

Traverse City Downtown Development Authority Regular Meeting

Friday, February 18, 2022

8:30 am

Commission Chambers, Governmental Center

400 Boardman Avenue

Traverse City, Michigan 49684

Posted: February 14, 2022



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. Penny Hill, 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 Jean Derenzy, CEO

(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

A.

Consideration of approving the agenda as presented.

4. 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.

A.

Consideration of approving the minutes of the January 21, 2022 Downtown Development Authority Board of Directors meeting (approval recommended) (Jean Derenzy)

[Downtown Development Authority Regular Meeting - 21 Jan 2022 - Minutes - PDF](#)

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B.

Consideration of approving Financial Reports and disbursements for DDA, TIF 97, Old Town TIF, Parking and Arts Commission for January 2022. (Approval recommended) (Jean Derenzy, Harry Burkholder, Nicole VanNess)

[DDA General, TIF 97 & Old Town TIF January 2022 Financials - PDF](#)

[TC Parking Services January 2022 Financials - PDF](#)

[TC Arts Commission January 2022 Financials - PDF](#)

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C.

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Arts Commission Budget Adjustment (approval recommended)
(Jean Derenzy, Harry Burkholder)
[Arts Commission Budget Adjustments Memo \(Jean Derenzy, Harry Burkholder\) - PDF](#)

- D. 29
Appointment to Farmer's Market Advisory Board (approval recommended) (Gabe Schneider)
[Appointment to Farmer's Market Advisory Board \(Gabe Schneider\) - PDF](#)

5. ITEMS REMOVED FROM CONSENT CALENDAR

6. SPECIAL ORDER OF BUSINESS

- A. 31
Informational Bi-Annual Report to Community (MCL 125.4910(4))
(Jean Derenzy)
[Informational Bi-Annual Report to Community Memo \(Jean Derenzy\) - PDF](#)
- B. 33 - 66
Presentation of Year Ending June 30, 2021 Downtown Development Authority Audit (approval recommended) (Jean Derenzy)
[Year Ending June 30, 2021 Downtown Development Authority Audit Memo \(Jean Derenzy\) - PDF](#)
[TCDDA audit 2021 - PDF](#)
- C. 67 - 82
Overview of Bridge Construction in 2022
[Bridge Construction in 2022 Memo \(Jean Derenezy\) - PDF](#)
[Tim Lodge Presentation - PDF](#)
- D. 83 - 95
Overview of TART Trail Planning Conceptual Design (Grandview Parkway Division to Garfield) (Jean Derenzy, Shawn Winter City Planner, Julie Clark TART ED)
[TART Trail Planning Conceptual Design Overview Memo \(Jean Derenzy\) - PDF](#)
[TART Trail Concept - Division to Garfield - PDF](#)

7. NEW BUSINESS

- A. 97 - 99

Consideration to Enter into Contract with Inform for 100/200 Block of Lower Boardman (approval recommended) (Jean Derenzy, Interview Committee)

[100-200 Block of Lower Boardman - Inform Consideration Memo \(Jean Derenzy, Interview Committee\)- PDF](#)

- B. 101 -
105
- Consideration of Applying for USDA Grant Retail Incubator Project (\$80,000 application) (approval recommended) (Jean Derenzy)
- [Application for USDA Grant Retail Incubator Project Memo \(Jean Derenzy\) - PDF](#)
- [DDA Retail Incubator Budget for USDA Grant - Draft - PDF](#)
- [Retail Incubator Resolution - PDF](#)
-

8. CEO REPORT

- A. 107 -
108
- Project Updates (Jean Derenzy)
- [Project Updates \(Jean Derenzy\) - PDF](#)
-

9. STAFF REPORTS

- A. 109 -
110
- Downtown Experience Coordinator Report (Abby Taylor)
- [Downtown Experience Coordinator Report \(Abby Taylor\) - PDF](#)
- B. 111 -
112
- Communications and Outreach Director Report (Art Bukowski)
- [Communications and Outreach Director Report \(Art Bukowski\) - PDF](#)
-

10. RECEIVE AND FILE

- A. 113
- Parking Advisory Board Update (Scott Hardy)
- [Parking Advisory Board Update Memo \(Scott Hardy\) - PDF](#)
- B. 115
- Arts Commission Update (Steve Nance, Harry Burkholder)
- [Arts Commission Project Updates Memo \(Steve Nance, Harry Burkholder\) - PDF](#)
- C. 117
- Transportation Mobility Director Report (Nicole VanNess)
- [Transportation Mobility Director Report \(Nicole VanNess\) - PDF](#)
- D. 119 -
129
- Brookings Institute Article - Downtown Traverse City
-

[Brookings Institute Article - PDF](#)

- | | | |
|----|---|-------|
| E. | | 131 - |
| | DTCA January 2022 Meeting Minutes | 132 |
| | February 13, 2022 DTCA Board Meeting Minutes - DRAFT - PDF | |
| F. | | 133 - |
| | Parking Advisory Board February 2022 Meeting Minutes | 134 |
| | February 3, 2022 Parking Advisory Board Meeting Minutes - DRAFT - PDF | |

11. PUBLIC COMMENT

12. ADJOURNMENT



**Minutes of the
Downtown Development Authority for the City of Traverse City
Regular Meeting
Friday, January 21, 2022**

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 8 a.m.

The following Board Members were in attendance: Chairperson Gabe Schneider, Board Member Steve Nance, Board Member Peter Kirkwood, Board Vice Chair Scott Hardy, Board Member Damian Lockhart, Board Member Jeff Joubran, Mayor Richard Lewis, Board Member Pam Marsh, Board Member Todd McMillen, Board Member Katy Bertodatto, and Board Member Michael Brodsky

The following Board Members were excused: Board Member Pam DeMerle and Student Liaison Audrey Michael

Chairperson Schneider presided at the meeting.

(a) **CALL TO ORDER**

Schneider called the meeting to order at 8:31AM.

(b) **WELCOME NEW BOARD MEMBERS AND STAFF**

(1)

The Following Addressed the Board:

Michael Brodsky
Katy Bertodatto
Jean Derenzy, DDA CEO

That the DDA Board approve the agenda as presented.

Moved by Peter Kirkwood, Seconded by Jeff Joubran

Yes: Gabe Schneider, Steve Nance, Peter Kirkwood, Scott Hardy, Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd McMillen, Katy Bertodatto, and Michael Brodsky
Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

(c) **ROLL CALL**

Marsh arrived at 8:32am

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

(1)

Review & Approval of Agenda.

(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) Approval of the minutes of the regular meeting of December 17, 2021 (approval recommended) (Jean Derenzy)

Minutes have been revised to include changes.

(2) Approval of the meeting minutes of the strategic planning meeting of December 10, 2021 (approval recommended) (Jean Derenzy)

(3) Approval of the financial reports and disbursements for DDA, TIF 97, Old Town TIF, Parking Services and Arts Commission for December 2021 (approval recommended) (Jean Derenzy, Nicole VanNess, Harry Burkholder)

(4) Approval of the 2022 DDA meeting schedule (approval recommended) (Jean Derenzy)

That the DDA Board approve the consent calendar with revisions to December 17th minutes.

Moved by Peter Kirkwood, Seconded by Scott Hardy

Yes: Gabe Schneider, Steve Nance, Peter Kirkwood, Scott Hardy, Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd McMillen, Katy Bertodatto, and Michael Brodsky
Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

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

- (1) Amend Item 1 to replace Chairperson Leah Bagdum-McCallum with Chairperson Schneider and identify Student Liason Audrey Michael in December 17, 2022 minutes.

(g) **NEW BUSINESS**

- (1) Consultant Work for DDA to enter into a contract with Progressive Urban Management Associates (approval recommended) (Jean Derenzy)

The Following Addressed the Board:

Jean Derenzy, DDA CEO
Pam Marsh
Gabe Schneider
Scott Hardy
Peter Kirkwood
Steve Nance
Richard Lewis

That the DDA Board of Directors approve to enter into a contract with Progressive Urban Management Associates (PUMA) for consulting services to assist the DDA in identifying potential future organizational and financial scenarios for the DDA for a not-to-exceed cost of \$115,000, subject to approval and substance by the DDA CEO and form by the DDA Attorney.

Moved by Richard Lewis, Seconded by Scott Hardy

Yes: Scott Hardy, Gabe Schneider, Steve Nance, Peter Kirkwood, Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd McMillen, Katy Bertodatto, and Michael Brodsky

Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

- (2) Agreement with the Grand Traverse County Brownfield Redevelopment Authority (approval recommended) (Jean Derenzy)

The Following Addressed the Board:

Jean Derenzy, DDA CEO
Gabe Schneider
Scott Hardy

That the DDA Board approve and authorize the CEO to execute the Local Brownfield Revolving Fund Grant Agreement in the total amount of \$45,000 for a one-year period.

Moved by Peter Kirkwood, Seconded by Pam Marsh

Yes: Gabe Schneider, Steve Nance, Peter Kirkwood, Scott Hardy, Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd McMillen, Katy Bertodatto, and Michael Brodsky

Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

- (3) Amendment to the Grand Traverse County Parking Lot L lease agreement (approval recommended) (Jean Derenzy, Nicole VanNess)

The Following Addressed the Board:

Jean Derenzy, DDA CEO
Scott Hardy
Nicole VanNess
Steve Nance
Peter Kirkwood
Richard Lewis
Pam Marsh
Gabe Schneider
Jeff Joubran

Schneider had asked that this motion be referred back to staff when more information is available.

- (4) Amendments to the Farmers Market Advisory Board Governing Rules (approval recommended) (Jean Derenzy, Harry Burkholder)

The Following Addressed the Board:

Jean Derenzy, DDA CEO
Scott Hardy
Pam Marsh

That the DDA Board amend Article Two, Section Two of the Farmers Market Advisory Board Governing Rules to allow for: nine members; that three of the members shall be regular customers of the Farmers Market; that three of the members shall be vendors of the Farmers Market; and that one member will be at-large, effective upon appointment.

Moved by Scott Hardy, Seconded by Jeff Joubran

Yes: Gabe Schneider, Steve Nance, Peter Kirkwood, Scott Hardy, Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd McMillen, Katy Bertodatto, and Michael Brodsky

Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

(h) **CEO REPORT**

(1) Project Updates

The following addressed the Board:

Jean Derenzy, DDA CEO
Gabe Schneider
Scott Hardy

(i) **BOARD MEMBER UPDATES**

(1) Committee Appointments (motion required) (Gabe Schneider)

Nominated for Finance Committee
Jeff Joubran (Chair)
Damian Lockhart (Vice Chair)
Gabe Schneider
Richard Lewis
Scott Hardy

Nominated for Governance Committee
Scott Hardy
Pam DeMerle
Steve Nance
Amend removal of Lewis and addition of McMillen to this committee

Nominated for Parking Advisory Board
Scott Hardy
Pam Marsh
Katy Bertodatto

Nominated for Farmers Market Advisory
Steve Nance

Nominated for Arts Commission
Steve Nance

That the DDA Board authorize the establishment of the Parking Advisory Board and approve the proposed 2022 members as outlined in the memo and the amended Governing committee members.

Moved by Jeff Joubran, Seconded by Katy Bertodatto

Yes: Gabe Schneider, Steve Nance, Peter Kirkwood, Scott Hardy,
Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd
McMillen, Katy Bertodatto, and Michael Brodsky

Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

(2) Arts Commission Update (Steve Nance)

The Following Addressed the Board:

Steve Nance

(j) STAFF REPORTS

(1) Transportation and Mobility Director Report (Nicole VanNess)

The Following Addressed the Board:

Nicole VanNess

(2) Communications & Outreach Director Report (Art Bukowski)

Bukowski was not in attendance. Memo is in packet for review.

(k) RECEIVE AND FILE

- (1) Experience Coordinator Report (Abby Taylor)**
- (2) Arts Commission December 2021 Meeting Minutes**
- (3) DTCA December 2021 Meeting Minutes**
- (4) DDA Finance Committee January 2022 Meeting Minutes**

- (5) December 10, 2021 DDA Strategic Planning Documentation and Results Summary
(Megan Motil, Parallel Solutions)

(l) **PUBLIC COMMENT**

No Public Comment.

(m) **ADJOURNMENT**

Chairperson Schneider Adjourned the Meeting at 9:30AM.

(1)

Motion to adjourn the meeting.

Moved by Richard Lewis, Seconded by Damian Lockhart

Yes: Gabe Schneider, Steve Nance, Peter Kirkwood, Scott Hardy,
Damian Lockhart, Jeff Joubran, Richard Lewis, Pam Marsh, Todd
McMillen, Katy Bertodatto, and Michael Brodsky

Absent: Pam DeMerle

CARRIED. 11-0-1 on a recorded vote

Jean Derenzy, Traverse City DDA
CEO

Traverse City DDA - General

Balance Sheet

As of January 31, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Fifth Third Checking - 3112	4,016,665.35
1072 Bill.com Money Out Clearing	0.00
Fifth Third Savings - 6740	202,497.86
Petty Cash	548.19
Total Bank Accounts	\$4,219,711.40
Accounts Receivable	
1200 Accounts Receivable	671,859.63
Total Accounts Receivable	\$671,859.63
Other Current Assets	
1220 Grants Receivable	0.00
1480 Payroll Advance	0.00
1499 Undeposited Funds	-224,000.00
Deposits in Transit	0.00
Due From APS	1,088.89
Due From Arts Council	352.00
Due From DTCA	-4,461.30
Total Other Current Assets	\$ -227,020.41
Total Current Assets	\$4,664,550.62
Other Assets	
Due From Other Funds	0.00
Pre-Paid Expense	4,701.00
Work in Progress	0.00
Total Other Assets	\$4,701.00
TOTAL ASSETS	\$4,669,251.62

Traverse City DDA - General

Balance Sheet
As of January 31, 2022

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	3,274,736.26
Total Accounts Payable	\$3,274,736.26
Credit Cards	
2150 First National Bank Card	
2153 First National - 8689	0.00
Total 2150 First National Bank Card	0.00
Total Credit Cards	\$0.00
Other Current Liabilities	
2110 Direct Deposit Liabilities	0.00
2200 Payroll Liabilities	0.00
2205 457b Payable	3,597.82
2210 Federal Income Tax Payable	0.00
2215 Health Insurance Payable	295.02
2220 Life Insurance Payable	800.72
2225 Medicare Tax Payable	0.00
2230 Social Security Tax Payable	0.00
2235 State Income Tax Payable	0.00
2240 State Unemployment Tax Payable	196.28
2245 Wage Garnishment Payable	0.00
Total 2200 Payroll Liabilities	4,889.84
2400 GRANTS	
2401 Coastal Zone Management	0.00
2402 Destination Downtown	0.00
2403 EGLE -- Cornwell Development	0.00
2404 Healthy Drinking Culture Grant	0.00
2405 Lower Boardman	0.00
2406 Match on Main MEDC Grant	0.00
2407 MEDC (Civic Square)	-142.04
2408 Professional Development	0.00
2409 Rotary Charities	0.00
2410 Seed Grant	0.00
2411 Tech Incubator Fund	0.00

Traverse City DDA - General

Balance Sheet

As of January 31, 2022

	TOTAL
Total 2400 GRANTS	-142.04
Accrued Payroll Liabilities	5,957.53
Accrued Salaries	25,907.43
Bryan Crough Memorial Fund	0.00
Bumpout Project Funds Collected	0.00
Buy Local Give Local Campaign	0.00
Deferred Income	219,829.23
Deposits Payable	0.00
Double Up Food Bucks	-284.39
EBT Bridge Card	-17,612.91
Ironman	0.00
NCF Reimbursements	-551.00
Prescriptions for Health	2,318.64
Project Fresh	5,394.00
Senior Project Fresh	-11,643.00
Total Deposits Payable	-22,378.66
Due to Oldtown TIF	24,441.31
Due to Other Funds	0.00
Due to TIF 97	158,432.47
Suspense	0.00
Total Other Current Liabilities	\$416,937.11
Total Current Liabilities	\$3,691,673.37
Total Liabilities	\$3,691,673.37
Equity	
3000 Opening Bal Equity	107,606.27
3900 Retained Earnings	789,700.02
Net Income	80,271.96
Total Equity	\$977,578.25
TOTAL LIABILITIES AND EQUITY	\$4,669,251.62

Balance Sheet
As of January 31, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 CASH AND CASH EQUIVALENTS	
1001 Fifth Third Checking - 8026	3,152,690.53
Total 1000 CASH AND CASH EQUIVALENTS	3,152,690.53
Total Bank Accounts	\$3,152,690.53
Accounts Receivable	
1200 ACCOUNTS RECEIVABLE	3,021,112.59
Total Accounts Receivable	\$3,021,112.59
Other Current Assets	
1100 OTHER CURRENT ASSETS	
1103 Due From Other Funds	0.00
1104 Due From DDA	0.00
Total 1100 OTHER CURRENT ASSETS	0.00
Undeposited Funds	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$6,173,803.12
Fixed Assets	
Land	0.00
Total Fixed Assets	\$0.00
Other Assets	
Accounts Rec - DO NOT USE	0.00
Pre-Paid Expense	0.00
Work in Progress	0.00
Total Other Assets	\$0.00
TOTAL ASSETS	\$6,173,803.12
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 ACCOUNTS PAYABLE	84,973.79
Due to City - Capital Projects	0.00
Total Accounts Payable	\$84,973.79
Other Current Liabilities	
2100 DUE TO OTHER FUNDS	0.00
2200 DEFERRED REVENUE	245,237.86
Accounts Payable - DO NOT USE	0.00
Total Other Current Liabilities	\$245,237.86
Total Current Liabilities	\$330,211.65
Total Liabilities	\$330,211.65
Equity	
Opening Bal Equity	-21,200.00
Retained Earnings	3,887,812.60
Net Income	1,976,978.87
Total Equity	\$5,843,591.47
TOTAL LIABILITIES AND EQUITY	\$6,173,803.12

DDA Old Town TIF

Balance Sheet
As of January 31, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 CASH AND CASH EQUIVILENTS	
1001 Fifth Third Checking - 0650	457,524.86
Total 1000 CASH AND CASH EQUIVILENTS	457,524.86
Total Bank Accounts	\$457,524.86
Accounts Receivable	
1200 ACCOUNTS RECEIVABLE	514,561.92
Total Accounts Receivable	\$514,561.92
Other Current Assets	
1100 OTHER CURRENT ASSETS	
1103 Due From Other Funds	0.00
1104 Due From DDA	0.00
Total 1100 OTHER CURRENT ASSETS	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$972,086.78
TOTAL ASSETS	\$972,086.78
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 ACCOUNTS PAYABLE	34,206.25
Total Accounts Payable	\$34,206.25
Other Current Liabilities	
2100 DUE TO OTHER FUNDS	0.00
Total Other Current Liabilities	\$0.00
Total Current Liabilities	\$34,206.25
Total Liabilities	\$34,206.25
Equity	
Retained Earnings	522,467.68
Net Income	415,412.85
Total Equity	\$937,880.53
TOTAL LIABILITIES AND EQUITY	\$972,086.78

02/04/2022 04:05 PM
 User: nvanness
 DB: TRAVERSE CITY

REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY

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PERIOD ENDING 01/31/2022

GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	ACTIVITY FOR MONTH 01/31/22	YTD BALANCE 01/31/2022	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
Fund 585 - AUTOMOBILE PARKING SYSTEM FUND							
Revenues							
Dept 000 - NON-DEPARTMENTAL							
585-000-451.073	RAMSDELL GATE FEES	0.00	32.50	167.50	0.00	(167.50)	100.00
585-000-502.000	FEDERAL GRANTS	0.00	0.00	0.00	0.00	0.00	0.00
585-000-651.000	PARKING DECK PROCEEDS	0.00	0.00	0.00	0.00	0.00	0.00
585-000-652.000	PARKING FEES-COIN	1,000,000.00	106,636.24	1,345,297.84	0.00	(345,297.84)	134.53
585-000-653.000	PERMITS-SURFACE LOTS	150,000.00	33,410.62	189,457.50	0.00	(39,457.50)	126.31
585-000-653.005	PERMITS-PARKING DECK	0.00	0.00	0.00	0.00	0.00	0.00
585-000-653.007	PERMITS - NEIGHBORHOOD	0.00	0.00	645.00	0.00	(645.00)	100.00
585-000-653.010	DESTINATION DOWNTOWN	0.00	0.00	0.00	0.00	0.00	0.00
585-000-656.010	PARKING FINES	150,000.00	24,692.00	164,554.79	0.00	(14,554.79)	109.70
585-000-656.020	PARKING FINES-AIRPORT	0.00	0.00	0.00	0.00	0.00	0.00
585-000-656.030	PARKING FINES-COLLEGE	0.00	0.00	0.00	0.00	0.00	0.00
585-000-664.000	INTEREST & DIVIDEND EARNINGS	60,000.00	0.00	32,280.79	0.00	27,719.21	53.80
585-000-668.000	RENTS AND ROYALTIES	0.00	0.00	0.00	0.00	0.00	0.00
585-000-673.000	SALE OF FIXED ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
585-000-674.000	CONTRIBUTIONS-PUBLIC SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
585-000-675.000	CONTRIBUTIONS-PRIVATE SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
585-000-677.000	REIMBURSEMENTS	0.00	15.00	17.97	0.00	(17.97)	100.00
585-000-683.000	RECOVERY OF BAD DEBTS	0.00	0.00	0.00	0.00	0.00	0.00
585-000-686.000	MISCELLANEOUS INCOME	0.00	62.45	6,151.42	0.00	(6,151.42)	100.00
585-000-687.000	REFUNDS AND REBATES	0.00	0.00	10,000.00	0.00	(10,000.00)	100.00
585-000-694.000	OTHER INCOME	0.00	0.00	0.00	0.00	0.00	0.00
585-000-699.000	PRIOR YEARS' SURPLUS	1,682,700.00	0.00	0.00	0.00	1,682,700.00	0.00
Total Dept 000 - NON-DEPARTMENTAL		3,042,700.00	164,848.81	1,748,572.81	0.00	1,294,127.19	57.47
Dept 585 - AUTOMOBILE PARKING SYSTEM							
585-585-653.005	PERMITS-PARKING DECK	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 585 - AUTOMOBILE PARKING SYSTEM		0.00	0.00	0.00	0.00	0.00	0.00
Dept 586 - HARDY DECK							
585-586-651.000	PARKING DECK PROCEEDS	120,000.00	11,586.35	218,296.65	0.00	(98,296.65)	181.91
585-586-653.000	PERMITS-SURFACE LOTS	0.00	0.00	0.00	0.00	0.00	0.00
585-586-653.005	PERMITS-PARKING DECK	150,000.00	43,560.00	147,515.00	0.00	2,485.00	98.34
585-586-668.000	RENTS AND ROYALTIES	13,000.00	918.00	6,426.00	0.00	6,574.00	49.43
585-586-677.000	REIMBURSEMENTS	0.00	0.00	0.00	0.00	0.00	0.00
585-586-686.000	MISCELLANEOUS INCOME	0.00	0.00	0.00	0.00	0.00	0.00
585-586-687.000	REFUNDS AND REBATES	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 586 - HARDY DECK		283,000.00	56,064.35	372,237.65	0.00	(89,237.65)	131.53
Dept 587 - OLD TOWN DECK							
585-587-651.000	PARKING DECK PROCEEDS	35,000.00	4,965.60	53,088.65	0.00	(18,088.65)	151.68
585-587-653.005	PERMITS-PARKING DECK	40,000.00	17,250.00	80,854.13	0.00	(40,854.13)	202.14
585-587-677.000	REIMBURSEMENTS	0.00	0.00	0.00	0.00	0.00	0.00
585-587-686.000	MISCELLANEOUS INCOME	0.00	0.00	0.00	0.00	0.00	0.00
585-587-694.000	OTHER INCOME	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 587 - OLD TOWN DECK		75,000.00	22,215.60	133,942.78	0.00	(58,942.78)	178.59

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REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY

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PERIOD ENDING 01/31/2022

GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	ACTIVITY FOR MONTH 01/31/22	YTD BALANCE 01/31/2022	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
Fund 585 - AUTOMOBILE PARKING SYSTEM FUND							
Revenues							
TOTAL REVENUES		3,400,700.00	243,128.76	2,254,753.24	0.00	1,145,946.76	66.30
Expenditures							
Dept 585 - AUTOMOBILE PARKING SYSTEM							
585-585-702.000	SALARIES AND WAGES	8,900.00	184.40	1,497.92	0.00	7,402.08	16.83
585-585-704.000	EMPLOYEE OVERTIME	2,200.00	0.00	0.00	0.00	2,200.00	0.00
585-585-714.000	HEALTH SAVINGS ACCT EXPENSE	0.00	(0.58)	30.93	0.00	(30.93)	100.00
585-585-715.000	EMPLOYER'S SOCIAL SECURITY	200.00	13.63	99.89	0.00	100.11	49.95
585-585-716.000	EMPLOYEE HEALTH INSURANCE	100.00	9.15	64.04	0.00	35.96	64.04
585-585-717.000	EMPLOYEE LIFE/DISABILITY INS	0.00	2.23	15.62	0.00	(15.62)	100.00
585-585-718.000	RETIREMENT FUND CONTRIBUTION	700.00	0.00	326.64	0.00	373.36	46.66
585-585-719.000	RETIRES HOSPITALIZATION INS	0.00	0.00	0.00	0.00	0.00	0.00
585-585-720.000	UNEMPLOYMENT COMPENSATION	0.00	0.00	0.00	0.00	0.00	0.00
585-585-721.000	WORKERS COMPENSATION INS	0.00	0.00	0.00	0.00	0.00	0.00
585-585-727.000	OFFICE SUPPLIES	6,000.00	238.17	2,245.26	0.00	3,754.74	37.42
585-585-740.000	OPERATION SUPPLIES	37,000.00	5,214.93	14,090.53	25,922.93	(3,013.46)	108.14
585-585-801.000	PROFESSIONAL AND CONTRACTUAL	1,180,800.00	5,647.88	203,844.87	1,149,933.52	(172,978.39)	114.65
585-585-810.000	COLLECTION COSTS	500.00	0.00	0.00	0.00	500.00	0.00
585-585-850.000	COMMUNICATIONS	21,600.00	707.93	11,417.86	134,266.00	(124,083.86)	674.46
585-585-854.000	CITY FEE	120,000.00	0.00	0.00	0.00	120,000.00	0.00
585-585-860.000	TRANSPORTATION	5,000.00	0.00	1,440.72	0.00	3,559.28	28.81
585-585-862.000	PROFESSIONAL DEVELOPMENT	1,000.00	0.00	0.00	0.00	1,000.00	0.00
585-585-863.000	TRAINING	2,000.00	0.00	0.00	0.00	2,000.00	0.00
585-585-880.000	COMMUNITY PROMOTION	65,000.00	0.00	0.00	0.00	65,000.00	0.00
585-585-900.000	PRINTING AND PUBLISHING	14,000.00	0.00	1,433.76	97.94	12,468.30	10.94
585-585-910.000	INSURANCE AND BONDS	13,000.00	0.00	997.41	0.00	12,002.59	7.67
585-585-920.000	PUBLIC UTILITIES	15,000.00	660.45	5,060.54	0.00	9,939.46	33.74
585-585-930.000	REPAIRS AND MAINTENANCE	99,700.00	7,075.81	13,512.46	8,009.84	78,177.70	21.59
585-585-930.005	RAMSDELL GATE REPAIR & MAINT	1,000.00	0.00	0.00	0.00	1,000.00	0.00
585-585-940.000	RENTAL EXPENSE	83,000.00	2,838.00	35,991.94	47,653.63	(645.57)	100.78
585-585-956.000	MISCELLANEOUS	0.00	0.00	11,009.84	0.00	(11,009.84)	100.00
585-585-959.000	DEPRECIATION EXPENSE	135,000.00	0.00	0.00	0.00	135,000.00	0.00
585-585-964.000	TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00	0.00
585-585-977.000	EQUIPMENT	165,000.00	0.00	47,391.26	2,513.00	115,095.74	30.25
585-585-988.000	UNALLOCATED FUNDS	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 585 - AUTOMOBILE PARKING SYSTEM		1,976,700.00	22,592.00	350,471.49	1,368,396.86	257,831.65	86.96
Dept 586 - HARDY DECK							
585-586-727.000	OFFICE SUPPLIES	1,000.00	0.00	0.00	0.00	1,000.00	0.00
585-586-740.000	OPERATION SUPPLIES	9,000.00	8.08	4,158.13	4,181.37	660.50	92.66
585-586-801.000	PROFESSIONAL AND CONTRACTUAL	125,800.00	107.67	21,791.53	57,340.98	46,667.49	62.90
585-586-850.000	COMMUNICATIONS	3,300.00	0.00	1,536.00	0.00	1,764.00	46.55
585-586-900.000	PRINTING AND PUBLISHING	0.00	0.00	0.00	0.00	0.00	0.00
585-586-910.000	INSURANCE AND BONDS	8,000.00	0.00	606.24	0.00	7,393.76	7.58
585-586-920.000	PUBLIC UTILITIES	55,000.00	6,100.70	19,675.27	0.00	35,324.73	35.77
585-586-930.000	REPAIRS AND MAINTENANCE	318,100.00	2,057.99	45,311.49	72,554.29	200,234.22	37.05
585-586-940.000	RENTAL EXPENSE	16,500.00	0.00	8,089.74	0.00	8,410.26	49.03
585-586-956.000	MISCELLANEOUS	10,000.00	619.25	619.25	0.00	9,380.75	6.19
585-586-959.000	DEPRECIATION EXPENSE	206,000.00	0.00	0.00	0.00	206,000.00	0.00
585-586-977.000	EQUIPMENT	0.00	0.00	30,616.50	30,387.70	(61,004.20)	100.00
Total Dept 586 - HARDY DECK		752,700.00	8,893.69	132,404.15	164,464.34	455,831.51	39.44

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REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY
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GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	ACTIVITY FOR MONTH 01/31/22	YTD BALANCE 01/31/2022	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
Fund 585 - AUTOMOBILE PARKING SYSTEM FUND							
Expenditures							
Dept 587 - OLD TOWN DECK							
585-587-727.000	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00
585-587-740.000	OPERATION SUPPLIES	8,000.00	1,023.88	4,914.42	8,501.53	(5,415.95)	167.70
585-587-801.000	PROFESSIONAL AND CONTRACTUAL	107,500.00	90.00	39,603.48	55,937.25	11,959.27	88.88
585-587-850.000	COMMUNICATIONS	5,100.00	0.00	2,215.98	1,320.02	1,564.00	69.33
585-587-863.000	TRAINING	0.00	0.00	0.00	0.00	0.00	0.00
585-587-900.000	PRINTING AND PUBLISHING	0.00	0.00	0.00	0.00	0.00	0.00
585-587-910.000	INSURANCE AND BONDS	6,000.00	0.00	541.02	0.00	5,458.98	9.02
585-587-920.000	PUBLIC UTILITIES	55,000.00	4,769.09	12,412.18	0.00	42,587.82	22.57
585-587-930.000	REPAIRS AND MAINTENANCE	294,400.00	9,746.48	121,944.70	115,079.27	57,376.03	80.51
585-587-940.000	RENTAL EXPENSE	14,300.00	0.00	7,014.96	0.00	7,285.04	49.06
585-587-956.000	MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	0.00
585-587-959.000	DEPRECIATION EXPENSE	181,000.00	0.00	0.00	0.00	181,000.00	0.00
585-587-977.000	EQUIPMENT	0.00	0.00	20,330.75	20,330.75	(40,661.50)	100.00
Total Dept 587 - OLD TOWN DECK		671,300.00	15,629.45	208,977.49	201,168.82	261,153.69	61.10
TOTAL EXPENDITURES		3,400,700.00	47,115.14	691,853.13	1,734,030.02	974,816.85	71.33
Fund 585 - AUTOMOBILE PARKING SYSTEM FUND:							
TOTAL REVENUES		3,400,700.00	243,128.76	2,254,753.24	0.00	1,145,946.76	66.30
TOTAL EXPENDITURES		3,400,700.00	47,115.14	691,853.13	1,734,030.02	974,816.85	71.33
NET OF REVENUES & EXPENDITURES		0.00	196,013.62	1,562,900.11	(1,734,030.02)	171,129.91	100.00

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REVENUE AND EXPENDITURE REPORT FOR TRAVERSE CITY

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GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	ACTIVITY FOR MONTH 01/31/22	YTD BALANCE 01/31/2022	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BDGT USED
Fund 282 - PUBLIC ARTS COMMISSION FUND							
Revenues							
Dept 000 - NON-DEPARTMENTAL							
282-000-664.000	INTEREST & DIVIDEND EARNINGS	0.00	0.00	0.00	0.00	0.00	0.00
282-000-674.000	CONTRIBUTIONS-PUBLIC SOURCES	15,000.00	0.00	0.00	0.00	15,000.00	0.00
282-000-675.000	CONTRIBUTIONS-PRIVATE SOURCES	0.00	0.00	1,500.00	0.00	(1,500.00)	100.00
282-000-677.000	REIMBURSEMENTS	0.00	0.00	0.00	0.00	0.00	0.00
282-000-695.000	TRANSFERS IN	30,000.00	0.00	30,000.00	0.00	0.00	100.00
282-000-699.000	PRIOR YEARS' SURPLUS	5,000.00	0.00	0.00	0.00	5,000.00	0.00
Total Dept 000 - NON-DEPARTMENTAL		50,000.00	0.00	31,500.00	0.00	18,500.00	63.00
TOTAL REVENUES		50,000.00	0.00	31,500.00	0.00	18,500.00	63.00
Expenditures							
Dept 282 - PUBLIC ARTS COMMISSION							
282-282-727.000	OFFICE SUPPLIES	500.00	0.00	0.00	0.00	500.00	0.00
282-282-801.000	PROFESSIONAL AND CONTRACTUAL	15,000.00	600.00	22,784.41	14,395.78	(22,180.19)	247.87
282-282-900.000	PRINTING AND PUBLISHING	0.00	0.00	0.00	0.00	0.00	0.00
282-282-930.000	REPAIRS AND MAINTENANCE	4,500.00	0.00	0.00	0.00	4,500.00	0.00
282-282-970.000	CAPITAL OUTLAY	30,000.00	0.00	9,500.73	1,499.27	19,000.00	36.67
282-282-988.000	UNALLOCATED FUNDS	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 282 - PUBLIC ARTS COMMISSION		50,000.00	600.00	32,285.14	15,895.05	1,819.81	96.36
TOTAL EXPENDITURES		50,000.00	600.00	32,285.14	15,895.05	1,819.81	96.36
Fund 282 - PUBLIC ARTS COMMISSION FUND:							
TOTAL REVENUES		50,000.00	0.00	31,500.00	0.00	18,500.00	63.00
TOTAL EXPENDITURES		50,000.00	600.00	32,285.14	15,895.05	1,819.81	96.36
NET OF REVENUES & EXPENDITURES		0.00	(600.00)	(785.14)	(15,895.05)	16,680.19	100.00



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

Memorandum

To: Downtown Development Authority Board

From: Jean Derenzy, DDA CEO
Harry Burkholder, DDA COO

Date: February 13, 2022

Re: Arts Commission Budget Amendment

The Arts Commission is poised to move forward with two remaining projects under the 2021/2022 budget year - an art installation at 16th Street (the second of the Art on the TART initiatives) and a Strategic Planning effort.

After reviewing the year-to-date budget, if we move forward with the two projects, I calculate that we will be \$9,721.78 over the 2021/2022 budget. Additional costs incurred for this budget year included an extension for the Robert Sestok sculptures, a GIS intern (whose costs were split with the city), higher than anticipated costs for signage and higher than anticipated costs for the strategic planning effort.

Based on the two remaining projects, I am suggesting the Arts Commission seek a budget amendment in the amount of \$12,000. This amount would include the \$9,721.78 needed to complete the two remaining projects as well as a 10% contingency. The budget amendment would be deducted from the current fund balance, which sits at roughly \$119,800.

The Arts Commission is scheduled to consider the budget amendment at their February 16th meeting. If approved by the DDA Board, the budget amendment would be submitted to the City Commission for their approval in March. The approval of the budget amendment will be needed prior to entering into a contract for the strategic planning effort.

Recommended Motion

That the Downtown Development Authority Board approve a budget amendment of \$12,000 for the Art Commission's 2021/2022 budget and submit a request for consideration of said budget amendment to the City Commission.



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

Memorandum

To: Downtown Development Authority Board

From: Gabe Schneider, DDA Chair

Date: February 11, 2022

SUBJECT: DDA Board Appointment to Farmers Market Advisory Board

Last month, in my memo making recommendations on DDA Board members to serve on various boards and committees, I erred and recommended that Steve Nance serve on the Farmers Market Advisory Board, despite his interest in serving on the Arts Commission instead. However, Michael Brodsky has expressed interest in serving on the Farmers Market Advisory Board and I would like to make this change to accommodate their interests.

Recommended Motion

That the DDA Board appoint Michael Brodsky to the Farmers Market Advisory Board, replacing Steve Nance.



**303 E. State Street
Traverse City, MI 49684
abby@downtowntc.com
231-922-2050**

Memorandum

To: Downtown Development Authority Board of Directors

From: Jean Derenzy, CEO

Date: February 13, 2022

Re: Informational Meeting

Per the requirements of the Recodified Tax Increment Finance Act, the DDA must hold two (2) informational meetings for each taxing jurisdiction levying taxes that is subject to capture by the Authority under this Act (MCL 125.4910(4)). Official notice for this meeting was sent to each taxing jurisdiction and posted on the DDA website and in the Record Eagle. The taxing jurisdictions include:

- City of Traverse City
- Grand Traverse County
 - Commission on Aging
 - Veterans
 - Animal Control
- Northwestern Michigan College
- Road Commission
- Recreational Authority
- BATA
- Soil Conservation District
- District Library

This informational meeting will include an overview of the approved budget for 2021/2022; a review of projects within each tax increment finance district and the capital improvement plan within each TIF district. I will have a PowerPoint presentation providing this overview.

Please note, this is not a public hearing, but rather an informational overview of the DDA budget and TIF Projects.



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

Memorandum

To: Downtown Development Authority Board

From: Jean Derenzy, DDA CEO

Date: February 13, 2022

Re: 2020/2021 Audit

The Finance Committee met in January to review and discuss the final 2020/2021 audit. The Finance Committee also requested that the full board receive a presentation on the results of the audit from the auditors. Doug Vredevelde, from Vredevelde Haefner will provide an overview of the audit to the board at our meeting.

Some of the highlights of the Audit:

- The Auditor's issued an unqualified (i.e. "clean") opinion on the financial statements.
- The Authority's total net position increased by \$1,133,568
- All accounting principles have been met.

The finance committee recommended approval of the audit as presented.

RECOMMENDATION:

That the DDA Board approve the annual audited financial statements for the Traverse City Downtown Development Authority for the year ending June 30, 2021.



CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City)

Annual Audited Financial Statements
For the Year Ended June 30, 2021

Prepared by City Treasurer's Office
Vredeveld Haefner LLC - Auditors

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the
City of Traverse City, Michigan)**

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Vredevelde Haefner LLC

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(616) 446-7474
Peter S. Haefner, CPA
(616) 460-9388

INDEPENDENT AUDITORS' REPORT

December 13, 2021

Members of the Board
City of Traverse City Downtown Development Authority
Traverse City, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Traverse City Downtown Development Authority (the Authority), a Component Unit of the City of Traverse City, Michigan, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the City of Traverse City Downtown Development Authority, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 and the information on pages 21 through 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2021 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

Wrodenold Haefner LLC

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

Management's Discussion and Analysis

As management of the *Downtown Development Authority* (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2021.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$5,791,834 (*net position*).
- The Authority's total net position increased by \$1,133,568.
- As of the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$5,286,387 an increase of \$1,366,003 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Authority's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Authority's governmental activity is economic development. The Authority has no business-type activities.

The government-wide financial statements include only the Authority itself. The Authority has no legally separate component units for which the Authority is financially accountable.

The government-wide financial statements can be found on pages 7-8 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority only has governmental funds. The Authority does not maintain enterprise or fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Authority maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for all three funds; the General Fund, TIF 97 and Old Town TIF Special Revenue Funds, each of which are considered to be major funds. The governmental funds financial statements can be found on pages 9-12 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-19 of this report.

Other Information

The Authority adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison schedules have been provided as required supplementary information to demonstrate compliance with those budgets.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$5,791,834 at the close of the most recent fiscal year.

Downtown Development Authority's Net Position

	<u>June 30</u>	
	<u>2021</u>	<u>2020</u>
Governmental Activities		
Current assets	\$ 8,112,202	\$ 6,762,704
Non Current assets	<u>120,756</u>	<u>120,756</u>
Total Assets	<u>8,232,958</u>	<u>6,883,460</u>
Long-term liabilities	46,523	55,122
Other liabilities	<u>2,394,601</u>	<u>2,170,072</u>
Total Liabilities	<u>2,441,124</u>	<u>2,225,194</u>
Net Position		
Net investment in capital	120,756	120,756
Restricted	4,820,294	3,865,826
Unrestricted	<u>850,784</u>	<u>671,684</u>
	<u>\$ 5,791,834</u>	<u>\$ 4,658,266</u>

The Authority's net position reflects its restricted net position for future expenditures within the guidelines of the tax increment finance district plans and unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Authority is able to report positive balances in both categories of net position.

The Authority's net position increased by \$1,133,568, key highlights are as follows:

- The increase in net position for 2021 compared to an increase of \$1,497,320 in 2020. Charges for services increased by approximately \$72,000 due in part to adjustment to the administrative service contracts with the DTCA and the City Parking System. Property taxes increased by approximately \$337,000 due in large part to a significant increase in the captured value of the TIF 97 plan and 2021 being the fourth year of capture for the Old Town TIF plan. The total expenses increased by approximately \$780,000, due to a \$500,000 increase in the amount the TIF 97 district contributed to district construction projects during 2021 compared to 2020 as well as smaller, expected increases in other expenditure items.

Downtown Development Authority's Changes in Net Position

	June 30	
	2021	2020
Governmental Activities		
Program revenues		
Charges for services	\$ 1,062,974	\$ 991,207
Operating grants	199,134	189,243
Capital grants	-	-
General revenues		
Property taxes	3,406,918	3,070,404
Unrestricted investment earnings	908	948
Total Revenue	4,669,934	4,251,802
Expenses		
Economic development	3,536,366	2,754,482
Change in net position	1,133,568	1,497,320
Net position beginning of year	4,658,266	3,160,946
Net position end of year	\$ 5,791,834	\$ 4,658,266

Financial Analysis of the Government's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Authority's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$5,286,387, an increase of \$1,366,003, in comparison with the prior year. \$4,389,080 is restricted and available only for spending for the benefit of the applicable TIF district.

The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$892,606. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 55 percent of total General Fund expenditures. During the current fiscal year, the fund balance of the Authority's General Fund increased by \$170,501 compared to an anticipated increase of \$43,200. The change in fund balance was attributed to actual expenditures being under the amended budget by approximately \$3,302,000, and actual revenues received being less than the budget by approximately \$3,175,000. In each instance the significant difference is related to the Civic Square project which was initially budgeted to be completed during fiscal year end 6/30/2021.

The TIF 97 Special Revenue Fund had a fund balance of \$3,866,612, which increased \$892,411 although anticipated to increase \$270,200. This difference was attributed to larger than anticipated Brownfield reimbursements related to the parking deck debt payments and actual expenditures being under budget

because of the timing of construction projects the district has committed funding to.

The Old Town TIF Special Revenue Fund has a fund balance of \$ 522,468, an increase of \$303,091, compared to a projected decrease of 99,000. The timing of district funded construction projects was the key factor in the increased fund balance for the Old Town TIF Fund there were \$12,372 actual contributions compared to a budgeted contribution of \$330,500.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Authority's budget for the 2021-22 fiscal year:

- Through a contract with the City of Traverse City, the Authority manages the Traverse City Parking Services. For fiscal year end June 30, 2022, the Authority budgeted an increase in the autoparking administrative reimbursement of \$28,000 to reflect increased staffing projections. Various capital improvements are planned in the TIF 97 Funds for the 2021-22 fiscal year including Uptown/West Front Riverwalk completion, a snowmelt system in parts of West Front Street, City Opera House upgrades, East Front Street Streetscapes and completion of the West Front, South Cass and Park Streets Bridge Replacements.
- A \$65,000 payment to the Downtown WiFi project will be made by TIF 97 annually through 2024.
- The Old Town TIF captured taxes for the fourth time during fiscal year end June 30, 2021. Projects pending or underway for Old Town TIF contributions include, South Cass and Eighth Street Bridge Replacements.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Authority's Executive Director, 303 State Street, Traverse City, Michigan.

FINANCIAL STATEMENTS

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Statement of Net Position
June 30, 2021**

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 7,517,865
Due from other governments	589,636
Prepaid items	4,701
Capital assets not being depreciated	<u>120,756</u>
Total assets	<u>8,232,958</u>
Liabilities	
Accounts payable	382,373
Accrued liabilities	31,509
Unearned Revenue	1,980,719
Accrued compensated absences	
Due in more than one year	<u>46,523</u>
Total liabilities	<u>2,441,124</u>
Net position	
Net investment in capital assets	120,756
Restricted for tax increment finance districts	4,820,294
Unrestricted (deficit)	<u>850,784</u>
Total net position	<u>\$ 5,791,834</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Statement of Activities
For the Year Ended June 30, 2021**

<u>Functions/ Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities	\$ 3,536,366	\$ 1,062,974	\$ 199,134	\$ (2,274,258)
General revenues				
Unrestricted property taxes				128,739
Restricted property taxes for tax increment finance districts				3,278,179
Unrestricted investment income				<u>908</u>
Total general revenues				<u>3,407,826</u>
Change in net position				1,133,568
Net position, beginning of year				<u>4,658,266</u>
Net position, end of year				<u>\$ 5,791,834</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Balance Sheet
Governmental Funds
June 30, 2021**

	<u>General Fund</u>	<u>TIF 97 Fund</u>	<u>Old Town TIF Fund</u>	<u>Total Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 3,059,008	\$ 3,991,378	\$ 467,479	\$ 7,517,865
Due from other governments	141,010	448,626	-	589,636
Due from other funds	216,035	304,283	138,100	658,418
Prepaid expenditures	4,701	-	-	4,701
Total assets	<u>\$ 3,420,754</u>	<u>\$ 4,744,287</u>	<u>\$ 605,579</u>	<u>\$ 8,770,620</u>
Liabilities, deferred inflows, and fund balances				
Liabilities				
Accounts payable	68,836	297,447	16,090	\$ 382,373
Accrued liabilities	31,509	-	-	31,509
Unearned revenue	1,980,719	-	-	1,980,719
Due to other funds	442,383	149,014	67,021	658,418
Total liabilities	<u>2,523,447</u>	<u>446,461</u>	<u>83,111</u>	<u>3,053,019</u>
Deferred inflows				
Unavailable revenue	-	431,214	-	431,214
Fund balances				
Nonspendable - prepaid expenditures	4,701	-	-	4,701
Restricted - tax increment finance districts	-	3,866,612	522,468	4,389,080
Unassigned	892,606	-	-	892,606
Total fund balances	<u>897,307</u>	<u>3,866,612</u>	<u>522,468</u>	<u>5,286,387</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 3,420,754</u>	<u>\$ 4,744,287</u>	<u>\$ 605,579</u>	<u>\$ 8,770,620</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Reconciliation of Fund Balances on the Balance Sheet for Governmental
Funds to Net Position of Governmental Activities on the
Statement of Net Position
June 30, 2021**

Fund balances - total governmental funds	\$ 5,286,387
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds	
Add: Capital Assets	120,756
Other noncurrent assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	
Add - unavailable revenue	431,214
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - accrued compensated absences	<u>(46,523)</u>
Net position of governmental activities	<u>\$ 5,791,834</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021**

	<u>General Fund</u>	<u>TIF 97 Fund</u>	<u>Old Town TIF Fund</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes	\$ 128,739	\$ 2,770,871	\$ 507,308	\$ 3,406,918
Grants and contributions	181,721	-	-	181,721
Reimbursements	1,434,564	258,447	-	1,693,011
Rental income	34,887	-	-	34,887
Interest income	908	1,813	394	3,115
Total revenues	<u>1,780,819</u>	<u>3,031,131</u>	<u>507,702</u>	<u>5,319,652</u>
Expenditures				
Economic development				
Salaries	741,084	-	-	741,084
Fringe benefits	242,136	-	-	242,136
Office supplies and utilities	105,175	15,584	-	120,759
Professional services	504,459	655,161	192,239	1,351,859
Travel and conferences	2,597	-	-	2,597
Repairs and maintenance	1,356	-	-	1,356
Rentals	13,511	-	-	13,511
Contributions to district construction projects	-	575,053	12,372	587,425
Contributions to other governments - debt service	-	892,922	-	892,922
Total expenditures	<u>1,610,318</u>	<u>2,138,720</u>	<u>204,611</u>	<u>3,953,649</u>
Net change in fund balance	170,501	892,411	303,091	1,366,003
Fund balance, beginning of year	<u>726,806</u>	<u>2,974,201</u>	<u>219,377</u>	<u>3,920,384</u>
Fund balance, end of year	<u>\$ 897,307</u>	<u>\$ 3,866,612</u>	<u>\$ 522,468</u>	<u>\$ 5,286,387</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2021**

Net changes in fund balances - total governmental funds	\$ 1,366,003
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Noncurrent assets recorded on the fund statements are not available to fund current year operations and are unavailable in the funds.	
Deduct - payments received on long-term receivables due from other governments	(241,034)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Add - decrease in compensated absences	<u>8,599</u>
Change in net position of governmental activities	<u>\$ 1,133,568</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Notes to Financial Statements
For the Year Ended June 30, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Downtown Development Authority (the "Authority"), a discrete component unit of the City of Traverse City (the "City"), was created in September 1978 by the City Commission pursuant to Act No. 197 of the Public Acts of 1975 of the State of Michigan. It operates through a Board of Trustees (the "Board") consisting of the Mayor of the City of Traverse City and eleven members approved by the City Commission. The purpose of the Authority is to correct and prevent deterioration of the Downtown Development District, encourage historic preservation, create and implement development plans, and promote economic growth.

The Authority is a component unit of the City because the City appoints the Authority's Board of Directors, it has the ability to significantly influence the Authority's operations and it is financially accountable for the Authority as defined under GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39 and No. 61. Accordingly, the Authority is presented as a discretely presented component unit in the City's financial statements.

Government-wide and Fund Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Authority has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation – The government-wide financial information is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the years for which they are levied.

**CITY OF TRAVERSE CITY
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**Notes to Financial Statements
For the Year Ended June 30, 2021**

Governmental fund financial information is reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service and compensated absences expenditures are recorded only when payment is due. Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Authority reports the following major governmental funds:

The *General Fund* is the Authority's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund.

The *TIF 97 and Old Town TIF Special Revenue Funds* account for financial resources that are legally restricted for activities within specific districts of the Downtown Development Authority.

Capital Assets – The Authority has capitalized one asset, a parcel of land purchased by the Authority for which it holds legal ownership. Infrastructure assets (e.g., roads, bridges, curbs, sidewalks, storm sewers and similar items), along with water and wastewater subsystems, constructed by the Authority are not recorded as the Authority's capital assets, even though the Authority may be obligated to repay the debt issued to finance the related projects. Such capital assets become the property of the City when they are placed into service and, accordingly, are then reported as the City's capital assets.

Deferred outflows/inflows of resources – In addition to assets, the statement of net position and the governmental funds balance sheet, when applicable, will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position/fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Authority does not report deferred outflows of resources.

In addition to liabilities, the statement of net position when applicable will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. Currently, the Authority reports deferred inflow of resources for unavailable revenue related to a long term

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
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**Notes to Financial Statements
For the Year Ended June 30, 2021**

commitment from the Grand Traverse County Brownfield Authority.

Accrued compensated absences - Employees are granted Sick Leave and Paid Time Off. **Sick Leave:** Employees hired before June 30, 2020 may have accumulated Sick Leave time. As of July 1, 2020, Sick Leave time will no longer accumulate. Sick Leave balances will be accessible and payable upon separation up to 480 hours until June 30, 2022. After 2022, Sick Leave pay banks and balances will be eliminated. **Paid Time Off:** If Paid Time Off is not used before the anniversary date, a maximum of 40 hours is eligible for rollover into the next work year and accumulation in the PTO “bucket.” Unused PTO above 40 hours that remains on the anniversary date will be forfeited. The maximum payout upon separation will be 40 hours. The estimated amount due to employees as of June 30, 2021 is accrued in the government-wide financial statements.

Fund Balance – In the fund financial statements, governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of the resource by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can be used for specific purposes pursuant to constraints imposed by formal action of the Authority’s highest level of decision making authority, the Authority’s Board of Directors. A formal resolution by the Authority’s Board of Directors is required to establish, modify or rescind a fund balance commitment. Assigned fund balance is reported for amounts intended for specific purposes expressed and assigned by the governing body. Unassigned fund balance is the residual classification for the General Fund.

Net Position and Fund Balance Flow Assumptions – Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. CASH AND CASH EQUIVALENTS

Michigan Compiled Laws, Section 129.91 authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The Authority is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers’ acceptance of United States banks; commercial paper rated

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
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**Notes to Financial Statements
For the Year Ended June 30, 2021**

within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Authority's deposit and investment policy is in accordance with statutory authority.

The Authority's cash and cash equivalents are cash on hand and demand deposits with a bank. The Authority's cash and cash equivalents are comprised of bank deposits with a balance of \$7,517,261, cash held on deposit of \$56 and petty cash of \$548 at June 30, 2021.

Custodial credit risk - deposits

Custodial risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The State does not require and the Authority has not adopted a policy regarding custodial credit risk. The above deposits were reflected in the accounts of the bank (without recognition of checks written but not yet cleared, or of deposits in transit) at \$7,623,548. The Federal Deposit Insurance Corporation insures \$250,000 and the remainder of \$7,373,548 is uninsured and not collateralized.

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable are related to vendors and construction projects and includes \$237,552 due to the City of Traverse City related to contributions the DDA has committed for TIF eligible construction projects and \$5,212 due to the City for insurance reimbursements. Accrued liabilities in the governmental activities consist of accrued payroll liabilities.

4. RECEIVABLES / UNAVAILABLE REVENUE

The General Fund reports \$67,461 of receivables from the City of Traverse City related to parking system administration. Governmental funds reported unavailable revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. This unavailable revenue consists of taxes that will be captured in the future by the Brownfield tax districts to reimburse for costs incurred in this and past fiscal years for economic development. At the end of the current fiscal year, the various components of unavailable revenue amounted to \$431,214.

5. INTERFUND PAYABLES AND RECEIVABLES

Expenses payable from the TIF 97 special revenue funds to the General Fund at June 30, 2021 netted to \$48,290. In addition, \$3,500 is due from the Old Town TIF fund to the General Fund for reimbursement of vendor payments made by the General Fund. TIF 97 reported amounts receivable from the General Fund including \$11,969 related to prior year

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
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**Notes to Financial Statements
For the Year Ended June 30, 2021**

adjustments, and \$292,314 related to brownfield reimbursements and property tax collections that were deposited into the General Fund bank account and were not transferred to the TIF 97 bank account as of 6/30/2021. Old Town TIF reported amounts receivable from the General Fund of \$82,379 related to prior year administrative fee adjustments and \$55,721 related to property tax collections deposited into the General Fund bank account and not transferred to the Old Town TIF bank account as of 6/30/2021.

6. ACCRUED COMPENSATED ABSENCES

Changes in accrued compensated absences consist of the following:

	<u>Balance</u> <u>07/01/20</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/21</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Accrued compensated absences	\$55,122	\$ 10,020	\$ 18,619	\$46,523	\$ -

Compensated absences are liquidated by the General Fund.

7. COMMITMENTS

The 2017 City of Traverse City Downtown Development Tax Exempt Refunding Bonds are reported on the City of Traverse City financial statements. The Authority has pledged tax increment revenues for the payment of these bonds. The City has pledged its limited tax full faith and credit for the payment of the principal and interest on the bonds. The following are the obligations, including interest, expected to be paid from the collection of tax increment revenues in the Tax Increment Financing and Development Plan No. 97.

<u>Fiscal Year</u> <u>End</u>	<u>Amount</u>
2022	\$ 931,504
2023	973,160
2024	953,440
2025	913,720
2026	874,459
2027-28	1,608,198
Total	<u>\$6,254,481</u>

The Authority has committed to assist the City with various infrastructure related projects within their boundaries including bridge repairs, streetscapes and river walk improvements. The estimated Authority commitment for projects that have started is \$1,069,910 at June 30, 2021. The Authority will pay these commitments using district eligible TIF captured funds.

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Notes to Financial Statements
For the Year Ended June 30, 2021**

8. PROPERTY TAXES

The Authority's property taxes are levied each July 1 on the taxable valuation of applicable property located in the Districts of the Authority as of the preceding December 31, the lien date. Property taxes are payable without penalty and interest through July 31 and unpaid taxes become delinquent if not paid by March 1 of the succeeding year. Assessed values as established annually by the City, and subject to acceptance by the County, are equalized by the State at an estimated 50 percent of the assessed value. The taxable value for real and personal property for the Authority for the 2020 levy was \$205,870,771. The Authority's general operating tax rate for fiscal year 2020-21 was 1.64310 mills.

Property tax revenue for the TIF's, which are included in the Downtown Development Authority, is derived pursuant to the tax increment financing development plans. The Old Town TIF tax increment financing development plan captured its first taxes during the fiscal year end June 30, 2018. Real and personal property taxes are levied and attach as an enforceable lien on properties located within the boundaries of the tax increment financing districts. The City bills and collects the taxes on behalf of the Authority. Delinquent taxes on ad valorem real property at March 1 are purchased and collected by Grand Traverse County. Collection of delinquent personal property tax remains the responsibility of the City of Traverse City. Property tax revenue is recognized when levied in the government-wide financial statements and in the fund financial statements to the extent that it results in current receivables.

Except for property taxes captured from local schools that exceed contractual obligations, the Authority is entitled to all taxes levied on property within the tax increment financing authority districts to the extent that the current taxable value exceeds the base year taxable value. The base year of initial properties was 1997 for TIF 97 (\$32,860,088). The base year on other properties is determined by the date of entry into the district. The fiscal year 2020-21 captured taxable values for TIF 97 was \$140,309,012. The base year of initial properties was 2017 for Old Town TIF (\$45,424,382). The base year on other properties is determined by the date of entry into the district. The fiscal year 2020-21 captured taxable values for Old Town TIF was \$65,196,404.

9. ADMINISTRATIVE SERVICES REVENUE

The Authority entered into a contract with the Downtown Traverse City Association (a non-for-profit organization). The Authority provides office space and administrative services to the association for an annual fee of \$70,530.

The Authority entered into a contract on June 19, 2003 with the City of Traverse City in which the Authority will operate and manage the Traverse City Parking Services for an annual fee. The fiscal year end June 30, 2021 fee of \$772,100 is billed monthly at \$64,342.

**CITY OF TRAVERSE CITY
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**Notes to Financial Statements
For the Year Ended June 30, 2021**

The Authority's General Fund is reimbursed an administrative fee for indirect cost from the TIF 97 Fund as approved in the budget. The fee assessed is .2% of the TIF district's total taxable value. The Old Town TIF also reimburses the General Fund at .2% of the districts total taxable value. The revenue recorded in the General Fund and expenditures in the TIF Fund are eliminated in the government wide financial statements. Income from the administrative fee for the year ended June 30, 2021 was \$408,684.

10. RISK OF LOSS

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority is covered for these risks via the Michigan Municipal Liability and Property Pool, Michigan Municipal Workers Compensation Insurance Fund and commercial health insurance. There has been no significant reduction in insurance coverage from the prior year and settlements have not exceeded insurance coverage for the past three fiscal years.

11. DEFERRED COMPENSATION PLAN

The Authority sponsors the Traverse City Downtown Development Authority Deferred Compensation Plan created in accordance with the Internal Revenue Code Section 457. The administrator of the plan is ICMA Retirement Corporation. The plan is available to all employees. The Authority contributes 4% of eligible employees gross wages; participants may also contribute and the Authority will match the employee's deferral up to 6% percent. Plan provision and contribution requirements can only be amended by resolution of the Board of Directors. In fiscal year 2021 the Authority contributed \$61,267 and the employees contributed \$58,086 to this plan.

12. SUBSEQUENT EVENT

On November 15, 2021 the DDA closed on the purchase of property that will be used as the location of the new Civic Square project. The total purchase price was \$1,750,000 and was funded via the use of grant funds provided by the Michigan Economic Development Commission.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
General Fund
For the Year Ended June 30, 2021**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 133,000	\$ 133,000	\$ 128,739	\$ (4,261)
Grants and contributions	3,450,000	3,450,000	181,721	(3,268,279)
Reimbursements	1,332,000	1,332,000	1,434,564	102,564
Rental income	40,000	40,000	34,887	(5,113)
Interest income	500	500	908	408
Total revenues	<u>4,955,500</u>	<u>4,955,500</u>	<u>1,780,819</u>	<u>(3,174,681)</u>
Expenditures				
Economic development				
Salaries	917,600	917,600	741,084	176,516
Fringe benefits	308,900	308,900	242,136	66,764
Office supplies and utilities	41,800	41,800	105,175	(63,375)
Professional services	169,000	169,000	504,459	(335,459)
Travel and conferences	25,000	25,000	2,597	22,403
Repairs and maintenance	3,000	3,000	1,356	1,644
Rentals	9,000	9,000	13,511	(4,511)
Capital outlay	<u>3,438,000</u>	<u>3,438,000</u>	<u>-</u>	<u>3,438,000</u>
Total expenditures	<u>4,912,300</u>	<u>4,912,300</u>	<u>1,610,318</u>	<u>3,301,982</u>
Net change in fund balance - revenues over (under) expenditures	43,200	43,200	170,501	127,301
Fund balance, beginning of year	<u>726,806</u>	<u>726,806</u>	<u>726,806</u>	<u>-</u>
Fund balance, end of year	<u>\$ 770,006</u>	<u>\$ 770,006</u>	<u>\$ 897,307</u>	<u>\$ 127,301</u>

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Special Revenue Fund - TIF 97
For the Year Ended June 30, 2021**

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 2,872,500	\$ 2,872,500	\$ 2,770,871	\$ (101,629)
Reimbursements	130,000	130,000	258,447	128,447
Interest income	<u>4,500</u>	<u>4,500</u>	<u>1,813</u>	<u>(2,687)</u>
Total revenues	<u>3,007,000</u>	<u>3,007,000</u>	<u>3,031,131</u>	<u>24,131</u>
Expenditures				
Economic development				
Office supplies and utilities	15,200	15,200	15,584	(384)
Professional services	774,600	774,600	655,161	119,439
Contributions to district construction projects	1,053,500	1,053,500	575,053	478,447
Contributions to other governments - debt service	<u>893,500</u>	<u>893,500</u>	<u>892,922</u>	<u>578</u>
Total expenditures	<u>2,736,800</u>	<u>2,736,800</u>	<u>2,138,720</u>	<u>598,080</u>
Net change in fund balance - revenues over (under) expenditures	270,200	270,200	892,411	622,211
Fund balance, beginning of year	<u>2,974,201</u>	<u>2,974,201</u>	<u>2,974,201</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,244,401</u>	<u>\$ 3,244,401</u>	<u>\$ 3,866,612</u>	<u>\$ 622,211</u>

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Special Revenue Fund - Old Town TIF
For the Year Ended June 30, 2021**

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 447,800	\$ 447,800	\$ 507,308	\$ 59,508
Interest income	100	100	394	294
Total revenues	<u>447,900</u>	<u>447,900</u>	<u>507,702</u>	<u>59,802</u>
Expenditures				
Economic development				
Professional services	216,400	216,400	192,239	24,161
Contributions to district construction projects	<u>330,500</u>	<u>330,500</u>	<u>12,372</u>	<u>318,128</u>
Total expenditures	<u>546,900</u>	<u>546,900</u>	<u>204,611</u>	<u>342,289</u>
Net change in fund balance - revenues over (under) expenditures	(99,000)	(99,000)	303,091	402,091
Fund balance, beginning of year	<u>219,377</u>	<u>219,377</u>	<u>219,377</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 120,377</u></u>	<u><u>\$ 120,377</u></u>	<u><u>\$ 522,468</u></u>	<u><u>\$ 402,091</u></u>

**CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT AUTHORITY
(A Component Unit of the City of Traverse City, Michigan)**

Notes to Required Supplementary Information

1. BUDGETARY INFORMATION

The general and special revenue funds are under formal budgetary control and their budgets are prepared on the same modified accrual basis of accounting used to reflect actual results. The Authority follows the City's budget process in establishing the budgetary data reflected in the financial statements:

- The Authority submits a proposed budget to the City Manager. After review and approval, the City Manager submits a recommended operating budget to the City Commission. Public hearings are held to obtain taxpayer comments. The budget is legally adopted through a City Commission resolution prior to the beginning of the budgetary year for the Authority's funds. The budget is then adopted by the Authority's Board.
- The budget is adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted or amended by the City Commission during the year.
- The budget document presents information by fund, function and activity. The legal level of budgetary control adopted by the governing board is the fund level, which is the level at which expenditures may not legally exceed appropriations.

INTERNAL CONTROL AND COMPLIANCE



Vredevelde Haefner LLC

CPAs and Consultants
10302 20th Avenue
Grand Rapids, MI 49534
Fax (616) 828-0307

Douglas J. Vredevelde, CPA
(616) 446-7474
Peter S. Haefner, CPA
(616) 460-9388

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

December 13, 2021

Members of the Board
City of Traverse City Downtown Development Authority
Traverse City, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Traverse City Downtown Development Authority (the Authority), a Component Unit of the City of Traverse City, Michigan, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 13, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ordevelde Haefner LLC



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

Memorandum

To: Downtown Development Authority Board

From: Jean Derenzy, DDA CEO

Date: February 13, 2022

Subject: 2022 Bridge Work and Downtown Capital Improvements

To keep the board up-to-date on the progress of downtown bridge construction for 2022 City Engineer has prepared a power-point presentation that outlines the timing and unique design components for each bridge.

Anticipated 2022 Bridge Construction Timeline

- West Front Street Bridge: Completion timeline is fluid at this point (August is anticipated)
- North Cass Street Bridge: Start Date TBD (possibly closed over winter months)
- South Union Street Bridge: Start Date TBD (possibly closed over winter months)
- South Cass Street Bridge Railings: Spring

In addition, the city will be working on substantial infrastructure improvements along the 100 and 200 block alley (of Front Street) – see anticipated timeline below.

100 & 200 Block Alley (Front Street) Construction Timeline

- Sewer Realignment (100 Block): November 2022
- New Sheet Piling Wall and Infill (200 Block): December 2022

***Alley access will be maintained during bridge and alley construction**

When reviewing the bridge projects, it is important to also review and understand the timing of the Grandview Parkway Project, which will occur throughout the Spring – Fall of 2023.

MDOT Grandview Parkway Reconstruction (Spring – Fall of 2023)

Project Scope: From Garfield to Division

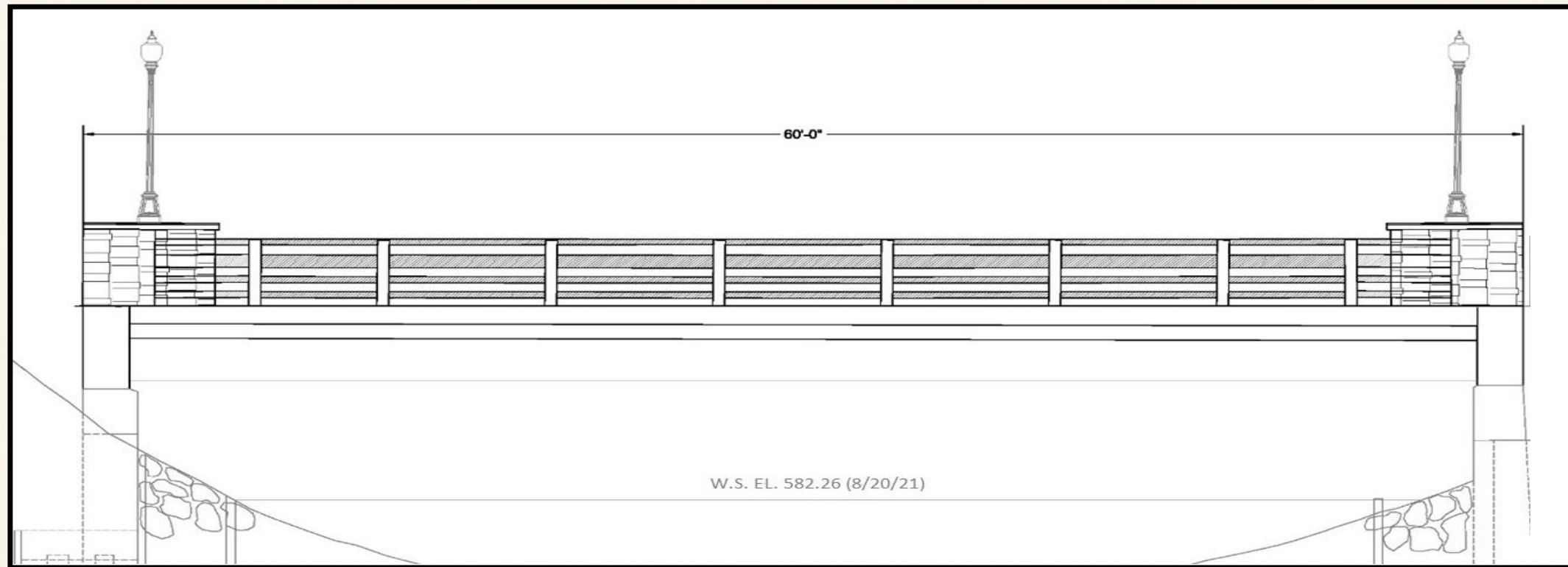
Construction Timeline:

- Section One. Garfield Road to East Front Street: Spring through early July
- Section Two. East Front Street to Division: July through the Fall

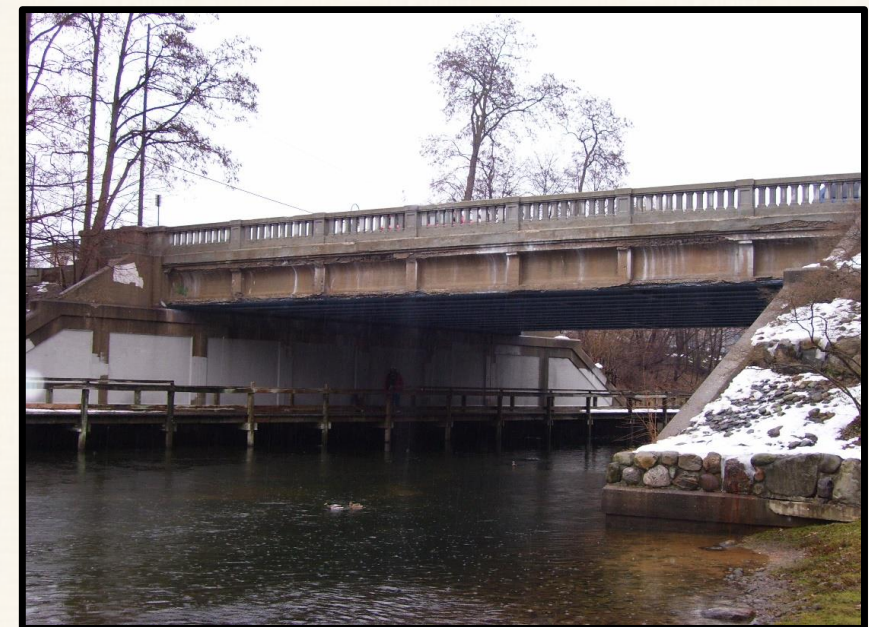
Notable Improvements (*note: final construction documents are not completed, improvements are subject to modification*)

- A new “T” intersection (and traffic signal) at East Front Street intersection with pedestrian crossing
- A new dedicated left-turn lane at Park Street
- A protected pedestrian crossing at Division
- A new dedicated left-turn lane at Hall Street
- A new vegetative median along the Open Space

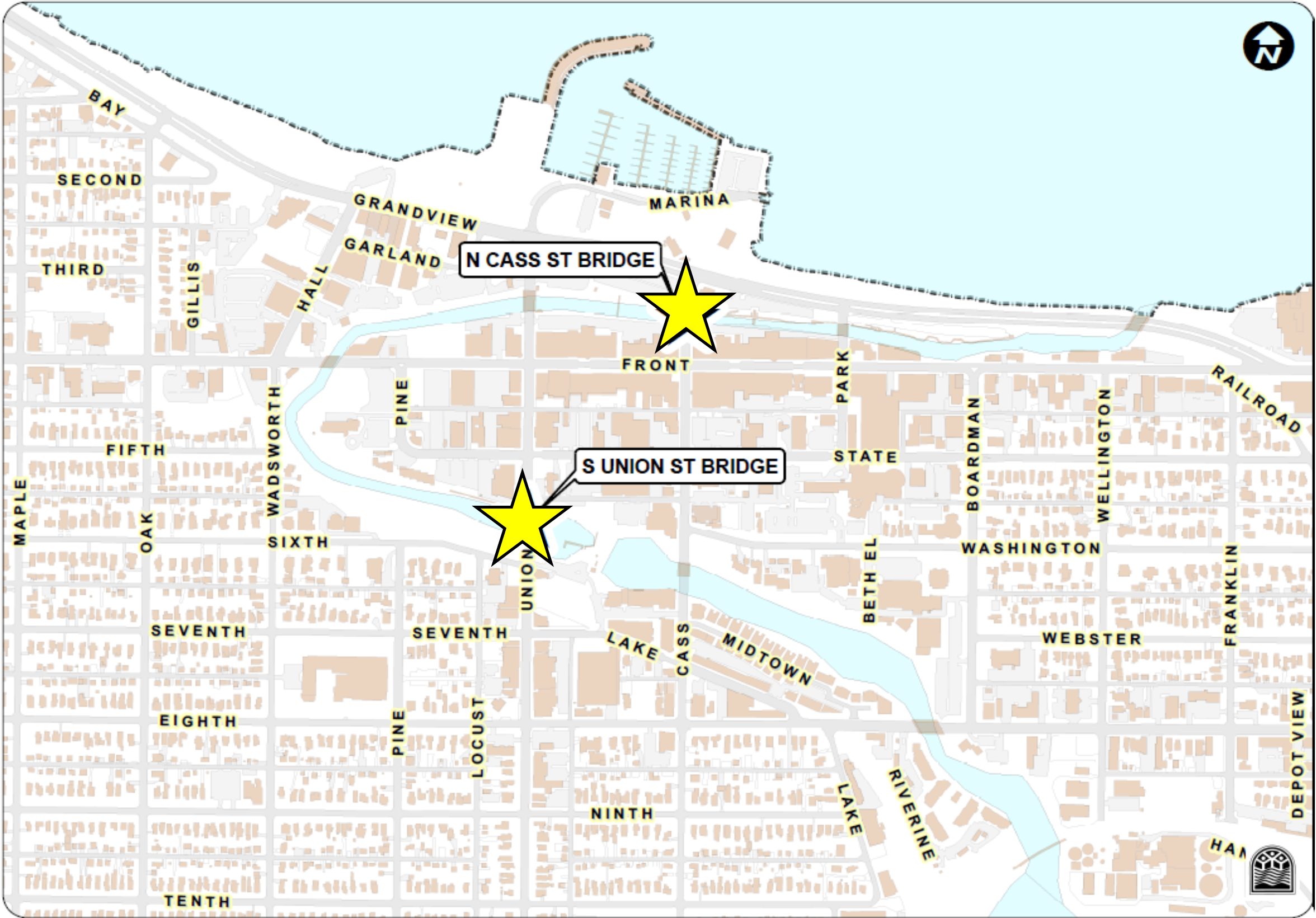
City Engineering Department



BRIDGE PROJECTS UPDATE 2022



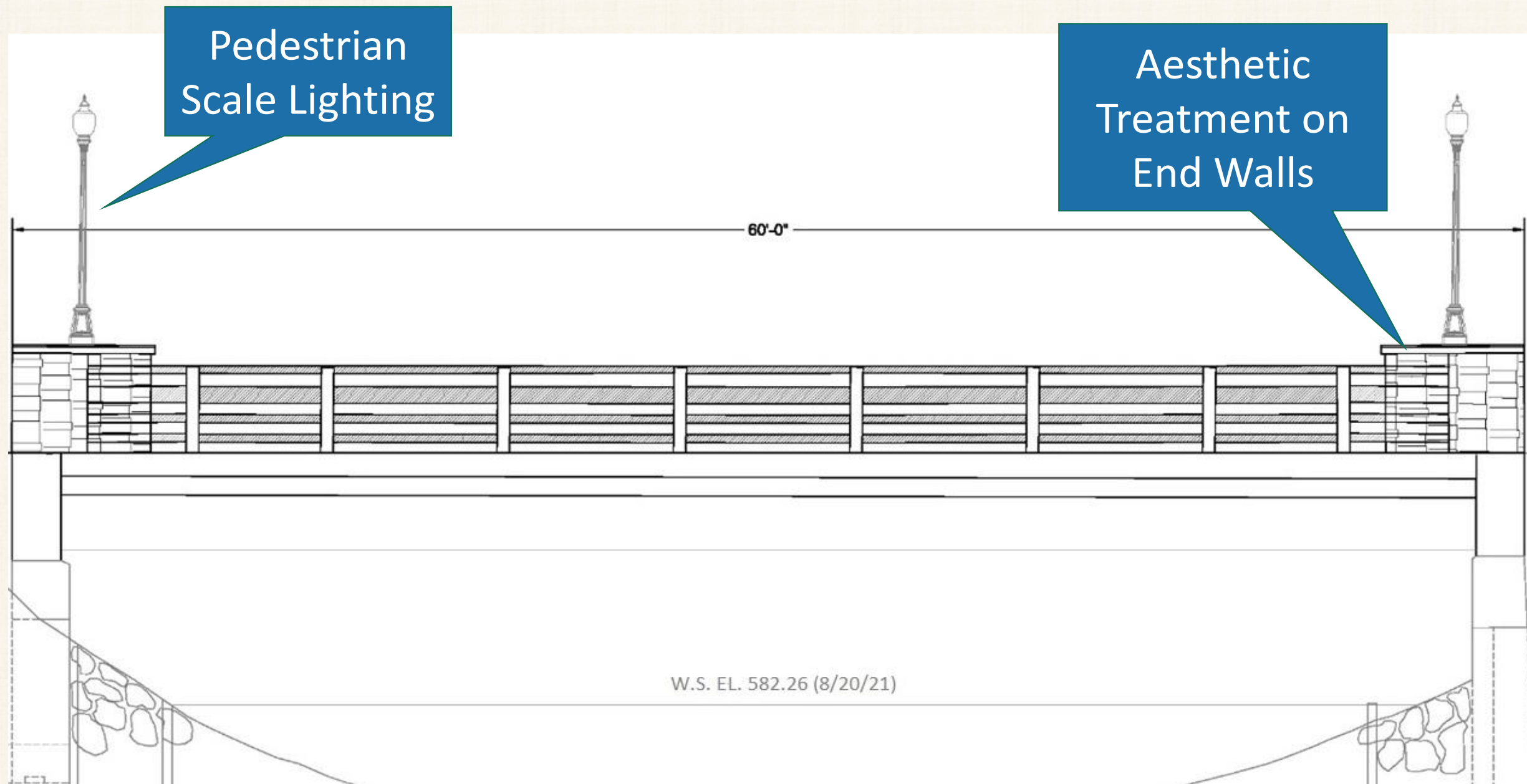
2022 Bridge Project Locations



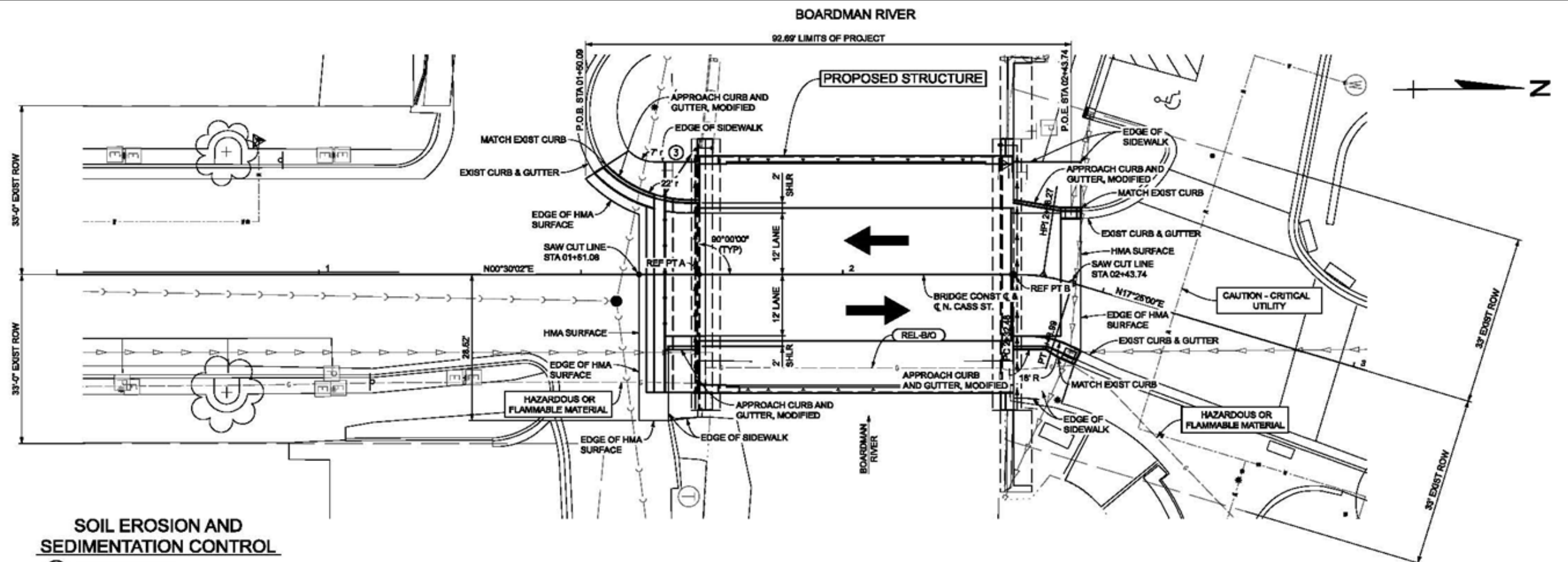
North Cass Street Bridge

- Current cost estimate is \$800,000
- Work includes replacement of existing sidewalk, deck, concrete beams and railing
- Construct steel beam supported concrete deck and concrete sidewalk on the existing foundation
- Widen sidewalks from 5' to 8'-7.5"
- MDOT crash tested/approved bridge railing detail painted black with aesthetic treatment at ends
- Add pedestrian scale lighting

North Cass Street Bridge

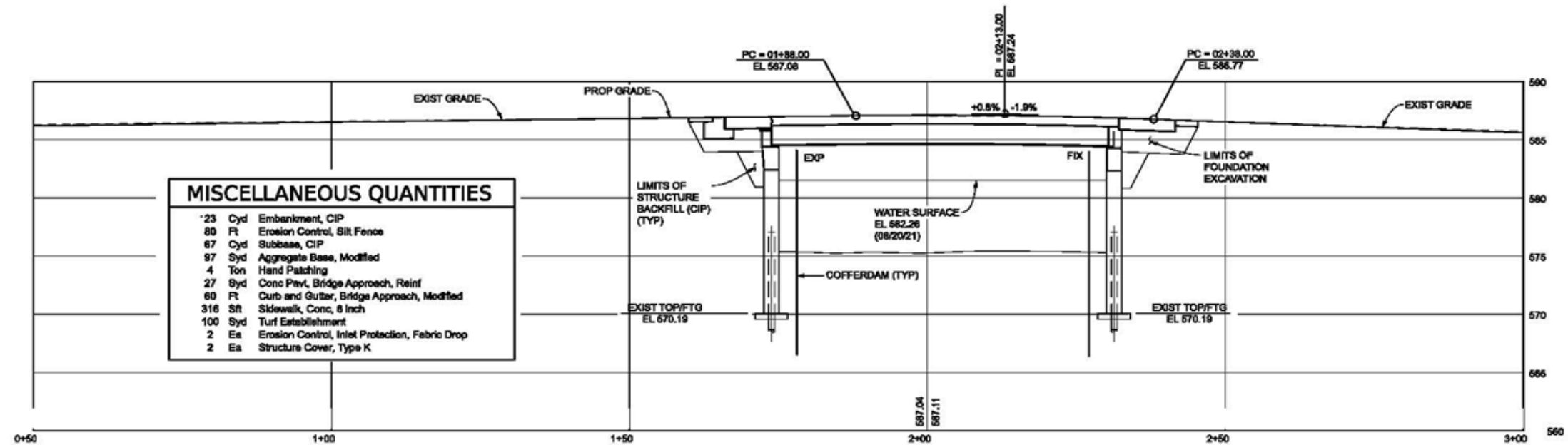



NORTH CASS STREET

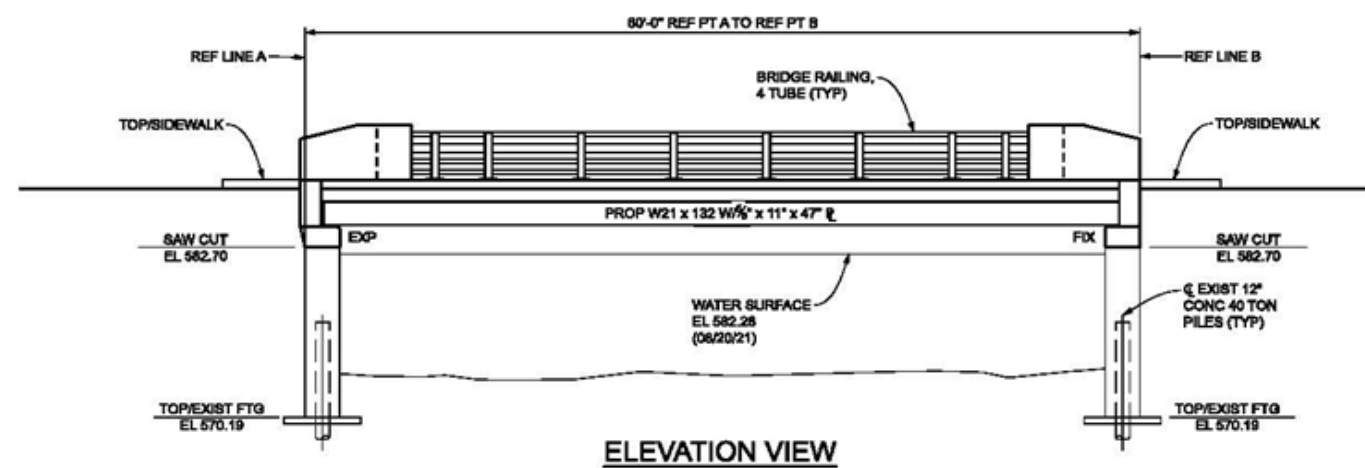
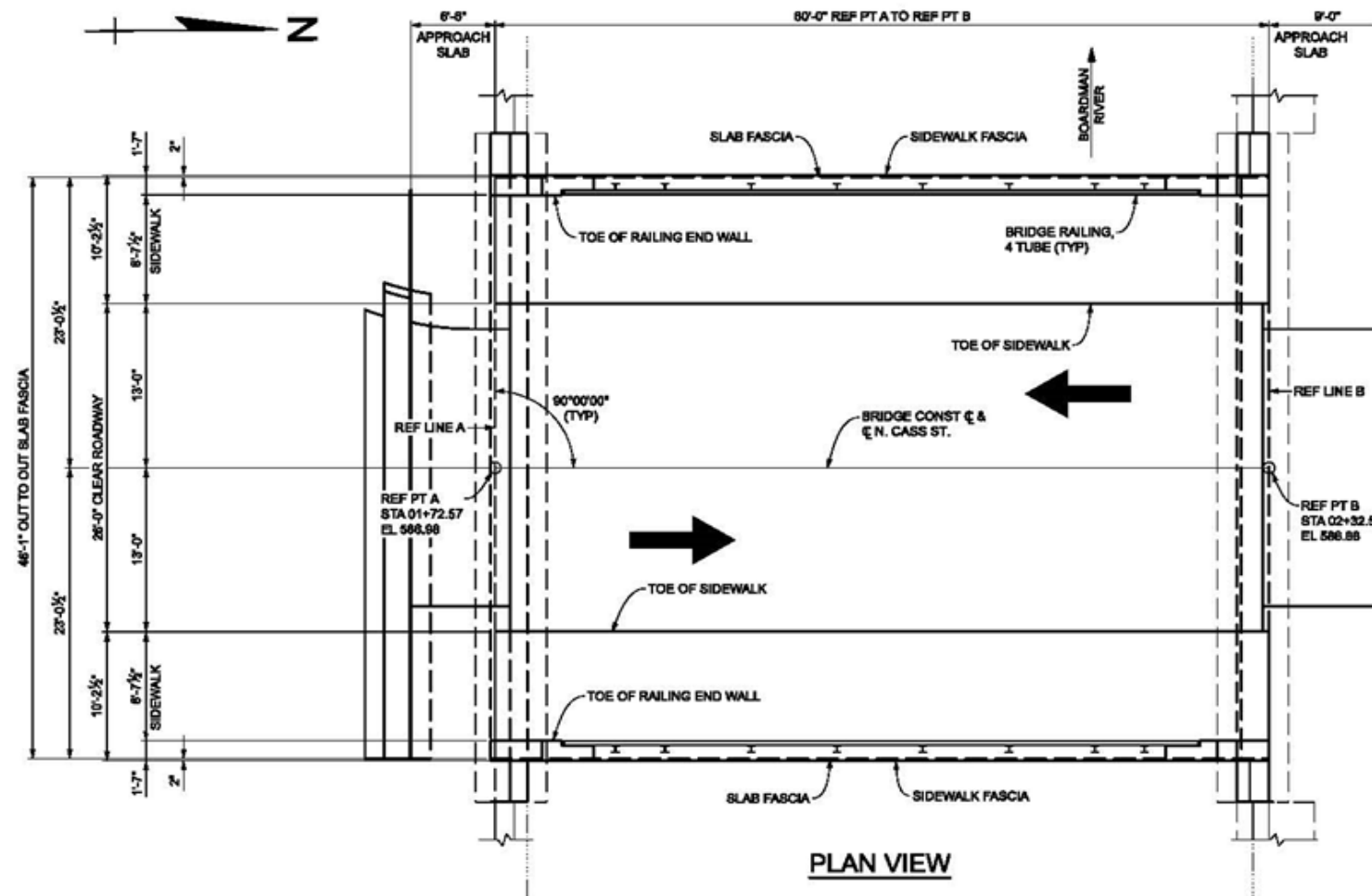


SOIL EROSION AND SEDIMENTATION CONTROL

③ - PERMANENT SEEDING



FINAL ROW PLAN REVISIONS								SUBMITTAL DATE:				 GREAT LAKES ENGINEERING GROUP, LLC				 VERT. (FT) 0 10 0 20 HORZ. (FT)		DRAWN BY: JLS		DATE:		REVISIONS: 12/14/21		CS:		CONSTRUCTION SHEET P.O.B. TO P.O.E.				DRAWING		SHEET																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
NO.	DATE	AUTH	DESCRIPTION				NO.	DATE	AUTH	DESCRIPTION								CHECKED BY: CJC		DESIGN UNIT: GLEG		JN:		1021-2-769		NORTH CASS STREET OVER BOARDMAN RIVER						SECT 1																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						



MISCELLANEOUS QUANTITIES

1	LS	Structures, Ram Portions (SN 3077)
39	Cyd	Backfill, Structure, CIP
117	Cyd	Excavation, Fdn
2	Ea	Erosion Control, Filter Bag
156	Fl	Underdrain, Fdn, 4 inch
20	Fl	Underdrain Outlet, 4 inch
2	Ea	Underdrain, Outlet Ending, 4 inch
4925	Sft	False Decking

NOTES:

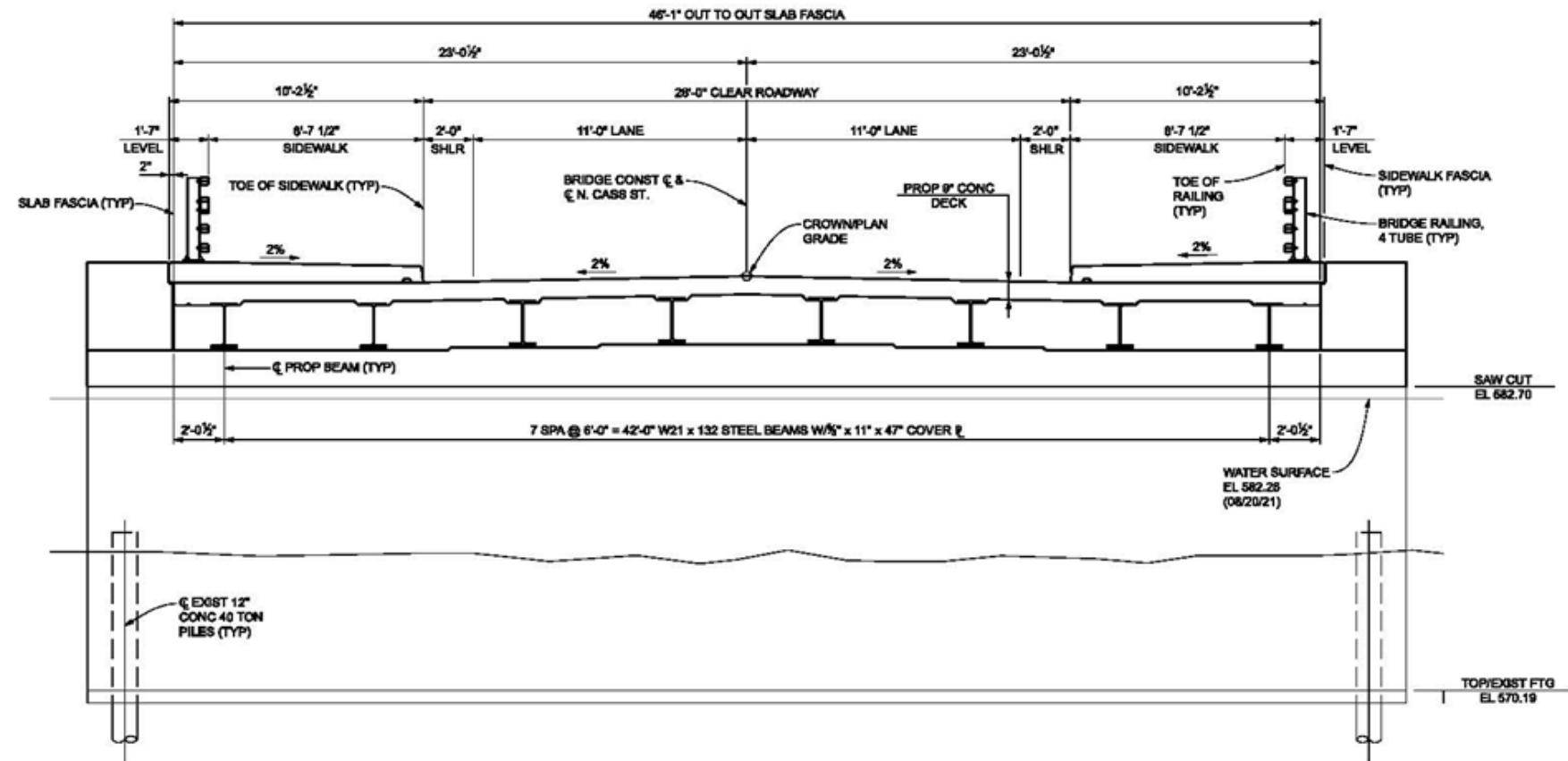
THE DESIGN OF THE DECK SLAB IS BASED UPON THE STRIP METHOD AS DEFINED IN THE CURRENT AASHTO LRFD BRIDGE DESIGN SPECIFICATION.

MEASURES SHALL BE TAKEN TO PREVENT DEBRIS FROM FALLING FROM THE STRUCTURE. IF DEBRIS FALLS INTO THE WATERWAY, IT SHALL BE REMOVED WITHIN 24 HOURS. SINCE DISTURBANCE OF THE WATERWAY BOTTOM MAY BE AS HARMFUL AS THE DEBRIS ITSELF, THE PREVENTIVE MEASURES MUST BE EFFECTIVE.

DO NOT USE WHEELED, ROLLER BASED OR MACHINE MOUNTED COMPACTION EQUIPMENT TO COMPACT THE SUBGRADE, SUBBASE, AND BASE WITHIN 10' OF THE SLEEPER SLAB AFTER IT IS BUILT. USE ONLY HAND/PLATE COMPACTORS. CONTACT PRESSURE OF COMPACTION EQUIPMENT SHALL NOT EXCEED 10 PSI.

FALSE DECKING SHALL INCLUDE THE AREA BOUNDED BY REFERENCE LINES A & B AND OUTSIDE FLANGE FASCIA OF BEAMS A & J. THE ESTIMATED AREA IS 2160 SQUARE FEET DURING REMOVAL AND 2785 SQUARE FEET DURING PROPOSED CONSTRUCTION.

FINAL ROW PLAN REVISIONS				SUBMITTAL DATE:				NO SCALE	DRAWN BY: JLS	DATE:	REVISIONS: 12/14/21	CS:	GENERAL PLAN OF STRUCTURE	DRAWING SHEET
NO.	DATE	AUTH	DESCRIPTION	NO.	DATE	AUTH	DESCRIPTION							
									CHECKED BY: CJC	DESIGN UNIT: GLEG		JN:	NORTH CASS STREET OVER BOARDMAN RIVER	SECT 1
									FILE: 769 at.dgn	TSC: TRAVERSE CITY		1021-2-769	CITY OF TRAVERSE CITY, MICHIGAN	22



TYPICAL DECK SECTION

FINAL ROW PLAN REVISIONS				SUBMITTAL DATE:												DRAWING SHEET	
NO.	DATE	AUTH	DESCRIPTION	NO.	DATE	AUTH	DESCRIPTION										

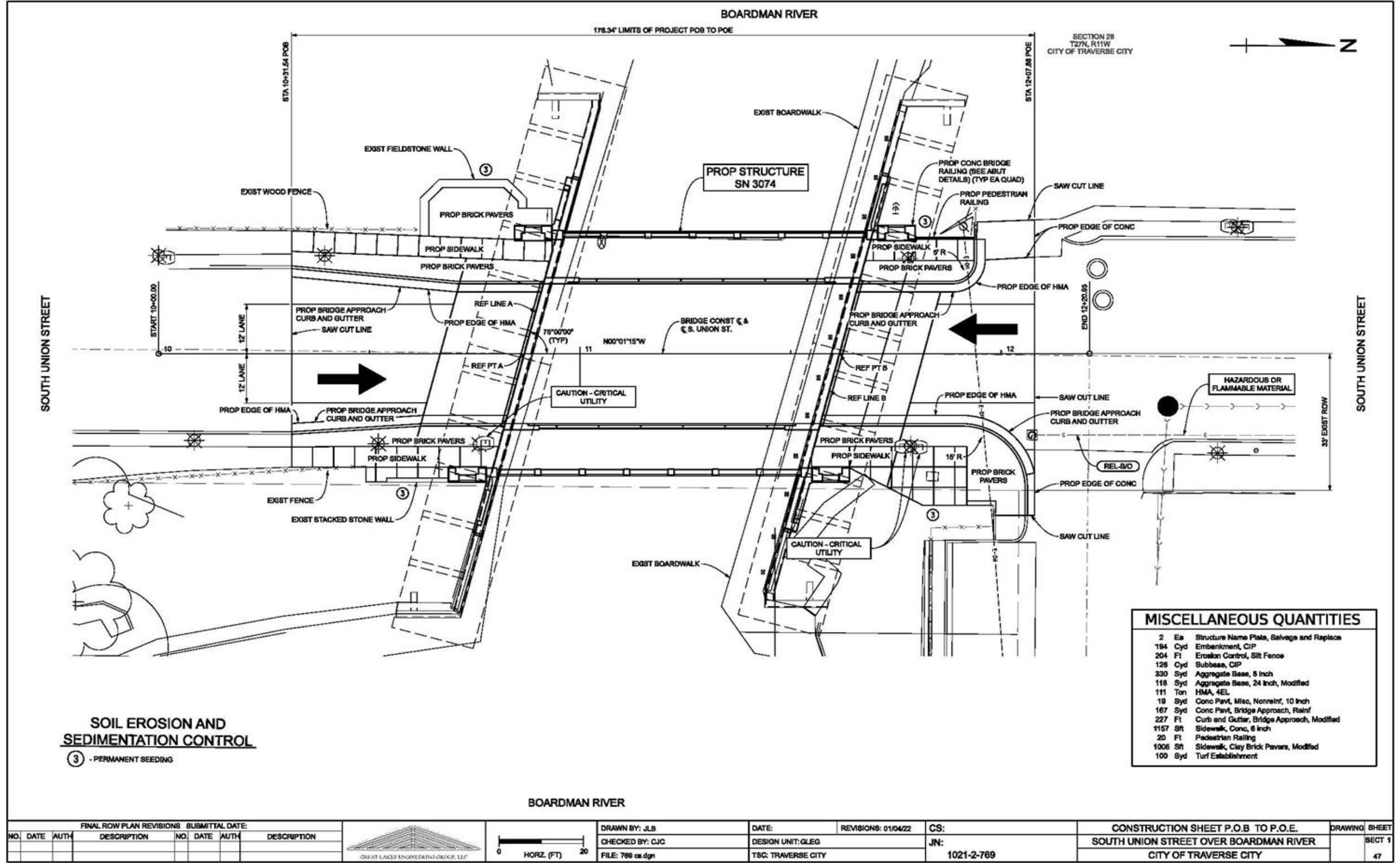


NO SCALE

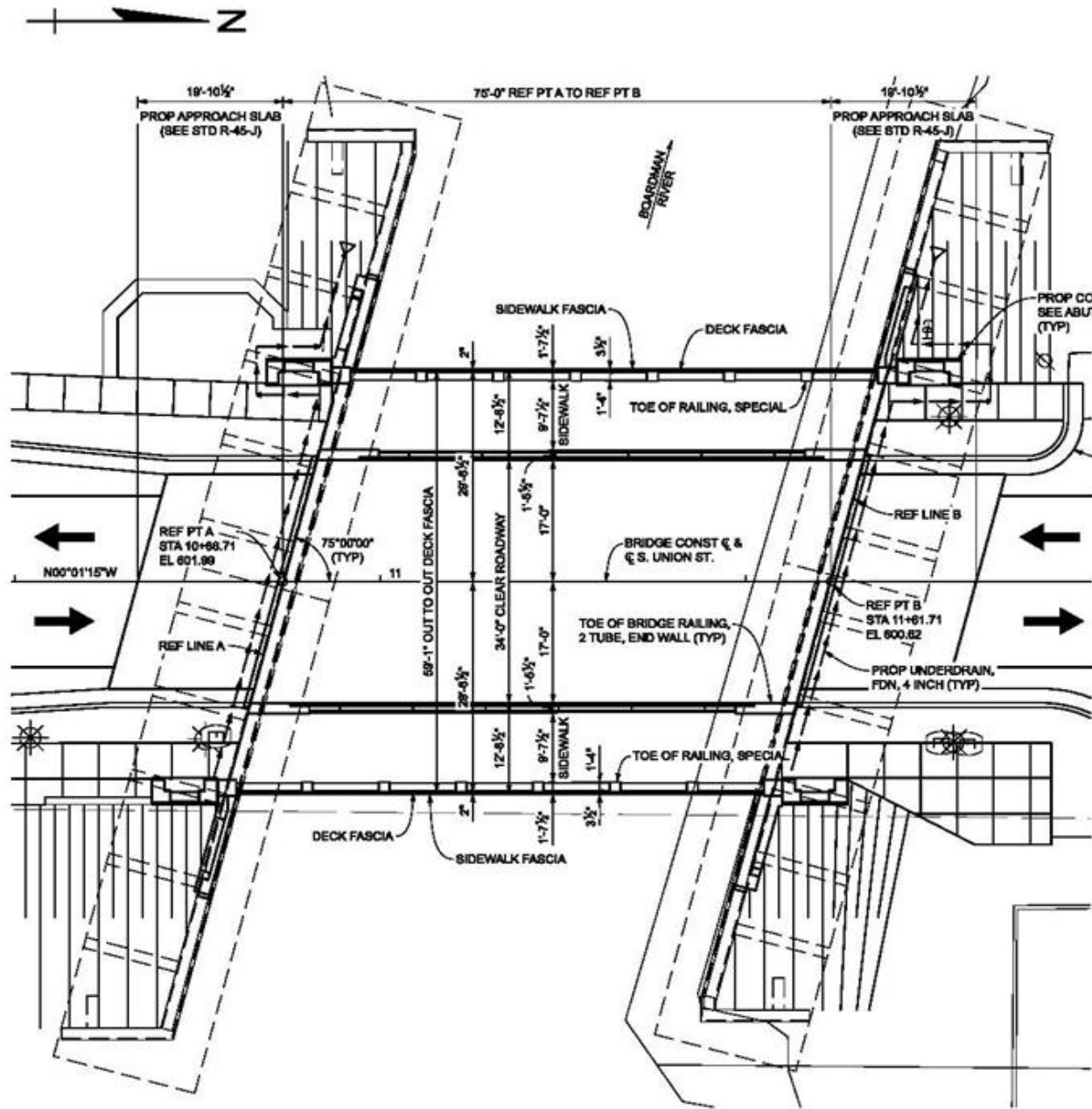
DRAWN BY: JLS	DATE:	REVISIONS: 12/14/21	CS:	GENERAL PLAN OF STRUCTURE				DRAWING SHEET
CHECKED BY: CJC	DESIGN UNIT: GLEG	JN:	1021-2-769	NORTH CASS STREET OVER BOARDMAN RIVER				SECT 1
FILE: 769 at.dgn	TSC: TRAVERSE CITY			CITY OF TRAVERSE CITY, MICHIGAN				23

South Union Street Bridge

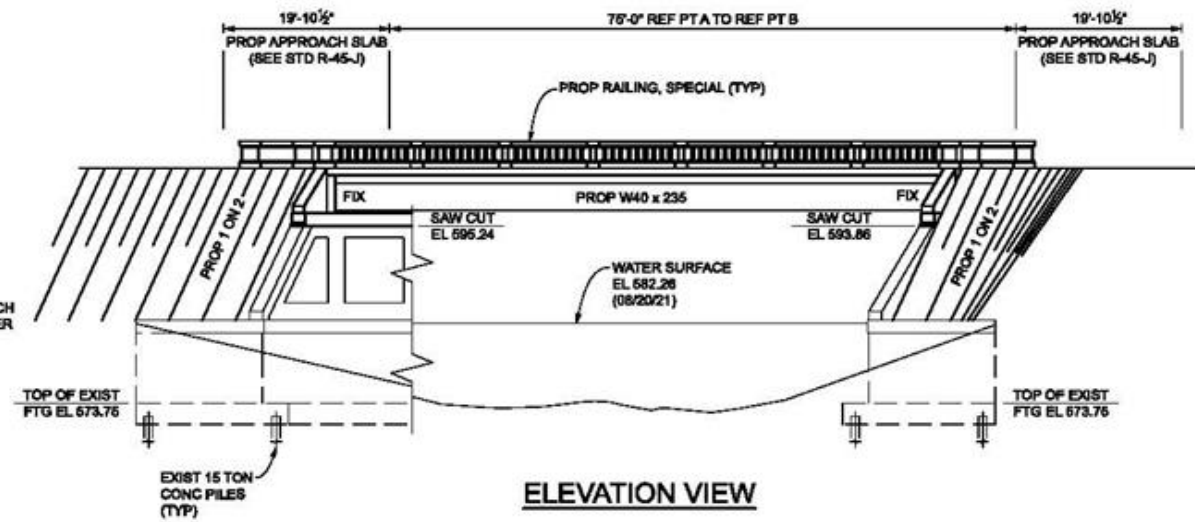
- Current cost estimate is \$1,700,000
- Work includes replacement of existing concrete deck and steel beams on the existing foundation
- Widen sidewalks from 8'-1" to 9'-10"
- MDOT crash tested/approved bridge railing detail painted black along sidewalk edge with historic balustrade pedestrian railing to replicate original aesthetic treatment
- Add down lighting into railing to illuminate walk
- Pedestrian railing approaching bridge



MISCELLANEOUS QUANTITIES		
2	Ea	Structure Name Plate, Salvage and Replace
194	Cyd	Embankment, CIP
204	Ft	Erosion Control, Silt Fence
126	Cyd	Subbase, CIP
330	Syd	Aggregate Base, 6 inch
118	Syd	Aggregate Base, 24 inch, Modified
111	Ton	HMA, 4EL
19	Syd	Conc Pavt, Misc, Nonreinf, 10 inch
167	Syd	Conc Pavt, Bridge Approach, Reinf
227	Ft	Curb and Gutter, Bridge Approach, Modified
1157	Sft	Sidewalk, Conc, 6 inch
20	Ft	Pedestrian Railing
1006	Sft	Sidewalk, Clay Brick Pavers, Modified
100	Syd	Turf Establishment



PLAN VIEW



ELEVATION VIEW

MISCELLANEOUS QUANTITIES

1	LSUM	Structures, Ram Portions (SN 3074)
184	Cyd	Backfill, Structure, CIP
382	Cyd	Excavation, Fdn
2	Ea	Erosion Control, Filter Bag
209	Ft	Underdrain, Fdn, 4 Inch
20	Ft	Underdrain Outlet, 4 Inch
2	Ea	Underdrain, Outlet Ending, 4 Inch
9750	Sft	False Decking

NOTES:

THE DESIGN OF THE DECK SLAB IS BASED UPON THE STRIP METHOD AS DEFINED IN THE CURRENT AASHTO LRFD BRIDGE DESIGN SPECIFICATION.

MEASURES SHALL BE TAKEN TO PREVENT DEBRIS FROM FALLING FROM THE STRUCTURE. IF DEBRIS FALLS INTO THE WATERWAY, IT SHALL BE REMOVED WITHIN 24 HOURS. SINCE DISTURBANCE OF THE WATERWAY BOTTOM MAY BE AS HARMFUL AS THE DEBRIS ITSELF, THE PREVENTIVE MEASURES MUST BE EFFECTIVE.

THE RECONSTRUCTION DESIGN IS BASED ON 1.2 TIMES THE CURRENT AASHTO LRFD BRIDGE DESIGN SPECIFICATION HL-93 LOADING WITH THE EXCEPTION THAT THE DESIGN TANDEM PORTION OF THE HL-93 LOAD DEFINITION IS REPLACED BY A SINGLE 60 KIP AXLE LOAD BEFORE APPLICATION OF THIS 1.2 FACTOR. THE RESULTING LOAD IS DESIGNATED HL-93 MOD. LIVE LOAD PLUS DYNAMIC LOAD ALLOWANCE DEFLECTION DOES NOT EXCEED 1/800

FALSE DECKING INCLUDES THE AREA BOUNDED BY REFERENCE LINES A & B AND OUTSIDE FLANGE FASCIA OF FASCIA BEAMS. THE ESTIMATED AREA IS 4875 SQUARE FEET DURING REMOVAL AND 4875 SQUARE FEET DURING PROPOSED CONSTRUCTION.

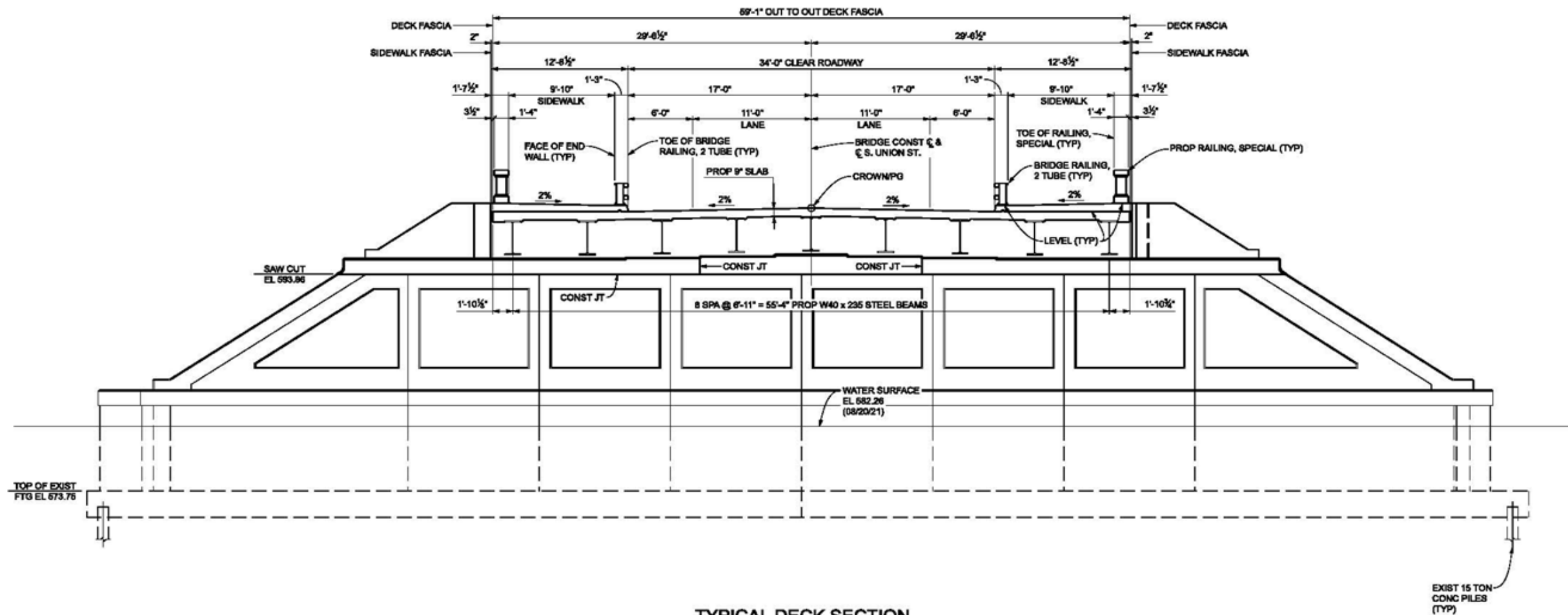
SHOP AND FIELD COATING SHALL BE ACCORDING TO SUBSECTION 716 & 715 OF THE STANDARD SPECIFICATIONS.

POSITION DOWELS MAY BE ADHESIVE ANCHORED IN HOLES DRILLED IN THE CONCRETE AT ABUTMENTS.

FINAL ROW PLAN REVISIONS SUBMITTAL DATE:				DRAWN BY: JLS		DATE: 01/05/22		CS:		GENERAL PLAN OF STRUCTURE		DRAWING SHEET
NO.	DATE	AUTH	DESCRIPTION	NO.	DATE	AUTH	DESCRIPTION	CHECKED BY: CJC	DESIGN UNIT: GLEG	JN:	SOUTH UNION STREET OVER BOARDMAN RIVER	
								FILE: 769 at.dgn	TSC: TRAVERSE CITY	1021-2-769	CITY OF TRAVERSE CITY	58

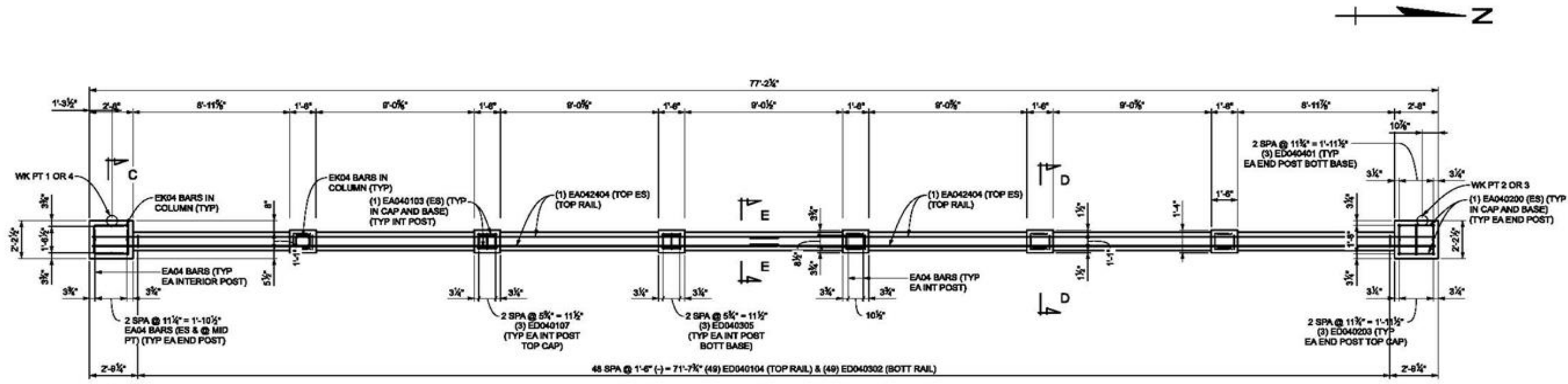


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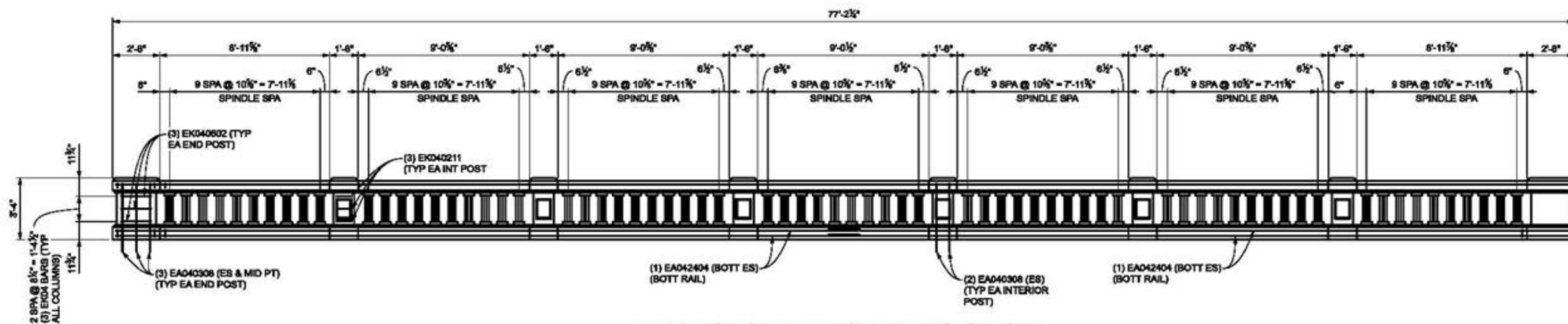


TYPICAL DECK SECTION
(LOOKING UPSTATION ABUT B)


FINAL ROW PLAN REVISIONS				SUBMITTAL DATE:				DRAWN BY: JLS				DATE:				REVISIONS: 01/05/22				CS:				GENERAL PLAN OF STRUCTURE				DRAWING SHEET	
NO.	DATE	AUTH	DESCRIPTION	NO.	DATE	AUTH	DESCRIPTION	CHECKED BY: CJC				DESIGN UNIT: GLEG				JN:				1021-2-769				SOUTH UNION STREET OVER BOARDMAN RIVER				SECT 2	
								FILE: 769 at.dgn				TSC: TRAVERSE CITY												CITY OF TRAVERSE CITY				56	



PLAN VIEW OF EXTERIOR RAILING, SPECIAL
(PLAN VIEW APPLIES TO BOTH EAST AND WEST RAILINGS)



ELEVATION OF EXTERIOR RAILING, SPECIAL
(ELEVATION APPLIES TO BOTH EAST AND WEST RAILINGS)

FINAL ROW PLAN REVISIONS								SUBMITTAL DATE:			NO SCALE	DRAWN BY: JLS	DATE:	REVISIONS: 01/05/22	CS:	SUPERSTRUCTURE DETAILS		DRAWING	SHEET
NO.	DATE	AUTH	DESCRIPTION	NO.	DATE	AUTH	DESCRIPTION	CHECKED BY: CJC	DESIGN UNIT: GLEG			JN:	1021-2-769		SOUTH UNION STREET OVER BOARDMAN RIVER		78	SECT 2	
								FILE: 766 dk.dgn	TSC: TRAVERSE CITY			CITY OF TRAVERSE CITY							

Anticipated Timeline

- Bundle the two projects together into one MDOT construction contract
- Plan preparation in 2021/22
- Construction in 2022/23
- *Keep waterway open during weekends and Holidays from Memorial Day to October 20*

Questions?



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

Memorandum

To: Downtown Development Authority Board

From: Jean Derenzy, DDA CEO

Date: February 13, 2022

Subject: Presentation of Conceptual TART Trail Improvements and Extension

This project is an effort between the DDA, City and TART (utilizing Progressive AE) to design an extended non-motorized trail in the Grandview Parkway design area (Garfield to Division). Shawn Winter, City Planner and Julie Clark, TART Executive Director will present the preliminary/conceptual design.

The section of non-motorized trail between West End Beach and the Murchie Bridge serves as the confluence of the regional trail network for transportation and recreational users, providing a junction for the TART Trail, Leelanau Trail, and the Boardman Lake Loop Trail. Furthermore, the heavily used waterfront parks throughout this area creates an exceptionally high level of trail use. Trail counts conducted along this stretch by TART Trails in 2018 and 2019 showed over two million trail visits annually. The pandemic impacted trail counts in the subsequent years with the cancellation and/or modification of the National Cherry Festival and Traverse City Film Festival events, and more people working remotely. As these events come back online, combined with a rise in interest for outdoor activities since the onset of the pandemic and improved access to the trail as part of the Grandview Parkway reconstruction, the increasing trend in trail use is expected to continue.

The capacity limitations of the existing trail results in periods of significant congestion and user conflicts. To address this, the concept plan proposes expanding the trail width to 16 feet, with 10 feet dedicated to bi-directional bicycle use, and six feet dedicated to pedestrian use. The added width will address the capacity limitations and new pavement markings or physical separation of pedestrians and bicyclists will address user conflicts by creating space for modes operating at different speeds. The Dequindre Cut in Detroit (see image below) provides an example of this facility type. Please note the cross-section of the Dequindre Cut is 20 feet and the proposed TART concept plan shows 16 feet.



(Source: Little Guide)

Careful attention is being paid to any potential impacts widening the trail would have on the waterfront parks. There are instances where the pedestrian and bicycle components of the trail could separate to preserve existing trees. The trail alignment is proposed to shift north along the volleyball courts to reduce the buildup of snow that often occurs in this section from plowing. A proposed raised crossing is included at Marina Drive to slow vehicles as they approach the trail crossing. The impact of stormwater from the increased impervious surface should be negligible in that linear trails do not produce the same sheeting action as parking lots and the beach sand composition of the soil allows for excellent infiltration. Design engineering would help answer these specific location questions and is the next step forward.

Due to topography and limited right-of-way constraints, the extension of the trail from Murchie Bridge to the east of Front Street will require an easement across the Delamar property. The concept plan provided two alternatives, one that narrows the trail's footprint and keeps it within MDOT right-of-way and the other using Delamar property. The concept shows a shared space for vehicles, pedestrians and cyclists along the south side of the Delamar property allowing for more comfortable and year-round pedestrian and bicyclist access as well as vehicular access to Delamar's west parking lot and service area at the back of building. City, DDA, and TART Trails staff, and Progressive AE have had a number of meetings with Delamar ownership to identify their concerns and work towards a design that both meets their needs and provides a safe, comfortable and inviting option for non-motorized trail users.

Heading east of Delamar, the trail is proposed to traverse Sunset Park, the Hagerty Center, and connect to the Senior Center Beach. City and TART staff met with NMC leadership to discuss opportunities and concerns related to trail along the Hagerty Center. The trail would provide improved connectivity to both parks, with the current design intended to minimize its impact on these properties. More design work is needed to determine the best way to integrate the trail into the parks and NMC's Hagerty Center.

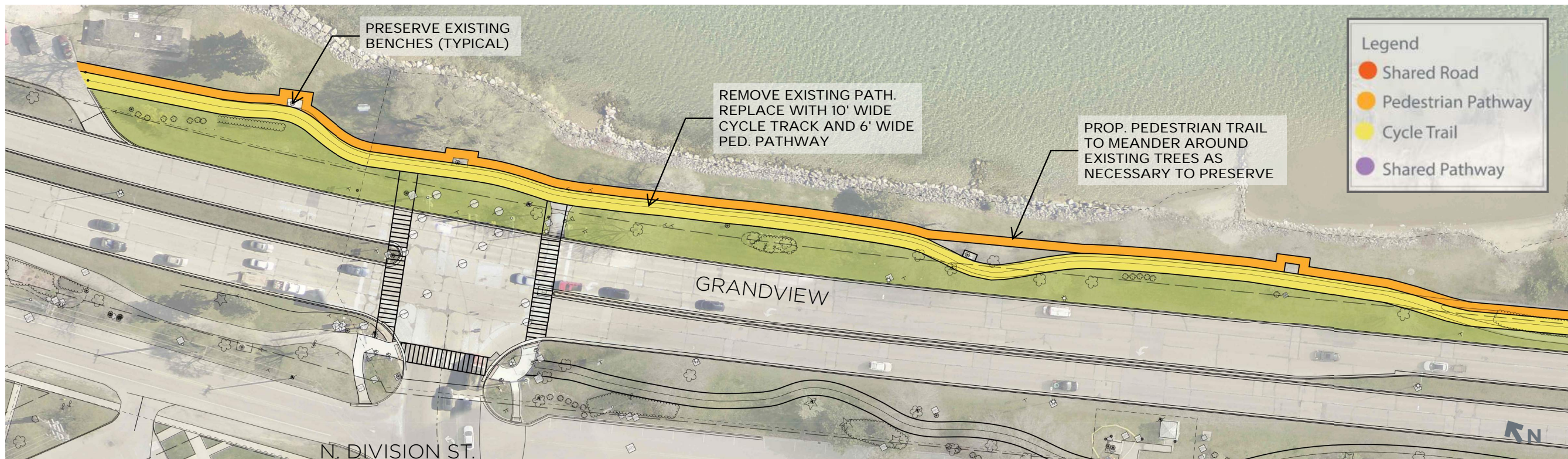
The concept plan envisions a future trail connection east of Senior Center Beach along the Parkway. It is anticipated that any proposed facility would narrow down in accordance with the anticipated decrease in trail use as well as the right of way constraints along the Parkway. Staff recommends further design work and time for more input to understand how a trail facility or improved non-motorized access might support community needs and address current issues of speed, traffic and lack of safe non-motorized access along Peninsula Drive. Staff also believes further focus is needed to provide improved non-motorized access at the intersection of Garfield and Front.

Future design work of a proposed extension to Peninsula Drive opens the opportunity for future connections to NMC, Traverse City Central High School, Eastern Elementary, the Civic Center, and other points of interest in and around the base of the peninsula.

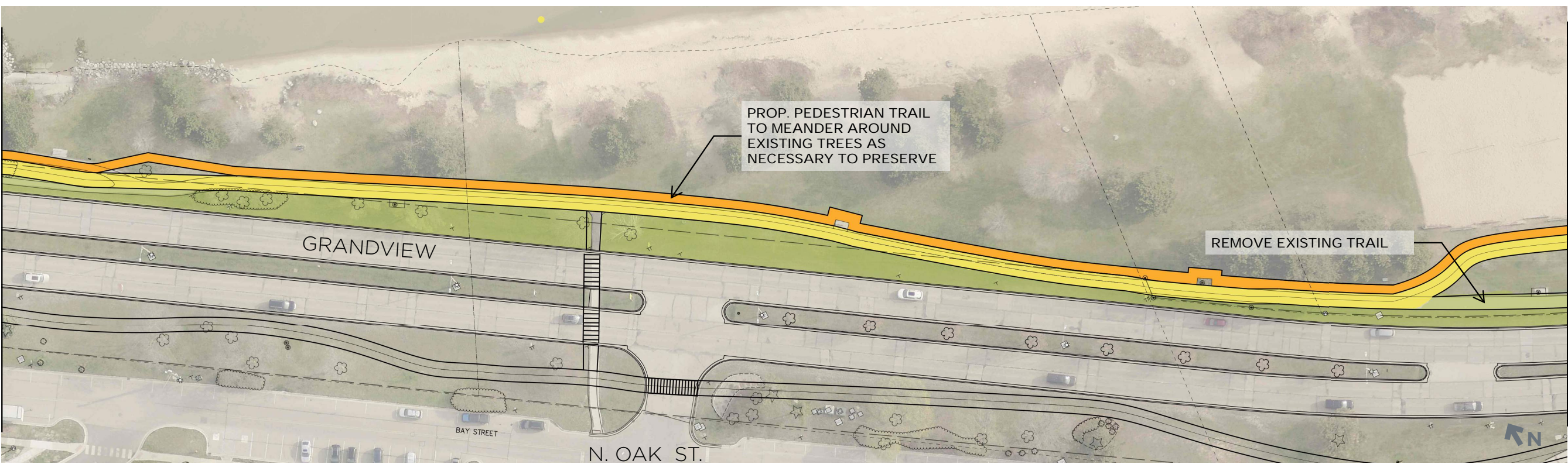
REQUESTED ACTION

No formal action is being requested at this time. City Planner Shawn Winter and TART Executive Director Julie Clark have presented this trail extension concept to the City Commission, Parks and Recreation Commission and Planning Commission to bring awareness of this planning effort, gather feedback and gauge the community's level of support. Your thoughts, feedback and suggestions are welcomed. Their presentation to the DDA Board (and others) is considered the start of a conversation - additional opportunities for input will be provided should the plans progress. The next step would be to present to the concept plan to MDOT to identify possible project integration and explore funding opportunities.



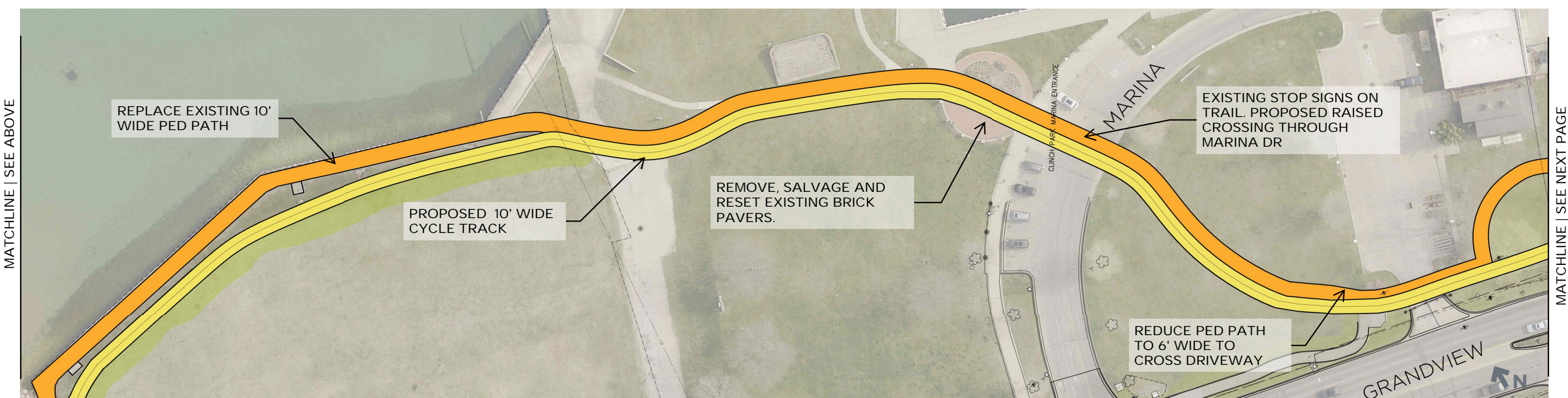


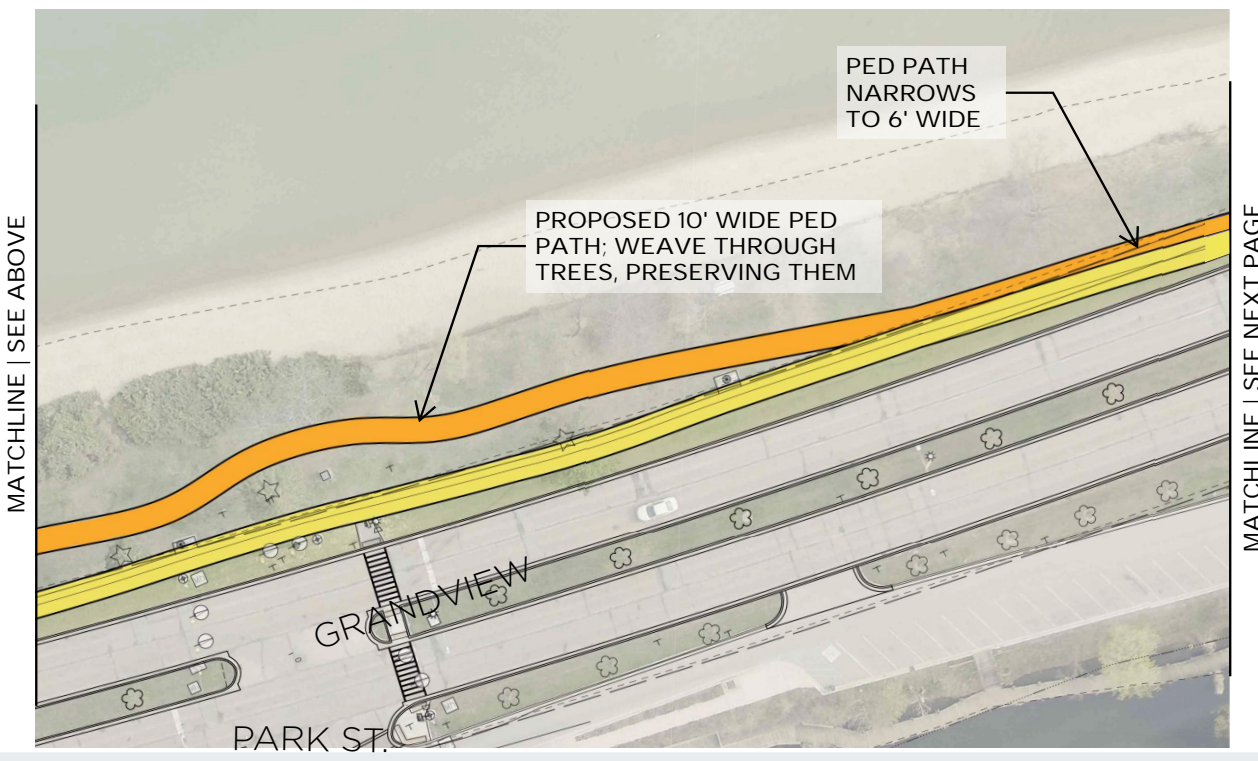
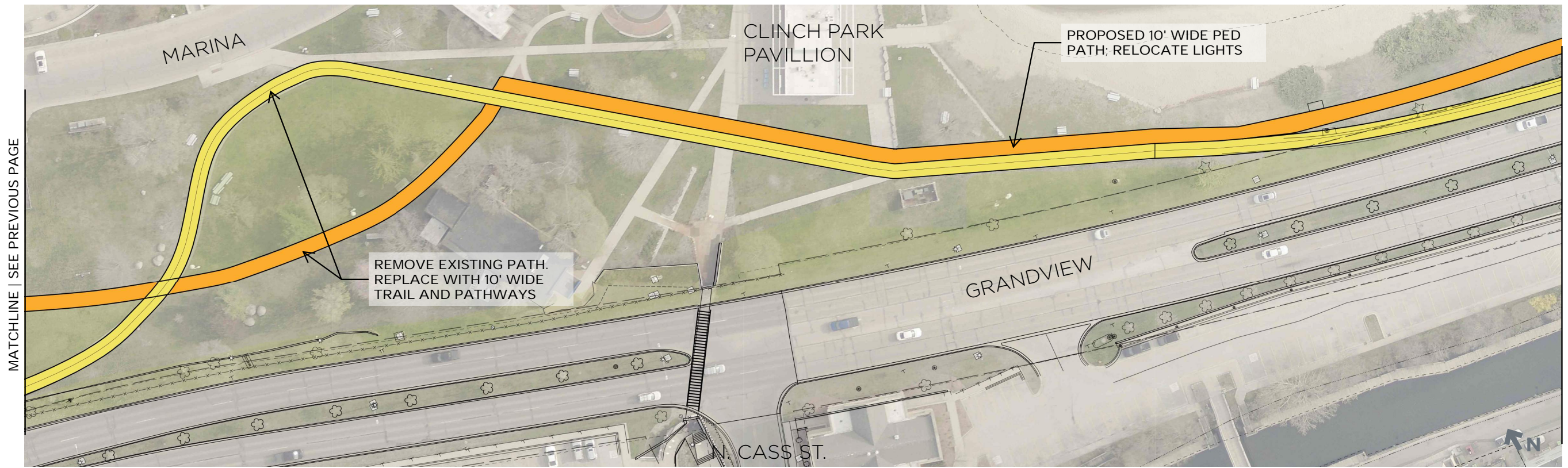
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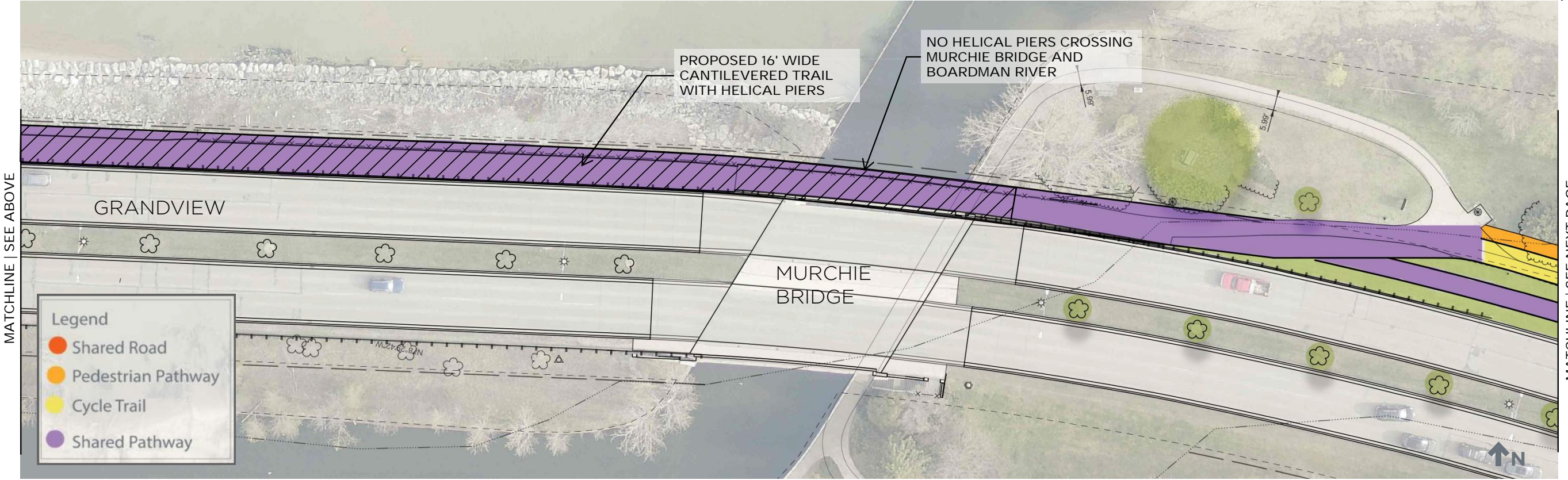


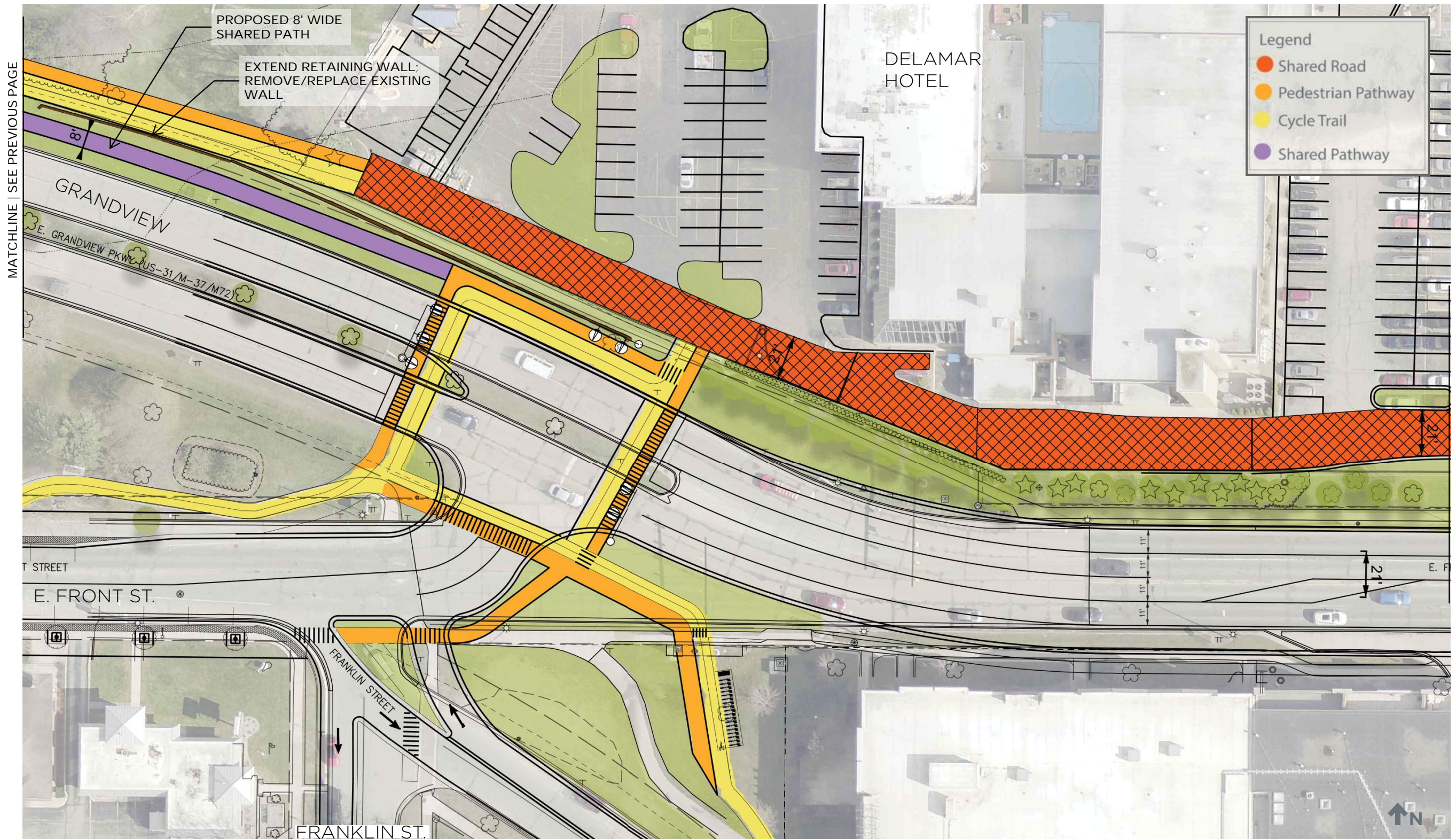


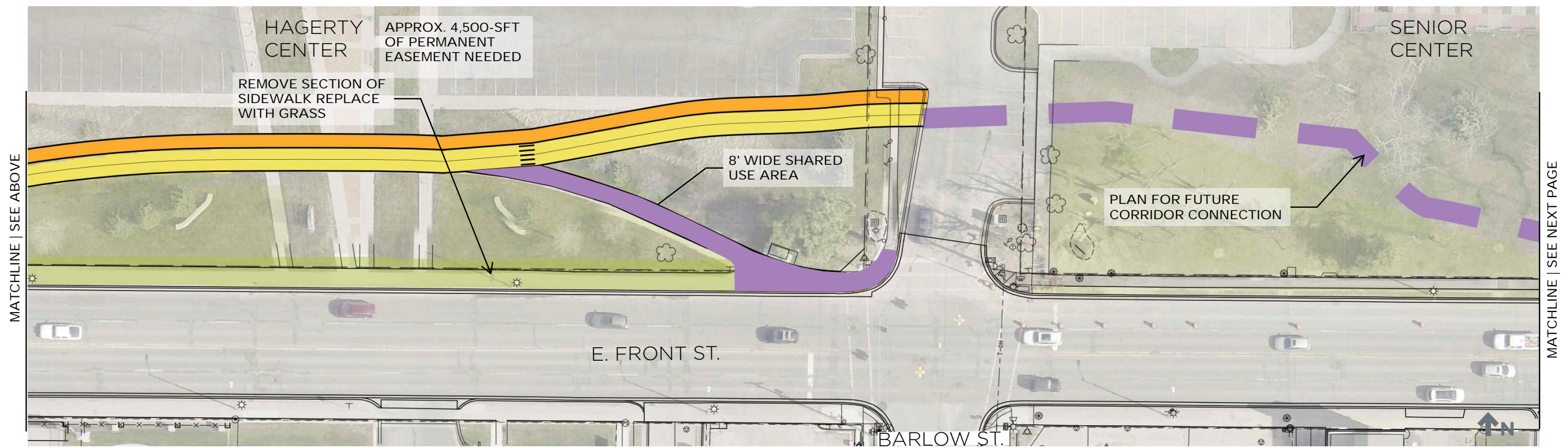
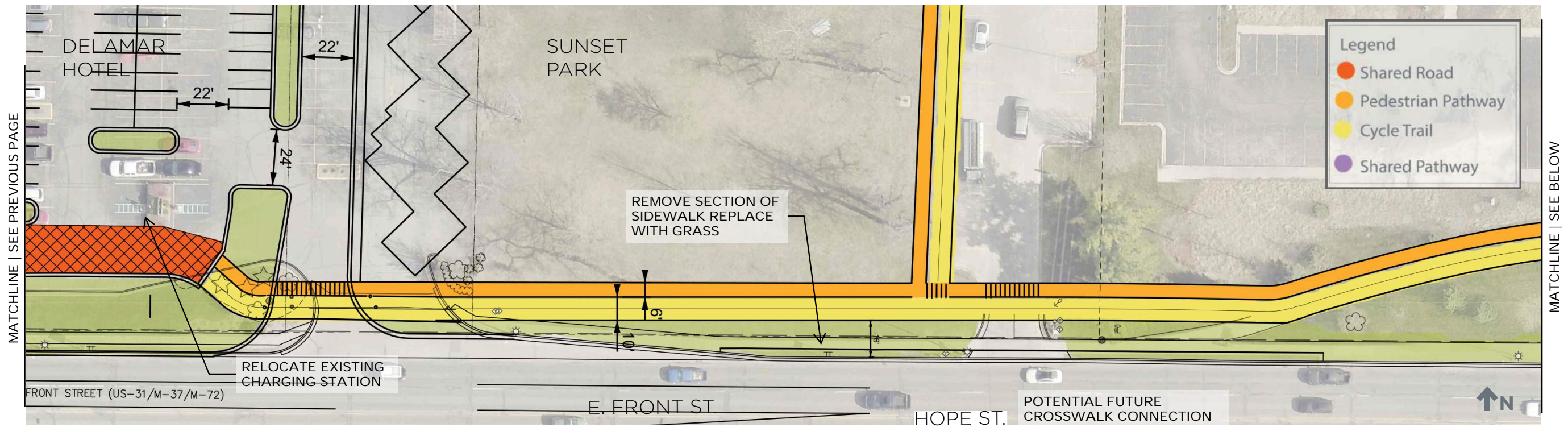
Legend

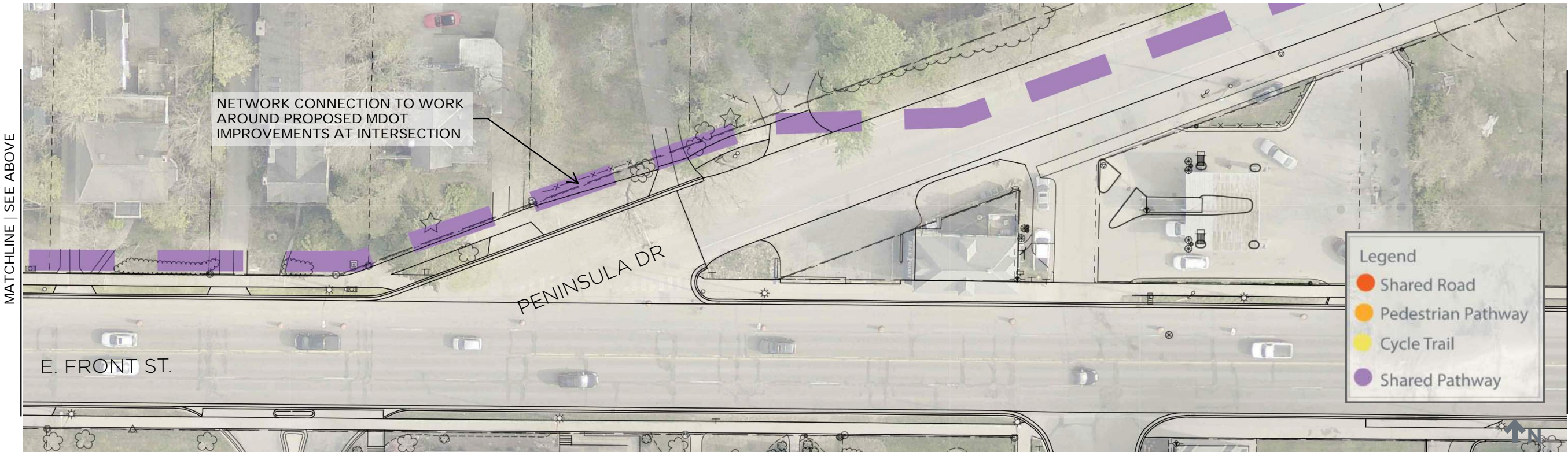
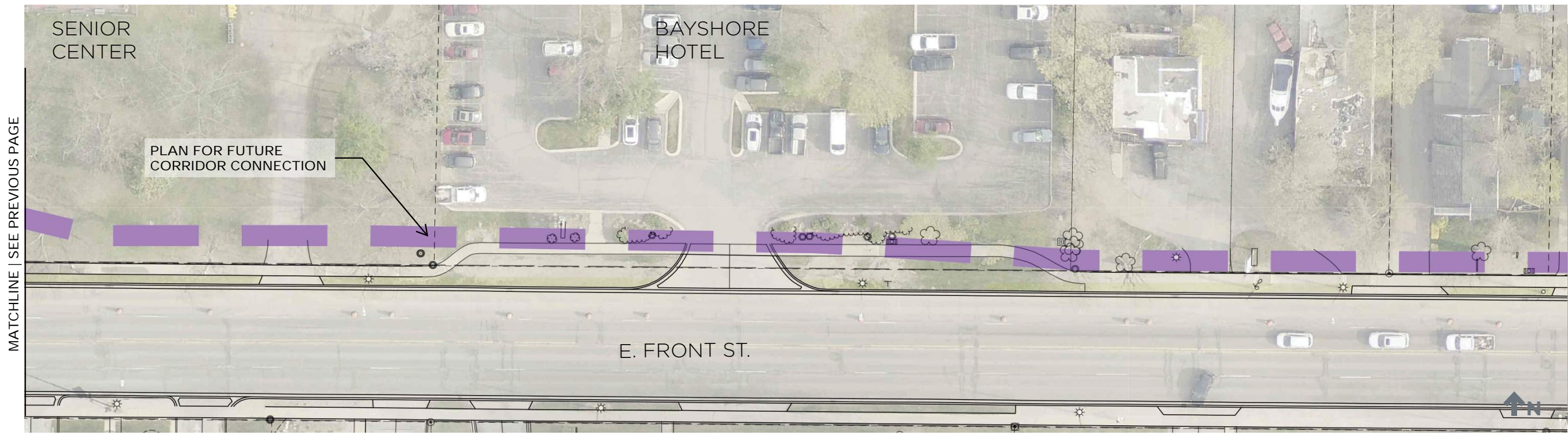
- Shared Road
- Pedestrian Pathway
- Cycle Trail
- Shared Pathway

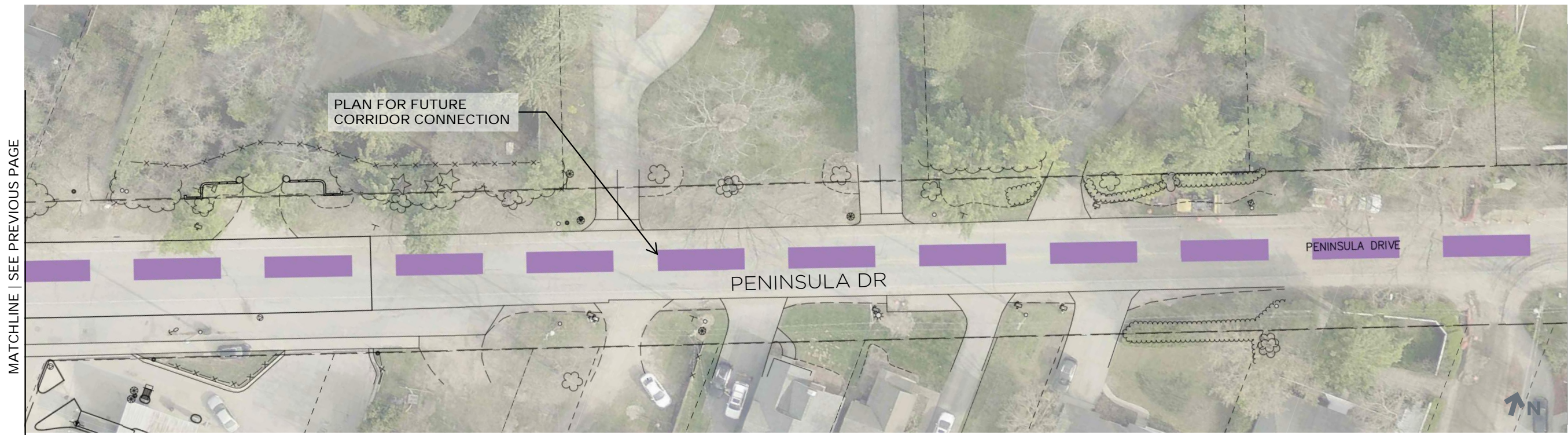
TART TRAIL CONCEPTUAL SKETCH NTS





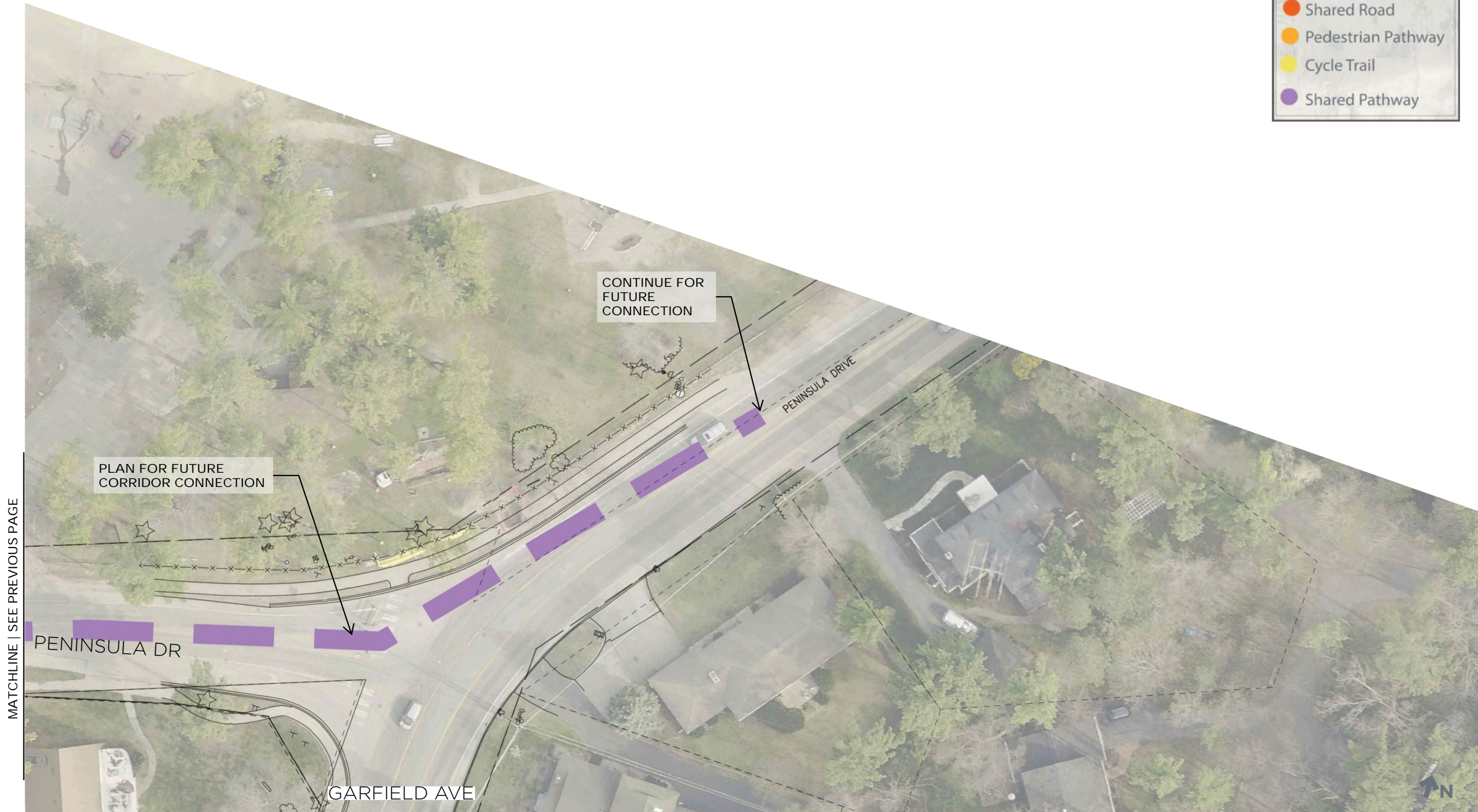






Legend

- Shared Road
- Pedestrian Pathway
- Cycle Trail
- Shared Pathway





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231-922-2050

Memorandum

To: Downtown Development Authority Board

From: Jean Derenzy, DDA CEO
Interview Committee (Scott Hardy, Pete Kirkwood, Tim Werner,
Shawn Winter, Jean Derenzy and Harry Burkholder)

Date: February 14, 2022

Subject: Riverwalk & Pedestrian Alley Work

As you are aware, the Unified Plan for the Lower Boardman River (which has now been adopted by the DDA Board, Planning Commission, Parks and Recreation Commission and City Commission) calls for significant placemaking improvements to the 100-block alley - part of our long-term desire to “turn and embrace” the river.

The sewer relocation project (scheduled for this fall) provides an opportunity for the DDA to consider how and to what extent those placemaking improvements can be implemented. To that end, we issued a formal Request for Proposal (RFP) in November for consulting services to develop a design and engineering plan for a “riverwalk/pedestrian plaza” along the 100-block alley. Additional design considerations were also requested for the 200-block alley.

The RFP identified four key tasks for the design and engineering plan:

- Task One.** Community and Stakeholder Engagement and Communication
- Task Two.** Prior Work Review & Coordination with On-Going Sewer Relocation Project
- Task Three.** Develop Preliminary Design Concept
- Task Four.** Develop Final Engineering Design Plans

Five proposals were received in response to the Request For Proposal. An interview team consisting of DDA Board members Scott Hardy and Pete Kirkwood, City Commissioner Tim Werner, City Planner Shawn Winter, Harry Burkholder and myself interviewed three firms for this design and engineering effort. After careful consideration, and additional follow-up conversations, the interview team is recommending the DDA Board hire *Inform Studio* to assist with a modified design and engineering plan the riverwalk/pedestrian plaza. Based out of Detroit and Chicago, Inform Studio has assembled a dynamic team of urban designers, placemaking and mobility experts, architects (structural, lighting & landscape), engineers and community engagement specialists from four national and local firms.

In addition, after additional consideration and discussion with the interview team, we are recommending to work with Inform Studio to complete a modified design and engineering plan the riverwalk/pedestrian plaza – the modified plan would include only tasks *One, Two* and *Three*.

We are recommending that *Task Four* (Develop Final Engineering Design Plans) be completed **after**: (1) we have a better understanding of the full costs of construction; (2) we have determined how to pay for construction; and (3) if we secure approval to move forward and amend the TIF Plan. The amendment of the TIF Plan is required to specifically identify the plaza work within the 100 block. This TIF Plan amendment would require approval from the City Commission as well as funding approval. As I have identified previously, grants and philanthropy will also be part of the effort to fund this project.

The committee feels the board needs to know and understand the conceptual design and associated costs in order to move forward with a TIF Plan amendment and funding options. These considerations dovetail nicely with the work we are initiating with PUMA regarding the future organizational and funding structure of the DDA.

Proposal Overview

The proposal from Inform Studio for their consulting services totals \$315,000. Inform Studio was the highest bidder of the three firms the committee interviewed. However, the committee felt that the dynamic team of urban designers, placemaking and mobility experts, architects, engineers and community engagement specialists assembled by Inform Studio best met the aspirational and transformative nature of this project. The Inform Studio Team includes the following organizations (and their expertise):

- Inform Studio: Project lead - Placemaking and Architecture
- SMM: Ecology (stormwater/sustainable)
- Buro Happold: Engineering (structural, lighting and mobility)
- Blue Orange: Community Engagement

The cost differential between the three firms interviewed are as follows, with final engineering (Task Four) not included:

Consultant Name	Cost	Difference Between Bidders
Inform	\$315,000	
Progressive AE	\$290,344	\$24,656
SmithGroup	\$267,570	\$47,430

Current Budget Consideration

The riverwalk/pedestrian plaza project was identified within the current TIF 97 budget under “Lower Boardman Implementation” for \$100,000. I will be working through the finance committee on a budget amendment should the Board approve moving forward with the project.

Recommended Motion:

That the DDA Board approve to enter into a contract with Inform Studio for consulting services to assist the DDA in developing a conceptual design for a riverwalk and pedestrian plaza along the 100 & 200 block alleys for a not-to-exceed cost of \$315,000 subject to approval as to substance by the DDA CEO and form by the DDA Attorney.



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Memorandum

To: Downtown Development Authority Board

From: Jean Derenzy, DDA CEO

Date: February 13, 2022

Re: USDA Retail Incubator Grant

For assistance for the retail incubator start-up costs, I am proposing that the DDA Board apply to the USDA for an \$80,000 grant through their Rural Business Development program. This grant would be utilized for

1. Promotion and outreach (media, print, digital)
2. Incubator space (lease costs, space configuration)
3. Client intake (administration, lease arrangements)
4. Program development (mentorship, classes, technical help)

As part of the application process, the Board would need to pass the attached resolution showing support of the application.

Recommended Motion

That the DDA Board approve the attached resolution to proceed with the USDA Rural Business Development program application for \$80,000 specifically for the Downtown Retail Incubator Project.

DDA - Retail Incubator

Budget for Application to the USDA RD RBDG Program - FY22

Estimated Funding	Total
Federal (USDA RD RBDG Program)	\$80,000
Applicant (Traverse City DDA)	\$5,000
State	\$0
Local	\$0
Other	\$0
Program Income (Incubator Clients)	\$5,000
Total Income	\$90,000

Expenses	Total
Project Administration	\$5,000
Contractual Services with	
<i>Retail Incubator Launch Efforts (6 mos.)</i>	
Promotion and outreach (media - print, digital, social)	\$7,500
Incubator environment (space design, configuration)	\$30,000
Client Intake (lease arrangement, negotiation, facilitation)	\$5,000
Programming development (mentorship arrangements, education offerings, retail merchandising technical help)	\$10,000
<i>Incubator Operation (12 mos.)</i>	
Client administration	\$5,000
Program delivery	\$22,500
Event coordination/management	\$5,000
Total Expenses	\$90,000

RESOLUTION OF MEMBERS OR STOCKHOLDERS

Downtown Development Authority

(Name of Association)

303 E. State Street, Suite C
Traverse City, MI 49686

(Address, including Zip Code)

RESOLVED, that the Governing Board of this Association be and it hereby is authorized and empowered to take all action necessary or appropriate —

1. To obtain for and on behalf of the Association through the United States Department of Agriculture (USDA) or any other Governmental agency:
 - (a) A loan in a sum not to exceed \$ _____;
 - (b) A grant in a sum not to exceed \$ \$80,000.00 _____;
to be advanced by the lender or grantor in one or more advances at such time or times as may be agreed upon.
2. In case of a loan or grant or both —
 - (a) For the execution of such application or applications (including exhibits, amendments and/or supplements thereto) as may be required;
 - (b) For the execution and delivery to the lender or grantor of all such written instruments as may be required in regard to or as evidence of such loan or grant; and
 - (c) In its judgment to carry out the terms of this resolution.
3. And in case of a loan —
 - (a) To obligate this Association for the repayment of the loan at such rates of interest and on such other terms and conditions as the Governing Board shall deem proper;
 - (b) To pledge, hypothecate, mortgage, convey, or assign property of this Association of any kind and in any amount now owned or hereafter acquired, as security for any or all obligations (past, present and/or future) of this Association to such lender; and
 - (c) From time to time to pay, extend, or renew any such obligations.

CERTIFICATION

I, the undersigned, as _____ of the above named Association, hereby
(Secretary) (Acting Secretary)
certify that said Association on the _____ day of _____, _____, had _____
(Number)
_____ ; that _____ of these
(members) (stockholders) or (shares of voting stock outstanding)
constituted a quorum; that _____ said members or stockholders or shares of voting stock were present at a meeting
of the members or stockholders duly called and held on the _____ day of _____, _____;
that the foregoing resolution was adopted at such meeting by the affirmative vote of _____ said members
or stockholders or shares of voting stock; and that said resolution has not been rescinded or amended in any way.

Dated this day _____ of _____, _____.

Secretary of _____

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



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Memorandum

To: Downtown Development Authority Board
From: Jean Derenzy, DDA CEO
Date: February 14, 2022
Subject: Project Updates

Lower Boardman Unified Plan

I am pleased to report that the Lower Boardman Unified Plan has now been officially approved by the DDA Board, Planning Commission, Parks and Recreation Commission and City Commission.

Downtown Zoning Considerations

On January 25, the DDA hosted a highly attended informational meeting with business and property owners to discuss upcoming downtown construction projects (including the proposed Grandview Parkway reconstruction) and two zoning change considerations that could impact use requirements for the first floor of downtown businesses and potential building height standards in Old Town.

Since then, we have received several comments and questions from downtown property and business owners regarding the potential zoning amendments. In addition, the potential zoning amendments were presented to the Planning Commission for discussion. After considering the feedback we have received, the DDA will be working to facilitate additional meetings with business and property owners (and other stakeholders) to better understand concerns and get feedback. This has been an item that has been discussed with the Board previously, and I welcome feedback on this issue.

In addition, adult use marijuana retail establishments recommendations are being proposed, with four establishments allowed within the DDA District. The Planning Commission will be considering establishing a public hearing on March 15th for this ordinance change.

Match on Main Grants

DDA staff will be working with owners from Cousin's Jenny's and the Commonplace to apply for two Match on Main grants through the MEDC. Match on Main is a

reimbursement grant program that serves to support new or expanding place-based businesses by providing up to \$25,000 in funding to support eligible activities.

DDA Strategic and Transition Plan

Last week, we had our first meeting with the PUMA team regarding planning processes/tasks, the project timeline, resources and deliverables. The first on-site visit with the PUMA Team will likely occur in May. In the meantime, the PUMA team will be working on understanding and analyzing the current organizational and financial structure of the DDA. In addition, the PUMA team will be meeting (virtually) with key community and downtown stakeholders (including the DDA board).



**303 E. State Street
Traverse City, MI 49684
abby@downtowntc.com
231-922-2050**

Memorandum

To: Downtown Development Authority Board of Directors
Jean Derenzy, DDA CEO

From: Abby Taylor, Experience Coordinator

Date: February 8, 2022

Re: Events Update

Presidents Day Weekend Sale

February 18 - 20 the DTCA will be hosting our annual Presidents Day Weekend Sale event. With over 20 member businesses providing specials throughout Downtown. Every day we are getting more businesses signing up. This will be promoted through our social media platforms to encourage local support during this slower time.

Traverse City Restaurant Week

2022 Restaurant Week will span from February 20 - February 26. The price tiers of \$25 and \$35 will remain and some restaurants will have a to-go option.

This year we have 38 restaurants signed up and invoices are out to all participating locations. Working with d2g marketing has assisted in more reservations this year and determined how much traction each restaurant is receiving with no cost to us.

We will have a "enter to win" this year where we ask participants to scan a qr code when they receive their bill. This way it can optimize more people to have the opportunity to be in the drawing if they do not have social media. We will be monitoring the back end of our system to see who enters and choose winners on February 28. Winners will need proof of receipt to get their participating restaurant gift cards.

Good Morning Downtown

Wednesday, February 16, the DTCA will host a Good Morning Downtown meeting for merchants to once again come together to connect and learn about a downtown project. This week the feature will be the Retail Incubator. SCORE will be in attendance to present along with Jean. There will also be a 50/50 raffle with a prize of 2 dinners to be used at restaurant week. The DTCA will continue to hold meetings once a month on Wednesdays in different locations.

Additional Events

The DTCA board is set to discuss old vs. new event ideas. We will also be reviewing an alternative fundraiser event in place of the chili cook-off. We have the three arts and craft fair applications posted on our website for people to sign up until April 1.

Art Fair Series

Locations / Dates

OTART | Old Town (Union Street) Saturday June 18, 2022

NCF | The Village at the Commons, Sunday, July 3, 2022

DTART | Open Space, Saturday, August 20, 2022



303 E. State Street
Traverse City, MI 49684
art@downtowntc.com
231-922-2050

Memorandum

To: Downtown Development Authority Board of Directors
Jean Derenzy, DDA CEO

From: Art Bukowski, Communications, Marketing and Outreach Director

Date: Feb. 8, 2022

Re: Communications

Lots going on as I start my second month at the DDA. There's still much to learn about the organization and its processes, but Jean and my coworkers have given me firm footing as we dive into the year ahead.

Annual Report

The 2021 annual report is set to be in your hands by the Feb. 18 board meeting. This report, a streamlined version compared to most previous iterations, will be available at the DDA office and also posted on the DDA website.

PUMA planning

Progressive Urban Management Associates (PUMA) and the DDA will hold an internal kickoff meeting on Feb. 10 to discuss PUMA's extensive evaluation process that will take place over the coming months. This and subsequent meetings will help me craft a detailed communications plan that will inform, educate and (hopefully) excite DDA stakeholders and the general public about this process. It will be critical to ensure the goals of this process, along with the public's opportunities for input, are effectively and thoroughly communicated across multiple channels.

Farmers Market transition and prep

I will serve as the DDA's point person for the Sara Hardy Farmers Market, and Harry and I have begun the process of moving that work from him over to me. I will be attending farmers market advisory committee meetings going forward and working with SEEDS to ensure this popular market continues to thrive. There are a few loose ends to tie up before market season gets in full swing later in the year.

Social Media

Moving forward, a sizeable portion of my time will be spent planning, gathering and distributing content across Facebook and Instagram for both the DDA and DTCA, along with the Arts Commission, all of which have separate pages.

Website Audit

As mentioned last month, the DDA website is due for some better organization. I have begun the process of auditing the site (and associated sites) to achieve this, and will soon schedule a meeting with our web design firm to handle any updates I can't do myself. The full completion of this process improvements will depend on the design firm's schedule.

General Communications

As always, a large part of my time is spent editing and advising on both inter-organizational and external communication, and I am happy to be able to provide these services in an effort to improve communications across the board.



Memorandum

To: Jean Derenzy, DDA CEO
From: Nicole VanNess, Transportation Mobility Director
CC: Scott Hardy, Parking Subcommittee Chair
Date: February 7, 2022
Re: Board Member Report: Parking Advisory Board – February 2022

The Advisory Board met and discussed the high-level overview of ordinance changes in order to have parking permit use and transfer comply with the permit parking program and collect on short-money agreements. Staff is awaiting feedback from the City Attorney on the draft ordinances changes and will follow-up on providing an overview once they are available. This item will come back to the Advisory Board.



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

Memorandum

To: Downtown Development Authority Board of Directors

From: Harry Burkholder, DDA COO & Steve Nance, DDA Board Member

Memo Date: February 14, 2022

Subject: Arts Commission Update

West Front Street Banner Project

The Arts Commission, in collaboration with Britten Banner, will be working on replacing the 30 banners along West Front Street with commissioned work from local artists under the theme of “fresh perspectives of downtown. The Arts Commission is reviewing the draft RFP for this project at their February meeting.

Art on the TART - 16th Street Art Installation RFP

The Arts Commission will also be reviewing a draft RFP for a new art installation along 16th Street as part of the Art on the TART initiative.



Memorandum

To: DDA Board of Directors
CC: Jean Derenzy, DDA CEO
From: Nicole VanNess, Transportation Mobility Director
Date: February 7, 2022
Re: Staff Report: Parking Services – February 2022

Project Updates

There are no project updates this month.

January Parking Revenue

Below are the January revenues compared to January 2020.

Meter Revenues

	2021	2022
Total Revenue	-57%	-9%
Coin	-75%	-18%
Pay-by-cell	-18%	9%

Hourly Admissions

	2021	2022
Hardy Revenue	-83%	-47%
Old Town Revenue	-27%	34%

Permits & Fines

	2021	2022
Permit Revenue	-42%	-34%
Fine Revenue	-35%	-13%

BROOKINGS

The Avenue

Improving quality of life—not just business—is the best path to Midwestern rejuvenation

John C. Austin, Amanda Weinstein, Michael Hicks, and Emily Wornell Wednesday, January 26, 2022

Over the course of the 20th century and into recent years, America’s industrial Midwest—once a landscape of similar small and large manufacturing and mill towns—has evolved into today’s reality of two Midwesterns.

One Midwest features communities that have diversified and turned an economic corner in today’s urbanized, global knowledge economy. In this Midwest, many of the region’s major metro areas and university towns have found new economic dynamism and relative prosperity.

In the other Midwest, however, factory towns that have lost anchor employers continue to languish. Most of these small and mid-sized industrial heartland communities rely on traditional economic development strategies to reinvigorate their economies, including doling out incentives to attract or retain employers or attempting to create a more “business-friendly” environment with lower taxes and labor costs.

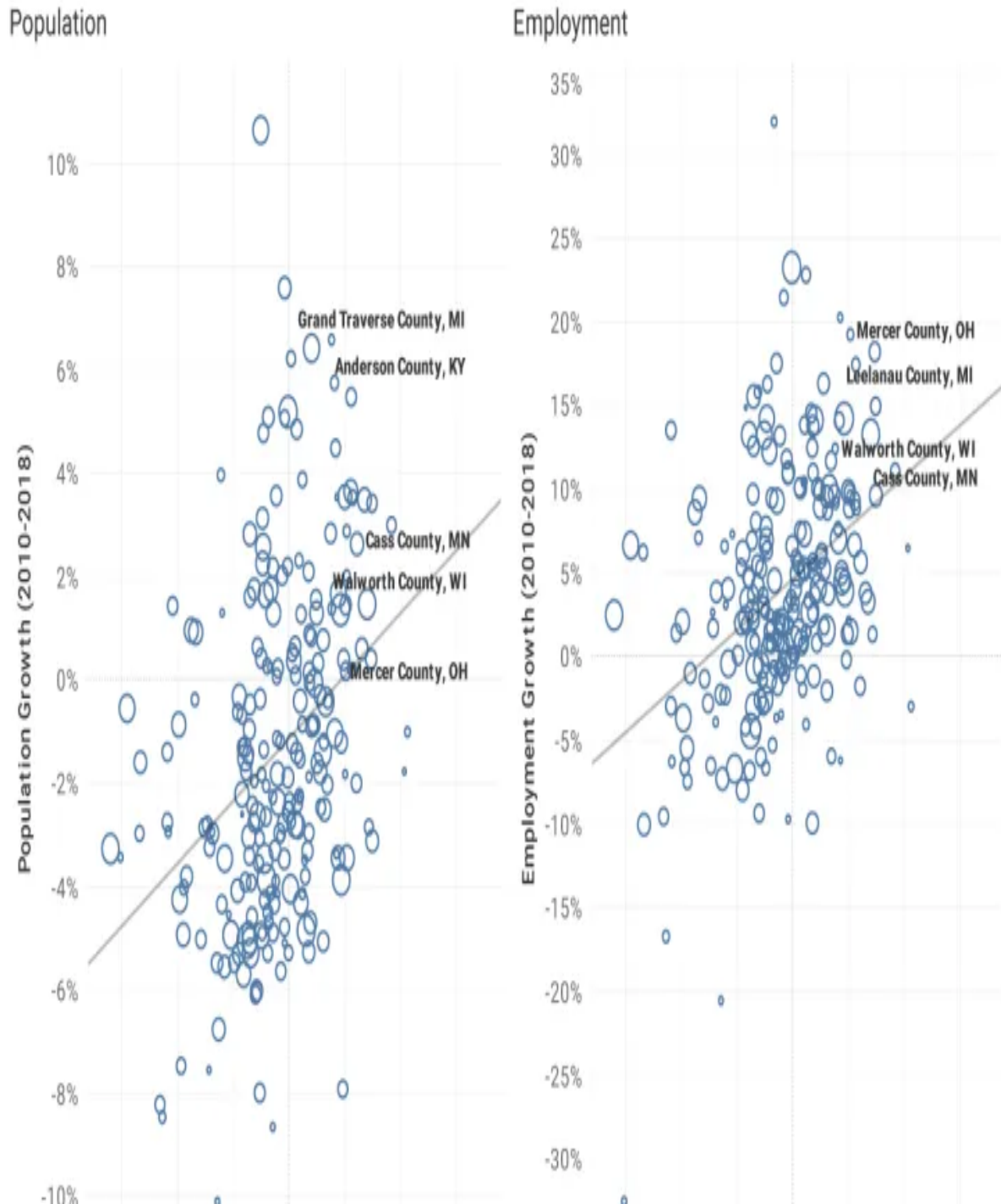
But now there is compelling new data that these traditional economic development tools may be ineffective compared to investments in quality of life and place. Our research on smaller communities has found that community amenities such as recreation opportunities, cultural activities, and excellent services (e.g., good schools, transportation options) are likely bigger contributors to healthy local economies than traditional “business-friendly” measures. Smaller places with a higher quality of life experience both higher employment and population growth than similarly situated communities, including those that rank high by traditional economic competitiveness measures.

The methodology of this new research uses the expressed preferences of households and businesses themselves, rather than the many external rankings of factors that make a community a nice place to live. Previous research shows people are willing to pay higher housing prices and even accept lower wages to live in towns they think offer a higher quality of life. Similarly, businesses are willing to pay higher real estate prices and offer higher wages to locate in places with more productive workers. In this manner, housing and labor markets can reveal the preferences of households and businesses.

In this analysis “quality of life” is measured by the “extra” housing costs (be they positive or negative) that households appear willing to pay to live in a given county, above and beyond what local wages and housing and population characteristics would suggest. “Quality of business environment” is measured by the “extra” real estate and wage costs (again, positive or negative) that businesses appear willing to pay to locate in a given county, above and beyond what local economic structure and worker characteristics would suggest.

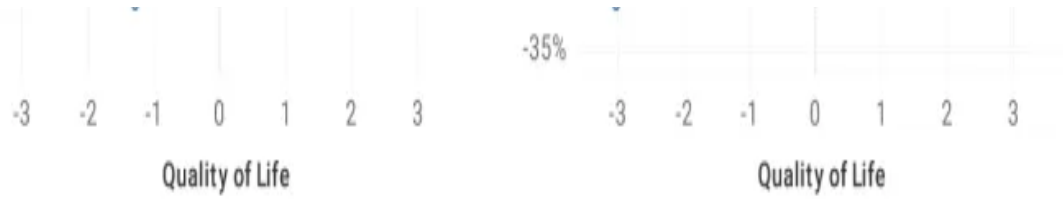
After estimating quality of life (what makes a place attractive to households) and quality of business environment (what makes a place especially productive and attractive to businesses) in communities across the Midwest, we found quality of life matters more for population growth, employment growth, and lower poverty rates than quality of business environment. This is seen in Figure 1 and 2:

Figure 1. Higher quality of life is associated with higher population and employment growth



2/14/22, 8:17 AM

Improving quality of life—not just business—is the best path to Midwestern rejuvenation



Source: Authors' calculations using Census Bureau data

B | Brookings Metro

2/14/22, 8:17 AM

Improving quality of life—not just business—is the best path to Midwestern rejuvenation

Many of the towns with higher estimated quality of life are places with natural amenities, such as lakes or mountains. In the Midwest, there may be no better example than Traverse City, Mich. area (Grand Traverse County and Leelanau County). Traverse City sits at the base of a large Lake Michigan bay. Like some other Great Lakes communities, the city cleaned up the residues of its once-industrial waterfront decades ago, and today is a thriving lifestyle community known for its four seasons of recreation, scenery, wineries, and a downtown that offers unique local restaurants, brewpubs, and boutiques.

Capitalizing on the natural amenities near these small towns and rural areas offers one potential path to economic success for many Midwest communities. It also offers better long-term prospects than the shorter-term gains associated with natural resource extraction. Such industries place some smaller communities in the “good place to work” side of the ledger, including Pike County, Ind., where at one time about one in six workers was employed in relatively well paid coal mining jobs and is home to a major coal-fired power plant. Yet Pike County has experienced a steady decline in population and employment for decades.

Our analysis suggests that across the nation, natural amenities are associated with higher growth. Yet there are some areas, including in the industrial Midwest, where natural amenities exist but have not been leveraged. In Ohio, for example, natural amenities aren’t associated with higher growth—not because Ohio lacks parks, woodlands, and Great Lakes coastline, but because it hasn’t effectively repurposed industrial sites and rebranded its communities as successfully as a place like Traverse City has.

With the COVID-19 pandemic heightening the importance of places' quality of life and making remote work more common, Great Lakes and Midwest lifestyle communities are becoming even more attractive destinations of choice. So, how can leaders in these communities leverage their quality of life attributes?

Obviously, leaders and policymakers can't build a Great Lake, mountain, or unique natural feature from scratch. But they can focus on enhancing other quality of life aspects and providing solid public services for their current residents.

For example, our analysis found that one of the strongest factors associated with higher quality of life in small towns is spending on public schools, with public school quality and the availability of early childhood education being two of the most important factors for working parents. And while school quality is important for both men and women, it is more important to women, as women tend to allocate more household resources toward their children. Recent research suggests women may be the household member that small Midwest towns have the best shot at attracting; women already show stronger preferences for the Midwest, and are more negatively affected by the congestion effects associated with large cities (for example, higher crime rates and worse air quality). Women's buying power and influence over household decisions has been underestimated by policymakers and businesses alike and has likely grown over time, and quality of life features important to women (e.g., access to quality public education and child care) may be a prerequisite for the success of a community's other economic development policies.

Although quality of life surpasses quality of business environment in driving economic success, the *nature* of local businesses still plays an important role. Local employers that provide goods and services that add to the quality of life can be vital aspects of a communities' appeal. This includes not just recreation or arts and culture but also the nature of food stores, home furnishing stores, and personal care establishments; for example, farmers' markets, locally owned businesses, and quirky shops all enhance a community's quality of life to current and potential residents. It may also be important for employers in all industries to consider the work-life balance they are offering employees and ensure their workers have ample opportunities to enjoy the local amenities with friends and family.

One implication of this research is that local leaders, businesses, and decisionmakers need to identify and build on their particular assets and advantages that contribute to quality of life.

While any community's economic positioning for future growth is a nuanced consideration—informed by contexts ranging from natural assets to historical industrial mix to the existence of racial strife—this research suggests that smaller former industrial and rural Midwest communities with a high quality of life could be poised for new growth. This is particularly relevant as new bipartisan infrastructure legislation will deliver high-speed internet access to rural and small town America, and potential human infrastructure spending could offer less-resourced small towns better access to universal pre-K, which previous research has found to be the largest positive impact on preschool enrollment for rural areas—indicating that the market for preschool may be especially “thin” in rural areas.

Figure 3 displays smaller industrial towns based on the positive or negative housing and wage premiums residents and businesses are willing to pay to locate there. The upper left (blue) quadrant displays places with higher quality of life, where residents are willing to pay higher housing prices and accept lower wages. This quadrant displays a number of smaller Midwest communities that appear well positioned for new growth, including Whitewater, Wis. (Walworth County); Celina, Ohio (Mercer County); and Brainerd, Minn. (Cass County), which all rank among the top small Midwest towns for quality of life in Figures 1 and 2.

2/14/22, 8:17 AM

Improving quality of life—not just business—is the best path to Midwestern rejuvenation

The upper right (green) quadrant displays places that both households and businesses believe are nice places to live and work. These include Sidney, Ohio (Shelby County), an historic town with an extensive parks and recreation system as well as various headquarters and manufacturing plants. Another example, Dixon, Ill. (Lee County), is a regional employment hub with several large employers along with art venues in its downtown.

We don't see current long-run growth potential for the places in the lower right (orange) quadrant such as Steuben County, N.Y., Jackson County, Ill., and other counties that rely on extractive industries and focus on the quality of business environment in a way that sacrifices quality of life. The same can be said for places in the bottom left (red) quadrant, which are viewed as unattractive places to both live and work. These counties are places that would likely require a significant refocusing of effort in the public and private sphere toward quality of life, or some other strategic intervention (e.g., building out education, medical, or research complexes to spur a growth trajectory).

The findings reinforce that local leaders and economic developers should prioritize quality of life strategies over tax incentives and lax regulation. The long-standing Midwestern community economic development strategy of low taxes, business incentives, and loose environmental regulations usually doesn't work, and has often proven disappointing to

communities that have given away tax dollars and reduced business standards without seeing substantial returns. Low business taxes often hide a hidden opportunity cost by reducing available funding for local schools and other public amenities.

A shift in focus toward quality of life also favors regional cooperation rather than the zero-sum game of fiscal incentives. Places that focus narrowly on quality of business environment end up competing with their neighbors, reducing not only their own economic success but also the population and employment growth of their neighbors. Conversely, improving quality of life in a place improves the economic success not only of their own town, but also for nearby communities with the ability to enjoy the amenities their neighbors offer.

The importance of quality of life in economic development has been growing in recent decades, as prospective residents increasingly demand such amenities. But the change has come so slowly that it has gone unnoticed by many. Even if the populations that move to high quality of life Midwest communities are relatively small in number, these are small places to begin with, and newcomers can help reverse historic patterns of population decline.

Leaders in the smaller Midwest places looking for levers for economic development can be guided by the same wisdom that businesspeople have always known: It is much easier to attract new customers when you make your current customers happy. Improving quality of life for current residents in small Midwest towns can be a driving force for the community renewal they so eagerly seek.

Acknowledgments:

Victoria Bronstein contributed to this post.

DOWNTOWN TRAVERSE CITY ASSOCIATION

BOARD MEETING

THURSDAY, JANUARY 13, 2022

8:30 AM

Hotel Indigo

MINUTES

1. Call to Order
 - Called to order at 8:30am
 - a. *Present: Dawn Gildersleeve, Jeff Libman, Liz Lancashire, Libby Barnes, Margaret Morse, Blythe Skarshaug, Amanda Walton, Jeff Joubran*
 - b. *Absent: Karen Hilt*
2. [Approval of Board Meeting Minutes](#) from Thursday, December 9, 2021
 - a. Motion to approve the minutes as presented
 - Moted by Jeff Libman, Seconded by Dawn Gildersleeve
 - b. Introduction to Art Bukowski our new Communications and Marketing Outreach Director
3. [CEO Report](#) (Derenzy)
 - a. Good Morning Downtown
 - i. Wednesday, February 16th
 - ii. Location: Cherry Republic
 - iii. Future dates will be 3rd Wednesday of each month
 - b. Strategy Session- February/ March after approval from DDA
 - c. Cass and Union Streetscapes- Ideas other than sandwich boards (Different colors/arrows, Commons as an example, crosswalk by Union, mural art painted)
 - d. New Projects/ Plans for the Future
 - State being 2 way
4. [Events Review](#) (Taylor)
 - a. Traverse City Restaurant Week Update
 - We have 35 restaurants participating this year
 - b. Art Fair Series Update
 - i. Application out for National Cherry Festival July 3rd at Commons and Old Town Arts & Crafts June 18th location TBD.
 - Board agreed that they like the Open Space for Arts and Crafts
 - Add more coffee and food vendors
 - No porta potties needed because there are public bathrooms if at the open space

-BARC Recycle

ii. Meeting about Art Walks

c. Additional Event Review

-Blythe is getting us contacts for a comedy festival

-Looking at a two day festival in August around the downtown art fair

-Potential Event committee: Jeff, Dawn, Libby, Karen, Blythe (except Thurs)

-Fundraiser (Festival in August and Game Day Tailgate)

5. Adjourn

a. Adjourned at 9:56am



**Minutes of the
Parking Advisory Board for the Downtown Development Authority
Regular Meeting
Thursday, February 3, 2022**

A regular meeting of the Traverse City Parking Advisory Board of the City of Traverse City was called to order at the 2nd Floor Committee Room, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan, at 11 a.m.

The following Members were in attendance: Board Vice Chair Scott Hardy, Committee Member Todd Knaus, Commissioner Doug Hickman, Board Member Pam Marsh, and Michelle Jones

The following Members were absent: Board Member Katy Bertodatto

Chairperson Hardy presided at the meeting.

(a) **CALL TO ORDER**

(b) **ROLL CALL**

Chairperson Hardy called the meeting to order at 11:00 AM.

Chairperson Hardy noted that the Parking Subcommittee will now be known as the Parking Advisory Board.

(c) **CONSIDERATION OF MINUTES**

- (1) Consideration of approving the minutes of the October 7, 2021 meeting (approval recommended)
- (2) Consideration of approving the minutes of the December 2, 2021 meeting (approval recommended)

That the Parking Advisory Board approve the minutes as presented.

(d) **NEW BUSINESS**

- (1) Parking Policy and Ordinance Changes: Non-transferable permit clause, short-money collection, and virtual tire chalking

Discussion on this item included overall access to downtown and projects that are planned for the summer that may impact customers.

This item was tabled and will be discussed at the next meeting.

The following address the Board:
Nicole VanNess, Transportation Mobility Director
Pam Marsh
Scott Hardy
Michelle Jones
Mike Powers, Property Owner
Todd Knaus

- (e) **RECEIVE AND FILE**
(1) Parking Updates

- (f) **PUBLIC COMMENT**

No public comment.

- (g) **ADJOURNMENT**

Chairperson Hardy adjourned the meeting at 12:17 PM.

Scott Hardy, Chairperson