

Driving Downtown

Traverse City
Downtown Development Authority
Annual Impact & Investment Report





Letter From Leadership

As we reflect on 2025, we are proud of the progress made in Downtown Traverse City through strong partnerships, thoughtful investment, and a shared commitment to stewardship. This past year marked an important period of momentum as long-planned initiatives moved closer to implementation and visible improvements continued to take shape throughout Downtown.

In collaboration with the City, community partners, and regional stakeholders, the DDA advanced transformative public infrastructure projects, invested in ecological restoration along the Lower Boardman/Ottaway River, and continued to support essential services that keep downtown clean, safe, and welcoming. These efforts reflect years of planning, community engagement, and coordination and underscore the importance of sustained public investment in downtown.

Looking ahead, the DDA remains focused on responsible implementation, meaningful community engagement, and strong partnerships that move downtown forward in a way that reflects Traverse City’s vision and values. Thank you to our merchants, property owners, residents, partners, City leadership, and staff for your continued trust and collaboration. Together, we are shaping a downtown that is resilient, inclusive, and positioned for the future.



Harry Burkholder
Executive Director



Ed Slosky
Chair



The Role of the DDA

Guided by its principles and in partnership with the City of Traverse City, the Downtown Development Authority works to strengthen downtown by investing in infrastructure, public spaces, events, and services that support local businesses and create a clean, safe, walkable, and vibrant downtown district.

DDA Guiding Principles

Design a Great Place For all Ages and For Future Generations

Protect and Preserve Small Independent Businesses

Support Job Growth and Varied Career Opportunities

Champion the Development of Attainable and Workforce Housing

Advance Climate Action, Sustainability, Renewable Energy, Energy Efficiency and Resiliency

DDA Board



Gary Howe
Vice Chair



Jeff Joubran
Treasurer



Amy Shamroe
Mayor



Shelley Spencer
Secretary



Todd McMillen



Pete Kirkwood



Mike Powers



Caitlin Early

Over 600
Downtown Residents

97
Sara Hardy Farmers Market Vendors

568
Downtown Businesses

18,700
TC Light Parade Attendees

Over 5,600
Downtown Workers

200,000
Holiday Lights Installed

82%
Storefronts Locally or Independently Owned

1,864
Clean & Green Service Hours

24
Tons of Restaurant Waste Composted

230
Volunteer Shifts

146
Storefronts

\$52,220
Food Assistance Redeemed at The Sara Hardy Farmers Market

\$586,104
Gift Certificates Sold

DOWNTOWN

BY

THE

NUMBERS

2025–2026 Financial Overview

DDA General Fund

FY26 Expenditures by Expense Type Summary (DDA Administration Fund)



CAPITAL OUTLAY	\$1,757,700	(67.58%)
SALARIES & WAGES	\$448,200	(17.16%)
PROFESSIONAL SERVICES	\$165,400	(6.36%)
FRINGE BENEFITS	\$133,000	(5.11%)
OFFICE/OPERATING SUPPLIES	\$73,600	(2.83%)
MISCELLANEOUS EXP	\$10,000	(0.38%)
COMMUNICATION	\$5,000	(0.19%)
PROFESSIONAL DEVELOPMENT	\$5,000	(0.19%)
UTILITIES	\$4,000	(0.15%)
REPAIRS & MAINTENANCE	\$1,000	(0.04%)

FY26 Revenues by Revenue Source (DDA Administration Fund)



TRANSFER IN OTHER FUNDS	\$712,500	(25.89%)
SALARIES & WAGES	\$667,700	(23.90%)
STATE GRANT SERVICES	\$600,000	(21.80%)
GRANTS FROM LOCAL SOURCES	\$500,000	(18.17%)
REAL ESTATE/PERSONAL PROPERTY TAX	\$130,000	(4.72%)
CONTRIBUTIONS-PUBLIC SOURCES	\$75,000	(2.73%)
RENT & ROYALTIES	\$50,000	(1.82%)
BUSINESS LICENSES & PERMITS	\$21,000	(0.78%)
INTEREST REVENUE	\$5,300	(0.19%)

TIF 97

FY26 Expenditures by Type Summary (DDA TIF 97 Fund)



CAPITAL OUTLAY	\$4,481,000	(64.17%)
PRINCIPAL	\$820,000	(11.74%)
TRANSFER OUT	\$595,100	(8.52%)
TRANSFER OUT CITY FEE	\$514,700	(7.37%)
PROFESSIONAL SERVICES	\$348,100	(4.98%)
CONTRACTUAL SERVICES	\$90,000	(1.29%)
INTEREST EXPENSE & FEES	\$54,500	(0.78%)
MISCELLANEOUS EXP	\$50,000	(0.72%)
UTILITIES	\$30,000	(0.43%)

FY26 Revenues by Revenue Source (DDA TIF 97 Fund)



REAL ESTATE/PERSONAL PROPERTY TAX	\$4,336,300	(99.90%)
INTEREST REVENUE	\$4,500	(0.10%)

Old Town TIF

FY26 Expenditures by Expense Type Summary (Old Town)



CAPITAL OUTLAY	\$360,000	(49.37%)
TRANSFER OUT CITY FEE	\$124,800	(17.11%)
TRANSFER OUT	\$117,400	(16.10%)
PROFESSIONAL SERVICES	\$87,000	(11.93%)
COMMUNITY PROMOTION	\$20,000	(2.74%)
MISCELLANEOUS EXP	\$15,000	(2.06%)
UTILITIES	\$5,000	(0.69%)

FY26 Revenues by Revenue Source (Old Town)



REAL ESTATE/PERSONAL PROPERTY TAX	\$830,000	(99.99%)
INTEREST REVENUE	\$100	(0.01%)

Charts reflect 2025-2026 DDA budgets as passed by the DDA Board of Directors and Traverse City City Commission for Fiscal Year beginning July 1, 2025 and ending June 30, 2026.

TIF

What is Tax Increment Financing?

TIF is a regional revenue-sharing tool that allows the DDA to reinvest a portion of downtown's tax value growth into public infrastructure, essential services, placemaking efforts, and cultural amenities that celebrate our community and support economic development throughout the downtown area.

TIF Facts

TIF is not a tax. It captures the increase in taxable value within the downtown district.

- Only property owners in the defined district contribute.
- Taxes generated by growth above the base year are captured by the DDA, not the City or other taxing units, and are reinvested within the district.

TIF does not raise taxes.

- The financial impact would be the same for property owners throughout the city if there was no TIF.

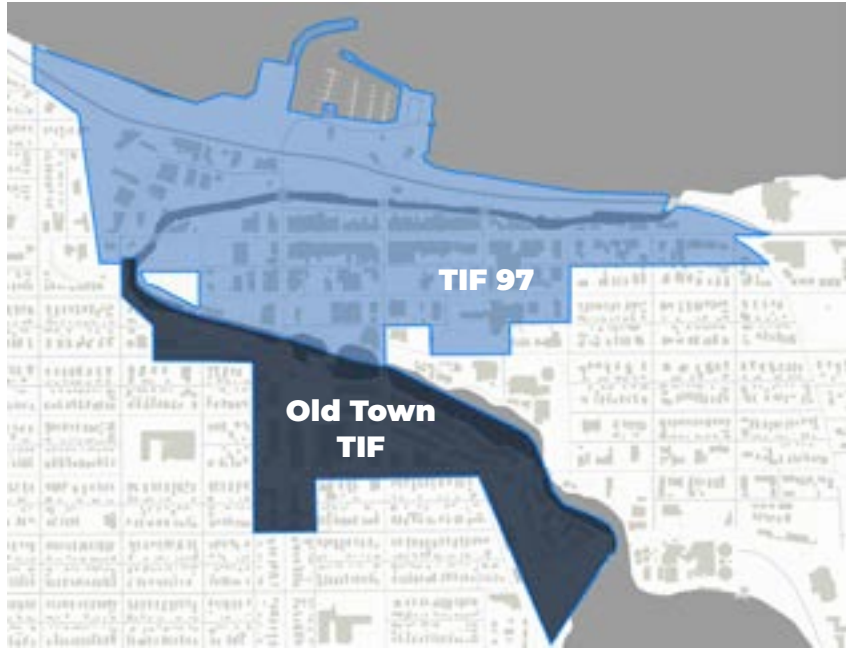
Incremental growth is reinvested locally.

- Project expenditures require public approval by the DDA & City Commission.

Base taxable value continues to flow to all taxing jurisdictions.

TIF supports public improvements, such as:

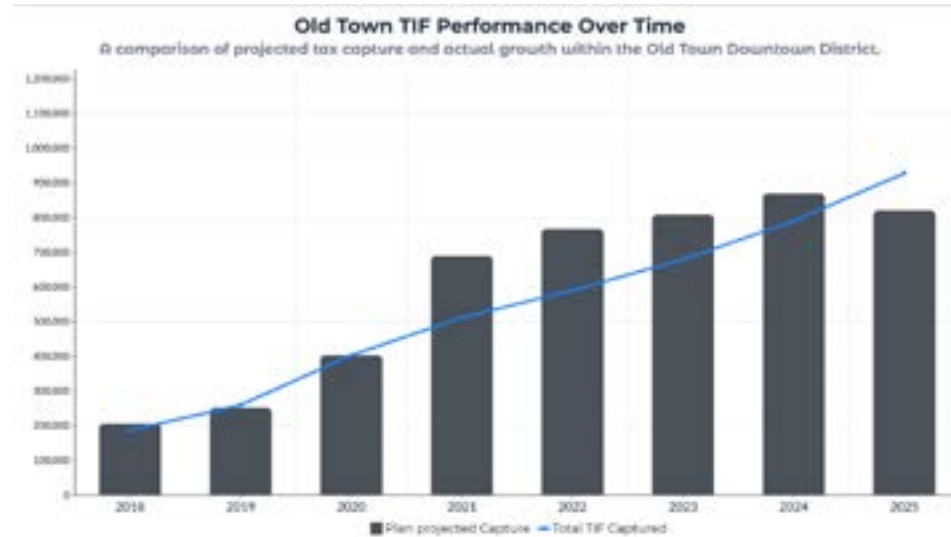
- Streets, sidewalks, crosswalks, and trails
- Parks and public spaces
- Riverwalk and waterfront access
- Clean and Green program
- Downtown police presence
- Holiday lights and beautification
- Wayfinding and signage
- Maintenance and operations



Why TIF Matters

TIF makes it possible to:

- Fund infrastructure and public improvements
- Support local independent businesses and economic vitality
- Reduce long-term pressure on the city's general fund



Moving Downtown Forward TIF Plan

In August 2024, the Traverse City Downtown Development Authority (DDA) Board of Directors approved an extension of the TIF-97 Plan, renamed the Moving Downtown Forward (MDF) TIF Plan.

The MDF TIF Plan was the product of extensive public engagement with more than 1,300 points of community feedback 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 Board of Directors' 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 approved by voters before taking effect.

Since then, the community conversation about the future of downtown has continued to evolve. With the City's Strategic Action Plan complete and ongoing discussion about the TIF tool and the MDF Plan itself, the DDA believes this is the right time to re-engage the community about extending the MDF Plan.

The DDA is inviting residents, property owners, business owners, and community partners back into the conversation. This re-engagement will focus on reaffirming the shared vision for downtown, revisiting the objectives and funding formula of the MDF TIF Plan, clarifying how funds could be used, and discussing how downtown investment connects to broader citywide priorities.



Hannah Park Overlook
The Hannah Park Overlook project enhanced one of downtown's most scenic public spaces. Improvements to the overlook create a more welcoming and accessible place for residents and visitors to pause, gather, and enjoy views of the Boardman/Ottaway River.

Street Improvements
Ongoing street improvements on Union St. and Cass St. help maintain safe, smooth, and functional roadways throughout the downtown district. These upgrades ensure that these streets continue to support daily traffic, local businesses, and major community events.



Investing in Long-Term Infrastructure
The DDA also continued its commitment to long-term downtown infrastructure with its \$874,459 Hardy Parking Deck bond payment. Strategic investments like this help maintain essential downtown assets that support businesses, employees, and visitors every day.



Bridge Fence Replacements
Upgrades to the bridge fencing along West Front Street improved both safety and aesthetics along this important downtown corridor. The refreshed fencing enhances the pedestrian experience while preserving views of the river and surrounding area.



Bump-Out Panel Replacements
Downtown curb bump-outs play an important role in improving pedestrian safety and traffic flow. Updated panels enhance durability and appearance while continuing to support safer crossings and more walkable streets.



Mobility Improvements
The new access ramp strengthens connections between downtown and the TART Trail network. By improving accessibility for pedestrians, cyclists, and mobility devices, this project helps make downtown easier to reach while encouraging active transportation.



2025 Capital Projects





Farmers Market Pavilion

Work progressed on the future Sara Hardy Farmers Market Pavilion with the completion of the Schematic Design, Design Development, and Construction Drawings phases. The project will create a new covered pavilion in Lot B, the current home of the Farmers Market, providing improved infrastructure for vendors, visitors, and programming. Construction efforts will also include the addition of a new stormwater infiltration system to support improved site drainage and sustainability.

Next Step: Construction anticipated for Summer 2026.

Rotary Square
Design work advanced for Rotary Square, a new downtown public space envisioned as a vibrant community gathering place. Planned features include a large open lawn, scenic overlook, shade structures, seating areas, natural landscaping elements, and a shaded space for events and performances.

Next Step: Complete construction drawings and bid package. Construction anticipated for spring of 2027.



Planning the Future of Downtown

In 2025, the DDA continued advancing several major projects that will shape the future of Downtown Traverse City. Through design, planning, and community collaboration, these initiatives are laying the

groundwork for new public spaces, improved connectivity, and enhanced gathering places for residents and visitors alike.



Boardman/Ottaway River Restoration and Infrastructure (Riverwalk)

Planning continued for the first phase of the Boardman/Ottaway Downtown Riverwalk, a project designed to improve pedestrian connectivity along the river corridor. The concept includes a new pedestrian bridge, seating areas, and upgrades to the J. Smith Walkway, connecting Front Street to enhanced pedestrian pathways along the river, as well as the future Farmers Market Pavilion and new stormwater infrastructure.

Next Step: Develop final construction drawings and specifications for a formal bid process.

Two-way circulation

In October, data collection for the three-year two-way circulation pilot project on State Street, Pine Street, and Boardman Avenue was completed. The pilot was designed to evaluate how converting these streets from one-way to two-way traffic would impact safety, mobility, and downtown accessibility.

Analysis of the data revealed several key outcomes. Two-way operations have reduced overall vehicle speeds, improved compliance with posted speed limits, and decreased instances of excessive speeding. The changes have also contributed to improved safety for pedestrians and cyclists, while increasing parking utilization along the corridor. Survey results from downtown businesses also indicated broad support for maintaining two-way operations.

Next Step: *The Traverse City City Commission will consider whether to make the two-way circulation permanent or return the streets to one-way operation.*



New Downtown Website

The DDA is developing a new website designed to make it easier for residents, visitors, and businesses to access information about downtown projects, events, programs, and resources. The updated site will provide a more user-friendly experience and serve as a central hub for staying connected with everything happening in Downtown Traverse City.

Next Step: *Launch anticipated for Spring 2026.*

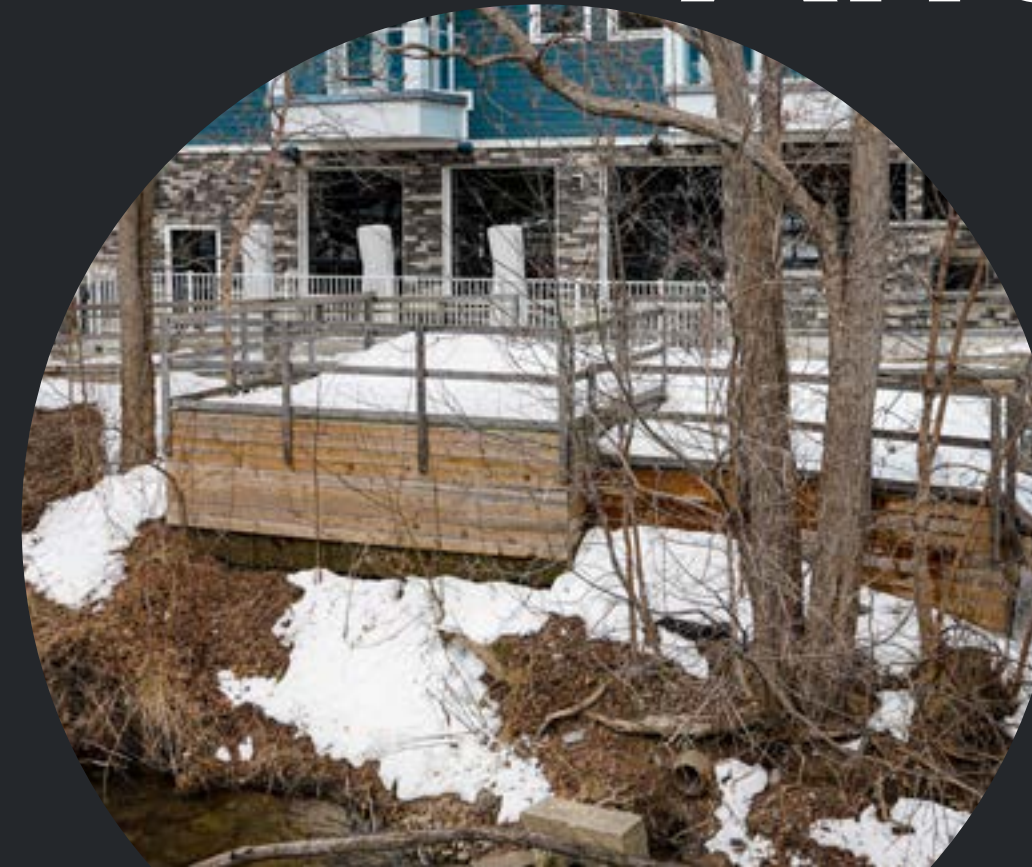


Looking Ahead

Cass Street Mid-Block Crosswalk Improvements

Plans are underway to reconstruct and expand the mid-block crosswalk on Cass Street between State and Front Streets. The project will replace the deteriorating crossing and enhance the design to improve visibility, accessibility, and overall pedestrian safety in this busy downtown corridor.

Next Step: *Construction anticipated for Spring 2026.*



North Union Street Bridge & Riverwalk Improvements

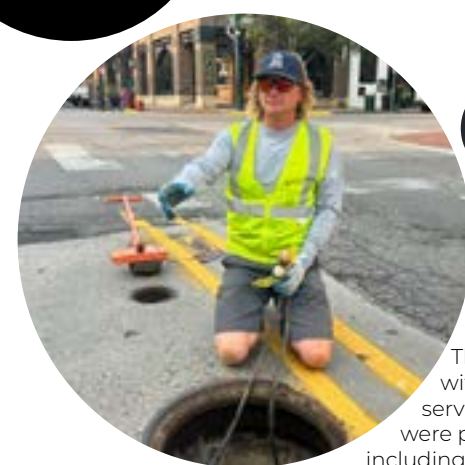
The DDA will partner with the City to complete structural improvements to the North Union Street Bridge and replace the temporary railing along the adjacent riverwalk deck and staircase. These upgrades will enhance safety, durability, and the overall experience along this important downtown river corridor.

Next Step: *Construction anticipated for Spring 2027.*



Farmers Market
The DDA has operated the Sara Hardy Farmers Market for over 40 years. This year's market included 97 vendors featuring a wide variety of quality farm-grown goods.

97
Farmers Market Vendors



City Service Agreement
The DDA fulfilled its service agreement with the City of Traverse City to support city services within the downtown district. Services were provided by multiple city departments, including Public Works, Engineering, Treasury, Parks and Recreation, Streets, and Municipal Utilities.



700
Plants Planted

48
Planters Located Downtown

Downtown Planters
The DDA continued to work with MSU Extension's Grand Traverse County Master Gardeners Program with over 700 plants in 48 planters throughout the downtown district.



A Clean, Green Downtown
The DDA partners with SEEDs, a local non-profit devoted to environmental education and hands on stewardship to provide regular maintenance and clean up services throughout Downtown during the summer.

327
Plant Watering Days

1,317
Gallons of Trash Removed

150
Special Hours Worked

1,864
Working Hours

696
Tree Grates Weeded

962
Gallons of Weeds Removed

Keeping Downtown Clean
The DDA funds the collection and maintenance of public trash and recycling receptacles located throughout downtown. This service ensures that streets remain clean, accessible, and enjoyable for residents, visitors, and businesses year-round.



Public Safety
Downtown Community Police Officer
Funded through TIF and in partnership with the Traverse City Police Department, the Downtown Community Police Officer position plays an important role in maintaining a safe, welcoming, and vibrant downtown environment. This dedicated officer works closely with local businesses, residents, and visitors—providing visible presence, building relationships, and supporting the everyday safety and well-being of the downtown district.

After five years serving as Downtown Traverse City's Community Police Officer, Officer Culver has transitioned into a new role within the Traverse City Police Department. We extend our sincere thanks for his years of service, leadership, and commitment to the downtown community.



We are pleased to welcome Officer Jared Garvin as the new Downtown Community Police Officer and look forward to continuing the strong partnership between the DDA and TCPD to support a safe and thriving downtown.



2,677
Incidents Responded To

Traverse City Restaurant Week (TCRW)
Feb 23-Mar 1

54
Participating Restaurants

87%
of diners will participate in TCRW again

Live After 5
May - June

Get Away or Stay & Play
Mar 14-16

Moments That Mattered
Downtown's 2025 event season, hosted by the Downtown Traverse City Association, brought the community together through signature experiences, new programming, and continued traditions that support local businesses and foster connection.

Another highlight of the year was Toast to Downtown, where we proudly recognized Lyle DeYoung Award Winner Diane Baribeau for her outstanding contributions to the downtown community.

Old Town Arts & Crafts Fair
June 14

8.7
Satisfaction Rating

2,900
Visitors

Street Sale
August 1

81
Entertainers, Non-Profits, & Vendors

Friday Night Live
August 1 & 8

Community Canvas Downtown Community Mural
Sept '25-Jan '26

Halloween Walk
Oct 25

3,800
Trick-or-Treaters

Downtown Art Fair
Sept 13-14

\$22,214
Donated

Shop Your Community Day
Nov 8

Haunts & Harvest Window Walk
Oct 17-31

Traverse City Light Parade
November 22

18,700
Event Attendees

13%
Increase year over year

Black Friday & Small Business Saturday
Nov 28 & 29

Santa's House
Nov 22-Dec 24

December Shopping Series
Ladies' Night
Men's Night
Wrap It Up Night
Dec 4, 11 & 18

Digital Engagement

