

Traverse City Downtown Development Authority Regular Meeting

Friday, June 19, 2026

9:00 am

Commission Chambers, Governmental Center
400 Boardman Avenue
Traverse City, Michigan 49684



The City of Traverse City does not discriminate on the basis of disability in the admission to, access to, treatment in, or employment in, its programs or activities. Interim Assistant City Manager, 400 Boardman Avenue, Traverse City, Michigan 49684, phone 231-922-4440, TDD/TTY 231-922-4412, VRS 231-421-7008, has been designated to coordinate compliance with the non-discrimination requirements contained in Section 35.107 of the Department of Justice regulations. Information concerning the provisions of the Americans with Disabilities Act, and the rights provided thereunder, are available from the ADA Coordinator.

If you are planning to attend and you have a disability requiring any special assistance at the meeting and/or if you have any concerns, please immediately notify the ADA Coordinator.

The City of Traverse City and Downtown Development Authority are committed to a dialog that is constructive, respectful and civil. We ask that all individuals interacting verbally or in writing with board members honor these values.

Downtown Development Authority:
c/o Harry Burkholder, Executive Director
(231) 922-2050
Web: www.dda.downtowntc.com
303 East State Street, Suite C
Traverse City, MI 49684

Welcome to the Traverse City Downtown Development Authority meeting

Agenda

	Page
1. CALL TO ORDER	
2. ROLL CALL	
3. REVIEW AND APPROVAL OF AGENDA	
4. PUBLIC COMMENT	
5. CONSENT CALENDAR	
<i>The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one DDA Board motion without discussion. Any member of the DDA Board, staff or the public may ask that any item on the consent calendar be removed therefrom and placed elsewhere on the agenda for individual consideration by the DDA Board; and such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single DDA Board action adopting the consent calendar.</i>	
A. Consideration of approving the minutes from the May 15, 2026 DDA Regular Board Meeting (approval recommended) May 15, 2026 DDA Board Meeting Minutes - PDF	4 - 7
B. Consideration of approving the May Financial Reports and Distributions from the DDA General, Old Town TIF, TIF-97 (approval recommended) May 2026 DDA General , Old Town TIF, and TIF-97 Budget(s) Financial Reports and Distributions - PDF	8 - 12
C. Consideration of approving the May 2026 Financial Report and Distribution from the Traverse City Arts Commission (approval recommended) May 2026 Traverse City Arts Commission Financial Report and Distributions	13
6. ITEMS REMOVED FROM CONSENT CALENDAR	
7. SPECIAL ORDER OF BUSINESS	

A.	Public Hearing on the 2026 - 2027 DDA Budgets Public Hearing Memo (Burkholder) - PDF DDA Budget As Presented in the City Budget - PDF	14 - 28
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8.	OLD BUSINESS	
A.	2026 - 2027 DDA Budget Approval (approval recommended) Budget Approval Memo (Burkholder) - PDF DDA Budget As Presented in the City Budget - PDF	29 - 43
B.	TIF-97 Project Priorities TIF-97 Project Priorities Memo (Burkholder) - PDF	44
C.	Proposed Development and TIF Plan (approval recommended) Proposed Development and TIF Plan Memo (Burkholder) - PDF Final Draft Development and TIF Plan - PDF	45 - 90
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9.	NEW BUSINESS	
A.	PUMA Market Study and Business Retention Study (approval recommended) PUMA Market Study and Business Retention Study Memo (Burkholder) - PDF PUMA Proposal - PDF	91 - 94
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10.	EXECUTIVE DIRECTOR REPORT	
A.	Executive Director Report Executive Director Report (Burkholder) - PDF	95 - 96
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11.	STAFF REPORTS	
A.	Director of Events and Engagement Report Director of Events and Engagement Report (Klebba) - PDF	97 - 98
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12.	PUBLIC COMMENT	
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13.	ADJOURNMENT	



**Minutes of the
Downtown Development Authority for the City of Traverse City
Regular Meeting
Friday, May 15, 2026**

A regular meeting of the Downtown Development Authority of the City of Traverse City was called to order at the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan, at 9:00 a.m.

The following Board Members were in attendance: Board Member Pete Kirkwood, Board Members Jeff Joubran, Board Member Todd McMillen, Board Member Ed Slosky, Mayor Amy Shamroe, Board Member Shelley Spencer and Board Member Caitlin Early

The following Board Members were absent: Board Member Gary Howe, Board Member Mike Powers

Chairperson Slosky presided at the meeting.

(a) **CALL TO ORDER**

The meeting was called to order by Chair Slosky at 9:00 am

(b) **ROLL CALL**

(c) **REVIEW AND APPROVAL OF AGENDA**

- (1) That the Agenda be approved as amended - to remove the Public Hearing on the 2026 - 2027 Budget from the Agenda to comply with state public hearing notification requirements

Moved by Amy Shamroe, Seconded by Jeff Joubran

Yes: Peter Kirkwood, Jeff Joubran, Todd McMillen, Ed Slosky, Amy Shamroe, Shelley Spencer, and Caitlin Early

Absent: Gary Howe and Mike Powers

CARRIED. 7-0-2 on a recorded vote

(d) **PUBLIC COMMENT**

(e) **CONSENT CALENDAR**

The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one DDA Board motion without discussion. Any member of the DDA Board, staff or the public may ask that any item on the consent calendar be removed therefrom and placed elsewhere on the agenda for individual consideration by the DDA Board; and such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single DDA Board action adopting the consent calendar.

- (1) Consideration of approving the minutes from the April 17, 2026 DDA Regular Board Meeting (approval recommended)
- (2) Consideration of approving the April Financial Reports and Distributions from the DDa general, Old Town TIF and TIF-97 (approval recommended)
- (3) Consideration of approving the April 2026 Financial Report and Distribution from the Traverse City Arts Commission (approval recommended)
Motion to approve the Consent Calendar as presented

Moved by Jeff Joubran, Seconded by Todd McMillen

Yes: Peter Kirkwood, Jeff Joubran, Todd McMillen, Ed Slosky, Amy Shamroe, Shelley Spencer, and Caitlin Early

Absent: Gary Howe and Mike Powers

CARRIED. 7-0-2 on a recorded vote

(f) **ITEMS REMOVED FROM CONSENT CALENDAR**

(g) **SPECIAL ORDER OF BUSINESS**

- (1) Public Hearing on the 2026 - 2027 DDA Budgets - Removed From the Budget

The following addressed the board about next steps regarding the budget:
Ed Slosky
Amy Shamroe

(h) **OLD BUSINESS**

- (1) TIF-97 Project Priorities Update

The following addressed the Board:
Harry Burkholder

- (2) Moving Downtown Forward TIF Plan Discussion

The following addressed the board:
Harry Burkholder

Ed Slosky
Amy Shamroe
Jeff Joubran
Shelley Spencer
Pete Kirkwood
Caitlin Early
Todd McMillen

(i) **NEW BUSINESS**

- (1) Riverwalk Wayfinding Signage Plan Update

The following addressed the Board:
Harry Burkholder
Jeff Frank (Corbin Design)
Shelley Spencer
Amy Shamroe
Pete Kirkwood
Caitlin Early
Jeff Joubran
Ed Slosky

(j) **EXECUTIVE DIRECTOR REPORT**

- (1) Executive Director Report

The following addressed the Board:
Harry Burkholder
Ed Slosky

(k) **STAFF REPORTS**

- (1) Director of Events and Engagement Report

The following addressed the Board:
Sara Klebba

(l) **RECEIVE AND FILE**

(m) **PUBLIC COMMENT**

(n) **ADJOURNMENT**

The meeting was adjourned by Chair Slosky at 10:10a.m.

Harry Burkholder, Executive Director

Draft

REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY
 PERIOD ENDING 05/31/2026
 % Fiscal Year Completed: 91.78

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 05/31/2026	ACTIVITY FOR MONTH 05/31/2026	AVAILABLE BALANCE	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Revenues						
Dept 000 - NON-DEPARTMENTAL						
248-000-401.000	PROPERTY TAX REVENUE PRIOR YEAR ADJ	0.00	873.84	0.00	(873.84)	100.00
248-000-402.000	TAXES-CURRENT-REAL ESTATE	130,000.00	119,877.27	0.00	10,122.73	92.21
248-000-412.000	TAX-DELINQUENT-PERSONAL PROP	0.00	0.00	0.00	0.00	0.00
248-000-432.000	PAYMENT IN LIEU OF TAXES	0.00	1,329.31	0.00	(1,329.31)	100.00
248-000-476.060	VENDOR PERMITS	21,500.00	0.00	0.00	21,500.00	0.00
248-000-502.000	FEDERAL GRANTS	657,700.00	0.00	0.00	657,700.00	0.00
248-000-543.001	STATE GRANT	600,000.00	0.00	0.00	600,000.00	0.00
248-000-569.000	STATE GRANTS - OTHER	0.00	0.00	0.00	0.00	0.00
248-000-573.000	LOCAL COMMUNITY STABILIZATION SHARE	0.00	0.00	0.00	0.00	0.00
248-000-580.000	GRANTS FROM LOCAL UNITS	0.00	2,340.00	0.00	(2,340.00)	100.00
248-000-580.001	GRANT PRIVATE SOURCE	500,000.00	165,000.00	0.00	335,000.00	33.00
248-000-626.000	CHARGES FOR SERVICES RENDERED	0.00	68,750.00	6,250.00	(68,750.00)	100.00
248-000-664.000	INTEREST & DIVIDEND EARNINGS	5,300.00	6,469.00	1,112.71	(1,169.00)	122.06
248-000-667.000	RENTS AND ROYALTIES	50,000.00	23,463.00	3,864.00	26,537.00	46.93
248-000-674.000	CONTRIBUTIONS-PRIVATE SOURCES	0.00	0.00	0.00	0.00	0.00
248-000-675.000	CONTRIBUTIONS-PUBLIC SOURCES	75,000.00	0.00	0.00	75,000.00	0.00
248-000-676.000	REIMBURSEMENTS	0.00	420.37	0.00	(420.37)	100.00
248-000-692.000	PRIOR YEARS' SURPLUS	9,000.00	0.00	0.00	9,000.00	0.00
248-000-699.000	TRANSFERS IN	712,500.00	712,500.00	0.00	0.00	100.00
Total Dept 000 - NON-DEPARTMENTAL		2,761,000.00	1,101,022.79	11,226.71	1,659,977.21	39.88
TOTAL REVENUES		2,761,000.00	1,101,022.79	11,226.71	1,659,977.21	39.88
Expenditures						
Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY						
248-725-702.000	SALARIES AND WAGES	446,200.00	391,059.39	35,345.33	55,140.61	87.64
248-725-704.000	EMPLOYEE OVERTIME	0.00	0.00	0.00	0.00	0.00
248-725-706.000	EMPLOYEE OVERTIME	0.00	0.00	0.00	0.00	0.00
248-725-714.000	HEALTH SAVINGS ACCT EXPENSE	0.00	5,390.00	(110.00)	(5,390.00)	100.00
248-725-715.000	EMPLOYER'S SOCIAL SECURITY	32,900.00	31,076.09	2,840.44	1,823.91	94.46
248-725-716.000	EMPLOYEE HEALTH INSURANCE	49,800.00	22,631.46	2,379.22	27,168.54	45.44
248-725-717.000	EMPLOYEE LIFE/DISABILITY INS	200.00	3,724.73	627.03	(3,524.73)	1,862.37
248-725-718.000	RETIREMENT FUND CONTRIBUTION	43,000.00	21,214.05	2,408.33	21,785.95	49.34
248-725-720.000	UNEMPLOYMENT COMPENSATION	1,900.00	1,319.86	0.00	580.14	69.47
248-725-721.000	WORKERS COMPENSATION INS	5,200.00	2,177.00	0.00	3,023.00	41.87
248-725-727.000	OFFICE SUPPLIES	14,630.00	11,880.09	2.99	2,749.91	81.20
248-725-727.003	OFFICE FURNITURE AND EQUIPMENT	0.00	0.00	0.00	0.00	0.00
248-725-740.000	OPERATION SUPPLIES	67,970.00	60,215.02	1,942.24	7,754.98	88.59
248-725-801.000	PROFESSIONAL AND CONTRACTUAL	124,400.00	140,133.71	13,285.68	(15,733.71)	112.65
248-725-801.007	MEMBERSHIP DUES AND SUBSCRIPTIONS	7,000.00	4,432.21	2,923.99	2,567.79	63.32
248-725-801.008	FARMERS MARKET FOOD ASSISTANCE	0.00	15,444.01	0.01	(15,444.01)	100.00
248-725-802.000	INFORMATION TECHNOLOGY SERVICES	0.00	0.00	0.00	0.00	0.00
248-725-804.000	LEGAL SERVICES	34,000.00	34,000.00	0.00	0.00	100.00
248-725-805.000	POSTAGE	0.00	22.99	0.00	(22.99)	100.00
248-725-807.000	INSURANCE AND BONDS	0.00	0.00	0.00	0.00	0.00
248-725-821.000	MARKETING & PUBLIC SERVICES	0.00	0.00	0.00	0.00	0.00
248-725-822.000	INSURANCE AND BONDS	0.00	0.00	0.00	0.00	0.00
248-725-822.001	TRAINING/REGISTRATION/TUITION	2,500.00	0.00	0.00	2,500.00	0.00
248-725-822.002	LODGING AND TRAVEL	2,500.00	0.00	0.00	2,500.00	0.00
248-725-850.000	COMMUNICATIONS	5,000.00	1,300.20	426.84	3,699.80	26.00

REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY
 PERIOD ENDING 05/31/2026
 % Fiscal Year Completed: 91.78

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 05/31/2026	ACTIVITY FOR MONTH 05/31/2026	AVAILABLE BALANCE	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Expenditures						
248-725-860.000	TRANSPORTATION	0.00	0.00	0.00	0.00	0.00
248-725-880.000	COMMUNITY PROMOTION	0.00	0.00	0.00	0.00	0.00
248-725-900.000	PRINTING AND PUBLISHING	0.00	784.00	0.00	(784.00)	100.00
248-725-920.000	PUBLIC UTILITIES	4,000.00	4,209.04	501.94	(209.04)	105.23
248-725-930.000	REPAIRS AND MAINTENANCE	1,000.00	1,114.22	50.95	(114.22)	111.42
248-725-940.000	RENTAL EXPENSE	0.00	2,384.40	0.00	(2,384.40)	100.00
248-725-956.000	MISCELLANEOUS	10,000.00	7,388.73	776.63	2,611.27	73.89
248-725-965.000	REPAIRS AND MAINTENANCE	0.00	0.00	0.00	0.00	0.00
248-725-970.000	CAPITAL OUTLAY	1,757,700.00	154,155.98	36,818.50	1,603,544.02	8.77
248-725-970.002	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTU	0.00	0.00	0.00	0.00	0.00
248-725-970.003	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTU	0.00	0.00	0.00	0.00	0.00
248-725-988.000	UNALLOCATED FUNDS	151,100.00	0.00	0.00	151,100.00	0.00
Total Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY		2,761,000.00	916,057.18	100,220.12	1,844,942.82	33.18
TOTAL EXPENDITURES		2,761,000.00	916,057.18	100,220.12	1,844,942.82	33.18
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:						
TOTAL REVENUES		2,761,000.00	1,101,022.79	11,226.71	1,659,977.21	39.88
TOTAL EXPENDITURES		2,761,000.00	916,057.18	100,220.12	1,844,942.82	33.18
NET OF REVENUES & EXPENDITURES		0.00	184,965.61	(88,993.41)	(184,965.61)	100.00
BEG. FUND BALANCE						
FUND BALANCE ADJUSTMENTS			512,643.34			
END FUND BALANCE			697,608.95			

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GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 05/31/2026	ACTIVITY FOR MONTH 05/31/2026	AVAILABLE BALANCE	% BGD USED
Fund 252 - DDA OLD TOWN TIF						
Revenues						
Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY						
252-725-401.000	PROPERTY TAX REVENUE PRIOR YEAR ADJ	0.00	459.38	0.00	(459.38)	100.00
252-725-402.000	TAXES-CURRENT-REAL ESTATE	830,000.00	989,976.85	0.00	(159,976.85)	119.27
252-725-432.000	PAYMENT IN LIEU OF TAXES	0.00	0.00	0.00	0.00	0.00
252-725-664.000	INTEREST & DIVIDEND EARNINGS	100.00	454.82	0.00	(354.82)	454.82
252-725-667.000	RENTS AND ROYALTIES	0.00	0.00	0.00	0.00	0.00
252-725-676.000	REIMBURSEMENTS	0.00	0.00	0.00	0.00	0.00
252-725-692.000	PRIOR YEARS' SURPLUS	0.00	0.00	0.00	0.00	0.00
252-725-699.000	TRANSFERS IN	0.00	0.00	0.00	0.00	0.00
Total Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY		830,100.00	990,891.05	0.00	(160,791.05)	119.37
TOTAL REVENUES		830,100.00	990,891.05	0.00	(160,791.05)	119.37
Expenditures						
Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY						
252-725-727.000	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00
252-725-801.000	PROFESSIONAL AND CONTRACTUAL	77,000.00	49,738.60	531.62	27,261.40	64.60
252-725-804.000	LEGAL SERVICES	10,000.00	10,000.00	7,403.12	0.00	100.00
252-725-821.000	MARKETING & PUBLIC SERVICES	0.00	0.00	0.00	0.00	0.00
252-725-880.000	COMMUNITY PROMOTION	20,000.00	19,050.11	0.00	949.89	95.25
252-725-900.000	PRINTING AND PUBLISHING	0.00	0.00	0.00	0.00	0.00
252-725-920.000	PUBLIC UTILITIES	5,000.00	1,421.97	0.00	3,578.03	28.44
252-725-930.000	REPAIRS AND MAINTENANCE	0.00	0.00	0.00	0.00	0.00
252-725-956.000	MISCELLANEOUS	15,000.00	0.00	0.00	15,000.00	0.00
252-725-965.000	CITY FEE	124,800.00	82,998.00	0.00	41,802.00	66.50
252-725-970.002	DDA ESSENTIAL PUBLIC INFRASTRUCTURE	90,000.00	0.00	0.00	90,000.00	0.00
252-725-970.003	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	270,000.00	0.00	0.00	270,000.00	0.00
252-725-970.003-DDAMA	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
252-725-970.003-DDARE	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
252-725-970.003-DDAU7	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
252-725-988.000	UNALLOCATED FUNDS	100,900.00	0.00	0.00	100,900.00	0.00
252-725-995.000	TRANSFERS OUT/CONTRIB. TO OTHER FUNDS	117,400.00	117,400.00	0.00	0.00	100.00
Total Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY		830,100.00	280,608.68	7,934.74	549,491.32	33.80
TOTAL EXPENDITURES		830,100.00	280,608.68	7,934.74	549,491.32	33.80
Fund 252 - DDA OLD TOWN TIF:						
TOTAL REVENUES		830,100.00	990,891.05	0.00	(160,791.05)	119.37
TOTAL EXPENDITURES		830,100.00	280,608.68	7,934.74	549,491.32	33.80
NET OF REVENUES & EXPENDITURES		0.00	710,282.37	(7,934.74)	(710,282.37)	100.00
BEG. FUND BALANCE						
FUND BALANCE ADJUSTMENTS			1,195,623.99			
END FUND BALANCE			1,905,906.36			

REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY
 PERIOD ENDING 05/31/2026
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GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 05/31/2026	ACTIVITY FOR MONTH 05/31/2026	AVAILABLE BALANCE	% BGD USED
Fund 253 - DDA TIF 97						
Revenues						
Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY						
253-725-401.000	PROPERTY TAX REVENUE PRIOR YEAR ADJ	0.00	17,687.60	0.00	(17,687.60)	100.00
253-725-402.000	TAXES-CURRENT-REAL ESTATE	4,336,300.00	4,212,249.88	0.00	124,050.12	97.14
253-725-432.000	PAYMENT IN LIEU OF TAXES	0.00	29,029.38	0.00	(29,029.38)	100.00
253-725-573.000	LOCAL COMMUNITY STABILIZATION SHARE	0.00	61,983.89	0.00	(61,983.89)	100.00
253-725-664.000	INTEREST & DIVIDEND EARNINGS	4,500.00	3,490.66	0.00	1,009.34	77.57
253-725-667.000	RENTS AND ROYALTIES	0.00	0.00	0.00	0.00	0.00
253-725-676.000	REIMBURSEMENTS	0.00	0.00	0.00	0.00	0.00
253-725-692.000	PRIOR YEARS' SURPLUS	2,642,600.00	0.00	0.00	2,642,600.00	0.00
253-725-699.000	TRANSFERS IN	0.00	0.00	0.00	0.00	0.00
Total Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY		6,983,400.00	4,324,441.41	0.00	2,658,958.59	61.92
TOTAL REVENUES		6,983,400.00	4,324,441.41	0.00	2,658,958.59	61.92
Expenditures						
Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY						
253-725-727.000	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00
253-725-801.000	PROFESSIONAL AND CONTRACTUAL	328,100.00	239,599.23	4,816.38	88,500.77	73.03
253-725-801.000-DDAFA	PROFESSIONAL AND CONTRACTUAL	0.00	0.00	0.00	0.00	0.00
253-725-801.004	BANK SERVICE FEES	0.00	0.00	0.00	0.00	0.00
253-725-804.000	LEGAL SERVICES	20,000.00	20,000.00	10,084.38	0.00	100.00
253-725-821.000	MARKETING & PUBLIC SERVICES	90,000.00	63,261.86	0.00	26,738.14	70.29
253-725-880.000	COMMUNITY PROMOTION	0.00	0.00	0.00	0.00	0.00
253-725-900.000	PRINTING AND PUBLISHING	0.00	0.00	0.00	0.00	0.00
253-725-920.000	PUBLIC UTILITIES	30,000.00	13,134.31	119.78	16,865.69	43.78
253-725-956.000	MISCELLANEOUS	50,000.00	7,328.44	839.91	42,671.56	14.66
253-725-965.000	CITY FEE	514,700.00	318,330.67	0.00	196,369.33	61.85
253-725-970.002	DDA ESSENTIAL PUBLIC INFRASTRUCTURE	671,000.00	6,640.05	383.16	664,359.95	0.99
253-725-970.002-DDARS	DDA ESSENTIAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-970.002-DDAUS	DDA ESSENTIAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-970.003	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	3,810,000.00	701,229.84	0.00	3,108,770.16	18.40
253-725-970.003-DDABO	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-970.003-DDAFM	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-970.003-DDAMA	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-970.003-DDARO	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-970.003-DDASS	DDA TRANSFORMATIONAL PUBLIC INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
253-725-991.000	PRINCIPAL/PRINCIPAL EXPENSES	820,000.00	820,000.00	0.00	0.00	100.00
253-725-994.000	INTEREST EXPENSE	54,500.00	54,458.75	0.00	41.25	99.92
253-725-995.000	TRANSFERS OUT/CONTRIB. TO OTHER FUNDS	595,100.00	595,100.00	0.00	0.00	100.00
Total Dept 725 - DOWNTOWN DEVELOPMENT AUTHORITY		6,983,400.00	2,839,083.15	16,243.61	4,144,316.85	40.65
TOTAL EXPENDITURES		6,983,400.00	2,839,083.15	16,243.61	4,144,316.85	40.65
Fund 253 - DDA TIF 97:						
TOTAL REVENUES		6,983,400.00	4,324,441.41	0.00	2,658,958.59	61.92
TOTAL EXPENDITURES		6,983,400.00	2,839,083.15	16,243.61	4,144,316.85	40.65

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REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY
 PERIOD ENDING 05/31/2026
 % Fiscal Year Completed: 91.78

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*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 05/31/2026	ACTIVITY FOR MONTH 05/31/2026	AVAILABLE BALANCE	% BDGT USED
Fund 253 - DDA TIF 97						
NET OF REVENUES & EXPENDITURES		0.00	1,485,358.26	(16,243.61)	(1,485,358.26)	100.00
BEG. FUND BALANCE						
FUND BALANCE ADJUSTMENTS			7,474,213.38			
END FUND BALANCE			8,959,571.64			
TOTAL REVENUES - ALL FUNDS		10,574,500.00	6,416,355.25	11,226.71	4,158,144.75	60.68
TOTAL EXPENDITURES - ALL FUNDS		10,574,500.00	4,035,749.01	124,398.47	6,538,750.99	38.16
NET OF REVENUES & EXPENDITURES		0.00	2,380,606.24	(113,171.76)	(2,380,606.24)	100.00
BEG. FUND BALANCE - ALL FUNDS						
FUND BALANCE ADJ - ALL FUNDS			9,182,480.71			
END FUND BALANCE - ALL FUNDS			11,563,086.95			

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REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY
 PERIOD ENDING 05/31/2026
 % Fiscal Year Completed: 91.78

Page: 1/1

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 05/31/2026	ACTIVITY FOR MONTH 05/31/2026	AVAILABLE BALANCE	% BDGT USED
Fund 107 - PUBLIC ARTS COMMISSION FUND						
Revenues						
Dept 000 - NON-DEPARTMENTAL						
107-000-664.000	INTEREST & DIVIDEND EARNINGS	1,000.00	0.00	0.00	1,000.00	0.00
107-000-664.002	CHANGE IN FAIR VALUE OF INVESTMENTS	0.00	0.00	0.00	0.00	0.00
107-000-674.000	CONTRIBUTIONS-PRIVATE SOURCES	0.00	0.00	0.00	0.00	0.00
107-000-675.000	CONTRIBUTIONS-PUBLIC SOURCES	0.00	0.00	0.00	0.00	0.00
107-000-676.000	REIMBURSEMENTS	0.00	0.00	0.00	0.00	0.00
107-000-692.000	PRIOR YEARS' SURPLUS	19,000.00	0.00	0.00	19,000.00	0.00
107-000-699.000	TRANSFERS IN	60,000.00	60,000.00	0.00	0.00	100.00
Total Dept 000 - NON-DEPARTMENTAL		80,000.00	60,000.00	0.00	20,000.00	75.00
TOTAL REVENUES		80,000.00	60,000.00	0.00	20,000.00	75.00
Expenditures						
Dept 000 - NON-DEPARTMENTAL						
107-000-727.000	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00
107-000-801.000	PROFESSIONAL AND CONTRACTUAL	80,000.00	75,548.57	2,514.30	4,451.43	94.44
107-000-900.000	PRINTING AND PUBLISHING	0.00	0.00	0.00	0.00	0.00
107-000-930.000	REPAIRS AND MAINTENANCE	0.00	0.00	0.00	0.00	0.00
107-000-970.000	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
107-000-970.000-02274	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
107-000-988.000	UNALLOCATED FUNDS	0.00	0.00	0.00	0.00	0.00
Total Dept 000 - NON-DEPARTMENTAL		80,000.00	75,548.57	2,514.30	4,451.43	94.44
TOTAL EXPENDITURES		80,000.00	75,548.57	2,514.30	4,451.43	94.44
Fund 107 - PUBLIC ARTS COMMISSION FUND:						
TOTAL REVENUES		80,000.00	60,000.00	0.00	20,000.00	75.00
TOTAL EXPENDITURES		80,000.00	75,548.57	2,514.30	4,451.43	94.44
NET OF REVENUES & EXPENDITURES		0.00	(15,548.57)	(2,514.30)	15,548.57	100.00
BEG. FUND BALANCE		185,567.63	185,567.63			
END FUND BALANCE		185,567.63	170,019.06			



Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
harry@downtowntc.com
231-922-2050

MEMORANDUM

To: DDA Board of Directors

From: Harry Burkholder, DDA Executive Director

Date: June 15, 2026

Re: 2026 - 2027 Proposed Budget – Public Hearing

The DDA has scheduled a public hearing regarding the 2026 – 2027 budgets for the DDA, TIF-97 and Old Town TIF.

After the public hearing, adoption of the 2026 – 2027 budgets for the DDA, TIF-97 and Old Town TIF have also been scheduled for Friday’s meeting.

Anyone may view the DDA budgets (beginning on page 294) online at the [City’s website](#). The budgets are also attached.

Downtown Development Authority

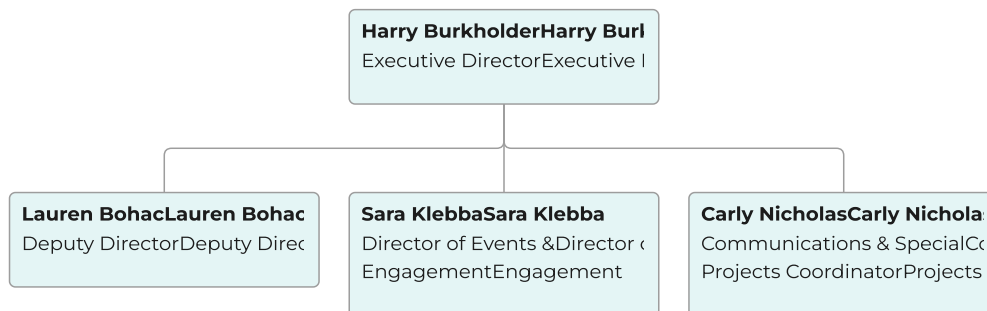
Established in 1978, the Traverse City Downtown Development Authority (DDA) is directed by a nine-member City-appointed board, which hires an Executive Director to lead its operations. The DDA is considered a component unit of the City of Traverse City and is responsible for creating, supporting and promoting critical public infrastructure and other services 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.

DDA Mission: Promote economic growth and provide a world-class downtown that is active, thriving and inclusive. In collaboration with all stakeholders, the DDA creates and implements development plans, encourages historic preservation, corrects and prevents deterioration in the downtown district, and makes sound investments in sustainable infrastructure and civic amenities. Serving as the caretakers of Downtown Traverse City, the DDA works with businesses, property owners, and residents to maintain a vibrant city center that is economically healthy.

The DDA facilitates its work in partnership and collaboration with the City. Projects may be led and funded entirely by the DDA, or the City and the DDA may share the cost of collaborative projects.



DDA Organization Chart



Overview

The DDA utilizes the current plans, ongoing initiatives and overarching strategies adopted by the DDA, City and other community entities to develop the framework for its budget, including but not limited to the Capital Improvement Plan, the City's ongoing Strategic Action Plan, the Lower Boardman Unified Plan, the Moving Downtown Forward Plan and City's ongoing priorities/recommendations of the DDA Board.

The Guiding Principles of the DDA's Moving Downtown Forward Plan illustrate the mission and values of the DDA and serve as the basis for its projects and services.

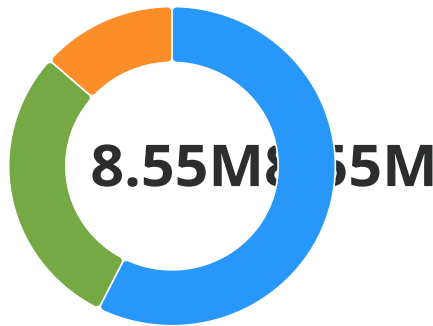
Moving Downtown Forward Guiding Principles

1. Design a great place for all ages and for future generations
2. Protect and preserve small local independent businesses
3. Support job growth and varied career opportunities
4. Champion the development of attainable and workforce housing
5. Advance climate action, sustainability, renewable energy, energy efficiency and resiliency

The DDA has three unique but complementary funds that make up its total budget: the General Fund, the TIF-97 Fund, and the Old Town TIF Fund.

Revenues by Fund

FY27 Revenues by Fund



- DDA TIF 97 \$4,908,400 42.42%
- DOWNTOWN DEVELOPMENT AUTHORITY \$948,200 11.11%
- DDA OLD TOWN TIF \$1,151,000 47.47%

Revenues by Fund

Category	2025/2026 Amended	2025/2026 Projected	2026/2027 Budgeted	2027/2028 Requested	2028/2029 Requested
DOWNTOWN DEVELOPMENT AUTHORITY	\$2,752,000	\$2,752,000	\$1,432,300	\$2,481,200	\$1,956,900
DDA OLD TOWN TIF	\$830,100	\$830,100	\$1,021,100	\$1,062,000	\$1,162,000
DDA TIF 97	\$4,340,800	\$4,340,800	\$4,539,000	\$4,908,400	\$4,016,600
Total Revenues	\$7,922,900	\$7,922,900	\$6,992,400	\$8,451,600	\$7,135,500

Comprehensive Fund Summary

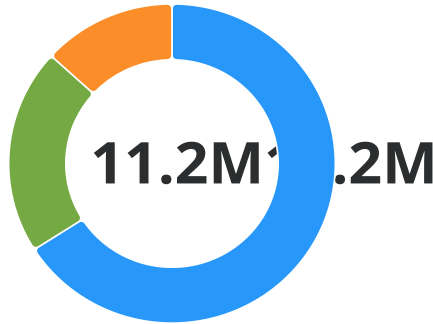
This summary reflects combined total revenues and expenditures across all 3 DDA funds: DDA Admin (248), DDA Old Town TIF Fund (252), and DDA TIF-97 Fund (253).

Comprehensive Fund Summary

Category	2025/2026 Amended Budget	2025/2026 Projected Budget	2025/2026 Budget	2027/2028 Budget	2027/2028 Requested	2029/2030 Requested
Beginning Fund Balance	\$6,539,877	\$6,539,877	\$6,539,877	\$7,553,000	\$4,488,129	\$0
Revenues						
PROPERTY TAXES	\$5,296,300	\$5,296,300	\$5,666,700	\$6,165,400	\$5,362,600	\$5,500
LICENSES AND PERMITS	\$21,500	\$21,500	\$21,500	\$20,000	\$22,000	\$22,000
CHARGES FOR SERVICES	\$0	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
INTERGOVERNMENTAL	\$657,700	\$657,700	\$197,200	\$487,000	\$294,700	\$1672,000
OTHER REVENUE	\$134,900	\$134,900	\$5,900	\$29,700	\$34,800	\$34,300
REIMBURSEMENTS	\$0	\$500	\$500	\$0	\$0	\$0
TRANSFER IN	\$712,500	\$712,500	\$712,500	\$746,500	\$799,500	\$173,100
STATE GRANTS	\$600,000	\$600,000	\$1,000	\$750,000	\$600,000	\$300,000
GRANTS FROM PRIVATE RESOURCES	\$500,000	\$500,000	\$242,000	\$258,000	\$0	\$0
Total Revenues	\$7,922,900	\$7,922,900	\$6,968,300	\$8,547,100	\$7,188,900	\$900,300
Expenditures						
SALARIES & WAGES	\$446,200	\$446,200	\$437,000	\$475,000	\$490,000	\$264,900
FRINGE BENEFITS	\$133,000	\$133,000	\$116,700	\$141,000	\$150,900	\$77,050
OFFICE/OPERATING SUPPLIES	\$82,600	\$82,600	\$82,600	\$70,540	\$63,700	\$37,800
PROFESSIONAL SERVICES	\$600,500	\$600,500	\$623,100	\$616,500	\$697,700	\$220,200
PROFESSIONAL DEVELOPMENT	\$5,000	\$5,000	\$0	\$5,000	\$5,000	\$5,000
COMMUNICATION	\$5,000	\$5,000	\$1,500	\$3,500	\$3,500	\$1,000
COMMUNITY PROMOTION	\$20,000	\$20,000	\$20,000	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$90,000	\$90,000	\$90,000	\$111,100	\$111,700	\$21,100
PRINTING & PUBLISHING	\$0	\$1,000	\$1,000	\$6,000	\$6,000	\$1,000
UTILITIES	\$39,000	\$39,000	\$39,000	\$30,600	\$34,100	\$11,600
REPAIRS & MAINTENANCE	\$1,000	\$1,000	\$1,500	\$0	\$0	\$0
RENTALS	\$0	\$4,800	\$4,800	\$0	\$0	\$0
MISCELLANEOUS EXP	\$75,000	\$75,000	\$38,000	\$55,000	\$55,000	\$25,000
TRANSFER OUT CITY FEE	\$639,500	\$639,500	\$639,500	\$739,800	\$752,200	\$158,100
CAPITAL OUTLAY	\$6,598,700	\$6,598,700	\$4,937,000	\$7,324,000	\$4,938,700	\$0
PRINCIPAL	\$820,000	\$820,000	\$820,000	\$790,000	\$765,000	\$0
INTEREST EXPENSE & FEES	\$54,500	\$54,500	\$54,500	\$36,700	\$17,500	\$0
TRANSFER OUT	\$712,500	\$712,500	\$712,500	\$746,510	\$799,530	\$173,100
Total Expenditures	\$10,322,500	\$10,322,500	\$8,502,700	\$11,488,500	\$8,962,530	\$850,200
Total Revenues Less Expenditures	Less: \$2,399,600	Less: \$2,399,600	-\$1,534,400	-\$2,941,400	-\$1,773,630	-\$0,950,000
Ending Fund Balance	\$4,140,277	\$4,140,277	\$4,933,900	\$4,905,700	\$2,715,270	\$0,950,300

Expenditures by Fund

FY27 Expenditures by Fund

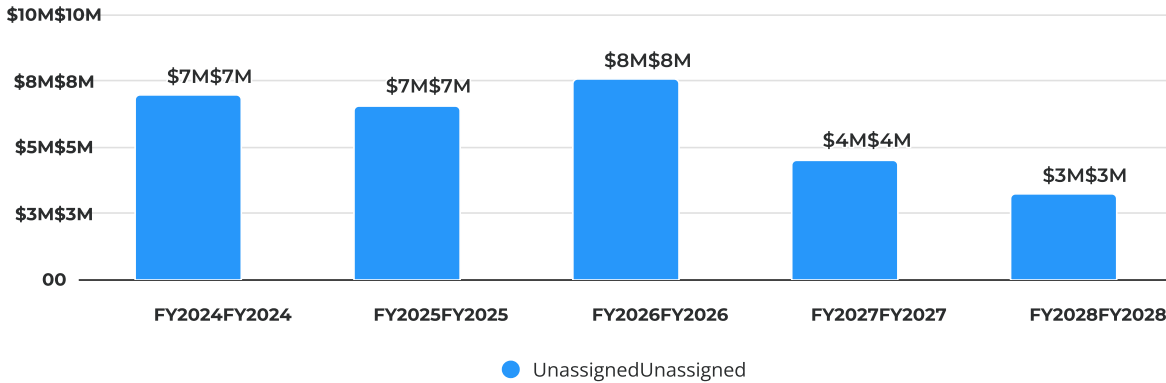


- DDA TIF 97: \$7,385,630 (9.95%)
- DOWNTOWN DEVELOPMENT AUTHORITY: \$2,321,640 (2.82%)
- DDA OLD TOWN TIF: \$1,481,980 (1.93%)

Expenditures by Fund

Category	2025/2026 Amended	2025/2026 Projected	2026/2027 Budgeted	2027/2028 Requested	2028/2029 Requested
DOWNTOWN DEVELOPMENT AUTHORITY	\$2,609,900	\$2,609,900	\$2,331,640	\$2,331,640	\$2,331,640
DDA OLD TOWN TIF	\$729,200	\$729,200	\$1,481,980	\$1,481,980	\$1,481,980
DDA TIF 97	\$6,983,400	\$6,983,400	\$7,385,630	\$7,385,630	\$7,385,630
Total Expenditures	\$10,322,500	\$10,322,500	\$11,200,250	\$11,200,250	\$11,200,250

Fund Balance Projections



Financial Summary

Fund Balance	FY 2025	FY 2026	FY 2027	FY 2028
Unassigned	\$6,539,877	\$7,553,070	\$7,488,020	\$8,199,000
Total Fund Balance	\$6,539,877	\$7,553,070	\$7,488,020	\$8,199,000

DDA Administration Fund (248)DDA Administ

The DDA General Fund is used to pay for the day-to-day operations of the DDA, including employee salaries, office supplies and utilities, professional services and professional development. Revenue sources for the DDA General Fund include a 2-mill levy on property within the Downtown District, administrative fees from the TIF-97 and Old Town TIF funds, booth rental fees from the Farmers Market, a contract with the Downtown Traverse City Association (DTCA), and grants for specific DDA projects and initiatives.



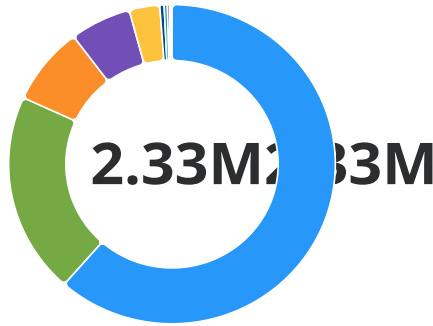
Expenditures SummaryExpenditures Summary

The Capital Outlay expenditure category is supported by grants for three infrastructure projects:

- \$258,000 from Rotary Charities for the development of Rotary Square
- \$425,000 from the National Oceanic & Atmospheric Administration as a sub-recipient of a grant awarded to the Grand Traverse Band of Ottawa and Chippewa Indians for coastal habitat restoration
- \$750,000 from the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for the environmental clean-up and development of deteriorated West End sites

Because these are reimbursement grants, the amount budgeted for each grant does not reflect the total grant award but estimated spending from each grant for FY 26/27.

FY27 Expenditures by Expense Type Summary **FY27 Expenditures by Expense Type Summary**



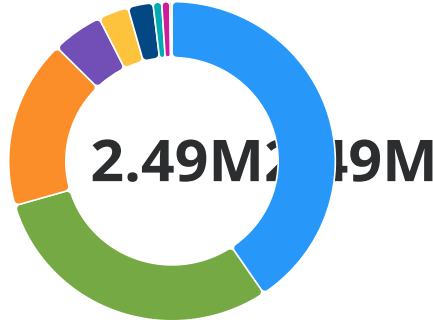
- CAPITAL OUTLAY/CAPITAL OUTLAY \$1,433,000 \$1,433,000 .46%
- SALARIES & WAGES/SALARIES & WAGES \$475,000 \$475,000 .20 .37%
- PROFESSIONAL SERVICES/PROFESSIONAL SERVICES \$184,200 \$184,200 .08 .07%
- FRINGE BENEFITS/FRINGE BENEFITS \$141,000 \$141,000 .06 .05%
- OFFICE/OPERATING SUPPLIES/OFFICE/OPERATING SUPPLIES \$70,540 \$70,540 .03 .03%
- MISCELLANEOUS EXP/MISCELLANEOUS EXP \$10,000 \$10,000 .00 .43%
- UTILITIES/UTILITIES \$7,400 \$7,400 .00 .32%
- PROFESSIONAL DEVELOPMENT/PROFESSIONAL DEVELOPMENT \$5,000 \$5,000 .00 .21%
- COMMUNICATION/COMMUNICATION \$3,500 \$3,500 .00 .15%
- PRINTING & PUBLISHING/PRINTING & PUBLISHING \$2,000 \$2,000 .00 .09%

Expenditures by Expense Type Summary **Expenditures by Expense Type Summary**

Category	2025/2026 Amended	2025/2026 Amended	2026/2027 Projected	2026/2027 Projected	2026/2027 Budgeted	2027/2028 Budgeted	2027/2028 Requested	2028/2029 Requested
SALARIES & WAGES	\$446,200	\$446,200	\$437,000	\$437,000	\$475,000	\$475,000	\$490,000	\$264,900
FRINGE BENEFITS	\$133,000	\$133,000	\$116,700	\$116,700	\$141,000	\$141,000	\$150,900	\$77,050
OFFICE/OPERATING SUPPLIES	\$82,600	\$82,600	\$82,600	\$82,600	\$70,540	\$70,540	\$63,700	\$37,800
PROFESSIONAL SERVICES	\$184,200	\$184,200	\$188,000	\$188,000	\$184,200	\$184,200	\$207,200	\$171,700
PROFESSIONAL DEVELOPMENT	\$5,000	\$5,000	\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000
COMMUNICATION	\$5,000	\$5,000	\$1,500	\$1,500	\$3,500	\$3,500	\$3,500	\$1,000
PRINTING & PUBLISHING	\$0	\$0	\$1,000	\$1,000	\$2,000	\$2,000	\$2,000	\$500
UTILITIES	\$4,000	\$4,000	\$4,000	\$4,000	\$7,400	\$7,400	\$7,800	\$7,800
REPAIRS & MAINTENANCE	\$1,000	\$1,000	\$1,500	\$1,500	\$0	\$0	\$0	\$0
RENTALS	\$0	\$0	\$4,800	\$4,800	\$0	\$0	\$0	\$0
MISCELLANEOUS EXP	\$10,000	\$10,000	\$8,000	\$8,000	\$10,000	\$10,000	\$10,000	\$10,000
CAPITAL OUTLAY	\$1,757,700	\$1,757,700	\$75,000	\$75,000	\$1,433,000	\$1,433,000	\$832,700	\$910,000
Total Expenditures	\$2,609,900	\$2,609,900	\$920,300	\$920,300	\$2,331,640	\$2,331,640	\$1,772,800	\$1,772,800

Revenue Summary Revenue Summary

FY27 Revenues by Revenue Source FY27 Revenues by Revenue Source



- INTERGOVERNMENTAL INTERGOVERNMENTAL \$1,108,000 \$1,108,000 . 51%
- TRANSFER IN OTHER FUNDS TRANSFER IN OTHER FUNDS \$746,500 \$746,500 . 30.00%
- FEDERAL GRANTS FEDERAL GRANTS \$425,000 \$425,000 . 17.08%
- REAL ESTATE/PERSONAL PROPERTY TAX REAL ESTATE/PERSONAL PROPERTY TAX \$125,400 \$125,400 . 5.03%
- GENERAL FEES & SERVICES GENERAL FEES & SERVICES \$75,000 \$75,000 . 3.01%
- STATE LOCAL COMMUNITY STABILIZATION STATE LOCAL COMMUNITY STABILIZATION \$62,000 \$62,000 . 2.49%
- RENT & ROYALTIES RENT & ROYALTIES \$21,000 \$21,000 . 8.4%
- BUSINESS LICENSES & PERMITS BUSINESS LICENSES & PERMITS \$20,000 \$20,000 . 8.0%
- INTEREST REVENUE INTEREST REVENUE \$5,300 \$5,300 . 2.1%

Revenues by Revenue Source Revenues by Revenue Source

Category	2025/2026 Amended	2025/2026 Projected	2026/2027 Budgeted	2026/2027 Requested	2027/2028 Requested	2027/2028 Requested
REAL ESTATE/PERSONAL PROPERTY TAX	\$130,000	\$127,300	\$125,400	\$133,400	\$133,400	\$397,500
BUSINESS LICENSES & PERMITS	\$21,500	\$21,500	\$20,000	\$22,000	\$22,000	\$22,000
FEDERAL GRANTS	\$657,700	\$132,700	\$425,000	\$232,700	\$232,700	\$610,000
STATE LOCAL COMMUNITY STABILIZATION	\$0	\$62,000	\$62,000	\$62,000	\$62,000	\$62,000
GRANTS FROM LOCAL SOURCES	\$0	\$2,500	\$0	\$0	\$0	\$0
GENERAL FEES & SERVICES	\$0	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
INTEREST REVENUE	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300
RENT & ROYALTIES	\$50,000	\$50,000	\$21,000	\$24,000	\$24,000	\$26,000
CONTRIBUTIONS-PRIVATE SOURCES	\$0	\$0	\$0	\$2,500	\$2,500	\$3,000
CONTRIBUTIONS-PUBLIC SOURCES	\$75,000	\$0	\$0	\$0	\$0	\$0
REIMBURSEMENTS	\$0	\$500	\$0	\$0	\$0	\$0
TRANSFER IN OTHER FUNDS	\$712,500	\$712,500	\$746,500	\$799,500	\$799,500	\$173,100
INTERGOVERNMENTAL	\$1,100,000	\$1,100,000	\$1,008,000	\$1,008,000	\$1,008,000	\$300,000
Total Revenues	\$2,752,000	\$2,752,000	\$2,488,200	\$2,488,200	\$2,488,200	\$2,488,200

DDA Old Town TIF Fund (252)DDA Old Town TIF Fund (252)

The Old Town TIF Fund was established through the Old Town Tax Increment Financing (TIF) plan adopted by the DDA and City of Traverse City in 2016 (originally called TIF-2, which was adopted in 1985 and expired in 2015). It is funded through the harnessing of the appreciation of tax revenue within the Old Town TIF District. The City of Traverse City contributes 53-cents on the dollar of the revenue collected in the Old Town TIF, with the remaining 47-cents contributed by the following regional taxing authorities: Grand Traverse County Commission on Aging; Grand Traverse County Veterans Affairs; Grand Traverse County Road Commission; Northwestern Michigan College; Bay Area Transportation Authority; Grand Traverse County Conservation District; Grand Traverse County Animal Control; the Recreation Authority; and Grand Traverse County, as well the DDA's levied millage. G



Expenditure SummaryExpenditure Summary

There are no significant changes to Expenditures, with funding for some projects that were not completed in FY 25/26 rolling over into FY 26/27.

Major projects planned within "Transforming Downtown (A)" include contributing to the City's reconstruction of the Union and M. Seventh intersection and construction of the Rivers Edge riverwalk in collaboration with FishPass.

The Capital Outlay expenditure category consists of all items under "Building and Maintaining Downtown (A) Essential Public Infrastructure" and "Transforming Downtown (A) Transformative Public Infrastructure". Most items under "Building and Maintaining Downtown (B) Essential Public Services" and "Transforming Downtown (B) Transformative Public Services" are maintained within the Professional Services expenditure category.

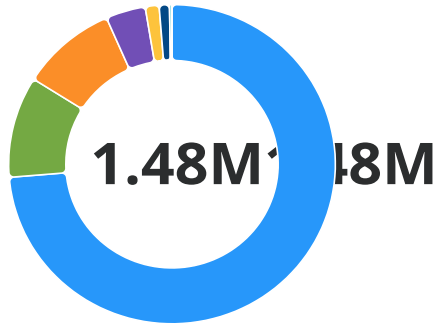
Funds under "(A) Essential Public Infrastructure" may be used for projects developed by the DDA or as a contribution to projects led by the City. A new line was created to contribute to the City's repairs to the Carnegie Building in FY 26/27.

Under "(B) Transformative Public Services," a new line for a retail study was created to conduct a market analysis of downtown's changing retail landscape and strategies to keep small, locally owned businesses from being priced out of their storefronts.

Old Town TIF	Total Taxable	\$\$	89,419,485
	Captured Taxable Value	\$\$	43,995,103
	Estimated Revenue	\$\$	1,121,406
Est. Fund Balance of Previous Fiscal	Year	\$\$	1,855,000
Running Downtown	Running Downtow	\$\$	288,792
<i>DDA Administration</i>	<i>DDA Administration</i>	<i>\$\$</i>	<i>140,784</i>
<i>Service Agreement with City</i>	<i>Service Agree</i>	<i>\$\$</i>	<i>129,808</i>
<i>Miscellaneous & Utilities</i>	<i>Miscellaneous &</i>	<i>\$\$</i>	<i>18,200</i>
Building and Maintaining Downtown B			
(A) Essential Public Infrastructure (A)	Essential Public Infrastructure (A)	\$\$	122,000
<i>Streetscaping/Snowmelt</i>	<i>Streetscaping/Sn</i>	<i>\$\$</i>	<i>10,000</i>
<i>Stormwater & Green Infrastructure</i>	<i>Stormwa</i>	<i>\$\$</i>	<i>15,000</i>
<i>Landscaping**</i>	<i>Landscaping**</i>	<i>\$\$</i>	<i>4,000.00</i>
<i>General Infrastructure Repair</i>	<i>Gener</i>	<i>\$\$</i>	<i>15,000.00</i>
<i>City Infrastructure Contribution</i>	<i>City Infr</i>	<i>\$\$</i>	<i>25,000.00</i>
<i>Wayfinding Signage</i>	<i>nding Signage</i>	<i>\$\$</i>	<i>8,000.00</i>
<i>Placemaking Amenities</i>	<i>Placemaking Am</i>	<i>\$\$</i>	<i>10,000.00</i>
<i>Miscellaneous</i>	<i>Miscellaneous</i>	<i>\$\$</i>	<i>10,000.00</i>
<i>Carnegie Building Repairs</i>	<i>Carnegie Build</i>	<i>\$\$</i>	<i>25,000.00</i>
(B) Essential Public Services (B) Esse	Essential Public Services (B) Esse	\$\$	68,650
<i>Community Police O</i>	<i>Community Police O</i>		
<i>Trash Removal</i>	<i>Trash Removal</i>	<i>\$\$</i>	<i>20,000</i>
<i>Public Restroom Program</i>	<i>Public Restroo</i>	<i>\$\$</i>	<i>1,000</i>
<i>Printing</i>	<i>Printing</i>	<i>\$\$</i>	<i>500</i>
<i>Clean and Green Team (SEEDS & Bin Ninjas)</i>	<i>Clean</i>	<i>\$\$</i>	<i>25,000</i>
<i>City Vehicle Rentals</i>	<i>City Vehicle Rentals</i>	<i>\$\$</i>	<i>2,150</i>
<i>Holiday Lights</i>	<i>Holiday Lights</i>	<i>\$\$</i>	<i>10,000</i>
<i>Miscellaneous</i>	<i>Miscellaneous</i>	<i>\$\$</i>	<i>10,000</i>
Transforming Downtown Transforming			
(A) Transformative Public Infrastructure(A)	Transformative Public Infrastructure(A)	\$\$	970,000
<i>Rivers Edge Riverwalk</i>	<i>Rivers Edge Rive</i>	<i>\$\$</i>	<i>250,000</i>
<i>Riverwalk Signage</i>	<i>Riverwalk Signage</i>	<i>\$\$</i>	<i>10,000</i>
<i>Union and 7th Intersection</i>	<i>Union and 7th</i>	<i>\$\$</i>	<i>700,000</i>
<i>Mobility & Accessibility Improvements</i>	<i>Mobility</i>	<i>\$\$</i>	<i>10,000</i>
(B) Transformative Public Services(B)	Transformative Public Services(B)	\$\$	12,300
<i>Composting Program</i>	<i>Composting Progra</i>	<i>\$\$</i>	<i>1,300</i>
<i>Retail Study</i>	<i>Retail Study</i>	<i>\$\$</i>	<i>10,000</i>
<i>Destination Downtown</i>	<i>Destination Downtc</i>	<i>\$\$</i>	<i>1,000</i>
Activating Downtown & Growing Business/	Activating Downtown & Growing Business/	\$\$	20,210
<i>Communication, Promotion & Events</i>	<i>Comm</i>	<i>\$\$</i>	<i>20,000</i>
<i>Traverse Connect</i>	<i>Traverse Connect</i>	<i>\$\$</i>	<i>210</i>
Total Expenses		\$\$	1,481,952
Estimated Remaining Fund Balance		\$\$	1,494,454

** Includes flowers, planters, and toolsowers, planters, and
 ^Police Office in City service agreement totalcer included in C

FY27 Expenditures by Expense Type SummaryFY27 Expenditures by Expe



- CAPITAL OUTLAYCAPITAL OUTLAY \$1,092,000\$1,092,000 69%
- TRANSFER OUT CITY FEETRANSFER OUT \$152,000\$152,000 10.26%
- TRANSFER OUTTRANSFER OUT \$140,780\$140,780 9.50%
- PROFESSIONAL SERVICESPROFESSIONAL SERVICES \$58,300\$58,300 3.93%
- CONTRACTUAL SERVICESCONTRACTUAL SERVICES \$20,200\$20,200 1.36%
- MISCELLANEOUS EXPMISCELLANEOUS EXP \$15,000\$15,000 1.01%
- UTILITIESUTILITIES \$3,200\$3,200 0.22%
- PRINTING & PUBLISHINGPRINTING & PUBLISHING \$500\$500 0.03%

Expenditures by Expense Type SummaryExpenditures by Expense Type Summary

Category	2025/2026 Amended	2025/2026 Amended	2025/2026 Projected	2025/2026 Projected	2026/2027 Budgeted	2026/2027 Budgeted	2027/2028 Requested	2027/2028 Requested	2028/2029 Requested
PROFESSIONAL SERVICES	\$87,000	\$87,000	\$87,000	\$87,000	\$58,300	\$58,300	\$56,000	\$56,000	\$48,500
COMMUNITY PROMOTION	\$20,000	\$20,000	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$0	\$0	\$0	\$0	\$20,200	\$20,200	\$20,800	\$20,800	\$21,100
PRINTING & PUBLISHING	\$0	\$0	\$0	\$0	\$500	\$500	\$500	\$500	\$500
UTILITIES	\$5,000	\$5,000	\$5,000	\$5,000	\$3,200	\$3,200	\$3,800	\$3,800	\$3,800
MISCELLANEOUS EXP	\$15,000	\$15,000	\$0	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
TRANSFER OUT CITY FE	\$124,800	\$124,800	\$124,800	\$124,800	\$152,000	\$152,000	\$155,000	\$155,000	\$158,100
CAPITAL OUTLAY	\$360,000	\$360,000	\$360,000	\$360,000	\$92,000	\$92,000	\$72,500	\$72,500	\$25,000
TRANSFER OUT	\$117,400	\$117,400	\$117,400	\$117,400	\$140,780	\$140,780	\$155,940	\$155,940	\$173,100
Total Expenditures	\$729,200	\$729,200	\$714,200	\$714,200	\$81,980	\$81,481	\$99,540	\$99,540	\$445,100

Revenue SummaryRevenue Summary

There are no significant changes to revenue. Revenue is from the tax capture in the Old Town TIF district.

Revenues by Revenue SourceRevenues by Revenue Source

Category	2024/2025 Actual	2024/2025 Actual	2025/2026 Amended	2025/2026 Amended	2025/2026 Projected	2025/2026 Projected	2026/2027 Budgeted	2026/2027 Budgeted	2027/2028 Requested	2027/2028 Requested
REAL ESTATE/PERSONAL PROPERTY TAX	\$0	\$830,000	\$830,000	\$1,002,100	\$1,002,100	\$1,111,500	\$1,111,500	\$1,611,600	\$1,611,600	\$1,682,200
INTEREST REVENUE	\$0	\$100	\$100	\$600	\$600	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$0	\$830,100	\$830,100	\$1,002,100	\$1,002,100	\$1,111,500	\$1,111,500	\$1,611,600	\$1,611,600	\$1,682,200

DDA TIF 97 Fund (253)DDA TIF 97 Fund (253)

The TIF-97 Fund was established through the Tax Increment Financing (TIF) plan adopted by the DDA and City in 1997. TIF-97 is funded through the harnessed appreciation of tax revenue within the designated TIF-97 District. The City of Traverse City contributes 53-cents on the dollar of the revenue collected in TIF-97, with the remaining 47-cents contributed by the following regional taxing authorities: Grand Traverse County Commission on Aging; Grand Traverse County Veterans Affairs; Grand Traverse County Road Commission; Northwestern Michigan College; Bay Area Transportation Authority; Grand Traverse County T Conservation District; Grand Traverse County Animal Control; the Recreation Authority; and Grand Traverse County, as well the DDA's levied millage. DDA's levied millage.



Expenditure SummaryExpenditure Summary

There are no significant changes to expenditures, with funding for some projects that were not completed in FY 25/26 rolling over into FY 26/27. Other adjustments include increased funding for downtown's Clean and Green Team and shifting Farmers Market administration costs from the DDA Administration Fund to TIF 97. Market administration costs from the DDA Administration Fund to TIF 97.

Major projects planned within "Transforming Downtown (A) Transformative Public Infrastructure" include mid-block crosswalks on State Street, completed construction documents for the first phase of the Lower Boardman/Ottaway Riverwalk's restoration and infrastructure, reconstruction of Rotary Square (which will span two fiscal years), and the long-planned Farmer's Market and Pavilion, which would enhance the City's upcoming reconstruction of Lot B. Pavilion, which would enhance the City's upcoming reconstruction of Lot B.

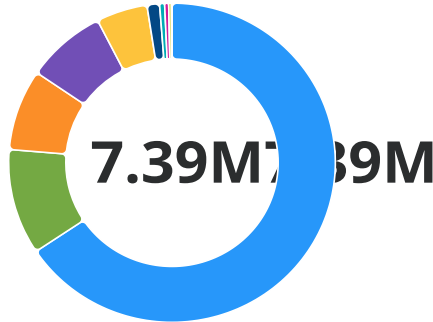
The Capital Outlay expenditure category consists of all items under "Building and Maintaining Downtown (A) Essential Public Infrastructure" and "Transforming Downtown (A) Transformative Public Infrastructure." Most items under "Building and Maintaining Downtown (B) Essential Public Services" and "Transforming Downtown (B) Transformative Public Services" are maintained within the Professional Services expenditure category.

Funds under "(A) Essential Public Infrastructure" may be used for projects developed by the DDA or as a contribution to projects led by the City. Contributions to stormwater reconstruction at Lot B and repairs to the North Union Street bridge are included in their own lines.

Under "(B) Transformative Public Services," a new line for a retail study was created to conduct a market analysis of downtown's changing retail landscape and strategies to keep small, locally owned businesses from being priced out of their storefronts.

TIF-97 Total Taxable Value	\$226,821,791
Captured Taxable Value	\$189,291,061
Estimated Revenue	\$4,828,974
Est. Fund Balance of Previous Fiscal Year	\$4,800,000
Running Downtown Running Downtown	\$ 1,174,964
<i>DDA Administration DDA Administration</i>	605,731
<i>Service Agreement with CityService Agreement with City</i>	\$ 519,233
<i>Miscellaneous & UtilitiesMiscellaneous & Utilities</i>	\$ 50,000
Building and Maintaining Downtown Building and Maintaining Downtown	
(A) Essential Public Infrastructure (A) Essential Public Infrastructure	\$ 1,509,657
<i>Streetscaping/SnowmeltStreetscaping/Snowmelt</i>	\$ 75,000
<i>Stormwater & Green Infrastructure (Lot B)Stormwater & Green Infrastructure (Lot B)</i>	\$ 110,000
<i>Landscaping**Landscaping**</i>	\$ 18,000
<i>General Infrastructure RepairGeneral Infrastructure Repair</i>	\$ 70,000
<i>City Infrastructure ContributionCity Infrastructure Contribution</i>	\$ 100,000
<i>Wayfinding Signage Wayfinding Signage</i>	\$ 22,000
<i>Placemaking AmenitiesPlacemaking Amenities</i>	\$ 100,000
<i>Miscellaneous Miscellaneous</i>	\$ 25,000
<i>Rotary Square MaintenanceRotary Square Maintenance</i>	\$ 14,000
<i>N. Union Street Bridge Repair N. Union Street Bridge Repair</i>	\$ 150,000
<i>Hardy Parking Deck PaymentHardy Parking Deck Payment</i>	\$ 825,657
(B) Essential Public Services (B) Essential Public Services	\$ 377,550
<i>Community Police Officer Community Police Officer (\$100,000)</i>	\$ 100,000
<i>Trash and Recycling Removal Trash and Recycling Removal</i>	\$ 60,100
<i>Public Restroom Program Public Restroom Program</i>	\$ 14,500
<i>PrintingPrinting</i>	\$ 3,500
<i>Clean and Green Team (SEEDS & Bin Ninjas)Clean and Green Team (SEEDS & Bin Ninjas)</i>	\$ 105,000
<i>City Vehicle RentalsCity Vehicle Rentals</i>	\$ 8,450
<i>Holiday Lights Holiday Lights</i>	\$ 100,000
<i>Miscellaneous Miscellaneous</i>	\$ 25,000
<i>Farmers Market Maintenance & AdministrationFarmers Market Maintenance & Administration</i>	\$ 61,000
Transforming Downtown Transforming Downtown	
(A) Transformative Public Infrastructure (A) Transformative Public Infrastructure	\$ 4,573,000
<i>Rotary SquareRotary Square</i>	\$ 500,000
<i>Farmers Market PavillionFarmers Market Pavillion</i>	\$ 3,083,000
<i>Boardman/Ottaway Riverwalk Boardman/Ottaway Riverwalk</i>	\$ 400,000
<i>Two-Way PilotTwo-Way Pilot</i>	\$ 200,000
<i>Mobility & Accessibility ImprovementsMobility & Accessibility Improvements</i>	\$ 380,000
<i>Public ArtPublic Art</i>	\$ 10,000
(B) Transformative Public Services (B) Transformative Public Services	\$ 68,500
<i>Composting Program Composting Program</i>	\$ 10,500
<i>Retail StudyRetail Study</i>	\$ 40,000
<i>Destination DowntownDestination Downtown</i>	\$ 3,000
<i>City Stormwater StudyCity Stormwater Study</i>	\$ 15,000
Activating Downtown & Growing BusinessActivating Downtown & Growing Business	\$ 90,900
<i>Communication, Promotion & EventsCommunication, Promotion & Events</i>	\$ 90,000
<i>Traverse ConnectTraverse Connect</i>	\$ 900
Total Expenses	\$ 7,794,571
Estimated Remaining Fund Balance	\$ 1,834,403
** Includes ** Includes flowers, planters, tools, and J. Smith	
^ Police Officer included in City service agreement total	

FY27 Expenditures by Expense Type Summary



CAPITAL OUTLAY	CAPITAL OUTLAY	\$4,847,000	\$4,847,000	63%
PRINCIPAL	PRINCIPAL	\$790,000	\$790,000	10.70%
TRANSFER OUT	TRANSFER OUT	\$605,730	\$605,730	8.20%
TRANSFER OUT CITY FEES	TRANSFER OUT CITY FEES	\$587,800	\$587,800	7.96%
PROFESSIONAL SERVICES	PROFESSIONAL SERVICES	\$374,000	\$374,000	5.06%
CONTRACTUAL SERVICES	CONTRACTUAL SERVICES	\$90,900	\$90,900	1.23%
INTEREST EXPENSE & FEES	INTEREST EXPENSE & FEES	\$36,700	\$36,700	0.50%
MISCELLANEOUS EXP	MISCELLANEOUS EXP	\$30,000	\$30,000	0.41%
UTILITIES	UTILITIES	\$20,000	\$20,000	0.27%
PRINTING & PUBLISHING	PRINTING & PUBLISHING	\$3,500	\$3,500	0.05%

Expenditures by Type Summary

Category	2025/2026 Amended	2025/2026 Amended	2025/2026 Projected	2026/2027 Projected	2026/2027 Budget	2027/2028 Requested	2027/2028 Requested	2028/2029 Requested
PROFESSIONAL SERVICES	\$348,100	\$348,100	\$348,100	\$348,100	\$374,000	\$374,000	\$434,500	\$0
CONTRACTUAL SERVICES	\$90,000	\$90,000	\$90,000	\$90,000	\$90,900	\$90,900	\$90,900	\$0
PRINTING & PUBLISHING	\$0	\$0	\$0	\$0	\$3,500	\$3,500	\$3,500	\$0
UTILITIES	\$30,000	\$30,000	\$30,000	\$30,000	\$20,000	\$20,000	\$22,500	\$0
MISCELLANEOUS EXP	\$50,000	\$50,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$0
TRANSFER OUT CITY FEES	\$514,700	\$514,700	\$514,700	\$514,700	\$587,800	\$587,800	\$597,200	\$0
CAPITAL OUTLAY	\$4,481,000	\$4,481,000	\$4,481,000	\$4,481,000	\$4,847,000	\$4,847,000	\$4,053,500	\$0
PRINCIPAL	\$820,000	\$820,000	\$820,000	\$820,000	\$790,000	\$790,000	\$765,000	\$0
INTEREST EXPENSE & FEES	\$54,500	\$54,500	\$54,500	\$54,500	\$36,700	\$36,700	\$17,500	\$0
TRANSFER OUT	\$595,100	\$595,100	\$595,100	\$595,100	\$605,730	\$605,730	\$643,590	\$0
Total Expenditures	\$6,983,400	\$6,983,400	\$6,983,400	\$6,983,400	\$7,385,630	\$7,385,630	\$6,658,190	\$0

Revenues SummaryRevenues Summary

There are no significant changes to revenue. Revenue is from the tax capture in the TIF-97 TIF district. There are no significant ch.

Revenues by Revenue SourceRevenues by Revenue Source

Category	2024/2025	2024/2025	2025/2026	2025/2026	2025/2026	2026/2027	2026/2027	2026/2027	2027/2028	2027/2028	2028/2029	2028/2029
Category	Actual	Actual	Amended	Amended	Projected	Projected	Budgeted	Budgeted	Requested	Requested	Requested	Requested
REAL ESTATE/PERSONAL PROPERTY TAX	\$0	\$4,336,300	\$4,336,300	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000
INTEREST REVENUE	\$0	\$0	\$4,500,000	\$4,500,000	\$0	\$0	\$3,400,000	\$3,400,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Revenues	\$0	\$4,340,800	\$4,340,800	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000



Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
harry@downtowntc.com
231-922-2050

MEMORANDUM

To: DDA Board of Directors
 From: Harry Burkholder, Executive Director, DDA
 Date: June 15, 2026
 Re: 2026 - 2027 Budget Approval

At the February 20, 2026 DDA Meeting, the DDA Board first received a high-level outline of the proposed budgets for the DDA. Those proposed budgets were subsequently discussed in detail and refined by the DDA Finance Committee and DDA Board over several meetings (see below). The City Commission held a public hearing and approved the DDA's budget on May 18th and we had a public hearing right before this item.

Budget Process & Timeline

- Feb. 20th DDA Board reviewed and discussed high-level outline of budget **COMPLETED**
- March 11th DDA Finance Committee discusses preliminary budget **COMPLETED**
- March 20th DDA Board reviews and discusses draft budget **COMPLETED**
- April 17th DDA Board reviews budget & schedules public hearing for May 15th (moved to June 19th) **COMPLETED**
- May 4th DDA draft budget submitted to the City Commission **COMPLETED**
- May 11th DDA draft budget discussed at City Commission Study Session **COMPLETED**
- May 18th City Commission holds public hearing on budget and approves budget **COMPLETED**
- June 19th DDA Board holds public hearing on budget and approves budget **WE ARE HERE**

You can view the DDA budgets (beginning on page 294) online at the [City's website](#). The budgets are also attached. Upon approval by the DDA Board, the Budget will be placed on the DDA's website.

Recommended Motion

That the DDA Board of Directions hereby approves the 2026 - 2027 budget as follows:

Downtown Development Authority (General) Fund	\$2,331,640
Tax Increment Financing District 97 Fund	\$7,395,630
Tax Increment Financing District Old Town Fund	\$1,481,980

Downtown Development Authority

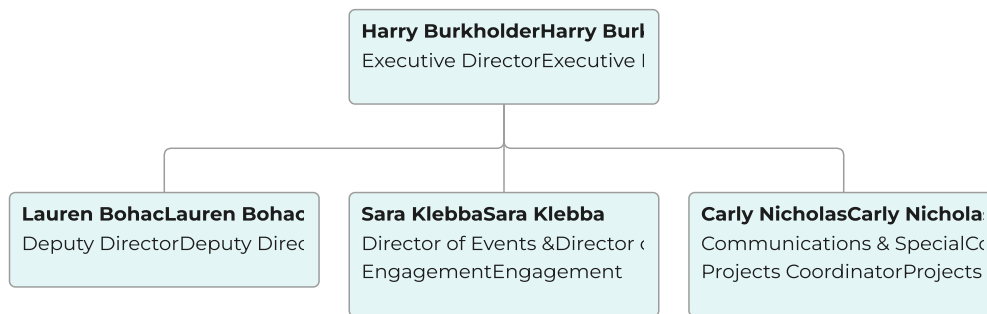
Established in 1978, the Traverse City Downtown Development Authority (DDA) is directed by a nine-member City-appointed board, which hires an Executive Director to lead its operations. The DDA is considered a component unit of the City of Traverse City and is responsible for creating, supporting and promoting critical public infrastructure and other services 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.

DDA Mission: Promote economic growth and provide a world-class downtown that is active, thriving and inclusive. In collaboration with all stakeholders, the DDA creates and implements development plans, encourages historic preservation, corrects and prevents deterioration in the downtown district, and makes sound investments in sustainable infrastructure and civic amenities. Serving as the caretakers of Downtown Traverse City, the DDA works with businesses, property owners, and residents to maintain a vibrant city center that is economically healthy.

The DDA facilitates its work in partnership and collaboration with the City. Projects may be led and funded entirely by the DDA, or the City and the DDA may share the cost of collaborative projects.



DDA Organization Chart



Overview

The DDA utilizes the current plans, ongoing initiatives and overarching strategies adopted by the DDA, City and other community entities to develop the framework for its budget, including but not limited to the Capital Improvement Plan, the City's ongoing Strategic Action Plan, the Lower Boardman Unified Plan, the Moving Downtown Forward Plan and City's ongoing priorities/recommendations of the DDA Board.

The Guiding Principles of the DDA's Moving Downtown Forward Plan illustrate the mission and values of the DDA and serve as the basis for its projects and services.

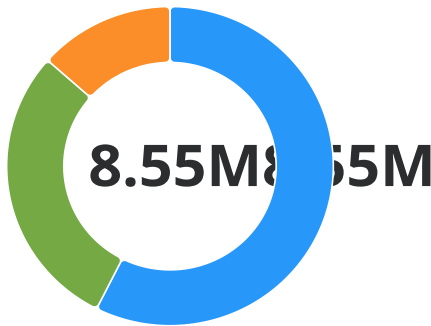
Moving Downtown Forward Guiding Principles

1. Design a great place for all ages and for future generations
2. Protect and preserve small local independent businesses
3. Support job growth and varied career opportunities
4. Champion the development of attainable and workforce housing
5. Advance climate action, sustainability, renewable energy, energy efficiency and resiliency

The DDA has three unique but complementary funds that make up its total budget: the General Fund, the TIF-97 Fund, and the Old Town TIF Fund.

Revenues by Fund

FY27 Revenues by Fund



- DDA TIF 97 \$4,908,400 42.42%
- DOWNTOWN DEVELOPMENT AUTHORITY \$948,200 11.11%
- DDA OLD TOWN TIF \$1,151,000 47.47%

Revenues by Fund

Category	2025/2026 Amended	2025/2026 Projected	2026/2027 Budgeted	2027/2028 Requested	2028/2029 Requested
DOWNTOWN DEVELOPMENT AUTHORITY	\$2,752,000	\$2,752,000	\$1,432,300	\$2,481,400	\$1,956,900
DDA OLD TOWN TIF	\$830,100	\$830,100	\$1,021,000	\$1,162,000	\$1,162,000
DDA TIF 97	\$4,340,800	\$4,340,800	\$4,539,000	\$4,908,400	\$4,016,600
Total Revenues	\$7,922,900	\$7,922,900	\$6,992,300	\$8,551,800	\$7,135,500

Comprehensive Fund Summary

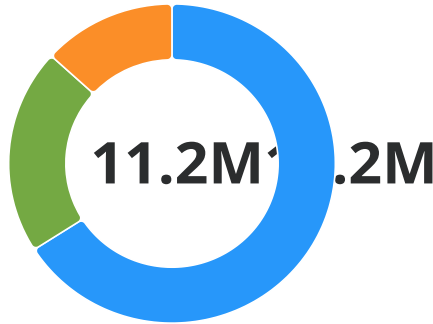
This summary reflects combined total revenues and expenditures across all 3 DDA funds: DDA Admin (248), DDA Old Town TIF Fund (252), and DDA TIF-97 Fund (253).

Comprehensive Fund Summary

Category	2025/2026 Amended Budget	2025/2026 Projected Budget	2025/2026 Budget	2027/2028 Budget	2027/2028 Requested	2029/2030 Requested
Beginning Fund Balance	\$6,539,877	\$6,539,877	\$6,539,877	\$7,553,020	\$4,488,129	\$0
Revenues						
PROPERTY TAXES	\$5,296,300	\$5,296,300	\$5,666,700	\$6,185,400	\$5,362,600	\$5,500
LICENSES AND PERMITS	\$21,500	\$21,500	\$21,500	\$20,000	\$22,000	\$22,000
CHARGES FOR SERVICES	\$0	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
INTERGOVERNMENTAL	\$657,700	\$657,700	\$197,200	\$487,000	\$294,700	\$106,720
OTHER REVENUE	\$134,900	\$134,900	\$5,900	\$29,700	\$34,800	\$34,300
REIMBURSEMENTS	\$0	\$500	\$500	\$0	\$0	\$0
TRANSFER IN	\$712,500	\$712,500	\$712,500	\$746,500	\$799,500	\$173,100
STATE GRANTS	\$600,000	\$600,000	\$1,000	\$750,000	\$600,000	\$300,000
GRANTS FROM PRIVATE RESOURCES	\$500,000	\$500,000	\$242,000	\$258,000	\$0	\$0
Total Revenues	\$7,922,900	\$7,922,900	\$6,968,300	\$8,547,100	\$7,185,900	\$900,300
Expenditures						
SALARIES & WAGES	\$446,200	\$446,200	\$437,000	\$475,000	\$490,000	\$264,900
FRINGE BENEFITS	\$133,000	\$133,000	\$116,700	\$141,000	\$150,900	\$77,050
OFFICE/OPERATING SUPPLIES	\$82,600	\$82,600	\$82,600	\$70,540	\$63,700	\$37,800
PROFESSIONAL SERVICES	\$600,500	\$600,500	\$623,100	\$616,500	\$697,700	\$220,200
PROFESSIONAL DEVELOPMENT	\$5,000	\$5,000	\$0	\$5,000	\$5,000	\$5,000
COMMUNICATION	\$5,000	\$5,000	\$1,500	\$3,500	\$3,500	\$1,000
COMMUNITY PROMOTION	\$20,000	\$20,000	\$20,000	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$90,000	\$90,000	\$90,000	\$111,100	\$111,700	\$21,100
PRINTING & PUBLISHING	\$0	\$1,000	\$1,000	\$6,000	\$6,000	\$1,000
UTILITIES	\$39,000	\$39,000	\$39,000	\$30,600	\$34,100	\$11,600
REPAIRS & MAINTENANCE	\$1,000	\$1,000	\$1,500	\$0	\$0	\$0
RENTALS	\$0	\$4,800	\$4,800	\$0	\$0	\$0
MISCELLANEOUS EXP	\$75,000	\$75,000	\$38,000	\$55,000	\$55,000	\$25,000
TRANSFER OUT CITY FEE	\$639,500	\$639,500	\$639,500	\$739,800	\$752,200	\$158,100
CAPITAL OUTLAY	\$6,598,700	\$6,598,700	\$4,937,000	\$7,324,000	\$4,938,700	\$0
PRINCIPAL	\$820,000	\$820,000	\$820,000	\$790,000	\$765,000	\$0
INTEREST EXPENSE & FEES	\$54,500	\$54,500	\$54,500	\$36,700	\$17,500	\$0
TRANSFER OUT	\$712,500	\$712,500	\$712,500	\$746,510	\$799,530	\$173,100
Total Expenditures	\$10,322,500	\$10,322,500	\$8,502,200	\$11,489,250	\$8,952,530	\$850,250
Total Revenues Less Expenditures	Less: \$2,399,600	Less: \$2,399,600	-\$1,533,900	-\$2,942,150	-\$1,766,630	-\$0,950,000
Ending Fund Balance	\$4,140,277	\$4,140,277	\$4,934,400	\$4,904,950	\$2,719,270	\$0,950,300

Expenditures by Fund

FY27 Expenditures by Fund

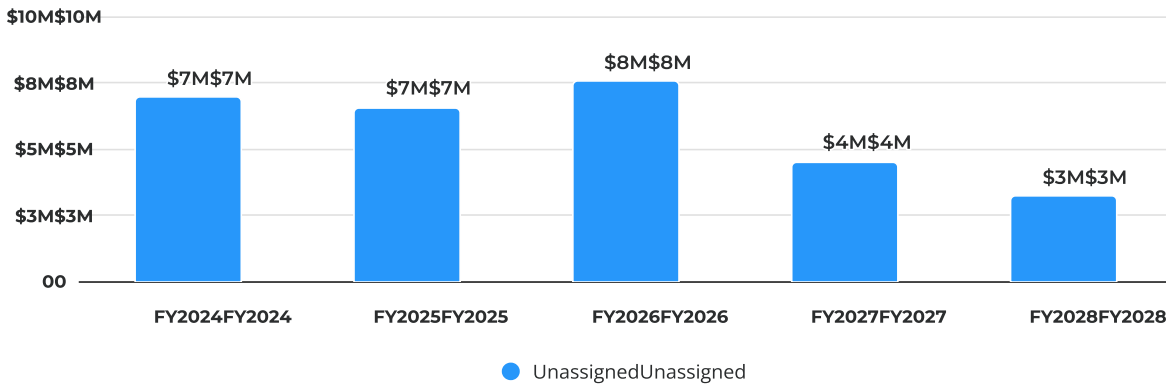


- DDA TIF 97: \$7,385,630 (9.95%)
- DOWNTOWN DEVELOPMENT AUTHORITY: \$2,321,640 (2.82%)
- DDA OLD TOWN TIF: \$1,481,980 (1.82%)

Expenditures by Fund

Category	2025/2026 Amended	2025/2026 Projected	2026/2027 Budgeted	2027/2028 Requested	2028/2029 Requested
DOWNTOWN DEVELOPMENT AUTHORITY	\$2,609,900	\$2,609,900	\$2,331,640	\$2,331,640	\$2,331,640
DDA OLD TOWN TIF	\$729,200	\$729,200	\$714,200	\$714,200	\$714,200
DDA TIF 97	\$6,983,400	\$6,983,400	\$6,637,400	\$6,637,400	\$6,637,400
Total Expenditures	\$10,322,500	\$10,322,500	\$9,683,240	\$9,683,240	\$9,683,240

Fund Balance Projections



Financial Summary

Fund Balance	FY 2025	FY 2026	FY 2027	FY 2028
Unassigned	\$6,539,877	\$6,539,877	\$7,553,070	\$7,553,070
Total Fund Balance	\$6,539,877	\$6,539,877	\$7,553,070	\$7,553,070

DDA Administration Fund (248)DDA Administ

The DDA General Fund is used to pay for the day-to-day operations of the DDA, including employee salaries, office supplies and utilities, professional services and professional development. Revenue sources for the DDA General Fund include a 2-mill levy on property within the Downtown District, administrative fees from the TIF-97 and Old Town TIF funds, booth rental fees from the Farmers Market, a contract with the Downtown Traverse City Association (DTCA), and grants for specific DDA projects and initiatives.



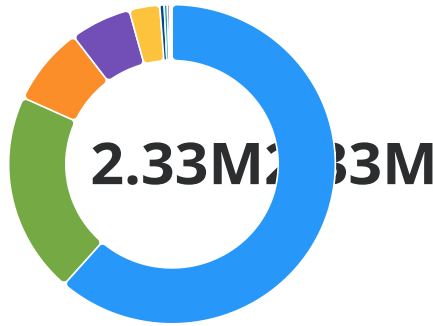
Expenditures SummaryExpenditures Summary

The Capital Outlay expenditure category is supported by grants for three infrastructure projects:

- \$258,000 from Rotary Charities for the development of Rotary Square
- \$425,000 from the National Oceanic & Atmospheric Administration as a sub-recipient of a grant awarded to the Grand Traverse Band of Ottawa and Chippewa Indians for coastal habitat restoration
- \$750,000 from the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for the environmental clean-up and development of deteriorated West End sites

Because these are reimbursement grants, the amount budgeted for each grant does not reflect the total grant award but estimated spending from each grant for FY 26/27.

FY27 Expenditures by Expense Type Summary



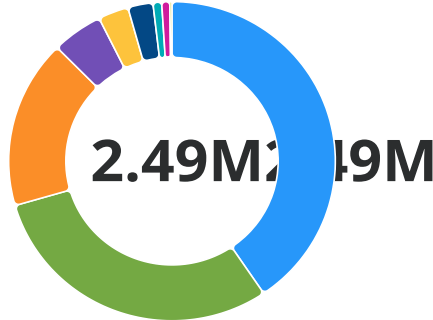
- CAPITAL OUTLAY CAPITAL OUTLAY \$1,433,000 \$1,433,000 .46%
- SALARIES & WAGES SALARIES & WAGES \$475,000 \$475,000 .20 .37%
- PROFESSIONAL SERVICES PROFESSIONAL SERVICES \$184,200 \$184,200 .08 .07%
- FRINGE BENEFITS FRINGE BENEFITS \$141,000 \$141,000 .06 .05%
- OFFICE/OPERATING SUPPLIES OFFICE/OPERATING SUPPLIES \$70,540 \$70,540 .03 .03%
- MISCELLANEOUS EXP MISCELLANEOUS EXP \$10,000 \$10,000 .00 .43%
- UTILITIES UTILITIES \$7,400 \$7,400 .00 .32%
- PROFESSIONAL DEVELOPMENT PROFESSIONAL DEVELOPMENT \$5,000 \$5,000 .00 .21%
- COMMUNICATION COMMUNICATION \$3,500 \$3,500 .00 .15%
- PRINTING & PUBLISHING PRINTING & PUBLISHING \$2,000 \$2,000 .00 .09%

Expenditures by Expense Type Summary

Category	2025/2026 Amended	2025/2026 Amended	2026/2027 Projected	2026/2027 Projected	2026/2027 Budgeted	2027/2028 Budgeted	2027/2028 Requested	2028/2029 Requested
SALARIES & WAGES	\$446,200	\$446,200	\$437,000	\$437,000	\$475,000	\$475,000	\$490,000	\$264,900
FRINGE BENEFITS	\$133,000	\$133,000	\$116,700	\$116,700	\$141,000	\$141,000	\$150,900	\$77,050
OFFICE/OPERATING SUPPLIES	\$82,600	\$82,600	\$82,600	\$82,600	\$70,540	\$70,540	\$63,700	\$37,800
PROFESSIONAL SERVICES	\$184,200	\$184,200	\$188,000	\$188,000	\$184,200	\$184,200	\$207,200	\$171,700
PROFESSIONAL DEVELOPMENT	\$5,000	\$5,000	\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000
COMMUNICATION	\$5,000	\$5,000	\$1,500	\$1,500	\$3,500	\$3,500	\$3,500	\$1,000
PRINTING & PUBLISHING	\$0	\$0	\$1,000	\$1,000	\$2,000	\$2,000	\$2,000	\$500
UTILITIES	\$4,000	\$4,000	\$4,000	\$4,000	\$7,400	\$7,400	\$7,800	\$7,800
REPAIRS & MAINTENANCE	\$1,000	\$1,000	\$1,500	\$1,500	\$0	\$0	\$0	\$0
RENTALS	\$0	\$0	\$4,800	\$4,800	\$0	\$0	\$0	\$0
MISCELLANEOUS EXP	\$10,000	\$10,000	\$8,000	\$8,000	\$10,000	\$10,000	\$10,000	\$10,000
CAPITAL OUTLAY	\$1,757,700	\$1,757,700	\$75,000	\$75,000	\$1,433,000	\$1,433,000	\$832,700	\$832,700
Total Expenditures	\$2,609,900	\$2,609,900	\$920,100	\$920,100	\$2,331,640	\$2,331,640	\$1,772,800	\$1,772,800

Revenue Summary Revenue Summary

FY27 Revenues by Revenue Source FY27 Revenues by Revenue Source



- INTERGOVERNMENTAL INTERGOVERNMENTAL \$1,270,000 51%
- TRANSFER IN OTHER FUNDS TRANSFER \$746,500 30%
- FEDERAL GRANTS FEDERAL GRANTS \$425,000 17%
- REAL ESTATE/PERSONAL PROPERTY TAX TAX \$125,400 5%
- GENERAL FEES & SERVICES GENERAL FEES & SERVICES \$75,000 3%
- STATE LOCAL COMMUNITY STABILIZATION STABILIZATION \$62,000 2%
- RENT & ROYALTIES RENT & ROYALTIES \$21,000 0.84%
- BUSINESS LICENSES & PERMITS BUSINESS LICENSES & PERMITS \$20,000 0.8%
- INTEREST REVENUE INTEREST REVENUE \$5,300 0.21%

Revenues by Revenue Source Revenues by Revenue Source

Category	2025/2026 Amended	2025/2026 Projected	2026/2027 Budgeted	2026/2027 Requested	2027/2028 Requested	2028/2029 Requested
REAL ESTATE/PERSONAL PROPERTY TAX	\$130,000	\$127,300	\$125,400	\$133,400	\$133,400	\$397,500
BUSINESS LICENSES & PERMITS	\$21,500	\$21,500	\$20,000	\$22,000	\$22,000	\$22,000
FEDERAL GRANTS	\$657,700	\$132,700	\$125,000	\$425,000	\$232,700	\$1,610,000
STATE LOCAL COMMUNITY STABILIZATION	\$0	\$62,000	\$62,000	\$62,000	\$62,000	\$62,000
GRANTS FROM LOCAL SOURCES	\$0	\$2,500	\$0	\$0	\$0	\$0
GENERAL FEES & SERVICES	\$0	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
INTEREST REVENUE	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300
RENT & ROYALTIES	\$50,000	\$50,000	\$21,000	\$24,000	\$24,000	\$26,000
CONTRIBUTIONS-PRIVATE SOURCES	\$0	\$0	\$0	\$2,500	\$2,500	\$3,000
CONTRIBUTIONS-PUBLIC SOURCES	\$75,000	\$0	\$0	\$0	\$0	\$0
REIMBURSEMENTS	\$0	\$500	\$0	\$0	\$0	\$0
TRANSFER IN OTHER FUNDS	\$712,500	\$712,500	\$746,500	\$799,500	\$799,500	\$173,100
INTERGOVERNMENTAL	\$1,100,000	\$1,008,000	\$1,008,000	\$1,008,000	\$600,000	\$300,000
Total Revenues	\$2,752,000	\$2,102,300	\$1,422,300	\$2,481,200	\$2,556,400	\$1,956,200

DDA Old Town TIF Fund (252) DDA Old Town TIF Fund (252)

The Old Town TIF Fund was established through the Old Town Tax Increment Financing (TIF) plan adopted by the DDA and City of Traverse City in 2016 (originally called TIF-2, which was adopted in 1985 and expired in 2015). It is funded through the harnessing of the appreciation of tax revenue within the Old Town TIF District. The City of Traverse City contributes 53-cents on the dollar of the revenue collected in the Old Town TIF, with the remaining 47-cents contributed by the following regional taxing authorities: Grand Traverse County Commission on Aging; Grand Traverse County Veterans Affairs; Grand Traverse County Road Commission; Northwestern Michigan College; Bay Area Transportation Authority; Grand Traverse County Conservation District; Grand Traverse County Animal Control; the Recreation Authority; and Grand Traverse County, as well as the DDA's levied millage. G



Expenditure Summary Expenditure Summary

There are no significant changes to Expenditures, with funding for some projects that were not completed in FY 25/26 rolling over into FY 26/27.

Major projects planned within "Transforming Downtown (A)" include contributing to the City's reconstruction of the Union and M. Seventh intersection and construction of the Rivers Edge riverwalk in collaboration with FishPass.

The Capital Outlay expenditure category consists of all items under "Building and Maintaining Downtown (A) Essential Public Infrastructure" and "Transforming Downtown (A) Transformative Public Infrastructure". Most items under "Building and Maintaining Downtown (B) Essential Public Services" and "Transforming Downtown (B) Transformative Public Services" are maintained within the Professional Services expenditure category.

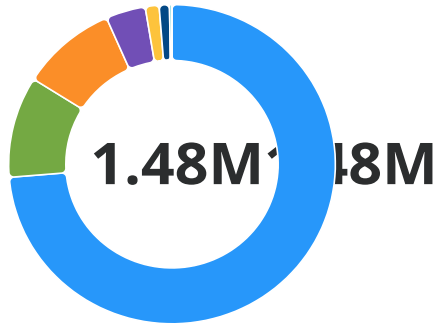
Funds under "(A) Essential Public Infrastructure" may be used for projects developed by the DDA or as a contribution to projects led by the City. A new line was created to contribute to the City's repairs to the Carnegie Building in FY 26/27.

Under "(B) Transformative Public Services," a new line for a retail study was created to conduct a market analysis of downtown's changing retail landscape and strategies to keep small, locally owned businesses from being priced out of their storefronts.

Old Town TIF	Total Taxable	\$\$	89,419,485
	Captured Taxable Value	\$\$	43,995,103
	Estimated Revenue	\$\$	1,121,406
Est. Fund Balance of Previous Fiscal	Year	\$\$	1,855,000
Running Downtown	Running Downtow	\$\$	288,792
<i>DDA Administration</i>	<i>DDA Administration</i>	<i>\$\$</i>	<i>140,784</i>
<i>Service Agreement with City</i>	<i>Service Agree</i>	<i>\$\$</i>	<i>129,808</i>
<i>Miscellaneous & Utilities</i>	<i>Miscellaneous &</i>	<i>\$\$</i>	<i>18,200</i>
Building and Maintaining Downtown B			
(A) Essential Public Infrastructure (A)	(A)	\$\$	122,000
<i>Streetscaping/Snowmelt</i>	<i>Streetscaping/Sn</i>	<i>\$\$</i>	<i>10,000</i>
<i>Stormwater & Green Infrastructure</i>	<i>Stormw</i>	<i>\$\$</i>	<i>15,000</i>
<i>Landscaping**</i>	<i>Landscaping**</i>	<i>\$\$</i>	<i>4,000.00</i>
<i>General Infrastructure Repair</i>	<i>Gener</i>	<i>\$\$</i>	<i>15,000.00</i>
<i>City Infrastructure Contribution</i>	<i>City Infr</i>	<i>\$\$</i>	<i>25,000.00</i>
<i>Wayfinding Signage</i>	<i>nding Signage</i>	<i>\$\$</i>	<i>8,000.00</i>
<i>Placemaking Amenities</i>	<i>Placemaking Am</i>	<i>\$\$</i>	<i>10,000.00</i>
<i>Miscellaneous</i>	<i>Miscellaneous</i>	<i>\$\$</i>	<i>10,000.00</i>
<i>Carnegie Building Repairs</i>	<i>Carnegie Build</i>	<i>\$\$</i>	<i>25,000.00</i>
(B) Essential Public Services (B) Esse	(B) Esse	\$\$	68,650
<i>Community Police O</i>	<i>Community Police O</i>		
<i>Trash Removal</i>	<i>Trash Removal</i>	<i>\$\$</i>	<i>20,000</i>
<i>Public Restroom Program</i>	<i>Public Restroo</i>	<i>\$\$</i>	<i>1,000</i>
<i>Printing</i>	<i>Printing</i>	<i>\$\$</i>	<i>500</i>
<i>Clean and Green Team (SEEDS & Bin Ninjas)</i>	<i>Clean</i>	<i>\$\$</i>	<i>25,000</i>
<i>City Vehicle Rentals</i>	<i>City Vehicle Rentals</i>	<i>\$\$</i>	<i>2,150</i>
<i>Holiday Lights</i>	<i>Holiday Lights</i>	<i>\$\$</i>	<i>10,000</i>
<i>Miscellaneous</i>	<i>Miscellaneous</i>	<i>\$\$</i>	<i>10,000</i>
Transforming Downtown Transforming			
(A) Transformative Public Infrastructure(A)	(A)	\$\$	970,000
<i>Rivers Edge Riverwalk</i>	<i>Rivers Edge Rive</i>	<i>\$\$</i>	<i>250,000</i>
<i>Riverwalk Signage</i>	<i>Riverwalk Signage</i>	<i>\$\$</i>	<i>10,000</i>
<i>Union and 7th Intersection</i>	<i>Union and 7th</i>	<i>\$\$</i>	<i>700,000</i>
<i>Mobility & Accessibility Improvements</i>	<i>Mobility</i>	<i>\$\$</i>	<i>10,000</i>
(B) Transformative Public Services(B)	(B)	\$\$	12,300
<i>Composting Program</i>	<i>Composting Progra</i>	<i>\$\$</i>	<i>1,300</i>
<i>Retail Study</i>	<i>Retail Study</i>	<i>\$\$</i>	<i>10,000</i>
<i>Destination Downtown</i>	<i>Destination Downtc</i>	<i>\$\$</i>	<i>1,000</i>
Activating Downtown & Growing Business/	Activating Downtown & Growing Business/	\$\$	20,210
<i>Communication, Promotion & Events</i>	<i>Comm</i>	<i>\$\$</i>	<i>20,000</i>
<i>Traverse Connect</i>	<i>Traverse Connect</i>	<i>\$\$</i>	<i>210</i>
Total Expenses		\$\$	1,481,952
Estimated Remaining Fund Balance		\$\$	1,494,454

** Includes flowers, planters, and toolsowers, planters, and
 ^Police Office in City service agreement totalcer included in C

FY27 Expenditures by Expense Type SummaryFY27 Expenditures by Expe



- CAPITAL OUTLAYCAPITAL OUTLAY \$1,092,000\$1,092,000 69%
- TRANSFER OUT CITY FEETRANSFER OUT \$152,000\$152,000 10.26%
- TRANSFER OUTTRANSFER OUT \$140,780\$140,780 9.50%
- PROFESSIONAL SERVICESPROFESSIONAL SERVICES \$58,300\$58,300 3.93%
- CONTRACTUAL SERVICESCONTRACTUAL SERVICES \$20,200\$20,200 1.36%
- MISCELLANEOUS EXPMISCELLANEOUS EXP \$15,000\$15,000 1.01%
- UTILITIESUTILITIES \$3,200\$3,200 0.22%
- PRINTING & PUBLISHINGPRINTING & PUBLISHING \$500\$500 0.03%

Expenditures by Expense Type SummaryExpenditures by Expense Type Summary

Category	2025/2026 Amended	2025/2026 Amended	2025/2026 Projected	2025/2026 Projected	2026/2027 Budgeted	2026/2027 Budgeted	2027/2028 Requested	2027/2028 Requested	2028/2029 Requested
PROFESSIONAL SERVICES	\$87,000	\$87,000	\$87,000	\$87,000	\$58,300	\$58,300	\$56,000	\$56,000	\$48,500
COMMUNITY PROMOTION	\$20,000	\$20,000	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$0	\$0	\$0	\$0	\$20,200	\$20,200	\$20,800	\$20,800	\$21,100
PRINTING & PUBLISHING	\$0	\$0	\$0	\$0	\$500	\$500	\$500	\$500	\$500
UTILITIES	\$5,000	\$5,000	\$5,000	\$5,000	\$3,200	\$3,200	\$3,800	\$3,800	\$3,800
MISCELLANEOUS EXP	\$15,000	\$15,000	\$0	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
TRANSFER OUT CITY FEES	\$124,800	\$124,800	\$124,800	\$124,800	\$152,000	\$152,000	\$155,000	\$155,000	\$158,100
CAPITAL OUTLAY	\$360,000	\$360,000	\$360,000	\$360,000	\$92,000	\$92,000	\$72,500	\$72,500	\$25,000
TRANSFER OUT	\$117,400	\$117,400	\$117,400	\$117,400	\$140,780	\$140,780	\$155,940	\$155,940	\$173,100
Total Expenditures	\$729,200	\$729,200	\$714,200	\$714,200	\$81,980	\$81,481	\$99,540	\$99,540	\$445,100

Revenue SummaryRevenue Summary

There are no significant changes to revenue. Revenue is from the tax capture in the Old Town TIF district.

Revenues by Revenue SourceRevenues by Revenue Source

Category	2024/2025 Actual	2024/2025 Actual	2025/2026 Amended	2025/2026 Amended	2025/2026 Projected	2025/2026 Projected	2026/2027 Budgeted	2026/2027 Budgeted	2027/2028 Requested	2027/2028 Requested
REAL ESTATE/PERSONAL PROPERTY TAX	\$0	\$830,000	\$830,000	\$1,002,100	\$1,111,500	\$1,111,500	\$1,611,600	\$1,611,600	\$1,882,000	\$1,882,000
INTEREST REVENUE	\$0	\$100	\$100	\$600	\$600	\$600	\$0	\$0	\$0	\$0
Total Revenues	\$0	\$830,100	\$830,100	\$1,002,100	\$1,112,100	\$1,112,100	\$1,611,600	\$1,611,600	\$1,882,000	\$1,882,000

DDA TIF 97 Fund (253)DDA TIF 97 Fund (253)

The TIF-97 Fund was established through the Tax Increment Financing (TIF) plan adopted by the DDA and City in 1997. TIF-97 is funded through the harnessed appreciation of tax revenue within the designated TIF-97 District. The City of Traverse City contributes 53-cents on the dollar of the revenue collected in TIF-97, with the remaining 47-cents contributed by the following regional taxing authorities: Grand Traverse County Commission on Aging; Grand Traverse County Veterans Affairs; Grand Traverse County Road Commission; Northwestern Michigan College; Bay Area Transportation Authority; Grand Traverse County T Conservation District; Grand Traverse County Animal Control; the Recreation Authority; and Grand Traverse County, as well the DDA's levied millage. DDA's levied millage.



Expenditure SummaryExpenditure Summary

There are no significant changes to expenditures, with funding for some projects that were not completed in FY 25/26 rolling over into FY 26/27. Other adjustments include increased funding for downtown's Clean and Green Team and shifting Farmers Market administration costs from the DDA Administration Fund to TIF 97. Market administration costs from the DDA Administration

Major projects planned within "Transforming Downtown (A) Transformative Public Infrastructure" include mid-block crosswalks on State Street, completed construction documents for the first phase of the Lower Boardman/Ottaway Riverwalk's restoration and infrastructure, reconstruction of Rotary Square (which will span two fiscal years), and the long-planned Farmer's Market and Pavilion, which would enhance the City's upcoming reconstruction of Lot B. Pavilion, which would enhance the City's upcoming re

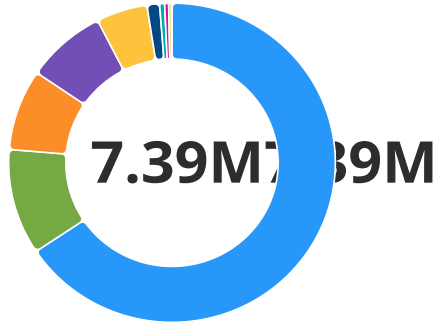
The Capital Outlay expenditure category consists of all items under "Building and Maintaining Downtown (A) Essential Public Infrastructure" and "Transforming Downtown (A) Transformative Public Infrastructure." Most items under "Building and Maintaining Downtown (B) Essential Public Services" and "Transforming Downtown (B) Transformative Public Services" are maintained within the Professional Services expenditure category.

Funds under "(A) Essential Public Infrastructure" may be used for projects developed by the DDA or as a contribution to projects led by the City. Contributions to stormwater reconstruction at Lot B and repairs to the North Union Street bridge are included in their own lines.

Under "(B) Transformative Public Services," a new line for a retail study was created to conduct a market analysis of downtown's changing retail landscape and strategies to keep small, locally owned businesses from being priced out of their storefronts.

TIF-97 Total Taxable Value	\$226,821,791
Captured Taxable Value	\$189,291,061
Estimated Revenue	\$4,828,974
Est. Fund Balance of Previous Fiscal Year	\$4,800,000
Running Downtown Running Downtown	\$ 1,174,964
<i>DDA Administration DDA Administration</i>	605,731
<i>Service Agreement with CityService Agreement with City</i>	\$ 519,233
<i>Miscellaneous & UtilitiesMiscellaneous & Utilities</i>	\$ 50,000
Building and Maintaining Downtown Building and Maintaining Downtown	
(A) Essential Public Infrastructure (A) Essential Public Infrastructure	\$ 1,509,657
<i>Streetscaping/SnowmeltStreetscaping/Snowmelt</i>	\$ 75,000
<i>Stormwater & Green Infrastructure (Lot B)Stormwater & Green Infrastructure (Lot B)</i>	\$ 110,000
<i>Landscaping**Landscaping**</i>	\$ 18,000
<i>General Infrastructure RepairGeneral Infrastructure Repair</i>	\$ 70,000
<i>City Infrastructure ContributionCity Infrastructure Contribution</i>	\$ 100,000
<i>Wayfinding Signage Wayfinding Signage</i>	\$ 22,000
<i>Placemaking AmenitiesPlacemaking Amenities</i>	\$ 100,000
<i>Miscellaneous Miscellaneous</i>	\$ 25,000
<i>Rotary Square MaintenanceRotary Square Maintenance</i>	\$ 14,000
<i>N. Union Street Bridge Repair N. Union Street Bridge Repair</i>	\$ 150,000
<i>Hardy Parking Deck PaymentHardy Parking Deck Payment</i>	\$ 825,657
(B) Essential Public Services (B) Essential Public Services	\$ 377,550
<i>Community Police Officer (\$100,000)Community Police Officer (\$100,000)</i>	
<i>Trash and Recycling Removal Trash and Recycling Removal</i>	\$ 60,100
<i>Public Restroom Program Public Restroom Program</i>	\$ 14,500
<i>PrintingPrinting</i>	\$ 3,500
<i>Clean and Green Team (SEEDS & Bin Ninjas)Clean and Green Team (SEEDS & Bin Ninjas)</i>	\$ 105,000
<i>City Vehicle RentalsCity Vehicle Rentals</i>	\$ 8,450
<i>Holiday Lights Holiday Lights</i>	\$ 100,000
<i>Miscellaneous Miscellaneous</i>	\$ 25,000
<i>Farmers Market Maintenance & AdministrationFarmers Market Maintenance & Administration</i>	\$ 61,000
Transforming Downtown Transforming Downtown	
(A) Transformative Public Infrastructure (A) Transformative Public Infrastructure	\$ 4,573,000
<i>Rotary SquareRotary Square</i>	\$ 500,000
<i>Farmers Market PavillionFarmers Market Pavillion</i>	\$ 3,083,000
<i>Boardman/Ottaway Riverwalk Boardman/Ottaway Riverwalk</i>	\$ 400,000
<i>Two-Way PilotTwo-Way Pilot</i>	\$ 200,000
<i>Mobility & Accessibility ImprovementsMobility & Accessibility Improvements</i>	\$ 380,000
<i>Public ArtPublic Art</i>	\$ 10,000
(B) Transformative Public Services (B) Transformative Public Services	\$ 68,500
<i>Composting Program Composting Program</i>	\$ 10,500
<i>Retail StudyRetail Study</i>	\$ 40,000
<i>Destination DowntownDestination Downtown</i>	\$ 3,000
<i>City Stormwater StudyCity Stormwater Study</i>	\$ 15,000
Activating Downtown & Growing BusinessActivating Downtown & Growing Business	\$ 90,900
<i>Communication, Promotion & EventsCommunication, Promotion & Events</i>	\$ 90,000
<i>Traverse ConnectTraverse Connect</i>	\$ 900
Total Expenses	\$ 7,794,571
Estimated Remaining Fund Balance	\$ 1,834,403
** Includes ** Includes flowers, planters, tools, and J. Sm	
^Police Officer included in City service agreement totalcer	

FY27 Expenditures by Expense Type Summary



CAPITAL OUTLAY	CAPITAL OUTLAY	\$4,847,000	\$4,847,000	63%
PRINCIPAL	PRINCIPAL	\$790,000	\$790,000	10.70%
TRANSFER OUT	TRANSFER OUT	\$605,730	\$605,730	8.20%
TRANSFER OUT CITY FEES	TRANSFER OUT CITY FEES	\$587,800	\$587,800	7.96%
PROFESSIONAL SERVICES	PROFESSIONAL SERVICES	\$374,000	\$374,000	5.06%
CONTRACTUAL SERVICES	CONTRACTUAL SERVICES	\$90,900	\$90,900	1.23%
INTEREST EXPENSE & FEES	INTEREST EXPENSE & FEES	\$36,700	\$36,700	0.50%
MISCELLANEOUS EXP	MISCELLANEOUS EXP	\$30,000	\$30,000	0.41%
UTILITIES	UTILITIES	\$20,000	\$20,000	0.27%
PRINTING & PUBLISHING	PRINTING & PUBLISHING	\$3,500	\$3,500	0.05%

Expenditures by Type Summary

Category	2025/2026 Amended	2025/2026 Amended	2025/2026 Projected	2026/2027 Projected	2026/2027 Budget	2027/2028 Requested	2027/2028 Requested	2028/2029 Requested
PROFESSIONAL SERVICES	\$348,100	\$348,100	\$348,100	\$348,100	\$374,000	\$374,000	\$434,500	\$0
CONTRACTUAL SERVICES	\$90,000	\$90,000	\$90,000	\$90,000	\$90,900	\$90,900	\$90,900	\$0
PRINTING & PUBLISHING	\$0	\$0	\$0	\$0	\$3,500	\$3,500	\$3,500	\$0
UTILITIES	\$30,000	\$30,000	\$30,000	\$30,000	\$20,000	\$20,000	\$22,500	\$0
MISCELLANEOUS EXP	\$50,000	\$50,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$0
TRANSFER OUT CITY FEES	\$514,700	\$514,700	\$514,700	\$514,700	\$587,800	\$587,800	\$597,200	\$0
CAPITAL OUTLAY	\$4,481,000	\$4,481,000	\$4,481,000	\$4,481,000	\$4,847,000	\$4,847,000	\$4,053,500	\$0
PRINCIPAL	\$820,000	\$820,000	\$820,000	\$820,000	\$790,000	\$790,000	\$765,000	\$0
INTEREST EXPENSE & FEES	\$54,500	\$54,500	\$54,500	\$54,500	\$36,700	\$36,700	\$17,500	\$0
TRANSFER OUT	\$595,100	\$595,100	\$595,100	\$595,100	\$605,730	\$605,730	\$643,590	\$0
Total Expenditures	\$6,983,400	\$6,983,400	\$6,983,400	\$6,983,400	\$7,385,630	\$7,385,630	\$6,658,190	\$0

Revenues SummaryRevenues Summary

There are no significant changes to revenue. Revenue is from the tax capture in the TIF-97 TIF district. There are no significant ch

Revenues by Revenue SourceRevenues by Revenue Source

Category	2024/2025	2024/2025	2025/2026	2025/2026	2025/2026	2026/2027	2026/2027	2026/2027	2027/2028	2027/2028	2028/2029	2028/2029
Category	Actual	Actual	Amended	Amended	Projected	Projected	Budgeted	Budgeted	Requested	Requested	Requested	Requested
REAL ESTATE/PERSONAL PROPERTY TAX	\$0	\$4,336,300	\$4,336,300	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,013,600	\$4,013,600	\$0	\$0
INTEREST REVENUE	\$0	\$0	\$4,500,000	\$4,500,000	\$0	\$0	\$3,400,000	\$3,400,000	\$3,000,000	\$3,000,000	\$0	\$0
Total Revenues	\$0	\$4,340,800	\$4,340,800	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,016,600	\$4,016,600	\$0	\$0



Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
harry@downtowntc.com
231-922-2050

MEMORANDUM

To: Downtown Development Authority Board

From: Harry Burkholder, Executive Director

Date: June 15, 2026

Re: TIF-97 Project Priorities

This memo is intended to provide an update on the status of each capital improvement project priority, including the next steps, critical decisions, and budget needs. This memo will be included in every DDA Board meeting moving forward.

Farmers Market Pavillion

The contract for the Farmers Market Pavillion and Lot B were approved by the City Commission at their May 4th meeting. We are working with City Staff to finalize the contracts for construction and project administration, with an anticipated project kick-off on July 13th.

Rotary Square

We received the construction drawings. We are coordinating with City Engineering to prepare the formal bid documents, which is planned to be released this fall. As discussed during recent budget discussions, the goal is to break ground on the project in spring 2027 (next fiscal year), with the majority of construction occurring in summer 2027 (FY 2027–2028).

Boardman/Ottaway Restoration and Infrastructure (Riverwalk)

We are working with INFORM Studio to develop a proposal (agreement) to develop the construction drawings, which should be before the DDA Board for consideration at the July meeting.



Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
harry@downtowntc.com
231-922-2050

Memorandum

To: Downtown Development Authority Board
From: Harry Burkholder, Executive Director
Date: June 15, 2026
Subject: Development and TIF Plan Approval

Background

The Traverse City Downtown Development Authority's current Tax Increment Financing Plan (TIF-97) is scheduled to expire on December 31, 2027. Since its adoption in 1997, the plan has served as a critical tool for funding transformational public infrastructure improvements, ongoing maintenance, public space and mobility enhancements, and several essential programs and services that contribute to the economic vitality, sense of place, and overall functionality of downtown Traverse City. Through strategic reinvestment of TIF revenues, the plan has helped create and sustain the vibrant, walkable, and economically resilient downtown that residents, businesses, and visitors enjoy today.

Recognizing the approaching expiration of TIF-97, the DDA approved the Moving Downtown Forward (MDF) TIF and Development Plan in August 2024. The MDF Plan was designed to amend and extend the existing TIF-97 Plan, providing a roadmap for continued investment in downtown infrastructure, public services, and economic vitality. The plan was informed by an extensive public engagement process that spanned more than two years and generated over 1,300 points of community feedback. Through surveys, open houses, stakeholder meetings, pop-up events, and ongoing collaboration with City and DDA officials and staff, residents, business owners, property owners, and community partners helped shape a vision for downtown's future that reflects community priorities and long-term needs.

Following the DDA's approval of the MDF TIF and Development Plan, implementation was effectively paused. In October 2024, ahead of a November ballot initiative concerning public approval of future TIF plans, the City Commission elected not to advance the plan through the remaining statutory approval process, including Commission review, a public hearing, and final adoption. Subsequently, in November 2024, Traverse City voters approved two ballot initiatives requiring that the creation, amendment, or extension of any tax increment financing (TIF) plan receive voter

approval before taking effect. As a result, the MDF TIF and Development Plan was not adopted, creating an opportunity and need to re-engage the community, revisit priorities, and ensure that any future tax increment financing proposal reflects both current community needs and citizen expectations.

Over the following two years, community conversations regarding tax increment financing and its role in supporting Downtown Traverse City continued to evolve. As the City advanced the development of its *Strategic Action Plan*, the DDA began a more formal reassessment of the Moving Downtown Forward (MDF) TIF and Development Plan, evaluating how well the plan aligned with emerging infrastructure needs, service demands, community priorities, and the City's broader strategic objectives.

Throughout this process, the DDA also renewed its commitment to community engagement, facilitating additional conversations about the future of downtown tax increment financing, the role of the TIF tool in addressing public infrastructure and service needs, and how future downtown investments can support community-wide goals, and the city's broader strategic objectives.

Now, following several months of discussion and evaluation, DDA staff, in cooperation with City staff, have prepared an amended Moving Downtown Forward Development Plan and Tax Increment Financing Plan for consideration. The amended Plan reflects updated community priorities, infrastructure needs, service demands, and the goals identified through the city's Strategic Action Plan process.

The Plan consists of two primary components: the Development Plan and the Tax Increment Financing Plan. The Development Plan identifies the public improvements, programs, services, and projects proposed within the TIF District, including their anticipated costs, locations, and funding sources, as well as projected private investment in the district.

The Tax Increment Financing Plan outlines the mechanism by which tax increment revenues will be harnessed and utilized to implement the Development Plan. It details the tax increment financing procedure, any bonded indebtedness that may be incurred, a proposed revenue-sharing formula with the participating taxing entities, and the duration of the TIF program.

Updated Plan Components

Since our May Board meeting, DDA staff have worked with the Ad Hoc Committee to review Board feedback and identify potential refinements to the Draft TIF Plan. The following updates have been incorporated for the Board's consideration:

- Given City Commission approval of the Farmers Market Pavilion construction contract and adoption of the DDA's FY 2026–2027 budget, which includes funding for the construction of Rotary Square, both projects have been removed from the Capital Infrastructure Projects list.

The removal of these projects reflects their advancement from planned projects to implementation and does not preclude future capital investments in these assets or ongoing funding for their operation, maintenance and repair.

- The DDA's proposed contribution to the Bayfront Trail has been reduced to \$1 million to reflect a cost-sharing approach with the City and TART that is consistent with previous funding partnerships for this community asset.
- With the removal of the Farmers Market Pavilion and Rotary Square from the Capital Infrastructure Projects list, along with the reduction in the proposed Bayfront Trail contribution, the total estimated cost of the identified infrastructure projects has been reduced to approximately \$114.4 million.
- Based on conversations during the joint meeting with the City Commission, the West Bay Lakeshore Stabilization project has been reclassified as a high-priority project, recognizing its importance to public infrastructure resilience, environmental protection, and long-term shoreline stability.
- Under Section "B" of the Tax Increment Financing Plan (page 30), language has been added to clarify the DDA's ability to support locally owned and independent businesses through business stabilization initiatives. Specifically, the Plan states: *Business stabilization initiatives intended to support the retention, resiliency, continuity and long-term viability of existing local/independent/small businesses.*

Unique Features of the Proposed TIF Plan

As previously discussed, the Amended Development and Tax Increment Financing Plan includes several unique features and policy provisions that distinguish it from the TIF-97 Plan and reflect feedback received from the community. Key features of the proposed Plan include:

A. Focus on Core Infrastructure, Maintenance and Services

Recent City projections identify more than \$41-million in ongoing core service and infrastructure maintenance needs within the downtown district over the next 30 years. In addition, the DDA has identified more than \$42-million in anticipated costs associated with maintaining downtown infrastructure, public spaces, and essential services over the same period.

In response to these growing and long-term needs, this Plan is intentionally focused on the fundamentals: preserving, maintaining and improving critical public infrastructure, including streets, sidewalks, trails, utilities, stormwater systems, the Boardman/Ottaway River, and public spaces; providing dedicated funding for ongoing maintenance; and supporting the core programs and services that keep downtown Traverse City safe, clean accessible, functional, and economically strong.

To further support infrastructure resilience and long-term maintenance, the Plan includes commitments to contribute:

- 2% of the DDA's annual tax increment revenue to city-led infrastructure repairs and maintenance
- 2% of the DDA's annual tax increment revenue to stormwater infrastructure improvements

Based on current projections, these contributions are expected to generate more than \$1.7 million over the life of the Plan for both infrastructure repair and stormwater improvements. As demonstrated by the April flooding event, continued investment in core infrastructure is essential. Well-maintained streets, utilities, stormwater systems, and public facilities help protect public health and safety, reduce environmental risk, and minimize the financial impacts of disaster response and recovery. Proactive investment strengthens community resilience and ensures Traverse City remains safe, functional, and economically strong for future generations.

In addition, the Plan continues payments to the City of Traverse City for municipal services provided within the downtown district, including support for the downtown police officer position. These payments are formalized through an ongoing service agreement between the City and the DDA and help ensure that downtown receives the level of service necessary to support its role as the region's economic, cultural, and civic center. Based on the current agreement and projected agreement increases, total payments to the city over the duration of the Plan are estimated to exceed \$10 million.

Finally, the Plan renews the DDA's commitment to funding core downtown services that support daily operations and the overall downtown experience. These investments include trash and recycling removal, administration and operation of the Sara Hardy Farmers Market, holiday lighting, the public restroom program, landscaping, power washing, wayfinding signage, and other services that contribute to a clean, safe, welcoming, and vibrant downtown environment. While often less visible than capital investments, these ongoing services are essential to maintaining downtown's quality, functionality, and long-term economic strength.

B. Revenue-Sharing Model

After extensive discussion and analysis of multiple revenue-sharing scenarios, this plan includes "70/30" revenue-sharing model whereas 70% of the local tax increment revenue would be distributed to the DDA while 30% of the local tax revenues would be shared back to the local tax levying entities. This new model creates a balanced approach that supports both downtown/Traverse City infrastructure investment and a broader community benefit. It allows the DDA to retain sufficient funding to maintain and improve critical downtown infrastructure and provide important core services, while also ensuring that a meaningful portion of the future tax increment growth is shared with the taxing entities. Based on current projections, this revenue-sharing approach is expected to return substantial funding to the local taxing entities over the life of the Plan, including more than

\$18- million to the City of Traverse City and approximately \$7-million to Grand Traverse County.

C. Exemptions

Special city and county millages approved by city and county voters after January 1, 2023 will be exempt from future capture. This would include the “EMS/Ambulance” millage approved by Traverse City voters in 2023.

D. Plan Duration

The duration of the TIF Plan would be 20 years, expiring in 2047.

Name Consideration

Staff is recommending changing the name of the proposed TIF Plan from the Moving Downtown Forward TIF Plan to the ***Infrastructure First TIF Plan***. While the original title effectively communicated the Plan's goal of advancing downtown Traverse City's future, the proposed name more accurately reflects the amended Plan's primary purpose and priorities. Over the last two years, community feedback has consistently emphasized the importance of focusing on core public infrastructure, maintenance, and essential services.

The title ***Infrastructure First*** clearly communicates that the Plan is centered on investing in and maintaining the fundamental public assets that support Downtown/Traverse City and the broader community, including streets, sidewalks, trails, utilities, stormwater systems, the Boardman/Ottaway River, public spaces, and ongoing maintenance. It also reinforces the Plan's commitment to addressing long-term infrastructure needs before pursuing new initiatives. Staff believes the revised name provides greater clarity to the public, better aligns with the Plan's content and objectives and the city's strategic priorities and more effectively conveys the DDA's commitment to responsible stewardship of downtown-generated tax increment revenues.

Potential Approval Process, Timeline and Next Steps

June 17, 2026

The Development Area Citizens Council is scheduled to meet on June 17th to review, discuss and provide feedback on the proposed TIF Plan.

June 19, 2026

If ready, the DDA Board adopts a resolution to approve the TIF Plan and sends it forward to the City Commission to facilitate the ballot wording and ballot placement.

July 2026

City Commission confirms ballot wording, based on the City's TIF Implementation Policy.

November 3, 2026

Traverse City citizens vote on the proposed TIF Plan.

Recommended Motion

That the DDA Board recognizes that the DDA Board has taken all necessary steps and required actions under Michigan's Recodified Tax Increment Financing Act (Public Act 57 of 2018) regarding the proposed Infrastructure First Development and Tax Increment Financing Plan, and to formally support and hereby approve said Plan and to direct staff to submit same to the City Clerk, in writing, in accordance with the procedures of the City of Traverse City's Implementation Policy for Charter Section 28 TIF Amendments.



TRAVERSE CITY DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

**INFRASTRUCTURE FIRST
DEVELOPMENT
AND
TAX INCREMENT FINANCING PLAN**

2028 - 2047

FINAL DRAFT

CITY OF TRAVERSE CITY DOWNTOWN DEVELOPEMNT AUTHORITY

ADOPTED BY THE TRAVERSE CITY CITY COMMISSION: [MONTH] 2026

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DRAFT

SECTION ONE. INTRODUCTION

All Downtown Development Authorities that utilize Tax Increment Financing (TIF) are required by law to create a Development Plan and Tax Increment Financing (TIF) Plan. Together, the two plans describe the potential projects, services and resources needed for implementation. These plans serve as guides to demonstrate to our community the work we want to accomplish within the DDA boundary.

In August 2024, the Traverse City Downtown Development Authority (DDA) approved a Tax Increment Financing and Development Plan, called the *Moving Downtown Forward (MDF) TIF & Development Plan*. The approved plan served to amend and extend the previous TIF and Development Plan, commonly referred to as TIF-97. The MDF TIF and Development Plan was the product of extensive public engagement. Over two years, more than 1,300 points of community feedback were gathered through open houses, surveys, stakeholder meetings, pop-up events, and ongoing collaboration with City and DDA officials and staff. The plan was shaped by residents, business owners, property owners, and community partners who care deeply about downtown's future. However, following the DDA's approval, implementation of the MDF TIF Plan was effectively placed on hold. In October 2024, ahead of a November ballot initiative concerning public approval of future TIF plans, the City Commission opted not to move the plan through the remaining approval steps, including commission review, a public hearing, and a final vote. That November, Traverse City voters approved two ballot initiatives requiring that the creation, amendment, or extension of any TIF plan be first approved by voters before taking effect.

Over the next two years, community conversations surrounding the TIF tool and its role in Downtown Traverse City continued to evolve. In the winter of 2026, as the City neared completion of its Strategic Action Plan, the DDA began taking more formal steps to reassess the MDF Plan - evaluating how effectively it aligned with emerging service demands, infrastructure needs and priorities, and the City's broader strategic goals. The DDA also worked to re-engage the community in conversations about the future of the MDF Plan, the role of the TIF tool, and how downtown investments can continue to support broader community priorities and long-term economic vitality.

In **insert date**, the Downtown Development Authority approved an amended *Infrastructure First Development & TIF & Plan*, incorporating new and updated project priorities, a more comprehensive description of the core services and operations funded by TIF, annual dedicated funding for the maintenance of downtown assets and infrastructure, and a new revenue-sharing framework.

A TIF Plan Guided by Principles and Community Goals

The infrastructure projects, service and maintenance priorities described in this Plan were guided by the principles and community goals of both the DDA and City.

DDA Guiding Principles

- Design a Great Place for All Ages and For Future Generations
- Advance Climate Action, Sustainability, Renewable Energy, Energy Efficiency, and Resiliency
- Protect and Preserve Small Local Independent Businesses
- Champion the Development of Attainable and Workforce Housing
- Support Job Growth and Varied Career Opportunities



City Guiding Principles (City Master Plan)

- Steward and Cherish Our Natural Resources and Green Spaces
- Honor Our Community Heritage and create a Welcoming Environment for All People
- Encourage Development and Vibrancy in Our Commercial Districts and Corridors
- Maintain and Connect Our Neighborhoods
- Encourage Quality Housing in Locations of the City with Access to Nonmotorized and Public Transportation
- Create Safe and Enjoyable Transportation and Recreation Options Year-Round



City Strategic Pillars (City Strategic Action Plan)

- Building A Thriving Year-Round Economy
- Proactively Manage Urban Design
- Strengthening Place-Making and Neighborhood Character
- Fostering a Regional Collaborative Approach
- Creating a Complete Community
- Supporting Environmental Sustainability



History of Tax Increment Financing in Traverse City

In 1985, the Downtown Development Authority (DDA) and the City established the *TIF 2 Plan*, in the Old Town area of downtown. The Plan envisioned the redevelopment of the former Ironworks site and its surrounding area as an active, mixed-use retail and residential district. Over the 30-year lifespan of the TIF 2 Plan, that vision for the district became a reality as this part of downtown is home to one of the largest employers in the region, a television station, restaurants, retail stores, offices and residences. Furthermore, the taxable value of the district increased nearly 13 times over the lifespan of the Plan. The TIF 2 Plan expired in 2015 but was re-established in 2016 for 25 years as the *Old Town TIF Plan*.

In 1997, noting a lack of private investment and active public spaces, empty storefronts, crumbling infrastructure and underutilized properties, the DDA and City established the *TIF-97 Plan* for the historical center of downtown. Over the course of the last almost 30 years, the DDA and City have utilized TIF-97 to fund numerous critical and transformative public infrastructure projects as well as day-to-day services, operational and maintenance needs, contributing to the overwhelming success of Downton Traverse City

Today, Downtown Traverse City serves as the economic and cultural hub of Northern Michigan. Our tree lined and pedestrian-friendly streets, engaging storefronts, unique and locally owned shops and restaurants, signature celebrations and position on Lake Michigan have helped to routinely place Traverse City on several enviable “top ten” list every year as well as attract new residents, investment and businesses throughout downtown and the entire city.

TIF-2 & Old Town TIF

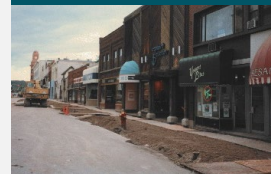


Ironworks Site Before TIF



Ironworks Site After Utilizing TIF

TIF-97



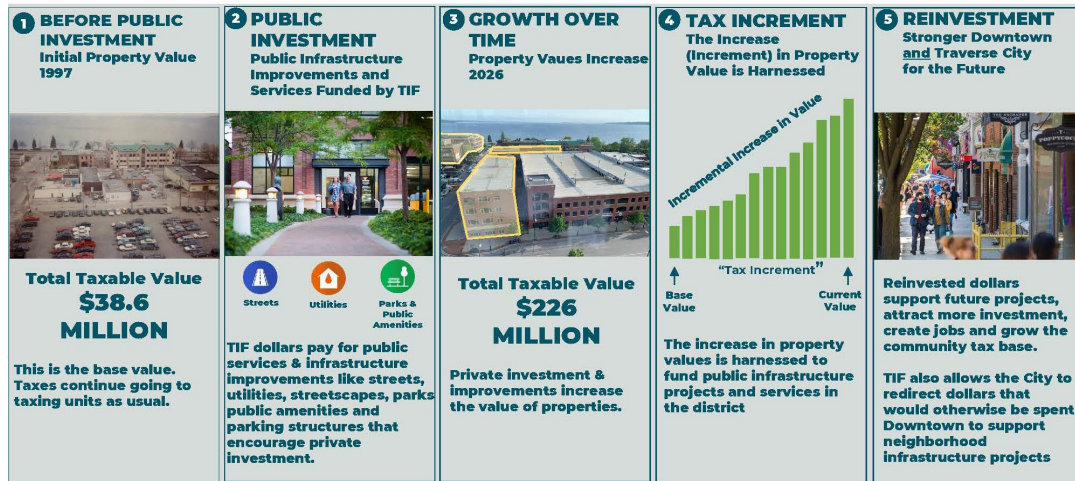
Front Street Before TIF



Front Street After Utilizing TIF

How TIF Works

Tax Increment Financing (TIF) harnesses property tax revenue generated from the incremental increase in property values within the downtown district over time. These captured tax revenues are then reinvested into public infrastructure improvements, maintenance, and services that support the continued economic growth and vitality of downtown. The illustration below explains how TIF works, using the growth in taxable value within the TIF-97 development district from 1997 through 2026.



SECTION TWO. DEVELOPMENT PLAN

The legal basis of the plan

The Development Plan and Tax Increment Financing Plan are prepared pursuant to the requirements of Section 217 of Michigan’s “Recodified Tax Increment Financing Act” (Public Act 57 of 2018, MCL 125.4201 *et seq.*). This Development Plan is organized pursuant to the requirements applicable to all such plans under Section 217 (MCL 125.4217), such that each section below provides the required information that corresponds to each of the lettered paragraphs of subsection 217(2), subparagraphs (a) – (p) of the statute.

A. BOUNDARIES

The designation of boundaries of the development area in relation to highways, streets, streams or otherwise. *MCL 125.4217(2)(a).*

The development area is located within the jurisdiction of the City of Traverse City and carries over the same boundaries used in the previous Development Plan known as “TIF-97” (Map One). The boundaries of the area that are covered by the Development Plan encompass approximately .22 square-miles (140 acres) of property in downtown traverse City and includes a diverse mix of public and private land uses, streets and public facilities. In general, the development area is bounded by the back lot lines of properties along the East Front Street alley and Railroad Avenue, Grand Traverse Bay, (including Clinch Park), the back lot lines of properties along Gillis Street, the Boardman/Ottaway River, the front lot lines of properties along Cass and the back lot lines of properties along the Washington Street alley and Washington Street and properties along the front lot lines along Boardman Avenue.

B. EXISTING LAND USES

The location and extent of existing streets and other public facilities within the development area, shall designate the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, commercial, industrial, educational and other uses, and shall include a legal description of the development Area. MCL 125.4217(2)(b).

The development area is just over 140 acres in size and includes a mix of commercial, institutional and residential uses. The entire district is served by municipal sewer and water and electricity and fiber from Traverse City Light and Power. The location and extent of existing street segments in the development area are illustrated on Map Two, and include:

Street Segment	From	To
Front Street	North Peak Brewery	Grandview Parkway
State Street	Pine Street	Boardman Avenue
Washington Street	Park Place (west end)	Park Place (east end)
Garland Street	Hall Street	Union Street
Grandview Parkway	Oak Street	Front Street
Marina Drive	Grandview Parkway	Clinch Park
Hall Street	Grandview Parkway	Front Street
Pine Street	Front Street	State Street
Union Street	Grandview Parkway	Boardman River
Cass Street	Grandview Parkway	Boardman River
Park Street	Grandview Parkway	State Street
Boardman Avenue	Front Street	State Street

The location and extent of other public facilities within the development area are also illustrated on Map Two. The location, character and extent of public and private land uses existing in the development area is listed below and are illustrated on Map Three. The location, character and extent of public land uses proposed to be private land uses in the future for the development area are illustrated on Map Four. The land in the development area is zoned for both commercial and residential uses. Map One, noted above, illustrates the boundaries of the development area, which is wholly contained in the Downtown Development Authority District as shown on the map.

Existing Public and Private Land Uses Within the Development Area

Public Land Uses

The City Opera House, U.S. Post Office and Rotary Square are located within the Development Area. The Hardy Parking Structure and several public surface parking lots are also located within the Development Area.

Private Land Uses

Residential – There is a significant number of residential properties located within the Development Area. Most residential properties located in the Development Area are in “mixed-

use” buildings, with commercial businesses located on the ground floor and residential units located on the upper floors. One fully residential property is located on Boardman Avenue.

Commercial – Commercial property is located throughout the Development Area. Many commercial properties located in the Development Area are in “mixed-use” buildings, with commercial businesses on the ground floor and residential units of the upper floors.

Industrial – There are no current and operable industrial properties in the Development Area.

Recreational Uses

There are several parks and open spaces located within the Development Area. Clinch Park (and Marina) and the Open Space define the waterfront along Lake Michigan. Mini Park is located on East Front Street and is home to the Guardian sculpture in honor of Traverse City’s designation as a Coast Guard City. The Union Street Dam Area provides opportunities for fishing. The J-Smith Walkway provides seating and a pedestrian connection from Parking Lot A to Front Street. Wellington Plaza is located at the terminus of Wellington Street on the Boardman River.

Educational Uses

The Children’s House Private Montessori Middle School is located on the second floor of 101 N. Park.

Vacant Land

There are several parcels in the Development Area that may be classified as vacant or underutilized including, but not limited to, one parcel along Garland Street, 124 West Front Street, 153 Pine Street and several parcels along West State Street. The redevelopment of these vacant parcels (and others) is predicted to begin within the next two years.

Legal Description of the Development Area

The Downtown Development Authority shall exercise its powers and duties within the downtown development district, City of Traverse City, County of Grand Traverse, State of Michigan, specifically described as follows:

Beginning at a point on the Bay Shore that coincides with the northerly extension of the centerline of Oak Street; thence southerly along such centerline extension to its intersection with the centerline of the C & O Railroad tracks; thence southeasterly approximately 500 feet along the C & O Railroad tracks to the centerline of 2nd Street; thence southerly from 2nd Street approximately 1,050 feet along the centerline of the C & O Railroad tracks to the centerline of the alley between Front and 5th Streets; thence commencing at the northwest corner of Lot 8 of the Hannah, Lay and Company First Addition as recorded by the County Register of Deeds, Liber 3 of Plats on Page 25; thence southeasterly along the northeast boundary of Lot 8 to the northeast corner of Lot 8; thence southerly along the east line of such plat to the south right of way of Sixth Street (66 feet wide); thence easterly along the south right of way of Sixth Street to the west right of way of Locust Street (53 feet wide); thence southerly along the west right-of-way line of Locust Street to the south right-of-way line of Ninth Street (66 feet wide); thence easterly along the south right of way of Ninth Street to the east right-of-way line of the north-south ally (33 feet wide) east of Union Street, Block 6, as found in Hannah, Lay and Company’s First Addition, recorded in Book One, Page 10; thence northerly along the east right of way of such alley to the south right-of-way line of 8th Street (66 feet wide); thence easterly along the south right of way of 8th Street to the thread of the Boardman River; thence northwesterly along the thread of the Boardman River to the centerline of Cass Street; thence northerly along the centerline of Cass Street to the

centerline of the alley between State and Washington Streets; thence easterly approximately 300 feet to the east lot line of Lot 14, Block 7, of the original Plat of Traverse City; thence southerly approximately 213.5 feet to the centerline of Washington Street; thence easterly approximately 555 feet along the centerline of Washington Street to a point approximately 27 feet east of the west lot line of Lot 14, Block 21, original Plat of Traverse City; thence northerly approximately 213.5 feet to the centerline of the alley between State and Washington Streets; thence easterly to the centerline of Boardman Avenue; thence northerly along the centerline of Boardman Avenue to the centerline of the alley between Front and State Streets; thence easterly to the centerline of Railroad Avenue; thence northwesterly to the intersection of the centerlines of East Front Street and Railroad Avenue; thence easterly to the intersection of the centerlines of East Front Street and Grandview Parkway; thence northwesterly to the centerline of the Boardman River; thence northerly to Grand Traverse Bay and also including Lot 3 of Hannah, Lay and Company's 16th Addition, Liber 3 of Plat, Pages 6 and 7.

Except that parcel of land as described in a warranty deed to the Traverse City Housing Commission, dated March 15, 1973 and as recorded in Liber 342, Page 274 of the Office of the Register of Deeds of the County of Grand Traverse.

C. PRIVATE IMPROVEMENTS TO BE DEMOLISHED, REPAIRED OR ALTERED

A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion. MCL 125.4217 (2)(c).

The private Improvements in the development area, which include demolition, repair, and/or alteration are illustrated on Map Five. A table of the private investment (including the time required for completion) is listed below.

Project Address	Property ID	Improvements	Project Value	Estimated Completion	Rationale for Inclusion for Private Investment
400 W Front St	28-51-752-001-01	New Infill Development	\$20,400,000	2035	Surface lot to be developed into additional housing/commercial opportunities
145 Hall St	28-51-658-029-01 28-51-658-028-21	New Infill Development	\$30,600,000	2028	Property owner has identified new development opportunity
211 W Grandview Pkwy	28-51-658-036-01	New Hotel Development	\$45,900,000	2028	New Hotel Development (Marriott)
207 W. Grandview Pkwy	28-51-658-038-00	New Condominium Development	\$40,800,000	2029	Property owner has identified new condominium development
124 W Front St	28-51-706-004-00 28-51-706-005-10 28-51-706-006-00	New Hotel Development	\$30,600,000	2026	Property-owner has identified hotel development
302 W. Front St.	28-51-706-009-00	New Mixed-Use Development	\$15,300,000	2028	Property owner has identified a mixed-use redevelopment
123 W Front St	28-51-794-002-00	Redevelopment	\$20,000,000	2031	Opportunity for repurposing building
116 W. Front	28-51-706-003-01	Redevelopment	\$15,300,000	2036	Parcel is currently for sale
119 W. Front St.	28-51-794-004-00	Redevelopment	\$10,200,000	2036	Parcel is currently for sale

Project Address	Property ID	Improvements	Project Value	Estimated Completion	Rationale for Inclusion for Private Investment
115 Pine St. 136 W. State St. 130 W. State St. 126 W. State St. 122 W. State St. 120 W. State St.	28-51-794-021-00, 28-51-794-018-00 28-51-794-017-01 28-51-794-013-02 28-51-794-014-01 28-51-794-012-00	New Mixed-Use Development	\$32,600,000	2026	Publicly owned currently under RFP for Public/Private Partnership
102 W Front St	28-51-706-001-00	Infill Development	\$10,200,000	2042	Opportunity previously discussed for parking lot designed for infill commercial/residential
142 E State St	28-51-794-026-00	Infill Development/Repurposing Parking Lot	\$15,300,000	2046	Building and surface lot adjacent to Rotary Square has tremendous opportunity for new vibrant development
159 E State St	28-51-794-056-00	Infill Housing Development	\$61,200,000	2030	Previously pursued by HomeStretch to develop into affordable housing - City exploring other options
135 - 145 E Front St	28-51-694-007-00 28-51-694-006-00 28-51-694-005-00 28-51-694-004-00	Infill Development, repurposing	\$15,300,000	2032	Four properties with opportunity behind current buildings for new infill development to take advantage of Lower Boardman/Ottaway design
221 E State St	28-51-794-082-00	New Development / Demolition	\$8,160,000	2035	Single story building, with opportunity for repurposing/reinvesting for mixed-use development
216 E State St	28-51-794-086-00	New Infill Development	\$15,300,000	2045	Surface lot between two commercial buildings with opportunity for better density to service State Street
213 E. State St.	28-51-794-081-00	New Infill Development	\$20,000,000	2045	Surface and old bank building with opportunity for better density to service State Street
300 E State St	28-51-794-090-00	New Infill Development	\$30,600,000	2035	Adjacent to Park Place and was positioned to be redeveloped into mixed use and stacked parking
241 E State St	28-51-794-080-00	New Development/Repurposing	\$10,200,000	2040	Single story building with massive surface lot, there is opportunity for better land use

Project Address	Property ID	Improvements	Project Value	Estimated Completion	Rationale for Inclusion for Private Investment
250 E Front St	28-51-794-077-30	Repurposing and infill Development	\$4,080,000	2032	Building has opportunity for repurposing for office, housing, retail with additional space on Front Street and behind building
346 E. Front St.	28-51-794-127-00 28-51-794-129-00	Infill, Repurposing, Demolition	\$5,100,000	2035	Single story corner lot on Front Street/opportunity for multi-story/multi-use
116 Boardman Ave	28-51-794-128-00	Demolition, New Commercial Development	\$3,060,000	2042	Single story opportunity for multi-story/multi-use
120 Boardman	28-51-794-130-00	Demolition, New Commercial Development	\$3,060,000	2042	Single story opportunity for multi-story/multi-use
502 E. Front,	28-51-798-142-00	Repurposing/Infill	\$5,100,000	2035	Corner lot on Front and Wellington opportunity for mixed-use and infill development on parking lot
522 E. Front	28-51-798-145-00	Repurposing/Infill	\$3,060,000	2043	Single story building with surface lot behind opportunity for new investment within the single story for mixed-use and infill in parking lot
330 E. State	28-51-743-002-17	Repurposing/Infill Development	\$30,600,000	2029	Property owner is working to build a multi-story residential building

D. PROPOSED IMPROVEMENTS

The Location, Extent, Character, and Estimated Cost of the Improvements, Including Rehabilitation Contemplated for the Development Area and An Estimate of the Time Required for Completion. MCL 125.4217(2)(d).

The Traverse City Downtown Development Authority plans a variety of public infrastructure improvements spanning a wide range of project types, each intended to enhance the functionality, accessibility, resiliency, and vibrancy of downtown Traverse City. These investments address core infrastructure needs, including streets, utilities, public spaces, and non-motorized access, while also supporting the long-term repair, replacement, and maintenance of infrastructure systems necessary to sustain a safe, welcoming, and economically strong downtown district.

Several of these public infrastructure projects are also designed as comprehensive, multi-faceted improvements that incorporate several infrastructure elements within a single project, such as stormwater management, tree canopy expansion, streetscape enhancements, lighting, accessibility upgrades, and utility improvements. This integrated approach allows projects to maximize public benefit, improve long-term resiliency, and create a more connected and attractive downtown environment.

The DDA identified these proposed improvements through recent and ongoing planning efforts, several years of community engagement, coordination with City departments and partner organizations, and

discussions with the City Commission. The infrastructure projects were then organized into high, medium and low priorities.

The infrastructure investments and priorities described in this document are anticipated to be implemented over a period of approximately one to 20 years. The proposed project schedule (and priorities) are intended to remain flexible, allowing the DDA to coordinate improvements with other capital needs, city priorities, and partner initiatives as additional planning, engineering, and design work is completed and as funding becomes available.



A description of the proposed infrastructure improvements, including their location, scope, character, and estimated cost is provided below. In addition, each infrastructure improvement has been evaluated against the City's Strategic Pillars to demonstrate alignment and illustrate how these investments support broader community goals and priorities.

City Strategic Action Plan Pillars

-  **Building a Thriving Year-Round Economy**
-  **Proactively Manage Urban Design**
-  **Strengthen Place Making & Neighborhood Character**
-  **Fostering a Regional Collaborative Approach**
-  **Create a Complete Community**
-  **Supporting Environmental Sustainability**

1. Boardman-Ottaway Downtown River Restoration & Infrastructure

This public infrastructure improvement will implement the designated sections, or “reaches,” of the river outlined in the *Lower Boardman-Ottaway Unified Plan* and the *Conceptual Design for the 100 and 200 Blocks of the Boardman-Ottaway Riverwalk*, helping to realize the community’s long-standing desire to turn toward and engage with the river. Implementation would occur in phases, with each project determined by funding availability, district priorities, and opportunities to address and coordinate with surrounding public infrastructure systems and improvements. Near shoreline and fisheries habitat improvements outlined in the DDA’s current collaboration with the Grand Traverse Band of Ottawa and Chippewa Indians and NOAA will be incorporated. Additionally, both above-ground and below-ground stormwater management infrastructure will be incorporated. A description of the unique infrastructure elements within each reach of the river corridor within the Development Area is listed below. Additional and connecting infrastructure elements in the remaining reaches of the river corridor will be funded by Old Town TIF.

Strategic Action Plan Alignment:    



Reach Six (Between Park Street and the Murchie Bridge)

This project would include a new pedestrian bridge connecting the north and south side of the river, a riparian landscape a new overlook on Front Street, and an enhanced Wellington Street Plaza boardwalk. The project would also include an enhanced boardwalk on the north side of the river and improved access and habitat at the mouth of the river.

Reach Five (Between Union Street and Park Street)

Phase One. Highest Priority

The conceptual design, schematic design and engineering phases for these infrastructure improvements are completed. This project would include a new pedestrian bridge connecting the future Farmers Market Pavilion with the J-Smith Walkway and Front Street. Other improvements include a more pedestrian-friendly and refurbished J-Smith Walkway, new seating spaces on the bridge abutments and stormwater infrastructure.

Reach Five (100 Block - Between Union Street and Cass Street)

This project would remove some of the parking along the south alley, pull back the existing sheet-piling and add new alley treatments, stormwater infrastructure and terrace steps down to the water edge between the pedestrian bridge and Cass Street. A “garden terrace” would also be added between the pedestrian bridge and Union Street. The north side of the river would include a new boardwalk and “garden meadow”.

Reach Five (200 Block - Between Cass Street and Park Street)

This Project would include alley treatments, an elevated boardwalk along the alley and a new pedestrian bridge connecting the north and south side of the river. The north side of the river would also include an enhanced boardwalk and naturalized landscaping.

Reach Four (Between West Front Street Bridge and Union Street)

This project would include a new boardwalk and kayak portage between the existing pedestrian bridge and the existing trail south of the West Front Street Bridge, along the south/east side of the river.

Reach Three (Between the West Front Street Bridge and Pine Street)


This project would include an extension of the existing boardwalk at the Pine Street access point along the river to the West Front Street Bridge. This project could also include portions of a proposed pedestrian bridge connecting Hannah Park and the Pine Street boardwalk/landing.

Reach Five – Phase One.



2. State Street, Pine Street, Boardman Avenue Two-way Traffic Conversion

This project would include the infrastructure improvements necessary to convert these three city streets from one-way to two-way traffic circulation. Future investments would include new/modified traffic signals, signage, pedestrian refuge islands, pavement markings, and other physical improvements to enhance safety and accessibility for all users.

Strategic Plan Alignment: 

3. Front Street South Alley Improvements and Utility Relocation

This infrastructure improvement would include the reconstruction of the south Front Street alley between Park Street and Pine Street. Improvements will feature a decorative alley surface treatment, lighting, signage, pedestrian walkways, landscaping, trash receptacles, and upgraded stormwater infrastructure. The project would also include the burial of utility lines located within the alley in collaboration with TCLP.

Strategic Plan Alignment: 




4. West Bay Lakeshore Stabilization

In partnership with the City, the DDA would contribute funding to incorporate natural flood control methods, resilient landscaping, and designed public access along West Grand Traverse Bay.

Strategic Plan Alignment: 


5. State Street Mid-Block Pedestrian Crosswalks

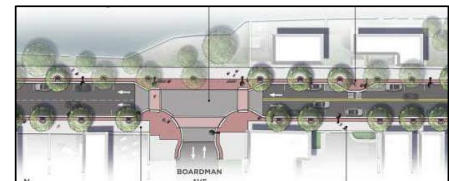
This infrastructure improvement would include the installation of five (5) mid-block crosswalks on State Street, designed to mimic the pedestrian crosswalks on Front Street. The locations include one crosswalk between Park Street and Boardman Avenue, two crosswalks between Park Street and Cass Street, and two crosswalks between Union Street and Cass Street.

Strategic Plan Alignment: 

6. East Front Street Reconstruction, Streetscaping and Gateway


East Front Street is the last remaining downtown street without streetscaping. This project would include a full reconstruction of East Front Street from Grandview Parkway to Park Street. Using the DDA's 2021 Streetscape Design as a starting point, improvements will include new underground utilities, wider sidewalks, mid-block pedestrian crosswalks, new light fixtures, trees, signage, enhanced connections to nearby trail/boardwalk amenities, and more accessible entryways into adjacent businesses. The project will also include a "gateway" feature(s) near the Front Street/Grandview Parkway

Strategic Plan Alignment: 




7. Front Street Reconstruction and Streetscaping

This infrastructure improvement will include the reconstruction of Front Street between Park Street and Pine Street to accommodate all users. Streetscape improvements will feature decorative sidewalks, mid-block pedestrian crosswalks with curb bump-outs, lighting, signals, signage, street trees, and accessibility enhancements.

Strategic Plan Alignment: 

8. Bayfront Trail


This infrastructure improvement will include construction of the next segment of the expanded TART Bayfront Trail, extending from Clinch Park to Division Street. The DDA will contribute funding specifically for the portion of the trail between Clinch Park and Oak Street.

Strategic Plan Alignment: 




9. State and Pine Street Reconstruction and Streetscaping

This infrastructure improvement will include the reconstruction of State Street and Pine Street between Boardman Avenue and Front Street to accommodate all users. Streetscape improvements will feature decorative sidewalks, mid-block pedestrian crosswalks with curb bump-outs, lighting, signals, signage, street trees, and accessibility enhancements.

Strategic Plan Alignment: 


10. Garland Street Green Infrastructure

This infrastructure improvement will add tree canopy, landscaping, and other green infrastructure elements to reduce the dominance of hardscape and create a greener, more comfortable and inviting streetscape.

Strategic Plan Alignment: 

11. District-Wide Snowmelt System

This infrastructure improvement will include a phased approach to implement a district-wide snowmelt system, beginning with a feasibility study and progressing through conceptual design, schematic design, design development, construction, and operation.

Strategic Plan Alignment: 


The ranked priority (high, medium, low) and cost estimates for each infrastructure improvement are provided in the following table. Cost estimates are preliminary and presented in 2026 dollars. Actual project costs may increase, or decrease based on future study, design development, engineering, market conditions, and final project scope. The location for each infrastructure improvement is illustrated on Map Six.

Project #	Priority	Capital Infrastructure Projects - Name and Description	Total Estimated Cost
1	High	Boardman/Ottaway River Restoration and Infrastructure	
		A. <i>Reach Five - Phase One</i> (J-Smith Walkway, Alley and Embankment Improvements, Stormwater Infrastructure and New Pedestrian Bridge)	\$5,800,000
		B. <i>Reach Six. (Between Park Street and Murchie Bridge)</i> New pedestrian bridge, riparian landscape improvements, enhanced Wellington Street Plaza/Boardwalk, and improved access and habitat at the mouth of the river	\$4,200,000
		C. <i>Remaining Components of Reach Five. (The 100 Block)</i> Pulling back sheet piling, new alley treatments, stormwater infrastructure and terrace steps to the river's edge - boardwalk and landscaping enhancements on the northside	\$24,720,000
		D. <i>Remaining Components of Reach Five. (The 200 Block)</i> Alley treatments, elevated boardwalk and pedestrian bridge replacement - enhanced boardwalk and restorative landscaping	\$18,120,000
		E. <i>Reach Four. (Between West Front and Union)</i> New boardwalk and kayak portage between ped. bridge and West Front bridge	\$2,900,000
		F. <i>Reach Three. (Between West Front and Pine)</i> Extended boardwalk at Pine Street access point to West Front Street Bridge, new pedestrian bridge connecting Hannah Park and Pine Street landing	\$3,300,000
2	High	State Street, Pine Street Two-Way Traffic Conversion (Signage, Traffic Signals, and other Physical Improvements)	\$1,000,000
3	High	Front Street Alley & Utility Improvements and Relocation (Bury Utility Lines, Alley Replacement/Improvements and Green Infrastructure)	\$13,000,000
4	High	West Bay Lakeshore Stabilization (Installation of natural flood controls, resilient landscaping and designed public access along GT Bay)	\$1,000,000
5	Medium	State Street Mid-Block Pedestrian Crosswalks (Installation of Five Mid-Block Crosswalks on State Street)	\$1,500,000
6	Medium	East Front Street Reconstruction, Streetscaping and Gateway (East Front Street between Grandview and Park Street, with Gateway Feature)	\$7,000,000
7	Medium	Front Street Reconstruction and Streetscaping (Front Street between Park Street and Pine Street, including mobility amenities)	\$7,000,000
8	Medium	Bayfront Trail (Improvements to the Bayfront Trail between Clinch Park and Oak Street)	\$1,000,000
9	Low	State Street Reconstruction and Streetscaping (State Street between Boardman and Pine Street, including mobility amenities)	\$8,000,000

10	Low	Garland Street Green Infrastructure (Adding Trees, Landscaping and Green Infrastructure on Garland Street)	\$900,000
11	Low	District-Wide Snowmelt System (Feasibility Study, Infrastructure, Future Collaboration)	\$15,000,000
Total			\$114,440,000

Annual Contribution to City-Led Public Infrastructure Repairs and Maintenance and Stormwater Infrastructure

In addition to the large-scale infrastructure investments listed above, this plan includes a commitment to contribute 2% of the DDA’s tax increment revenue to city-led infrastructure repairs and maintenance and 2% of the DDA’s tax increment revenue to city-led stormwater infrastructure investments annually over the 20-year duration of the Plan. The DDA identified these infrastructure priorities through recent and ongoing community engagement, coordination with City departments, and discussions with the City Commission. Based on the estimated tax revenue projections and the 70%/30% Revenue Sharing Model described in the Tax Increment Financing Plan, the total contribution toward city-led infrastructure repairs and maintenance and city-led stormwater infrastructure for year one of the TIF Plan and over the 20-year duration of the Plan is summarized below.

Strategic Action Plan Alignment: 

Annual Contribution to City Infrastructure Repairs and Maintenance and Stormwater Infrastructure	Estimated Investment Year One	Estimated Investment Over 20 Years
2% contribution to city-led infrastructure repairs and maintenance	\$72,578	\$1,783,020.50
2% contribution to city-led stormwater infrastructure	\$72,578	\$1,783,020.50
Total	\$145,156	\$3,566,041

This table represents the estimated investment to city-led infrastructure repairs and maintenance and stormwater infrastructure for year one of the Plan and over the course of the Plan, based on the estimated tax revenue projections and the revenue sharing model. Actual investments will vary from year to year based on the actual tax revenue. That is, the actual investment over the course of the Plan may increase if the actual tax revenue is higher than the estimated tax revenue projections listed in this plan.

Annual Contribution to DDA-Led Public Infrastructure Repairs and Maintenance, the Farmers Market and Rotary Square

This plan also includes a commitment to fund DDA-led public infrastructure repairs and maintenance over the 20-year duration of the Plan. Specifically, this commitment will include repairs and maintenance of small-scale public infrastructure unique to downtown, such as public seating, sidewalk repairs, non-motorized amenities, pedestrian lighting and repairs to other public spaces. In many instances, this contribution will enhance and contribute to city-led infrastructure repairs and maintenance.

In addition, this Plan includes a commitment to annually fund the ongoing repair, maintenance, and enhancement of the Farmers Market space, including the Pavilion, and Rotary Square over the 20-year duration of the Plan. The current contribution (2026) toward DDA-led infrastructure repairs and maintenance, as well as the anticipated annual contribution toward the repair, maintenance, and enhancement of the Farmers Market and Rotary Square, is summarized below.

These projections incorporate a conservative annual cost inflation factor of 2% over the 20-year duration of the Plan. The estimated contributions are based on current and anticipated costs; however, future funding levels may be adjusted as needed to respond to changing infrastructure conditions, operational requirements, community priorities, and refined cost estimates.

Annual Contribution to DDA-Led Public Infrastructure Repairs and Maintenance, the Farmers Market and Rotary Square	Current Costs	Total Estimated Investment
Contribution to Repairs, Maintenance and Enhancements to DDA Led Public Instructure	\$120,000	\$2,915,684
Contribution to Repairs, Maintenance and Enhancements to the Farmers Market Space and Pavillion	\$15,000	\$364,461
Contribution to Repairs, Maintenance and Enhancements to Rotary Square	\$50,000	\$1,214,868
Total	\$185,000	\$4,495,013

Annual Contribution to Core Programs and Services

This Plan also includes a commitment to fund the core programs and services that support the day-to-day maintenance, operations, and overall experience of downtown. These services and programs help ensure downtown remains clean, safe, accessible, welcoming, and economically competitive for residents, businesses, workers, and visitors alike. Funded services and programs include, but are not limited to, trash and recycling removal, the downtown police officer position, administration and operations of the Sara Hardy Farmers Market, holiday lighting and seasonal beautification, landscaping, power-washing, weeding, the public restroom program, and downtown wayfinding signage, promotions and marketing.

In addition, the Plan includes a continued payment to the City of Traverse City for city departmental services provided within the downtown district as well as the downtown police officer position. This payment is formalized under a *Service Agreement* between the DDA and City. Together, these services contribute to the functionality, appearance, safety, and economic vitality of downtown. Based on the current Service Agreement payment (\$520,000), it is projected the total amount paid to the City over the 20-year duration of the Plan is \$10,400,000. Funding levels under future Service Agreements may be adjusted as needed to respond to changing infrastructure conditions, operational requirements, city staffing, community priorities, and refined costs.

The current contribution (2026) to core programs and services is summarized below. These contributions reflect current and anticipated costs; future funding levels may be adjusted over time in response to evolving needs, infrastructure conditions, operational demands, and improved cost estimates.

Annual Contribution to Core Programs and Services	Total Estimated Cost
Clean and Green Services Watering, Weeding, Landscaping, Graffiti Removal, Power-Washing, Equipment, Maintenance of J-Smith Walkway	\$132,000
Public Restroom Program Stipend and future public restroom contribution	\$9,000
Wayfinding Signage Program Replacing and adding wayfinding signs throughout the downtown district	\$22,000
Annual Holiday Lights Tree wraps and other Holiday or Seasonal Decorations	\$100,000
Annual Sara Hardy Farmers Market Administration	\$35,000
Annual City Service Agreement Includes the Downtown Community Police Officer and other city services (e.g., treasury, streets, public works, etc.) in the downtown district	\$520,000
Annual Trash and Recycling Removal	\$60,100
Annual Marketing and Promotions	\$90,000
Downtown Composting Initiative	\$10,500
Total	\$978,600

E. TIME OF COMPLETION

A statement of the construction or stages of construction planned, and the estimated time of completion. MCL 125.4217(2)(e).

To ensure consistency with all other City capital projects, the DDA will utilize the City CIP process to finalize the stages of planning, design, engineering and construction and the estimated time of the completion of each stage.

F. OPEN SPACE

A description of any parts of the development area to be left open space and the use contemplated for the space. MCL 125.4217(2)(f).

In reference to the public improvements outlined above, open space within the Development Area will be confined to rights-of-way, plazas and parks within the development area. Existing park property in the DDA District and Development Area, including Rotary Square, will remain as open space. Map Four, as previously noted, depicts the areas to be left as open space.

G. PROPERTY DISPOSITION

A description of any portions of the development area which the authority desires to sell, donate, exchange or lease to or from the municipality and the proposed terms. MCL 125.4217(2)(g).

There is one parcel under DDA ownership. The DDA has no plans to sell, donate, exchange or lease this parcel as part of this Development Plan. However, the DDA does have the statutory ability to acquire property (buildings and vacant land) if it deems necessary to advance the redevelopment and revitalization of downtown.

H. ZONING OR STREET CHANGES

A description of desired zoning changes and changes in streets, street levels, intersections and utilities. *MCL 125.4217(2)(h).*

The Development Plan proposes no zoning changes within the Development Area. The current zoning districts of C-4a, C-4b, C-4c and D-3 accommodates existing and future land uses in the Development Area. Upon approval of the City Commission, the DDA is positioned to make two-way traffic circulation on State Street, Pine Street and Boardman Avenue permanent. This commitment is reflected in the list of infrastructure improvements. Additional investment in stormwater, basic maintenance and utilities is also previously referenced in this plan.

I. COST ESTIMATE

An estimate of the cost of the development, proposed method of financing and ability of the authority to arrange the financing. *MCL 125.4217(2)(i).*

Financing for public improvement projects outlined previously would be provided through funds generated by the Tax Increment Financing Plan induced by annual increases in property valuations within the Development Area as described above. The amount of funding will be predicated on the stability of the taxable valuation base of the downtown development area and the extent of new future redevelopment and rehabilitation projects. Other sources of funding may include the issuance of bonds by the DDA or City and other sources approved by the City in accordance with the Public Act 57 of 2018.

J. BENEFICIARIES OF PROPERTY CONVEYANCE

Designation of person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority. *MCL 125.4217(2)(j).*

The public improvements undertaken pursuant to the Development Plan will remain in public ownership for the public benefit.

K. CONVEYANCE PROCEDURES

The procedures for bidding, for the leasing, purchasing, or conveying of all or a portion of the development upon its completion, if there is no expressed or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be Leased, sold, or conveyed to those persons. *MCL 125.4217(2)(k).*

All such procedures will follow both City Bidding Policies and state law, and there are no commitments made at present time.

L. POPULATION

Estimates of number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an

estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals. MCL 125.4217(2)(l).

Based on a 2022 Market Assessment for downtown, it is estimated that there are 315 individuals who reside within the Development Area. Furthermore, the Development Plan does not require the acquisition and clearance of occupied residential property of the displacement of individuals and families within the DDA District and Development Area.

M. Relocation Plan

A plan for establishing priority for the relocation of persons displaced by the development in and new housing in the development area. MCL 125.4217(2)(m).

The Development Plan does not require the acquisition and clearance of occupied residential property of the displacement of individuals and families. As a result, a plan for compliance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 is not addressed.

N. COST OF RELOCATION

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, Public Law 91-646, 42 USC 4601. MCL 125.4217(2)(n).

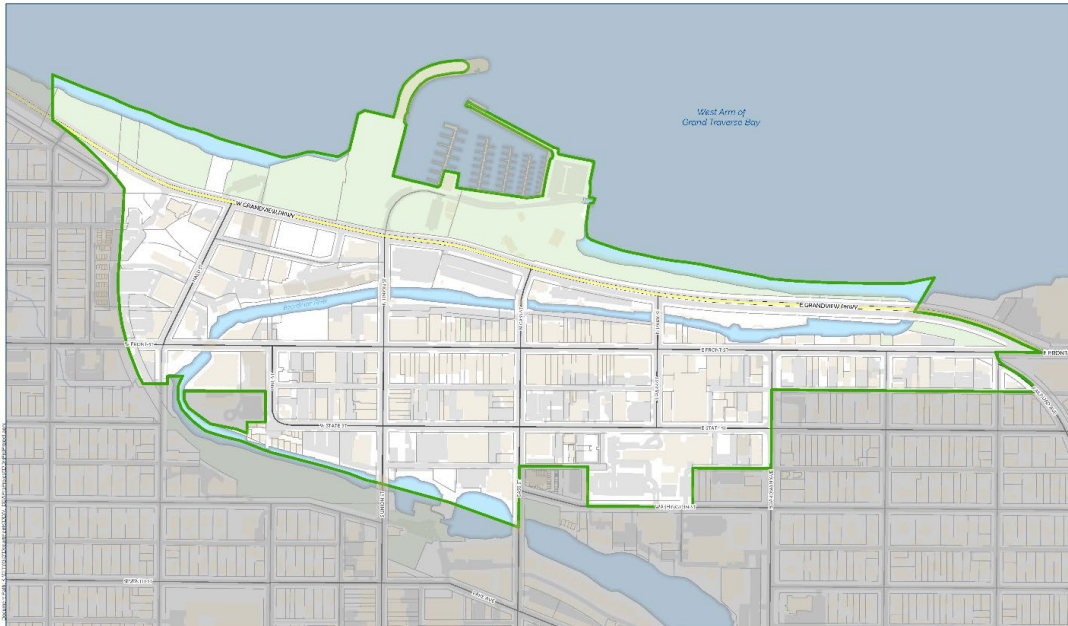
The Development Plan does not require the acquisition and clearance of occupied residential property of the displacement of individuals and families. As a result, a plan for compliance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*) is not addressed.

O. COMPLIANCE

A plan for compliance with Act 227 of the Public Acts of 1972, MCL 213.321 to 213.332. MCL 125.4217(2)(o).

Michigan Public Act 227 of 1972 ("Relocation Assistance") is an Act to provide financial assistance, advisory services, and reimbursement of certain expenses to persons displaced from real property or deprived of certain rights in real property. This Act and policy requirements comparable to the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*). However, because this Development Plan does not require the acquisition of property nor the displacement of persons within the Development Area, a plan for compliance with Act 227 is not addressed.

**MAP ONE.
THE DESIGNATION OF BOUNDARIES OF THE DEVELOPMENT AREA IN RELATION TO HIGHWAYS,
STREETS, STREAMS AND OTHERWISE.**



City of Traverse City
1000 Grand Traverse Avenue
Traverse City, Michigan 49782
Phone: 231.947.2000
Fax: 231.947.2001
www.traversecity.org



Tax Increment Financing Plan

Map 1

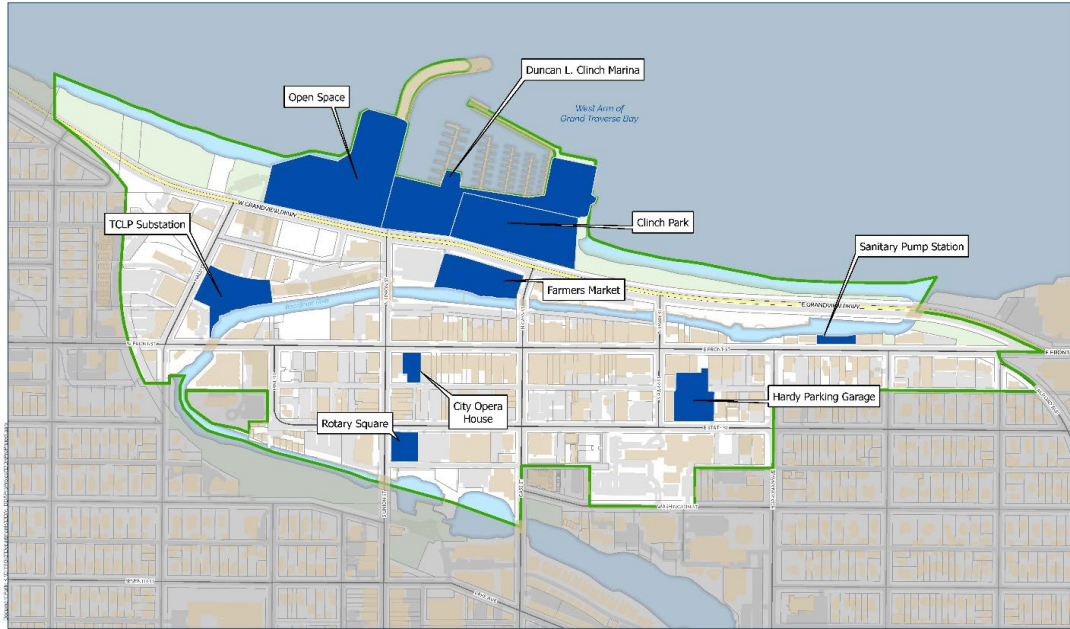
Designation of the boundaries of the
Development Area in Relation to
Highways, Streets, Streams and Otherwise



2021028 - HCT

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MAP TWO. LOCATION, CHARACTER, AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC UTILITIES



Tax Increment Financing Plan

Map 2

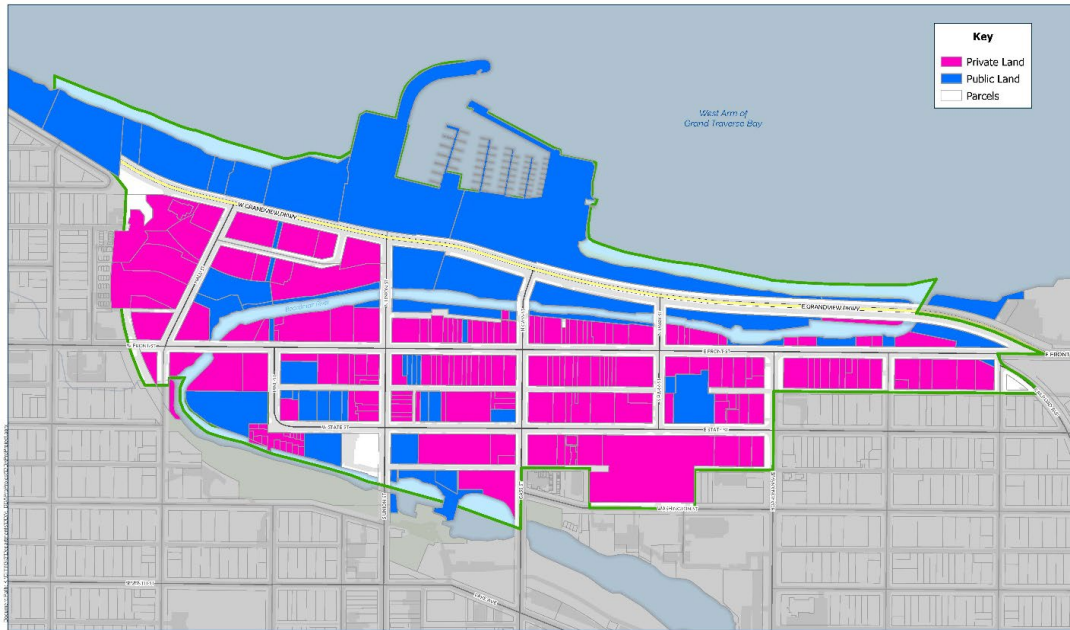
Location, Character and Extent of Existing Streets and Other Public Utilities

0 250 500 1,000 Feet



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MAP THREE. LOCATION, CHARACTER AND EXTENT OF PUBLIC AND PRIVATE LAND USES



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Tax Increment Financing Plan

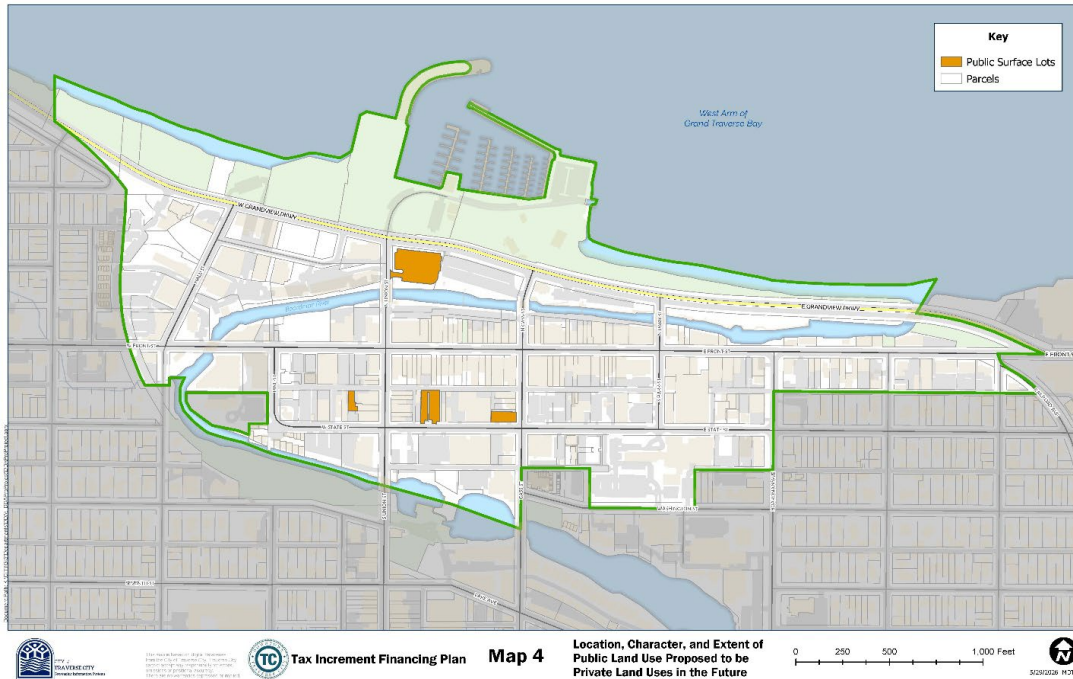
Map 3 Location, Character, and Extent of Public and Private Land Uses

0 250 500 1000 Feet



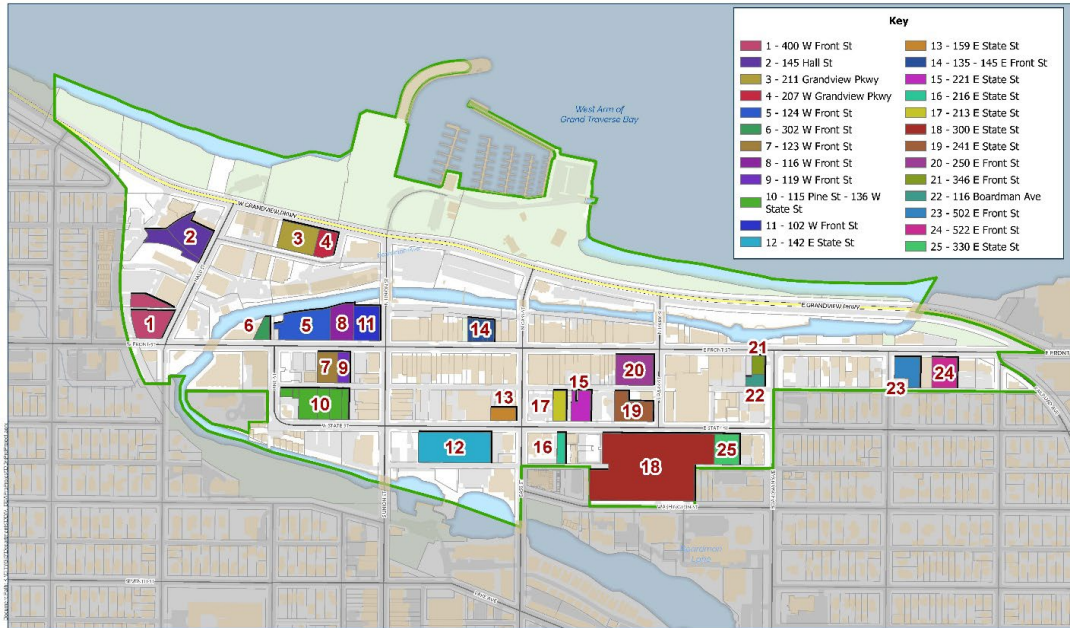
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MAP FOUR. LOCATION, CHARACTER, AND EXTENT OF PUBLIC LAND USE PROPOSED TO BE PRIVATE LAND USES IN THE FUTURE



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MAP FIVE. PRIVATE INVESTMENTS IN THE DEVELOPMENT AREA WHICH INCLUDE DEMOLITION, REPAIR OR ALTERATION



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Tax Increment Financing Plan

Map 5

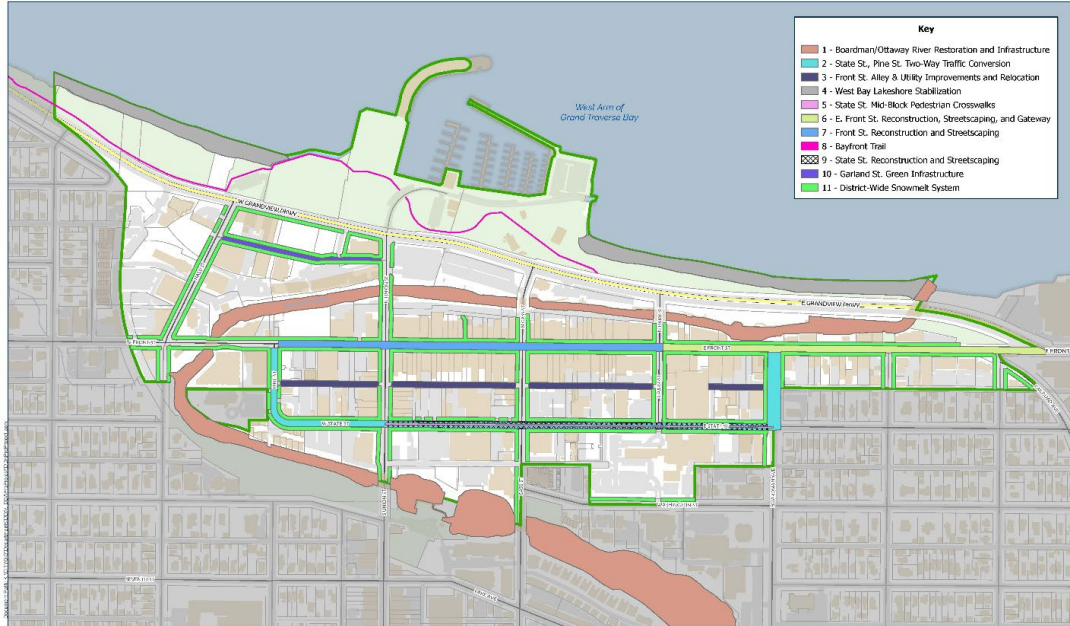
Private Investments in the Development Area Which Include Demolition, Repair or Alteration

0 250 500 1,000 Feet



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MAP SIX. PLAN FOR FUTURE PUBLIC IMPROVEMENTS



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Tax Increment Financing Plan

Map 6

Plan for Future Public Improvements

0 250 500 1,000 Feet



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SECTION THREE. TAX INCREMENT FINANCING PLAN

This Development Plan is an amendment to and extension of the 1997 Development Plan to allow the continued use of tax increment financing (TIF) within the Development Area to pay the costs of carrying out and completing the programs, services, and projects contained in this Plan. This amendment extends the duration of the TIF capture within the Development Area depicted in Map One, through 2047.

Tax increment financing is a governmental financing tool that supports economic growth by utilizing a portion of the increase in property tax revenues in the Development Area to provide public improvements and other eligible programs and services that promote further investment and community development. The Traverse City Downtown Development Authority capture of tax increment revenues is authorized and regulated under the Recodified Tax Increment Financing Act (Public Act 57 of 2018; MCL 125.4201 *et seq.*).

This amendment actually limits the DDA's tax increment capture through a revenue-sharing model that reserves a portion of the captured tax increment revenues to be allocated for and paid back to other local taxing jurisdictions. This approach allows those local taxing entities, including the City of Traverse City, Grand Traverse County, Bay Area Transportation Authority, Northwestern Michigan College, and others, to share in the revenue growth resulting from the DDA's investments and revitalization efforts.

To provide spending and financial transparency, the DDA submits audited financial statements on an annual basis to the City that include detailed information on the tax increment capture and other financial matters. The DDA also participates in the City's Capital Improvement Plan process and submits its annual operating budget to the City Commission for review and approval prior to adoption by the DDA Board. In addition, the DDA complies with all of the requirements imposed by the State of Michigan under Part 9 ("Reporting Requirements") of the Recodified Tax Increment Financing Act (Public Act 57 of 2018; see MCL 125.4901 *et seq.*).

A. TAX INCREMENT FINANCING PROCEDURES

Section 214, subsection (1) of Public Act 57 (MCL 125.4214(1)) requires that all Tax Increment Financing Plans must include a "detailed explanation of the tax increment procedure." As stated in the introduction to this section, TIF is a governmental financing tool that contributes to economic growth by dedicating a portion of property taxes from private investment to public improvements and other eligible efforts.

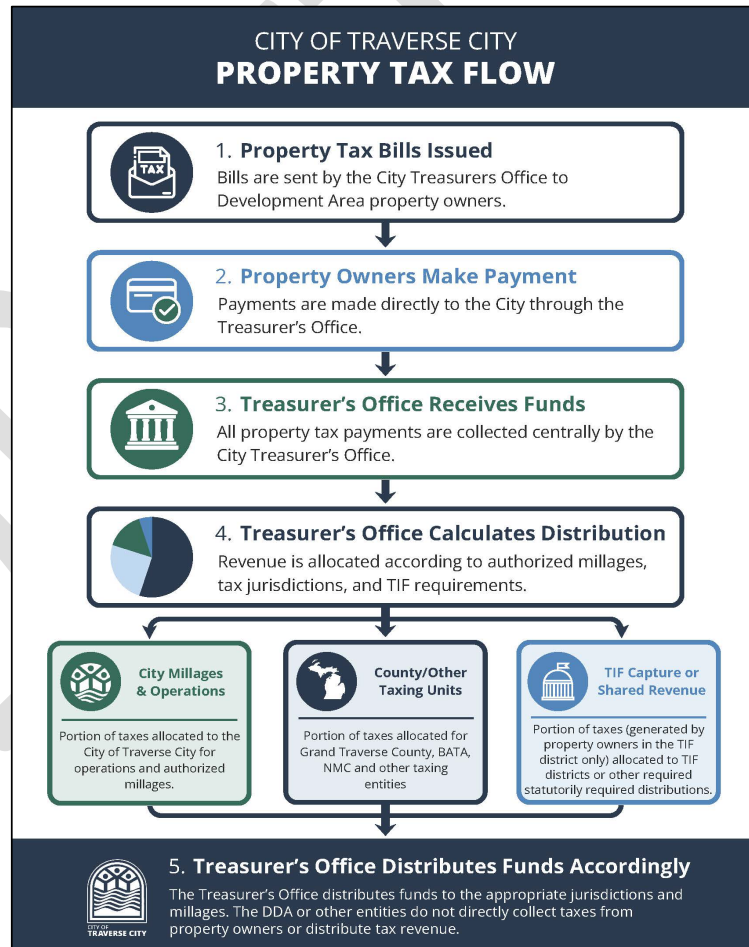
The tax increment financing procedure requires the City to adopt a by ordinance approving the development and tax increment financing plan. Following the adoption of that ordinance, the municipal and county treasurers are required by law to transmit to the Downtown Development Authority the tax increment revenues as defined in Public Act 57. The "captured assessed value" is defined as the amount in any one year by which the current assessed value of all real and personal property in the development area (including the assessed value that appears in the tax rolls under Act 198 of Public Acts, 1974 or Act 255 of the Public Acts of 1978) exceeds the initial assessed value of said properties. See MCL 125.401(f).

The 1997 taxable value for the entirety of the TIF-97 District was \$32,860,088. This value serves as the "base year" for the Infrastructure First TIF Plan. For reference, the most current taxable value for the TIF-97 District (as audited for fiscal year ending June 30, 2025) was \$200,641,353. *Exhibit A.* shows the tax increment revenues captured for each taxing entity, as audited for fiscal year ending June 30, 2025.

Tax Increment Revenue Sharing

Consistent with the previous tax collection process under TIF-97, the City Treasurer’s Office administers the collection and distribution of TIF Funds as calculated on the captured assessed value of properties within the Development Area. Beginning with the 2028 tax year, the DDA shall operate under a 70%/30% Revenue Sharing Model (subject to the provisions below), where the City Treasurer’s Office shall return 30% of the local tax increment revenues to the local tax levying entities, while 70% of the local tax increment revenues shall be distributed to the DDA as shown in *Exhibit B*. This revenue sharing allocation shall be calculated and applied by the City Treasurer’s Office before the distribution of tax increment revenues are made each year. Distributions of tax increment revenues to the taxing entities and DDA from the City shall be on the same schedule as required for other property tax distributions and shall include all adjustments made to the tax roll through the course of the tax year as required by Michigan General Property Tax Act (Public Act 206 of 1893; MCL 211.1 *et seq.*).

A flow chart illustrating how the City collects and distributes property taxes (and TIF funds) to the taxing entities and the DDA within the Development Area is provided at right.



Included in this Plan are the estimated tax increment revenues for the duration of the Development and TIF Plan (*Exhibit B.*). This involves estimating future development activity as a linear average. Upon the approval of Proposition A in 1994, the City's Assessing Office has projected a conservative average annual increase of taxable value within the development area of 2.3% and this Plan utilizes that average annual increase each year for the duration of the TIF Plan.

B. USE OF TIF REVENUE

The tax increment revenues paid to the Authority by the municipal and county treasurers are to be disbursed to the Authority from time to time as taxes are collected within the identified district to carry out the purposes of the development plan, including the following purposes:

1. Payments for public improvements, including parking and land acquisition
2. The necessary and appropriate demolition expenses as defined by the Authority
3. The reasonable, necessary and appropriate administrative, legal, professional and personnel expenses of the Authority related specifically to the development area
4. Maintenance and the development of parking areas
5. Utility improvements
6. Alley improvements and relocation
7. Bridge and street repair and replacement
8. Snow-melt infrastructure, including infrastructure associated with other improvements allowed in the development plan
9. Marketing and business development initiatives
10. Business stabilization initiatives intended to support the retention, resiliency, continuity and long-term viability of existing local/independent/small businesses
11. On-going maintenance and other services and programs that address cleanliness in the development area
12. On-going maintenance of public restrooms
13. Development and maintenance of public art
14. Mobility infrastructure and services such as enhanced transit, shuttles, car-sharing and bike-sharing
15. Contributions with qualified non-profits, public agencies or third-party administrators for the purpose of constructing workforce housing
16. Brownfield-eligible expenses reimbursed by the Grand Traverse County Redevelopment Authority
17. Capital expenses related to the City Opera House
18. Infrastructure expenses that address energy, energy efficiency, climate change, resiliency and stormwater management
19. Contributions toward city owned parks and public spaces
20. Expenses directed for public safety
21. Public improvements as shown in the development plan
22. Other eligible activities allowed under Act 197 Public Act of Michigan 1975 as recodified into Act 57, Public Act of Michigan 2018, as amended

C. TAX CAPTURE EXEMPTIONS

Special city and county millages approved by city and county voters on or after January 1, 2023 shall be exempt from capture by TIF. This provision does not include renewals of special city and county millages that were previously captured by TIF prior to January 1, 2023.

D. MAXIMUM AMOUNT OF BONDED INDEBTEDNESS

The extent of future bonded indebtedness will be determined as projects are pursued, costs are refined and other sources of funding have been secured. The maximum amount of bonded indebtedness to be incurred under this TIF Plan will be limited only to those projects identified in the Development Plan, or subsequent voter approved amendments to the Development Plan and will be limited by the annual revenues available to the DDA for bond interests and principal payments (not to exceed \$89,000,000).

E. IMPACT ON ASSESSED & TAXABLE VALUES AND TAX REVENUES

The Development Plan is expected to continue to generate increased economic activity in the Infrastructure First TIF District, the City of Traverse City and Grand Traverse County at large. This increase in activity will in turn generate additional amounts of tax revenue to the local taxing entities through increases in assessed valuations of real and personal property. All taxing entities will benefit from this growth and from a stable and enhanced tax base resulting in public investment. The taxing entities continue to receive their full tax levy on the district base and 30% of the increase due to new development.

For the purpose of estimating the revenue-sharing impact of the TIF Plan upon the taxing entities and the DDA within the Infrastructure First TIF District, estimates of taxable value were used to estimate the revenue gains for each taxing entity and DDA in year one of the plan (see *Exhibit C.*) Furthermore, *Exhibit D.* provides projected revenue gains for each taxing entity over the 20-year life of this Plan.

F. DURATION OF THE PROGRAM

The Infrastructure First Tax Increment Financing Plan shall last not more than 20 years except as it may be modified from time to time following the amendment procedures outlined in the Traverse City Implementation Policy for Charter 28 TIF Amendments adopted by the City Commission on October 6, 2025, including that the Tax Increment Financing plan be submitted to a public vote. The last date of capture under this Plan will be December 31, 2047

G. APPROVAL OF THE PLAN

Approval of the Infrastructure First Tax Increment Financing Plan shall follow the amendment procedures and stipulations outlined in the Traverse City Implementation Policy for Charter 28 TIF Amendments adopted by the City Commission on October 6, 2025, including that the Tax Increment Financing Plan be submitted to a public vote. A copy of the Implementation Policy can be found in *Appendix A.*

EXHIBIT A. 2024 - 2025 TAX INCREMENT REVENUE CAPTURE FOR EACH TAXING ENTITY

Traverse City Downtown Development Authority 2024 - 2025 Fiscal Year Tax Increment Revenue Capture Summary		
Taxing Entities	Mills	Tax Increment Revenue Capture
City of Traverse City		
City Operating	11.6322	\$1,908,218.56
City Act 345	2.32	\$380,587.25
EMS/Ambulance	0.9884	\$162,143.29
Total		\$2,450,949.10
Grand Traverse County		
Operating	4.671	\$766,259.94
COA	0.4683	\$76,438.21
COA Sr. Center	0.0933	\$15,225.80
Veterans	0.1121	\$18,294.96
Animal Control	0.0365	\$5,954.94
Conservation District	0.0946	\$15,438.61
Road Commission	1.00	\$163,227.74
Total		\$1,060,840.20
Bay Area Transportation Authority		
Operating	0.4726	\$77,528.25
Northwestern Michigan College		
Operating	1.0165	\$166,752.99
Operating	1.0166	\$165,937.60
Total		\$332,690.59
Joint Recreation Authority		
Operating	0.2909	\$47,480.90
Downtown Development Authority		
Operating	1.5879	\$260,489.01
Total Tax Increment Revenues Capture	25.8009	\$4,229,978.05

This table represents the tax increment revenues captured for each taxing entity under the most recent audit for fiscal year ending June 30, 2025.

EXHIBIT B. PROJECTED TAX INCREMENT REVENUE

Traverse City DDA Tax Increment Revenue (TIR) Projections						
Plan Year	Tax Year	Fiscal Year	Estimated Captured Taxable Value	Estimated TIR	TIR Share 30%	TIR DDA 70%
1	2028	2028 - 2029	\$ 211,800,023	\$ 5,184,154	\$ 1,555,246	\$ 3,628,908
2	2029	2029 - 2030	\$ 216,808,236	\$ 5,295,685	\$ 1,588,706	\$ 3,706,980
3	2030	2030 - 2031	\$ 221,918,895	\$ 5,409,228	\$ 1,622,769	\$ 3,786,460
4	2031	2031 - 2032	\$ 227,134,093	\$ 5,524,821	\$ 1,657,446	\$ 3,867,375
5	2032	2032 - 2033	\$ 232,455,966	\$ 5,642,501	\$ 1,692,750	\$ 3,949,751
6	2033	2033 - 2034	\$ 237,886,696	\$ 5,762,307	\$ 1,728,692	\$ 4,033,615
7	2034	2034 - 2035	\$ 243,428,505	\$ 5,884,277	\$ 1,765,283	\$ 4,118,994
8	2035	2035 - 2036	\$ 249,083,665	\$ 6,008,452	\$ 1,802,536	\$ 4,205,916
9	2036	2036 - 2037	\$ 254,854,492	\$ 6,134,872	\$ 1,840,461	\$ 4,294,410
10	2037	2037 - 2038	\$ 260,743,349	\$ 6,263,578	\$ 1,879,073	\$ 4,384,505
11	2038	2038 - 2039	\$ 266,752,649	\$ 6,394,613	\$ 1,918,384	\$ 4,476,229
12	2039	2039 - 2040	\$ 272,884,853	\$ 6,528,019	\$ 1,958,406	\$ 4,569,613
13	2040	2040 - 2041	\$ 279,142,472	\$ 6,663,840	\$ 1,999,152	\$ 4,664,688
14	2041	2041 - 2042	\$ 285,528,070	\$ 6,802,120	\$ 2,040,636	\$ 4,761,484
15	2042	2042 - 2043	\$ 292,044,260	\$ 6,942,905	\$ 2,082,872	\$ 4,860,034
16	2043	2043 - 2044	\$ 298,693,712	\$ 7,086,241	\$ 2,125,872	\$ 4,960,369
17	2044	2044 - 2045	\$ 305,479,148	\$ 7,232,174	\$ 2,169,652	\$ 5,062,522
18	2045	2045 - 2046	\$ 312,403,348	\$ 7,380,753	\$ 2,214,226	\$ 5,166,527
19	2046	2046 - 2047	\$ 319,469,145	\$ 7,532,026	\$ 2,259,608	\$ 5,272,418
20	2047	2047 - 2048	\$ 326,679,434	\$ 7,686,042	\$ 2,305,813	\$ 5,380,229
Totals			\$ 5,315,191,011	\$ 127,358,608	\$ 38,207,582	\$ 89,151,026

This table represents the estimated tax increment revenues over the course of the Plan, detailed by their distribution under the revenue share model. The tax increment revenues are calculated using the Tax Year 2026 millage rates and does not consider potential tax rate rollbacks due to the 1994 Headlee Amendment. Actual rates will vary from year to year. In addition, in compliance with Section C of this TIF Plan, the EMS/Ambulance millage is not included in the estimated revenues.

EXHIBIT C. ESTIMATED YEAR ONE TAX INCREMENT REVENUE

Traverse City Downtown Development Authority					
Estimated First Year of Tax Increment Revenue Capture (2028 Tax Year) All Taxing Entities					
Estimated Tax Increment Revenues (TIR)		Estimated Taxable Value	All Estimated TIR	TIR Share 30%	TIR Share 70%
Taxing Entities	Mills				
		\$211,800,023	\$5,184,154	\$1,555,246	\$3,628,908
City of Traverse City					
City Operating	11.4978		\$ 2,435,234	\$ 730,570	\$ 1,704,664
City Act 345	2.32		\$ 491,376	\$ 147,413	\$ 343,963
Total			\$ 2,926,610	\$ 877,983	\$ 2,048,627
Grand Traverse County					
Operating	4.5748		\$ 968,943	\$ 290,683	\$ 678,260
COA	0.4586		\$ 97,131	\$ 29,139	\$ 67,992
COA Sr. Center	0.0914		\$ 19,359	\$ 5,808	\$ 13,551
Veterans	0.1097		\$ 23,234	\$ 6,970	\$ 16,264
Animal Control	0.0357		\$ 7,561	\$ 2,268	\$ 5,293
Conservation District	0.0926		\$ 19,613	\$ 5,884	\$ 13,729
Road Commission	0.9794		\$ 207,437	\$ 62,231	\$ 145,206
Total			\$ 1,343,278	\$ 402,983	\$ 940,295
Bay Area Transportation Authority					
Operating	0.4623		\$ 97,915	\$ 29,375	\$ 68,541
Northwestern Michigan College					
Operating	0.9955		\$ 210,847	\$ 63,254	\$ 147,593
Operating	0.9957		\$ 210,889	\$ 63,267	\$ 147,622
Total			\$ 421,736	\$ 126,521	\$ 295,215
Joint Recreation Authority					
Operating	0.2863		\$ 60,638	\$ 18,192	\$ 42,447
Downtown Development Authority					
Operating	1.577		\$ 334,009	\$ 100,203	\$ 233,806
Estimated Tax Increment Revenues (TIR)	24.4768		\$ 5,184,187	\$ 1,555,256	\$ 3,628,931

This table represents a snapshot of the first year of tax increment revenue captured under the Amended Plan. The tax increment revenues are calculated using the Tax Year 2026 millage rates and does not consider potential future tax rate rollbacks due to the 1994 Headlee Amendment. Actual rates may vary in the first year of the Amended Plan. In addition, in compliance with Section C of this TIF Plan, the EMS/Ambulance millage is not included in the estimated revenues.

EXHIBIT D. PROJECTED REVENUE IMPACTS ON TAXING ENTITIES

Traverse City Downtown Development Authority								
Estimated Tax Increment Revenue Gains To Taxing Entities								
Plan Year	Fiscal Year	City Operating	City Act 345	GT County Operating	COA	COA Sr. Center	Veterans	Animal Control
	Millage Rate	11.4978	2.32	4.5748	0.4586	0.0914	0.1097	0.0357
1	2028 - 2029	\$730,570	\$147,413	\$290,683	\$29,139	\$5,808	\$6,970	\$2,268
2	2029 - 2030	\$747,845	\$150,899	\$297,556	\$29,828	\$5,945	\$7,135	\$2,322
3	2030 - 2031	\$765,474	\$154,456	\$304,570	\$30,532	\$6,085	\$7,303	\$2,377
4	2031 - 2032	\$783,463	\$158,085	\$311,728	\$31,249	\$6,228	\$7,475	\$2,433
5	2032 - 2033	\$801,820	\$161,789	\$319,032	\$31,981	\$6,374	\$7,650	\$2,490
6	2033 - 2034	\$820,552	\$165,569	\$326,485	\$32,728	\$6,523	\$7,829	\$2,548
7	2034 - 2035	\$839,668	\$169,426	\$334,091	\$33,491	\$6,675	\$8,011	\$2,607
8	2035 - 2036	\$859,174	\$173,362	\$341,852	\$34,269	\$6,830	\$8,197	\$2,668
9	2036 - 2037	\$879,080	\$177,379	\$349,772	\$35,063	\$6,988	\$8,387	\$2,729
10	2037 - 2038	\$899,392	\$181,477	\$357,855	\$35,873	\$7,150	\$8,581	\$2,793
11	2038 - 2039	\$920,121	\$185,660	\$366,102	\$36,700	\$7,314	\$8,779	\$2,857
12	2039 - 2040	\$941,273	\$189,928	\$374,518	\$37,543	\$7,483	\$8,981	\$2,923
13	2040 - 2041	\$962,857	\$194,283	\$383,106	\$38,404	\$7,654	\$9,187	\$2,990
14	2041 - 2042	\$984,883	\$198,728	\$391,870	\$39,283	\$7,829	\$9,397	\$3,058
15	2042 - 2043	\$1,007,360	\$203,263	\$400,813	\$40,179	\$8,008	\$9,611	\$3,128
16	2043 - 2044	\$1,030,296	\$207,891	\$409,939	\$41,094	\$8,190	\$9,830	\$3,199
17	2044 - 2045	\$1,053,701	\$212,613	\$419,252	\$42,028	\$8,376	\$10,053	\$3,272
18	2045 - 2046	\$1,077,585	\$217,433	\$428,755	\$42,980	\$8,566	\$10,281	\$3,346
19	2046 - 2047	\$1,101,958	\$222,351	\$438,452	\$43,953	\$8,760	\$10,514	\$3,422
20	2047 - 2048	\$1,126,828	\$227,369	\$448,348	\$44,945	\$8,958	\$10,751	\$3,499
Total		\$18,333,901	\$3,699,373	\$7,294,781	\$731,264	\$145,743	\$174,923	\$56,926

This table represents the estimated tax increment revenues over the course of the Plan, detailed by their distribution under the revenue share model. The tax increment revenues are calculated using the Tax Year 2026 millage rates and does not consider future potential tax rate rollbacks due to the 1994 Headlee Amendment. Actual rates will vary from year to year. In addition, in compliance with Section C of this TIF Plan, the EMS/Ambulance millage is not included in the estimated revenues.

Traverse City Downtown Development Authority								
Estimated Tax Increment Revenue Gains To Taxing Entities								
Plan Year	Fiscal Year	Conservation District	Road Commission	BATA	NMC	NMC	Joint Rec. Authority	DDA
	Millage Rate	0.0926	0.9794	0.4623	0.9955	0.9957	0.2863	1.577
1	2028 - 2029	\$5,884	\$62,231	\$29,375	\$63,254	\$63,267	\$18,192	\$100,203
2	2029 - 2030	\$6,023	\$63,703	\$30,069	\$64,750	\$64,763	\$18,622	\$102,572
3	2030 - 2031	\$6,165	\$65,204	\$30,778	\$66,276	\$66,289	\$19,061	\$104,990
4	2031 - 2032	\$6,310	\$66,737	\$31,501	\$67,834	\$67,847	\$19,509	\$107,457
5	2032 - 2033	\$6,458	\$68,300	\$32,239	\$69,423	\$69,437	\$19,966	\$109,975
6	2033 - 2034	\$6,608	\$69,896	\$32,993	\$71,045	\$71,059	\$20,432	\$112,544
7	2034 - 2035	\$6,762	\$71,524	\$33,761	\$72,700	\$72,715	\$20,908	\$115,166
8	2035 - 2036	\$6,920	\$73,186	\$34,545	\$74,389	\$74,404	\$21,394	\$117,841
9	2036 - 2037	\$7,080	\$74,881	\$35,346	\$76,112	\$76,128	\$21,889	\$120,572
10	2037 - 2038	\$7,243	\$76,612	\$36,162	\$77,871	\$77,887	\$22,395	\$123,358
11	2038 - 2039	\$7,410	\$78,377	\$36,996	\$79,666	\$79,682	\$22,911	\$126,201
12	2039 - 2040	\$7,581	\$80,179	\$37,846	\$81,497	\$81,513	\$23,438	\$129,102
13	2040 - 2041	\$7,755	\$82,018	\$38,714	\$83,366	\$83,383	\$23,976	\$132,062
14	2041 - 2042	\$7,932	\$83,894	\$39,600	\$85,273	\$85,290	\$24,524	\$135,083
15	2042 - 2043	\$8,113	\$85,808	\$40,504	\$87,219	\$87,237	\$25,084	\$138,166
16	2043 - 2044	\$8,298	\$87,762	\$41,426	\$89,205	\$89,223	\$25,655	\$141,312
17	2044 - 2045	\$8,486	\$89,756	\$42,367	\$91,231	\$91,250	\$26,238	\$144,522
18	2045 - 2046	\$8,679	\$91,790	\$43,327	\$93,299	\$93,318	\$26,832	\$147,798
19	2046 - 2047	\$8,875	\$93,866	\$44,307	\$95,409	\$95,429	\$27,439	\$151,141
20	2047 - 2048	\$9,075	\$95,985	\$45,307	\$97,563	\$97,582	\$28,058	\$154,552
Total		\$147,656	\$1,561,709	\$737,164	\$1,587,382	\$1,587,701	\$456,522	\$2,514,617

This table represents the estimated tax increment revenues over the course of the Plan, detailed by their distribution under the revenue share model. The tax increment revenues are calculated using the Tax Year 2026 millage rates and does not consider future potential tax rate rollbacks due to the 1994 Headlee Amendment. Actual rates will vary from year to year. In addition, in compliance with Section C of this TIF Plan, the EMS/Ambulance millage is not included in the estimated revenues.

APPENDIX A. TRAVERSE CITY IMPLEMENTATION POLICY FOR CHARTER 28 TIF AMENDMENTS

The City of Traverse City

Office of the City Clerk

GOVERNMENTAL CENTER
400 Boardman Avenue
Traverse City, MI 49684
(231) 922-4480
tcclerk@traversecitymi.gov



CITY OF TRAVERSE CITY IMPLEMENTATION POLICY FOR CHARTER §28 TIF AMENDMENTS

1. Background: The following language was added to Section 28 of the City Charter at the November 2024 election:

“We declare that tax increment financing (“TIF”) plans shall be submitted to a vote of the people, since TIF plans divert local property tax revenue away from the general fund and basic city services such as police, fire, ambulance, streets and parks. Any proposal to create a TIF plan, or to modify, amend or extend an existing TIF plan, shall not be adopted or approved by the City or City Commission until after the proposal is submitted to and approved by a majority of the electors of the City at a regular election or at a special election held for that purpose.

The City Commission shall not attempt to evade the petition rights and voting rights of City residents. Any and all ordinances of the City to extend, amend, and/or modify Tax Increment Financing and Development Plan #97 (“TIF97”), which ordinance or ordinances were enacted or are enacted at any time after January 1, 2024 without first being submitted to and approved by a majority of the electors of the City at a regular election or at a special election held for that purpose are repealed and such ordinance or ordinances shall be void and of no effect.”

2. Purpose: The purpose of the City of Traverse City Implementation Policy for Charter §28 Tax Increment Financing (“TIF”) Amendments is to establish a procedure for implementation of the above referenced Charter provisions that may be relied upon by City administration, staff, and the public to ensure consistency and predictability in the administration of approvals related to TIF plans, as required by these provisions.
3. Procedure:
 - a. Applicability: These Charter provisions are triggered by a proposal, that necessitates an action of the City or City Commission to create, modify, amend or extend a Tax Increment Financing (TIF) plan as of January 1, 2024.
 - b. Timing of election:
 - i. Once the requesting entity has submitted the proposed TIF plan, or proposed modification, amendment, or extension of an existing TIF plan to the City Clerk in writing, the City Commission shall take any action necessary or required to submit the proposal to the voters at the next regular or special election.
 - ii. A proposed TIF plan shall be submitted to the City after all of the necessary or required actions of the requesting entity have been completed

according to the applicable statutory requirements up to the point of City or City Commission action. Such statutes include but are not limited to the Recodified Tax Increment Financing Act (Act 57 of 2018; MCL 125.4101 et seq.), and Brownfield Redevelopment Financing Act (Act 381 of 1996; MCL 125.2651 et seq.) as they may be amended from time to time.

c. Preamble on Ballot:

The preamble for all ballot proposals that are a subject of this policy shall be, “The City Charter of the City of Traverse City provides that the City or City Commission shall not adopt or approve any proposal to create a Tax Increment Financing (TIF) plan, or to modify, amend or extend an existing TIF plan until such proposal is approved by a majority of city electors at a regular or special election held for that purpose. The City of Traverse City has received a recommendation to [create/extend/amend/modify] a TIF plan from [INSERT NAME OF AUTHORITY], which TIF plan is on the City Clerk’s web page and on file at the City Clerk’s Office and available for public inspection. The proposed/amended/extended/modified TIF district is generally described as being bound by the following streets: _____ with a projected total capture of \$ _____, which is an estimate only, to be used for the purposes allowed under the [INSERT NAME OF ACT].”

d. Ballot question: The question appearing on the ballot for consideration of the electors shall be “Shall the [_____] TIF Plan], submitted by [INSERT NAME OF AUTHORITY] be [created/extended/amended/modified] to be in effect for a term of [_____] years beginning [date] and ending [date]?”

e. Title of Ballot Proposal:

The City Clerk shall establish the title of the ballot proposal consistent with the titling of other ballot proposals, such as *City Proposal 1* or *City Proposal 2* and shall make such title available to all interested parties as soon as possible in an effort to clearly establish the identity of a given proposal in advance of the election for public discourse purposes.

f. Election costs: If the question appears on a regular election, there are negligible costs to the City and therefore no costs will be charged to the applicant. If the question appears on a special election at the request and discretion of the applicant, the applicant shall pay the incremental additional costs to the City for the special election. If multiple questions are placed on the ballot at the request of multiple applicants the incremental costs shall be divided equally among the applicants.

g. Approval/Disapproval of Electors:

- i. If the proposal *is not* approved at the election the proposal shall not be considered by the City Commission. The proposal may be placed before the electorate at the next available election, at the request of the applicant. There shall be no limit on the number of times an applicant may request to place the proposal before the electorate.
- ii. If the proposal *is* approved at the election, the proposal shall be scheduled for consideration by the City Commission at a regular meeting within

sixty (60) days following certification of the election results. Voter approval does not compel the City Commission to approve such a request.

4. Pre-existing TIF. Any lawfully approved TIF plan that pre-dates the Charter provisions that are the subject of this policy shall continue to exist according to the terms of such TIF plan. Any proposal to amend, modify, or extend such a pre-existing TIF plan shall be subject to this Implementation Policy and the Charter provisions that are the subject of this policy.
5. If the statutory or other applicable regulations regarding TIF are amended, this policy shall be revisited and updated by the City Commission as necessary.

I certify that this policy was adopted by the City Commission for the City of Traverse City on October 6, 2025, at a regular meeting held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.



Sarah Lutz, Interim City Clerk

APPENDIX B. TIF TOOL AND PLAN SUMMARY SHEET

Traverse City - Downtown Development Authority (DDA)

Infrastructure First - Tax Increment Financing (TIF) Plan *Preserve · Maintain · Improve*



Summary Sheet

What is TIF?

Short for “tax increment financing”, TIF is a funding tool used by the City and Downtown Development Authority (DDA) to construct and maintain critical public infrastructure and facilitate services throughout the downtown area.

How Does TIF Work?

Under TIF, the City and DDA harness a portion of the property tax revenue generated from the incremental increase in property values within the downtown district over time. This revenue is then reinvested into public infrastructure improvements, maintenance and services within the downtown district.

Previous TIF Funds Projects

Previous public infrastructure projects funded under TIF include the Hardy Parking Deck, the Pine Street pedestrian bridge, boardwalks along the Boardman/Ottaway River, public restrooms, bridge rehabilitation, way-finding signage and structural and mechanical improvements to the City Opera House. In addition, TIF has funded street and sidewalk improvements, pedestrian crosswalks and tree planting throughout the downtown district.

On-going Services Funded by TIF

TIF is used to fund several core programs and services that support the day-to-day safety, maintenance, operations, and overall experience of downtown, including trash and recycling removal, the downtown police officer position, flower planters, holiday lights, landscaping, public restrooms, graffiti removal, sidewalk washing and the Farmers Market. In addition, TIF funds City departmental services (e.g., mobility infrastructure, parks) applied to or provided within the downtown district.

Who Oversees TIF Expenditures?

The DDA Board is responsible for forming and recommending the DDA’s annual budget, which includes TIF expenditures for public infrastructure projects. The City Commission has final approval of the DDA’s budget as well as the scope and expenditure of each infrastructure project. In addition, the DDA submits audited financial statements to the City that include TIF information and annual financial reporting and complies with all applicable State of Michigan reporting requirements.

What is the Infrastructure First TIF Plan?

An amendment and extension of the TIF-97 Plan, the **Infrastructure First TIF Plan** is the roadmap for reinvesting TIF revenue into the public infrastructure and services that support a functional and thriving downtown. This plan prioritizes infrastructure investments that enhance walkability, accessibility, water quality, safety, cleanliness, and the protection and promotion of local independent businesses – helping to ensure downtown and Traverse City remains strong and resilient for decades to come.

How Were the Projects and Priorities in the Infrastructure First TIF Plan Identified?

The infrastructure projects, commitments to maintenance, and service priorities listed in this plan were guided by on-going discussions between DDA and City staff, the City Commission and DDA Board, and several years of community engagement, including the City’s recent Strategic Action Planning process.

Key Elements in the Plan

Project Priorities: This infrastructure projects included in this plan prioritize streets, sidewalks, trails, utilities, stormwater systems, the Boardman/Ottaway River, public spaces and support for local independent businesses.

Commitment to Maintenance and Services:

- 2% annual contribution to stormwater infrastructure from DDA revenue
- 2% annual contribution to city infrastructure repairs and maintenance from DDA revenue
- Commitment to maintain the Farmers Market and Rotary Square

Length of Plan: 20 Years - Ending Dec. 31, 2047

New Revenue-Sharing Model: 70% of the incremental revenue is retained by the DDA and 30% is shared back to the participating taxing entities.

Tax Capture Exception: Funding for any special city or county millage approved by city or county voters on or after January 1, 2023 are exempt from TIF Capture.



Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
harry@downtowntc.com
231-922-2050

Memorandum

To: DDA Board of Directors
From: Harry Burkholder, DDA Executive Director
Date: May 11, 2026
Subject: Approval to Enter Into Contract - PUMA

As you may recall, in 2022, the DDA retained Progressive Urban Management Associates (P.U.M.A.) to conduct a comprehensive market analysis of downtown Traverse City. The study provided valuable insight into “Live, Work, Shop and Dine, Visit and Stay” conditions – demographics, psychographics, housing, the regional economy, market dynamics, an assessment of the downtown storefront economy and visitor attractions.

Since that time, economic conditions have continued to evolve. Inflationary pressures, rising operating costs, workforce challenges, higher construction costs, and escalating commercial rents have created new challenges for many downtown businesses. While downtown Traverse City continues to experience strong investment, these changing conditions warrant an updated assessment of the downtown marketplace and the long-term sustainability of locally owned businesses.

The proposed scope of work (see attached) would update key findings from the 2022 market study and provide an evaluation of current downtown economic conditions. In addition, P.U.M.A. would conduct research into programs, policies, and best practices being utilized by downtown organizations and municipalities across the country to support and retain local independent businesses and maintain a diverse downtown business mix.

Recommended Motion

That the DDA Board enter into an agreement with the P.U.M.A. for costs associated with a market assessment update and best-practices study for business retention for a not to exceed cost of \$32,500 from TIF-97, subject to approval as to its form by the DDA Executive Director and Attorney.

PROGRESSIVE URBAN
MANAGEMENT ASSOCIATES



May 27, 2026

Harry Burkholder
Traverse City Downtown Development Authority
303 E. State Street, Suite C
Traverse City, MI 49684
harry@downtowntc.com

Dear Harry:

On behalf of Progressive Urban Management Associates, I am pleased to submit this proposal in response to the Traverse City DDA's interest in updating its Downtown Market Assessment and conducting focused national best practice research.

Progressive Urban Management Associates (P.U.M.A.) is a Denver-based real estate economics and planning consultancy offering management, marketing, and financial expertise to advance downtown and community development. In the past 32 years, P.U.M.A. has assisted more than 300 clients in 40 states, Canada, and the Caribbean. Additional information is available at our website at www.pumaworldhq.com.

P.U.M.A. offers experience in downtown planning, organizational strategic planning, and place management funding mechanisms, including DDAs. We are considered a leader in the field of downtown management.

In 2022, P.U.M.A. led the development of the Traverse City DDA's *Moving Downtown Forward* Plan – identifying what was next for Downtown Traverse City and the DDA. The plan was informed by a comprehensive Market Assessment that evaluated market conditions impacting Downtown and the region. The final report included recommendations related to future physical public improvements, future services, governance models, and financing tools to support the DDA's work.

This 2026 effort would build on P.U.M.A.'s 2022 work, in two specific areas of need for the DDA, discussed on the following page.

The project manager for this assignment would be **Daniel Makela**, vice president with P.U.M.A. Daniel holds a Masters in Community Planning degree from the University of Cincinnati and was formerly a senior project manager for the Louisville Downtown Partnership in Louisville, Kentucky. Daniel led the development of the 2022 Downtown Traverse City Market Assessment.

Daniel will be supported by other P.U.M.A. team members including **Brad Segal**, president at P.U.M.A. Brad has nearly 40 years of experience in the downtown and community development field. Acknowledged as a national expert in urban trends, development, and management, Brad has served four terms on the board of the International Downtown Association. Brad served as the principal-in-charge for the 2022 Moving Downtown Forward plan.

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Scope Overview

Best Practices

We understand that the DDA is interested in utilizing P.U.M.A. for national best practice research and conclusions. Best practices will be focused on tools that other communities have used to retain local independent businesses amid rising property and rental costs. Best practice communities will focus on those with similar local dynamics to Traverse City, as well as those with DDAs and/or TIF as part of the toolkit. Due to our past work in Traverse City, and time spent on the ground in Downtown, we have familiarity with what types of communities have similar local dynamics.

P.U.M.A., through its consulting work nationally in varied downtown markets, is able to efficiently and effectively identify best practices and case studies from around the country in a variety of topics. We will work with staff to refine the specifics of the research. In addition to identifying tools and programs that have been impactful in retaining local businesses, we'll also include any cautionary tales, if any are found, of communities that are dealing with the consequences of a lack of action.

Rather than identify a specific number of case studies/best practices, we'll let the research drive the work. Specific examples and iterative client feedback will help refine the depth and format for the best practices report.

Market Assessment Update

We understand that the DDA would like to update datapoints and findings that were included in the 2022 Market Assessment. The 2022 Market Assessment was comprehensive and detailed, and resulted in a static report. The DDA would like to translate this information into a more fluid format that is reusable for the staff over-time. Additionally, not all datapoints are in need of updating – for instance, peer city comparisons are not needed.

To complete this update, we propose the following:

- Work with staff to understand the desired format for the updated information.
- Work with staff to identify any data points throughout the 2022 Assessment that are not relevant for the update. There are currently a wide range of data, presented in various ways, organized into four main categories (Live, Work, Shop and Dine, Visit and Stay).
- We are working from the assumption that data will be collected and updated for all three market areas used in 2022 – Downtown, the city of Traverse City, and the five-county region. However, peer city data will not be collected.
- There may also be datapoints or topics of interest that the 2022 Assessment did not include. These can be added, assuming the information is available and accessible.
- Once all updated data is collected and refined, it will be provided to DDA staff (in the desired format). At this point, the team will decide what type of supporting narrative or documentation is needed (e.g., the 2022 Assessment included a "Summary of Findings" with key takeaways, strengths, opportunities, and vulnerabilities by sector). This same narrative can be updated or different supporting narrative can be provided, as needed.

- Lastly, P.U.M.A. is updating its Global Trends Report in summer 2026. If applicable, the 2026 Global Trends Report's findings can be integrated into the market assessment update.

Fee Arrangement

To complete the preceding tasks, we propose a consulting agreement that would be priced at a cost not to exceed **\$32,500** (consisting of \$12,500 for the Best Practices and \$20,000 for the Market Assessment Update). Fees would be based on standard hourly rates for our personnel that would be assigned to this project, illustrated in the following table:

P.U.M.A. Staff Position	Hourly Rate
Vice President (project manager)	\$175
President	\$225
Senior Associate/Associate	\$150 to \$125

If additional standalone pieces of work are identified during the process, P.U.M.A. will develop separate scoping and pricing for those items.

Timeline: We anticipate this work taking place in June-November 2026. The best practices research can begin immediately, while the Market Assessment Update will be initiated in September.

Thank you for considering this proposal and please contact me at daniel@pumaworldhq.com or 502-299-6066 if I can provide any additional information.

Sincerely,



Daniel Makela
Vice President



Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
harry@downtowntc.com
231-922-2050

Memorandum

To: DDA Board of Directors
From: Harry Burkholder, DDA Executive Director
Date: May 11, 2026
Subject: Executive Director Report

Below is an overview and update on projects and initiatives that the DDA is working on.

Two-Way Circulation

As you recall, City Commissioners asked staff to return with additional information and cost estimates for both options to convert the State, Pine and Boardman Streets to permanent two-way traffic or revert them back to one-way circulation. The Commission also requested that this information, along with the previous findings from the pilot project, be presented to the new Complete Streets Advisory Committee at its May 21st meeting. Upon deliberation at the meeting, as reflected in the meeting minutes, the Complete Street Advisory Committee stated:

It is the committee's opinion that a two-way configuration on State Street better aligns with Complete Streets principles than a one-way configuration. A two-way street enhances accessibility and connectivity for all users while also providing operational benefits. In addition, it improves traffic circulation and offers greater flexibility for managing vehicle movements during events and street closures on Front Street.

The Complete Streets Committee met again on June 16th and discussed possible options for street treatments/enhancements with Chris Zull, from Progressive Companies. I expect the statement above will be shared with the City Manager and will be included in the materials that go before the City Commission for a potential decision on traffic circulation along State Street some time this summer.

NOAA/Tribal Grant

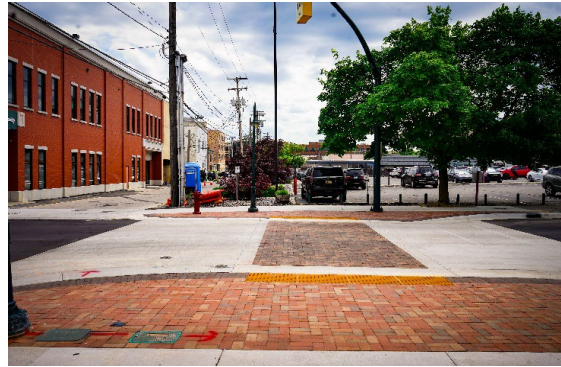
The GEI consulting team finalized Phase I of this project, which included the collection and review of existing data, along with comprehensive GIS mapping. We continue to work closely with the consulting team and project partners to identify and flesh out options for a select group of priority implementation sites to advance into the next phase of design and engineering.

Cass Street Mid-Block Crosswalk

The reconstruction of the Cass Street Mid-Block Crosswalk (and adjacent alley improvements) was completed on June 12th. The new crosswalk has large pedestrian bump-outs and improved grading, along with new materials.



Before



After

Summer Parking

With the anticipated kick-off of the Farmers Market Pavillion and Lot B slated to begin in July, we will be working with city staff to communicate opportunities and alternatives for parking throughout the downtown.



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Memorandum

To: Harry Burkholder, DDA Executive Director
Downtown Development Authority Board of Directors

From: Sara Klebba, DDA Director of Events & Engagement

Date: June 15, 2026

Subject: DTCA Director of Events & Engagement Update

EVENTS

[Downtown TC Art Walk Series](#) (Fridays, May 29 & June 5, 5-7p)

- May 29: 15 businesses signed up; June 5: 19 businesses signed up; 34 total (25 total in 2024)
- Combined attendance of over 17,000 people in the DTCA district with an average of 127 dwell time downtown

Summer/Fall [Art Fairs](#)

- Old Town Arts & Crafts Fair held Sat, June 13. Storms held off and gave way to a sunny, warm, and windy day. Very good attendance and initially positive feedback from vendors.
- NCF Arts & Crafts Fair: Sat, July 5, 10a-6p. We are still in need of about 10 volunteers. Please call 231.922.2050 or email Sara@downtowntc.com if you can support load-in (6-9:30am) or load out (5:45-8pm) – barricade/vendor management
- Downtown Fine Art Fair: Sat & Sun, Sept 12-13. Seeking more exhibitors; submit application on downtowntc.com. Applying for Clinch Park location on the bay.

[Street Sale](#) (Friday, Aug 7, 8a-9p) / [FNL](#) (Fridays, Aug 7 & 14, 6-9p)

- Street Sale registrations are live. Membership renewal required for participation. (Renewals are in progress.)
- To accommodate the growing participation list and keep Front St. clear and safe for emergency vehicles, Street Sale footprint is likely to expand through 300 E Front block to Boardman for Street Sale and FNL, leaving Park and Boardman Streets open to vehicular traffic. (No extended closure on 8/14 for FNL.) Awaiting official approval June 16 from City.

- We will be reviewing applications for Aug 7 and 14 FNL entertainers, food & beverage vendors, and nonprofits starting week of 6/16. After consistent survey feedback, we will be hosting more food options, especially for Street Sale. (Have opened it up to downtown restaurants and sent invitations to set up booths for all events.)

MEMBERSHIP

Annual DTCA membership renewals are in progress. Membership will be moving to a calendar year, so members are renewing for July-December 2026, then will be billed for January-December 2027 dues in late fall this year.