

DDA TAX INCREMENT FINANCING #97 FUND

The DDA Board of Directors will hold a public hearing on the Tax Increment Financing Fund #97 (TIF97) budget for 2016-17 on Friday, May 20, 2016 at 8 a.m., Commission Chambers, Second Floor, Governmental Center. The Board is scheduled to approve the budget on June 17, 2016.

The TIF 97 Fund accounts for the public activities in the northern part of downtown. Over the next 11 years this fund will continue to make payments on the Hardy Parking Deck bonds. The budgeted amount for 2016-17 is \$790,000 shown as a Contribution to Other Governments. Other expenses are to compensate the City of Traverse City for engineering and other work and the DDA for administrative and operational costs. As in the past year, the City of Traverse City compensation will be based on .1% of the taxable value in the district, estimated to be \$87,650. This fee covers insurance, and audit fees but not legal fees, which are billed on an hourly basis.

An ongoing cost in professional services is the Downtown WIFI project for which TIF 97 will pay \$65,000 in fiscal year 2016-17.

The largest expenditures are in capital outlay. While the Capital Improvement Plan (CIP) details as much as \$372,500 in expenditures including the following projects:

EAST FRONT STREET, 300 BLOCK MIDBLOCK CROSSWALK (\$55,000) This project adds a midblock crosswalk to accommodate heavy pedestrian flow between the Hardy Garage and downtown's largest employer across E. Front Street.

WEST FRONT GARAGE - TIF Funds will be combined with parking funds to pay for a bond issue to construct a parking garage on the west side of downtown.

PUBLIC ART CONTRIBUTION (\$4,000) Per the just approved Public Art Ordinance, 1% of capital expenditures from this fund can go toward public art.

The revenue line item "Contribution from other Governmental Entity" includes a planned \$120,000 reimbursement from the Grand Traverse County Brownfield Redevelopment Authority (BRA) for costs associated with the Hardy Parking Garage.

City of Traverse City, Michigan
 COMPONENT UNIT
 TAX INCREMENT FINANCING 97 FUND
 For the Budget Year 2016-17

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Budget	FY 15/16 Projected	FY 16/17 Requested
REVENUES					
Property Taxes	\$ 1,272,032	\$ 1,510,768	\$ 1,580,412	\$ 1,532,400	\$ 1,737,000
Grants	-	-	-	-	-
Reimbursements	120,000	115,000	120,000	120,000	120,000
Interest Revenue	3,302	4,195	2,000	4,600	2,000
TOTAL REVENUES	1,395,334	1,629,963	1,702,412	1,657,000	1,859,000
EXPENDITURES					
Professional Services	207,568	361,680	270,000	252,000	278,000
Printing and Publishing	438	128	1,000	1,000	1,000
Contribution To Other Governments	735,420	764,111	823,000	801,400	831,000
Capital Outlay	40,055	15,597	1,837,000	2,495,000	400,000
TOTAL EXPENDITURES	983,481	1,141,516	2,931,000	3,549,400	1,510,000
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	411,853	488,447	(1,228,588)	(1,892,400)	349,000
OTHER FINANCING SOURCES (USES)					
Operating transfer/interfund loan	-	-	500,000	-	-
NET CHANGE IN FUND BALANCE	411,853	488,447	(728,588)	(1,892,400)	349,000
Beginning Fund Balance	1,181,023	1,592,876	2,081,323	2,081,323	188,923
Ending Fund Balance	\$ 1,592,876	\$ 2,081,323	\$ 1,352,735	\$ 188,923	\$ 537,923