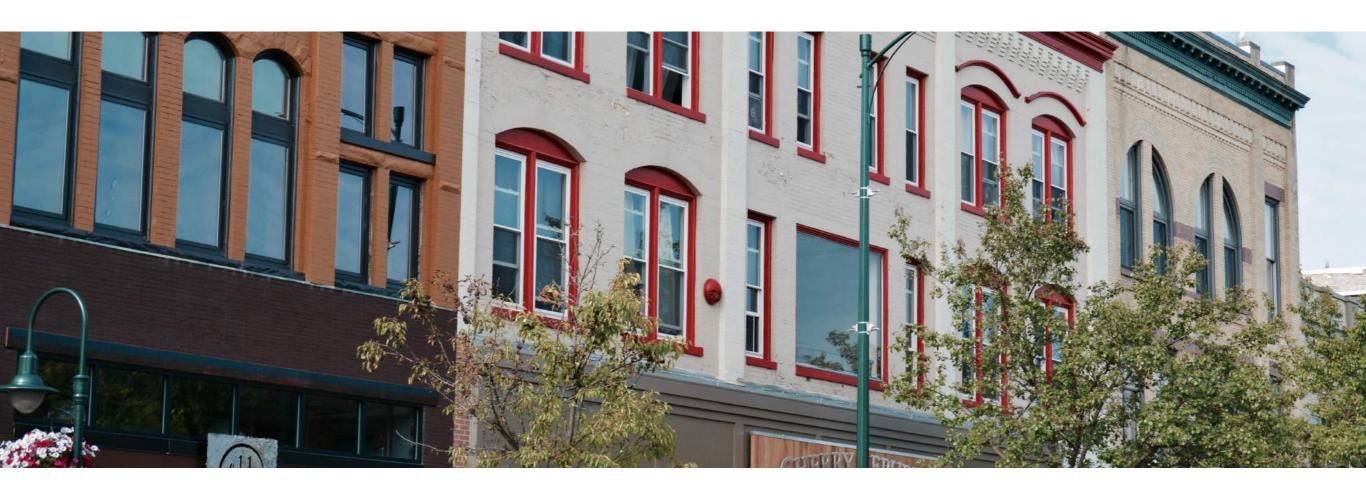


Downtown Annual Report

The 2016 Downtown Traverse City Annual Report for projects associated with the Downtown Development Authority, Downtown Traverse City Association and Traverse City Parking Services.





Downtown Annual Report

A word from DDA Executive Director, Rob Bacigalupi

DOWNTOWN TRAVERSE CITY: A GREAT PLACE

The Traverse City Downtown Development Authority is caretaker of one of Michigan's favorite downtowns and serves as a one-stop-shop for economic development, planning, marketing, hosting events, and parking management.

VALUE IS OUR MISSION

The Traverse City Downtown Development Authority (DDA) is an arm of the City of Traverse City responsible for the economic vitality of a defined downtown district. Our mission is to promote economic development in Downtown Traverse City and increase property values. We achieve this four ways: First, through infrastructure improvements to support private development. Second, with events that drive traffic Downtown and add quality of life. Third, through marketing, including a comprehensive wayfinding system. And finally, with business support ranging from networking opportunities to providing business metrics. Said another way, our mission is to add value. We add value not just to Downtown, but to the City and whole Grand Traverse region.

We recently measured the value of Downtown through a study conducted by Urban 3, a nationally-renowned consulting firm. They concluded that Downtown Traverse City is worth 83 times per acre compared with Grand Traverse County as a whole! This means Downtown is paying more than its fair share in taxes for public services like roads, public safety and our libraries.

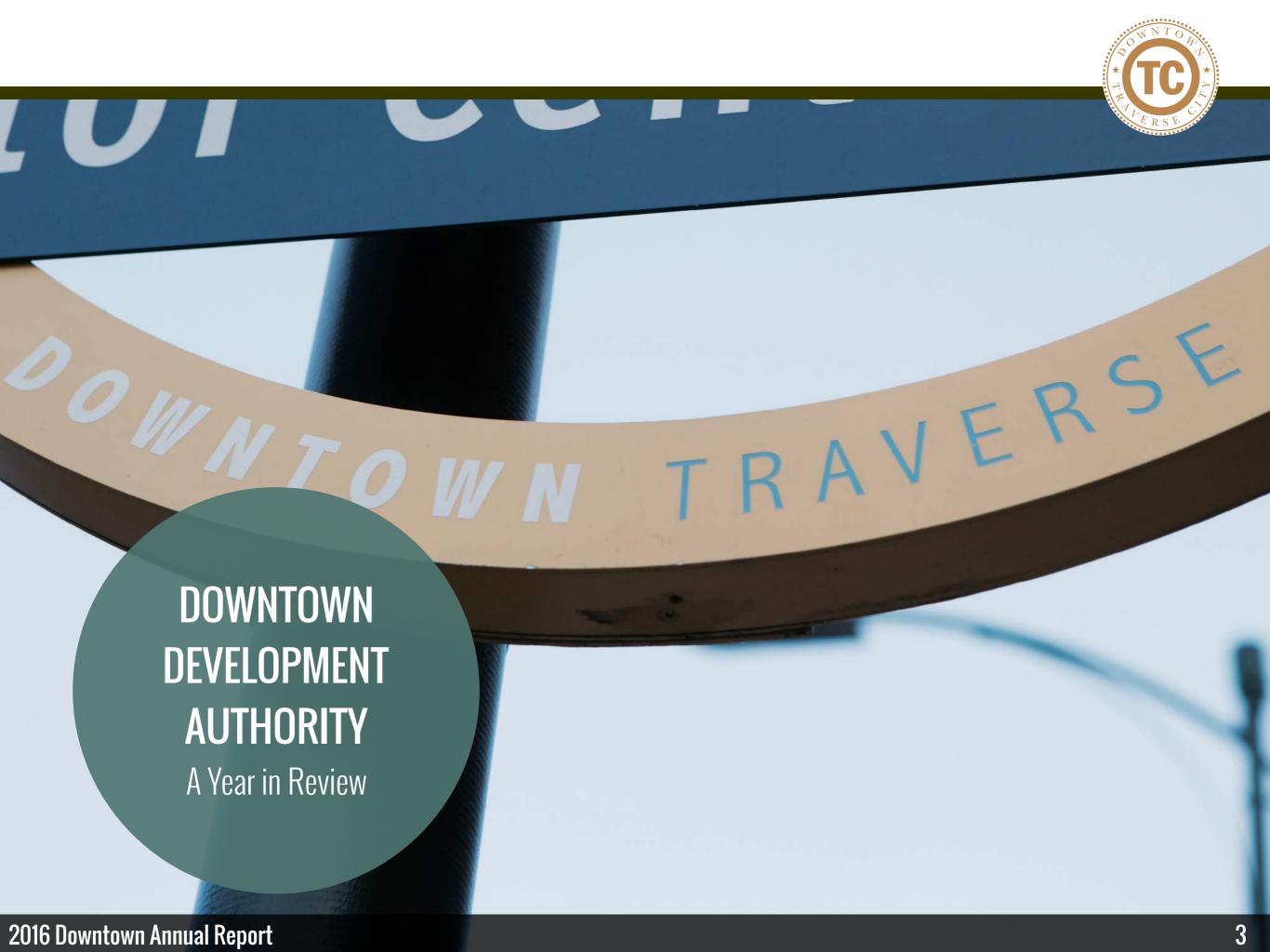
TRANSPARENCY AND ENGAGEMENT ARE OUR VALUES

The DDA is overseen by a 12-member board that includes the Mayor and eleven Mayor and City Commission appointees. Our board meets monthly at public, televised meetings. All are welcome to attend and watch. You can learn more about all we do by visiting downtowntc.com.

We know that everyone in the City and the region feels a certain ownership of Downtown. It is the heart and the cultural center of the Grand Traverse area. As caretakers of Downtown, our responsibility is to assure its success and foster a symbiotic relationship with City neighborhoods. We pride ourselves on reaching out and gauging collective opinions on our efforts, such as the comprehensive survey work and feedback we received on our farmers market space plan.

The DDA is proud of its accomplishments in 2016 and looks forward to an even more prosperous 2017. Downtown will continue to set the tone for our region's future!



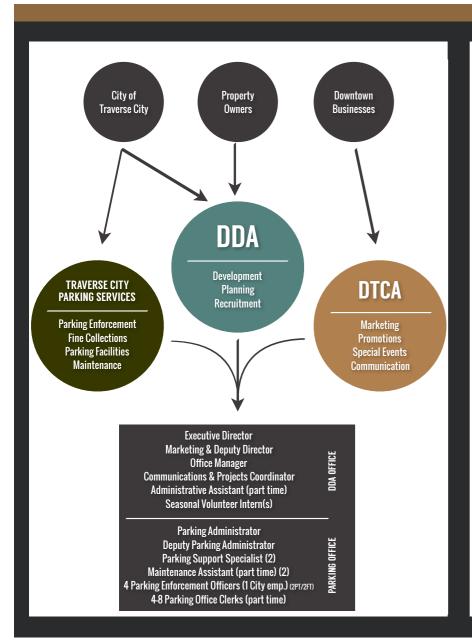


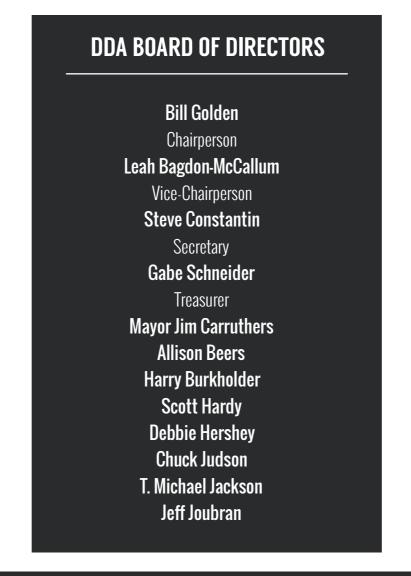


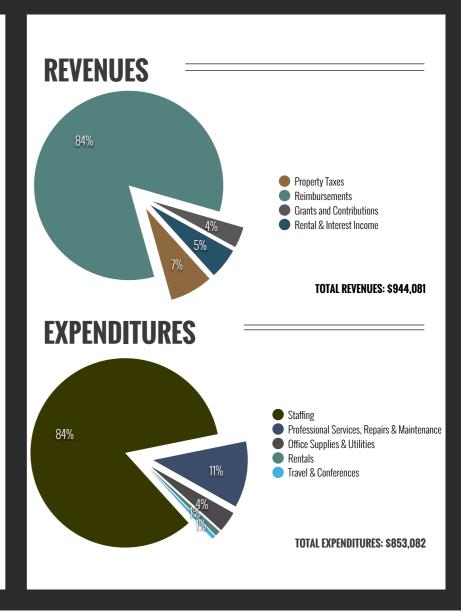
Downtown Development Authority

DDA MISSION

To halt property value deterioration and to increase property tax valuation where possible in the business district of the City, to eliminate the causes of deterioration and to promote economic growth.









Downtown Development Authority

TAX INCREMENT FINANCING EXPLAINED

The Downtown Development Authority Act, Act 197 of 1975 provides several methods for Downtown Development Authorities to work in partnership with municipalities, property owners and developers to finance public improvements within a defined downtown area. These methods include: up to two mills being levied on DDA property owners, special assessments on property within the DDA, and Tax Increment Financing, commonly known as TIF. Although most people are familiar with millage and special assessment as methods of raising revenue, many people are not familiar with Tax Increment Financing. TIF is a financing tool whereby a specific area within the DDA district is defined, a development plan is adopted, and the future property tax revenues are captured within that district to finance public improvements necessary to implement the development plan. TIF revenues may be the sole source of financing for these public projects or they may be used in combination with other financing methods.

The objective of the DDA legislation, which allows for the creation of TIFs, are to help cities accomplish the following:

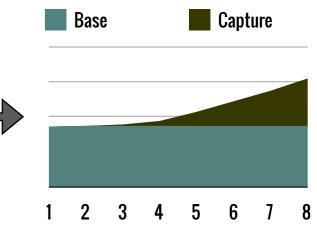
- correct and prevent deterioration of their business districts
- encourage historic preservation
- promote the economic growth of the designated downtown area.

Because most downtown areas are among the oldest sections of a city, upgrading and providing the public infrastructure is essential to achieving these goals. Traditionally these costs were borne by cities alone, creating a major stumbling block to success. As a solution, the DDA Act provides for the use of TIF, which allows for partnerships with other taxing units, who ultimately benefit from an improved downtown area. TIF provides a source of funds to build the needed public improvements to accomplish the objectives for downtowns.

Without the tool of TIF, necessary public improvements within the DDA would have to be financed completely by the City. The TIF funds collected must be earmarked or spent on a specific development project or necessary administrative expenses within the District. If it should be determined by the DDA Board and City Commission that neither of these options are necessary, then, as required by the DDA Act, funds collected for that year are returned to the contributing taxing units. At the completion of the TIF plan, all taxing units again levy millage on and receive revenue from the full taxable value of the district. Is TIF a worthwhile economic tool to use? We believe it is, but it is just one of several economic tools available to help and assist in keeping the core of our cities alive and healthy, both economically and socially.



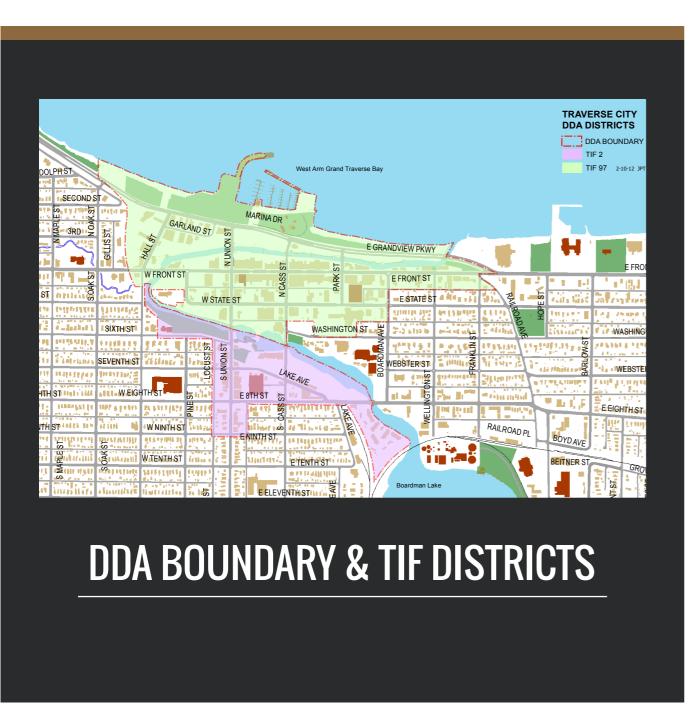
TIF uses increased tax revenue spurred by private investment to pay for public investment. This graph illustrates a hypothetical TIF district established in year 2.

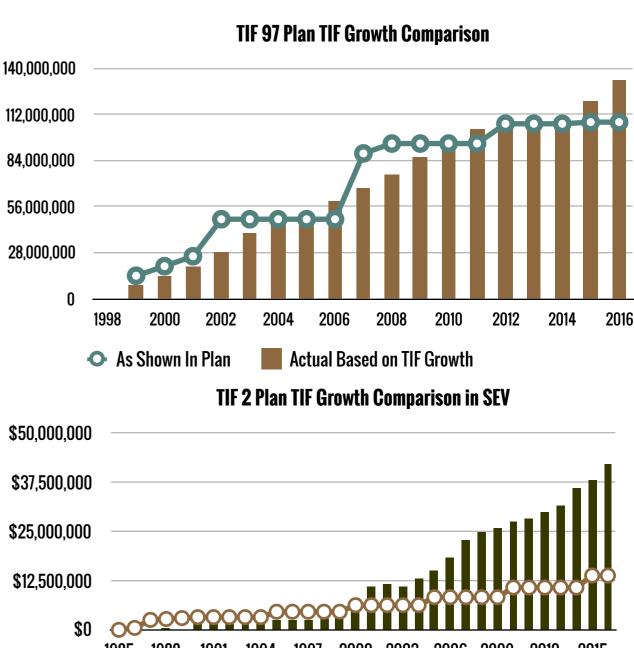


2016 Downtown Annual Report

Downtown Development Authority

TIF 97 & TIF 2





As Shown in Plan

Actual Based on TIF Growth



Public Improvements



Completion of parking garage bond payments and construction on public restrooms are items that have public benefit and are supported through TIF.

BOND PAID OFF: The final payment for the Old Town Parking Garage was made in April 2016 with funds provided by TIF 2. The garage has served as an economic driver and provided needed parking to Old Town businesses and downtown's largest employer, Hagerty. The over \$11,000,000 bond was successfully paid off in seven years.

PUBLIC RESTROOMS: Construction began on the dedicated pedestrian entrance to the Hardy Parking Garage along Park Street. The entrance will also include the much anticipated public restrooms! Funds for the project are provided by TIF 97.



A new story for the West Side. Significant investment on the West End took place in 2015 and the momentum continued in 2016 in the Warehouse District and the West side of Downtown Traverse City

PINE STREET PEDESTRIAN WAY: A pedestrian bridge was constructed over the Boardman River and serves as a direct connection between the Front Street District and the Warehouse District. Funds from TIF 97 supported the project.

RIVERWALK CONNECTION: The Uptown development at State and Pine has a public walkway to the Boardman River. A public riverwalk will be constructed in Fiscal Year 19'-20' at the location. Funds from TIF 97 supported the project.

GARLAND STREET: The reconstruction project came to fruition in 2016 after years of planning. The street was designed as a Woonerf style roadway that has a pedestrian feel, while still allowing vehicular traffic. Funds from TIF 97 supported the project.



Utilizing our public spaces for people!
These public improvement projects improve
walkability and bring vibrancy to
Downtown's streetscape.

PLATFORM CAFES: Staff at the Downtown Office took the lead in amending the City's Outdoor Cafe Ordinance to include Platform Cafes. Platform dining is a constructed platform in one or more parking spaces. The intent of the ordinance is to increase pedestrian activity in less active areas of Downtown and expand outdoor dining options.

REIMAGINED CROSSWALK: The bump out on the 200 block of East Front Street was given a makeover to better serve as a people space. Improvements included street bars, benches, stools, and planters. Funds from TIF 97 and an online crowdfunding campaign through MSHDA supported the project.



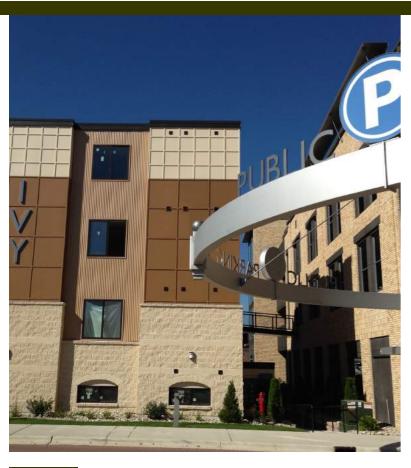
TIF 2 Success

The tax increment financing plan, TIF 2, was approved in August of 1985 for a 30 year term. The plan's focus was on the redevelopment of the TC Ironworks site and its environs with mixed used development, street and streetscape improvements, utility upgrades, and public parking.









Union Street Streetscape Project in 1993/4

Repaving of Eighth Street in 1996/7

Cass Street streetscape/West public riverwalk in 1999/00

Lake Street streetscape in 2001/2

East (Midtown) public riverwalk in 2003/4

Additional Cass Street streetscapes in 2008/9

Old Town Garage in 2009

Wayfinding/8th Street Trail in 2009/10

Eighth Street bridge repair in 2011/12

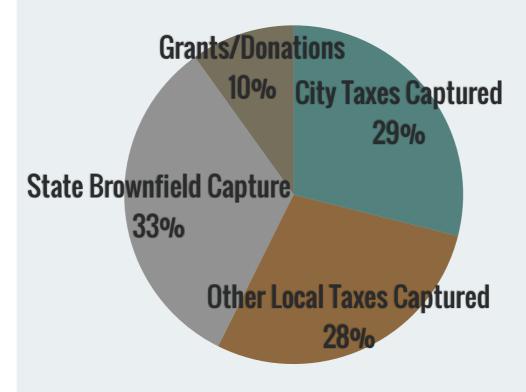
Tree replacement in 2011/12

Public Wifi in 2014/15

TIF 2 Success

Private and public investment increased the value of the TIF 2 district nearly 13 times over the life of the plan and the value serves as a great benefit to the region.

\$16,649,727 in Revenues Collected for TIF 2 Projects 1986 - 2015



2016 TAXES COLLECTED FOR THE TIF 2 DISTRICT: \$1,209,311

City	\$610,354	Library	\$49,376	
Recreational Authority	\$19,505	GTC Road	\$45,411	
NMC	\$128,060	DDA	\$81,937	
GT County \$226,318		ВАТА	\$15,658	
GT Commission	\$27,241	Veterans	\$5,451	

CONTRIBUTING NEIGHBORHOOD

The TIF 2 District contributes to the stability of the region by generating over five times as much tax revenue per acre than the City as a whole, and about 50 times that of the whole of Grand Traverse County.



New Plan For Old Town

A tax increment financing plan was introduced and approved by the City Commission in 2016. The development area carries over the boundaries used in the previous TIF 2 plan. It includes the Old Town business district, River's Edge, Midtown, Riverine Apartments, as well as Hannah and Lay Parks and will focus on the continued improvements for the Old Town District.

THE FUTURE OF THE DISTRICT

Though the district has been substantially developed, there remains great potential for further private investment. Within the district's 52.45 acres, there are 4.5 acres of surface parking, 2 vacant parcels, and a number of underutilized developed parcels. Beyond this, there are 11.7 acres of streets, alleys and sidewalks, and 4 acres of parkland. The balance of acreage in the development area is comprised of the Old Town Parking Garage and private land uses including retail stores, restaurants, offices and housing. To learn more about the plan go to downtownto.com.



IMPROVE ACCESSIBILITY

PARK IMPROVEMENTS

UNION ST. DAM IMPROVEMENTS

HOUSING CHOICES



New Plan For Old Town

A number of projects that include public improvements and critical infrastructure upgrades are planned for the Old Town District through the new tax increment financing plan.

Project	Project Name and Description		Future Cost
1	Lay Park improvements	2017	\$102,239
2	Eighth Street street and streetscape improvements	2018	\$1,428,757
3	Rivers Edge riverwalk decking and replacement	2019	\$106,869
4	Union Street Dam, park improvements and riverbank stabilization		\$14,747,912
5	Boardman Lake Avenue street, streetscape and plaza improvements	2020	\$5,717,127
6	Union Street and streetscape reconstruction - Ninth Street to bridge	2021	\$996,059
7	South Union Street Bridge	2022	\$2,289,904
8	Hannah Park improvements	2022	\$799,468
10	Midtown riverwalk decking replacement	2024	\$656,598
11	Cass Street street and streetscape reconstruction - Eight Street to bridge	2029	\$646,045
12	Riverine Riverwalk	2031	\$696,991
13	Snowmelt on Eighth, Boardman, Lake, Union, Cass and Streets	2032	\$1,607,064
14	Lake Street street and streetscape reconstruction - Locust Street to Eighth Street	2036	\$1,620,759
	TOTAL		\$31,415,792



HOW TO PAY FOR \$31.4 MILLION OF PUBLIC IMPROVEMENTS

- · Captured TIF equals \$25.3 million over 25 years
 - This is roughly twice what the City would realize if all projected development still happened and there is no TIF Plan
- · Grants and other sources should add about half again as much, or \$12.7 million

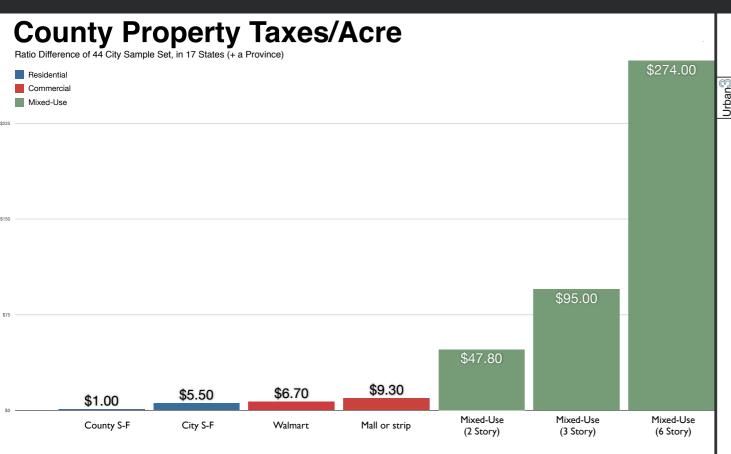


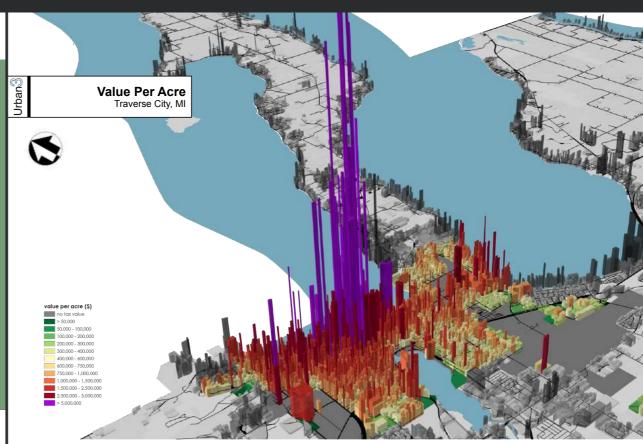


The Value of a Healthy Downtown

A thriving downtown creates healthy neighborhoods, attracts a talented workforce, and benefits the region as a whole.

Smart land use has an exponential benefit to the prosperity of a region. According to Urban 3, a national expert who analyzes the relationship between building design and tax production, the City of Traverse City accounts for 18% of the Grand Traverse County's value although the land only accounts for 1% of total property in the County. And furthermore, Downtown Traverse City represents 2.9% of the County's value, but is only .04% of the land area, therefore, Downtown Traverse City on a per acre basis is worth 83 times the County as a whole. This data shows that density with mixed use development has a much higher taxable value than commercial developments that are stand alone with large parking lots.







HOUSING REPORT

The DDA's primary interest in housing stems from a shortage of certain housing types at an affordable price and how these scarcities hurt downtown businesses. A 2014 Networks Northwest study concluded that the City of Traverse City should conservatively be adding 640 housing units per year to keep up with demand. Given the characteristics of people looking for housing, 82% (524) of these units need to be rentals. The aggressive scenario portrayed in this report put the total number of units needed at 1,542, with 1,302 of those to be rentals. In 2015, 141 housing units were permitted in the City, most of which were single family units.

The DDA's 2016 downtown market analysis identified workforce housing as a key concern and suggested a specific strategy to address this shortage. Anecdotally, we know that the housing shortage has impacted many of our downtown businesses, who more and more compete for highly mobile workers looking beyond just Traverse City as a place to call home. The increasingly vibrant downstate cities of Grand Rapids, Ann Arbor and Detroit, who offer a greater breadth of housing choices, prove tough competition for "a view of the Bay and half the pay."

Housing Strategy

FIVE POINT PLAN

1 CAPITAL FUNDING

Allocate capital funding to a local nonprofit with proven capacity for use in developing workforce housing in, and near, downtown. 2 LOFT PROGRAM

Work with property owners to convert underutilized space to lofts through a Michigan Economic Development Corporation program with the State Of Michigan.

3 DEVELOPER PARTICIPATION

In return for the public improvements associated with private projects, include workforce housing on our list of asks to developers we work with on projects downtown.

4

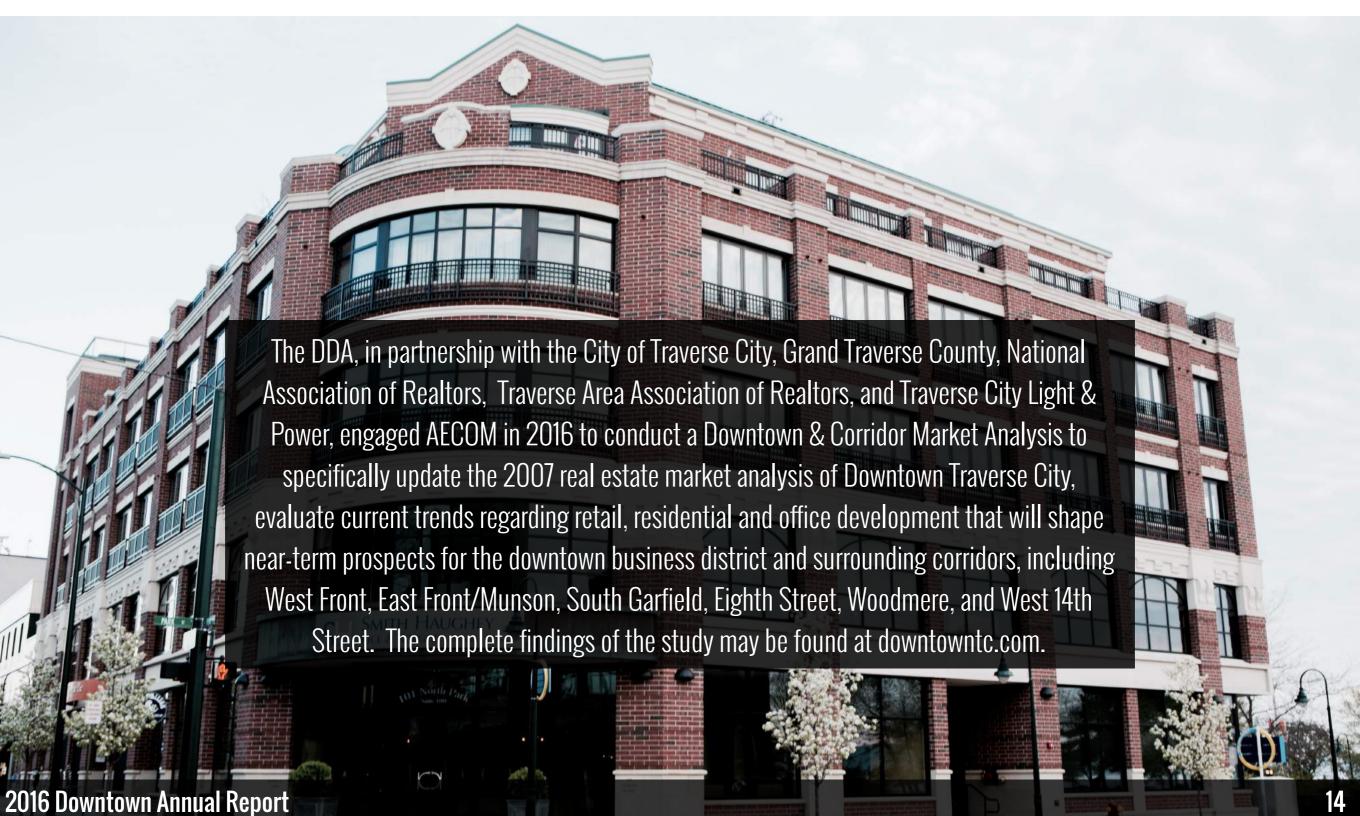
STRONGER ZONING

Pursue stronger zoning incentives for housing and specifically workforce housing.

IDENTIFY NEEDS

Meet with downtown employers to identify need and discuss opportunities to work with developers and property managers toward meeting that need.

Downtown & Corridor Market Analysis



Downtown & Corridor Market Analysis

STRATEGY RECOMMENDATIONS

WORKFORCE HOUSING

Workforce housing is a concern, linked with the reality that local workforce participation rates have not recovered to pre-recession levels, as more retirees move into the market. Other resort communities have focused on workforce housing as a policy priority to ensure that employees in generally lower wage, but critical sectors (hospitality, retail and restaurant) have a reasonably priced housing option. As one example, in the Town of Vail, Colorado, local leaders restarted the local housing authority to ensure there is deed restricted housing for at least 30% of Vail's workforce in Vail. Need for the strategy was driven by underlying real estate trends that are entirely consistent with Traverse City:

- The underlying cost of real estate as well as growth in real estate values at levels above regional and national levels
- Existing housing conversion to second homes, with overt private sector focus second-home owner interests.
- Increasing cost of construction and a gap between local wages and private market housing prices.

DOWNTOWN AND CORRIDOR INFILL DEVELOPMENT VISION & STRATEGY AND PRIORITIZATION

The strategies reflect the need for real change and address challenges as it pertains to the corridors.

- Build upfront consensus for density, mixed use and parking
- Identify advocate organizations to drive corridor revitalization, serving as an intermediary between the public and private sectors.
- · Identify and prioritize important sites
- Streamline the entitlement process and secure preliminary entitlements for targeted sites
- · Encourage density and mixed use at key nodes
- · Improve the appeal of infill sites with targeted infrastructure and access improvements
- · Market infill sites aggressively

There is a need for a more aggressive public sector role in redevelopment, with the end goal of reducing the front-end time required to affect infill site redevelopment. Streamlining predevelopment planning creates incentive and reduces developer risk (linked to carrying costs and interest expenses.)

DOWNTOWN PARKING

Downtown supports just under 5,000 public and private parking spaces against an inventory of about 1.4 million square feet of commercial space and about 250 residential units. The resulting ratio of spaces (about 280 square feet per space) is below standards applied to new construction (4 to 6 spaces per 1,000 square feet).

- · Structured parking is expensive to build and maintain
- Over time, development of surface lots within the DDA district will create pressure for parking capacity
- Parking spaces are increasingly valuable real estate, and need to be priced accordingly; for this reason, the City and DDA should consider peak season premium parking rates in key downtown areas.
- Downtown parking strategy needs to consider optimal parking occupancy so that a small number of very convenient spaces are consistently available.
- Parking conversations need to relate to transit connectivity for workers and visitors, and growth of housing options in the City that allow a greater share of residents and visitors to "park once".

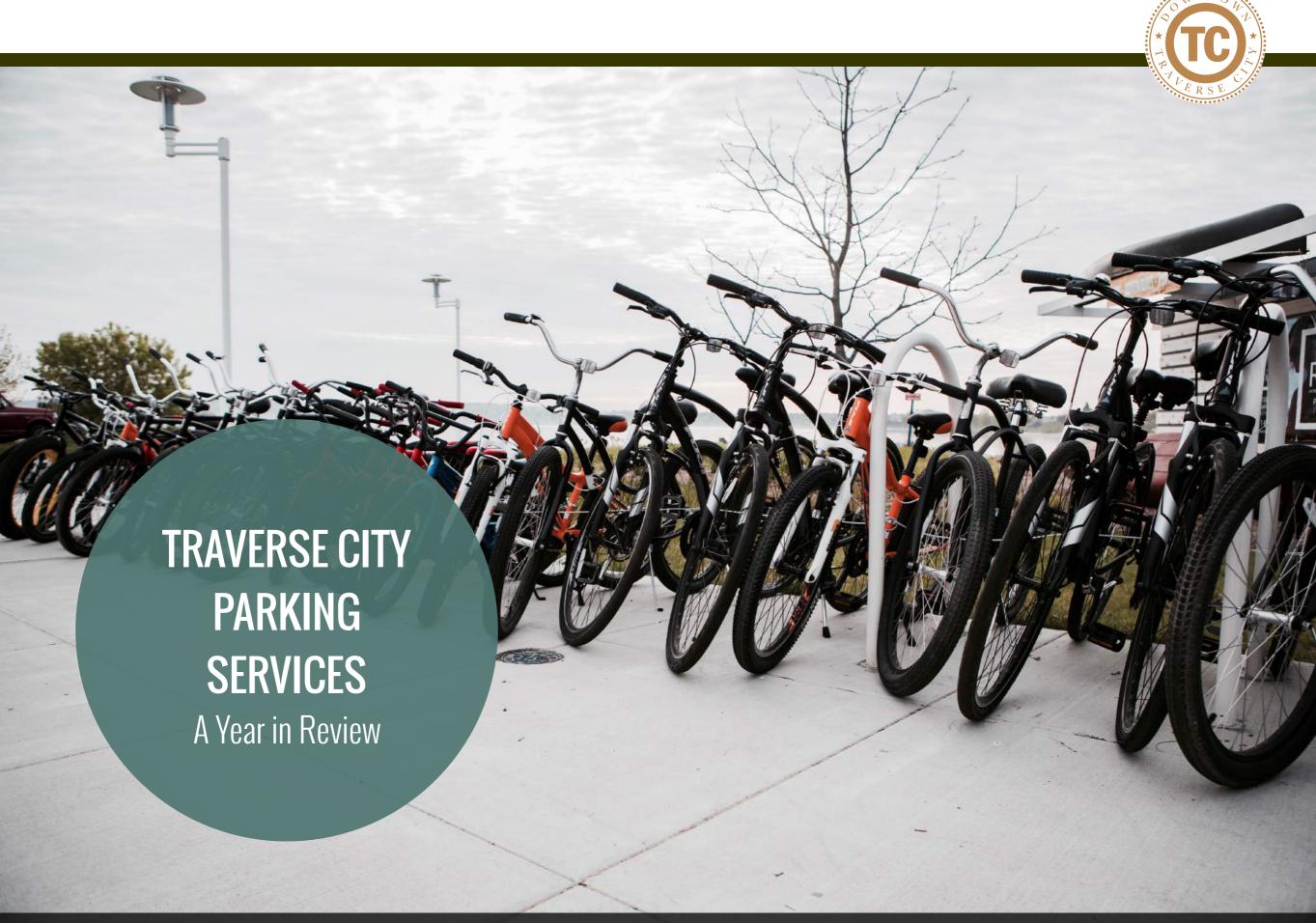
2016 Downtown Annual Report



Downtown & Corridor Market Analysis

ADDITIONAL ELEMENTS

- City incentives need to increasingly focus on the provision of workforce housing and related strategies linked to parking and transit for workers.
- Outcomes from the 2007 and 2015 market studies included the provision of more detailed real estate inventory data, such that organizations like the DDA can more effectively sell and market the Downtown area to an increasingly global market. Moving forward, the DDA will need to consider support to maintain inventory data for retail and office markets for Downtown and the Corridors. The region also needs to pay close attention to the workforce participation rate moving forward.
- While it is clear that Traverse City has seen its seasonal markets diversify, additional resources should be considered to broaden shoulder season markets, such that the Region can expand four- season opportunities. Current hotel-motel tax rates should be benchmarked against peer destinations nationally, possibly including places such as Estes Park, CO and Key West, FL., to discern competitive positioning and opportunities for additional revenue. While current hotel-motel tax proceeds largely fund marketing efforts, given the importance of Downtown as a tourism anchor, consideration should be given to use of some hotel-motel tax proceeds for tourism infrastructure.
- Reflecting growing real estate values as well as generally older infrastructure, the DDA and City should continue to revisit and update current infrastructure (Capital) Improvement Plans for the DDA district on an annual basis. Emerging opportunities related to parking, provision of gigabit internet, and district energy (renewables and geothermal) need to be kept in focus as markets evolve.
- For the DDA, growth in commercial rent levels across Downtown creates gradual pressure to ensure that Downtown programming and events help drive store sales, rather than just visitation. The DDA should consider visiting programming and event schedules on a recurring basis to ensure that these events are driving Downtown in the optimal direction.



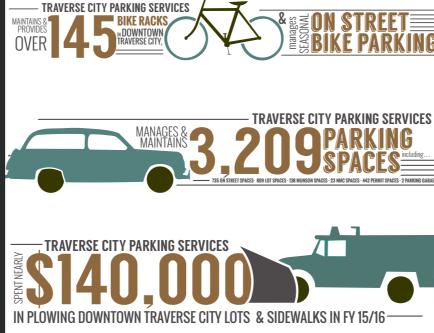


Parking Services

The DDA manages the City's Parking System which results in more efficiencies by sharing staff and administration, thereby reducing the cost to the Traverse City Parking System Fund. Parking is critical to economic development, which makes the DDA a logical organization for management.

SERVING THE CITY'S PARKING NEEDS

The Traverse City Parking System is responsible for approximately \$20,000,000 in parking facilities, including two parking garages, surface parking lots and parking equipment. TCPS manages over 1,700 metered spaces and issues over 1,204 annual permits, 1,703 daily, 731 quarterly, and 594 monthly permits. The Traverse City Parking fund pays for operations, maintenance and upkeep of the system. The system is run as an enterprise account, meaning it is self-sustaining and does not require City General Fund tax dollars. In fact, TCPS contributed over \$290,000 to the City's General Fund in Fiscal Year 15'-16'. The Larry C. Hardy Parking Garage was completed in 2003 and serves the east side of Downtown with 103 transient spaces, and 437 permit spaces. The Old Town Parking Garage was completed in 2009 and contains 97 transient spaces, and 425 permit spaces. Tax Increment Financing paid off a bond for the Old Town Parking Garage in 2016, and the Hardy Parking Garage will be paid off in 2027.



City (Per Hour Rates)	Short Term / High Demand	Long Term / Low Demand
Ann Arbor	\$1.60	\$1.20
Birmingham	\$1.00	\$0.50
erndale	\$1.00	\$1.00
Flint	\$1.00	\$1.00
Grand Rapids	\$2.00	\$1.25
Kalamazoo	\$1.75	\$0.50
ansing	\$1.25	\$0.50
Midland	\$0.25	\$0.25
Mount Clemens	\$1.00	\$0.50
Royal Oak	\$0.75	\$0.50
Fraverse City	\$1.00	\$0.60





PROPERTY PURCHASE

Addressing the needs of a growing Downtown Traverse City is directly related to parking. In 2016, parking funds were used to purchase property at 145 West Front Street, better known as Lot V. Immediate investment into the property resulted in an increase from 18 parking spaces to 102. The property creates an opportunity for a parking deck in the future on the west side of Downtown.

Parking Services

NEW IN 2016

PARKING OUTREACH

TCPS organized neighborhood meetings throughout the City to discuss residential parking programs. The Planning Commission Parking Sub-Committee continues to meet monthly to address parking not only in Downtown Traverse City, but the corridors and surrounding neighborhoods and was created to address parking related ordinances and zoning. A Bike Facility Sub-Committee was created by the Parking & Access Committee.

ONLINE SERVICES

Launched an e-commerce website that can be accessed at downtowntc.com, where parking permits may be purchased, and parking accounts can be managed by the user.

BIKE PARKING

Managed the seasonal on-street bike parking program. On-street racks are placed on the 100 and 200 block of E. Front St. TCPS also purchased new racks for the Warehouse District and a covered bike shelter was installed at the Old Town Parking Garage. A partnership with Norte! and TCPS continued at the Sara Hardy

Downtown Farmers Market to provide seasonal bike parking through a valet service that is free to the customer.

TIME ZONES

Permit access was reduced in long term lots to allow more availability for part time employees and updated permit enforcement to mirror meter enforcement and consistent paid parking hours.

INSTALLATIONS

Install of 12 pay stations in parking lots D, E, G, K, N, and X, which offer expanded payment options including cash, coin, and credit. Installation of new metered numbers took place in 2016, to better define each meter space and enhance the mobile parking payment options.

MAINTENANCE & EQUIPMENT

Meter housing and refurbishing are ongoing maintenance project for TCPS. In 2016 meter housings and poles were refurbished in the Munson area. Parking funds also contributed toward work on the retaining wall along the Boardman River in Lot C and the reconstruction of Lot D.



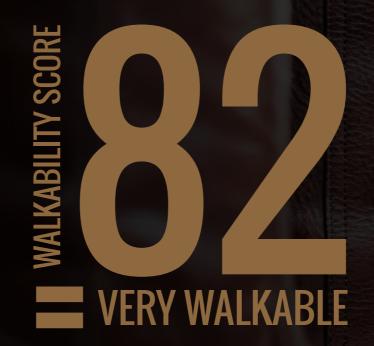


Walkable Downtown

Ever wonder how long it takes to get from here to there in Downtown TC? Let's take a walk, and see how Downtown TC measures up when it pertains to walkability.

STARTING POINT: HARDY PARKING GARAGE

State Theatre: 3 minutes Clinch Park Beach: 3 minutes The Little Fleet: 5 minutes Governmental Center: 6 minutes Farmers Market: 6 minutes Bijou Theatre: 6 minutes Splash Pad: 6 minutes City Opera House : 7 minutes U.S. Post Office: 8 minutes Visitor Center: 9 minutes Old Town Playhouse: 10 minutes Open Space: 10 minutes Warehouse District: 10 minutes Old Town Parking Garage: 11 minutes BATA Station: 12 minutes Mary's Kitchen Port: 15 minutes



90-100

Walker's Paradise **70-89**

Very Walkable: Most errands accomplished on foot

50-69

Somewhat Walkable: Some errands can be accomplished on foot

25-49

Car-Dependent: Most errands require car

0-24

Car-Dependent: Almost all errands require a car

STARTING POINT: OLD TOWN GARAGE

Old Town Playhouse: 1 minute U.S. Post Office: 6 minutes Governmental Center: 8 minutes Farmers Market: 9 minutes City Opera House: 9 minutes State Theatre: 10 minutes Bijou Theatre: 11 minutes Splash Pad: 11 minutes Hardy Parking Garage: 11 minutes Visitor Center: 11 minutes Open Space: 12 minutes Warehouse District: 13 minutes Clinch Park Beach: 13 minutes BATA Station: 14 minutes Mary's Kitchen Port: 16 minutes The Little Fleet: 16 minutes

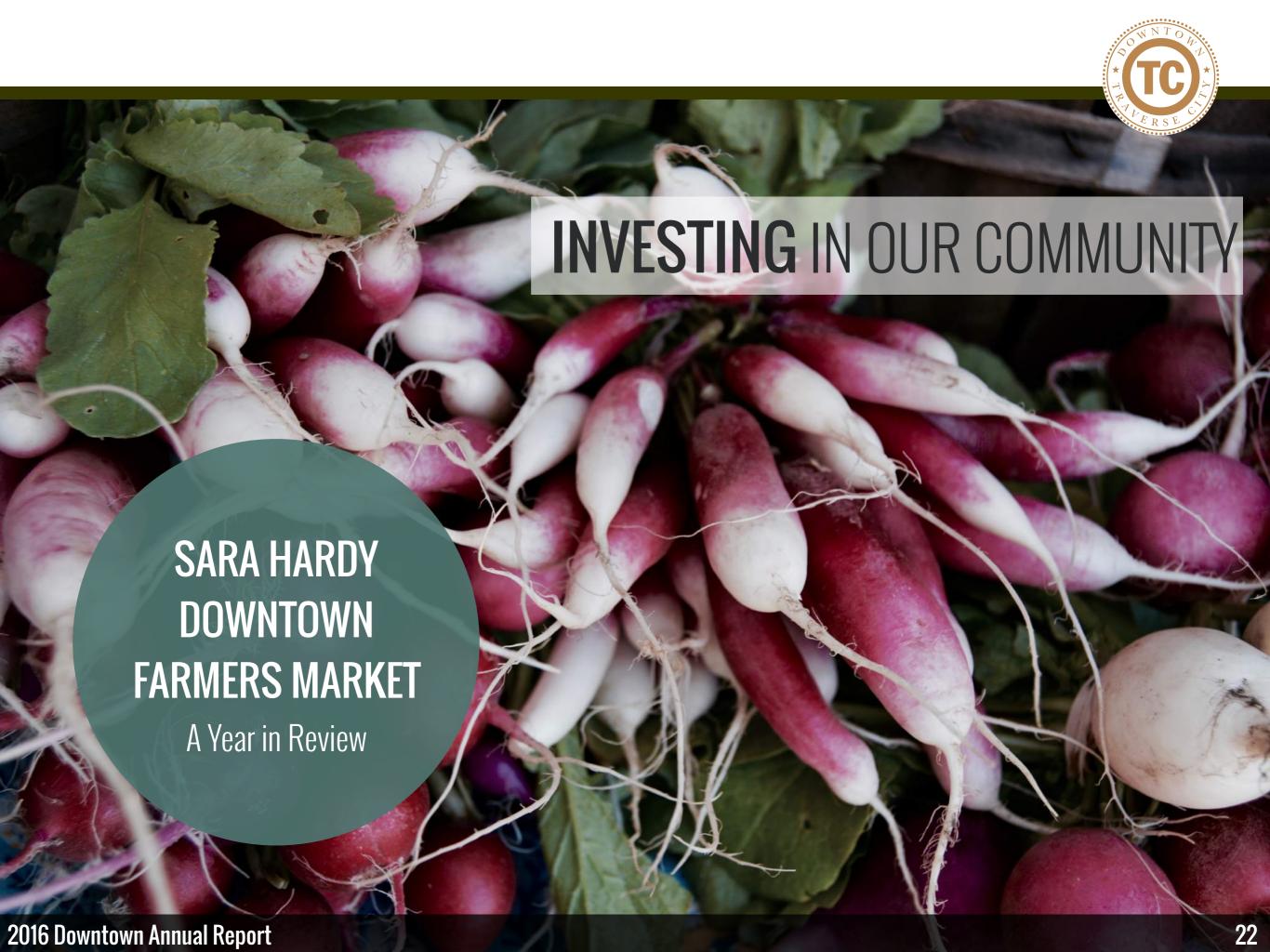
Transportation Management Study

In an effort to evaluate current processes and quantity of parking for future developments, Parking Services issued a Request for Proposal in 2016 to begin a Transportation Management Plan for recommended improvements to optimize the downtown's parking facilities and leverage other modes of transportation to relieve pressure on current inventory. Completion of the plan would focus on a proactive rather than reactive approach to future growth. The primary objective of this endeavor is to reduce traffic by increasing walking, cycling, and transit use. Ultimately, making these alternative modes of transportation easy and inviting. The study is slated for completion in 2017.











Downtown Farmers Market

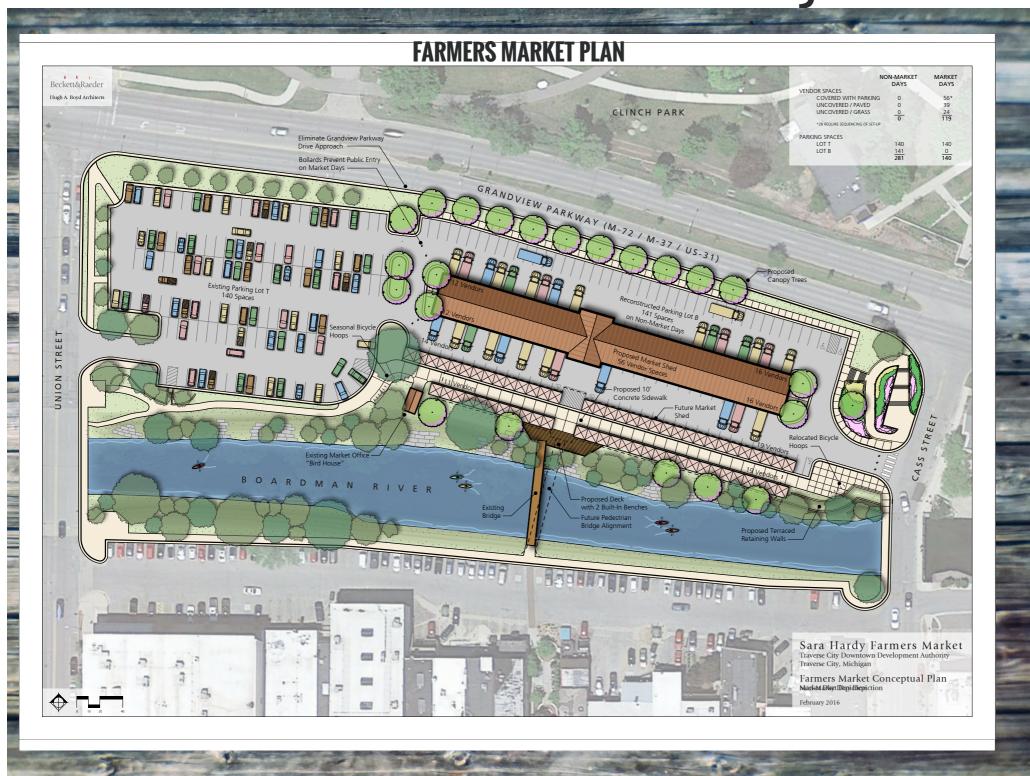
MARKET MISSION & PURPOSE

The Sara Hardy Downtown Farmers Market is operated by the DDA and is managed by SEEDs during the day of operations. A Farmers Market Advisory Board assists with the development of rules, the oversight of vendor protocol and guides the market to stay true to the mission statement. The purpose of the Market is to create a sales venue for local area farmers, provide opportunity for consumers to purchase quality farm-grown goods, to provide a community gathering place, and to promote and stimulate economic development and create traffic in the Downtown area.





Market Day



AVENUE ISR SURVEY HIGH PRIORITIES FOR THE MARKET

- · Keep market at the current location
- Improved booth and aisle configuration to relieve congestion and allow for better pedestrian flow
- Overall, expand the market area to the north, further into the parking lot; keep shopper aisles wider
- Provide expanded covered structures for shoppers and vendor booths; ensure that these do not block sight lines to the natural surroundings, that are a positive attribute to the shopper
- Provide a clearer/safer means to cross Union Street for the parking in Lots Z and X
- Provide signage and other informational tools to show layout of the market, location of convenient parking, access to existing public restrooms, etc.



Fresh Food For All

The Sara Hardy Downtown Farmers Market participates in five food assistance programs. Partnerships with the following programs support the concept of fresh and healthy foods for all and also serve as an economic development tool to support local farms.

NEARLY \$36,000 WAS PROCESSED THROUGH FOOD ASSISTANCE PROGRAMS AT THE MARKET IN 2016



BRIDGE CARD

SNAP (Supplemental Nutrition Assistance Program) is the nation's largest nutritional assistance program. SNAP Bridge Cards are accepted for eligible products at farmers markets. In Michigan, 1 in 7 people receive SNAP benefits.



SENIOR PROJECT FRESH

The Senior Farmers Market Nutrition Program oversees the Senior Project Fresh. Qualified older adults are given ten \$2 vouchers to purchase Michigan grown produce at farmers markets and roadside stands.



PROJECT FRESH

Administered through the WIC (Women, Infants, and Children) program, Project Fresh helps provide healthy and nutritious produce to WIC participants by providing a \$20 booklet with ten \$2 coupons for use at farmers markets and roadside stands.



DOUBLE UP FOOD BUCKS

SNAP Bridge Card participants are able to double their dollars when shopping at participating farmers markets and grocery stores. Up to a \$20 match can be provided each market day.



HOOPHOUSES FOR HEALTH

Designed to increase vulnerable families' access to fresh, local produce by providing vouchers. Farmers may apply to receive funding for hoop houses, resulting in an increased capacity of Michigan farmers to meet the year-round demand.



Market Collaborations

When running a farmers market, collaboration is what it's all about!



FOOD RESCUE OF NW MI

Goodwill's Food Rescue program
was able to receive food
donations at the Wednesday
Market with their electric
powered bike. The program was
able to distribute 150 lbs of
healthy food to six pantries in
Traverse City.



CHERRY FESTIVAL TASTE THE LOCAL DIFFERENCE

During the National Cherry
Festival, a partnership between
the festival to offer Market
Dollars to patrons and Taste the
Local Difference to offer a
Farmers Market Brunch took
place at the Old Town Parking
Garage.



GROW BENZIE & FAIR FOOD NETWORK

Cooking demonstrations on how to use fresh produce from the Market were implemented in 2016. Demonstrations were provided by Grow Benzie through a grant that DDA was awarded by the Fair Food Network.



NORTE!

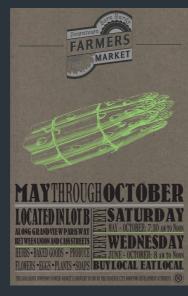
A partnership with Norte! provided a valet bike program and offset the continued parking pressures at the Market. Over 1,200 cyclists were able to take advantage of the valet service during the season.



Farmers Market

The Sara Hardy Downtown Farmers Market has approximately 130 vendors and over 160,000 customers over the course of the 6 month season, making the parkland one of the most utilized in the City!





















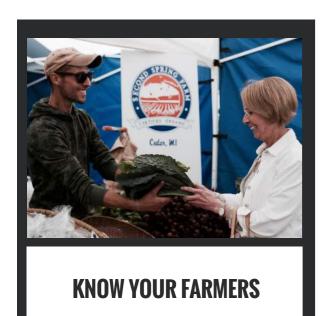




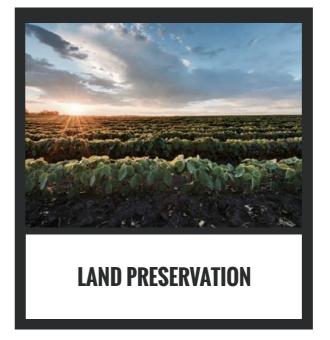


Market Benefits

The Sara Hardy Downtown Farmers Market has an exponential benefit on our community. The DDA continues to host this community event that has a positive impact on our region.

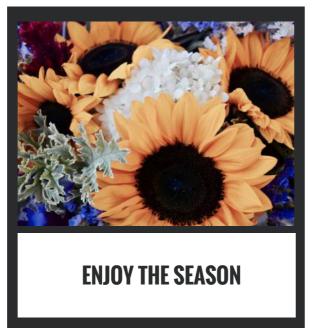






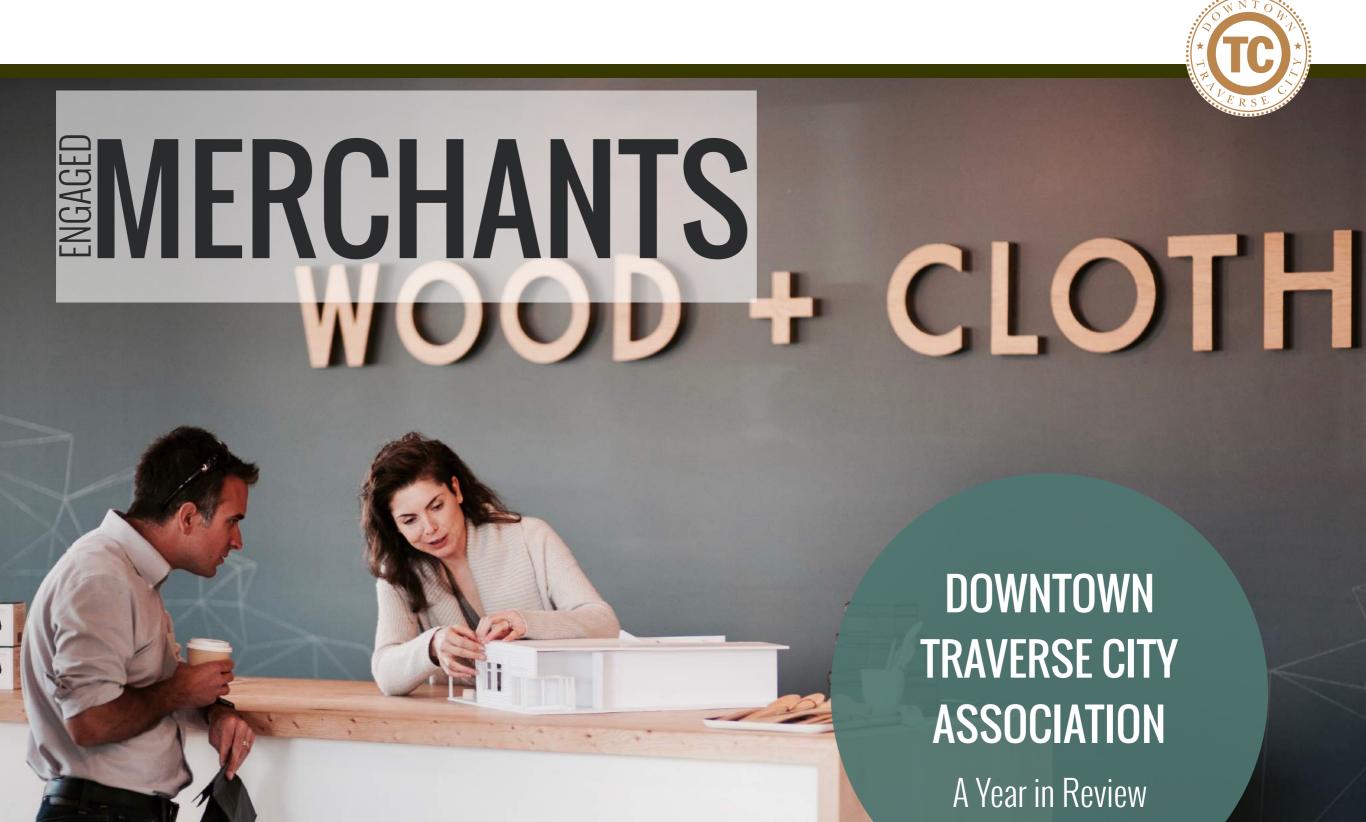












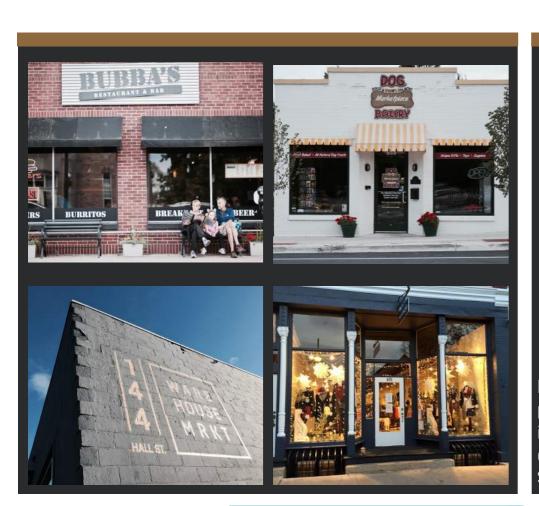
2016 Downtown Annual Report



Downtown Traverse City Association

DTCA MISSION

The mission of the Downtown Traverse City Association shall be to advance, protect and perpetuate, professional, financial and general business of Downtown Traverse City.



A MEMBERSHIP ORGANIZATION

The DDA has a contractual agreement to manage the Downtown Traverse City Association, resulting in a seamless relationship between staff and Downtown.

The DTCA is a voluntary membership organization for the businesses that reside in Downtown and serves as the marketing arm to promote the area as the top shopping, dining, and entertainment destination in Northern Michigan. The mission and goals of the organization could not be met without the nearly 200 members that choose to support the organization through annual dues. Over 90% of the restaurants and retailers are members of the DTCA and put their hard earned dollars toward programs that support the district. Brochures, a website, merchant directory wayfinding signage, and events that drive traffic and sales are just a few of the programs that are organized by the DTCA.

RECORD GIFT CERTIFICATE SALES IN 2016

Most notable, the DTCA is responsible for the Downtown Gift Certificate Program. The program does come at a cost as printing and credit card fees totaled almost \$30,000 in 2016. However, the program benefits Downtown Traverse City and is touted as one of the most successful in the state. Sales for 2016 exceeded \$566,000, a nearly \$30,000 increase from the previous year!

FRONT STREET DISTRICT

THE WEST END DISTRICT

WAREHOUSE DISTRICT



DTCA BOARD OF DIRECTORS

Misha Neidorfler

President

Morsels Espresso + Edibles

Todd McMillen

Vice President

McMillen's Custom Framing

Alyssa Bright

Secretary

Pavlova Salon & Day Spa

Kim Bazemore

Treasurer

Eleven

Allison Beers

Events North

Jake Kaberle

Burritt's

Jeffrey Libman

Amical

Dave Leonhard

Orvis Streamside

John McGee

Sorellina

Community Event Local Impact

The Downtown Traverse City Association plays host to twenty community events annually. Here is a peek at how local events can build relationships and support others in the community. Downtown events draw nearly 200,000 attendees annually.



35 area vendors related to the wedding industry were on display at the City Opera House during the Downtown Bridal Show. The event also featured a fashion show.



A tradition since 1958, Street Sale is the longest running event for the DTCA and supports approximately 150 merchants on the first Friday in August.



12 local restaurants featured 20 chilies in 8 categories. Over 50 volunteers helped serve over 1,600 attendees, which resulted in 1 bag of trash.



Friday Night Live turned 23 in 2016! A combination of 46 non-profits, 35 local artists/performers, and 19 food vendors made this event a success!



Highlighting our culinary region, Traverse City Restaurant Week featured 34 restaurants that offered pre-fixe menus.



Welcoming customers with fresh local apples is a tradition on the first Saturday in October. Nearly 90 bushels were distributed from Youker's Farm.



The Downtown Art Walk is hosted twice per year. 2016 featured 47 exhibitions and supported over 80 regional artists.



A day of giving back! 2016 reached a new record with over \$26,000 donated to 45 area nonprofits as a result of one day of shopping.



Nearly 400 art vendors displayed their works during the Downtown Art Fair Series that included a fair in June, July and August.



The DTCA brings Santa to Traverse City each year and is the keepers of Santa's House during the holiday season.

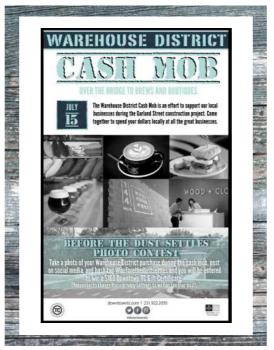


More Fun

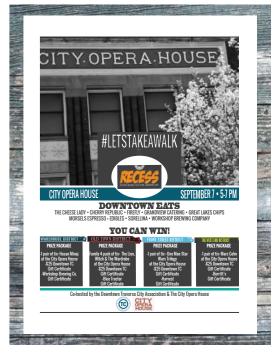
Beyond the annual event calendar, teaming up with area organizations made the following events possible to host in 2016.











JOB FAIR

Due to a regional wide staffing shortage, the DTCA hosted a Job Fair in April 2016. Sixteen businesses participated in the program and nearly twenty attendees were hired as a result of this inaugural event.

#MYCIVICSQUARE

The DTCA collaborated with the City of Traverse City and area organizations to host a Civic Square Pop Up Park in parking lot O. Activities included a bike-in movie, art competition, live music and more.

WAREHOUSE DISTRICT CASH MOB

During the Garland Street construction period, the DTCA hosted a Warehouse District Cash Mob with TC State Bank. A photo contest encouraged shopping and highlighted all that the Warehouse District has to offer.

ART BIKE

Hosting two Art Walks annually, it seemed like a perfect fit to team up with local nonprofit Norte! and host an Art Bike! Volunteers guided attendees on the bike route to the twelve locations of the DIA InsideOut exhibition.

RECESS

The DTCA collaborated with the City Opera House to host a RECESS and celebration of their 125 years in Downtown TC. RECESS served as an opportunity to better expose the two organizations to the community.



Thank You DTCA Members

2nd Level Goods • 4Front Credit Union • 7 Monks Taproom • Acoustic Brewing Co. • Allure • American Spoon Foods • Amical • Art & Soul Gallery • Backcountry Outfitters • BATA • Bay West Antiques • Becky Thatcher • Berkshire Hathaway • Bishop & Heintz • Bistro FouFou • BLK\MRKT • Blue Cross Blue Shield • Blue Heron 2 • Blue Tractor Cook Shop • Bookie Joint • Boyne Country Sports • Brilliant Books • Bubba's • Burritt's Fresh Markets • Cali's Wardrobe & Home • Captain's Quarters • Central United Methodist Church • Chemical Bank • Cherry Hill Boutique • Cherry Republic • Children's World • City Opera House • Copy Central • Corbin Design • Covell Funeral Home • Critters • Crooked Tree Arts Center • D.O.G. Bakery • Daisy Jane • DDA • Dingeman, Dancer, & Christopherson • Diversions • Eleven • Ella's • Espresso Bay • Events North • Fifth Third Bank • FIM Group • Firefly • First Community Bank • Flea • Flight Path Creative • Fresh Coast Chocolate Company • Front Row Centre, LLC • Front Street Ventures • Fustini's Oil & Vinegar • Gaijin • Glik's • Glitz & Spurs • Golden Shoes • Gourdie Fraser • Grand Traverse Distillery • Grand Traverse Pie Co. • Great Lakes Bath & Body • Greenhouse Cafe • Green Island • Groundwork • Hagerty • Handz on Art • Harvest • Haystacks • High Five Threads • Higher Self Book Store • Horizon Books • Hotel Indigo • Identity Resort Wear • impres salon spa • James C. Smith Fine Jewelers • Kayak, Bike, & Brew, • Kilwin's Chocolate Shoppe • Liana's • Lilies of the Alley • Little Bohemia • Living Light Massage & Wellness Center • Livn Fresh • Lola's • Low Bar • M22 • Mackinaw Brewing Co. • Mama Lu's • Mary's Kitchen Port • Max's • McMillen's • Michigan Artists Gallery • Michigan Retailers Association • Midwestern Broadcasting Co. • Miner's North Jewelers • Mode's Bum Steer • Momentum • Morgan Stanley Smith Barney • Morsels Espresso • Edibles • Mr. Bill's Shirt Co. • My Secret Stash • National Cherry Festival • Nest of Grand Traverse • Nifty Things! • Nolan's Tobacco & Lounge • North Peak Brewing Co. •Northern Title Agency • Old Town Playhouse • Omelette Shoppe & Bakery •One Oak Bride • On the Rocks • Orvis Streamside • Paddle TC • Park Place Hotel • Patisserie Amie & Brasserie Bobo • Pavlova European Salon & Spa • Peace, Love & Little Donuts• Peninsula Capital • Peppercorn • Petertyl Drug & Gift • Piche DDS • Pine Street Development • Pink Anchor • Plamondon Shoes • Popkies • Poppycock's • Professor Qwbli's • Rare Bird Brewpub • Rectangles • Red Ginger • Rehmann • Reynolds Jonkhoff Funeral Home • Robert Frost Fine Footwear • Roth Shirt Co. • Running Fit • Scalawags Whitefish & Chips • Schmidt Rogers Management • Sincerely Betty • Skull & Tendah • Smith, Haughey, Rice, & Roegge • Socks & Assoc. • Sondee, Racine, & Doren et al • Sorellina • State Street Grille • State Theatre & Bijou By the Bay • Suhm-thing • Suite Jayne • Sunglass Shoppe • Sweet Pea • Sweet Tartlette • SZ Ventures • Taproot • TART Trails • TBA Credit Union • Tee See Tee • The Camera Shop • The Cheese Lady • The Coin Slot • The Corner Loft • The Dish Cafe • The Exchange • The Franklin • The Hair Code Salon • The Little Fleet • The Towne Plaza • The Travel Authority, Altour • The Wooden Gallery • Toy Harbor • Trains & Things Hobbies • Traverse Area Chamber of Commerce • Traverse City Business News • Traverse City Development • Traverse City Record Eagle • Traverse City State Bank • Traverse City Tourism • Traverse Vision • Traverse, Northern Michigan's Magazine • U&I Lounge • Unparalleled Apparel • Urban Diversions • Visitors Media • Votruba Leather Goods • West Bay Beach, A Holiday Inn Resort • What to Wear • Wilson Antique Mall • Wood • Cloth • Workshop Brewing Company • Yana Dee • Yen Yoga & Fitness

2016 Downtown Annual Report

Thank You Partners & Volunteers

ABC 29&8 • Aerie @ GT Resort • Allison Beers • Alyssa Bright • Anna Beers • Anne Drake • Anne Varga • Apache Trout Grill • Ashley Brown • Bay Area Contracting • Bay Area Recycling for Charities • Bayside Beverage • Betty's Hot Dish • Bike-In TC • Bill Carmen • Bill Stott • Blue Cross Blue Shield • Blue Heron 2 • Brenda Majestic • Brandee Southwell • Family • C.H. Robinson Worldwide Inc. • Cherry Republic • Christie Dompierre • Chuck Judson • City Centre Plaza • City of Traverse City • Colleen Lewis • Connor Miller • Crooked Tree Arts Center • Cynthia Glines • Dan Zassick • Danielle Steep • Dave Leonhard • Dayclub @ West Bay Beach Resort • Day Signs • Don Livingstom • Donna Harris • Downtown Development Authority • Debbie May • Edany B.L.T. • Elmer's • Emily Arbut • Erin Roeck• The Franklin • Gary Harris • GJ's Rentals • Grand Traverse Pie Company • Great Lakes Wine & Spirits • Green Lake Garden Goods • Groundwork Center for Resilient Communities • Harry Burkholder • Harvest • Holly Tegal • Jaime Callahan • Jake Kaberle • Jamie Callahan • Jan Warren • Jared Bowen • Jason Allen • Jean Sarasin • Jeff Guntzviller • Jeff Joubran • Jeffrey Libman • Jenny Burcoff. Joe Paye. John McGee. John Rockwell. John Wells. Juliana Lisuk. Karen Brown. Karen Wells. Kat Paye. Kathy Tuckerman • Kim Bazemore • Lauren Tkach • Leah Bagdon-McCallum • Leland Lodge • Little Bird School of Song • Lisa Pointe • Mark Eckhoff • Marty Colburn • Mary Anne Krzywoskinski • Mary Venturino • McMillen's Custom Framing • Miranda Coleman • Midwestern Broadcasting • Minervas • Morgan Burnson • Morsels Espresso • Edibles • Munson Medical Center • MyNorth Media • MyNorth Wedding • Natalie Martin • National Cherry Festival • NMC-Phi Theta Kappa • Noah Kachadurian • Norte! Youth Cycling • Oryana-Lake St. Cafe • Park Place Hotel • Pat Ransom • Pavlova European Salon & Day Spa • Pepsi• Red Mesa Grill • Richard Lewis • Robin Stott • Ross Biederman • Rose Carmen • Scalawags Whitefish & Chips • Schelde's Grill & Spirits • Scott Ripmaster • Sheri Constantin • Sleeping Bear Dunes & National Lakeshore Park Rangers • State Theatre • Steve Constantin • Suzanne Hendry • TART • Todd McMillen • Traverse City Arts Commission • Traverse City Chamber of Commerce • Traverse City Film Festival • Traverse City Kid • Traverse City Light & Power • Traverse City State Bank • Traverse City Tourism • Traverse City Winter Comedy Arts Festival • Trevor Tkach • TV 7&4 • Tyler Bevier • United Way • Val Handy • Wesley Miller • Wayne Schmidt • Whitney Finch



Thank You Sponsors

Stretching dollars to host the many free community events that are offered in Downtown Traverse City would not be possible without support from these sponsors.





Retail Report

A 2015/2016 comparison by square footage and the importance of a strong retail sector in our community.



WHAT'S NEW

2016 brought about change in Downtown Traverse City. The opening of several restaurants including Alliance, Gaijin, Mama Lu's, Olives & Wine, and Taproot Cider House continue to bring attention to our strong culinary scene.



Specialty shops and businesses make our retail mix diverse. The opening of 4Front Credit Union, The Coin Slot, Fresh Coast Chocolate Company, Fusion Framing, Hair Code, Higher Art Gallery, Hotel Indigo, Kayak, Bike & Brew, One Oak Bride, Paddle TC, Peace, Love and Little Donuts, and Professor Qwibli's makes for a unique experience that matches no other downtown.

A low vacancy rate shows a healthy downtown, and with increased development and density, opportunity will arise for businesses to grow and expand, continuing to make the Grand Traverse region an attractive place to locate business.

My favorite part of living in the a neighborhood near Downtown Traverse City is the ability to ride our bikes to any number of beaches in the summertime to watch the sunset and to stop for dessert on our way. I've lived here all of my life and I love the culture that we've created in Traverse. Watching the downtown area revitalize over the last 20 years has only strengthened my love for this city. - Amy Lewis



10 to 101 tills ofty. Tilly Lowis				
	2015 SQUARE FT	2015 PERCENTAGE OF SPACE	2016 SQUARE FT	2016 PERCENTAGE OF SPACE
VACANT	29,467	4.16%	15,918	2.4%
FURNITURE, HOME FURNISHINGS, & ELECTRONICS	51,612	7.29%	45436	6.8%
FOOD & BEVERAGE	21,069	2.98%	19,282	2.9%
HEALTH & PERSONAL CARE	12,809	1.81%	5,828	0.8%
APPAREL, ACCESSORIES, SHOES, & JEWELRY	86,853	12.27%	88,956	13.3%
SPORTING GOODS, HOBBY, MUSIC, BOOK, & VIDEO	61,610	8.71%	57,775	8.7%
RESTAURANT / BAR	148,504	20.99%	161,078	24.2%
PERSONAL SERVICES	58,756	8.3%	44,843	6.7%
MISCELLANEOUS INCLUDING AUTOMOTIVE	80,902	11.43%	78349	11.7%
NON-RETAIL	156,008	22.05%	150,103	22.5%
	707,590	100%	667,568	100%

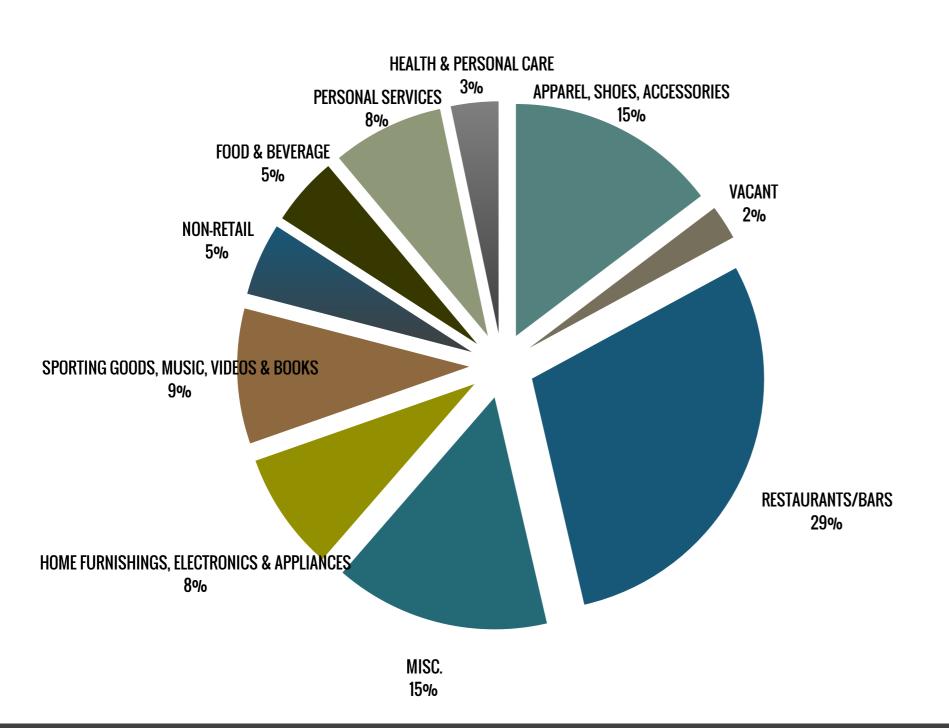


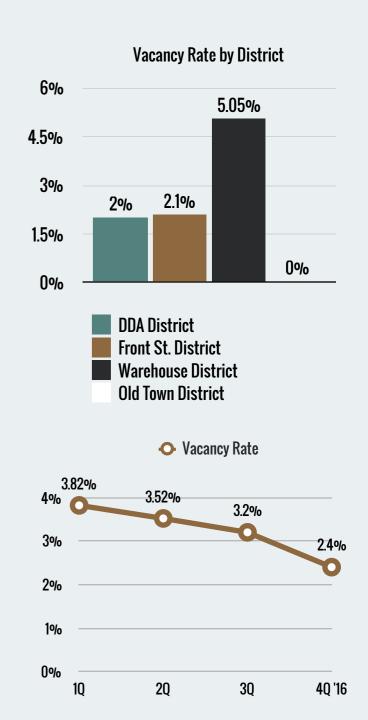




Retail Report

A healthy retail mix results in a vibrant downtown.







Locate Your Business Here

Employers choose Downtown Traverse City!

DOWNTOWN EMPLOYERS BY THE NUMBERS

Over 4,000 employees work at approximately 450 businesses in Downtown Traverse City.

MORE THAN 400 EMPLOYEES

Hagerty

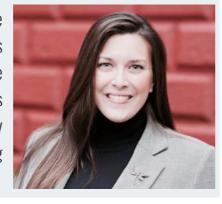
MORE THAN 150 EMPLOYEES

Northern Lakes Community Mental Heath
Park Place Hotel

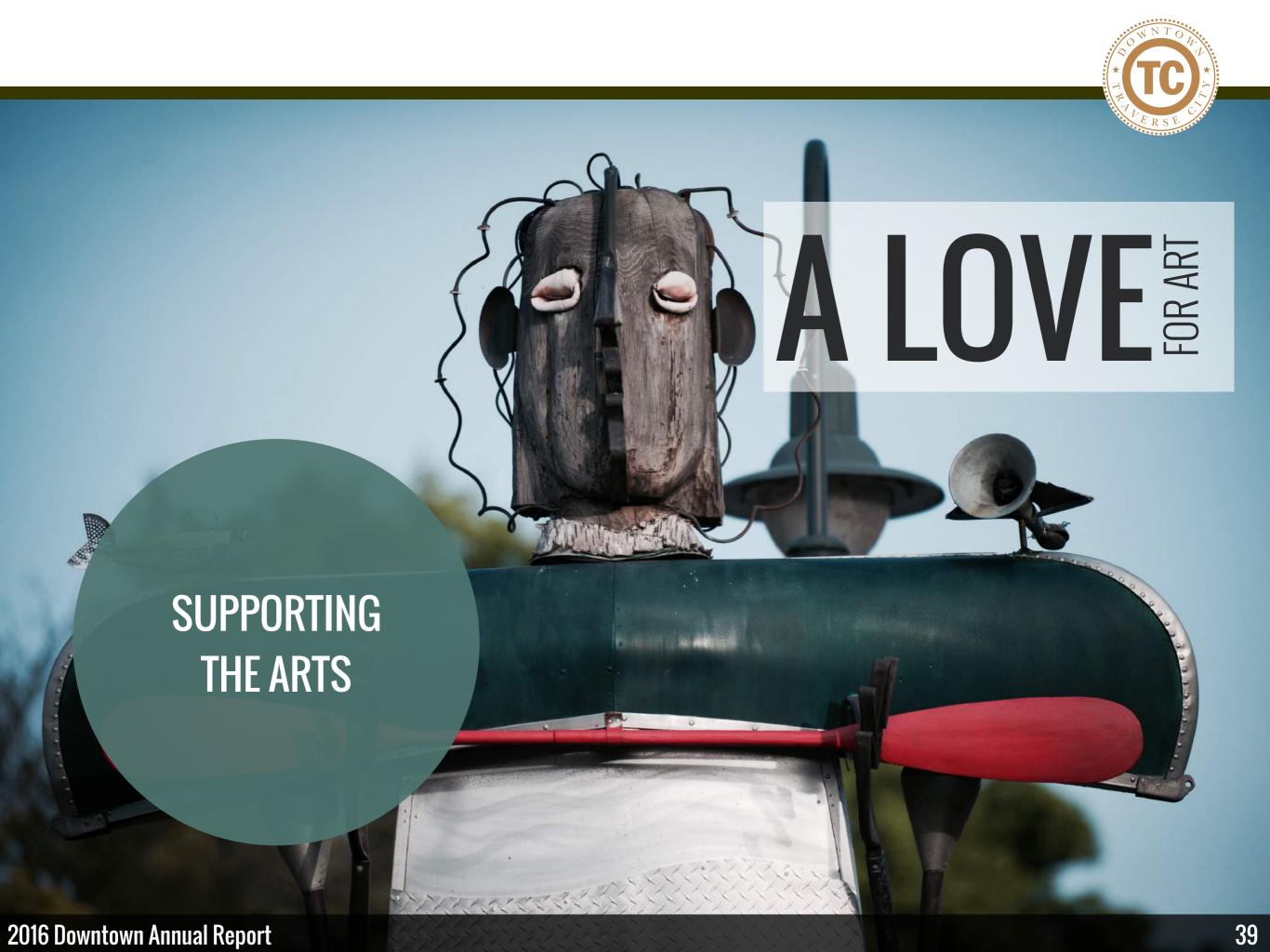
MORE THAN 75 EMPLOYEES

Disability Determination Services
Blue Cross Blue Shield of N.W. MI
U.S. Post Office
Hotel Indigo

When I was looking for office space, I knew I only wanted to be downtown because of the vibrancy. The easy access to stores for my every day needs coupled with my ability to grab a coffee meeting, lunch meet up or happy hour for my business is amazing. When my office looked at relocating this year, we only considered downtown locations. I can't imagine working anywhere else. -Allison Beers, Events North









Public Art

DDA and DTCA continue to have a strong commitment to the arts. Since drafting the Public Art Ordinance for the City of Traverse City, the DDA has committed to fund the Public Art Trust for projects associated with the Traverse City Arts Commission. In Fiscal Year 15'-16', the DDA contributed over \$13,000 to the fund.



#DOWNTOWNTC

The DTCA commissioned this work of art to be created at Friday Night Live. Spectators were able to watch artists, John Jarosz and Chase Hunt, bring the artwork to life during the evening. Installation occurred in September at the Front Street entrance of the Hardy Parking Garage on the side of the WTCM building. The back drop provides a perfect selfie opportunity, and we strongly suggest #downtowntc.



BRYAN CROUGH MEMORIAL

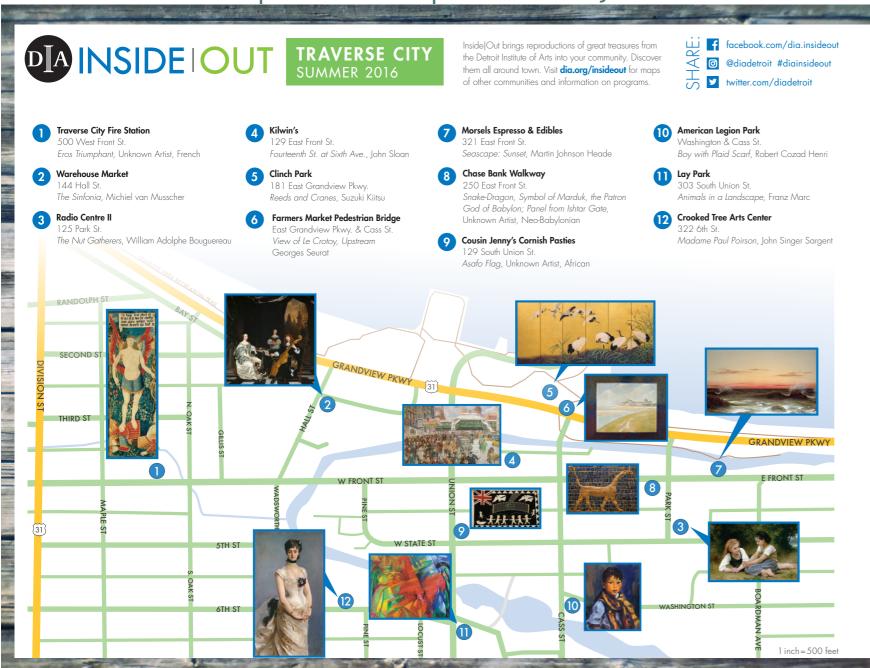
A \$25,000 grant from Rotary Charities in honor of Bryan Crough and matching funds raised through the DDA provided the Traverse City Arts Commission the opportunity to commission their first piece of public art. An example of the Bryan Crough Memorial is featured here. The artwork will be created by artist, DeWitt Godfrey, and installed in Lay Park. The artwork will be unveiled in June 2017.



Public Art DIA InsideOut

The DTCA applied to be a location for the Detroit Institute of Art's InsideOut program in 2016. The outdoor exhibition

featured twelve replicas of masterpieces owned by the DIA and were on display May 2016 through October 2016.









New Website

A partnership between the DDA, DTCA, and TCPS made the launch of a new website possible for Downtown Traverse City in February 2016. Traffic on downtowntc.com reached nearly 1,000,000 pages views and served as a digital resource for all things Downtown Traverse City.





Website Features

downtowntc.com has a number of features to help you easily navigate throughout Downtown Traverse City

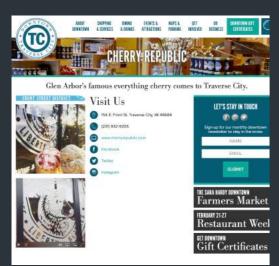
and make your parking experience hassle free.



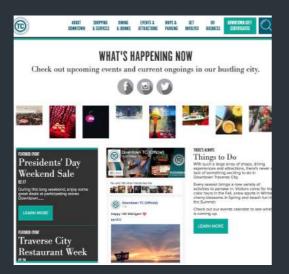
INTERACTIVE MAPS

The homepage of the Downtown TC website has an interactive map that allows searches of dining, shopping, attractions, businesses, parking and wifi.

INTERACTIVE PARKING MAP: Search meter parking by the hour limit, permit parking, surface lot parking, handicap, and even bike parking on this easy to use interactive parking map!



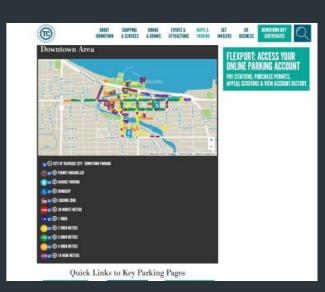
MERCHANT PROFILE PAGE: Features include address, phone, website, social media handles, video, and our favorite... hours! Merchant product is also searchable on the site.



SOCIAL MEDIA FEEDS: Get a snap shot of the action on our social media platforms including Facebook and Instagram. Also, link to the annual calendar of events for all the happenings in Downtown TC.



ONLINE PAYMENT: Paying for parking may not be your favorite expenditure, but a simple online option is available for citation and permit payment. Side note: appeal requests are also available online.





PARKING FAQ'S: Want to know when parking is free, how to bag a meter, hours of operation? Then check out the Parking FAQ page for all of our parking inquiries for Downtown, TC!

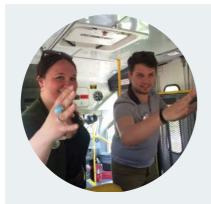


Fun Facts

We thought we would share with you!



Each year the DDA installs over 60 flower baskets and maintains planters along the streetscape.



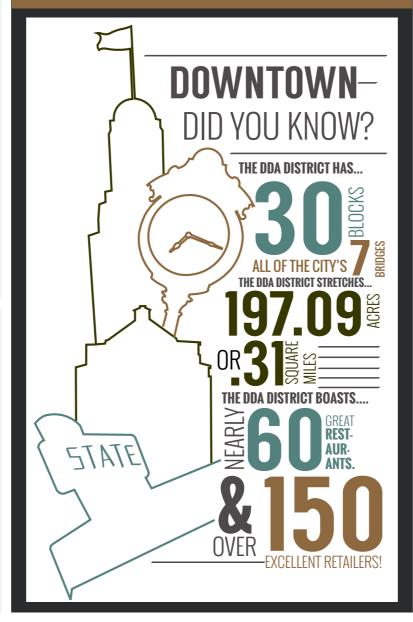
DDA staff hosted educational bus tours at Groundwork's Get Local Party at The Little Fleet in the spring.



The DDA added coffee to the Farmers Market in Fall 2016, provided by BLK MRKT.



The DDA brought the Michigan Downtown Association Conference to TC in 2016 and presented at various sessions.





The DDA, DTCA, and TCPS
partnered with TBAISD on their
summer work program where
students maintained
Downtown facilities.



Clean winter sidewalks are a priority in Downtown TC! The DTCA honored Shea O'Brien with the Golden Shovel Award in 2016.



Each year, the DTCA awards an extraordinary individual with the Lyle DeYoung Award. James C. Smith was the honoree in 2016



In addition to LEED
Certification at the Old Town
Parking Garage, TCPS
converted lighting to LED's at
at the Hardy Parking Garage.



Digital Stats

Downtown TC continues to focus on our digital platforms to promote engagement.

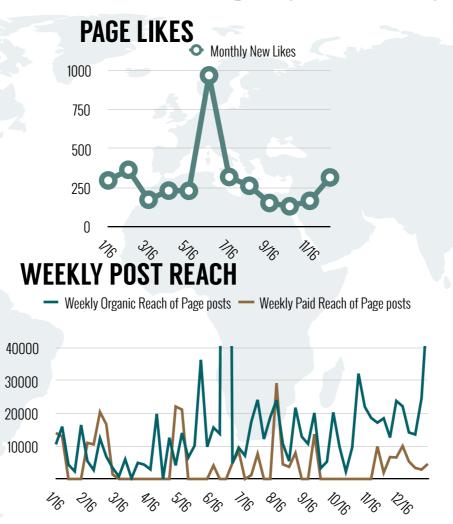


FACEBOOK REPORT

2016 TOP POSTS









downtowntc.com
Nearly 1,000,000 page views annually

Highest traffic during Traverse City Restaurant Week
Average user time is nearly 3 minutes
Users span from 124 different countries

Traverse City WiFi

Over 1,000,000 page views Over 250,000 users



Downtown TC Official

16,085 likes 21% growth from 2015



downtown_tc 15,349 followers

15,349 followers 94.43% growth from 2015



@DowntownTC 14935 followers 40.89% growth from 2015 FOLLOW US



Downtown Results

Due to the hard work and commitment by the many talented individuals that make Downtown Traverse City the truly unique place that we all love to call home, accolades continue to rate our region amongst the very best!

MidwestLiving



"Best Small Town in America" June 2016



"Top 10 Cities for Wine Snobs" January 2017

Forbes

"Best Places to Retire in 2016" April 2016

"Greatest Midwest Town" March 2016

"25 Coolest Midwest Lake Vacation Spots" August 2016



"Best American Beach Towns for July 4th" June 2016

TRAVEL+ LEISURE

"America's Favorite Beach Towns" August 2016



"25 Best Small US Cities to Spend the Weekend" May 2016 "Best American Vacations for Beer Lovers" July 2016

ARCHITECTURAL DIGEST "21 of the Best Small Towns in America" October 2016



Thank You!

As the caretakers of Downtown TC, we certainly cannot do what we do, without the support from our community. We appreciate you!



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