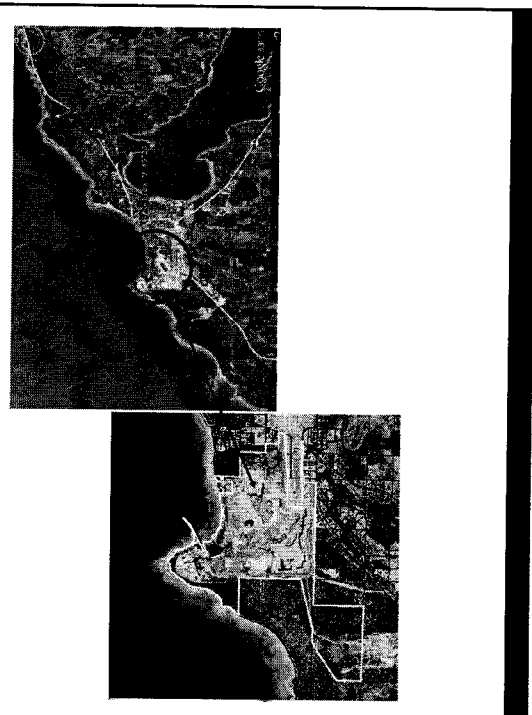


ST MARYS CEMENT CHARLEVOIX



Combined Brownfield/Act 381 Work Plan



SMC CHARLEVOIX PROJECT

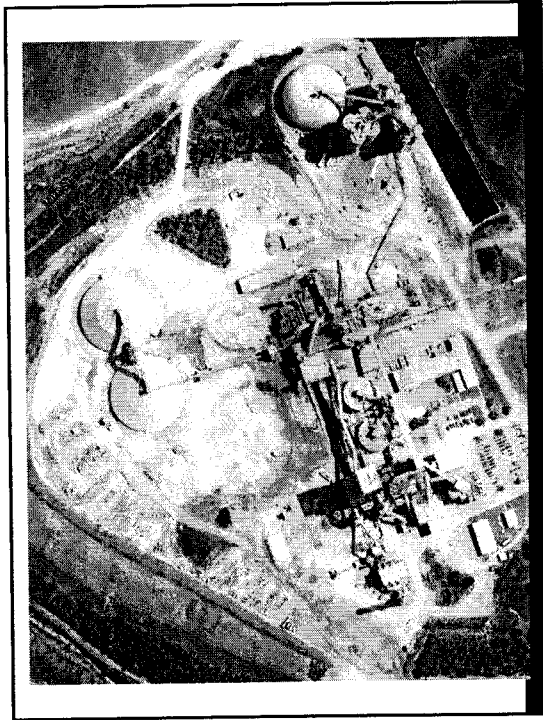
- Modernization and expansion of the cement making process.
- Increase production capacity from 1.4 million metric tons to 2.0 million metric tons.
- Ten new permanent jobs; 300 construction jobs.





SMC CHARLEVOIX PROJECT

- Modernization and expansion of the cement making process.
- Increase production capacity from 1.4 million metric tons to 2.0 million metric tons.
- Ten new permanent jobs; 300 construction jobs.
- Private investment of \$130 million



SMC CHARLEVOIX PROJECT

- Modernization and expansion of the cement making process.
- Increase production capacity from 1.4 million metric tons to 2.0 million metric tons.
- Ten new permanent jobs; 300 construction jobs.
- Private investment of \$130 million
- Extensive demolition of buildings and equipment necessary.
- Brownfield Tax Increment Financing (TIF) will help finance these extraordinary costs.

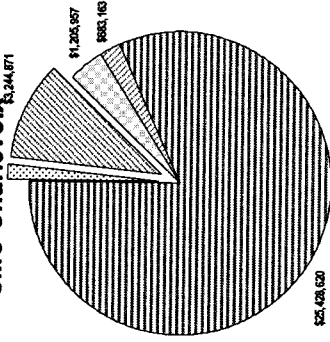
Activity	Cost
DEMOLITION AND REMOVAL	\$2,500,000
MACHINERY AND EQUIPMENT	\$85,900,000
Raw Mill	\$9,100,000
Cooler	\$20,000,000
Finish Mill	\$22,200,000
Coal Mill	\$6,000,000
PH Tower	\$2,800,000
Ductwork, Interconnection & Kiln Modifications	\$10,300,000
Material Handling	\$3,500,000
Services, Electrical	\$10,000,000
BUILDINGS/STRUCTURES	\$13,200,000
Kiln Feed Blanding Silo	\$6,000,000
PH Tower Structure	\$3,900,000
Kiln Pier Foundations	\$1,500,000
FM Shed	\$800,000
Coal Mill Shed	\$1,100,000
POLLUTION CONTROL EQUIPMENT	\$23,300,000

WHAT IS BROWNFIELD TAX INCREMENT FINANCING?

- Brownfield TIF helps finance extraordinary costs for developing Brownfield sites.
- Levels the playing field between greenfield and Brownfield sites.
- Increased taxes generated by the project private investment are captured over time.
- Brownfield *eligible* activities on Brownfield *eligible* property are reimbursed over time from captured taxes.
- Tax revenue that would not otherwise be generated.
- A slice of the pie is taken to reimburse Brownfield Eligible Activities.
- The revenue pie expands because of additional private investment.

Brownfield Tax Capture Allocation

SMC Charlevoix



State Brownfield Fund
 State Capture
 Local Capture
 IFT Value
 Tax Revenue
New Taxes = \$25.4 million over 30 years



ELIGIBLE PROPERTY

- Qualification
 - Contaminated
 - Blighted
 - Functionally Obsolete
 - Historic Designation
- Adjacent Property
- St Marys – Part 201 Facility/Adjacent



SMC CHARLEVOIX – PART 201

- Fuel Oil Spill by CEMEX in 1991
- Judicial Consent Decree in 2002 between CEMEX and MDEQ
- Extensive cleanup and monitoring
- Continued by SMC



PUBLIC PURPOSE

- Increased Investment/Tax Base
- Retained and Additional Employment
- Expanded Production Capacity
- Secure Important Industrial Facility



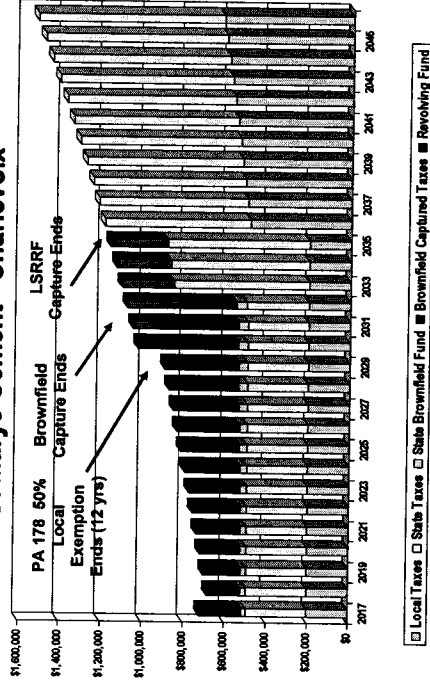
APPROACH

- Conservative Estimates
 - Eligible Activities (High)
 - Buildout (Long)
 - Taxable Value (Low)

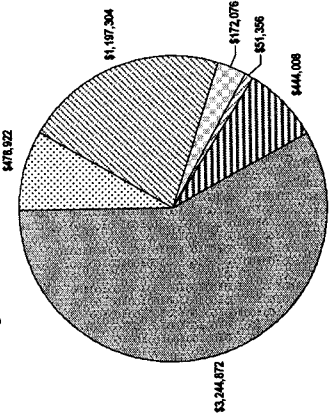
MSF Eligible Activities Costs

Eligible Activities	Cost
Lead and Asbestos Abatement	\$25,000
Demolition	\$2,450,000
Contingency (15%)	\$371,250
Eligible Activities Subtotal	\$2,846,250
Interest	\$1,268,964
Work Plan Development and Review Costs	\$20,000
Administrative and Operation Costs	\$200,000
MEGA Eligible Activities Subtotal	\$4,335,214

Captured Taxes and Revenues St Marys Cement - Charlevoix

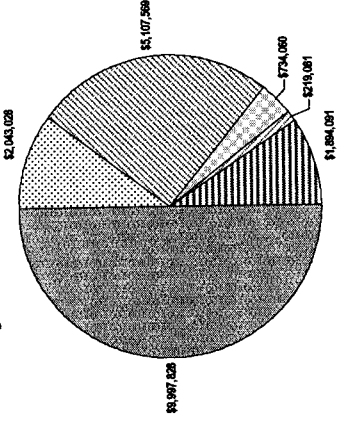


Brownfield Tax Capture Allocation St Marys Cement - Charlevoix



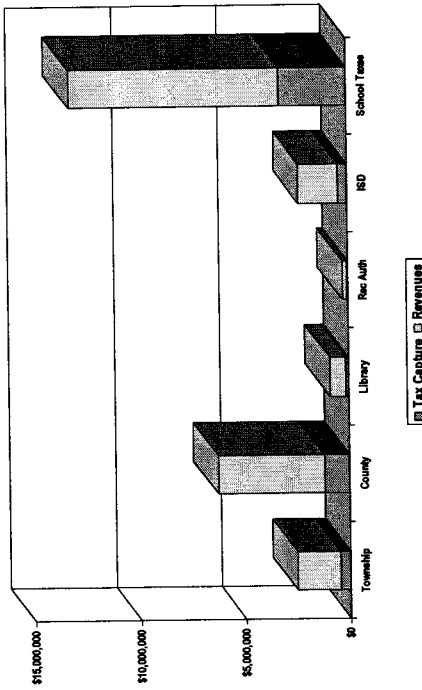
Township
 County
 Library
 Rec Auth
 ISD
 School Taxes

Tax Revenue Allocations - 30 years St Marys Cement - Charlevoix



Township
 County
 Library
 Rec Auth
 ISD
 School Taxes

**Table 4.4 Brownfield Tax Capture/Revenue Allocations
St Marys Cement - Charlevoix**



Tax Capture
 Revenues



PROPOSED BROWNFIELD SCHEDULE

ACTION	BOARD	DATE
Combined Brownfield Plan Consideration	CCBRA	January 13
Project Introduction, Set Public Hearing	County Commission	January 14
Combined Brownfield Plan Concurrence	Charlevoix Twp	January 26
Public Hearing, Brownfield Plan Consideration	County Commission	January 27
Combined Brownfield/Act 381 Work Plan Consideration	MSF	March 24