

Traverse City Downtown Development Authority Study Session

Friday, June 2, 2023

12:00 pm

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



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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
study session**

Agenda

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1. CALL TO ORDER	
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2. ROLL CALL	
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3. PUBLIC COMMENT	
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4. TOPICS OF DISCUSSION	
A. Moving Downtown Forward Financing (TIF) Plan (Jean Derenzy)	4 - 9
Moving Downtown Forward Financing Plan Memo (Jean Derenzy) - PDF	
Moving Downtown Forward Financing (TIF) Plan - Capital Infrastructure Projects for Consideration - PDF	
Capital Infrastructure Projects Map - PDF	
TIF 97 Adoption Process - PDF	
Moving Downtown Forward Board Meeting Milestones - PDF	
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5. PUBLIC COMMENT	
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6. ADJOURNMENT	



CITY COMMISSION

GOALS & OBJECTIVES

2022-2023



HOUSING & HOMELESSNESS

Increase opportunities for more diverse housing through public and private options.



ACCESS & MOBILITY

Invest in multi-modal mobility strategies and existing and future infrastructure so that individuals of all ages, abilities and income have a network of complete, barrier free, safe, year round access to our community's amenities and basic needs.



CONNECTING PEOPLE WITH EACH OTHER AND NATURE

Invest in facilities and amenities in order to create vibrant City spaces that connect all people to nature and to each other.



ECONOMIC DEVELOPMENT

The City will foster economic development by adopting a growth mentality and by conserving and maintaining natural resources. It will work with partners to invest in and maintain amenities that support a wide variety of industries, build the workforce, and attract well-paying jobs with the region's future in mind.



WATER SYSTEMS

Proactively and consistently maintain, conserve, and manage water and water systems to reduce harm to the systems themselves as well as public health and safety.



CLIMATE CHANGE

Address climate within all of our City priorities, goals, policies, and actions.



Downtown Development Authority
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Traverse City, MI 49684
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231-922-2050

Memorandum

To: DDA Board of Directors
From: Jean Derenzy, DDA CEO
Date: May 30, 2023
Subject: Moving Downtown Forward Financing (TIF) Plan

The new Moving Downtown Forward Financing Plan (TIF) Plan is scheduled to be considered for final approval by the City Commission by April of 2024. Therefore, over the next 11-months, the DDA Board will be actively discussing the infrastructure projects that it believes should be included in the Plan. These discussions will be held during our monthly study sessions as well as our regular meetings. In addition, during this time, the DDA will likely discuss future infrastructure projects with the City Commission.

Amending the TIF Plan is a statutory process. Therefore, the city (in cooperation with the DDA) will be establishing a "Citizen Advisory Council" which will ultimately make a recommendation to the DDA Board and City Commission about the contents of the Moving Downtown Forward Financing (TIF) Plan. As part of this process, the city and DDA will be facilitating a series of public meetings as well as public hearings. The City Commission makes the final determination if the TIF Financing Plan is adopted.

To assist in understanding the process for amending the plan and our approach and timeline for identifying what projects will be included in the Moving Downtown Forward Financing (TIF) Plan, I have included four attachments.

Attachment One.

The first attachment, titled "Moving Downtown Forward Financing (TIF) Plan - Capital Infrastructure Projects for Consideration" includes a comprehensive list of projects for consideration and discussion by the DDA Board. The list of potential projects is organized into three "buckets": (1) Projects previously identified and discussed by the DDA Board (e.g., Rotary Square and other projects identified in the Moving Downtown Forward Plan); (2) Projects identified by DDA staff; and (3) each project listed in the TIF-97 Plan.

In addition, projects are noted if they are included in the proposed 2023/2024 Budget, have been completed (or partially completed) or included in the Lower

Boardman/Ottaway Unified Plan. Each project also includes its alignment with our Guiding Principles. Please note that some projects are listed in multiple columns.

As a Note:

- A. The ability to use TIF 97 funds to finance housing in the TIF 97 District is currently not available because housing is not listed in the current TIF 97 Plan. During the amendment process, housing will need to be identified (similar to how its identified in the Old Town TIF Plan) in the Moving Downtown Forward Financing (TIF) Plan to be eligible for TIF funds.
- B. Efforts to advance climate action and sustainability (included a matrix to measure our efforts) will be included in each capital improvement project in the Moving Downtown Forward Financing (TIF) Plan.

Attachment Two.

The second attachment is a map of each of the projects identified in Attachment One.

Attachment Three.

The third attachment includes a spreadsheet and timeline of the statutory process to amend the TIF 97 Plan into the Moving Downtown Forward Financing Plan, including the creation of the Citizens Advisory Council and public hearings.

Attachment Four.

The fourth spreadsheet illustrates the upcoming tasks, board activities and timeline related to the new Moving Downtown Forward Financing Plan. Activities are organized into staff and board responsibilities. In addition, the statutory process and activities underway to inform decisions is included.

Additional Notes

As identified previously, the new Moving Downtown Forward Financing Plan is proposed to have a cost-sharing element with our taxing partners. I am working to define the proposed cost-sharing formula and will be presenting this option as we we proceed through the amendment process.

There is considerable discussion and substantial work ahead to be ready to consider and approve the Moving Downtown Forward Financing (TIF) Plan. I look forward to working with you on this very important effort and the future of Downtown Traverse City

Moving Downtown Forward Financing (TIF) Plan - Capital Infrastructure Projects For Consideration

One. Projects Previously Discussed By The DDA Board	Guiding Principle Alignment	Two. Potential Projects Identified By Staff	Guiding Principle Alignment	Three. Projects Listed in the Current TIF-97 Plan	Guiding Principle Alignment
1.1 Lower Boardman/Ottawa Riverwalk (100 Block) *	A,B,C	2.1 District Heating and Cooling System	A,B,C,E	3.1 Park Street Parking Structure ** (Hardy Parking Garage)	A,B,C,D,E
1.2 West End Parking Structure (w/ground-floor retail & housing) *	A,B,C,D,E	2.2 Open Space Improvements	A	3.2 Garland Street Pedestrian Way ** (Pine Street Pedestrian Bridge)	A
1.3 Rotary Square	A	2.3 Garland Street (greening)	A,B,C,E	3.3 Pine and Front Structure (e.g., West End Parking Structure) **	A,B,C,D,E
1.4 Housing (scale, capacity and project to be determined)	C,D,E	2.4 Cross-walks (reconstruction and/or new)	A,C,E	3.4 Plaza Bridge/Retaining Wall/Alley Work	A,B,C
1.5 Redevelopment of Lot G (w/ground-floor retail & housing)	C,D,E	2.5 Sidewalks (widening, potential snowmelt linked to 2.1)	A,C,E	3.5 Hannah Park Pedestrian Bridge (half of project) * LB	A
1.6 Permanent Farmers Market Structure	A,C	2.6 Street Reconstruction (including new curb)	A,C,E	3.6 100 East State Street Parking Structure	C,E
1.7 East Front Street Streetscaping and Redevelopment	A,B,C,E	2.7 Downtown Cameras (in partnership with TCPD)	C	3.7 Boardman Street Pedestrian Bridge * LB	A
1.8 East Front Street Gateway (tied to East Front Street realignment with Grandview Parkway)	A			3.8 Union Street/Grandview Parkway Pedestrian Tunnel	A
1.9 Lower Boardman/Ottawa Riverwalk (additional phases along the 1.6 mile corridor)	A,B,C			3.9 Civic Square (e.g., Rotary Square) *	A
1.10 Retail Incubator	C,E			3.10 Convention Center Parking Structure	C,E
1.11 Two-Way Pilot (w/potential permanent changes) *	A,C			3.11 Streetscape Improvements (1/4 funding) ** (W. Front, E. Front, Park, Garland, Hall, State, Pine & Boardman)	A,B,C,D,E
1.12 Streetscaping & Snowmelt * (reserved for future redevelopment sites)	A,B,C,D,E			3.12 North Union Street Bridge	A,C,E
1.13 Implementation of Mobility Plan Elements *	A,B,C			3.13 Grandview Parkway Landscaping	A
1.14 TART Trail Extension *	A,B,C			3.14 Boardman River Riverwalk and Mooring **	A,B,C
1.15 Composting Program *	B			3.15 City Opera House Renovations**	A
				3.16 Bridge Improvements ** (S. Union, N. Union, S. Cass, N. Cass, W. Front)	A,C,E
Professional Services				3.17 Bayfront Improvements (Implementation of projects within the broad categories identified by the Bayfront Plan)	A
TraverseConnect *	C,D,E			3.18 Street, Alley and Sidewalk Improvements ** Improvements to public streets, alleys, sidewalks and other public ways within the district (includes resurfacing, reconstruction and utility relocation)	A,B,C,E
Community Police Officer *	A,C			3.19 Broadband and Wireless Technology Services ** Improvements to public streets, alleys and other public rights of way within the District for broadband and wireless technology services within the district	A,C,E
WIFI *	A,C,E			3.20 Public Restrooms Acquisition, Construction or Improvements ** (Park Street) Acquisition of, construction, or improvements to, facilities for public restrooms in various locations throughout the district as determined by the board	A,C
Maintenance and Operation *	A,B,C,E			3.21 Parking Lot Renovations, Farmers Market Improvements and Multi-Purpose * Plaza Construction (Lot B and Lot T and the Boardman River)	A,B,C,E
Marketing and Communication *	A,C,E			3.22 Public Art Construction Construction of public art in conjunction with public improvements identified in the plan	A
				3.23 Park Improvements (Triangle Square)	A
Guiding Principles					
A. Design Great Places for All Ages & for Future Generations					
B. Advance Climate Action, Sustainability, Renewable Energy, Energy Efficiency & Resiliency					
C. Protect and Preserve Small Local Independent Businesses					
D. Champion the Development of Attainable and Workforce Housing					
E. Support Job Growth and Varied Career Opportunities					
Legend					
* Projects Listed in 2023/2024 Budget					
* Projects Listed in TIF 97 Plan and Columns One & Two					
** Projects Completed or Partially Completed (noted by line)					
LB Projects Identified in the Lower Boardman/Ottawa River Unified Plan					

Moving Downtown Forward Financing Plan (TIF) – Capital Infrastructure Project for Consideration Map



- Note:
- Blue Circle = Spreadsheet Column One Projects. Green Circle = Spreadsheet Column Two Projects. Orange Circle = Spreadsheet Column Three Projects.
 - Projects on the spreadsheet without a specific geographic location may not be identified on this map
 - Duplicate project (projects in multiple columns) are represented once

Working Timeline To Develop Moving Downtown Forward Financing Plan (Amending TIF 97) - Step Sheet & Check List

Recodified Tax Increment Financing Act 57 of 2018

Steps and Procedures		Responsible Agent	Anticipated Date	Completed	Date
Step 1.	Complete interviews with residents within the existing TIF 97 TIF District to serve on a Development Area Citizens Council.	Ad Hoc Committee DDA/City Comm.		No	
Step 2.	Submit Development Area Citizens Council list of candidates to City Commission.	City Staff		No	
Step 4.	City Commission formally approves the creation of the Development Area Citizens Council and appoints its members, at least 90 days before the Public Hearing.	City Commission		No	
Step 5.	DDA hosts Development Area Citizens Council meeting(s), solicits input/revisions for the TIF 97 Plan and extension.	DDA Staff		No	
Step 6.	Development Area Citizens Council provides recommendation of TIF 97 Plan and Extension.	DDA Staff		No	
	A. DDA staff prepares TIF Plan Amendment for DDA Board Consideration.				
Step 7.	TIF 97 Plan Amendment approved by DDA Board, with consent from Development Area Citizens Council.	DDA Board		No	
Step 8.	City Council adopts a resolution declaring its intent to extend TIF 97 and sets a date for the public hearing to consider the TIF 97 plan amendment. (Hearing has to be at least 90 days from when the Citizens Council was established)	City Commission		No	
Step 9.	Notice of public hearing must include the date, time and place of the hearing and a description of the boundaries of the TIF District. Notice of the public hearing must be published twice in the newspaper of general circulation.	City Clerk's Office		No	
	A. First public notice not more than 40 days before the hearing.			No	
	B. Second public notice not less than 20 day before the hearing.			No	
	C. Pubic notice must be posted in at least 20 conspicuous and public places in the TIF 97 District.			No	
	D. Public notice must mailed to property tax payers in the TIF 97 District and (by certified mail) to the governing body of each jurisdiction levying taxes that would be subject to capture, not less than 20 days before the hearing.			No	
Step 10.	City Commission holds Public Hearing.	City Commission		No	
Step 11.	Within 20 days after the public hearing, the Development Area Citizens Council must notify (in writing) of its findings and recommendations concerning the TIF 97 Plan.	Development Area Citizens Council		No	
Step 12.	DDA and city staff prepare Ordinance.	DDA and City Staff		No	
Step 13.	Not less than 60 days after the public hearing, City Commission adopts Ordinance by a majority vote of its members.	DDA Staff and Board		No	

Moving Downtown Forward Financing (TIF) Plan Development Monthly Milestones - DDA Board Action

Upcoming Tasks Related to the Moving Downtown Forward Financing (TIF) Plan	2023												2024														
	May		June		July		Aug.		Sept.		Oct.		Nov.		Dec.		Jan.		Feb.		Mar.		April.		May		
	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	SS	RM	
Develop Moving Forward TIF Plan (Staff Activity)																											
DDA Staff Prepares List of Potential Capital Improvement Projects (Moving Downtown Forward - TIF) For Discussion by DDA Board																											
DDA Staff Prepares Summary of Anticipated Growth and Tax Capture Within the District																											
DDA Staff Identifies Financing Options with Partners and DDA Board																											
DDA Staff Develop Moving Downtown Forward Financing (TIF) Plan																											
Parallel Statutory Process (see additional hand out)																											
Develop Moving Forward TIF Plan (Board Activity)																											
DDA Board Discusses Potential Capital Improvement Projects (Priorities) for Moving Downtown Forward TIF					D		D		D		D		D		D		D		D		D						
DDA Board Makes Recommendation on Moving Downtown Forward Plan Capital Projects to DEVELOPMENT AREA CITIZEN ADVISORY																										A	
Processes Already Underway To Inform Decisions																											
Facilitate Lower Boardman/Ottawa Riverwalk RFP Process Not Published						D	A													D	D	D	A				
Facilitate West End Parking Structure RFP Process Published May 23, 2023					D	A													D	D	D	A					

- Key
- SS = Study Session
 - RM = Regular Meeting
 - D = Discussion
 - A = Action

Note: Unmarked squares reflect staff work and other project components not related to board activity

Note: Project tasks (and sequencing) will require approval by the DDA Board and City Commission