

# **Traverse City Downtown Development Authority Study Session**

**Friday, February 2, 2024  
12:00 pm**

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



The City of Traverse City does not discriminate on the basis of disability in the admission to, access to, treatment in, or employment in, its programs or activities. Interim Assistant City Manager, 400 Boardman Avenue, Traverse City, Michigan 49684, phone 231-922-4440, TDD/TTY 231-922-4412, VRS 231-421-7008, has been designated to coordinate compliance with the non-discrimination requirements contained in Section 35.107 of the Department of Justice regulations. Information concerning the provisions of the Americans with Disabilities Act, and the rights provided thereunder, are available from the ADA Coordinator.

If you are planning to attend and you have a disability requiring any special assistance at the meeting and/or if you have any concerns, please immediately notify the ADA Coordinator.

The City of Traverse City and Downtown Development Authority are committed to a dialog that is constructive, respectful and civil. We ask that all individuals interacting verbally or in writing with board members honor these values.

Downtown Development Authority:  
c/o Jean Derenzy, CEO  
(231) 922-2050  
Web: [www.dda.downtowntc.com](http://www.dda.downtowntc.com)  
303 East State Street, Suite C  
Traverse City, MI 49684

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**Welcome to the Traverse City Downtown Development Authority  
study session**

**Agenda**

		Page
<b>1.</b>	<b>CALL TO ORDER</b>	
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<b>2.</b>	<b>ROLL CALL</b>	
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<b>3.</b>	<b>PUBLIC COMMENT</b>	
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<b>4.</b>	<b>TOPICS OF DISCUSSION</b>	
A.	BATA - Grandview Parkway & Downtown Circulator <a href="#">CEO Memo (Derenzy) - PDF</a> <a href="#">BATA MDOT &amp; Circulator Update Presentation Memo (Derenzy &amp; VanNess) - PDF</a> <a href="#">BATA Circulator Memo (Dunham) - PDF</a> <a href="#">BATA - Grandview Parkway Construction &amp; Circulator Presentation</a>	3 - 15
B.	Bright Sparks <a href="#">Bright Sparks Presentation - PDF</a> <a href="#">One Pager - What is TIF? - PDF</a> <a href="#">One Pager - TIF By The Numbers - PDF</a> <a href="#">One Pager - What Is The MDF Plan? - PDF</a>	16 - 30
C.	DDA CEO Updates <a href="#">Parking Update Memo (Derenzy) - PDF</a> <a href="#">Board Update Memo (Derenzy) - PDF</a>	31 - 32
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<b>5.</b>	<b>PUBLIC COMMENT</b>	
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<b>6.</b>	<b>ADJOURNMENT</b>	



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

## Memorandum

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To: DDA Board of Directors  
From: Jean Derenzy, DDA CEO  
Date: January 29, 2024  
Subject: Study Session Presentation

Our study session on Friday, February 2<sup>nd</sup>, will include two presentations which are outlined below:

### **BATA**

The Finance Committee asked BATA to attend our Board meeting to provide an overview of the Grandview Parkway reconstruction project route and how BATA is working with the DDA on marking/communications. In addition, the Finance Committee asked for an update to the full Board to learn more about the process of establishing a downtown circulator. Nicole VanNess has included a memorandum related to this agenda item. In addition, a memorandum from BATA's Director Kelly Dunham, related to the downtown circulator, is also included.

### **Tax Increment Financing Plan / Communications**

Bright Sparks was hired by the DDA to help with educational material/communication for the amended tax increment financing plan (Moving Downtown Forward). Kristin Combs will be present to provide an overview of the work accomplished and the work that will continue throughout June.



## Memorandum

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To: Jean Derenzy, DDA CEO  
From: Nicole VanNess, Transportation Mobility Director  
Date: January 29, 2024  
Re: BATA Grandview Parkway Construction & Circulator Update

The Bay Area Transportation Authority team of Kelly Dunham, Eric Linguar and Bill Clark will present an overview of their plans to modify their transit routes to continue service during the Grandview Parkway construction project. Their plans include work with Greenlight Marketing to revamp ads that will incorporate access to downtown throughout the project.

Lastly, their presentation will include an update on the downtown circulator and trolley which has been discussed at the Mobility & Parking Advisory Board and the Finance Committee. The memo from Ms. Dunham related to projected costs and exploring feasibility is included for reference.



October 6, 2023

Traverse City Parking and Mobility Advisory Board  
c/o Nicole VanNess, Mobility Director, Traverse City Parking Services  
VIA Email: [nicole@downtowntc.com](mailto:nicole@downtowntc.com)

Re: Downtown Traverse City Circulator

Attached is a cost proposal of a circulator that meets the guidelines requested by the Traverse City Parking and Mobility Advisory Board. The proposal reflects the following:

- Serves Front Street, Pine Street, State Street, the Government Center, 8<sup>th</sup> Street, the Hardy Parking Deck, the Old Town Parking Deck, and the proposed west side parking deck.
- Five-minute frequency.
- Runs daily from 9:00am to 10:00pm.
- Projected annual operational cost of \$1,476,384 (18,928 service hours, requiring 10-12 drivers which is a significant increase in BATA's current service level).
- The cost of vehicles needed to supply the service is listed separately. If the service were to be provided with trolleys, the vehicle acquisition cost would be approximately \$1,520,000.

In order to further explore the feasibility of the circulator concept, BATA would need the following:

- A comprehensive community needs assessment that defines the problem at hand, the target audience and an inclusive process to build the solution.
- Assurance of a sustainable funding source.

The above points are critical to the success of a circulator. Both the Traverse City Parking Services and BATA have recent studies (the TDM study and the Transit Master Plan, respectively) that have indicated a lack of success in circulators across the country. Therefore, we must go above and beyond in outreach and engagement to provide a compelling justification to implement a new service that is outside our master plan. Perhaps a task force could be created to review examples of similar systems that show successful ridership, economic feasibility, and a community input process that shows public interest and support could be utilized.

As an alternative to a circulator concept, BATA can readily support:

- Enhancing its existing services according to its Master Plan (such as increasing Bayline Frequency and/or adding a north/south high frequency route).
- Exploring the potential of utilizing trolleys on BATA's Bayline (connecting tourists with downtown).
- Reinvalidate Destination Downtown through a targeted marketing campaign.

Respectfully,

Kelly Dunham  
Executive Director

BAY AREA TRANSPORTATION AUTHORITY  
3233 Cass Rd. Traverse City, MI 49684  
231-941-2324 / [bata.net](http://bata.net)



# Destination Downtown - 2024 Grandview Parkway Construction & Circulator Update

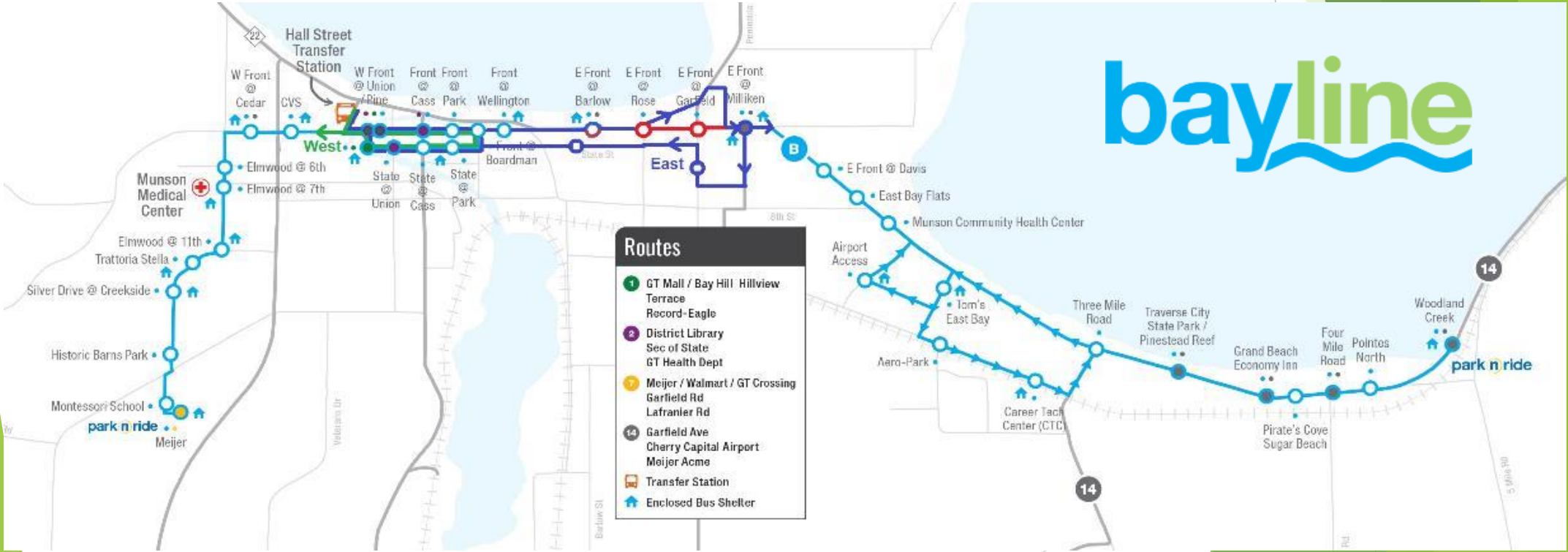
**BATA**

Bay Area Transportation Authority

## Segment 1 Construction - March to July 2024 US-31/M-72 project • Traverse City



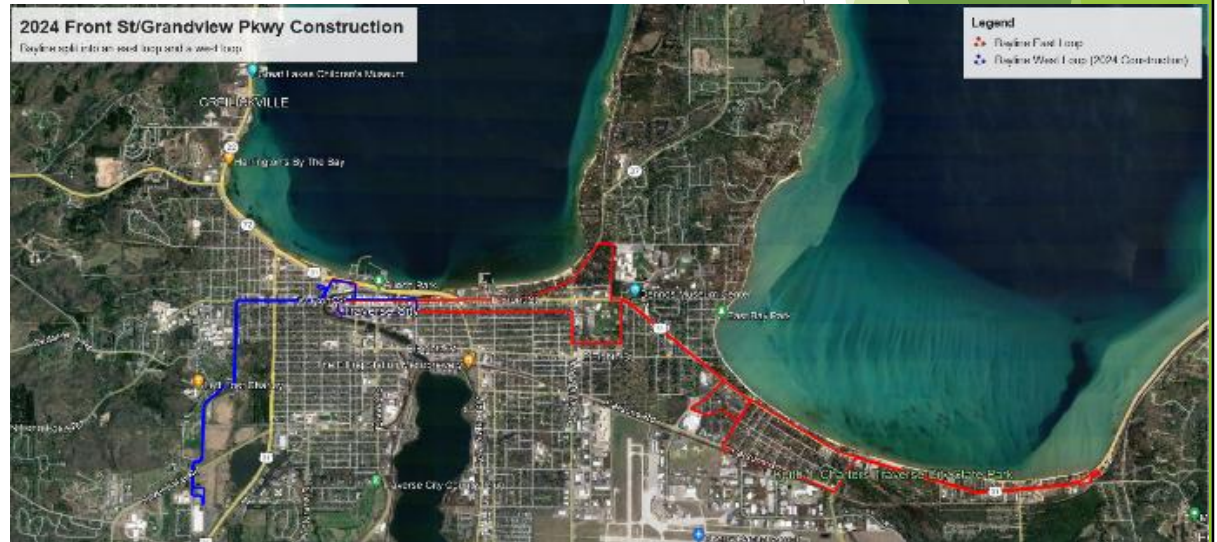
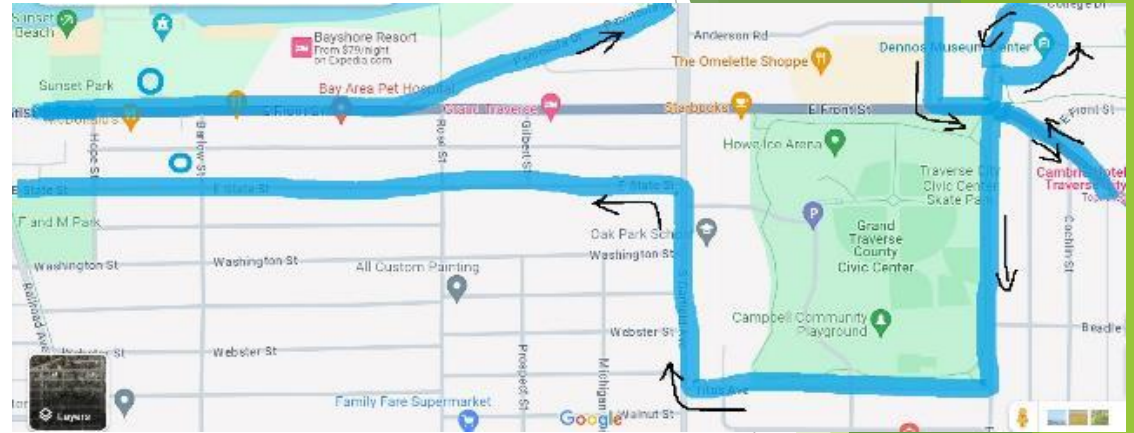
# Bayline - the free and easy way to get downtown and navigate the construction





## Bayline Modifications (March - July 2024)

- ▶ Separating the Bayline into 2 loops to keep buses flowing
  - ▶ Bayline West: Between Meijer and BATA's Hall Street Transfer Station (buses every 20 minutes)
  - ▶ Bayline East: Between Woodland Creek Park and Ride and BATA's Hall Street Transfer Station (buses every 20 minutes)
    - ▶ Towards East Bay buses will follow the designated detour route
    - ▶ Towards downtown the route will incorporate an NMC/Dennos loop then follow Fair to Titus to Garfield to State into downtown with a new temporary stop at State and Barlow



# Bayline Modifications (March - July 2024)

- ▶ Park and Ride lots at Meijer on US-31 and Woodland Creek Furniture in East Bay Township (still trying to secure additional lots)
- ▶ Increased frequency with buses looping downtown from Hall Street to Boardman (directly connecting the Hardy Parking Deck with stops at both State and Park and Front and Park)
- ▶ Real-time live bus tracking with [www.batabustracker.com](http://www.batabustracker.com) and the Transit app

parkonride



# Destination Downtown - Downtown is open and BATA is connecting people to downtown



Note: Mockups - finished product will look slightly different.

# Additional Improvements to help alleviate construction traffic

- ▶ Village Loop Route 14 - Acme / Williamsburg (Meijer MDOT Park and Ride)
- ▶ Starting May 2024
  - ▶ BATA LaFranier Transfer Station and Park and Ride Lot Open
    - ▶ 40+ free daily parking spots
  - ▶ Increased frequency on City Loop Route 2 (buses every 15 minutes) providing high frequency north/south connections between downtown and the park and ride lot
  - ▶ Express Runs for commuters and increased frequency on Village Loop Route 13 - Kingsley
  - ▶ Increased frequency on Village Loop Route 12 - Interlochen with earlier and later runs increasing commuter options



# Downtown Circulator Discussion Status

NOTE: BATA's recent Transit Master Plan and the DDA's TDM study do not support the creation of a circulator service.

**Spring / Summer 2023:** After getting an initial quote from a third-party vendor, the Parking Advisory Committee requested DDA staff and BATA to explore the creation of a downtown circulator route.

**April 5, 2023:** Parking Advisory Committee discussed the potential route path and service details at a high level.

**July 17, 2023:** BATA drafted circulator concept and presented to the Parking Advisory Committee at the cost of \$410,000 annually for operational costs. Additional scope modifications to increase frequency, hours of operation and target audience resulted in revisions needed.

**August 18, 2023:** DDA Board directed DDA staff to continue exploring options with BATA. BATA stressed that more data and a sustainable funding source are needed before moving forward.

# Downtown Circulator Discussion Status

**September 6, 2023:** BATA hosted PAC members and rode buses to showcase how existing services might be a possible circulator solution or pilot. PAC members felt that BATA's existing services didn't meet the intended need and decided not to conduct an initial pilot at that time.

**October 2023:** Presented revised plan and pricing to PAC with requested service expansion changes at the operating cost of \$1,476,384 annually plus vehicle purchase costs. BATA shared concerns that a comprehensive community needs assessment had not yet been completed to inform the need for the service. Direction from the PAC was to explore trolley pricing options and branding the Bayline in preparation for Grandview Parkway construction.

**November 29, 2023:** Trolley pricing provided at \$241,789.50 each. BATA could not find any trolley leasing options. The DDA Finance Committee decided that the cost was too high at this time and to focus on bus wrap branding for existing Bayline buses.

# Downtown Circulator Discussion - Next Steps

- ▶ If supported by the DDA Board, conduct a comprehensive community needs assessment that defines the problem at hand, the target audience and an inclusive process to build the solution.
- ▶ Assurance of a sustainable funding source and service level.





# WELCOME



Bright Spark

STRATEGIES





# SCOPE OF WORK

- A one-page overview of the history, value and future goals of the DDA.
- A simple and concise framing of the financing tools that the DDA intends to use, and the important role that they will play in the future of Downtown.
- Identification of key stakeholders and audiences, and the creation of customized content for engaging each (i.e., written content, social media clips/reels, videos, graphics, etc.)
- Development and deployment of traditional outreach tools.
- Facilitation of media relations regarding the future of Downtown (i.e., development and managing press releases, quotes, op-eds, etc.).
- Develop presentations for key audiences, and work with staff to prepare (for other units of government or community groups).
- May be required to attend meetings and/or outreach as needed.



# SCOPE OF WORK



Phase 1 will begin upon execution of a contract and will include strategic planning, stakeholder identification, and collateral material development as outlined in the scope of work.

Phase 2 will begin upon the conclusion of Phase 1, ideally in November 2023, and will focus on public relations outreach, relationship building and stakeholder engagement to identify target media, community groups, etc.





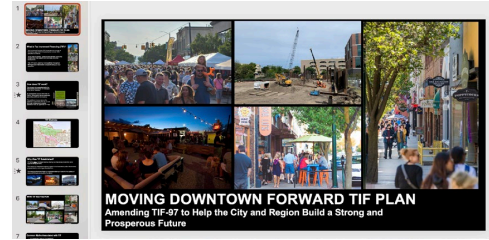
# CREATIONS



TOAST TO DOWNTOWN



TRaverse Connect and DDA  
JOINT MEETING



TRaverse City and DDA JOINT  
MEETING VERSION 1



TRaverse City and DDA JOINT  
MEETING VERSION 2



TRaverse Connect  
VERSION 1



TRaverse Connect  
VERSION 2



# KEY MESSAGING

**Energizing Traverse City's Economy:** TIF 97 represents a strategic investment in the heart of Traverse City. By harnessing a portion of future property tax revenue increases, we're injecting vital funds into projects that will stimulate economic growth, elevate local businesses, and create job opportunities.

**Enhancing Public Infrastructure:** Our downtown infrastructure is the backbone of its success. With TIF 97, we're revamping roads, sidewalks, lighting and utilities. This not only improves aesthetics but also ensures a safe, accessible, and welcoming environment for residents, visitors, and businesses.

**Fostering Vibrant Spaces:** A vibrant downtown is a gathering place for our community to thrive. Through the Moving Downtown Forward Plan, TIF funding is being directed toward creating engaging public spaces such as parks, plazas, and community centers, where people can come together to socialize, celebrate and participate in events.

**Attracting New Businesses:** With upgraded infrastructure and a renewed aesthetic, our downtown will continue to be a prime location for businesses to set up shop. TIF funds will be used to offer incentives for entrepreneurs, startups, and established enterprises to build a presence, boosting local job opportunities.



# KEY MESSAGING

**Supporting Small Independent Businesses:** TIF funds are being strategically invested to bolster small, independent businesses in Traverse City. Our goal is to enhance the unique character and economic diversity of the city, creating an environment where local businesses can thrive and contribute significantly to our community's identity. This focused use of TIF funding is designed to ensure the growth and innovation of these vital enterprises.

**Preserving Traverse City's Historic Character:** Our downtown's unique character is a precious asset. Through the Moving Downtown Forward Plan, we're committed to preserving the historic charm that makes our community special, while seamlessly integrating modern amenities and conveniences.

**Supporting Affordable Housing:** A thriving downtown should be accessible to a diverse range of residents. A portion of TIF funds will be earmarked for affordable housing initiatives, ensuring that people of all backgrounds can enjoy the benefits of living in our vibrant city center.

**Encouraging Mixed-Use Development:** TIF encourages a dynamic blend of residential, commercial and recreational spaces. This approach supports a lively, walkable downtown that caters to different needs within a close-knit setting.



# KEY MESSAGING

**Transparency and Accountability:** Transparency is key to the DDA's success. We are dedicated to keeping the Traverse City community well informed about the allocation and impact of these funds. Regular updates, accessible data, and interactive forums will promote openness and accountability.

**Community Driven Vision:** Moving Downtown Forward is a collaborative effort. We invite all Traverse City residents, businesses, and stakeholders to actively contribute to shaping our downtown's evolution. This ensured that the project aligns with our shared aspirations and values.

**Paving the Way for a Thriving Future:** TIF97 is not just about today; it's about building a legacy for future Traverse City generations. With every investment made, we're ensuring that our downtown remains a vibrant, alluring destination for generations to come.

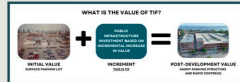
**Protecting Natural Resources and Energy Efficiency:** The Moving Downtown Forward plan prioritizes the protection of our natural resources with stormwater management solutions to ensure our natural landscapes and waterways are preserved for future generations. Alongside, we're dedicated to promoting energy efficiency in buildings and public spaces, contributing to a more sustainable and environmentally responsible community.

# ONE PAGERS

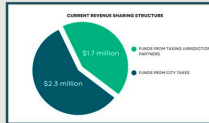
## WHAT IS TAX INCREMENT FINANCING (TIF)?



In 1997, the City Commission approved the Tax Increment Financing Plan (TIF-97) to fund the development, construction and maintenance of public infrastructure and placemaking amenities that promote and support economic development in downtown. Because of the TIF tool, Traverse City has become the business and commercial hub of Northern Michigan. Today, Downtown TC serves the regional community, including over 50,000 daily visitors from outside the city each day and millions of tourists each year.



- TIF and the DDA are distinct from each other. The DDA still exists without TIF.
- The tax capture in TIF only occurs on assessed property in the TIF district (non-district city residents do not pay it).
- Under TIF-97, the property tax generated within the district at the time of the TIF formation is set as the "baseline."
- As development occurs within the TIF District, the property values appreciate, generating additional tax revenue that is captured by the city to fund the public infrastructure projects.
- **TIF is the only mechanism to provide regional financial support so that 15,000 city residents don't have to carry all of the financial burden for maintenance of facilities that see 50,000 visitors daily.**
- TIF funding supports critical physical improvements and services that create a vital downtown. Some examples include parking structures, streetscape improvements, bridge and street repair, the farmers market, downtown cleaning, holiday lights and downtown planting programs.
- The City Commission must approve a TIF plan based on identified needs within the community.
- **Without TIF in Traverse City, the city would lose approximately 43% of financial support from our regional taxing partners while assuming 100% of the maintenance costs of downtown infrastructure.**
- If TIF is not renewed, the city will have to fill a \$1.7 million hole in one of three ways:
  - Raise taxes
  - Cut other critical services
  - Allow the infrastructure to deteriorate and projects to halt.



Updated 1/1/24 v4



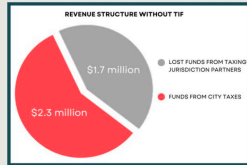
# ONE PAGERS

## TIF BY THE NUMBERS



The Traverse City DDA was formed in 1978 and in 1997, the city commission approved the Tax Increment Financing Plan (TIF 97) to use TIF funds to fund public infrastructure, upgrades, and economic development activities. Since then, Traverse City has become the business and commercial hub of Northern Michigan. As such, downtown TC serves the regional community and over 50,000 daily visitors from outside the city.

- TIF is the only mechanism to provide regional financial support so that 15,000+ city residents don't have to carry the financial burden for maintenance of facilities that see 50,000 visitors daily.
- Without TIF in Traverse City, the city would lose approximately 43% of financial support from our regional taxing partners while assuming 100% of the maintenance costs of Downtown infrastructure.
- If TIF is not renewed, the city will have to fill a \$1.7m hole in one of three ways: by raising taxes, by cutting other critical services, or by allowing the infrastructure to deteriorate and projects to halt.



- TIF and the DDA are distinct from each other. The DDA still exists without TIF, although would be severely constrained by lack of funding.
- The tax capture in TIF only occurs on assessed property within the TIF district (non-district city residents do not pay in).
- TIF funding supports critical physical improvements and services that create a vital downtown. Some examples include parking structures, streetscape improvements, farmer's market, downtown cleaning, holiday lights, and downtown planting programs.
- The city commission must approve a TIF plan based on identified needs within the community.
- The public can weigh in on a proposed TIF plan during public comment and by communication with city commissioners during the discussion.

Updated 11/21/23 v4





# ONE PAGERS

## TIF BY THE NUMBERS



Traverse City encompasses eight miles on the shore of Grand Traverse Bay. The city was established in 1895 and is the largest city in Northern Michigan. Over the years, Traverse City has come to be known as the business and governmental hub of Northern Michigan. But today's Traverse City is in stark contrast to the Traverse City of the late 20th century. A blighted and deteriorating downtown infrastructure, closed and vacant store fronts, and minimal economic activity demonstrated the need for an economic development plan; a plan to create a brighter future for Traverse City. The DDA was formed in 1978 and in 1997, the city commission approved the Tax Increment Financing Plan (TIF 97) to use TIF funds to fund public infrastructure, upgrades, and economic development activities. Now, in 2023, there are 5,200 people employed within the DDA district.

- 15,000+ people live in and pay taxes to the City of Traverse City.
- 153,000 people live in the Grand Traverse region.
- 50,000 visitors travel to Traverse City daily.
- TIF-97 funds are captured on the difference between the "baseline" property values set in 1997 when TIF originated and the appreciated property values of today.
- TIF-97 captures approximately \$4 million annually; \$2.5 million comes from city taxes and \$1.7 million from regional taxing partners.
- The TIF capture helps in a regional maintenance cost-sharing approach to aging downtown infrastructure and future community infrastructure projects while allowing city dollars to be reprioritized for emerging needs.
- TIF-97 has been substantially revised four times since origination in 1997 with no extension of the 30-year implementation schedule. This is leaving important projects and upgrades unfinished.
- The DDA is proposing a revised TIF-97 plan in 2024 to be renamed the "Moving Downtown Forward TIF Plan".
- Projects included in this plan:
  - Protection and placemaking opportunities of 1.6 miles of the Lower Boardman/Ottaway River
  - Construction of attainable housing units within the West End Mixed-Use development
  - Completion of Rotary Square as a placemaking/events/community gathering place
  - District-wide heated sidewalks
  - Implementation of a downtown composting program
- TIF is the only way to provide regional financial support for maintenance of downtown assets that are used by 50,000 visitors daily.
- Through TIF, Traverse City can collect almost half of the total public infrastructure funding from our regional taxing partners.
- In the 2024 MDF TIF Plan the DDA is proposing reallocating a portion of the TIF capture back to the regional taxing partners.
- This would mean \$1.4 million would go back to those jurisdictions annually for new or emerging projects and priorities that they have identified.

Updated 11/21/23 v4

# ONE PAGERS

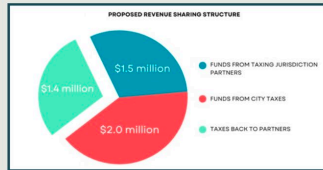
## WHAT IS THE MOVING DOWNTOWN FORWARD (MDF) TIF PLAN?



### A LEGACY FOR GENERATIONS

Over the last several months, the Downtown Development Authority (DDA) Board of Directors has been working on an amended TIF-97 plan. Through the amendment, the DDA is proposing that the plan be renamed the "Moving Downtown Forward TIF Plan" (MDF TIF Plan).

- The DDA is proposing renaming TIF-97 to Moving Downtown Forward TIF Plan (MDF TIF Plan). The proposal also includes an extension of the TIF plan for another 30 years and new infrastructure projects and continued maintenance of downtown.
- The amended plan will allow for additional tax capture and cost sharing with our taxing partners.
- The plan also creates a long-term, sustainable funding source to support community infrastructure upgrades and improvements in the years to come.
- The list of potential MDF TIF Plan projects is not exhaustive, but features those eligible for potential bonding. These projects include the West End Mixed-Use Development (a mobility hub that includes a parking, retail, and a housing component), Lower Boardman/Ottaway Riverwalk, and the district-wide snowmelt system.
- There are additional non-bonded projects that are critical to the health and vibrancy of Downtown; these include maintenance of sidewalks and crosswalks, decorative lighting, placemaking elements, holiday lights, composting opportunities, a retail incubator, facade improvements, the farmer's market, Rotary Square and more.
- In this MDF TIF Plan, the DDA and our regional taxing partners are proposing an innovative fund-sharing arrangement that would transfer the first seven years (1997 to 2004) of DDA captured revenue back to the regional taxing partners, in addition to sharing inflationary growth of each future year of the new Moving Downtown Forward TIF.
- 1997 through 2004 tax revenue capture totals roughly \$1.4 million; this amount would go back to the regional taxing jurisdictions annually in addition to inflationary growth.



Updated 11/20/23 v3



# THANK YOU



**Kristin Combs**

**Bright Spark Strategies**

Founder and Political Director

[kristin@brightsparkstrategies.com](mailto:kristin@brightsparkstrategies.com)

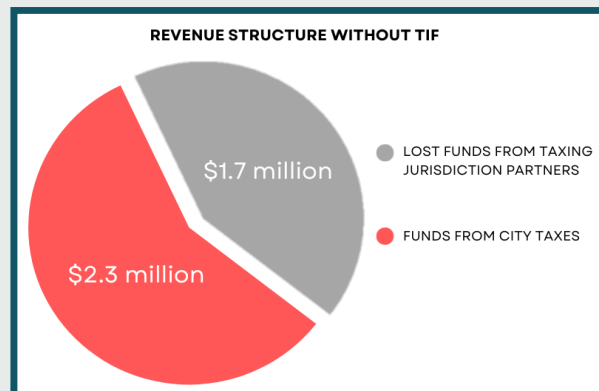
517.819.2841

# WHAT IS TAX INCREMENT FINANCING (TIF)?



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- **TIF is the only mechanism to provide regional financial support so that 15,000 city residents don’t have to carry all of the financial burden for maintenance of facilities that see 50,000 visitors daily.**
- TIF funding supports critical physical improvements and services that create a vital downtown. Some examples include parking structures, streetscape improvements, farmer’s market, downtown cleaning, holiday lights, and downtown planting programs.
- The City Commission must approve a TIF plan based on identified needs within the community.
- **Without TIF in Traverse City, the city would lose approximately 43% of financial support from our regional taxing partners while assuming 100% of the maintenance costs of downtown infrastructure.**
- If TIF is not renewed, the city will have to fill a \$1.7 million hole in one of three ways:
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  - Allow the infrastructure to deteriorate and projects to halt



Updated 11/1/23 v2

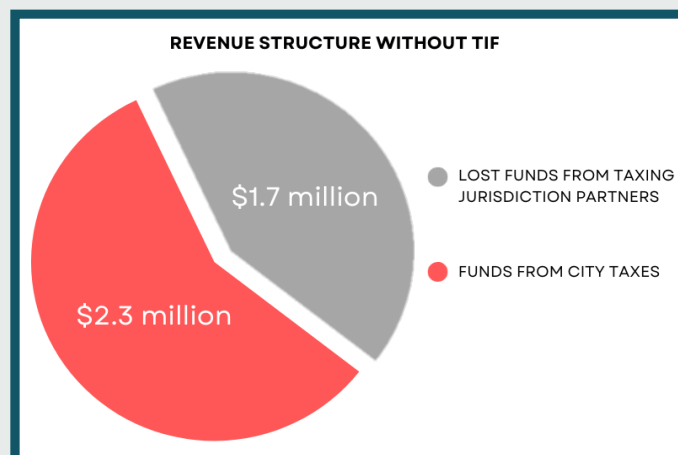
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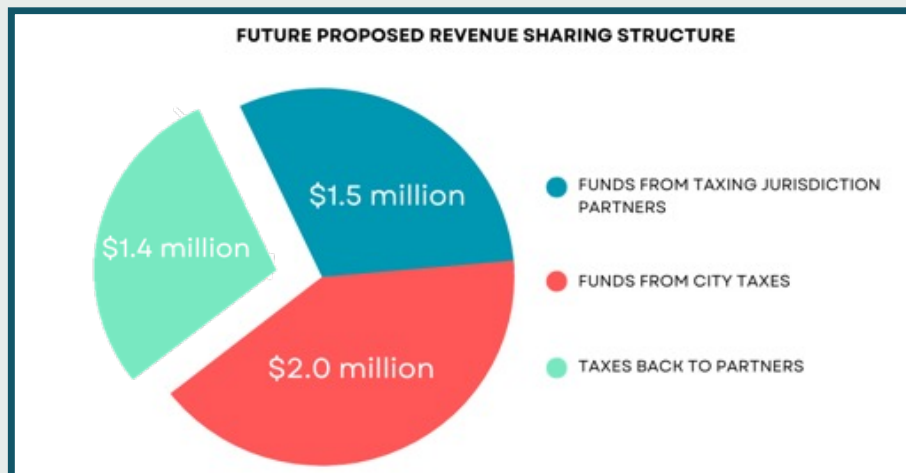
Updated 11/1/23 v3

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- The DDA is proposing a renaming of TIF-97 to Moving Downtown Forward TIF Plan (MDF TIF Plan). The proposal also includes an extension of this TIF plan for another 30 years and includes new infrastructure and continued maintenance of downtown.
- The amended plan will allow for additional tax capture and cost sharing with our taxing partners in our core community.
- The plan also creates a long-term, sustainable funding source to support community infrastructure upgrades and improvements.
- The list of potential MDF TIF Plan projects is not exhaustive, but feature those eligible for potential bonding. These projects include the West End Mixed-Use Development (a mobility hub that includes a parking, retail, and a housing component), Lower Boardman/Ottaway Riverwalk, and the district-wide snowmelt system.
- There are additional non-bonded projects that are critical to the health and vibrancy of Downtown; these include maintenance of sidewalks and crosswalks, decorative lighting, placemaking elements, holiday lights, composting opportunities, a retail incubator, façade improvements, the farmer’s market, Rotary Square and more.
- In this MDF TIF Plan, the DDA and our regional taxing partners are proposing an innovative fund-sharing arrangement.
- This arrangement would transfer the first seven years (1997 to 2004) of DDA captured revenue back to the regional taxing partners, in addition to sharing inflationary growth of each future year of the new Moving Downtown Forward TIF
- 1997 through 2004 tax revenue capture totals roughly \$1.4 million; this amount would go back to the regional taxing jurisdictions annually in addition to inflationary growth.



Updated 11/1/23 v2



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

## Memorandum

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To: DDA Board of Directors  
From: Jean Derenzy, DDA CEO  
Date: January 29, 2024  
Subject: Parking Update

Following our January 19, 2024 board meeting, I would like to update you on the latest developments regarding the maintenance needs for the Hardy and Old Town Parking garages. Traverse City Engineering has issued bids for the one-to-three-year maintenance requirements of the aforementioned parking garages. The deadline for submitting bids is February 8, 2024, with all proposals directed to City Engineering. As per our parking contract with the City of Traverse City, the DDA recommends contracts and fees, but the ultimate decision-making authority lies with the City Commission due to the city's ownership of the parking assets.

While we eagerly await the submission of bids, we anticipate the estimated cost of the maintenance repairs to be approximately \$1,200,000 over the next three years with an additional \$1,300,000 in four-five years. These repairs are crucial for ensuring the continued functionality and safety of the garages, preserving city assets. As we approach the FY25 budgeting process and engage in long-range forecasting, it is imperative to factor these infrastructure needs into consideration.

I have already communicated these matters to City Manager Loiz Vogel, who is in the early stages of preparing the FY25 City Budget. Given that the current DDA-City parking contract is over 20 years old, and bids for maintenance and repairs are due, the current contract is being reviewed to ensure its relevance to Traverse City's needs in 2024 and beyond.

Moreover, I wish to draw attention to the fact that the CEO currently dedicates significant time to parking management. This time commitment is a crucial factor that should be taken into consideration as the Board approaches the upcoming transition and search for a new CEO. As a reminder, parking operations are sustained by DDA employees, funded entirely by the Traverse City parking enterprise fund. This means the City of Traverse City fully funds 80% of the DDA employees, because we have 20 employees currently assigned to parking operations.



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## Memorandum

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To: DDA Board of Directors  
From: Jean Derenzy, DDA CEO  
Date: January 26, 2024  
Subject: DDA and Board Update

### **Development Area Citizen Council (DACC)**

The first meeting of the Development Area Citizen Council (DACC) has been scheduled for Wednesday, February 7<sup>th</sup> at 7:00 OPM, in the Commission Chambers. The agenda and packet will be posted on I-Compass (the city's public notice platform) and the DDA website (similar to all DDA meetings) on Thursday, February 1<sup>st</sup>. In addition, public notice of the meeting has been sent and will be posted by the Record Eagle.

### **DDA Staffing**

Interviews for the Experience Coordinator position is going well, with a second round of interviews occurring this week. Both Liz and Harry are part of the interview process. We anticipate to make an offer for the position soon, with onboarding starting in February or early March.