

DOWNTOWN DEVELOPMENT AUTHORITY

The Downtown Development Authority (DDA) Board of Directors will hold a public hearing on the budget 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 DDA is an arm of the City of Traverse responsible for maintaining the vitality of the Central Business District. Working with private developers, land owners and governmental agencies, and armed with public funds to assist in re-development efforts, the DDA continues to keep downtown's vibrant environment. The DDA also directly operates the Sara Hardy Downtown Farmer's Market. Through a contract with the City of Traverse City, the DDA manages the Traverse City Parking System (TCPS). The DDA has a management agreement with the Downtown Traverse City Association (DTCA) the marketing, communication and events arm of downtown. The revenues from these contracts, as well as projected reimbursements from the Tax Increment Financing funds (TIF), are shown in the Reimbursements revenue line items of the budget. The TCPS fee is proposed to be a percentage of TCPS revenue to reflect the growth and fluctuations of that operation.

To meet the obligations of the management agreements remaining, the DDA will have seven full time employees, and approximately eight part time employees depending on the season. Three of the full time and all but one of the part time employees are dedicated to the Traverse City Parking System. The Farmers Market is expected to be managed by a contractor, reflected in the Professional Services line item. The DDA Board has also committed to purchasing and maintaining the flowers in the summer and that is covered under Salaries and Wages, and in Community Promotion line item. The DDA is projected to continue to support Santa's arrival with up to \$10,000 paid to the DTCA for this event. The DDA will continue the partnership with the City and Grand Traverse County by funding the County's economic development efforts by contributing \$10,000 out of the professional/contractual line item.

By sharing our staff members, office space, equipment and other overhead over the various functions of the TCPS, DTCA, and the TIF projects, we are able to keep costs to a minimum. The DDA office staff structure has evolved to better support the dynamic Traverse City Parking operation and also allow for more strategic and proactive attention to downtown and its environs. The Traverse City Parking System staff has matured to better handle the tremendous growth in downtown parking.

City of Traverse City, Michigan
 COMPONENT UNIT
 DOWNTOWN DEVELOPMENT AUTHORITY 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	\$ 70,660	\$ 68,578	\$ 70,000	\$ 70,000	\$ 128,000
Reimbursements	540,652	659,937	767,377	783,314	698,652
Rental Income	50,846	45,770	45,000	46,000	53,000
Interest Revenue	225	355	200	200	200
TOTAL REVENUES	662,383	774,640	882,577	899,514	879,852
EXPENDITURES					
Salaries and Wages	423,410	490,612	581,810	685,000	595,261
Fringe Benefits	97,320	120,901	146,733	74,569	180,153
Office/Operating Supplies	9,670	10,122	9,000	9,000	10,000
Professional Services	33,033	51,655	78,100	66,000	44,775
Communications	4,657	4,761	4,600	4,800	4,800
Transportation	619	1,584	2,000	1,900	2,000
Lodging/Meals	4,809	4,352	5,000	4,000	5,000
Training	739	1,350	2,000	2,000	2,000
Community Promotion	10,489	10,827	12,500	11,600	12,500
Printing and Publishing	8,498	5,774	7,500	7,000	1,500
Insurance and Bonds	1,478	1,528	1,700	1,800	1,800
Utilities	6,476	6,984	6,600	6,600	7,100
Repairs and Maintenance	2,925	1,950	2,200	2,100	2,200
Rentals	9,262	8,870	8,000	8,000	9,000
Legal Services	5,849	3,324	5,000	4,500	4,500
Miscellaneous	99	26	400	150	400
Capital Outlay	5,575	4,454	6,000	6,000	9,000
TOTAL EXPENDITURES	624,908	729,074	879,143	895,019	891,989
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	37,475	45,566	3,434	4,495	(12,137)
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Beginning Fund Balance	216,776	254,251	299,817	299,817	304,312
Ending Fund Balance	\$ 254,251	\$ 299,817	\$ 303,251	\$ 304,312	\$ 292,175
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Personnel Services %	83.33%	83.88%	82.87%	84.87%	86.93%