

VILLAGE OF LINCOLN

ALCONA COUNTY, MICHIGAN



*The Village with a
Vision*



DOWNTOWN DEVELOPMENT PLAN
and
TAX INCREMENT FINANCE PLAN

2024

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BACKGROUND & PURPOSE

Purpose Of the Downtown Development Authority Act

Act 179 of Public Acts of 1975, as amended, of the State of Michigan, commonly referred to as the Downtown Development Authority Act, was created in part to correct and prevent deterioration within business districts; to promote economic growth and revitalization; to encourage commercial revitalization and historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation of a downtown development authority board; and to authorize the levy and collection of taxes, the issuance of bonds and the use of tax increment financing in the accomplishment of specific development activities contained in locally-adopted development plans.

The Act seeks to attack problems of urban decline, strengthen existing areas, and encourage new private developments in Michigan downtowns. It seeks to accomplish this goal by providing communities with the necessary legal, monetary, and organizational tools to revitalize economically distressed areas either through public-initiated projects or in concert with privately motivated development projects. The manner in which downtown development authorities choose to make use of these tools does, of course, depend on the problems and opportunities facing each particular redevelopment area and the development priorities sought by the community and board in the revitalization of its area.

Creation of the Downtown Development Authority

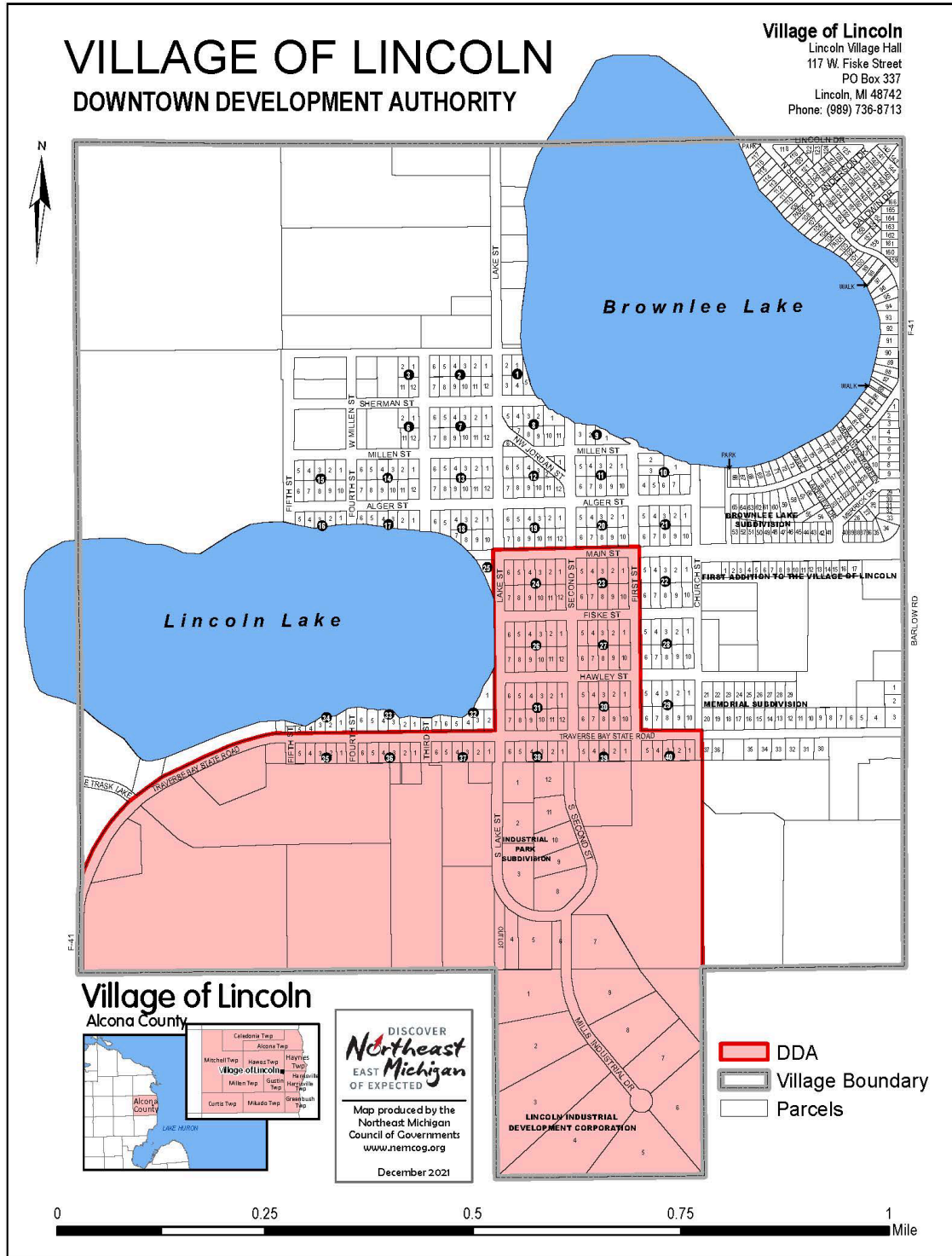
On September 3, 1985, the Village of Lincoln adopted Ordinance No. 111, creating a Downtown Development Authority (DDA), under Act 179 of 1975, and designated the boundaries of the Authority district within which the Authority will exercise its powers. The 1985 District included the core downtown area with an area generally bound by State Street, Lake Street, Main Street, First Street, and Church Street.

Basis for the Development Plan

The Downtown Development Authority Act provides the legal mechanism for local officials to address the need for economic development in the redevelopment district. In the Village of Lincoln, the Development Authority District, the subject of this Development Plan, can be generally described as an area bounded by Traverse Bay State Road, Lake Street, Main Street, First Street, and most of the southern village limits as indicated in **Map 1.1**. This Development Plan and Tax Increment Financing Plan amends and restates the September 2000 Downtown Development and Tax Increment Financing Plan for the original downtown development district by amending the type of projects and increasing the expiration of the plan to fiscal year ending

2040. The DDA shall thoroughly review the plan every five years to assure the plan meets the communities goals and objectives.

Map 1.1 Village of Lincoln Downtown Development District



GENERAL DEVELOPMENT PLAN

The need for establishing the Development District (referred to as "Development Area") is founded on the basis that the future success of the Village of Lincoln's current effort to revitalize its business districts will depend, in large measure, on the readiness and ability of its public sector to initiate public improvements that strengthen the business districts and to encourage and participate, where feasible, in the development of new private uses that clearly demonstrate the creation of new jobs, the attraction of new business, and the generation of additional tax revenues.

The General Development Plan referenced herein suggests the following:

- Continued redevelopment of the commercial areas within the district by encouraging reinvestment of public and private funds;
- The creation of development opportunities for new commercial and residential developments;
- Integration of the residential and commercial properties within the area; (For example first floor commercial combined with second-story residential);
- Create housing opportunities by working with local, state, and federal housing programs to best meet the housing needs;
- The establishment of a defined, attractive, and distinctive character for the Downtown District;
- A water and sewer needs and feasibility study for future expansion and installation of public water and sewer infrastructure, and linkages with public and private facilities and;
- Installation of pedestrian improvements that would support and strengthen the business district such as streetscape improvements, linkages with public and private facilities, and residential areas.

DEVELOPMENT PLAN PROJECT AND PROGRAM DESCRIPTION

A. Organizational Strategies

1. *By-Laws*

DDA By-Laws shall be adopted allowing swift operation of the DDA board and making it easier to plan for development activities. Upon adoption, By-Laws should be reviewed annually for sections that may be outdated so that necessary amendments can be recommended and approved by the DDA.

2. Annual Strategic Planning Session

The DDA Board shall attend an Annual Joint-Strategic Planning Session or Annual Meeting of the Boards. The meeting shall include the Village of Lincoln Planning Commission to review the Master Plan and update the plan if necessary.

B. Design and Physical Improvement Strategies

In order to increase the physical appeal to business owners, investors, and potential customers, design and physical improvement strategies must be a vital part of revitalization efforts. The Village of Lincoln DDA is active in many aspects of the district's physical improvements including; streetscape, landscaping, park improvements, and other physical improvements in the district.

1. Design/Facade Study

A design study for the main blocks of downtown would show existing and proposed conditions and outline guidelines to achieve goals of improvements. The study may be used for future developments as a guide for appropriate facade improvements.

2. Design Guidelines

Design Guidelines, whether mandatory or voluntary, will help to guide the appropriate design of facade, signs, and other physical improvements in the downtown district. A proactive approach to facade improvements needs to be established and with the tool, incentive programs, and design guidelines, the village will begin to realize the goal of facade improvements in the district.

3. Facade/Sign Grant Program

Incentive programs should be considered for businesses and building owners to improve and maintain the district's building facades and signs. Grant or loan programs can be developed to accomplish this task.

4. Streetscape Standards

Streetscape standards are the design quality of the streets and their visual effects. Streetscape standards allow community stakeholders, citizens, businesses, owners, and potential investors to visualize the streetscape surrounding the district and offer potential improvements. Streetscape standards will allow for continual improvement of safety, traffic flow, and attractiveness of the streets within the district.

5. *Roads & Sidewalks*

An essential part of any community is the roads and sidewalks that connect to businesses, homes, parks, and other facilities. The DDA should strive to work with local road agencies to maintain, improve, and interconnect its streets and sidewalks, assuring safe interconnected routes.

6. *Lighting & Pedestrian Connections*

In conjunction with streetscape standards, roads and sidewalks, the village will strive to maintain, improve, and interconnect lighting and pedestrian connections assuring safe routes.

7. *Electric Car Charge Stations*

The advancement of electric car technology and the push towards zero net emissions in the U.S. allows the DDA to look towards the future. Electric Car Charge Stations provide a great resource for those traveling allowing them to shop, eat, and/or experience what downtown Lincoln has to offer while charging their vehicle.

8. *Sewer and Water Infrastructure*

Conduct a needs and feasibility study to determine the cost of expansion and the maintenance of current and future sewer and water infrastructure. Continue to maintain water and sewer infrastructure in a fiscally responsible manner.

C. Economic Development Strategies

The goal of an Economic Development strategy is to strengthen the existing economic assets of the business district while diversifying the economic base. Activities include analysis of current markets, retaining and expanding existing businesses, recruiting new businesses to create a balanced mix, converting vacant and under-utilized spaces into productive properties, and creating attractive public/private financing mechanisms to encourage development.

1. *Tax Abatement Policy*

Explore additional Tax Abatement policies to encourage the redevelopment of under-utilized spaces into attractive productive properties.

2. *Acquisition and Redevelopment of Land*

Work to acquire any unutilized spaces for redevelopment efforts.

3. *New Business Recruitment*

A huge part of growing the downtown area is creating strategies to recruit and retain new businesses.

4. *Housing Programs*

Work with local, state, and federal agencies to develop housing opportunities within the DDA. These include but are not limited to Michigan Economic Development Cooperation (MEDC), Michigan State Housing Development Authority (MSHDA), Federal Housing Administration (FHA), U.S. Development of Housing and Urban Development (HUD), etc.

D. Marketing & Promotion Strategies

Raising the level of awareness of the downtown district is key to the success of the businesses and the district as a whole. Creating an overall marketing and promotions program directed at target markets can help increase awareness and bring new customers to the region.

1. *DDA Communication*

Continue communications and publications through multiple sources such as newspaper columns, website updates, sign boards, social media, newsletters, etc.

2. *Partnership*

Continue to partner and work jointly with the Alcona Economic Development Corporation (EDC), Industrial Development Corporation (IDC), Village Council, and any other organization to help promote DDA initiatives.

E. Local Government Strategies

1. *Maintain and Acquire Equipment*

Work to acquire and maintain current street equipment to provide for a safe, more vibrant seasonal downtown.

DEVELOPMENT PLAN

A. Designation of Boundaries of the Development Plan

The Development Area boundary is located within the jurisdiction of the Village of Lincoln and the Village of Lincoln Downtown Development Authority. The Village of Lincoln established the Downtown Development Authority pursuant to Act 179 of Public Act of 1975, as amended. The Downtown Development Authority Area boundary is illustrated in **Map 1.1**

and can generally be described as incorporating public right-of-way along both sides of an area generally bounded by Traverse Bay State Road, Lake Street, Main Street, First Street, and the village limits.

B. Location and Extent of Existing Streets and other Facilities

Public right-of-ways are under the jurisdiction of the Village of Lincoln and Alcona County Road Commission.

C. Existing Public and Private Land Uses within the Development Area

Existing land uses within the Development Area are composed of public and private land uses.

Public Land Use

Public Land uses, within the Development Area, include rights-of-way under the jurisdiction of the Village of Lincoln, County of Alcona, and the State of Michigan. Public facilities within the development area include the Village of Lincoln Hall & Fire Department, West Harrisville Depot Historical Marker, U.S. Post Office, and a variety of parks.

Private Land Uses

1. Residential – There are 35 residential properties within the development area.
2. Commercial – Commercial properties within the development area include the central business district with commercial businesses along Second Street and Travers Bay State Road.
3. Industrial – Viking Energy, Lincoln Precision, and Coach Craft are located within the Development Area for industrial use.
4. Transportation – There are no active truck terminals or rail lines within the development area. The historical “West Harrisville Depot” is the last remaining depot of its type as a reminder of Michigan’s former dependence on railways. The West Harrisville Depot served the community until 1929. Thunder Bay Transportation Authority offers public transportation including state and federal reimbursements.
5. Vacant Land – approximately one-fifth of the district area is vacant land.

D. Location and Extent of Proposed Public and Private Land Uses

The Development Plan envisions the integration of public and private land uses as a method of strengthening the economic base of the Development Area. Plans envision the former venues, lodging, residential and retail uses.

E. Legal Description of Development Area

Part of the Village of Lincoln, Alcona County, Michigan described as commencing at the Northwest corner of State Street (more commonly called Traverse Bay) and Lake Street; thence Northerly along the West right-of-way line of Lake Street to the Northwest corner of said Lake Street and Main Street; thence Easterly along the North right-of-way line of Main Street to the Northeast corner of said Main Street and First Street; thence Southerly along the East right-of-way line of First Street to the Northeast corner of said First Street and State Street; thence Easterly along the North right-of-way line of State Street to the Northeast corner of said State Street and Church Street; thence Southerly along the East right-of-way line of Church Street (approximately 200') to its end; thence Westerly (approximately 33') to the North-South 1/8 line to the East-West ¼ line to the West section line of said Section 1; thence Northerly along said section line to the intersection with the North right-of-way line of State Street extended; thence Easterly along the Northerly right-of-way of State Street to the point of beginning.

F. Existing Improvements to be Demolished, Repaired, or Altered

Estimated time frames for implementation of the public improvements are presented within **Table 1.1: Development Plan Project and Program Description** of this Plan.

G. Location, Extent, Character, and Improvement Schedule

Estimated time frames for implementation of the public improvements are presented in **Table 1.1: Development Plan Project and Program** of this Plan.

H. Parts of the Development to be left as Open Space

Table 1.1: Development Plan Project and Program contains activities that will enhance existing open space, particularly in the vicinity of the Village Hall.

I. Portion of Development Area to Sell, Donate, Exchange or Lease

All public improvements completed by the Authority and any land, property, equipment, and etc. obtained pursuant to this plan will be conveyed to the Village at no cost. All transfers of property or equipment required will occur as soon as practicable, but no later than the final year of the tax increment financing plan.

J. Zoning Changes and Changes in Street

The Development Area is zoned for residential, commercial, and industrial uses. No zoning changes are proposed as part of this Plan. Any zoning changes on district parcels will be coordinated between the DDA and the Village Council.

K. Method of Financing

Financing for the public improvement projects outlined in **Table 1.1: Development Plan Project and Program Description** would be provided through funds generated by the Tax Increment Financing Plan induced by annual increases in property valuations from natural growth and new construction within the Development Area. Further, the Downtown Development Authority may request the Village to sponsor a revenue bond or provide subordinate loan collateral using the proceeds of the tax increments as debt service payment to finance improvements. In addition, funds may be sought through the Community Development Block Grant (CDBG) program funds, monies through the Transportation Enhancement Activities program (Known as “TEA-21”), and any other funding programs that the Authority and Village can deem beneficial.

L. Designation of Person(s) to Benefit from Plan

The public improvements undertaken in the Development Plan will remain in public ownership for the public benefit. Although components of the projects outlined (ie. lighting and landscaping) benefit adjacent commercial property owners, they are public assets to be managed by the municipality.

M. Procedures for Bidding Conveyance

The Authority plans to directly lease, sell, exchange or otherwise directly convey certain property. Once the DDA purchases, receives a donation, acquires, or otherwise comes to own property in the development area, the adoption of appropriate procedures for the management and disposition of property will occur at a regularly scheduled public meeting

of the Authority. All DDA conveyance and disposition procedures shall be developed in compliance with Federal, State, and local regulations.

Acquisitions and disposition procedures will include the ability of the Authority to dispose of acquired parcels or lots with the value of such parcels or lots based upon an independent appraisal of the real estate by a qualified real estate appraiser licensed to perform such work in the State of Michigan. In the event the Authority determines to dispose of a parcel, parcels, or lots of real property, the sale may be for more than the appraised value, at the appraised value, or below the appraised value at the discretion of the Authority Board.

N. Estimates of the Number of Persons residing in the Development Area and the Number of Families and Individuals Displaced

There are 35 residential units located within the Development Area and approximately 60 persons residing within the Development area.

O. A Plan for Establishing Priority for the Relocation of Persons Displaced by the Development in any New Housing in the Development Area

There is no plan to condemn property in conjunction with the Development Plan. As a result, this section is inapplicable.

P. Provision for the Costs of Relocating Persons Displaced by the Development, and Financial Assistance and Reimbursement of Expenses, including Litigation expenses and expenses incident to the Transfer of Title in accordance with the Standards and Provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970

There is no plan to condemn property in conjunction with the Development Plan. As a result, this section is inapplicable.

Q. A Plan for compliance with Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and Act 227 of Public Acts of 1972

There is no plan to condemn property in conjunction with the Development Plan. As a result, this section is inapplicable.

**Table 1.1**

Project and Program Time Frame				
Organizational Strategies				
Project	Description	Timeframe	Responsible Party	Estimated Cost
By-Laws	Develop by-laws and review annually.	1	DDA	---
Annual Strategic Planning Session	Conduct an annual strategic planning session with DDA Board to review progress on Master Plan and new projects.	1	DDA; Village of Lincoln Council	\$800
DDA Budget	Utilize DDA Budget and TIF revenues as local match for state and federal grants.	3	DDA	---
Design and Physical Improvement Strategies				
Design/Façade Study	Conduct a façade study for downtown.	2	DDA	\$8,000
Design Guidelines	Develop design guidelines to promote exterior improvements.	3	DDA	\$4,000
Façade/Sign Grant Program	Develop a program to encourage quality façade and signs improvements.	3	DDA	\$12,000
Streetscape Standards	Develop guidelines to support streetscape improvements.	2	DDA	\$3,000
Lighting and Pedestrian Connection	Improve lighting and pedestrian connections.	1	DDA	\$15,000
Sewer & Water Infrastructure	Conduct a needs and feasibility study to improve, expand, and incentivize connection to sewer & water infrastructure.	2	DDA	\$15,000
Electric Charging Station	Provide access to electric charging stations within the district.	2	DDA	\$10,000
Roads and Sidewalk	Improve, maintain and connect roads and	3	DDA	\$300,000

	sidewalks within the district.			
<i>Economic Development Strategies</i>				
Abatement Policy	Explore additional tax abatement policies.	3	DDA	\$6,000
Acquisition and Redevelopment	Acquire properties for redevelopment.	3	DDA	\$200,000
New Business Recruitment	Create strategies to recruit new businesses.	1	DDA	\$2,000-\$5,000
Housing Programs	Work with local, state, and federal programs to develop area housing programs to meet housing needs.	2	DDA, Village of Lincoln Council	TBD
Development & Redevelopment for Liquor Licenses	Explore additional opportunities for new and redeveloped properties to assist in obtaining a Liquor License.	3	DDA	---
<i>Marketing and Promotion Strategies</i>				
DDA Communication	Preparation of DDA communication including newsletters, sign boards, press releases, and newspaper columns.	1	DDA	\$1,500
Membership	Maintain memberships in downtown-related organizations.	1	DDA	\$750
Partnership	Continue working relationships with business owners/organizations.	3	DDA	---
Website	Continue the Lincoln DDA website and add wayfinding information.	1	DDA, Village of Lincoln	\$1,000
<i>Local Government Strategies</i>				
Maintain and Acquire Equipment	Maintain the current equipment to a quality standard or purchase new equipment.	2	DDA	\$150,000

Parks	Improve area parks within the district.	1	DDA	\$8,000
Planning & Consultants	Allow funds for planning & consultants (engineering, studies, legal, etc.).	1	DDA	\$25,000

Timeframe

1 within 2 years

2 within 3-5 years

3 within 5-10 years

Costs provided for various DDA projects are estimated costs in 2022 dollars. Final costs are determined after the Authority authorizes the cost approval per project.

TAX INCREMENT FINANCING PLAN

A. Definitions as Used in This Plan

1. “Captured Taxable Value” (the “CTV”) means the amount in any one (1) year by which the current taxable value including the value of the property for which specific local taxes are paid in lieu of property taxes as determined, exceeds the initial taxable value.
2. “Initial Taxable Value” (the “ITV”) means the taxable value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved as shown by the most recent assessment roll of the municipality for which the equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial taxable value shall be included as zero. For the purpose of determining initial taxable value, property for which a specific local tax is paid in lieu of a property tax shall not be considered to be a local property that is exempt from taxation. The initial taxable value of the property for which a specific local tax was paid in lieu of a property tax shall be determined as provided below in subdivision (3).
3. “Specific Local Taxes” means a tax levied under Act 198 of the Public Acts of 1974, being sections 207.551 to 207.571 of the Michigan Compiled Laws, the commercial redevelopment act, Act No. 255 of the Public Acts of 1978, being section 207.651 to 207.668 of the Michigan Compiled Laws, the technology park development act, Act No. 385 of Public Acts of 1984, being sections 207.701 to 207.718 of Michigan Compiled Laws and Act No. 189 of Public Acts of 1953, being sections 211.181 and 211.182 of the Michigan Compiled Laws. The initial taxable value or current taxable value of property

subject to specific local tax shall be the quotient of the specific local tax paid divided by the ad valorem milage rate.

4. "Tax Increment Revenues" means the amount of ad valorem property taxes and specific local taxes attributed to the application of the levy of all taxing jurisdictions upon the capture of the taxable value of real and personal property in the development area. Subject to the requirement specified in Act No. 179 of the Public Acts of 1975, as amended.

B. Purpose of the Tax Increment Financing Plan

The Village of Lincoln Downtown Development Authority was established pursuant to Ordinance No. 111 because the village experienced notable property value deterioration in various locations throughout the community. In order to halt property tax value deterioration, increase property tax valuations, and facilitate overall economic growth of its business district, it is deemed to be beneficial and necessary to create and provide for the operation of the Downtown Development Authority in the Village under provisions of Act 179 Public Acts of Michigan, 1975 as amended (the "Act").

The "Downtown Development Authority Act", authorizes the Authority to prepare a Tax Increment Financing Plan (the "Plan"), which includes the Development Plan, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred or reimbursed, duration of the program, the impact of tax increment financing on the taxable values of all taxing jurisdictions in which the development is located and a statement of the portion of the captured taxable value to be used by the Authority. The benefit of using tax increment financing as a method to finance district improvements is that all local units of government levying taxes within the Village of Lincoln contribute to the revitalization of the business district. Prior to legislative revitalization activities of Tax increment financing, only the municipality-provided tax revenues shall be used for revitalization activities. While the other taxing authorities share in the benefits of the revitalization Development District to amend and restate the adopted 1985 Tax Increment Financing Plan, Ordinance No 111 for this area and institute a Tax Increment Financing Plan for the recently expanded Downtown.

C. Explanation of the Tax Increment Procedure

The theory of tax increment financing holds that investment in necessary capital improvements in a designated area within a municipality will result in greater property tax

revenues from that area than would otherwise occur if no special development were undertaken. This section is intended to explain the tax increment procedure.

1. In order to provide a Downtown Development Authority with the means of financing development proposals, the Act affords the opportunity to undertake tax increment financing of development programs. These programs must be identified in a tax increment financing plan, which has been approved by the governing body of a municipality. Tax increment financing permits the Authority to capture incremental tax revenues attributable to increases in the value of real and personal property located within an approved development area. The increases in property value may be attributed to new construction, rehabilitation, remodeling, alterations, additions, or any other factors that cause growth in value.
2. At the time the resolution or ordinance establishing a tax increment financing plan is adopted, the sum of the most recent taxable values, as equalized, of those taxable properties located within the development area is established as the “Initial Taxable Value” (the “ITV”). Property exempt from taxation at the time of determination of the ITV is included as zero. In each subsequent year, the total real and personal property within the district including abated property on separate rolls is established as the “Current Taxable Value.”
3. The amount by which the total taxable value exceeds the ITV is the Captured Taxable Value (the “CTV”). During the period in which a tax increment financing plan is in effect, local taxing jurisdictions continue to receive ad valorem taxes based on the ITV. Property taxes paid on a predetermined portion of the CTV in years subsequent to the adoption of a tax increment financing plan, however, are payable to an authority for the purposes established in the tax increment financing plan.

D. Taxing Jurisdiction Agreements

Tax increment revenues for the Downtown Development Authority (“DDA”) result from the application of the general tax rates of the incorporated municipalities and all other political subdivisions, which levy taxes in the development area to the captured taxable value. Since the Plan may provide for the use of all or part of the captured tax increment revenue, the DDA may enter into agreements with any of the taxing units to share a portion of the revenue of the district. Because the DDA had no obligated expenditures prior to the change in Michigan property tax law, capture of school district millage by the DDA will not be allowed in the future.

The Authority intends to utilize all captured revenue from the district, as referenced in **Table 1.3** until the projects addressed in the Development plan are completed and until any bonded indebtedness is paid, whichever is the later occurrence. An exception to this provision is the taxing jurisdiction agreement associated with taxable valuation and subsequent tax increment revenues from the redevelopment of the property agreements (if any).

E. Property Valuations and Captured Revenue

The property valuation on which tax increment revenues will be captured is the difference between the Initial Assessed Valuation and the Current Assessed Valuation. The purpose of this section is to set forth the Initial Assessed Valuation, the projected Captured Assessed Valuation, and the anticipated increment revenues to be received by the Authority from the local taxing jurisdictions including the Village of Lincoln and Alcona County, and any other authorities or special tax districts that may be eligible to levy property taxes within the boundaries of the Downtown Development Authority, herein collectively referred to as the “Local Taxing Jurisdiction.”

1. The Initial Assessed Valuations is established based on the 1986 state equalized valuations on real property and all non-exempt parcels within that portion of the Downtown Development Area as of December 31, 1984. The Initial Assessed Valuation of the Authority is set forth Below

Table 1.2: Base Taxable Real Property Valuations		
<i>Village of Lincoln “DDA” TIF</i>	1986 Taxable Valuations	2021 Taxable Valuations
Real Property	\$1,338,200	\$1,419,700
Personal Property	\$171,775	\$87,500
District Valuation	\$1,509,975	\$1,507,200

2. The anticipated Captured Taxable value is equivalent to the annual total taxable value within the Development Area boundaries less the Initial Taxable value as described above. The tax increment revenues are then the product of all millage levied by all taxing units in the Development Area on the CTV. The CTV is projected based on a number of factors including historical growth patterns, recent construction trends, economic indicators, and the impact of certain development projects anticipated to be undertaken by the Development Authority. For projection purposes, the annual growth

rate for the remainder of the forecast (2022-2040) is factored at 1.50 (%) percent for real property. Personal property captured by this tax increment financing plan is forecasted to annually decline at a rate of 15/100's of 1 percent. A more detailed depiction of the Captured Taxable Valuations can be found in **Table 1.3**.

3. The Authority will receive that portion of the tax levy of all taxing jurisdictions paid each year on the Captured Taxable Value of the eligible property included in the Development Area. The Authority may use the revenues for any legal purpose as is established under the Act including the payment of principal and interest on bonds.

The Treasurer will collect the general property taxes from property owners in the development area district. After taxes are collected, the Treasurer will deduct that portion of the total tax revenues that are derived from the captured taxable value within the development area and distribute them to the DDA to use for purposes outlined in the development plan. A review of the 2021 millage rates for all Local Taxing Jurisdictions in the development area is set forth in **Table 1.4**.

	Year	Total Captured Valuations	Captured Revenues	Accumulated Revenues
	1985			
	Average			
	2021	\$1,507,200	\$161,328	\$161,328
1	2022	\$1,509,461	\$163,748	\$163,748
2	2023	\$1,511,725	\$166,204	\$166,204
3	2024	\$1,513,993	\$168,697	\$168,697
4	2025	\$1,516,264	\$171,228	\$171,228
5	2026	\$1,518,538	\$173,796	\$173,796
6	2027	\$1,520,816	\$176,403	\$176,403
7	2028	\$1,523,097	\$179,049	\$179,049
8	2029	\$1,525,382	\$181,735	\$181,735
9	2030	\$1,527,670	\$184,461	\$184,461
10	2031	\$1,529,961	\$187,228	\$187,228
11	2032	\$1,532,256	\$190,036	\$190,036
12	2033	\$1,534,555	\$192,887	\$192,887
13	2034	\$1,536,856	\$195,780	\$195,780
14	2035	\$1,539,162	\$198,717	\$198,717
15	2036	\$1,541,470	\$201,697	\$201,697
16	2037	\$1,543,783	\$204,723	\$204,723
17	2038	\$1,546,098	\$207,749	\$207,749
18	2039	\$1,548,417	\$210,911	\$210,911
19	2040	\$1,550,740	\$214,074	\$214,074

F. Maximum Indebtedness

The maximum amount of indebtedness to be incurred by the DDA will be limited to only those projects and programs identified in the Development Plan and will be limited by the annual revenues available to the Downtown Development Authority for bond interest and principal payments. This amount may vary depending on the size of the Development Area District, the type and intensity of development and redevelopment, and the balance of indebtedness owed by the DDA on previous bond issues or loans. A description of the various projects and the actual amounts expected to be financed are set forth in **Table 1.1** of the Development Plan. Revenues captured will be used to accomplish projects in the Development Area.

Table 1.4 Anticipated Millage to Be Captured (Non-Homestead) 2021	
Jurisdiction	DDA Millage Capture
Village of Lincoln (General Operating)	4.98
Village of Lincoln (Streets)	2.49
Alcona County (General Operating)	4.1719
Alcona County Library	0.492
Gustin Township (General Operating)	0.6904
Gustin Fire	1.00
Total Millage Captured	13.8243

G. Use of Captured Revenues

Revenues captured through this Tax Increment Plan will be used to finance those improvements and projects outlined in **Table 1.1** of the Development Plan in accordance with procedures specified in this Plan. Further, captured revenues can be used to finance current financial obligations of the DDA, to pay for costs incurred by the Village/DDA in implementing both the Development Plan and Tax Increment Financing Plan, costs incurred by the Village/DDA in implementing a Tax Abatement Policy and Downtown Strategies, marketing and promotion costs and to pay for costs associated with administration and operation of the Development Plan and Tax Increment Plan.

H. Duration of the Program

The 2022 Amended and Restated Development Plan and Tax Increment Financing Plan shall extend the Tax Increment Financing Plan until such time that all projects and programs identified in the Development Plan have been implemented.

I. Plan Impact on Local Taxing Jurisdictions

The Authority recognizes that future development and continued enhancements in the DDA business area will not be likely in the absence of tax increment financing. The Authority also recognizes that enhancement of the value of the nearby property will indirectly benefit all local governmental units included in this plan. It is expected that the affected local taxing jurisdictions will experience a gain in property tax revenues from improvements made in the development area during the duration of the plan and should realize increased property tax revenues thereafter as a result of activities financed by the plan. Such future benefits cannot be accurately quantified at this time.

J. Release of Captured Revenues After Completion of Plan

When the Development and Financing Plans have been accomplished, the captured revenue is released, and the local taxing jurisdiction receives all the taxes levied on it from that point on.

K. Assumption of Tax Increment Financing Plan

The following assumptions were considered in the formulation of the Tax Increment Financing Plan:

1. Real Property valuations are based on the 2022 actual State Taxable Value (STV) and reflect an increase of 1.5 percent each year thereafter. These increases are net of any additions or subtractions due to new construction, property acquisition, relocation, or other factors based on an analysis of equalized valuations since 1985, as provided by the Village of Lincoln.
2. Personal property valuations are subject to capture and have been forecasted to decline by 15/100 of 1 percent per year.
3. Commercial facilities exemption certificates (CFT) are not factored in within the Downtown Development Authority District.

4. Costs provided for various development projects are estimated costs in 2022 dollars. Final costs are determined after the Authority authorizes the final designs.

L. Operating Agreement Between Downtown Development Authority and Local Unit of Government Regarding Use of Tax Increment Revenues

The Downtown Development Authority will not spend any funds outside of those annually approved through the budget process and shall not commit to any loans, leases, or purchases without sufficient evidence of an adequate revenue source to support the proposal. The DDA shall have the authority to spend donations on an as-needed basis or based upon the specification of the donation.

M. Relationship of the Tax Increment Financing Plan with Other Funding Programs

As discussed in the Development Plan, the revitalization of the downtown business district will include tax increment financing and any other forms of intergovernmental and private financing such as grants, special assessments, and loans. It is strongly recommended that tax increment financing revenues be used to leverage other funds in order to implement the planned program.

N. Relationship to Village of Lincoln Master Plan

The Development Plan indicates the need to revitalize the business areas of the community, which is an integral component of the Master Plan.

If it is determined that any portions of the Master Plan conflict with the provisions of the Downtown Development Plan, then the Development Plan shall be adopted as a component of the Master Plan pursuant to Section 8 of Act 285 of 1931; the Municipal Planning Act.

O. Submission of an Annual Report to Governing Body and State Tax Commission

Annually the Authority shall submit to the Village of Lincoln and the State Tax Commission a report on the status of the tax increment financing account. The report shall include those items enumerated in Section 13 (3) of Act 17 of 1975 (MCL 125.1665). Further, the report shall be published in a newspaper of general circulation.

VILLAGE OF LINCOLN

COUNTY OF ALCONA

STATE OF MICHIGAN

ORDINANCE NO. 24-1

ORDINANCE FOR ADOPTION OF THE 2024 DOWNTOWN DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN IN THE VILLAGE OF LINCOLN, MICHIGAN

An Ordinance to adopt an amended Downtown Development Plan and Tax Increment Financing Plan for the Downtown Development Authority of the Village of Lincoln, Alcona County, Michigan, pursuant to the provisions of Part 2 for Downtown Development Authorities of the Recodified Tax Increment Financing Act, 2018 Public Act 57, as amended ("Act 57").

THE VILLAGE OF LINCOLN ORDAINS:

Section 1. Title.

This Ordinance shall be known and may be cited as the "Village of Lincoln 2024 Downtown Development Plan and Tax Increment Financing Plan Ordinance."

Section 2. Adoption.

The Lincoln Village Council, having held a public hearing on March 4, 2024, on the amended Downtown Development Plan and Tax Increment Financing Plan (the "Plan") prepared by the Downtown Development Authority, attached hereto as Exhibit A, and incorporated herein by reference, hereby make the determination that the Plan constitutes a public purpose and adopts the plan. This determination and adoption is based on the following considerations:

- A. The Village Council has considered the findings and recommendations of the Village of Lincoln Downtown Development Authority.
- B. The Plan meets the requirements set forth in Section 217(2) in Act 57.
- C. The plan includes the proposed method of financing the development which is feasible and the Village of Lincoln Downtown Development Authority has the ability to arrange the financing.
- D. The development described in the Plan is reasonable and necessary to carry out the purposes of Act 57.
- E. The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this part in an efficient and economically satisfactory manner.
- F. The development plan is in reasonable accord with the master plan of the Village of Lincoln.
- G. Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- H. Any changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and the Village.

Section 3. Conflict and Severability.

All other ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby replaced. If any clause, sentence, paragraph, or part of this Ordinance shall for any reason be finally adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Ordinance but shall be confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment is rendered.

Section 4. Publication and Effective Date.

A synopsis of this Ordinance shall be published in a newspaper of general circulation, and this Ordinance shall become effective immediately upon such publication.

Ordinance No. 24-1 was adopted on the 4th day of March, 2024, by the Lincoln Village Council as follows:

Motion by: Dorene Schick

Seconded by: Christine Skude

Yeas: Durham, Lucas, Schick, Skude, Wambold 5

Nays: - 0 -

Absent: Gauthier

I certify that this is a true copy of Ordinance No. 24-1 that was adopted by the Lincoln Village Council on March 4th, 2024 and published in the Alcona Review on 3-13, 2024.

Dated: 3-24-24

Dorinda K. Somers
Clerk

Village of Lincoln Notice of Adoption

On March 4, 2024, the Lincoln Village Council adopted Ordinance #241, an Ordinance to adopt an amended Downtown Development Plan and Tax Increment Financing Plan for the Downtown Development Authority of the Village of Lincoln, Alcona County, Michigan, pursuant to the provisions of Part 2 for Downtown Development Authorities of the Recodified Tax Increment Financing Act, 2018 Public Act 57, as amended ("Act 57"). This ordinance shall become effective immediately upon the publication of this Notice of Adoption. The text of the entire ordinance is available at the Lincoln Village Offices at 117 Fiske Street, Lincoln MI 48742. This determination and adoption are based on the following considerations:

- A. The Village Council has considered the findings and recommendations of the Village of Lincoln Downtown Development Authority.
- B. The Plan meets the requirements set forth in Section 217(2) in Act 57.
- C. The plan includes the proposed method of financing the development which is feasible and the Village of Lincoln Downtown Development Authority has the ability to arrange the financing.
- D. The development described in the Plan is reasonable and necessary to carry out the purposes of Act 57.
- E. The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this part in an efficient and economically satisfactory manner.
- F. The development plan is in reasonable accord with the master plan of the Village of Lincoln.
- G. Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- H. Any changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and the Village.