates of total value. The following schedule will be used throughout this report.

For all new real property developments, values will be calculated by applying a unit value that includes the value of land, land improvements, engineering/design, and building improvements. It is assumed that there will be sufficient land available to support the design and development scenarios as presented to the author. The estimated values are:

<u>Property Type</u>	<u>Market Value</u>
Industrial	\$40 per sf (square foot)
Office	\$75 per sf
Retail/Commercial	\$70 per sf
Hotel	\$65 per sf
Apartments	\$40,000 per unit
Residential – large	\$330,000 per house
Residential – mid-size	\$240,000 per house
Residential – urban	\$187,500 per house
Residential – townhouse	\$125,000 per house (attached homes)

Existing properties will be estimated at their current (2001) value per assessing office records.

All personal property values, with the exception of the GM Tech Center, will be calculated based on historical relationships of personal property value to real property value. The GM Tech Center will use personal property values as presented by General Motors in its Industrial Facility Tax Exemption applications made to the City of Warren.

Currently, the total value of taxable commercial personal property in the City of Warren is equal to 48% of the total value of taxable commercial real property\*. Obviously, properties will fall on either the high side or the low side of this relational value. The estimate provided in this analysis is necessarily conservative. The author will use \$10 per square foot of building area (approximately 14.3% of real property value) as the market value of office and commercial personal property, and \$1000 per unit for apartments. Residential personal property is exempt from taxation.

Currently, the total value of taxable industrial personal property in the City of Warren is equal to 94% of the total value of taxable industrial real property\*\*. Again, properties will fall on either the high side or the low side of this relational value. The estimate provided in this analysis is necessarily conservative. The author will use \$15 per square foot of building area (approximately 37.5% of real property value) as the market value of industrial personal property.

---

\* 2001 Commercial Personal Property Assessment = 206,476,476  
2001 Commercial Real Property Assessment = 428,511,820                       $206,476,476/428,511,820 = 0.482$

\*\* 2001 Industrial Personal Property Assessment = 556,621,686  
2001 Industrial Real Property Assessment = 595,333,340                       $556,621,686/595,333,340 = 0.935$

(

(

(

Combining the unit value of the real estate component with the unit value of the personal property component yields the following rates that will be applied for valuation estimates:

Property Type	Market Value (Real)	Market Value (Personal)	Total Value
Industrial	\$40	\$15	\$55
Office	\$75	\$10	\$85
Retail/Commercial	\$70	\$10	\$80
Hotel	\$65	\$10	\$75
Apartments	\$40,000 per unit	\$1000	\$41,000
Residential – large	\$330,000 per house	exempt	\$330,000
Residential – mid-size	\$240,000 per house	exempt	\$240,000
Residential – urban	\$187,500 per house	exempt	\$187,500
Residential – townhouse	\$125,000 per house	exempt	\$125,000

Industrial Facilities Tax (“IFT”) property may be taxed at the full millage rate, as with normal *ad valorem* property, or it may be taxed at an amount less than 100% of the *ad valorem* rates. In most cases, IFT New Facility property is taxed at or about 50% of the rate of *ad valorem* property. IFT Rehabilitation Facility property is taxed at 100% of the *ad valorem* millage rate, but with a value that is “frozen” for a period of up to fifteen years.

In reference to IFT property, adjustments have been made as necessary to equate “value” to an expression that can be applied to *ad valorem* “whole” millage rates. In other words, rather than go through the exercise of adjusting millage rates to calculate tax dollars, an adjustment is made to the value instead. The following example expresses the concept.

Assume the following:

- 1) IFT New Facility property with a True Cash Value (TCV) of \$200,000
- 2) equivalent State Equalized Value (EQSEV) of \$100,000
- 3) *ad valorem* millage rate (Rate) of 49 mills

The procedure for calculating the tax is:

$$\text{EQSEV} \times (\text{Rate} \times 50\%) = \text{Tax}$$

$$\text{Therefore, } 100,000 \times (0.0490 \times 50\%) = \$2,450$$

$$\text{or, } 100,000 \times 0.02450 = \$2,450$$

An alternate procedure, and one that works well within this analysis, is to change the formula so that the millage rate is equal to the *ad valorem* rate, and the EQSEV is adjusted instead:

$$(\text{EQSEV} \times 50\%) \times \text{Rate} = \text{Tax}$$

$$\text{Therefore, } (100,000 \times 50\%) \times 0.04900 = \$2,450$$

$$\text{Or, } 50,000 \times 0.04900 = \$2,450$$

This allows the calculation of captured value to be applied to a uniform tax rate.

(

(

(

## GM Tech Center Captured Value Estimate

Based on development plans submitted by GM, net of estimated disposals.

Notes:

Rehab values - calculated at 70% of projected cost

New facility values (real) - calculated at 70% of projected cost

New facility values (personal) - calculated at submitted costs

Disposals - calculated at 30% of Rehab & New facility values

### Real Property New Facility

	<u>Cost</u>	<u>True Cash Value</u>	<u>Taxable Value</u>
Projected cost at completion (2002)	\$267,880,000		
estimated value at completion		\$190,092,160	\$95,046,080

### Real Property Rehab

Projected cost at completion	\$256,100,000		
estimated value at termination (2014)		\$202,976,454	\$101,488,227

### Personal Property New Facility

Projected cost at completion (2002)	\$263,104,000		
estimated value at termination (average)		\$60,513,920	\$30,256,960

Totals:	\$787,084,000	\$453,582,534	\$226,791,267
---------	---------------	---------------	---------------

(

(

(

## GM Tech Center Captured Value Estimate

### II Tech Center Real Property Values

IFT Project	New/Rehab	Expire Year	Initial Taxable Value*	Projected Future Taxable Value	Annual	
					Increased Captured Value as IFT	after IFT expires
72-097-463	New	2009	\$3,950,440	\$3,950,440	\$0	\$3,950,440
72-099-750	New	2011	\$10,147,600	\$10,147,600	\$0	\$10,147,600
72-099-759	New	2014	\$2,171,740	\$33,425,000	\$31,253,260	\$64,678,260
74-099-751	Rehab	2013	\$2,743,090	\$13,947,240	\$0	\$11,204,150
74-099-752	Rehab	2014	\$1,298,000	\$2,750,380	\$0	\$1,452,380
74-099-753	Rehab	2012	\$4,785,530	\$12,056,766	\$0	\$7,271,236
74-099-754	Rehab	2014	\$23,169,990	\$53,842,967	\$0	\$30,672,977
74-099-755	Rehab	2014	\$4,730,530	\$4,877,058	\$0	\$146,528
74-099-756	Rehab	2014	\$524,990	\$1,044,887	\$0	\$519,897
74-099-757	Rehab	2013	\$2,473,600	\$5,370,785	\$0	\$2,897,185
74-099-758	Rehab	2013	\$3,316,730	\$7,598,144	\$0	\$4,281,414
<b>Real Property Totals</b>			<b>\$59,312,240</b>	<b>\$149,011,267</b>	<b>\$31,253,260</b>	<b>\$137,222,067</b>

### III Tech Center Personal Property Values \*\*

82-097-463	New	2009	\$6,223,272	\$3,705,000	-\$2,518,272	-\$1,962,272
82-099-750	New	2011	\$5,141,891	\$2,694,500	-\$2,447,391	-\$2,042,891
82-099-759	New	2014	\$5,239,634	\$22,434,000	\$17,194,367	\$20,559,367
<b>Personal Property Totals **</b>			<b>\$16,604,797</b>	<b>\$28,833,500</b>	<b>\$12,228,704</b>	<b>\$16,554,204</b>

GM Tech Center Grand Totals:	Initial Taxable Value*	Projected Future Taxable Value	Increased Captured Value as IFT	Increased Captured Value as Ad Valorem
		\$75,917,037	\$177,844,767	\$43,481,964

\* initial value - for this analysis, initial value (current 2001) is used instead of original base value, to show the net increase in value expected upon completion of the project over current (existing) value.

"New IFT" initial, proposed and IFT values are calculated at 50% of Taxable Value.

"Rehab IFT" initial, proposed and IFT values are calculated at 100% of Taxable Value.

\*\* Personal Property Values are averaged over the term of the certificate, then held at the lowest value for Ad Valorem calculations.

(

(

(

## Development Scenario on Arsenal District (Renaissance Zone)

This scenario based on existing parcel descriptions and configurations.

Parcel	Use	Existing Proposed	Building	Land	TCV/sf Building	True Cash Value	Taxable Value
16-251-002	Edison	Proposed		3.66		\$500,000	\$250,000
16-251-003	Lorna Road ROW	Existing	exempt	2.70		\$0	\$0
16-251-004	Manufact (Carp Pen)	Existing	1,107,109	70.72	\$36	\$39,855,924	\$19,927,962
	Manufact (Sennet St)	Proposed	94,889		\$55	\$5,218,895	\$2,609,448
	Manufact - c	Proposed	95,000		\$55	\$5,225,000	\$2,612,500
	Manufact - d	Proposed	44,000		\$55	\$2,420,000	\$1,210,000
16-276-003	Van Dyke Ave. ROW	Existing	exempt	2.39		\$0	\$0
16-401-004	U.S. Gov't	Existing	exempt	4.47		\$0	\$0
16-401-005	Manufact - a	Proposed	70,000	14.35	\$55	\$3,850,000	\$1,925,000
	Manufact - b	Proposed	95,000		\$55	\$5,225,000	\$2,612,500
16-401-006	Office (UAW)	Proposed	36,000	11.80	\$65	\$2,340,000	\$1,170,000
	Manufact	Proposed	61,500		\$55	\$3,382,500	\$1,691,250
16-401-007	Tank Ave. ROW	Existing	exempt	4.96		\$0	\$0
16-426-009	MCC Stub Rd ROW	Existing	exempt	0.81		\$0	\$0
16-426-011	Van Dyke Ave. ROW	Existing	exempt	1.69		\$0	\$0
16-426-012	Macomb Comm Coll	Existing	exempt	4.10	\$0	\$0	\$0
16-426-013	Van Dyke Ave. ROW	Existing	exempt	0.86		\$0	\$0
16-426-016	Residential Vacant	Existing	land only	0.03		\$3,140	\$1,570
16-426-017	Residential Vacant	Existing	land only	0.03		\$3,140	\$1,570
16-426-018	Residential Vacant	Existing	land only	0.03		\$3,140	\$1,570
16-426-019	Residential Vacant	Existing	land only	0.03		\$3,140	\$1,570
16-426-020	Residential Vacant	Existing	land only	0.03		\$3,140	\$1,570
16-426-021	Residential Vacant	Existing	land only	0.03		\$3,140	\$1,570
16-426-022	Residential Vacant	Existing	exempt	0.03		\$0	\$0
16-426-023	Manufact (John Cont)	Existing	270,330	21.42	\$55	\$14,868,150	\$7,434,075
16-426-024	Studio (Stage 3)	Proposed	36,000	8.90	\$65	\$2,340,000	\$1,170,000
	Manufact - b	Proposed	80,000		\$55	\$4,400,000	\$2,200,000
<b>District Totals:</b>			<u>bldg sf</u>	<u>land acres</u>		<u>True Cash Value</u>	<u>Taxable Value</u>
			1,989,828	153.04		\$89,144,309	\$44,572,155

Renaissance Zone designation expires in 2013 (last year of benefit)

Value comes back to tax rolls incrementally beginning 2011

Year	% of Value on Tax Roll	True Cash Value	Taxable Value & Captured Value
2011	25%	\$22,286,077	\$11,143,039
2012	50%	\$44,572,155	\$22,286,077
2013	75%	\$66,858,232	\$33,429,116
2014 and beyond	100%	\$89,144,309	\$44,572,155

(

(

(

# Development Scenario on City Center

Block Calculations based on UDA Report and Assessing Files

**Bold = New**

Normal = Existing

## Proposed

Block/Bldg Use	SF or Units	Unit Value	(true cash) Value	Use	Size SF	(taxable) Base Value	(taxable) 2001 Value	(taxable) Captured Value	Amount of Captured Value over Base	Amount of Captured Value over 2001
<b>I/A</b> office	65,000	\$85	\$5,525,000	<b>Bally</b>	13,221	\$481,805	\$596,707	\$114,902		
<b>I/B</b> parking	540	\$0	\$0	<b>Nat Coney</b>	10,039	\$458,717	\$488,469	\$29,752		
<b>I/B</b> retail	11,000	\$80	\$880,000	<b>Nat City (1/2)</b>	20,910	\$456,159	\$522,825	\$66,666		
<b>I/C</b> office	65,000	\$85	\$5,525,000	<b>vacant land</b>		\$47,058	\$53,840	\$6,782		
<b>I/D</b> retail	16,800	\$80	\$1,344,000							
<b>I/D</b> apartments	33	\$41,000	\$1,353,000							
<b>I/E</b> apartments	18	\$41,000	\$738,000							
<b>I/F</b> apartments	50	\$41,000	\$2,050,000							
<b>Block Totals</b>			\$17,415,000			\$1,443,739	\$1,661,841	\$218,102	\$7,263,761	\$7,045,660
<b>III/A</b> hotel	120,000	\$75	\$9,000,000	<b>Bank One</b>	13,261	\$600,000	\$677,950	\$77,950		
<b>III/B</b> parking	1,425	\$0	\$0	<b>Royal Coventry</b>	70,698	\$581,812	\$576,091	-\$5,721		
<b>III/B</b> retail	22,000	\$80	\$1,760,000	<b>Nat City (1/2)</b>	20,910	\$456,159	\$522,825	\$66,666		
<b>III/C</b> retail	16,000	\$80	\$1,280,000							
<b>III/C</b> office	31,000	\$85	\$2,635,000							
<b>III/D</b> retail	18,000	\$80	\$1,440,000							
<b>III/D</b> office	170,000	\$85	\$14,450,000							
<b>Block Totals</b>			\$30,565,000			\$1,637,971	\$1,776,866	\$138,895	\$13,644,529	\$13,505,635
<b>III/A</b> retail	18,000	\$80	\$1,440,000	<b>City Hall</b>		\$0	\$0	\$0		
<b>III/A</b> office	170,000	\$85	\$14,450,000							
<b>III/B</b> retail	15,000	\$80	\$1,200,000							
<b>III/B</b> office	30,000	\$85	\$2,550,000							
<b>III/C</b> parking	920	\$0	\$0							
<b>III/D</b> retail	5,000	\$80	\$400,000							
<b>III/E</b> residential	12	\$187,500	\$2,250,000							
<b>Block Totals</b>			\$22,290,000			\$0	\$0	\$0	\$11,145,000	\$11,145,000
<b>IV/A</b> retail	18,000	\$80	\$1,440,000	<b>Parking</b>		\$0	\$0	\$0		
<b>IV/A</b> office	18,000	\$85	\$1,530,000							
<b>IV/B</b> retail	10,000	\$80	\$800,000							
<b>IV/B</b> office	10,000	\$85	\$850,000							
<b>IV/C</b> parking	108	\$0	\$0							
<b>IV/D</b> Mac City Bldg	10,000	\$0	\$0							
<b>IV/D</b> parking?	10,000	\$0	\$0							
<b>IV/E</b> day care	15,600	\$75	\$1,170,000							
<b>IV/F</b> retail	9,000	\$80	\$720,000							
<b>Block Totals</b>			\$6,510,000			\$0	\$0	\$0	\$3,255,000	\$3,255,000

(

(

(

**Bold = New**  
Normal = Existing

<b>Proposed</b>		<b>Existing</b>		<b>Removal</b>						
Block/Bldg Use	SF or Units	Unit Value	(true cash) Value	Use	Size SF	Base Value	(taxable) 2001 Value	(taxable) Captured Value	(taxable) Captured Value over Base	Amount of Captured Value over 2001
<b>Block I</b>										
V/A City Hall	70,000	\$0	\$0	vacant land		\$0	\$0	\$0	\$0	
V/B parking	250	\$0	\$0							
V/C residential	13	\$187,500	\$2,437,500			\$0	\$0	\$0	\$0	\$1,218,750
<b>Block Totals</b>			\$2,437,500						\$1,218,750	\$1,218,750
<b>Block II</b>										
VII/A residential	28	\$187,500	\$5,250,000	vacant land		\$0	\$0	\$0	\$0	\$2,625,000
<b>Block Totals</b>			\$5,250,000						\$2,625,000	\$2,625,000
<b>Block III</b>										
VIII/A Courthouse				Courthouse		\$0	\$0	\$0	\$0	
VIII/B townhouses	12	\$125,000	\$1,500,000			\$0	\$0	\$0	\$0	
VIII/C residential	8	\$187,500	\$1,500,000			\$0	\$0	\$0	\$0	\$1,500,000
<b>Block Totals</b>			\$3,000,000						\$1,500,000	\$1,500,000
<b>Block IV</b>										
VIII/A Police Station		\$0	\$0	Police Station		\$0	\$0	\$0	\$0	\$0
<b>Block Totals</b>			\$0						\$0	\$0
<b>Block V</b>										
IX/A apartments	64	\$41,000	\$2,624,000	Small Wonders	17,108	\$0	\$720,510	\$720,510		
IX/B Library	60,000	\$0	\$0	Court Club	18,595	\$364,656	\$418,403	\$53,747		
IX/C public park	0	\$0	\$0	vacant land		\$9,009	\$10,270	\$1,261		
<b>Block Totals</b>			\$2,624,000			\$373,665	\$1,149,183	\$775,518	\$938,335	\$162,817
<b>Block VI</b>										
X/A management	6,000	\$85	\$510,000	Ramada Inn	75,956	\$1,789,000	\$1,023,895	-\$765,105		
X/B apartments	133	\$41,000	\$5,453,000	Studio Plus	34,740	\$93,970	\$1,294,283	\$1,200,313		
<b>Block Totals</b>			\$5,963,000			\$1,882,970	\$2,318,178	\$435,208	\$1,098,530	\$663,322
<b>Block VII</b>										
XI	Excluded from analysis - this Block not in DDA									
<b>Block VIII</b>										
XII	Excluded from analysis - this Block not in DDA									
<b>Block IX</b>										
XIII/A townhouses	22	\$125,000	\$2,750,000	vacant land		\$0	\$0	\$0	\$0	\$1,375,000
<b>Block Totals</b>			\$2,750,000						\$1,375,000	\$1,375,000

(

(

(

**Bolr = New**  
 Normal = Existing

<b>Proposed</b>		<b>Existing</b>		<b>Removal</b>					
Block/Bldg Use	SF or Units	Unit Value	(true cash) Value	Use	Size SF	Base Value	(taxable) 2001 Value	(taxable) Captured Value	Amount of Captured Value over Base
XIV/A Homewood Sits			\$0						
XIV/B townhouses	11	\$125,000	\$1,375,000	Homewood Suites	51,623	\$1,350,000	\$1,460,421	\$110,421	
<b>Block Totals</b>			\$1,375,000			\$1,350,000	\$1,460,421	\$110,421	\$797,921
XV/A office	45,000	\$85	\$3,825,000	Courtyard/Marriott	89,666	\$2,642,314	\$2,049,463	-\$592,851	
XV/B office	45,000	\$85	\$3,825,000						\$3,825,000
XV/C parking	675	\$0	\$0						
XV/D Courtyard/Marr			\$0						
<b>Block Totals</b>			\$7,650,000			\$2,642,314	\$2,049,463	-\$592,851	\$3,232,149
XVII/A Campbell Ewald	150,000	\$0	\$0	Campbell Ewald	150,000	\$5,466,456	\$8,113,019	\$2,646,563	
XVII/B Campbell Ewald	7,013	\$0	\$0	Campbell Ewald	7,013	\$191,376	\$219,130	\$27,754	
XVII/A Camp Ewald vac	0	\$0	\$0	Camp Ewald vac		\$86,550	\$99,090	\$12,540	
XVII/A Camp Ewald vac	0	\$0	\$0	Camp Ewald vac		\$79,797	\$91,350	\$11,553	
XVII/B Danny's Rest	5,904	\$0	\$0	Danny's Rest	5,904	\$221,747	\$247,409	\$25,662	
XVII/C Standard Federal	4,800	\$0	\$0	Standard Federal	4,800	\$86,432	\$422,960	\$336,528	
<b>Block Totals</b>			\$0			\$6,132,358	\$9,192,958	\$3,060,600	\$0
XVIII/A retail	5,000	\$80	\$400,000	vacant land					
XVIII/B residential	13	\$187,500	\$2,437,500						
XVIII/B townhouses	20	\$125,000	\$2,500,000						
<b>Block Totals</b>			\$5,337,500			\$0	\$0	\$0	\$2,668,750
<b>Project Totals:</b>									
						Base Value TV	2001 TV	Captured Value	Captured Value over 2001 TV
						\$15,463,017	\$19,608,909	\$4,145,892	\$49,677,433
			\$113,167,000						

(

(

(

# Development Scenario on GM (west of Mound)

Assumptions taken from conversations with GM and Urban Design Associates

	Scenario #1 - Golf Course		Scenario #2 - Increased housing	
	Acres	Value	Acres	Value
<b>Total</b>	312	\$107,244,500	312	\$256,606,040
<b>City (open)</b>	8	\$0	100	\$0
<b>Golf Course</b>	212	\$3,600,000	0	\$0
	18 holes @ \$200,000 per hole			
<b>Commercial</b>	57	\$51,122,000	65	\$58,231,040
	639,025 bldg size \$80 rate		727,888 bldg size \$80 rate	
<b>Residential</b>	35	\$52,522,500	147	\$198,375,000
	53 Large 53 Mid-Size 119 Urban <u>225 Total Units</u>		200 Large 200 Mid-Size 450 Urban <u>850 Total Units</u>	

**Notes:**

Golf Course assumes championship length, good clubhouse

Commercial assumes - 90% parcel development, 10% roads

3.5:1 Land to Building ratio (typical commercial property requires 3.5 square feet of land to support each one square foot of building)

Scenario #1 - 57 acres x 90% = 51.3 acres buildable or, 639,025 sf of building

Scenario #2 - 65 acres x 90% = 58.5 acres buildable or, 727,888 sf of building

Residential assumes - 90% parcel development, 10% roads

\$330,000 Large homes value

\$240,000 Mid-Size homes value

\$187,500 Urban homes value

Current zoning is M3 Heavy Industrial; above scenarios assume zoning changes to accommodate non-industrial development. Land is held by private party (GM) and as such the City of Warren can exercise only those powers and regulations that fall within the domain of City authority (police power, taxation, eminent domain, escheat).

(

(

(

## Captured Value Estimate on GM (west of Mound)

	<u>Scenario #1 - Golf Course</u>		<u>Scenario #2 - Increased housing</u>	
	<u>Acres</u>	<u>Value</u>	<u>Acres</u>	<u>Value</u>
<b>Total TCV</b>	312	\$107,244,500	312	\$256,606,040
Projected Taxable Value		\$53,622,250		\$128,303,020
Existing Captured Value		\$6,396,700		\$6,396,700
<b>Difference (increase in Capture)</b>		<b>\$47,225,550</b>		<b>\$121,906,320</b>

(

(

(

## Summary of Captured Value

over 2001 values, four projects only, no value trending

### GM Tech Center

2002 - 2014 average \$43,481,964      95% feasible  
 2015 and beyond \$153,776,271      95% feasible

### Arsenal District

95% feasible  
 2011      \$11,143,039  
 2012      \$22,286,077  
 2013      \$33,429,116  
 2014      \$44,572,155

### City Center

\$49,677,433      50% - 75% feasible  
 capture within 10 years of project commencement

### GM West of Mound

Golf Course \$47,225,550      95% feasible  
 or  
 No Golf \$121,906,320      95% feasible  
 capture within 10 years of project commencement

### Total of Four Projects

	without any (0%) City Center projects	with half (50%) City Center projects	with all (100%) City Center projects
minimum within six years:	\$90,707,514	\$115,546,230	\$140,384,947
maximum within six years:	\$165,388,284	\$190,227,000	\$215,065,717
minimum within fourteen years:	\$245,573,975	\$270,412,692	\$295,251,408
maximum within fourteen years:	\$320,254,745	\$345,093,462	\$369,932,178

(

(

(

# Projected Captured Taxes Summary - New Development

over 2001 values, four projects only, no value trending

Results from Captured Value Summary

Macomb County (2000)	Millage Rate
General County	4.2000
Huron-Clinton	0.2202
Drain Debt	0.0070
Smart	0.3273
<b>Total County</b>	<b>4.7545</b>

City of Warren (2001)	
Operating	8.7671
Debt Service	0.2600
EMS	0.2921
Library	0.4870
Rubbish	1.6918
Act 345 Police/Fire	1.8400
Police Operating	0.9740
Fire Operating	0.9740
Recreation	0.9740
<b>Total City of Warren</b>	<b>16.2600</b>

Macomb Community College (2001)	
Operating	1.4535
Debt Service	0.2482
<b>Total MCC</b>	<b>1.7017</b>

minimum within six years:	Increased Captured Value	Increased Captured Taxes (annual)			
		County	City	MCC	Total
0% City Center projects	\$90,707,514	\$431,269	\$1,474,904	\$154,357	\$2,060,530
50% City Center projects	\$115,546,230	\$549,365	\$1,878,782	\$196,625	\$2,624,771
100% City Center projects	\$140,384,947	\$667,460	\$2,282,659	\$238,893	\$3,189,013
<b>maximum within six years:</b>					
0% City Center projects	\$165,388,284	\$786,339	\$2,689,213	\$281,441	\$3,756,993
50% City Center projects	\$190,227,000	\$904,434	\$3,093,091	\$323,709	\$4,321,235
100% City Center projects	\$215,065,717	\$1,022,530	\$3,496,969	\$365,977	\$4,885,476
<b>minimum within fourteen years:</b>					
0% City Center projects	\$245,573,975	\$1,167,581	\$3,993,033	\$417,893	\$5,578,508
50% City Center projects	\$270,412,692	\$1,285,677	\$4,396,910	\$460,161	\$6,142,749
100% City Center projects	\$295,251,408	\$1,403,773	\$4,800,788	\$502,429	\$6,706,990
<b>maximum within fourteen years:</b>					
0% City Center projects	\$320,254,745	\$1,522,651	\$5,207,342	\$544,977	\$7,274,971
50% City Center projects	\$345,093,462	\$1,640,747	\$5,611,220	\$587,246	\$7,839,212
100% City Center projects	\$369,932,178	\$1,758,843	\$6,015,097	\$629,514	\$8,403,453

(

(

(

# Projected Captured Taxes Summary

## Existing Capture plus New Development

over 2001 values, four projects plus existing value only, no value trending

### Existing Captured Value (2001)

New facility IFT	\$65,684,773
-Equivalent IFT Taxable Value	\$32,842,387
Ad Valorem and Rehab IFT	\$76,753,821
<b>Total Existing Captured Value</b>	<b>\$109,596,208</b>

	New Development		Existing (2001)		Total Captured Taxes (annual)			Total
	Captured Value	Existing (2001) Captured Value	County	City	MCC			
<b>minimum within six years</b>								
0% City Center projects	\$90,707,514	\$109,596,208	\$952,344	\$3,256,939	\$340,857	\$4,550,139		
50% City Center projects	\$115,546,230	\$109,596,208	\$1,070,440	\$3,660,816	\$383,125	\$5,114,381		
100% City Center projects	\$140,384,947	\$109,596,208	\$1,188,535	\$4,064,694	\$425,393	\$5,678,622		
<b>maximum within six years</b>								
0% City Center projects	\$165,388,284	\$109,596,208	\$1,307,414	\$4,471,248	\$467,941	\$6,246,603		
50% City Center projects	\$190,227,000	\$109,596,208	\$1,425,509	\$4,875,125	\$510,209	\$6,810,844		
100% City Center projects	\$215,065,717	\$109,596,208	\$1,543,605	\$5,279,003	\$552,477	\$7,375,085		
<b>minimum within fourteen years</b>								
0% City Center projects	\$245,573,975	\$109,596,208	\$1,688,657	\$5,775,067	\$604,393	\$8,068,117		
50% City Center projects	\$270,412,692	\$109,596,208	\$1,806,752	\$6,178,945	\$646,661	\$8,632,358		
100% City Center projects	\$295,251,408	\$109,596,208	\$1,924,848	\$6,582,822	\$688,929	\$9,196,599		
<b>maximum within fourteen years</b>								
0% City Center projects	\$320,254,745	\$109,596,208	\$2,043,726	\$6,989,376	\$731,477	\$9,764,580		
50% City Center projects	\$345,093,462	\$109,596,208	\$2,161,822	\$7,393,254	\$773,745	\$10,328,821		
100% City Center projects	\$369,932,178	\$109,596,208	\$2,279,918	\$7,797,132	\$816,013	\$10,893,063		

(

(

(

Estimate of Captured Value - 20 Year projection - 2.0% annual appreciation

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
<b>Valuation Area</b>																						
Existing	109,596,208	116,049,000	122,631,000	129,344,000	136,192,000	143,177,000	150,301,000	157,568,000	164,980,000	172,540,000	180,251,000	188,117,000	196,140,000	204,323,000	212,670,000	221,184,000	229,868,000	238,738,000	247,791,000	256,977,000	266,370,000	275,970,000
Capitalized AD Valorem & IFT	322,529,286	329,085,000	335,694,000	342,377,000	349,142,000	356,000,000	363,034,000	370,261,000	378,013,000	385,573,000	393,284,000	401,190,000	409,173,000	417,358,000	425,703,000	434,217,000	442,901,000	451,758,000	460,794,000	470,010,000	479,410,000	489,000,000
TV of Real Prop in ODA																						
<b>GM Tech Center Project</b>																						
Real Property	0	7,500,000	31,253,000	31,878,000	32,516,000	33,166,000	33,829,000	34,506,000	35,196,000	35,900,000	36,618,000	37,350,000	38,097,000	38,859,000	39,637,000	40,431,000	41,241,000	42,067,000	42,909,000	43,767,000	44,641,000	
Personal Property	0	0	25,000,000	22,500,000	20,000,000	17,500,000	15,000,000	13,500,000	12,000,000	10,500,000	9,500,000	8,500,000	7,500,000	6,250,000	5,000,000	4,000,000	3,000,000	2,000,000	1,500,000	1,000,000	500,000	0
New Project Value - Total	0	7,500,000	56,253,000	54,378,000	52,516,000	50,666,000	48,829,000	48,006,000	47,196,000	46,400,000	45,618,000	44,850,000	44,097,000	43,359,000	42,637,000	41,931,000	41,241,000	40,567,000	39,909,000	39,267,000	38,641,000	
<b>GH West of Mount</b>																						
With No Golf Course	0	0	0	12,151,402	24,275,604	36,371,705	48,439,208	60,477,010	72,484,212	84,459,914	96,405,216	108,313,218	120,188,020	132,593,080	145,044,482	157,545,181	170,096,315	182,697,901	195,352,939	208,068,940	220,843,012	233,676,072
With Golf Course	0	0	0	4,693,235	9,329,460	13,972,475	18,628,800	23,296,625	27,975,750	32,665,375	37,365,500	42,076,125	46,797,250	51,528,875	56,270,000	61,021,625	65,783,750	70,556,375	75,339,500	80,133,125	84,947,250	89,781,875
With Golf Course Existing TV	6,396,700	6,523,000	6,656,000	6,789,000	6,923,000	7,058,000	7,194,000	7,331,000	7,469,000	7,608,000	7,749,000	7,891,000	8,034,000	8,178,000	8,323,000	8,469,000	8,616,000	8,764,000	8,913,000	9,063,000	9,214,000	
<b>Remediation Zone</b>																						
Van Dyke Imps	0	0	0	(1,500,000)	(1,500,000)	(1,561,000)	(1,592,000)	(1,624,000)	(1,656,000)	(1,689,000)	(1,723,000)	(1,757,000)	(1,792,000)	(1,828,000)	(1,865,000)	(1,902,000)	(1,940,000)	(1,979,000)	(2,019,000)	(2,059,000)	(2,100,000)	
City Center	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
50% Implementation	0	0	0	2,534,000	5,067,000	7,601,000	10,134,000	12,668,000	15,202,000	17,735,000	20,269,000	22,802,000	25,336,000	27,869,000	30,403,000	32,937,000	35,471,000	38,005,000	40,539,000	43,073,000	45,607,000	
100% Implementation	0	0	0	5,067,000	10,134,000	15,201,000	20,268,000	25,335,000	30,403,000	35,470,000	40,537,000	45,604,000	50,671,000	55,738,000	60,805,000	65,872,000	70,939,000	76,006,000	81,073,000	86,140,000	91,207,000	
<b>Summary Totals</b>																						
With No Golf Course	109,596,208	123,549,000	178,884,000	188,905,325	198,517,450	208,248,475	216,104,800	227,086,625	238,195,750	249,434,375	272,404,600	286,010,525	319,893,250	340,622,625	457,373,589	470,441,361	483,752,448	497,311,297	511,223,363	525,395,110	539,830,012	
City Center @ 50%	109,596,208	123,549,000	178,884,000	188,409,325	203,584,450	213,550,475	226,238,800	239,754,625	253,387,750	281,169,375	292,973,600	318,612,525	345,199,250	366,338,625	483,475,589	496,935,361	510,643,448	524,605,297	538,926,363	553,514,110	568,371,012	
City Center @ 100%	109,596,208	123,549,000	178,884,000	191,972,325	206,651,450	221,450,475	226,372,900	252,471,525	268,596,750	284,904,375	312,941,600	341,514,525	370,324,250	392,306,625	510,091,589	524,213,361	538,599,448	553,255,297	568,286,363	583,599,110	599,198,012	
With No Golf Course	109,596,208	123,549,000	178,884,000	196,373,402	211,453,604	228,653,706	245,971,209	264,427,010	283,004,212	301,710,914	332,149,216	363,223,218	394,534,020	416,797,080	535,071,462	548,693,191	564,689,315	579,764,901	595,326,039	611,179,840	627,330,437	
City Center @ 50%	109,596,208	123,549,000	178,884,000	196,307,402	216,520,604	236,554,706	256,111,209	277,095,010	298,206,212	319,445,914	352,418,216	385,418,218	419,637,020	442,513,020	561,173,462	576,187,191	591,480,315	607,058,901	622,029,039	639,238,640	655,871,437	
City Center @ 100%	109,596,208	123,549,000	178,884,000	198,440,402	221,587,604	243,854,706	266,245,209	289,762,010	313,407,212	337,180,914	372,895,216	408,627,218	445,205,020	482,682,218	602,465,191	617,426,315	632,708,901	648,389,901	662,389,039	689,383,640	716,656,437	

Notes:  
 1 Existing - value increases estimated at +2.0% per year over total value for Real Property, no increase for personal property.  
 2 Total ODA taxable value for 2011. Real = 322,629,286 (of which 30,028,191 is already captured)  
 3 GM new project value - IFT values are adjusted to 50% of EOTV for application to "whole" millage rates. Values returned to 100% of TV upon expiration of IFT's circa 2014.  
 4 Consideration is given only to "new" value received after 2000 (some projects already included in Existing Value estimates)  
 5 Real Property component estimated at annual 2.0% increase in TV  
 6 GM West of Mount - Each scenario is net of existing captured value, adjusted by Base Value, and assumes a project start time of 2004 with a ten year absorption  
 7 Run Zone expires in 2013. Becomes taxable incrementally beginning 2011  
 8 Van Dyke Imps. Assumes no takes through 2002, all takes occur in 2003 effective 2004.  
 9 Each assumption (0.65/1.00) allows for absorption rate of 10% per year beginning with year 2004.  
 10 City Center Values are projected net of existing captured value, and net of demolitions, removals, and disposals.

(

(

(

## 20 Year Captured Tax Projection - Annual Capture, Including Trending New & Existing Development

Results from 20 year - 2%

<b>Macomb County (2001)</b>	<b>Millage Rate</b>
General County	4.2000
Huron-Clinton	0.2186
Drain Debt	0.0060
Smart	0.3235
<b>Total County</b>	<b>4.7481</b>

<b>City of Warren (2001)</b>	
Operating	8.7671
Debt Service	0.2600
EMS	0.2921
Library	0.4870
Rubbish	1.6918
Act 345 Police/Fire	1.8400
Police Operating	0.9740
Fire Operating	0.9740
Recreation	0.9740
<b>Total City of Warren</b>	<b>16.2600</b>

<b>Macomb Community College (2001)</b>	
Operating	1.4507
Debt Service	0.2200
<b>Total MCC</b>	<b>1.6707</b>

(

(

(

**Year 2001**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$109,596,208	\$520,374	\$1,782,034	\$183,102	\$2,485,510	
50% City Center projects	\$109,596,208	\$520,374	\$1,782,034	\$183,102	\$2,485,510	
100% City Center projects	\$109,596,208	\$520,374	\$1,782,034	\$183,102	\$2,485,510	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$109,596,208	\$520,374	\$1,782,034	\$183,102	\$2,485,510	
50% City Center projects	\$109,596,208	\$520,374	\$1,782,034	\$183,102	\$2,485,510	
100% City Center projects	\$109,596,208	\$520,374	\$1,782,034	\$183,102	\$2,485,510	

**Year 2002**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$123,549,000	\$586,623	\$2,008,907	\$206,413	\$2,801,943	
50% City Center projects	\$123,549,000	\$586,623	\$2,008,907	\$206,413	\$2,801,943	
100% City Center projects	\$123,549,000	\$586,623	\$2,008,907	\$206,413	\$2,801,943	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$123,549,000	\$586,623	\$2,008,907	\$206,413	\$2,801,943	
50% City Center projects	\$123,549,000	\$586,623	\$2,008,907	\$206,413	\$2,801,943	
100% City Center projects	\$123,549,000	\$586,623	\$2,008,907	\$206,413	\$2,801,943	

**Year 2003**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$178,884,000	\$849,359	\$2,908,654	\$298,861	\$4,056,874	
50% City Center projects	\$178,884,000	\$849,359	\$2,908,654	\$298,861	\$4,056,874	
100% City Center projects	\$178,884,000	\$849,359	\$2,908,654	\$298,861	\$4,056,874	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$178,884,000	\$849,359	\$2,908,654	\$298,861	\$4,056,874	
50% City Center projects	\$178,884,000	\$849,359	\$2,908,654	\$298,861	\$4,056,874	
100% City Center projects	\$178,884,000	\$849,359	\$2,908,654	\$298,861	\$4,056,874	

**Year 2004**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$186,905,325	\$887,445	\$3,039,081	\$312,263	\$4,238,788	
50% City Center projects	\$189,439,325	\$899,477	\$3,080,283	\$316,496	\$4,296,257	
100% City Center projects	\$191,972,325	\$911,504	\$3,121,470	\$320,728	\$4,353,702	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$194,373,402	\$922,904	\$3,160,512	\$324,740	\$4,408,156	
50% City Center projects	\$196,907,402	\$934,936	\$3,201,714	\$328,973	\$4,465,624	
100% City Center projects	\$199,440,402	\$946,963	\$3,242,901	\$333,205	\$4,523,069	

(

(

(

**Year 2005**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$196,517,450	\$933,085	\$3,195,374	\$328,322		\$4,456,780
50% City Center projects	\$201,584,450	\$957,143	\$3,277,763	\$336,787		\$4,571,693
100% City Center projects	\$206,651,450	\$981,202	\$3,360,153	\$345,253		\$4,686,607
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$211,453,604	\$1,004,003	\$3,438,236	\$353,276		\$4,795,514
50% City Center projects	\$216,520,604	\$1,028,061	\$3,520,625	\$361,741		\$4,910,427
100% City Center projects	\$221,587,604	\$1,052,120	\$3,603,014	\$370,206		\$5,025,341

**Year 2006**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$206,249,475	\$979,293	\$3,353,616	\$344,581		\$4,677,491
50% City Center projects	\$213,850,475	\$1,015,383	\$3,477,209	\$357,280		\$4,849,872
100% City Center projects	\$221,450,475	\$1,051,469	\$3,600,785	\$369,977		\$5,022,231
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$228,653,706	\$1,085,671	\$3,717,909	\$382,012		\$5,185,592
50% City Center projects	\$236,254,706	\$1,121,761	\$3,841,502	\$394,711		\$5,357,973
100% City Center projects	\$243,854,706	\$1,157,847	\$3,965,078	\$407,408		\$5,530,332

**Year 2007**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$216,104,900	\$1,026,088	\$3,513,866	\$361,046		\$4,901,000
50% City Center projects	\$226,238,900	\$1,074,205	\$3,678,645	\$377,977		\$5,130,827
100% City Center projects	\$236,372,900	\$1,122,322	\$3,843,423	\$394,908		\$5,360,654
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$245,977,208	\$1,167,924	\$3,999,589	\$410,954		\$5,578,468
50% City Center projects	\$256,111,208	\$1,216,042	\$4,164,368	\$427,885		\$5,808,295
100% City Center projects	\$266,245,208	\$1,264,159	\$4,329,147	\$444,816		\$6,038,122

**Year 2008**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$227,086,625	\$1,078,230	\$3,692,429	\$379,394		\$5,150,052
50% City Center projects	\$239,754,625	\$1,138,379	\$3,898,410	\$400,558		\$5,437,347
100% City Center projects	\$252,421,625	\$1,198,523	\$4,104,376	\$421,721		\$5,724,620
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$264,427,010	\$1,255,526	\$4,299,583	\$441,778		\$5,996,887
50% City Center projects	\$277,095,010	\$1,315,675	\$4,505,565	\$462,943		\$6,284,182
100% City Center projects	\$289,762,010	\$1,375,819	\$4,711,530	\$484,105		\$6,571,455

(

(

(

**Year 2009**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$238,195,750	\$1,130,977	\$3,873,063	\$397,954	\$5,401,994	
50% City Center projects	\$253,397,750	\$1,203,158	\$4,120,247	\$423,352	\$5,746,757	
100% City Center projects	\$268,598,750	\$1,275,334	\$4,367,416	\$448,748	\$6,091,497	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$301,710,914	\$1,432,554	\$4,905,819	\$504,068	\$6,842,441	
50% City Center projects	\$319,445,914	\$1,516,761	\$5,194,191	\$533,698	\$7,244,650	
100% City Center projects	\$337,180,914	\$1,600,969	\$5,482,562	\$563,328	\$7,646,859	

**Year 2010**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$249,434,375	\$1,184,339	\$4,055,803	\$416,730	\$5,656,872	
50% City Center projects	\$267,169,375	\$1,268,547	\$4,344,174	\$446,360	\$6,059,081	
100% City Center projects	\$284,904,375	\$1,352,754	\$4,632,545	\$475,990	\$6,461,289	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$301,710,914	\$1,432,554	\$4,905,819	\$504,068	\$6,842,441	
50% City Center projects	\$319,445,914	\$1,516,761	\$5,194,191	\$533,698	\$7,244,650	
100% City Center projects	\$337,180,914	\$1,600,969	\$5,482,562	\$563,328	\$7,646,859	

**Year 2011**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$272,404,600	\$1,293,404	\$4,429,299	\$455,106	\$6,177,809	
50% City Center projects	\$292,673,600	\$1,389,644	\$4,758,873	\$488,970	\$6,637,486	
100% City Center projects	\$312,941,600	\$1,485,878	\$5,088,430	\$522,832	\$7,097,140	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$332,149,216	\$1,577,078	\$5,400,746	\$554,922	\$7,532,746	
50% City Center projects	\$352,418,216	\$1,673,317	\$5,730,320	\$588,785	\$7,992,422	
100% City Center projects	\$372,686,216	\$1,769,551	\$6,059,878	\$622,647	\$8,452,076	

**Year 2012**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$296,010,525	\$1,405,488	\$4,813,131	\$494,545	\$6,713,163	
50% City Center projects	\$318,812,525	\$1,513,754	\$5,183,892	\$532,640	\$7,230,285	
100% City Center projects	\$341,614,525	\$1,622,020	\$5,554,652	\$570,735	\$7,747,407	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$363,223,218	\$1,724,620	\$5,906,010	\$606,837	\$8,237,467	
50% City Center projects	\$386,025,218	\$1,832,886	\$6,276,770	\$644,932	\$8,754,589	
100% City Center projects	\$408,827,218	\$1,941,153	\$6,647,531	\$683,028	\$9,271,711	

(

(

(

**Year 2013**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$319,853,250	\$1,518,695	\$5,200,814	\$534,379	\$7,253,888	
50% City Center projects	\$345,189,250	\$1,638,993	\$5,612,777	\$576,708	\$7,828,478	
100% City Center projects	\$370,524,250	\$1,759,286	\$6,024,724	\$619,035	\$8,403,045	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$394,534,020	\$1,873,287	\$6,415,123	\$659,148	\$8,947,558	
50% City Center projects	\$419,870,020	\$1,993,585	\$6,827,087	\$701,477	\$9,522,148	
100% City Center projects	\$445,205,020	\$2,113,878	\$7,239,034	\$743,804	\$10,096,716	

**Year 2014**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$340,622,695	\$1,617,311	\$5,538,525	\$569,078	\$7,724,914	
50% City Center projects	\$366,338,695	\$1,739,413	\$5,956,667	\$612,042	\$8,308,122	
100% City Center projects	\$392,306,695	\$1,862,711	\$6,378,907	\$655,427	\$8,897,045	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$416,797,080	\$1,978,994	\$6,777,121	\$696,343	\$9,452,458	
50% City Center projects	\$442,513,080	\$2,101,096	\$7,195,263	\$739,307	\$10,035,666	
100% City Center projects	\$468,481,080	\$2,224,395	\$7,617,502	\$782,691	\$10,624,589	

**Year 2015**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$457,373,589	\$2,171,656	\$7,436,895	\$764,134	\$10,372,684	
50% City Center projects	\$483,475,589	\$2,295,590	\$7,861,313	\$807,743	\$10,964,646	
100% City Center projects	\$510,091,589	\$2,421,966	\$8,294,089	\$852,210	\$11,568,265	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$535,071,462	\$2,540,573	\$8,700,262	\$893,944	\$12,134,779	
50% City Center projects	\$561,173,462	\$2,664,508	\$9,124,680	\$937,553	\$12,726,741	
100% City Center projects	\$587,789,462	\$2,790,883	\$9,557,457	\$982,020	\$13,330,360	

**Year 2016**

GM West of Mound - With Golf Course	Captured Value	County	Captured Taxes (annual)			Total
			City	MCC		
0% City Center projects	\$470,441,361	\$2,233,703	\$7,649,377	\$785,966	\$10,669,046	
50% City Center projects	\$496,935,361	\$2,359,499	\$8,080,169	\$830,230	\$11,269,898	
100% City Center projects	\$524,213,361	\$2,489,017	\$8,523,709	\$875,803	\$11,888,530	
<b>GM West of Mound - With No Golf Course</b>						
0% City Center projects	\$549,693,191	\$2,609,998	\$8,938,011	\$918,372	\$12,466,382	
50% City Center projects	\$576,187,191	\$2,735,794	\$9,368,804	\$962,636	\$13,067,234	
100% City Center projects	\$603,465,191	\$2,865,313	\$9,812,344	\$1,008,209	\$13,685,866	

(

(

(

**Year 2017**

GM West of Mound - With Golf Course	Captured Value	Captured Taxes (annual)			
		County	City	MCC	Total
0% City Center projects	\$483,752,448	\$2,296,905	\$7,865,815	\$808,205	\$10,970,925
50% City Center projects	\$510,643,448	\$2,424,586	\$8,303,062	\$853,132	\$11,580,781
100% City Center projects	\$538,599,448	\$2,557,324	\$8,757,627	\$899,838	\$12,214,789
<b>GM West of Mound - With No Golf Course</b>					
0% City Center projects	\$564,589,315	\$2,680,727	\$9,180,222	\$943,259	\$12,804,208
50% City Center projects	\$591,480,315	\$2,808,408	\$9,617,470	\$988,186	\$13,414,064
100% City Center projects	\$619,436,315	\$2,941,146	\$10,072,034	\$1,034,892	\$14,048,072

**Year 2018**

GM West of Mound - With Golf Course	Captured Value	Captured Taxes (annual)			
		County	City	MCC	Total
0% City Center projects	\$497,311,297	\$2,361,284	\$8,086,282	\$830,858	\$11,278,423
50% City Center projects	\$524,605,297	\$2,490,878	\$8,530,082	\$876,458	\$11,897,419
100% City Center projects	\$553,255,297	\$2,626,911	\$8,995,931	\$924,324	\$12,547,166
<b>GM West of Mound - With No Golf Course</b>					
0% City Center projects	\$579,764,901	\$2,752,782	\$9,426,977	\$968,613	\$13,148,372
50% City Center projects	\$607,058,901	\$2,882,376	\$9,870,778	\$1,014,213	\$13,767,367
100% City Center projects	\$635,708,901	\$3,018,409	\$10,336,627	\$1,062,079	\$14,417,115

**Year 2019**

GM West of Mound - With Golf Course	Captured Value	Captured Taxes (annual)			
		County	City	MCC	Total
0% City Center projects	\$511,223,363	\$2,427,340	\$8,312,492	\$854,101	\$11,593,932
50% City Center projects	\$538,926,363	\$2,558,876	\$8,762,943	\$900,384	\$12,222,203
100% City Center projects	\$568,286,363	\$2,698,280	\$9,240,336	\$949,436	\$12,888,053
<b>GM West of Mound - With No Golf Course</b>					
0% City Center projects	\$595,326,039	\$2,826,668	\$9,680,001	\$994,611	\$13,501,280
50% City Center projects	\$623,029,039	\$2,958,204	\$10,130,452	\$1,040,895	\$14,129,551
100% City Center projects	\$652,389,039	\$3,097,608	\$10,607,846	\$1,089,946	\$14,795,401

**Year 2020**

GM West of Mound - With Golf Course	Captured Value	Captured Taxes (annual)			
		County	City	MCC	Total
0% City Center projects	\$525,395,110	\$2,494,629	\$8,542,924	\$877,778	\$11,915,331
50% City Center projects	\$553,514,110	\$2,628,140	\$9,000,139	\$924,756	\$12,553,036
100% City Center projects	\$583,599,110	\$2,770,987	\$9,489,322	\$975,019	\$13,235,327
<b>GM West of Mound - With No Golf Course</b>					
0% City Center projects	\$611,179,840	\$2,901,943	\$9,937,784	\$1,021,098	\$13,860,825
50% City Center projects	\$639,298,840	\$3,035,455	\$10,394,999	\$1,068,077	\$14,498,531
100% City Center projects	\$669,383,840	\$3,178,301	\$10,884,181	\$1,118,340	\$15,180,822

(

(

(

**Year 2021**

	<b>Captured Value</b>	<b>Captured Taxes (annual)</b>			
		<b>County</b>	<b>City</b>	<b>MCC</b>	<b>Total</b>
<b>GM West of Mound - With Golf Course</b>					
0% City Center projects	\$539,830,012	\$2,563,167	\$8,777,636	\$901,894	\$12,242,697
50% City Center projects	\$568,371,012	\$2,698,682	\$9,241,713	\$949,577	\$12,889,973
100% City Center projects	\$599,198,012	\$2,845,052	\$9,742,960	\$1,001,080	\$13,589,092
 <b>GM West of Mound - With No Golf Course</b>					
0% City Center projects	\$627,330,437	\$2,978,628	\$10,200,393	\$1,048,081	\$14,227,102
50% City Center projects	\$655,871,437	\$3,114,143	\$10,664,470	\$1,095,764	\$14,874,377
100% City Center projects	\$686,698,437	\$3,260,513	\$11,165,717	\$1,147,267	\$15,573,497

(

(

(



(

(

(

EXISTING RESIDENTIAL

26,000 sq. ft. manufacturing  
**PROPOSED**

7,000 sq. ft. office  
88,000 sq. ft. manufacturing  
**PROPOSED**

7,000 sq. ft. office  
88,000 sq. ft. manufacturing  
**PROPOSED**

3,000 sq. ft. office  
41,000 sq. ft. manufacturing  
**PROPOSED**

EXISTING

Carpenter's Pension Fund  
73.0 ACRES  
4

110,000 sq. ft. office

1,090,000 sq. ft. manufacturing

ARSENAL INDUSTRIAL DISTRICT  
RENAISSANCE ZONE

Dept. of Defense  
**EXEMPT**

1.3 acres

Tank Ave.

22.0 ACRES

JOHNSON CONTROLS, INC.

MACOMB COMMUNITY COLLEGE  
**EXISTING**

4.5 ACRES

10,000 sq. ft. office  
87,000 sq. ft. manufacturing  
**PROPOSED**

3,500 sq. ft. office  
**PROPOSED**

U.A.W.  
7.8 ACRES

EXISTING  
22,500 sq. ft. office  
338,000 sq. ft. manufacturing

VACANT  
4,500 sq. ft. office  
56,000 sq. ft. manufacturing  
**PROPOSED**

4.0 ACRES

STAGE 3

4,500 sq. ft. office  
56,000 sq. ft. manufacturing  
**PROPOSED**

4.0 ACRES

City of Warren  
14.354 ACRES

16,000 sq. ft. office  
**PROPOSED**

106,000 sq. ft. manufacturing  
**PROPOSED**

4.0 ACRES  
**PROPOSED**

3,500 sq. ft. office  
58,000 sq. ft. manufacturing  
**PROPOSED**

LORD AVE.

EXISTING RESIDENTIAL

84' GREENBELT/TRAIL

VAN DYKE AVENUE

84' GREENBELT/TRAIL

(

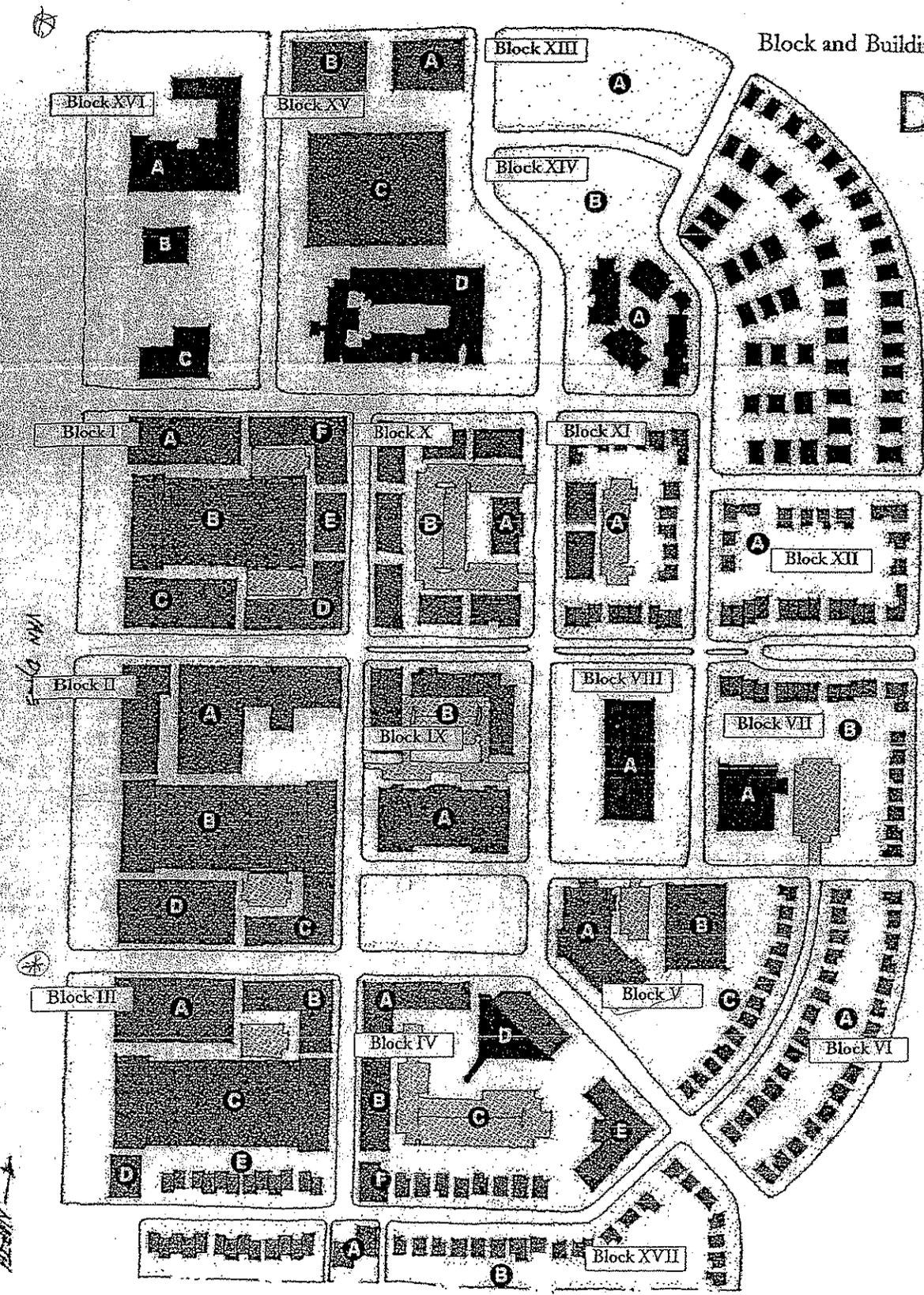
(

(

Block and Buildings Key

DRAFT

CITY CENTER



Summary

- New Retail: 164,000 sf
- New Office: 649,000 sf
- New Other: 141,000 sf
- New Residential : 1200 Units
- New Public/Institutional: 140,000 sf

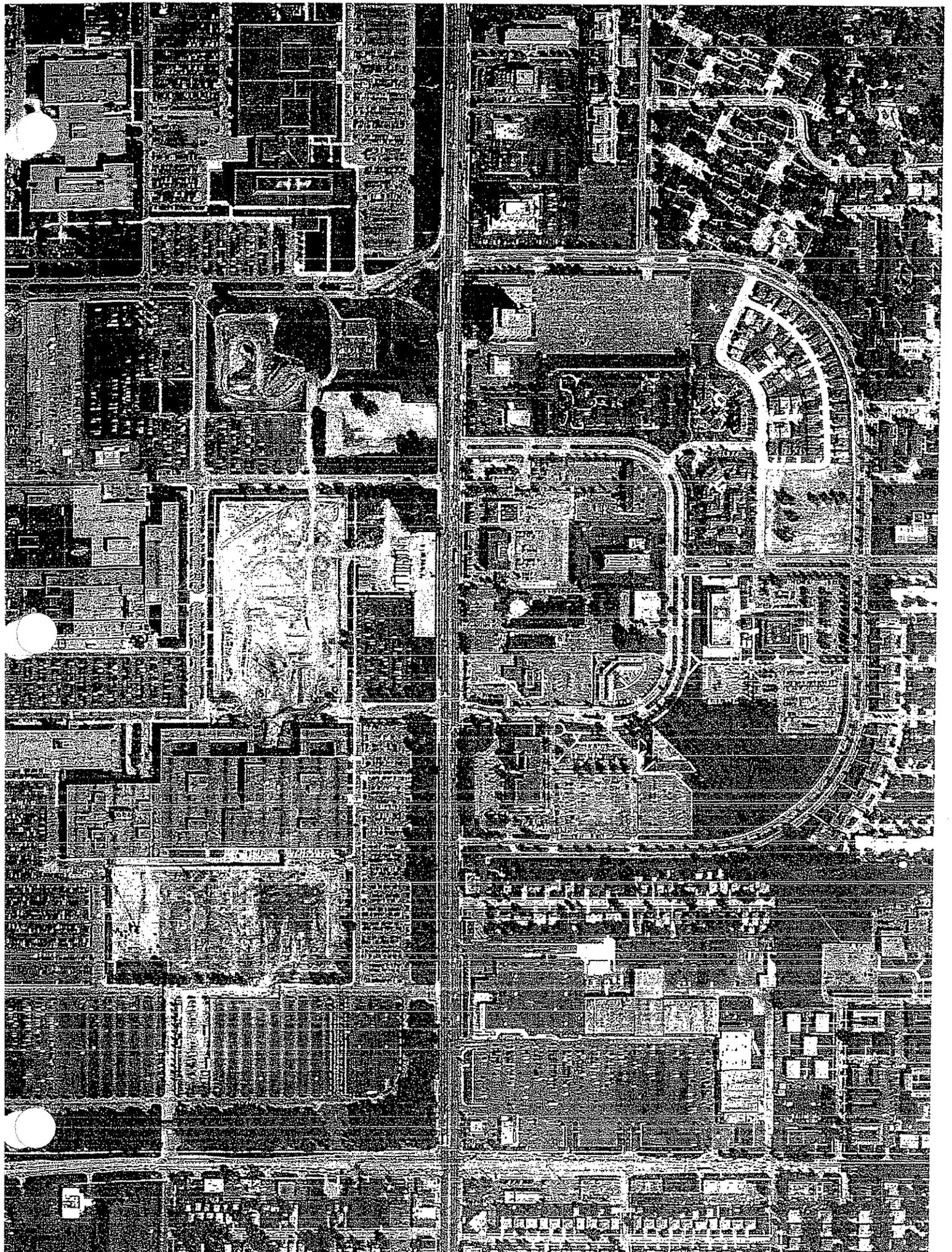
DRAFT

-  Existing Buildings
-  Proposed Buildings

C

C

C



C

C

C



(

(

(

DRAFT

A-library	2			645	60000	25
ul		0	0	0	60,000	70
		0	0	645	0	25

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A-management				6,000				133				
B-res	3							133	0	0	0	0
sub total		0	0	6,000	0	0	0	133	0	0	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A-res								180	9	11		
sub total		0	0	0	0	0	0	180	9	11	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A-res								12	11			
sub total		0	0	0	0	0	0	12	11	0	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A-res								22				
sub total		0	0	0	0	0	0	22	0	0	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A-exist												
B								11				
sub total		0	0	0	0	0	0	11	0	0	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A			45,000									
B			45,000									
C												
D-exist				exist							675	
sub total		0	90,000	0	0	0	0	0	0	0	675	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A-exist												
B-exist												
C-exist												
sub total		0	0	0	0	0	0	0	0	0	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
A		5,000										
B-res								20	13			
sub total		5,000	0	0	0	0	0	20	13	0	0	0

Block	Bldg/Lot # of floors	Private						Public				
		retail (sq.ft.)	office (sq.ft.)	other (sq.ft.)	residential (sq.ft.)*	Apts	TH	SF	bldg (sq.ft.)	public pkg. structure	street	lot
TOTAL		163,800	649,000	141,600	194,600	1,059	98	92	140,000	3,810	325	205

sq.ft.      pkg/1000  
1,094,400      3.97

assumptions  
1000 sq.ft./apt  
1200 sq.ft./TH  
1800 sq.ft./SF

(

(

(

## Calculation of Existing (2001) Equivalent Captured Value

<u>Type of Value</u>	<u>Amount of Value</u>	<u>Calc at 100% or 50%</u>	<u>Equivalent Value</u>
Ad Valorem	33,711,361	100%	33,711,361
IFT – Rehab	43,042,460	100%	43,042,460
IFT – New Facility	<u>65,684,773</u>	50%	<u>32,842,387</u>
<b>Totals</b>	142,438,594		<b>109,596,208</b>

(

(

(

**MEMORANDUM**

---

**DATE:** January 8, 2002  
**TO:** John Axe  
**FROM:** Philip Mastin, City Assessor  
**RE:** DDA (Van Dyke)  
**CC:** Gina Cavaliere, DDA Director

---

Below is a summary of values affected by the proposed Van Dyke / 12 Mile takes. I have back-up documentation on a "per parcel" basis, which I will make available should you require a final report. The parcel list for this calculation was obtained from Ms. Cavaliere, which I believe came from Ed Romsburg's (sp?) report commissioned by Rich Doherty. The data has been grouped using the same group levels as the parcel list obtained from Ms. Cavaliere. Note that not all parcels on said list are currently within the DDA boundaries. Please note that all values are from the 2001 assessment season.

Summary of Taxable and Captured Value – 2001 (per list)

<u>Area</u>	<u>Total Taxable Value (real)</u>	<u>Total Captured Value (real)</u>
Van Dyke – east side	4,138,590	550,618
Van Dyke – west side	2,675,080	396,540
12 Mile – north side	963,680	152,276
12 Mile – south side	2,170,690	89,316
I-696 – N side W of Van Dyke	24,450	0
Real Property Total:	9,973,490	1,188,750
Real Prop General Fund (TV-CV)	8,784,740	
Personal Property Estimate (20% )	1,994,698	237,750
Pers Prop General Fund (TV-CV)	1,756,948	
Grand Totals:	11,968,188	1,426,500
General Fund (TV-CV)	10,541,688	

(

(

(