

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

Adopted by the City of Hancock Downtown Development Authority on September 22, 2014

Recommended by the Development Area Citizens Council on December 4, 2014

Approved by the City Council of the City of Hancock on December 17, 2014

INTRODUCTION

The City of Hancock Downtown Development Authority (the "Authority") was created in September 1984 by ordinance of the City Council of the City of Hancock (the "City"). The Authority and the City Council approved and adopted the original Development and Tax Increment Plan (the "Original Plan") in 1984. 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 the Authority and the City approved and adopted an Amended Development and Tax Increment Financing Plan (the "1993 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 1993 Amended Plan (the "2014 Amendment") is necessary. This 2014 Amendment extends the duration of the 1993 Amended Plan to allow for financing and completion of projects described in the 1993 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 197, Public Acts of Michigan, 1975, as amended (the "DDA Act").

In order to accomplish these projects this 2014 Amendment extends the life of the 1993 Amended Plan to terminate upon the collections of the last taxes levied for the year 2044.

2014 Amendment Supplements the 1993 Amended Plan

This 2014 Amendment is an update and addition to the 1993 Amended Plan and must be read in concert with the 1993 Amended Plan. This 2014 Amendment refers to certain portions of the 1993 Amended Plan but does not repeal or abrogate any provision of the 1993 Amended Plan unless expressly stated. (The Amended Plan as amended by the 2014 Amendment is referred to herein as the "2014 Amended Plan").

AMENDMENT TO DEVELOPMENT PLAN

The Development Plan of the 1993 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 1993 Amended Plan in order to fulfill the purpose of the 1993 Amended Plan and the DDA Act, this 2014 Amended Plan includes the following additions to Section C of the Development Plan portion of the 1993 Amended plan, which describes the Improvement Program of the Authority. In addition to a description of the proposed projects, the

estimated Project Cost Data and estimated Project Schedule are also provided on the following page. 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.

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City of Hancock Downtown Development Authority
Projects, Estimated Cost and Estimated Schedule List:

	<u>Project</u>	<u>Estimated Cost</u>	<u>Estimated Schedule (Years)</u>
1.	Street Lighting Upgrades	\$900,000	15 years
2.	Downtown Marketing	\$250,000	30 years
3.	Land Acquisition	\$800,000	30 years
4.	Seasonal Decorations	\$100,000	30 years
5.	Community Garden	\$ 30,000	10 years
6.	Downtown sidewalk plow vehicle	\$300,000	30 years
7.	Parking Lot Development/Acquisition	\$2,000,000	30 years
8.	Façade Upgrade Grants	\$1,200,000	30 years
9.	Sidewalks	\$600,000	30 years
10.	DNR Trail Improvements	\$300,000	10 years
11.	Retail business incubators	\$800,000	30 years
12.	Waterfront walkways/boardwalks	\$1,200,000	20 years
13.	Weekend concert events	\$ 80,000	30 years
14.	Quincy Green Ice Rink	\$ 30,000	10 years
15.	Retail Development Training	\$ 90,000	30 years
16.	Park Improvements/splash park	\$400,000	10 years
17.	Streetscape Improvements	\$2,000,000	15 years

9. Sidewalks
Construct sidewalks on downtown streets.

10. DNR Trail Improvements
Upgrade multi-use DNR Trail from the Lift Bridge to M-203

11. Retail Incubators
Acquire or support utilizing vacant commercial space in the downtown into business, office or technology incubators.

12. Waterfront Walkways/Boardwalks
Develop shore line and out in the water boardwalks along Navy St for public Access, including from the Lift Bridge West.

13. Weekend Concert Events
Support and promote weekend summer concerts at Porvoo Park and Quincy Green.

14. Quincy Green Ice Rink
Support development of an ice rink in the downtown area or Quincy Green.

15. Retail Development Training
Sponsor retail professional workshops for downtown business owners in areas such as marketing, layout, customer service, sale techniques, financial analysis, business plans, bench marking, and cash flow management.

16. Park Improvements/Splash Park
Develop a water splash park at one of the city parks in the downtown waterfront, or upgrade existing city downtown parks.

17. Streetscape Improvements

Develop crosswalks, curb bump outs, planters, bike racks, trees, benches, garbage containers on both Quincy and Hancock Streets.

AMENDMENT TO TAX INCREMENT FINANCING PLAN

The Tax Increment Financing Plan of the 1993 Amended Plan is amended as follows:

Duration of the 2014 Amended Plan

The 2014 Amended Plan extends the duration of the Tax Increment Financing Plan identified in the 1993 Amended Plan. The 2014 Amended plan will terminate upon the collection of the last taxes levied for the year 2044. The City may abolish this plan when it finds the purposes for which this plan was approved have been accomplished, but not before the principal and interest going on any bonds which are outstanding has been paid in full, or funds sufficient for such payment have been segregated.

Administrative and Planning Expenditures

The 2014 Amended Plan provides for a maximum of \$20,000 per year to be spent on administrative and planning expenditures.

Impact on Other Taxing Jurisdictions

The tables in the 1993 Amended Plan labeled Estimate of Impact on Other Jurisdictions and Comparison of Taxing Jurisdiction and DDA District SEV have been amended as set forth in Appendix 2 attached hereto.

Maximum Bonded Indebtedness

The maximum bonded indebtedness to be incurred under the 2014 Amended Plan to finance the projects set forth herein shall not exceed \$4,000,000. Capital projects may be financed from tax increment revenues received by the DDA, grant funding, donations, or from the proceeds of various types of bonds issued either separately or in combination and either immediately or in phases, depending on the requirements of the DDA.

APPENDIX I

BOUNDARIES OF DEVELOPMENT AREA

DOWNTOWN DEVELOPMENT AUTHORITY DISTRICT

BEGINNING ON THE WEST LINE OF SECTION 35, T55N, R34W, AT THE SHORE OF PORTAGE LAKE, THENCE NORTH ALONG SAID SECTION LINE TO THE NORTH RIGHT OF WAY LINE OF FRONT STREET, THENCE WESTERLY ALONG SAID NORTH LINE TO THE EAST RIGHT OF WAY LINE OF DUNSTAN STREET, THENCE ALONG SAID EAST LINE TO THE SOUTH RIGHT OF WAY LINE OF MASON STREET, THENCE WESTERLY TO THE CENTERLINE OF WHITE STREET APPROXIMATELY 100 FEET NORTH OF THE NORTH RIGHT OF WAY LINE OF FRANKLIN STREET, THENCE NORTHWESTERLY ALONG SAID CENTERLINE TO THE EAST LINE OF LOT 1, BLOCK 11, QUINCY HILLSIDE ADDITION EXTENDED NORTH THENCE SOUTH ALONG SAID EAST LINE AND ITS EXTENSION TO THE NORTH RIGHT OF WAY LINE OF WRIGHT STREET, THENCE WEST ALONG SAID NORTH LINE TO THE WEST RIGHT OF WAY LINE OF RAVINE STREET, THENCE SOUTH ALONG SAID WEST LINE TO THE NORTH RIGHT OF WAY LINE OF HOLLAND STREET, THENCE WEST ALONG SAID NORTH LINE TO THE NORTHWESTERLY RIGHT OF WAY LINE OF RYAN STREET, THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE TO THE NORTH RIGHT OF WAY LINE OF QUINCY STREET, THENCE WEST ALONG SAID NORTH LINE TO THE EAST LINE OF LOT 16, SUPERVISOR'S ADDITION, THENCE NORTH ALONG SAID EAST LINE TO THE NORTHEAST CORNER OF SAID LOT 16,, THENCE WEST TO THE SOUTHWEST CORNER OF LOT 3, SUPERVISOR'S ADDITION, THENCE NORTH TO THE SOUTHEAST CORNER OF LOT 2, SUPERVISOR'S ADDITION, THENCE WEST TO THE EAST RIGHT OF WAY LINE OF SCOTT STREET, THENCE SOUTH TO THE NORTH LINE OF LOT 1, BLOCK 1, HANCOCK COPPER MINING COMPANY'S ADDITION EXTENDED EAST, THENCE WEST ALONG SAID NORTH LINE AND ITS EXTENSION TO THE NORTHWEST CORNER OF LOT 2 OF SAID BLOCK 1, THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 2, TO THE NORTH RIGHT OF WAY LINE OF QUINCY STREET, THENCE WEST ALONG SAID NORTH LINE TO THE WEST LINE OF LOT 9 OF SAID BLOCK 1, THENCE NORTH ALONG SAID WEST LINE TO THE NORTH LINE OF SAID LOT 9, THENCE WEST TO THE EAST LINE OF LOT 12 OF SAID BLOCK 1, THENCE NORTH TO THE SOUTHEAST CORNER OF LOT 37 OF SAID BLOCK 1, THENCE WEST TO THE SOUTHEAST CORNER OF LOT 39 OF SAID BLOCK 1, THENCE NORTH TO THE NORTHEAST CORNER OF SAID LOT 39, THENCE WEST ALONG THE NORTH LINE OF SAID LOT 39 AND ITS EXTENSION TO THE WEST RIGHT OF WAY LINE OF ELEVATION STREET, THENCE NORTH ALONG SAID WEST LINE TO THE NORTHEAST CORNER OF LOT 2, BLOCK 5, FIRST ADDITION TO WEST HANCOCK,

THENCE NORTHWESTERLY TO THE NORTHWEST CORNER OF LOT 3 OF SAID BLOCK 5, THENCE SOUTHWESTERLY TO THE SOUTHWEST CORNER OF SAID LOT 3, THENCE NORTHWESTERLY ALONG THE NORTH RIGHT OF WAY LINE OF N. LINCOLN DRIVE TO THE WEST LINE OF LOT 31, BLOCK 2, PLAT OF THE VILLAGE OF WEST HANCOCK EXTENDED NORTH, THENCE SOUTH ALONG SAID WEST LINE AND ITS EXTENSION TO THE SOUTHWEST CORNER OF LOT 2, BLOCK 3, OF SAID PLAT, THENCE WEST TO THE SOUTHWEST CORNER OF LOT 6, OF SAID BLOCK 3, THENCE SOUTH TO THE SOUTHWEST CORNER OF LOT 29 OF SAID BLOCK 3, THENCE CONTINUING SOUTH TO THE NORTH LINE OF SECTION 34, T55N, R34W, THENCE WEST ALONG SAID NORTH SECTION LINE TO THE NORTH 1/4 CORNER OF SAID SECTION 34, THENCE SOUTH ALONG THE NORTH-SOUTH 1/4 LINE TO THE SHORE OF PORTAGE LAKE, THENCE EAST ALONG SAID SHORE TO THE POINT OF BEGINNING.

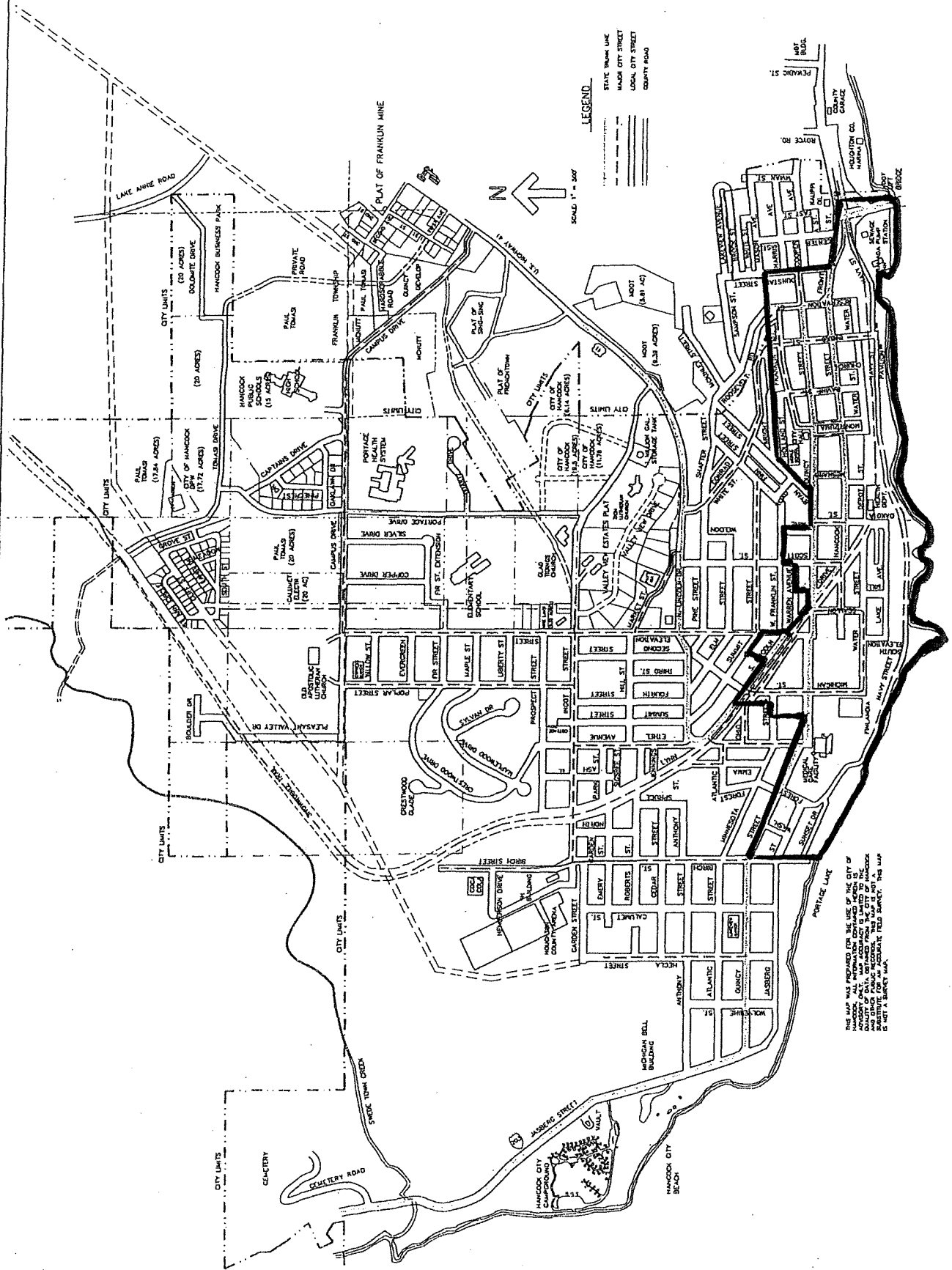
CITY OF HANCOCK DOWNTOWN DEVELOPMENT DISTRICT MAP

OVERALL
CITY
MAP

TRANSPORTATION MAP
CITY OF HANCOCK
HANCOCK, MICHIGAN

OHM

DATE: 9 SEPT 2010
 SHEET NO: 1003-10-000
 TR1



LEGEND

- STATE TRUNK LINE
- MAJOR CITY STREET
- LOCAL CITY STREET
- COUNTY ROAD

SCALE 1" = 200'

THIS MAP WAS PREPARED FOR THE USE OF THE CITY OF HANCOCK. ALL INFORMATION CONTAINED HEREIN IS THE PROPERTY OF THE CITY OF HANCOCK. NO PART OF THIS MAP MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE CITY OF HANCOCK. THIS MAP IS NOT A SURVEY MAP.

APPENDIX

2A

Estimated Captured Taxable Value

Year	Estimated Taxable Value	Minus Base Value	Captured Value
2014	\$ 16,411,891	\$ 9,779,700	\$ 6,632,191
2015	\$ 16,822,188	\$ 9,779,700	\$ 7,042,488
2016	\$ 17,242,743	\$ 9,779,700	\$ 7,463,043
2017	\$ 17,673,812	\$ 9,779,700	\$ 7,894,112
2018	\$ 18,115,657	\$ 9,779,700	\$ 8,335,957
2019	\$ 18,568,548	\$ 9,779,700	\$ 8,788,848
2020	\$ 19,032,762	\$ 9,779,700	\$ 9,253,062
2021	\$ 19,508,581	\$ 9,779,700	\$ 9,728,881
2022	\$ 19,996,296	\$ 9,779,700	\$ 10,216,596
2023	\$ 20,496,203	\$ 9,779,700	\$ 10,716,503
2024	\$ 21,008,608	\$ 9,779,700	\$ 11,228,908
2025	\$ 21,533,823	\$ 9,779,700	\$ 11,754,123
2026	\$ 22,072,169	\$ 9,779,700	\$ 12,292,469
2027	\$ 22,623,973	\$ 9,779,700	\$ 12,844,273
2028	\$ 23,189,572	\$ 9,779,700	\$ 13,409,872
2029	\$ 23,769,312	\$ 9,779,700	\$ 13,989,612
2030	\$ 24,363,544	\$ 9,779,700	\$ 14,583,844
2031	\$ 24,972,633	\$ 9,779,700	\$ 15,192,933
2032	\$ 25,596,949	\$ 9,779,700	\$ 15,817,249
2033	\$ 26,236,873	\$ 9,779,700	\$ 16,457,173
2034	\$ 26,892,794	\$ 9,779,700	\$ 17,113,094
2035	\$ 27,565,114	\$ 9,779,700	\$ 17,785,414
2036	\$ 28,254,242	\$ 9,779,700	\$ 18,474,542
2037	\$ 28,960,598	\$ 9,779,700	\$ 19,180,898
2038	\$ 29,684,613	\$ 9,779,700	\$ 19,904,913
2039	\$ 30,426,728	\$ 9,779,700	\$ 20,647,028
2040	\$ 31,187,397	\$ 9,779,700	\$ 21,407,697
2041	\$ 31,967,082	\$ 9,779,700	\$ 22,187,382
2042	\$ 32,766,259	\$ 9,779,700	\$ 22,986,559
2043	\$ 33,585,415	\$ 9,779,700	\$ 23,805,715
2044	\$ 34,425,050	\$ 9,779,700	\$ 24,645,350

Tax millage subject ot change. Estimated taxable value is based on 2.5% increase

APPENDIX
2B
Estimated Tax Increment Revenue

Year	Captured Value	Total Tax Millage 24.4687	Tax Increment Revenue
2014	\$ 6,632,191	24.4687	\$ 162,281.09
2015	\$ 7,042,488	24.4687	\$ 172,320.53
2016	\$ 7,463,043	24.4687	\$ 182,610.96
2017	\$ 7,894,112	24.4687	\$ 193,158.65
2018	\$ 8,335,957	24.4687	\$ 203,970.03
2019	\$ 8,788,848	24.4687	\$ 215,051.69
2020	\$ 9,253,062	24.4687	\$ 226,410.40
2021	\$ 9,728,881	24.4687	\$ 238,053.07
2022	\$ 10,216,596	24.4687	\$ 249,986.81
2023	\$ 10,716,503	24.4687	\$ 262,218.90
2024	\$ 11,228,908	24.4687	\$ 274,756.78
2025	\$ 11,754,123	24.4687	\$ 287,608.11
2026	\$ 12,292,469	24.4687	\$ 300,780.73
2027	\$ 12,844,273	24.4687	\$ 314,282.66
2028	\$ 13,409,872	24.4687	\$ 328,122.14
2029	\$ 13,989,612	24.4687	\$ 342,307.61
2030	\$ 14,583,844	24.4687	\$ 356,847.71
2031	\$ 15,192,933	24.4687	\$ 371,751.32
2032	\$ 15,817,249	24.4687	\$ 387,027.52
2033	\$ 16,457,173	24.4687	\$ 402,685.62
2034	\$ 17,113,094	24.4687	\$ 418,735.17
2035	\$ 17,785,414	24.4687	\$ 435,185.97
2036	\$ 18,474,542	24.4687	\$ 452,048.03
2037	\$ 19,180,898	24.4687	\$ 469,331.64
2038	\$ 19,904,913	24.4687	\$ 487,047.35
2039	\$ 20,647,028	24.4687	\$ 505,205.95
2040	\$ 21,407,697	24.4687	\$ 523,818.51
2041	\$ 22,187,382	24.4687	\$ 542,896.38
2042	\$ 22,986,559	24.4687	\$ 562,451.21
2043	\$ 23,805,715	24.4687	\$ 582,494.90
2044	\$ 24,645,350	24.4687	\$ 603,039.68

APPENDIX

2C

Taxing Jurisdictions Portion of Anticipated Tax Increment Revenue

Year	Captured Value	County Operating 6.3000	Medical Care 2.5531	County Roads 1.3149	County Veterans 0.0986	County Total 10.2666	City Millage 14.2021	Total Revenue 24.4687
2014	\$ 6,632,191	\$ 41,782.80	\$ 16,932.65	\$ 8,720.67	\$ 653.93	\$ 68,090.05	\$ 94,191.04	\$ 162,281.09
2015	\$ 7,042,488	\$ 44,367.68	\$ 17,980.18	\$ 9,260.17	\$ 694.39	\$ 72,302.41	\$ 100,018.12	\$ 172,320.53
2016	\$ 7,463,043	\$ 47,017.17	\$ 19,053.90	\$ 9,813.16	\$ 735.86	\$ 76,620.08	\$ 105,990.88	\$ 182,610.96
2017	\$ 7,894,112	\$ 49,732.90	\$ 20,154.46	\$ 10,379.97	\$ 778.36	\$ 81,045.69	\$ 112,112.96	\$ 193,158.65
2018	\$ 8,335,957	\$ 52,516.53	\$ 21,282.53	\$ 10,960.95	\$ 821.93	\$ 85,581.93	\$ 118,388.09	\$ 203,970.03
2019	\$ 8,788,848	\$ 55,369.74	\$ 22,438.81	\$ 11,556.46	\$ 866.58	\$ 90,231.59	\$ 124,820.10	\$ 215,051.69
2020	\$ 9,253,062	\$ 58,294.29	\$ 23,623.99	\$ 12,166.85	\$ 912.35	\$ 94,997.49	\$ 131,412.91	\$ 226,410.40
2021	\$ 9,728,881	\$ 61,291.95	\$ 24,838.81	\$ 12,792.51	\$ 959.27	\$ 99,882.53	\$ 138,170.54	\$ 238,053.07
2022	\$10,216,596	\$ 64,364.55	\$ 26,083.99	\$ 13,433.80	\$ 1,007.36	\$ 104,889.70	\$ 145,097.11	\$ 249,986.81
2023	\$10,716,503	\$ 67,513.97	\$ 27,360.30	\$ 14,091.13	\$ 1,056.65	\$ 110,022.05	\$ 152,196.85	\$ 262,218.90
2024	\$11,228,908	\$ 70,742.12	\$ 28,668.53	\$ 14,764.89	\$ 1,107.17	\$ 115,282.71	\$ 159,474.07	\$ 274,756.78
2025	\$11,754,123	\$ 74,050.98	\$ 30,009.45	\$ 15,455.50	\$ 1,158.96	\$ 120,674.88	\$ 166,933.23	\$ 287,608.11
2026	\$12,292,469	\$ 77,442.55	\$ 31,383.90	\$ 16,163.37	\$ 1,212.04	\$ 126,201.86	\$ 174,578.87	\$ 300,780.73
2027	\$12,844,273	\$ 80,918.92	\$ 32,792.71	\$ 16,888.93	\$ 1,266.45	\$ 131,867.01	\$ 182,415.65	\$ 314,282.66
2028	\$13,409,872	\$ 84,482.20	\$ 34,236.75	\$ 17,632.64	\$ 1,322.21	\$ 137,673.80	\$ 190,448.35	\$ 328,122.14
2029	\$13,989,612	\$ 88,134.55	\$ 35,716.88	\$ 18,394.94	\$ 1,379.38	\$ 143,625.75	\$ 198,681.86	\$ 342,307.61
2030	\$14,583,844	\$ 91,878.22	\$ 37,234.01	\$ 19,176.30	\$ 1,437.97	\$ 149,726.50	\$ 207,121.22	\$ 356,847.71
2031	\$15,192,933	\$ 95,715.48	\$ 38,789.08	\$ 19,977.19	\$ 1,498.02	\$ 155,979.77	\$ 215,771.55	\$ 371,751.32
2032	\$15,817,249	\$ 99,648.67	\$ 40,383.02	\$ 20,798.10	\$ 1,559.58	\$ 162,389.37	\$ 224,638.15	\$ 387,027.52
2033	\$16,457,173	\$ 103,680.19	\$ 42,016.81	\$ 21,639.54	\$ 1,622.68	\$ 168,959.21	\$ 233,726.41	\$ 402,685.62
2034	\$17,113,094	\$ 107,812.49	\$ 43,691.44	\$ 22,502.01	\$ 1,687.35	\$ 175,693.30	\$ 243,041.88	\$ 418,735.17
2035	\$17,785,414	\$ 112,048.11	\$ 45,407.94	\$ 23,386.04	\$ 1,753.64	\$ 182,595.73	\$ 252,590.23	\$ 435,185.97
2036	\$18,474,542	\$ 116,389.62	\$ 47,167.35	\$ 24,292.18	\$ 1,821.59	\$ 189,670.73	\$ 262,377.29	\$ 452,048.03
2037	\$19,180,898	\$ 120,839.66	\$ 48,970.75	\$ 25,220.96	\$ 1,891.24	\$ 196,922.61	\$ 272,409.03	\$ 469,331.64
2038	\$19,904,913	\$ 125,400.95	\$ 50,819.23	\$ 26,172.97	\$ 1,962.62	\$ 204,355.78	\$ 282,691.57	\$ 487,047.35
2039	\$20,647,028	\$ 130,076.28	\$ 52,713.93	\$ 27,148.78	\$ 2,035.80	\$ 211,974.78	\$ 293,231.16	\$ 505,205.95
2040	\$21,407,697	\$ 134,868.49	\$ 54,655.99	\$ 28,148.98	\$ 2,110.80	\$ 219,784.26	\$ 304,034.25	\$ 523,818.51
2041	\$22,187,382	\$ 139,780.50	\$ 56,646.60	\$ 29,174.19	\$ 2,187.68	\$ 227,788.97	\$ 315,107.41	\$ 542,896.38
2042	\$22,986,559	\$ 144,815.32	\$ 58,686.98	\$ 30,225.03	\$ 2,266.47	\$ 235,993.80	\$ 326,457.40	\$ 562,451.21
2043	\$23,805,715	\$ 149,976.01	\$ 60,778.37	\$ 31,302.13	\$ 2,347.24	\$ 244,403.75	\$ 338,091.15	\$ 582,494.90
2044	\$24,645,350	\$ 155,265.71	\$ 62,922.04	\$ 32,406.17	\$ 2,430.03	\$ 253,023.95	\$ 350,015.73	\$ 603,039.68