

*Version 2/2/2022*

AMENDMENT  
TO  
DEVELOPMENT AND TAX INCREMENT FINANCING PLAN  
OF THE  
CITY OF MUNISING  
DOWNTOWN DEVELOPMENT AUTHORITY

Adopted by the City of Munising Downtown Development Authority on January 26, 2022

Approved by the City Commission of the City of Munising on March 21, 2022

Recommended by the Development Area Citizens Council on March 7, 2022

## INTRODUCTION

The City of Munising Downtown Development Authority (the “Authority”) was created in 1976 by ordinance of the City Commission of the City of Munising (the “City”). The Authority and the City Commission approved and adopted the original *Development and Tax Increment Plan* (the “Original Plan”) in 1988. The Development Area is as indicated in Appendix 1 hereto.

The Original Plan contained a list of projects to be undertaken by the Authority in cooperation with the City. In 1993 and 2013 the Authority and the City approved and adopted amendments to the Original Plan (the “Amended Plan.”) The Authority and the City are ready to proceed with additional projects to meet the development needs of the City, and therefore an amendment to the Amended Plan (the “2022 Amendment”) is necessary. This 2022 Amendment extends the duration of the Amended Plan to allow for financing and completion of projects described in the Amended Plan and to provide for new projects and activities for the purpose of preventing property value deterioration and encouraging further investment within the district in accordance with Act 57, Public Acts of Michigan, 2018, as amended (“the DDA Act”).

In order to accomplish these projects this 2022 Amendment extends the life of the Amended Plan to terminate upon the collection of the last taxes levied for the year 2042, tax increment revenues from such capture to be expended by June 30, 2043.

### **2022 Amendment Supplements the Amended Plan**

This 2022 Amendment is an update and addition to the Amended Plan and must be read in concert with the Amended Plan. This 2022 Amendment refers to certain portions of the Amended Plan but does not repeal or abrogate any provision of the Amended Plan unless expressly stated. (The Amended Plan as amended by the 2022 Amendment is referred to herein as the “2022 Amended Plan.”)

## AMENDMENT TO DEVELOPMENT PLAN

The Development Plan of the Amended Plan is amended as follows.

### Boundaries of Development Area

The Development Area is confirmed and is attached as **Appendix 1** hereto.

### The Location, Extent, Character and Estimated Cost of Improvements and Estimated Time for Completion

In light of the changing and growing needs of the community and the need to finance and complete several projects outlined in the Amended Plan in order to fulfill the purpose of the Amended Plan and the DDA Act, this 2022 Amended Plan includes the following additions to the improvement program of the Authority. The program continues to focus on projects that will prevent deterioration of the downtown business district, and encourage private development and

investment in the district. The projects identified below are added to Section F and Appendix 1 of the Development Plan portion of the Amended Plan, with estimated costs and time frames for each.

<b>Time Frame (In Years)</b>	<b>Projects</b>	<b>Cost</b>
Ongoing	Downtown Street Improvements	\$500,000
Ongoing	Replace/Repair Downtown Sidewalks	\$500,000
Ongoing	Replacement & Additions to Downtown Banners	\$100,000
Ongoing	Streetlights & Non-Motorized Bike/Path Lighting	\$500,000
10	Non-motorized transportation plan	\$10,000
Ongoing	Placemaking Installations	\$250,000
Ongoing	Façade Improvements	\$400,000
10	Bike Path Improvements	\$100,000
Ongoing	Gardening & Beautification Efforts	\$400,000
Ongoing	Professional Services	\$400,000
Ongoing	Holiday Decorations & Decorative Lighting	\$150,000
Ongoing	Financial Support of Downtown Events	\$250,000
5	Signage Entering Town from H58	\$30,000
10	Business Incubator Program	\$200,000
Ongoing	Downtown Parking	\$500,000
Ongoing	Bayshore Park Improvements	\$500,000
Ongoing	Prior Commitment to City Water/Sewer Project	\$2,000,000
5	Creation of Outdoor Marketplace/Plaza	\$250,000
Ongoing	Bike Racks, Trash Cans and Other Outdoor Receptacles & Containers	\$100,000
10	Charging Stations & Green Energy Stations/Receptacles	\$150,000

## **AMENDMENT TO TAX INCREMENT FINANCING PLAN**

The Tax Increment Financing Plan of the Amended Plan is amended as follows.

### Duration of the 2022 Amended Plan

The 2022 Amended Plan extends the duration of the Tax Increment Financing Plan identified in the Amended Plan. The 2022 Amended Plan will terminate upon the collection of the last taxes levied for the year 2042, tax increment revenues from such capture to be expended by June 30, 2043. The City may abolish this plan when it finds that the purposes for which this plan was approved have been accomplished, but not before the principal and interest owing on any bonds which are outstanding has been paid in full, or funds sufficient for such payment have been segregated.

### Maximum Bonded Indebtedness

The maximum bonded indebtedness to be incurred under this 2022 Amended Plan to finance the projects set forth herein shall not exceed \$3,000,000. Said projects may be financed from tax increment revenues received by the DDA, grant funding, donations, other legally available funds, on a pay-as-you-go basis, or from the proceeds of various types of bonds issued in one or more series by or on behalf of the Authority.

### Impact on Other Taxing Jurisdictions

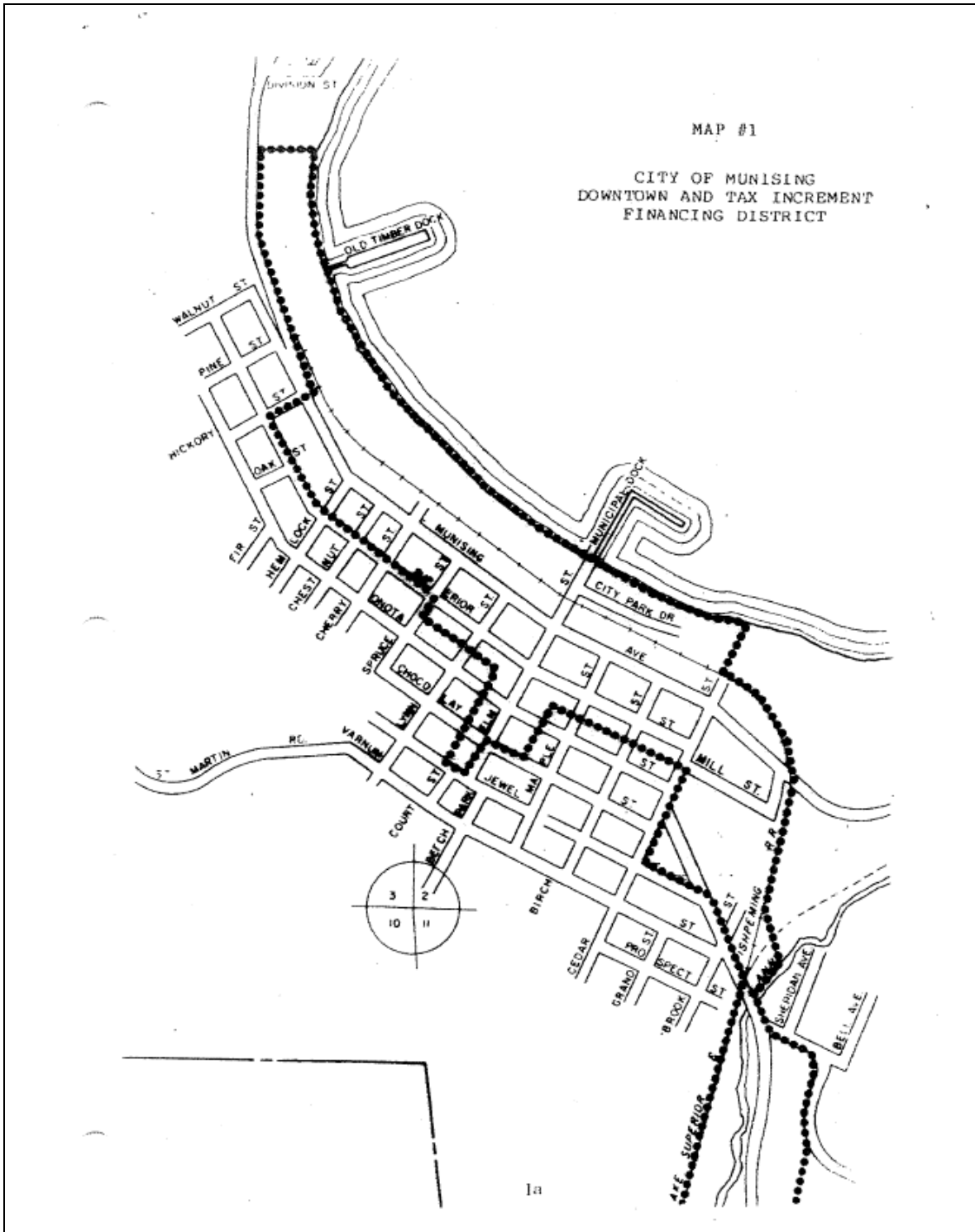
The estimated impact to taxing units and estimated tax increment revenue capture over the life of the plan is shown on **Appendix 2** attached hereto.

## APPENDIX 1

### DEVELOPMENT AREA

Legal Description: The legal description of the Development Area within Munising, Michigan, is described as follows:

Beginning at a point on Munising Bay that is south of the Eden Lutheran Church property, then west to M-28, then southeasterly on M-28 to Hickory Street, then south on Hickory Street to Superior Street, then east on Superior Street to Spruce Street, then south on Spruce Street to the alley between Onota and Superior Street, then east along the alley to alley lying west of Elm Avenue (parallel to Elm Avenue), then south along that alley to Jewell Street, then east on Jewell Street to Elm Avenue, then north on Elm Avenue to Chocolay Street, then east along Chocolay Street to the alley lying east of Elm Avenue (parallel to Elm Avenue), then north along that alley to the alley between Superior and Onota Streets, then east along that alley to Cedar Street, then south on Cedar Street to Jewell Street, then easterly on Jewell Street to M-28, then south on M-28 to the LS&I Railroad right-of-way, then south along the LS&I r/w to the south City limits, then east along the City limits to that portion of the SW1/4 of the NW1/4 of Section 11 lying southwesterly of Cemetery Road, then northwesterly along Cemetery Road to Prospect Street, then west on Prospect Street to the junction of Bodette Addition and M-28, then north along Bodette Addition to the junction of Anna River and Joe's Creek, then northwesterly along Joe's Creek to intersection of Joe's Creek, the northeast corner of Island View Addition and the LS&I r/w, then north along the LS&I r/w to M-28, then northwesterly along the LS&I r/w to a line that is the center line of Sec.2, T46N, R19W. Then north along that line to Munising Bay.



**APPENDIX 2**

**ESTIMATED IMPACT OF TAX INCREMENT FINANCING PLAN  
ON TAXING JURISDICTIONS AND  
ESTIMATED ANNUAL TAX INCREMENT REVENUE CAPTURE**

	Equals	County	City	Total
December 31	Captured Taxable	6.84	13.26	Tax Increment
<u>Tax Date</u>	<u>Value</u>	<u>Mills</u>	<u>Mills</u>	<u>Revenue Capture</u>
2021	\$ 19,540,491	\$ 133,657	\$ 259,107	\$ 392,764
2022	\$ 19,931,301	\$ 136,330	\$ 264,289	\$ 400,619
2023	\$ 20,329,927	\$ 139,057	\$ 269,575	\$ 408,632
2024	\$ 20,736,525	\$ 141,838	\$ 274,966	\$ 416,804
2025	\$ 21,151,256	\$ 144,675	\$ 280,466	\$ 425,140
2026	\$ 21,574,281	\$ 147,568	\$ 286,075	\$ 433,643
2027	\$ 22,005,767	\$ 150,519	\$ 291,796	\$ 442,316
2028	\$ 22,445,882	\$ 153,530	\$ 297,632	\$ 451,162
2029	\$ 22,894,800	\$ 156,600	\$ 303,585	\$ 460,185
2030	\$ 23,352,696	\$ 159,732	\$ 309,657	\$ 469,389
2031	\$ 23,819,749	\$ 162,927	\$ 315,850	\$ 478,777
2032	\$ 24,296,144	\$ 166,186	\$ 322,167	\$ 488,353
2033	\$ 24,782,067	\$ 169,509	\$ 328,610	\$ 498,120
2034	\$ 25,277,709	\$ 172,900	\$ 335,182	\$ 508,082
2035	\$ 25,783,263	\$ 176,358	\$ 341,886	\$ 518,244
2036	\$ 26,298,928	\$ 179,885	\$ 348,724	\$ 528,608
2037	\$ 26,824,907	\$ 183,482	\$ 355,698	\$ 539,181
2038	\$ 27,361,405	\$ 187,152	\$ 362,812	\$ 549,964
2039	\$ 27,908,633	\$ 190,895	\$ 370,068	\$ 560,964
2040	\$ 28,466,806	\$ 194,713	\$ 377,470	\$ 572,183
2041	\$ 29,036,142	\$ 198,607	\$ 385,019	\$ 583,626
2042	\$ 29,616,865	\$ 202,579	\$ 392,720	\$ 595,299
2043	\$ 30,209,202	\$ -	\$ -	\$ -

Assumes annual increase to Capture Taxable Value of 2% annually.