

Michigan Urban Land Assembly Year End Report September 30, 2011

The Michigan Economic Development Corporation (MEDC) has the administrative responsibility for the Michigan Urban Land Assembly (ULA) Fund Program. The ULA Program was created to assist eligible municipalities in the acquisition of industrial and commercial property for economic development purposes.

Section 9 of the Urban Land Assembly Act of 1981 requires that the MEDC report to the Legislature on an annual basis regarding the use of the ULA Fund, including:

- A list and description of approved projects
- The number of jobs created by approved projects
- Other accomplishments of the Fund
- The MEDC's recommendations on the continuation or cessation of the Fund, as well as, other recommendations for changes in the Fund

As of September 30, 2011, the fund's available balance was \$3,784,889. The MEDC continues to collect on the outstanding loans. During this fiscal year, the MEDC collected receivables in the amount of \$289,372. Since the inception of the ULA Fund, 32 projects have been approved. A list of the 9 open projects is attached.

One new loan to Cornerstone Alliance was made during this period. The ULA Fund continues to provide important support for projects that contribute to the revitalization of urban centers. We believe the financial situation many communities find themselves in prevented them from incurring any additional obligations. The MEDC recommends continuation of the ULA Fund.

URBAN LAND ASSEMBLY (ULA) LOAN PROGRAM
ANNUAL REPORT
YEAR ENDED SEPTEMBER 30, 2011

Approval Date	Borrower	Loan Amount	Loan Balance	Loan Terms	Loan Status	Use of Funds	Employment		project expiration	Project Status
							projected	actual to date		
1/16/01	Jackson City	\$1,000,000	\$0	7 years 0% Int	paid	Being used to assemble property for Consumer Energy's downtown campus	224	750	12/15/2010	Construction complete. Working on close out.
7/9/01	Detroit City	\$2,000,000	\$2,000,000		Not Current	Being used to assemble 183 acres for the I-94 Industrial Park	1,000	200		Construction complete. Project remains open for job creation and balloon payment 6/1/2011
8/20/01	Bay City	\$255,000	0	10 years 0% Int	paid	Being used to acquire commercial property for hotel/conference center	164	146	7/31/2011	Property acquired&cleared. Construction done. Working on close out.
7/31/02	Detroit City	\$150,000	\$0	10 years 0% Int	paid	Being used to acquire commercial property for residential units	N/A	N/A	6/30/2012	Property acquired. Working on close out.
8/27/04	Sturgis City	\$200,000	\$53,692	10 years 0% Int	Current	Being used to assemble 3 acres of land for Americraft Carton	25	0	8/1/2014	Property acquired. Project remains open for job creation and loan repayment beg 8/1/05
04/07/05	White Cloud City	\$160,000	\$50,672	10 years 0% Int	Current	Being used to assemble commercial property in DDA for medical facility	15	0	6/1/2015	Property acquired. Project remains open for job creation and loan repayment.
12/21/99	Muskegon	\$1,276,900	\$0	10 years 0%Int	paid	Being used to assemble 30 acres for the Seaway Industrial Park	300	0	10/30/2009	Construction complete. Project remains open for marketing and job creation.
10/10/05	Corunna	\$450,000	\$230,000	10 years 0% Int	Current	Being used to acquire property in DDA for Chemical Bank&county development	5	0	12/31/2015	Property acquired. Project remains open for construction, jobs& loan repayment.
11/04/10	Cornerstone Benton Harbor	\$3,000,000	\$2,938,252	10 years 1% Int.	Current	Being used to acquire aprox. 12 acres& by DDA for Whirlpool Office Project	868 Retained	0	11/4/2020	Property acquired. Project remains open for construction & loan repayment.