

DDA GENERAL OPERATING

Department: Downtown Development Authority DDA General Operating

Link to Website: www.dda.downtowntc.com

Mission: To create, support and promote critical infrastructure and other improvements that enhance the downtown experience, promote business growth, serve as a catalyst for private investment and contribute to the year-round vitality and unique sense-of-place of downtown Traverse City.

The Downtown Development Authority (DDA) Board of Directors will hold a public hearing on their 2022/2023 budget on Friday, May 20, 2022 at 8:30 a.m. The DDA Board is scheduled to approve the budget on June 17, 2022.

The DDA is a Component Unit of the City of Traverse City and responsible for maintaining the vitality of the Central Business District. The DDA accomplishes this by focusing on four core components:

- Public Improvements
- Events
- Marketing
- Business support

Under its Operation Budget revenue line item, the DDA has two contracts. The first contract is with the DTCA for marketing and events. The second contract is with the City of Traverse City to manage parking operations. All employees assigned to manage and facilitate parking are considered employees of the DDA. The total contract amount for this support in 2022/2023 will be \$816,000. This contract solely covers the cost of the employees assigned to parking. No management fee is provided to the DDA.

Continued Initiatives within the DDA General Fund

Traverse Connect

The DDA will continue its contract with Traverse Connect. Our partnership with Traverse Connect is critical to our efforts to determine how we support our downtown businesses/partners as they shift out of the pandemic. The contract will work on

- Bringing office workers back to Downtown
- Identifying new offices to make Downtown their new home
- As they are the organization leading Economic Diversity, it is important to ensure that we are at the table for discussion.

Moving Downtown Forward - PUMA

The DDA Board has hired Progressive Urban Management Associates (P.U.M.A.) to evaluate and recommend the future organizational and financial framework of the DDA. As part of this effort, PUMA will help identify financial mechanisms to fund the West End Parking Structure, improvements outlined in the Lower Boardman Unified Plan, as well as other public infrastructure projects (including maintenance) for Downtown. The majority of the work will be completed in the upcoming fiscal year budget, therefore the budget identifies approximately \$80,000 in the 2022/2023 budget.

City of Traverse City, Michigan
DDA COMPONENT UNIT
DDA GENERAL FUND

For the Budget Year 2022-23

	FY 20/21 Actual	FY 21/22 Budgeted	FY 21/22 Projected	FY 22/23 Requested
REVENUES				
Taxes	\$ 128,739	\$ 137,500	\$ 127,500	\$ 129,000
Grants and Reimbursements	181,721	438,000	1,926,200	1,200,000
Reimbursements	1,434,564	1,321,000	1,321,000	1,236,600
Rental Income	34,887	90,000	94,500	90,000
Interest Income	908	600	800	600
Miscellaneous	0	0	1,450	0
TOTAL REVENUES	1,780,819	1,987,100	3,471,450	2,656,200
EXPENDITURES				
Salaries and Wages	741,084	858,000	858,000	955,400
Fringe Benefits	242,136	310,000	310,000	320,000
Office Supplies and Utilities	105,175	85,500	0	45,800
Professional Services	504,459	836,000	400,000	325,000
Travel and Conferences	2,597	35,000	10,000	25,000
Repairs and Maintenance	1,356	3,000	3,000	0
Rentals	13,511	80,000	94,000	96,000
Civic Square	0	100,000	1,821,900	1,050,000
TOTAL EXPENDITURES	1,610,318	2,307,500	3,496,900	2,817,200
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	170,501	(320,400)	(25,450)	(161,000)
Beginning Fund Balance	726,806	897,307	897,307	871,857
Ending Fund Balance	\$ 897,307	\$ 576,907	\$ 871,857	\$ 710,857

DDA TAX INCREMENT FINANCING #97 FUND

Department: Downtown Development Authority TIF 97

Link to Website: www.dda.downtowntc.com

Mission: To create, support and promote critical infrastructure and other improvements that enhance the downtown experience, promote business growth, serve as a catalyst for private investment and contribute to the year-round vitality and unique sense-of-place of downtown Traverse City.

The DDA Board of Directors will hold a public hearing on the Tax Increment Financing Fund #97 (TIF97) budget for fiscal year 2022/2023 on Friday, May 20, 2022 at 8:30 am. The Board is scheduled to approve the budget on June 17, 2022.

New Initiatives or Budget Changes:

There has been steady growth within the TIF 97 District, with significant projects completed in 2021. The captured taxable value of the TIF 97 District is projected to be \$144,693,033, with projected revenue of \$3,777,971.

- Retail Incubator. Work continues to establish a retail incubator downtown. TraverseConnect provided a business plan that details how many square feet are needed as well as possible locations, branding, etc. for such an effort. Allocated funds under the 2022/2023 budget will be used to help us identify the location of the incubator (likely with a lease) and establishing policies and procedures.
- Continuing with our Community Police Officer remains a high priority. This is our last year of a five-year contract and we will be working with the Chair, Vice-Chair and Police Chief to extend and possibly increase this to a full-time community police officer for 2023/2024.

Public Infrastructure

- The 100/200 Alley Riverwalk/Pedestrian Alley (which is contained within Lower Boardman public infrastructure line item) is included in the budget. This project was approved by the DDA Board and the project will soon be in the conceptual design phase. The conceptual design will provide a vision and plan for the riverwalk and pedestrian alley as well as the cost for implementation. Once the conceptual design is completed, the next step for the DDA will be to determine the best approach for financing and implementation. The financing for this project is linked to the results of our *Moving Downtown Forward* effort work under the DDA General budget.
- Circulation Plan for Downtown. Dollars have been set aside for a possible conversion of State Street (from Pine to Boardman) and Boardman Avenue (from Front to State) to two-way traffic. The cost identified in this budget would be for a "pilot conversion project" targeting the end of this coming summer and winter.
- Cameras Downtown. In response to the results of the Healthier Drinking Culture report, the DDA (in partnership with the City Police Department) plans to implement cameras in identified areas throughout to help address safety concerns.

- Streetscapes/Snowmelt. Streetscaping and snowmelt will remain important infrastructure investments as new development continues throughout the district. Streetscaping enhances the public-realm and works to support business development. Snowmelt helps provide safe pedestrian access and connections throughout the network of sidewalks in the TIF 97 District as well as connections to the rest of downtown.

City of Traverse City, Michigan
DDA COMPONENT UNIT
TAX INCREMENT FINANCING 97 FUND
For the Budget Year 2022-23

	FY20/21 Actual	FY 21/22 Budgeted	FY 21/22 Projected	FY 22/23 Requested
REVENUES				
Property Taxes	\$2,770,871	\$ 3,106,550	\$3,040,450	\$ 3,778,000
Grant and Reimbursements	0	0	0	0
Reimbursements	258,447	130,000	186,800	200,000
Interest Income	1,813	4,500	3,150	2,000
TOTAL REVENUES	3,031,131	3,241,050	3,230,400	3,980,000
EXPENDITURES				
Professional Services	655,161	739,300	739,300	732,000
Printing and Publishing	15,584	200	200	200
Repair & Maintenance	0	15,000	5,000	250,000
Contribution to District Construction Project	575,053	1,708,000	1,708,000	2,184,500
Contribution to City - Debt Service	892,922	931,550	931,550	973,200
Capital Outlay/Engineering Costs for Public Projects	0	0	0	0
TOTAL EXPENDITURES	2,138,720	3,394,050	3,384,050	4,139,900
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	892,411	(153,000)	(153,650)	(159,900)
OTHER FINANCING SOURCES (USES)				
Operating Transfer	0	0	0	0
NET CHANGE IN FUND BALANCE	892,411	(153,000)	(153,650)	(159,900)
Beginning Fund Balance	2,974,201	3,866,612	3,866,612	3,712,962
Ending Fund Balance	\$3,866,612	\$3,713,612	\$3,712,962	\$3,553,062

DDA TAX INCREMENT FINANCING OLD TOWN TIF

Department: Downtown Development Authority Old Town

Link to Website: www.dda.downtowntc.com

Mission: To create, support and promote critical infrastructure and other improvements that enhance the downtown experience, promote business growth, serve as a catalyst for private investment and contribute to the year-round vitality and unique sense-of-place of downtown Traverse City.

The Downtown Development Authority (DDA) Board of Directors will hold a public hearing on the 2022/2023 Old Town TIF budget on Friday, May 20, 2022 at 8:30 a.m. The DDA Board is scheduled to approve the budget on June 17, 2022.

New Initiatives or Budget Changes:

The Old Town District continues to see steady growth and opportunity. The captured taxable value for the district is \$28,103,427, with projected revenue of \$716,654.

Under "professional services" there will be a 2% administrative fee for the DDA and 1% for the City of Traverse City, legal services, and miscellaneous contingency.

Public Infrastructure

- The Midtown Riverwalk, which was put in over 20 years ago, is due for replacement. The cost listed is conservative, and our work will be guided by the Lower Boardman Unified Plan to determine best approaches for this Riverwalk. Minimally, repair and maintenance will be required along this section of the river.
- Streetscapes/Snowmelt: Property owners have asked for a partnership with the DDA to implement a snowmelt system within Old Town. Snowmelt helps provide safe pedestrian access and connections throughout the network of sidewalks in Old Town as well as connections to the rest of downtown.

City of Traverse City, Michigan
DDA COMPONENT UNIT
OLD TOWN TAX INCREMENT FINANCING FUND
For the Budget Year 2022-23

	FY 20/21 Actual	FY 21/22 Budgeted	FY 21/22 Projected	FY 22/23 Requestd
REVENUES				
Property Taxes	\$ 507,308	\$ 555,000	\$ 560,000	\$ 702,800
Reimbursements	0	0	0	-
Interest Income	394	100	100	200
TOTAL REVENUES	507,702	555,100	560,100	703,000
EXPENDITURES				
Professional Services	192,239	215,750	215,700	118,800
Printing and Publishing	0	100	0	100
Contribution to District Construction Project	12,372	562,000	330,000	875,000
TOTAL EXPENDITURES	204,611	777,850	545,700	993,900
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	303,091	(222,750)	14,400	(290,900)
OTHER FINANCING SOURCES (USES)				
Operating Transfer	0	0	0	0
NET CHANGE IN FUND BALANCE	303,091	(222,750)	14,400	(290,900)
Beginning Fund Balance	219,377	522,468	522,468	536,868
Ending Fund Balance	\$ 522,468	\$ 299,718	\$ 536,868	\$ 245,968

City of Traverse City, Michigan
Property Tax Millage Rates - All Overlapping Governments
2012-2021

Tax Year	City	County	School	Other	Total
2012 - Homestead	13.0567	4.9838	9.1000	8.9423	36.0828
2012 - Non-Homestead	13.0567	4.9838	27.1000	8.9423	54.0828
2013 - Homestead	13.4367	4.9838	9.1000	9.9505	37.4710
2013 - Non-Homestead	13.4367	4.9838	27.1000	9.9505	55.4710
2014 - Homestead	13.4367	4.9838	9.1000	8.4906	36.0111
2014 - Non-Homestead	13.4367	4.9838	27.1000	8.4906	54.0111
2015 - Homestead	13.4367	4.9838	9.1000	9.2164	36.7369
2015 - Non-Homestead	13.4367	4.9838	27.1000	9.2164	54.7369
2016-Homestead	13.4367	4.9823	9.1000	9.3296	36.8486
2016-Non-Homestead	13.4367	4.9823	27.1000	9.3296	54.8486
2017-Homestead	13.4367	4.9429	9.1000	9.3296	36.8092
2017-Non-Homestead	13.4367	4.9429	27.1000	9.0881	54.5677
2018-Homestead	14.4367	4.9246	9.1000	9.3389	37.8002
2018-Non-Homestead	14.4367	4.9246	27.1000	9.3389	55.8002
2019-Homestead	14.4367	4.9019	9.1000	9.2507	37.6893
2019-Non-Homestead	14.4367	4.9019	27.1000	9.2507	55.6893
2020-Homestead	14.4367	4.8858	9.1000	8.6918	37.1143
2020-Non-Homestead	14.4367	4.8858	27.1000	8.6918	55.1143
2021-Homestead	14.4154	4.8096	9.1000	8.6267	36.9517
2021-Non-Homestead	14.4154	4.8096	27.1000	8.6267	54.9517

Other: Includes Commission on Aging, Northwestern Michigan College, BATA, District Library, Intermediate School District, Senior Center, Road Commission, Recreation Authority Operating and Debt Service, Veterans, Animal Control, and Conservation District millages.

The City's rate does not reflect a levy for the Downtown Development Authority established in 1979 (for 2021 the millage rate was 1.6371).