

**DOWNTOWN DEVELOPMENT AUTHORITY  
FINANCE COMMITTEE  
Tuesday, December 8  
9:30 am**

The Downtown Development Authority Finance Committee Meeting will not be held at the Governmental Center. The Downtown Development Authority Finance Committee Meeting will be conducted remotely via Zoom.

The Downtown Development Authority Finance Committee Meeting can be viewed at:

<https://us02web.zoom.us/j/5815626571>

Anyone wishing to listen and give public comment will need to call in and wait in a "virtual waiting room" where their microphones will be muted until they are called upon:

**Dial: 1 646 558 8656**

**Meeting ID: 581 562 6571**

**Participant ID: # (yes just #)**

Posted and Published

*Monday, December 7*

The DDA recognizes the importance of not bringing people together unnecessarily in an effort to stop the spread of the coronavirus. The Governmental Center has been closed to walk-in traffic and will be closed for all DDA meetings for the foreseeable future. Members of the DDA will not be present in the Governmental Center for official DDA meetings.

This meeting is being conducted remotely to assist in stopping the spread of the coronavirus. Individuals with disabilities may participate in the meeting by calling-in to the number as though they were going to be giving public comment as outlined below or by calling the TDD#.

For members of the DDA and key DDA staff, their name will appear on screen when they are speaking. For individuals who may wish to give public comment, the method for providing public comment during these remote-participation meetings is to call the number outlined in the header as well as enter the Meeting ID and Passcode as outlined in the header.

Callers wishing to give public comment may call in before the meeting starts and wait in a "virtual waiting room." These instructions will be included in every official published agenda of the DDA. Those calling in will be able to hear the audio of the DDA Finance Committee, yet their microphone will be muted.

When the DDA Finance Committee accepts public comment, in the order calls were received, the meeting facilitator will identify the caller by the last

four digits of their telephone number and ask them if they would like to make a comment.

While not required, but so we do not have to go through an unnecessarily long list of callers, we ask, if possible, that those who do not wish to give public comment refrain from calling in and instead listen to the meeting.

The DDA CEO 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 DDA office.

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 DDA CEO

The DDA is committed to a dialog that is constructive, respectful and civil. We ask that all individuals interacting verbally or in writing with the DDA honor these values.

DDA:  
c/o Jean Derenzy, CEO  
(231) 922-2050  
Email: [jean@downtowntc.com](mailto:jean@downtowntc.com)  
Web: [www.downtowntc.com](http://www.downtowntc.com)  
303 East State Street, Suite C.  
Traverse City, MI 49684

Information and minutes are available from the DDA CEO, 303 East State Street, Suite C, Traverse City, MI 49684, (231) 922-2050. If you are planning to attend the meeting and are handicapped requiring special assistance; please notify the DDA CEO as soon as possible. Any interested person or group may address the DDA Board on any agenda item when recognized by the presiding officer or upon request of any DDA Board member. Also, any interested person or group may address the DDA Board on any matter concerning the DDA not on the Agenda during the agenda item designated Public Comment. The comment of any member of the public or any special interest group may be limited in time. Such limitation shall not be less than five minutes unless otherwise explained by the presiding officer, subject to appeal by the DDA Board.

**Downtown Development Authority  
Finance Committee**

1. Opening Public Comment
2. Review of 2021/2022 CIP Projects
3. Request for consideration to go into Closed Session to discuss potential property purchase pursuant to MCL 15.268(d)
4. Other Business
5. Closing Public Comment
6. Adjournment

# Capital Improvements Projects

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## TIF 97 CIP

Based on input received from both the committee members and based on input from City staff on timing of other projects below are the changes which make the 2021/2022 budget balanced utilizing no fund balance.

- Removed Lot O and Lot G Projects
- Removed 200 Block Alley Improvements and East Front St Reconstruction deleted items
- Moved North Cass Street Bridge and South Union Street Bridge from FY 21/22 to FY 22/23. While Federal Grants have been received, the design work has not started.
  - As a side note, the other four bridge projects (Park Street Bridge, South Cass Street Bridge, West Front Street Bridge and 8th Street Bridge) are still being planned for a bid letting in Spring 2021. West Front Street Bridge and 8th Street Bridge will be the first two to be undertaken in 2021 and Park Street Bridge and South Cass Street Bridge the following year.
- Reduced Civic Square and Farmers Market allocation to \$25,000 to cover additional planning/design activities for FY 21/22. The planning/design activities will assist in determining final implementation cost. In addition, the planning/design should incorporate the outcome of the Lower Boardman River Universal Access Plan.
- Removed Boardman River Universal Access figures beyond FY 21/22 has been removed. Once the Plan has been completed, implementation schedule/cost will need to be developed for input into next year's CIP.
- Lowered Stormwater Management amount for FY 21/22 from \$336,000 to \$100,000 which includes Engineering Cost.
- Moved the East Front Street Improvements Project to FY 24/25 due to other bridge and road projects timing. The amount listed is a placeholder only. Once the planning/design work has been completed will be updated.

- Reduced State/Boardman/Pine Two-Way Conversion allocation the \$25,000 to cover feasibility/cost activities for the fiscal year. This project should be considered tied-barred to East Front Street Improvements because of the design of the Boardman and East Front St. intersection. If the conversion is feasible and desired, given the other City and MDOT projects, it may be prudent to implement in FY 22/23 to help in traffic flow. Major cost item is related to the two traffic signals.
  - Moved Grandview Parkway Pedestrian Crossing Enhancement up one year to FY 22/23. This project is tied-barred to MDOT's Grandview Parkway construction scheduled to begin in the Spring of 2023. Any enhancements will be a part of that project and it will be expected to provide the funds at the time of bidding in early 2023.
  - Lowered Front Street Streetscapes and State Street Streetscapes for FY 21/22 from \$560,000 to \$336,000.
  - Lowered Tree Replacement in FY 21/22 from \$50,000 to \$25,000.
- For discussion: How are we going to accomplish the Projects given the limited remaining time of TIF 97?
- Revenue stream with tax bill in Dec 2028.
  - Seven Projects with large financial resources:
    - Lower Boardman River Universal Access (LBRUA). What is the proposed financial and implementation needs.
      - Farmers Market - how does this tie into LBRUA?
    - Civic Square - at this point there is at \$1,000,000 allocated, is this enough? Is there a relationship to the LBRUA?
    - Parking Structure and related land purchase.
    - East Front Street Improvements
      - State/Boardman/Pine Street Two-Way Conversion
      - Grandview Parkway Pedestrian Crossing Enhancement
  - Strategic Planning Process:
    - Is there a different Governance Model to consider.

- Discussion with Taxing Units, City Commission, Public
- Two year process

#### OT TIF

- Changes from last meeting
  - Moved North Cass Street Bridge from FY 21/22 to FY 22/23. While Federal Grants have been received, the design work has not started.
  - Moved Riverine Riverwalk from starting in FY 23/24 to starting in FY 24/25.
  - Moved Union Street Streetscapes from starting in FY 25/26 to starting in FY 26/27.

#### Projections Sheets

Millage Rates for Taxing Units collecting in December have been updated. (Rows for each Taxing Unit have been hidden for printing purposes; but the Total Captured Millage Rate has been included.)

- Revenue for TIF 97 estimated at \$3,437,059; expenses \$3,396,030.
- Revenue for OT TIF estimated at \$504,516; expenses at \$759,903; utilizing \$255,388 of fund balance.
- For both TIF's a Miscellaneous line item has been added within the Professional Services and Capital Improvement Projects sections to account for additional expenditures not anticipated during the budgeting process.

**CITY OF TRAVERSE CITY Six Year Capital Improvement Plan (DRAFT)**

Budget Year 2021-2022 by Fund

Bold - indicates projects occurring in the first year of the Plan.  
 +- indicates projects with multiple funding sources

All Projects Submitted for 2021-2022 (as of Dec 7, 2020 DRAFT)

Project ID	Cat	Fiscal Year 2020-2021	Fiscal Year 2021-2022	Fiscal Year 2022-2023	Fiscal Year 2023-2024	Fiscal Year 2024-2025	Fiscal Year 2025-2026	Fiscal Year 2026-2027	Fiscal Year Future	Project Cost	City Funds	Non-City Funds
<b>Old Town TIF FUND</b>												
<b>BRIDGES:</b>												
+ 58-21-CIP	M	-	150,000							1,520,426	644,717	712,500
+ 187-21-CIP	M	-	68,000							806,720	132,000	807,500
+ 186-21-CIP	M			93,000						1,323,000	260,500	1,057,500
<b>PARKS:</b>												
1195-21-CIP	V		336,000	336,000						672,000	672,000	
1196-21-CIP	V				336,000	392,000	392,000			784,000	784,000	
1194-21-CIP	V				336,000					336,000	336,000	
<b>STREETS:</b>												
1197-21-CIP	V							369,600	369,000	739,200	739,200	
<b>WALKWAYS:</b>												
1025-21-CIP	M		552,000	119,700						119,700	119,700	
<b>Total Old Town TIF FUND</b>												
			552,000	548,700	336,000	392,000	392,000	369,600	369,000	6,301,046	3,688,117	2,577,500

**CITY OF TRAVERSE CITY Six Year Capital Improvement Plan (DRAFT)**

All Projects Submitted for 2021-2022 (as of Dec 7, 2020 Draft)

Budget Year 2021-2022 by Fund

Bold - indicates projects occurring in the first year of the Plan.  
 + - indicates projects with multiple funding sources

Project ID	Cat	Fiscal Year 2021-2022	Fiscal Year 2022-2023	Fiscal Year 2023-2024	Fiscal Year 2024-2025	Fiscal Year 2025-2026	Fiscal Year 2026-2027	Project Cost	City Funds	Non-City Funds
<b>TIF 97 FUND</b>										
<b>BRIDGES:</b>										
+ 865-21-CIP	M		201,500					1,343,000	246,500	913,500
+ <b>586-21-CIP</b>	M	150,000						640,965	150,000	807,500
+ 187-21-CIP	M	66,000						939,500	132,000	807,500
+ 186-21-CIP	M		93,000					1,323,000	260,500	1,057,500
+ <b>535-21-CIP</b>	M	220,000						1,829,550	220,000	1,181,500
<b>CIVIC:</b>										
+ 870-21-CIP	V	25,000		1,000,000				6,000,000	1,000,000	5,000,000
+ 781-21-CIP	V	25,000						TBD	100,000	TBD
+ 82-21-CIP	V	300,000						TBD	300,000	TBD
+ 1141-21-CIP	V	100,000	56,000	56,000	56,000			504,000	504,000	TBD
+ 1158-21-CIP	V		200,000					200,000	200,000	TBD
<b>PARKING:</b>										
+ 645-21-CIP	V			20,400,000				20,400,000	20,400,000	-
<b>STREETS:</b>										
+ 1157-21-CIP	C				4,200,000			4,200,000	TBD	TBD
+ <b>1087-20-CIP</b>	V	25,000						TBD	25,000	TBD
+ 713-21-CIP	M	336,000	280,000					1,232,000	616,000	616,000
+ 1088-21-CIP	V	336,000	560,000					560,000	560,000	TBD
+ 1089-21-CIP	M	25,000	25,000	25,000	25,000	25,000	25,000	1,680,000	840,000	840,000
<b>Total TIF 97 FUND</b>		1,608,000	1,695,500	21,481,000	4,281,000	25,000	25,000	41,027,015	25,729,000	11,223,500

Note: Hardy Parking Structure (Debt Service) 931,504 973,160 953,440 913,720 874,459 825,656  
 While the Hardy Parking Structure line item is not considered a Capital Improvement Project, it has been noted to highlight the yearly debt service payments required from TIF 97 in order to cover the General Obligation Bonds



**OLD TOWN TIF REVENUE AND EXPENSE PROJECTIONS - FISCAL YEARS ENDING 6/30/19 TO 6/30/28  
FOR DISCUSSION AND PLANNING PURPOSE ONLY - (Dec 7, 2020 DRAFT)**

<b>FISCAL YEAR</b>	<b>FY 2018-2019</b>	<b>FY 2019-2020</b>	<b>FY 2020-2021</b>	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	<b>FY 2025-2026</b>	<b>FY 2026-2027</b>	<b>FY 2027-2028</b>
TAXABLE REAL PROPERTY INFLATION GROWTH - (Estimated @1.5%)	actual	actual	actual	estimated	estimated	estimated	estimated	estimated	estimated	estimated
TAXABLE REAL PROPERTY NEW TO ROLL (100%) - includes uncapping	-	-	-	920,212	934,015	948,026	962,246	976,680	991,330	1,006,200
REAL PROPERTY TAXABLE VALUE	51,631,335	56,966,440	61,347,479	62,267,691	63,201,707	64,149,732	65,111,978	66,088,658	67,079,988	68,086,187
PERSONAL PROPERTY TAXABLE VALUE	3,502,400	4,031,000	3,466,500	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
<b>TOTAL TAXABLE VALUE</b>	<b>55,133,735</b>	<b>60,997,440</b>	<b>64,813,979</b>	<b>65,767,691</b>	<b>66,701,707</b>	<b>67,649,732</b>	<b>68,611,978</b>	<b>69,588,658</b>	<b>70,579,988</b>	<b>71,586,187</b>
BASE TAXABLE VALUE - 2017	45,424,382	45,424,382	45,424,382	45,424,382	45,424,382	45,424,382	45,424,382	45,424,382	45,424,382	45,424,382
CAPTURED TAXABLE VALUE FOR DISTRICT	9,709,353	15,573,058	19,389,597	20,343,309	21,277,325	22,225,350	23,187,596	24,164,276	25,155,606	26,161,805
Increase/Decrease	-	5,863,705	3,816,539	953,712	934,015	948,026	962,246	976,680	991,330	1,006,200
<b>REVENUE &amp; EXPENSE</b>	<b>FY 2018-2019</b>	<b>FY 2019-2020</b>	<b>FY 2020-2021</b>	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	<b>FY 2025-2026</b>	<b>FY 2026-2027</b>	<b>FY 2027-2028</b>
<b>REVENUE</b>	audit	unaudited	estimated	estimated	estimated	estimated	estimated	estimated	estimated	estimated
TAXES - ((Captured Taxable Value / 1,000) x Total Captured Millage Rate)	260,732	406,555	483,169	504,416	524,953	545,617	562,285	580,682	601,482	622,413
INTEREST	186	138	100	100	100	100	100	100	100	100
<b>TOTAL REVENUE</b>	<b>260,918</b>	<b>406,693</b>	<b>483,269</b>	<b>504,516</b>	<b>525,053</b>	<b>545,717</b>	<b>562,385</b>	<b>580,782</b>	<b>601,582</b>	<b>622,513</b>
<b>EXPENSE</b>										
PROFESSIONAL SERVICES	83,764	187,145	194,942	197,803	200,605	203,449	206,336	209,266	212,240	215,259
Downtown Development Authority Administration (total taxable value x .002)			129,628	131,535	133,403	135,299	137,224	139,177	141,160	143,172
City of Traverse City Administration (total taxable value x .001)			64,814	65,768	66,702	67,650	68,612	69,589	70,580	71,586
Legal			5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Miscellaneous			500	500	500	500	500	500	500	500
GENERAL EXPENSES (Printing & Publishing)		171	100	100	100	100	100	100	100	100
CAPITAL IMPROVEMENT PROJECTS (per CIP/Budget for FYE 21/22)	356,065	-	-	562,000	222,700	336,000	402,000	402,000	379,600	379,600
<b>Eighth Street Bridge Project</b>				150,000						
<b>South Cass Street Bridge Repair</b>				66,000						
South Union Street Bridge Repair					93,000			392,000		369,600
Midtown Riverwalk										
Riverine Riverwalk				336,000						
Hannah Park Improvements						336,000				
Union Street Streetscapes										
Rivers Edge Riverwalk Decking Replacement					119,700					
Miscellaneous				10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>TOTAL EXPENSE</b>	<b>439,849</b>	<b>187,316</b>	<b>195,042</b>	<b>759,903</b>	<b>423,405</b>	<b>539,549</b>	<b>608,436</b>	<b>611,366</b>	<b>591,940</b>	<b>594,959</b>
CHANGE IN FUND BALANCE	(178,931)	219,377	288,227	(255,388)	101,648	6,168	(46,051)	(30,584)	9,642	27,554
FUND BALANCE END OF YEAR	-	219,377	507,604	252,217	353,864	360,032	313,981	283,397	293,039	320,593

**TIF 97 REVENUE AND EXPENSE PROJECTIONS - FISCAL YEARS ENDING 6/30/19 TO 6/30/28**

**DISCUSSION AND PLANNING PURPOSE ONLY - (Dec 7, 2020 Draft)**

	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
<b>FISCAL YEAR</b>	actual	actual	actual	estimated	estimated	estimated	estimated	estimated	estimated	estimated
TAXABLE REAL PROPERTY INFLATION GROWTH - (Estimated @ 1.5%)	-	-	-	2,614,875	2,912,032	2,993,486	3,064,612	3,122,840	3,182,174	3,242,635
TAXABLE REAL PROPERTY NEW TO ROLL (100%) - Includes uncapping	-	-	-	13,025,000	1,375,000	750,000	8,000,000	167,482,822	8,000,000	173,907,631
REAL PROPERTY TAXABLE VALUE	106,643,293	119,079,599	137,624,978	153,264,853	157,551,885	161,295,371	164,359,983	167,482,822	170,664,996	173,907,631
PERSONAL PROPERTY TAXABLE VALUE	6,530,500	8,073,186	8,318,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
TOTAL TAXABLE VALUE	113,173,793	127,152,785	145,942,978	161,264,853	165,551,885	169,295,371	172,359,983	175,482,822	178,664,996	181,907,631
BASE TAXABLE VALUE - 1997	32,860,088	32,860,088	32,860,088	32,860,088	32,860,088	32,860,088	32,860,088	32,860,088	32,860,088	32,860,088
CAPTURED TAXABLE VALUE FOR DISTRICT	80,313,705	94,254,535	113,082,890	128,404,765	132,691,797	136,435,283	139,499,895	142,622,734	145,804,908	149,047,543
Increase/Decrease	-	13,940,830	18,828,355	15,321,875	4,287,032	3,743,486	3,064,612	3,122,840	3,182,174	3,242,635
<b>REVENUE &amp; EXPENSE</b>	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
<b>REVENUE</b>	audit	unaudited	estimated	estimated	estimated	estimated	estimated	estimated	estimated	estimated
TAXES - ((Captured Taxable Value / 1,000) x Total Captured Millage Rate)	2,224,531	2,534,458	2,923,012	3,302,559	3,395,856	3,474,304	3,509,863	3,556,583	3,617,757	3,679,723
INTEREST	7,832	5,563	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
PARK ST BRA REIMBURSEMENT	182,877	187,752	130,000	130,000	130,000	130,000	55,000	-	-	-
<b>TOTAL REVENUE</b>	2,415,240	2,727,773	3,057,512	3,437,059	3,530,356	3,608,804	3,569,363	3,561,083	3,622,257	3,684,223
<b>EXPENSE</b>										
PROFESSIONAL SERVICES	488,583	651,126	574,079	691,326	705,500	718,077	607,080	616,448	625,995	635,723
Downtown Development Authority Administration (total taxable value x .002)			291,886	322,530	331,104	338,591	344,720	350,966	357,330	363,815
City of Traverse City Administration (total taxable value x .001)			145,943	161,265	165,552	169,295	172,360	175,483	178,665	181,908
Legal			5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Community Policing (2.5% annual increase)			51,250	52,531	53,845	55,191	55,191	55,191	55,191	55,191
Arts Commission - Administration			15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Arts Commission - Project			20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Downtown WiFi			65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Public Restroom ( 6 Private Sector downtown locations)			20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Miscellaneous			50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
2002 DECK REFUNDING DEBT SERVICE (Hardy Deck)	828,719	858,819	893,586	931,504	973,160	953,440	913,720	874,459	825,656	782,541
<b>WEST FRONT PARKING STRUCTURE DEBT SERVICE</b>										
GENERAL EXPENSES (Printing & Publishing)	120,940	401	200	200	200	200	200	200	200	200
REPAIRS & MAINTENANCE	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
CAPITAL IMPROVEMENT PROJECTS (per CIP Program for FY 2021/2022)	420,671	185,000	635,600	1,758,000	1,235,500	1,741,000	4,381,000	125,000	125,000	125,000
North Cass Street Bridge Rehabilitation		45,000			201,500					
Park Street Bridge Repair				150,000						
South Cass Street Bridge Repair				66,000						
South Union Street Bridge Repair					93,000					
West Front Street Bridge Replacement				220,000		1,000,000				
Civic Square				25,000						
Farmer's Market				25,000						
Lower Boardman River Universal Access				300,000						
Stormwater Management				100,000		56,000		56,000		
<b>Workforce Housing</b>										
Opera House Boiler Replacement (To be Completed)				13,440						
Lighting Retrofit - Incandescents - Opera House (To be Completed)				20,160						
Lighting Retrofit - T8 Fixtures - Opera House (To be Completed)				19,600						
East Front Street Improvements				25,000			4,200,000			
State/Boardman/Pine Street Two-Way Conversion				25,000						
Front Street Streetscapes				302,400						
Grandview Parkway Pedestrian Crossing Enhancement		140,000		336,000		560,000				
Traffic Signal Mastarms (Project Completed)				280,000						
State Street Streetscapes				336,000		280,000		280,000		
Tree Replacement				50,000		25,000		25,000		
Miscellaneous				100,000		100,000		100,000		
<b>TOTAL EXPENSE</b>	1,858,913	1,695,346	2,118,465	3,396,030	2,929,360	4,304,567	6,752,300	2,488,007	2,489,851	2,531,614
CHANGE IN FUND BALANCE	556,327	1,032,427	939,047	41,029	600,996	(695,763)	(3,182,937)	1,073,075	1,132,406	1,152,609
<b>FUND BALANCE END OF FISCAL YEAR</b>	1,739,285	2,771,712	3,710,759	3,751,788	4,352,784	3,657,021	474,083	1,547,159	2,679,565	3,832,174