

1. 8-28-19 SS Packet

Documents:

[FINAL SS PACKET.PDF](#)

2. Presentations

Documents:

[TRAVERSECONNECT PRESENTATION - GRAND TRAVERSE COUNTY 8-28-19.PDF](#)

[DDA PRESENTATION.PDF](#)

**GRAND TRAVERSE COUNTY BOARD OF COMMISSIONERS
STUDY SESSION**

**Wednesday, August 28, 2019
8:00 a.m.**

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

A Study Session is held for review and discussion of information only. This study session is being held to receive information regarding Economic Development, DDA and TIF 97 and Old Town.

If you are planning to attend and you have a disability requiring any special assistance at the meeting, please notify the County Clerk immediately at 922-4760.

AGENDA

1. OPENING CEREMONIES OR EXERCISES
2. ROLL CALL
3. FIRST PUBLIC COMMENT

Any person shall be permitted to address a meeting of the Board of Commissioners which is required to be open to the public under the provision of the Michigan Open Meetings Act. Public Comment shall be carried out in accordance with the following Board Rules and Procedures:

Any person wishing to address the Board shall state his or her name and address.

No person shall be allowed to speak more than once on the same matter, excluding time needed to answer Commissioners' questions, if any. The Chairperson shall control the amount of time each person shall be allowed to speak, which shall not exceed three (3) minutes. The Chairperson may, at his or her discretion, extend the amount of time any person is allowed to speak.

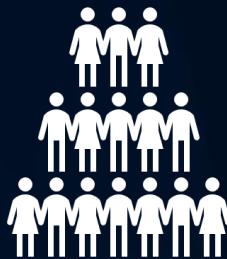
Public comment will be solicited during the two public comment periods noted in Rule 5.4, Order of Business. However, public comment will generally be received at any time during the meeting regarding a specific topic currently under discussion by the board. Members of the public wishing to comment should raise their hand or pass a note to the clerk in order to be recognized, and shall not address the board until called upon by the chairperson. Please be respectful and refrain from personal or political attacks.

4. a. TraverseCONNECT President & CEO, Warren Call will do a presentation on Local Demographic Trends and Regional Economic Development Pages 2- 20
- b. Traverse City Downtown Development Authority CEO, Jean Derenzy will do a presentation on the Downtown Development Authority, Tax Increment Financing (TIF) 97 and Old Town Pages 21-32
5. SECOND PUBLIC COMMENT (Refer to Rules under Public Comment above)
6. ADJOURNMENT

Local Demographic Trends & Regional Economic Development

TraverseCONNECT 

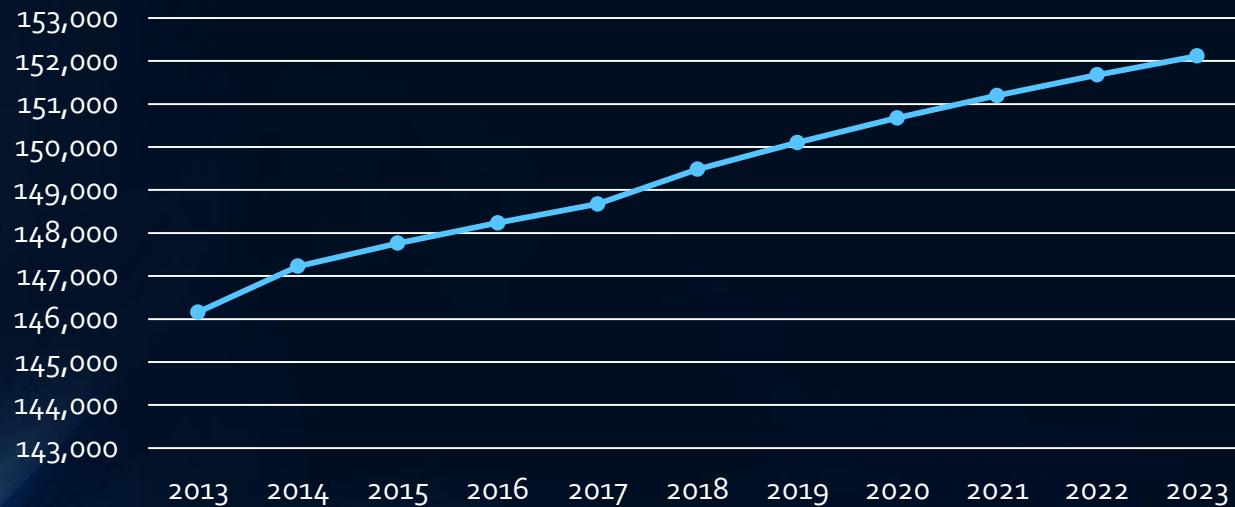
Warren M. Call
President & CEO



149,480 Total Population

- 2.3% increase 2013-2018
- 1.8% expected increase 2018 - 2023

Grand Traverse Regional Population (4-County)

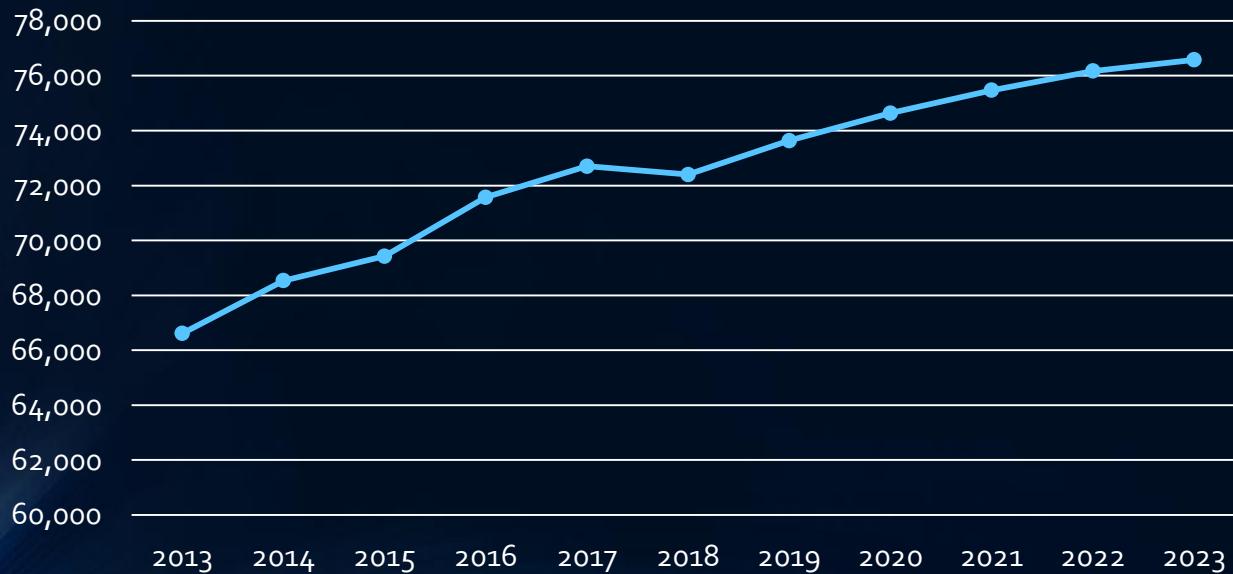




72,400 Total Jobs

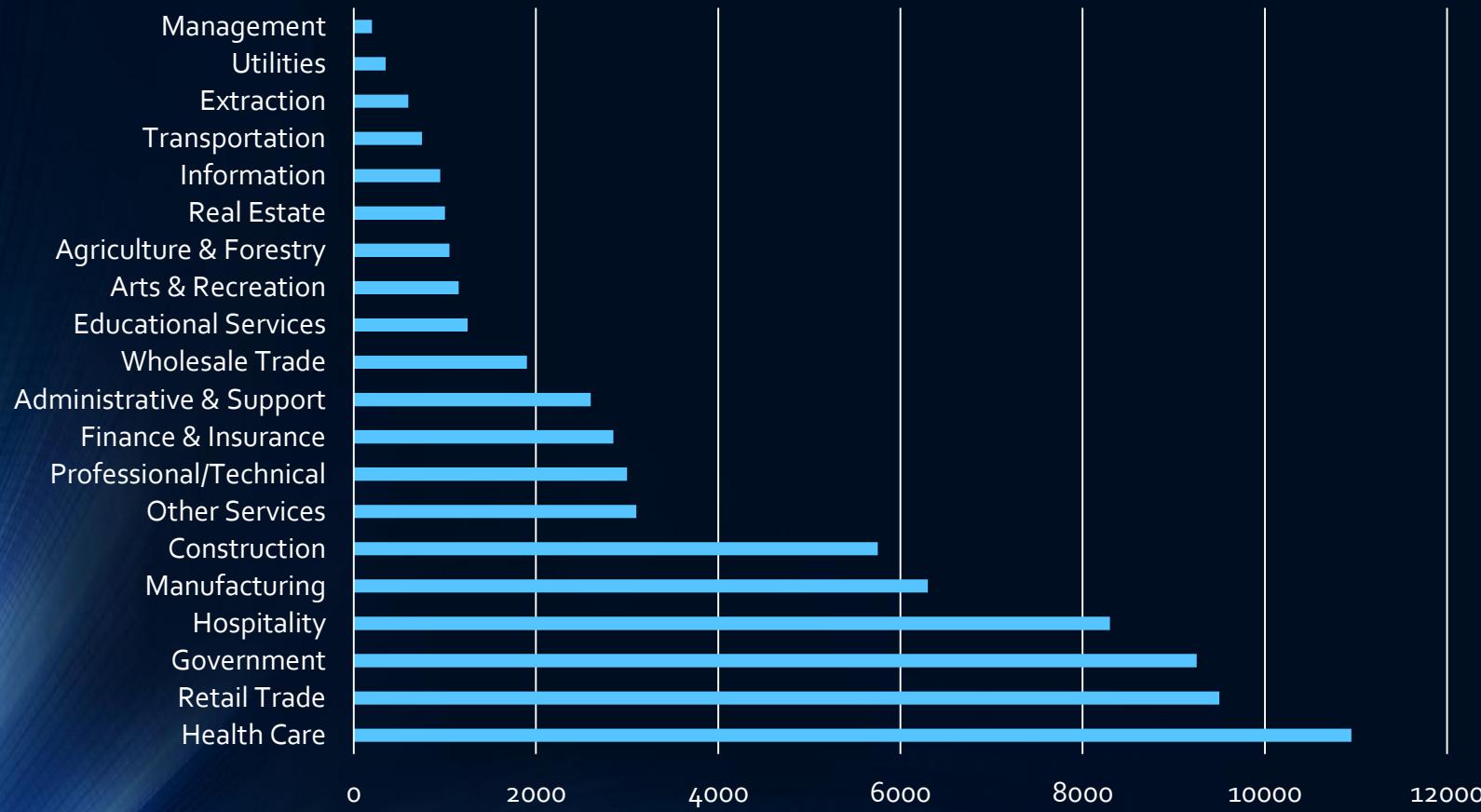
- 8.7% increase 2013 - 2018
- 5.8% expected increase 2018 - 2023

Grand Traverse Regional Jobs (4-County)





Industry Jobs (4-County)



Grand Traverse Regional Economy (Grand Traverse, Leelanau, Benzie & Kalkaska)



93.6 Cost of Living (index)

3.3% above state average



\$55,900 Median Income

3.1% below state average



76,336 Total Labor Force

- Flat 2013 - 2018
- Declined in 2019, trend?

Labor Force Participation



Grand Traverse Regional Economy (Grand Traverse, Leelanau, Benzie & Kalkaska)



56,313 Retiring Soon (ages 55+)

33% above US average



24,914 Millennials (ages 20-34)

19% below US average

Population Trends 2010-2017

| Age Group | GT County % Growth | US Average % Growth |
|----------------------------|--------------------|---------------------|
| Age 0 to 19 (children) | -5% | -1% |
| Age 20-34 (Young Adult) | 13% | 8% |
| Age 35-49 (Family Age) | -10% | -5% |
| Age 50-64 (Mature Workers) | 13% | 12% |
| Age 65+ (Retirees) | 31% | 23% |



So... What should be done to address this?

The Grand Traverse Region needs to take a more strategic approach to economic development in order to grow a competitive, prosperous and sustainable regional economy.

A DIVERSIFIED ECONOMY WITH FAMILY-SUSTAINING JOB OPPORTUNITIES

Create a Diversified, Value-Driven Economy:

- We need to foster growth in traded industries that bring value to the economy from outside of the region.

Grow Regional Businesses that Creates Family-Sustaining Jobs:

- We need growing firms, generating new wealth, and creating competitive-wage, year-round jobs.

Retain and Grow Number of Working Families in the Region:

- We need to reverse the current trend of losing key working age people, which puts stress on local school systems, public liabilities, and exacerbates our growing workforce gap.

PILLARS OF REGIONAL ECONOMIC GROWTH



REGIONAL LEADERSHIP

Establish a Clear Strategy – Define economic development goals in the region

Set Specific Priorities – Focus efforts to best utilize our time, talent, assets

Preserve Quality of Life – Appropriate growth, taking into account;

- Health, Housing, Childcare, Environment, Education, Infrastructure

BUSINESS EXPANSION

- Support and encourage company expansion efforts
- Build strong public-private partnerships to speed development
- Increase access to capital and be intentional about growth targets
- Represent voice of employers to local, state & national officials
- Leadership development; training, education, and industry councils
- Strategic events that foster productive community relationships



TALENT ATTRACTION

- Promote family-sustaining, high-skill jobs
- Work to retain and attract talent critical for future success
- Welcome program for trailing spouses
- Create a more welcoming community for diversity
- Educate talent on breadth of employment opportunities
- Address wage/cost of living gap with employers
- Partner with education providers to develop programs



BUSINESS ATTRACTION

- Market the Grand Traverse region as an economic destination
- Define the types of businesses to prioritize for attraction
- Connect site selectors and prospective businesses
- Raise our global visibility and promote regional assets
- Welcome strategy & hosting of prospective businesses



SUPPORTING ROLES

- Entrepreneurship and Innovation
 - Support startups and entrepreneurs in economic development efforts
- Community Development
 - Engage business community in solutions for housing, childcare, etc.
- Commercial Development
 - Work with community partners to support appropriate projects
- Public Infrastructure
 - Partner with public bodies to identify gaps in attraction efforts

REGIONAL ECONOMIC DEVELOPMENT

Economic Diversification; reduces our vulnerability to industry/market cycles

Capital Investment; leads to increased tax base for regional governments

Stronger Economy; makes region less dependent on state/federal resources

Talent Attraction; retains and increases working-age population (and kids)

A MORE RESILIENT, DYNAMIC & VIBRANT REGION

PUBLIC / PRIVATE PARTNERSHIP

Representation; Municipalities have voting seat on board

Definition; Detailed Professional Services Agreement

Coordination; Strengthened relationship with EDC and DDA

QUESTIONS?

TraverseCONNECT 

Warren M. Call
President & CEO



Action Request

| | | | |
|--------------------|------------------|--|------------|
| Meeting Date: | 8-28-19 | Submitted By: | Nate Alger |
| Department: | Administration | Contact Telephone: | |
| Contact E-Mail: | | | |
| Agenda Item Title: | TIF 97 Documents | | |
| Estimated Time: | (in minutes) | Laptop Presentation: <input type="radio"/> Yes <input checked="" type="radio"/> No | |

Summary of Request:

Jean Derenzy will be presenting information regarding the Downtown Development Authority, TIF 97 and Old Town.

The Chairman has asked us to add some initial background information. You will find attached a list of TIF 97 commitments in 2018/2019 and 2019/2020 Remaining Projects Priorities and TIF 97 Property Tax Revenue Estimates - the dates on the spreadsheet are 6/30/19 through 6/30/28.

Additional information identifying TiF Capture for 2017, 2018 and 2019 have been provided by Heidi Scheppe. We are attempting to compile additional Information for previous years and will provide you with that information at the meeting.

Total Cost: _____ General Fund Cost: _____ Included in budget: Yes No

If not included in budget, recommended funding source:

This section for Finance Director, Human Resources Director, Civil Counsel, and Administration USE ONLY:

| | | |
|---|-----------|------|
| Reviews: Finance Director | Signature | Date |
| Human Resources Director | | |
| Civil Counsel | | |
| Administration: <input type="checkbox"/> Recommended | Date: | |

Miscellaneous:

Attachments:

Attachment Titles:

City of Traverse City
 Downtown Development Authority
 TIF 97 commitments in 2018/2019 and
 2019/2020 Remaining Projects Priorities

| Project Description | Projected 18/19 eligible costs | 2019/20 CIP projects | 2020/21 CIP projects | 2021/22 CIP projects | 2022/23 CIP projects | 2023/24 CIP projects | 2024/2025 projects | 2025/2026 | 2026/2027 |
|---|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|-----------|-----------|
| West Front Bridge Replacement | - | 220,001 | - | - | - | - | - | - | - |
| 2015 West Front Reconstruction | - | - | - | - | - | - | - | - | - |
| Garland Street Reconstruction | - | - | - | - | - | - | - | - | - |
| South Cass St Bridge Repair | - | 66,001 | - | - | - | - | - | - | - |
| Park Street Bridge Repair | - | 150,000 | - | - | - | - | - | - | - |
| Uptown Riverwalk From Union St Dam | 454,350 | - | - | - | - | - | - | - | - |
| Wellington Plaza Erosion | - | - | - | - | - | - | - | - | - |
| East Front Reconst. (Park to Grandview) | - | - | - | 252,700 | - | - | - | - | - |
| Farmers Market | - | - | 400,000 | - | - | - | - | - | - |
| Traffic Signal Mast Arm | - | 100,000 | - | - | - | - | - | - | - |
| 200 Block Alley Enhanced Improvements | - | - | - | 817,000 | - | - | - | - | - |
| South Union St Bridge | - | - | 93,000 | - | - | - | - | - | - |
| North Cass Street Bridge | - | 45,000 | 201,500 | - | - | - | - | - | - |
| Lower Boardman River Access | - | 600,000 | 600,000 | 600,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - |
| Lot O redevelopment | - | 320,000 | - | - | - | - | - | - | - |
| Grandview pedestrian crossing | - | - | - | - | 500,000 | - | - | - | - |
| Civic Square | - | - | - | - | - | 1,000,000 | - | - | - |
| East Front Streetscapes | - | 741,033 | - | - | - | - | - | - | - |
| 200 East Front Streetscapes | - | - | 800,000 | - | - | - | - | - | - |
| 100 East Front Streetscapes | - | - | 800,000 | - | - | - | - | - | - |
| 100 West Front Streetscapes | - | - | 800,000 | - | - | - | - | - | - |
| Tree Replacement | - | 50,000 | 50,000 | - | - | - | - | - | - |
| State Street Streetscapes | - | 500,000 | 500,000 | - | - | - | - | - | - |
| City Opera House | 47,500 | - | - | - | - | - | - | - | - |
| West Front Street Deck | - | - | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| | 454,350 | 1,548,502 | 2,585,533 | 4,819,700 | 3,300,000 | 3,000,000 | 2,000,000 | 1,000,000 | 1,000,000 |
| | | | | | | | | | |

TIF 97 Property tax Revenue Estimates

| | 6/30/19 estimated | 6/30/20 estimated | 6/30/21 estimated | 6/30/22 estimated | 6/30/23 estimated | 6/30/24 estimated | 6/30/25 estimated | 6/30/26 estimated | 6/30/27 estimated | 6/30/28 estimated | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| ESTIMATED GROWTH INFLATION (0-.01) | | \$ 1,130,253 | \$ 1,166,555 | \$ 1,178,221 | \$ 1,190,003 | \$ 1,201,903 | \$ 1,213,922 | \$ 1,226,062 | \$ 1,238,322 | \$ 1,250,705 | |
| ESTIMATED NEW TO ROLL (100%) | 2,500,000 | 2,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| TOTAL PROJECTED VALUE | 113,025,293 | 116,655,546 | 117,822,101 | 119,000,322 | 120,190,326 | 121,392,229 | 122,606,151 | 123,832,213 | 125,070,535 | 126,321,240 | |
| BASE VALUE | 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 VALUE | \$ 80,165,205 | \$ 83,795,458 | \$ 84,962,013 | \$ 86,140,234 | \$ 87,330,238 | \$ 88,532,141 | \$ 89,746,063 | \$ 90,972,125 | \$ 92,210,447 | \$ 93,461,152 | |
| Estimated 2018 Millage rate (fye 6/30/19) | | | | | | | | | | | |
| PROJECTED UNIT CAPTURE | | | | | | | | | | | |
| TRAVERSE CITY | 13.4367 | \$ 1,077,156 | \$ 1,120,305 | \$ 1,130,222 | \$ 1,140,166 | \$ 1,150,137 | \$ 1,160,136 | \$ 1,170,163 | \$ 1,180,219 | \$ 1,190,303 | \$ 1,200,415 |
| RECREATIONAL AUTHORITY | 0.0986 | 7,904 | 8,221 | 8,294 | 8,367 | 8,440 | | | | | |
| RECREATIONAL AUTHORITY BOND | 0.3300 | 26,455 | 27,514 | 27,758 | 28,002 | 28,247 | | | | | |
| NMC | 2.1520 | 172,516 | 179,426 | 181,014 | 182,607 | 184,204 | 185,806 | 187,411 | 189,022 | 190,637 | 192,257 |
| NMC BOND | 0.6500 | 52,107 | 54,195 | 54,674 | 55,155 | 55,638 | 56,122 | 56,607 | 57,093 | 57,581 | 58,070 |
| GT COUNTY | 4.9429 | 396,249 | 412,122 | 415,770 | 419,428 | 423,096 | 426,774 | 430,463 | 434,162 | 437,871 | 441,591 |
| GTC COMMISION ON AGING + SENIOR CNTR | 0.5950 | 47,698 | 49,609 | 50,048 | 50,488 | 50,930 | 51,373 | 51,817 | 52,262 | 52,709 | 53,156 |
| TADL | 0.9469 | 75,908 | 78,949 | 79,648 | 80,349 | 81,052 | 81,756 | 82,463 | 83,171 | 83,882 | 84,595 |
| TADL BOND | 0.1326 | 10,630 | 11,056 | - | - | - | - | - | - | - | - |
| GT COUNTY ROAD | 0.9918 | 79,508 | 82,693 | - | - | - | - | - | - | - | - |
| GT COUNTY VETERANS | 0.1191 | 9,548 | 9,930 | 10,018 | 10,106 | 10,195 | 10,283 | 10,372 | 10,461 | 10,551 | 10,640 |
| DDA | 1.7422 | 139,664 | 145,259 | 146,544 | 147,834 | 149,127 | 150,423 | 151,723 | 153,027 | 154,334 | 155,646 |
| BATA | 0.4978 | 39,906 | 41,505 | 41,872 | 42,241 | 42,610 | 42,980 | 43,352 | 43,724 | 44,098 | 44,473 |
| | 26.4825 | | | | | | | | | | |
| Projected Captured Revenue | 2,135,248 | 2,220,783 | 2,145,862 | 2,164,742 | 2,183,674 | 2,165,653 | 2,184,371 | 2,203,142 | 2,221,966 | 2,240,843 | |
| Estimate LCSA payment | 72,000 | |
| Estimated Total Tax Related Revenue | \$ 2,207,248 | \$ 2,292,783 | \$ 2,217,862 | \$ 2,236,742 | \$ 2,255,674 | \$ 2,237,653 | \$ 2,256,371 | \$ 2,275,142 | \$ 2,293,966 | \$ 2,312,843 | |

| | 6/30/19 | 6/30/20 | 6/30/21 | 6/30/22 | 6/30/23 | 6/30/24 | 6/30/25 | 6/30/26 | 6/30/27 | 6/30/28 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| TRAVERSE CITY | 13.4367 | 13.3695 | 13.3027 | 13.2362 | 13.1700 | 13.1041 | 13.0386 | 12.9734 | 12.9085 | 12.8440 |
| RECREATIONAL AUTHORITY | 0.0986 | 0.0981 | 0.0976 | 0.0971 | 0.0966 | 0.0962 | 0.0957 | 0.0952 | 0.0947 | 0.0943 |
| RECREATIONAL AUTHORITY BOND | 0.3300 | 0.3284 | 0.3267 | 0.3251 | 0.3234 | 0.3218 | 0.3202 | 0.3186 | 0.3170 | 0.3154 |
| NMC | 2.1520 | 2.1412 | 2.1305 | 2.1199 | 2.1093 | 2.0987 | 2.0882 | 2.0778 | 2.0674 | 2.0571 |
| NMC BOND | 0.6500 | 0.6468 | 0.6435 | 0.6403 | 0.6371 | 0.6339 | 0.6307 | 0.6276 | 0.6245 | 0.6213 |
| GT COUNTY | 4.9429 | 4.9182 | 4.8936 | 4.8691 | 4.8448 | 4.8206 | 4.7965 | 4.7725 | 4.7486 | 4.7249 |
| GTC COMMISION ON AGING + SENIOR CNTR | 0.5950 | 0.5920 | 0.5891 | 0.5861 | 0.5832 | 0.5803 | 0.5774 | 0.5745 | 0.5716 | 0.5688 |
| TADL | 0.9469 | 0.9422 | 0.9375 | 0.9328 | 0.9281 | 0.9235 | 0.9188 | 0.9143 | 0.9097 | 0.9051 |
| TADL BOND | 0.1326 | 0.1319 | 0.1313 | 0.1306 | 0.1300 | 0.1293 | 0.1287 | 0.1280 | 0.1274 | 0.1268 |
| GT COUNTY ROAD | 0.9918 | 0.9868 | 0.9819 | 0.9770 | 0.9721 | 0.9673 | 0.9624 | 0.9576 | 0.9528 | 0.9481 |
| GT COUNTY VETERANS | 0.1191 | 0.1185 | 0.1179 | 0.1173 | 0.1167 | 0.1162 | 0.1156 | 0.1150 | 0.1144 | 0.1138 |
| DDA | 1.7422 | 1.7335 | 1.7248 | 1.7162 | 1.7076 | 1.6991 | 1.6906 | 1.6821 | 1.6737 | 1.6654 |
| BATA | 0.4978 | 0.4953 | 0.4928 | 0.4904 | 0.4879 | 0.4855 | 0.4831 | 0.4806 | 0.4782 | 0.4758 |

TIF 97 Total Capture

| | 2017 | 2018 | 2019 |
|--------------|------------------------|------------------------|------------------------|
| Summer | \$ 1,589,031.66 | \$ 1,833,766.41 | \$ 2,112,245.14 |
| Winter | \$ 323,951.84 | \$ 364,993.55 | \$ 419,904.15 |
| Total | \$ 1,912,983.50 | \$ 2,198,759.96 | \$ 2,532,149.30 |

TIF II Total Capture

| | 2017 | 2018 | 2019 |
|--------------|----------------------|----------------------|----------------------|
| Summer | \$ 155,196.99 | \$ 224,082.07 | \$ 355,713.56 |
| Winter | \$ 31,630.72 | \$ 35,381.38 | \$ 70,714.14 |
| Total | \$ 186,827.71 | \$ 259,463.45 | \$ 426,427.70 |

County Capture

| | 2017 | 2018 | 2019 |
|--------------|----------------------|----------------------|----------------------|
| TIF 97 | \$ 484,755.39 | \$ 533,849.90 | \$ 613,090.77 |
| TIF II | \$ 47,347.89 | \$ 65,078.37 | \$ 103,247.82 |
| Total | \$ 532,103.28 | \$ 598,928.27 | \$ 716,338.58 |

2019 Projected TIF Capture

| TIF 97 | | Tax Captured by | | | | | | Tax Captured by | | | | | |
|---------------------|----------------|---|---------|----------|-----------------|-----------------|---------------|-----------------|---------|----------|---------------|--------------|--------------|
| | | Summer | Mileage | 0.27295 | Tax Assessed | DDA | Jurisdiction | Winter | Mileage | 0.27295 | Tax Assessed | DDA | Jurisdiction |
| Total Taxable Value | \$ 127,189,623 | City | 12.1167 | 3.307216 | \$ 1,541,118.51 | \$ 1,120,474.95 | \$ 420,643.55 | COA | 0.4916 | 0.134181 | \$ 62,526.42 | \$ 45,460.03 | \$ 17,066.39 |
| Original Base Value | \$ 32,860,088 | City Act 345 | 2.32 | 0.633237 | \$ 295,079.93 | \$ 214,538.77 | \$ 80,541.16 | Lib Oper | 0.9431 | 0.257416 | \$ 119,952.53 | \$ 87,211.86 | \$ 32,740.67 |
| Less: Park Place BF | \$ 1,855,928 | County | 4.9019 | 1.337959 | \$ 623,470.81 | \$ 453,296.37 | \$ 170,174.44 | NMC Oper | 1.0669 | 0.291207 | \$ 135,698.61 | \$ 98,660.09 | \$ 37,038.52 |
| Captured Value | \$ 92,473,607 | BATA | 0.4952 | 0.135163 | \$ 62,984.30 | \$ 45,792.93 | \$ 17,191.37 | NMC Debt | 0.2750 | 0.075060 | \$ 34,977.15 | \$ 25,430.24 | \$ 9,546.90 |
| | | NMC Oper | 1.067 | 0.291234 | \$ 135,711.33 | \$ 98,669.34 | \$ 37,041.99 | Rec Auth Op | 0.0983 | 0.026831 | \$ 12,502.74 | \$ 9,090.16 | \$ 3,412.58 |
| Exclusion Factor | 0.7270530789 | NMC Debt | 0.275 | 0.075060 | \$ 34,977.15 | \$ 25,430.24 | \$ 9,546.90 | Rec Auth Dbt | 0.3300 | 0.090072 | \$ 41,972.58 | \$ 30,516.29 | \$ 11,456.29 |
| | | DDA | 1.6658 | 0.454675 | \$ 211,872.47 | \$ 154,042.53 | \$ 57,829.94 | COA Sr Ctr | 0.0982 | 0.026803 | \$ 12,490.02 | \$ 9,080.91 | \$ 3,409.11 |
| | | | | | \$ 2,905,214.49 | \$ 2,112,245.14 | \$ 792,969.35 | GTC Road | 0.9835 | 0.268443 | \$ 125,090.99 | \$ 90,947.79 | \$ 34,143.20 |
| | | City settlement total | | | | | | Veterans | 0.1179 | 0.032180 | \$ 14,995.66 | \$ 10,902.64 | \$ 4,093.02 |
| | | Difference due to exclusion factor v base calculation | | | | | | Animal Ctl | 0.0368 | 0.010044 | \$ 4,680.58 | \$ 3,403.03 | \$ 1,277.55 |
| | | | | | | | | Conservation | 0.0995 | 0.027158 | \$ 12,655.37 | \$ 9,201.12 | \$ 3,454.24 |

Tax Year 2019/20

| TIF 2 | | Tax Captured by | | | Base to Taxing | | | Tax Captured by | | | Base to Taxing | | |
|---------------------|---------------|-----------------------|---------|----------|---|---------------|-----------------|-----------------|---------|----------|----------------|--------------|---------------|
| Total Taxable Value | \$ 60,997,440 | Summer | Mileage | 0.74469 | Tax Assessed | DDA | Jurisdiction | Winter | Mileage | 0.74469 | Tax Assessed | DDA | Jurisdiction |
| Original Base Value | \$ 45,424,382 | City | 12.1167 | 9.023225 | \$ 739,087.68 | \$ 188,694.07 | \$ 550,393.61 | COA | 0.4916 | 0.366091 | \$ 29,986.34 | \$ 7,655.72 | \$ 22,330.63 |
| | | City Act 345 | 2.32 | 1.727688 | \$ 141,514.06 | \$ 36,129.49 | \$ 105,384.57 | Lib Oper | 0.9431 | 0.702320 | \$ 57,526.69 | \$ 14,686.95 | \$ 42,839.73 |
| | | County | 4.9019 | 3.650412 | \$ 299,003.35 | \$ 76,337.57 | \$ 222,665.78 | NMC Oper | 1.0669 | 0.794513 | \$ 65,078.17 | \$ 16,614.90 | \$ 48,463.27 |
| Captured Value | \$ 15,573,058 | BATA | 0.4952 | 0.368772 | \$ 30,205.93 | \$ 7,711.78 | \$ 22,494.15 | NMC Debt | 0.2750 | 0.204791 | \$ 16,774.30 | \$ 4,282.59 | \$ 12,491.71 |
| | | NMC Oper | 1.067 | 0.794588 | \$ 65,084.27 | \$ 16,616.45 | \$ 48,467.82 | Rec Auth Op | 0.0983 | 0.073203 | \$ 5,996.05 | \$ 1,530.83 | \$ 4,465.22 |
| Exclusion Factor | 0.2553067473 | NMC Debt | 0.275 | 0.204791 | \$ 16,774.30 | \$ 4,282.59 | \$ 12,491.71 | Rec Auth Dbt | 0.3300 | 0.245749 | \$ 20,129.16 | \$ 5,139.11 | \$ 14,990.05 |
| | | DDA | 1.6658 | 1.240510 | \$ 101,609.54 | \$ 25,941.60 | \$ 75,667.94 | COA Sr Ctr | 0.0982 | 0.073129 | \$ 5,989.95 | \$ 1,529.27 | \$ 4,460.67 |
| | | | | | \$ 1,393,279.13 | \$ 355,713.56 | \$ 1,037,565.56 | GTC Road | 0.9835 | 0.732406 | \$ 59,990.98 | \$ 15,316.10 | \$ 44,674.88 |
| | | City settlement total | | | Difference due to exclusion factor v base calculation | | | Veterans | 0.1179 | 0.087799 | \$ 7,191.60 | \$ 1,836.06 | \$ 5,355.53 |
| | | | | | | | | Animal Ctl | 0.0368 | 0.027405 | \$ 2,244.71 | \$ 573.09 | \$ 1,671.62 |
| | | | | | | | | Conservation | 0.0995 | 0.074097 | \$ 6,069.25 | \$ 1,549.52 | \$ 4,519.73 |
| | | | | | | | | | | | \$ 276,977.18 | \$ 70,714.14 | \$ 206,263.03 |
| | | City settlement total | | | Difference due to exclusion factor v base calculation | | | | | | | | |
| Tax Year 2019/20 | | | | | | | | | | | | | |

Tax Year 2019/20

| County 2019 Projected Totals | | | | |
|------------------------------|--------------|------------------------|------------------------------|----------------------|
| Millage | Tax Assessed | DDA | Tax Captured by Jurisdiction | Base to Taxing |
| County | 4.9019 | \$ 963,025.13 | \$ 529,633.95 | \$ 433,391.18 |
| COA | 0.4916 | \$ 96,579.52 | \$ 53,115.74 | \$ 43,463.78 |
| COA Sr Ctr | 0.0982 | \$ 19,292.33 | \$ 10,610.18 | \$ 8,682.15 |
| GTC Road | 0.9835 | \$ 193,217.98 | \$ 106,263.90 | \$ 86,954.08 |
| Veterans | 0.1179 | \$ 23,162.58 | \$ 12,738.70 | \$ 10,423.88 |
| Animal Ctl | 0.0368 | \$ 7,229.71 | \$ 3,976.12 | \$ 3,253.59 |
| Total | | \$ 1,302,507.25 | \$ 716,338.58 | \$ 586,168.67 |

2018 TIF Capture

| TIF 97 | | Tax Captured by Base to Taxing | | | | | | Tax Captured by Base to Taxing | | | | | |
|---------------------|----------------|--------------------------------|---------|----------|---|-----------------|---------------|---|---------|---------------|---------------|---------------|--------------|
| | | Summer | Millage | 0.29078 | Tax Assessed | DDA | Jurisdiction | Winter | Millage | 0.29078 | Tax Assessed | DDA | Jurisdiction |
| Total Taxable Value | \$ 113,008,103 | City | 12.1167 | 3.523250 | \$ 1,369,285.28 | \$ 971,129.45 | \$ 398,155.83 | COA | 0.4939 | 0.143614 | \$ 55,814.70 | \$ 39,585.10 | \$ 16,229.60 |
| Original Base Value | \$ 32,860,088 | City Act 345 | 2.32 | 0.674601 | \$ 262,178.80 | \$ 185,943.39 | \$ 76,235.40 | Lib Oper | 0.9467 | 0.275278 | \$ 106,984.77 | \$ 75,876.13 | \$ 31,108.65 |
| Captured Value | \$ 80,148,015 | County | 4.9246 | 1.431957 | \$ 556,519.70 | \$ 394,696.91 | \$ 161,822.79 | NMC Oper | 1.0719 | 0.311683 | \$ 121,133.39 | \$ 85,910.66 | \$ 35,222.73 |
| Exclusion Factor | 0.709223612 | BATA | 0.4978 | 0.144748 | \$ 56,255.43 | \$ 39,897.68 | \$ 16,357.75 | NMC Debt | 0.2850 | 0.082871 | \$ 32,207.31 | \$ 22,842.18 | \$ 9,365.13 |
| | | NMC Oper | 1.072 | 0.311712 | \$ 121,144.69 | \$ 85,918.67 | \$ 35,226.01 | Rec Auth Op | 0.0983 | 0.028583 | \$ 11,108.70 | \$ 7,878.55 | \$ 3,230.15 |
| | | NMC Debt | 0.285 | 0.082871 | \$ 32,207.31 | \$ 22,842.18 | \$ 9,365.13 | Rec Auth Dbt | 0.3300 | 0.095956 | \$ 37,292.67 | \$ 26,448.84 | \$ 10,843.83 |
| | | DDA | 1.7188 | 0.499786 | \$ 194,238.33 | \$ 137,758.41 | \$ 56,479.92 | COA Sr Ctr | 0.0987 | 0.028700 | \$ 11,153.90 | \$ 7,910.61 | \$ 3,243.29 |
| | | | | | \$ 2,591,829.54 | \$ 1,838,186.71 | \$ 753,642.83 | GTC Road | 0.9881 | 0.287316 | \$ 111,663.31 | \$ 79,194.25 | \$ 32,469.05 |
| | | | | | City settlement total | \$ 1,833,766.41 | | Veterans | 0.1185 | 0.034457 | \$ 13,391.46 | \$ 9,497.54 | \$ 3,893.92 |
| | | | | | Difference due to exclusion factor v base calculation | \$ (4,420.30) | | Animal Ctl | 0.0370 | 0.010759 | \$ 4,181.30 | \$ 2,965.48 | \$ 1,215.82 |
| | | | | | | | | Conservation | 0.1000 | 0.029078 | \$ 11,300.81 | \$ 8,014.80 | \$ 3,286.01 |
| | | | | | | | | | | \$ 516,232.32 | \$ 366,124.15 | \$ 150,108.17 | |
| | | | | | | | | City settlement total | | \$ 364,993.55 | | | |
| | | | | | | | | Difference due to exclusion factor v base calculation | | \$ (1,130.60) | | | |

Tax Year 2018/19

| TIF 2 | | Tax Captured by Base to Taxing | | | | | | Tax Captured by Base to Taxing | | | | | |
|---------------------|---------------|--------------------------------|---------|----------|---|---------------|-----------------|---|---------|---------------|--------------|---------------|--------------|
| | | Summer | Millage | 0.82298 | Tax Assessed | DDA | Jurisdiction | Winter | Millage | 0.82298 | Tax Assessed | DDA | Jurisdiction |
| Total Taxable Value | \$ 55,194,735 | City | 12.1167 | 9.971850 | \$ 668,778.05 | \$ 118,384.44 | \$ 550,393.61 | COA | 0.4939 | 0.406472 | \$ 27,260.68 | \$ 4,825.58 | \$ 22,435.10 |
| Original Base Value | \$ 45,424,382 | City Act 345 | 2.32 | 1.909323 | \$ 128,051.79 | \$ 22,667.22 | \$ 105,384.57 | Lib Oper | 0.9467 | 0.779119 | \$ 52,252.86 | \$ 9,249.59 | \$ 43,003.26 |
| Captured Value | \$ 9,770,353 | County | 4.9246 | 4.052867 | \$ 271,811.99 | \$ 48,115.08 | \$ 223,696.91 | NMC Oper | 1.0719 | 0.882157 | \$ 59,163.24 | \$ 10,472.84 | \$ 48,690.40 |
| Exclusion Factor | 0.1770160324 | BATA | 0.4978 | 0.409681 | \$ 27,475.94 | \$ 4,863.68 | \$ 22,612.26 | NMC Debt | 0.2850 | 0.234550 | \$ 15,730.50 | \$ 2,784.55 | \$ 12,945.95 |
| | | NMC Oper | 1.072 | 0.882239 | \$ 59,168.76 | \$ 10,473.82 | \$ 48,694.94 | Rec Auth Op | 0.0983 | 0.080899 | \$ 5,425.64 | \$ 960.43 | \$ 4,465.22 |
| | | NMC Debt | 0.285 | 0.234550 | \$ 15,730.50 | \$ 2,784.55 | \$ 12,945.95 | Rec Auth Dbt | 0.3300 | 0.271585 | \$ 18,214.26 | \$ 3,224.22 | \$ 14,990.05 |
| | | DDA | 1.7188 | 1.414545 | \$ 94,868.71 | \$ 16,793.28 | \$ 78,075.43 | COA Sr Ctr | 0.0987 | 0.081229 | \$ 5,447.72 | \$ 964.33 | \$ 4,483.39 |
| | | | | | \$ 1,265,885.73 | \$ 224,082.07 | \$ 1,041,803.66 | GTC Road | 0.9881 | 0.813190 | \$ 54,537.92 | \$ 9,654.09 | \$ 44,883.83 |
| | | | | | City settlement total | \$ 224,082.07 | | Veterans | 0.1185 | 0.097524 | \$ 6,540.58 | \$ 1,157.79 | \$ 5,382.79 |
| | | | | | Difference due to exclusion factor v base calculation | \$ 0.00 | | Animal Ctl | 0.0370 | 0.030450 | \$ 2,042.21 | \$ 361.50 | \$ 1,680.70 |
| | | | | | | | | Conservation | 0.1000 | 0.082298 | \$ 5,519.47 | \$ 977.04 | \$ 4,542.44 |
| | | | | | | | | | | \$ 252,135.07 | \$ 44,631.95 | \$ 207,503.12 | |
| | | | | | | | | City settlement total | | \$ 35,381.38 | | | |
| | | | | | | | | Difference due to exclusion factor v base calculation | | \$ (9,250.57) | | | |

Tax Year 2018/19

| County 2018 Projected Totals | | | | | | | | | | | | | | | |
|------------------------------|--------|--|--|--------------------------------|----------------------|----------------------|--|-----|--|--------------|--|--|--|--|--|
| | | | | Tax Captured by Base to Taxing | | | | | | | | | | | |
| | | | | Millage | | Tax Assessed | | DDA | | Jurisdiction | | | | | |
| County | 4.9246 | | | \$ 869,070.44 | \$ 442,812.00 | \$ 426,258.45 | | | | | | | | | |
| COA | 0.4939 | | | \$ 87,161.17 | \$ 44,410.68 | \$ 42,750.49 | | | | | | | | | |
| COA Sr Ctr | 0.0987 | | | \$ 17,418.12 | \$ 8,874.94 | \$ 8,543.17 | | | | | | | | | |
| GTC Road | 0.9881 | | | \$ 174,375.28 | \$ 88,848.34 | \$ 85,526.94 | | | | | | | | | |
| Veterans | 0.1185 | | | \$ 20,912.33 | \$ 10,655.33 | \$ 10,257.00 | | | | | | | | | |
| Animal Ctl | 0.0370 | | | \$ 6,529.59 | \$ 3,326.98 | \$ 3,202.61 | | | | | | | | | |
| Total | | | | \$ 1,175,466.92 | \$ 598,928.27 | \$ 576,538.66 | | | | | | | | | |

2017 TIF Capture

| TIF 97 | | | Tax Captured by Base to Taxing | | | | | | Tax Captured by Base to Taxing | | | | |
|---------------------|----------------|--------------|--------------------------------|--------------|---|-----------------|---------------|--------------|--------------------------------|--------------|---------------|---------------|---------------|
| | Summer | Millage | 0.31067 | Tax Assessed | DDA | Jurisdiction | Winter | Millage | 0.31067 | Tax Assessed | DDA | Jurisdiction | |
| Total Taxable Value | \$ 105,770,985 | City | 11.1167 | 3.453648 | \$ 1,175,824.31 | \$ 810,528.57 | \$ 365,295.74 | COA | 0.4958 | 0.154031 | \$ 52,441.25 | \$ 36,149.22 | \$ 16,292.03 |
| Original Base Value | \$ 32,860,088 | City Act 345 | 2.32 | 0.720759 | \$ 245,388.69 | \$ 169,153.28 | \$ 76,235.40 | Lib Oper | 0.9467 | 0.294113 | \$ 100,133.39 | \$ 69,024.75 | \$ 31,108.65 |
| Captured Value | \$ 72,910,897 | County | 4.9429 | 1.535621 | \$ 522,815.40 | \$ 360,391.27 | \$ 162,424.13 | NMC Oper | 1.0760 | 0.334283 | \$ 113,809.58 | \$ 78,452.13 | \$ 35,357.45 |
| Exclusion Factor | 0.689327957 | BATA | 0.342 | 0.106250 | \$ 36,173.68 | \$ 24,935.53 | \$ 11,238.15 | NMC Debt | 0.2950 | 0.091648 | \$ 31,202.44 | \$ 21,508.71 | \$ 9,693.73 |
| | | NMC Oper | 1.076 | 0.334283 | \$ 113,809.58 | \$ 78,452.13 | \$ 35,357.45 | Rec Auth Op | 0.0983 | 0.030539 | \$ 10,397.29 | \$ 7,167.14 | \$ 3,230.15 |
| | | NMC Debt | 0.295 | 0.091648 | \$ 31,202.44 | \$ 21,508.71 | \$ 9,693.73 | Rec Auth Dbt | 0.3300 | 0.102522 | \$ 34,904.43 | \$ 24,060.60 | \$ 10,843.83 |
| | | DDA | 1.7424 | 0.541315 | \$ 184,295.36 | \$ 127,039.95 | \$ 57,255.42 | COA Sr Ctr | 0.0991 | 0.030788 | \$ 10,481.90 | \$ 7,225.47 | \$ 3,256.43 |
| | | | | | \$ 2,309,509.46 | \$ 1,592,009.44 | \$ 717,500.02 | GTC Road | 0.9918 | 0.308125 | \$ 104,903.66 | \$ 72,313.03 | \$ 32,590.64 |
| | | | | | City settlement total | \$ 1,589,031.66 | | Veterans | 0.1190 | 0.036970 | \$ 12,586.75 | \$ 8,676.40 | \$ 3,910.35 |
| Final | | | | | Difference due to exclusion factor v base calculation | \$ 2,977.78 | | | | | \$ 470,860.69 | \$ 324,577.44 | \$ 146,283.25 |
| Tax Year 2017/18 | | | | | | | | | | | | | |

| TIF 2 | | | Tax Captured by Base to Taxing | | | | | | Tax Captured by Base to Taxing | | | | |
|---------------------|---------------|--------------|--------------------------------|--------------|---|---------------|---------------|--------------|--------------------------------|--------------|---------------|--------------|---------------|
| | Summer | Millage | 0.86447 | Tax Assessed | DDA | Jurisdiction | Winter | Millage | 0.86447 | Tax Assessed | DDA | Jurisdiction | |
| Total Taxable Value | \$ 52,545,865 | City | 11.1167 | 9.610066 | \$ 584,136.62 | \$ 79,167.39 | \$ 504,969.23 | COA | 0.4958 | 0.428605 | \$ 26,052.24 | \$ 3,530.83 | \$ 22,521.41 |
| Original Base Value | \$ 45,424,382 | City Act 345 | 2.32 | 2.005573 | \$ 121,906.41 | \$ 16,521.84 | \$ 105,384.57 | Lib Oper | 0.9467 | 0.818395 | \$ 49,745.17 | \$ 6,741.91 | \$ 43,003.26 |
| Captured Value | \$ 7,121,483 | County | 4.9429 | 4.272994 | \$ 259,728.96 | \$ 35,200.78 | \$ 224,528.18 | NMC Oper | 1.0760 | 0.930171 | \$ 56,539.35 | \$ 7,662.72 | \$ 48,876.64 |
| Exclusion Factor | 0.1355288946 | BATA | 0.342 | 0.295649 | \$ 17,970.69 | \$ 2,435.55 | \$ 15,535.14 | NMC Debt | 0.2950 | 0.255019 | \$ 15,501.03 | \$ 2,100.84 | \$ 13,400.19 |
| | | NMC Oper | 1.076 | 0.930171 | \$ 56,539.35 | \$ 7,662.72 | \$ 48,876.64 | Rec Auth Op | 0.0983 | 0.084978 | \$ 5,165.26 | \$ 700.04 | \$ 4,465.22 |
| | | NMC Debt | 0.295 | 0.255019 | \$ 15,501.03 | \$ 2,100.84 | \$ 13,400.19 | Rec Auth Dbt | 0.3300 | 0.285275 | \$ 17,340.14 | \$ 2,350.09 | \$ 14,990.05 |
| | | DDA | 1.7424 | 1.506254 | \$ 91,555.92 | \$ 12,408.47 | \$ 79,147.44 | COA Sr Ctr | 0.0991 | 0.085669 | \$ 5,207.30 | \$ 705.74 | \$ 4,501.56 |
| | | | | | \$ 1,147,338.96 | \$ 155,497.58 | \$ 991,841.38 | GTC Road | 0.9918 | 0.857382 | \$ 52,114.99 | \$ 7,063.09 | \$ 45,051.90 |
| Final | | | | | City settlement total | \$ 155,196.99 | | Veterans | 0.1190 | 0.102872 | \$ 6,252.96 | \$ 847.46 | \$ 5,405.50 |
| Tax Year 2017/18 | | | | | Difference due to exclusion factor v base calculation | \$ 300.59 | | | | | \$ 233,918.43 | \$ 31,702.71 | \$ 202,215.72 |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

| County 2017 Totals | | |
|--------------------|---------|--------------------------------|
| | Millage | Tax Captured by Base to Taxing |
| County | 4.9429 | \$ 782,544.36 |
| COA | 0.4958 | \$ 78,493.49 |
| COA Sr Ctr | 0.0991 | \$ 15,689.20 |
| GTC Road | 0.9918 | \$ 157,018.65 |
| Veterans | 0.119 | \$ 18,839.71 |
| | | \$ 1,052,585.41 |
| | | \$ 532,103.28 |
| | | \$ 520,482.13 |

August 23, 2019

Mr. Nate Alger, County Administrator
Grand Traverse County
400 Boardman Avenue
Traverse City, MI 49684

Dear Mr. Alger;

The Downtown Development Authority appreciates and values the opportunity to partner with Grand Traverse County in community goals to lead to economic vitality in the Downtown. The Downtown Development Authority (DDA) has worked diligently over the last 20+ years to progressively implement public infrastructure needs to build a robust economy in the heart of Traverse City, as evidenced by our vibrant and sustainable downtown. Implementation of this vision has been accomplished through the Tax Increment Financing (TIF) 97 Plan. This original plan was approved in 1997. The goals of this strategic plan include:

- 1) Economic growth of the District (see attached map)
- 2) Historic Preservation
- 3) Public infrastructure development with a focus on: streetscapes, parking structures, Boardman River Access, Civic Square, Farmer's Market

Since its creation in 1978, the DDA has been a significant and influential catalyst behind the revitalization and renewal of downtown Traverse City. Through careful stewardship, long-term planning and financing, an open dialogue with our community, and an ongoing analysis of national trends and issues, the DDA has been able to lead the downtown through the difficult transformation from a daytime retail-based economy to a true mixed-use 24-hour community. And increasingly, over the past decade, the DDA has used its resources, expertise, and passionate volunteer board to address larger community goals and challenges like alternative transportation, and the fragility of independent businesses that help to define much of Traverse City's unique identity.

Downtown Traverse City has changed a great deal in the past 20 years, and so have the priorities of the community. Challenges and opportunities continue to evolve with changes in the economy and demographics, and they are every bit as pressing today as they were 20 years ago. These ongoing challenges cannot be met without the ongoing diligent and focused efforts of the DDA.

Downtown Development Authority Looking ahead, therefore, compelling and prudent reasons exist for an extension to TIF 97, to proactively and strategically complete the renewal process well before its 2027 expiration. These **Traverse City Association** include:

Continuity. Extension of the DDA TIF 97 protects the viability of the important projects and programs that are currently underway or in the planning stages.

Mr. Nate Alger, County Administrator
Extension of TIF 97/Page 2

Long-Term Planning and Financing. Many projects that have the greatest benefit to the community involve a great deal of public input, significant financial investment, and procurement of long-term debt financing. Now that TIF 97 is within 8 years of its expiration, there is not time to complete the important projects to complete the great projects identified as needed for our core Downtown. The most pressing project is the West End parking structure. The parking structure would be located at 145 West Front Street (as identified within the TIF 97 Plan), which is publicly owned. The importance of the West End brings new investment—and new jobs—to the West End, and in turn the realization of sustainable and positive growth on the West end of Front Street.

Stewardship. The DDA is the only organization whose sole purpose is to safeguard the growth and vitality of the downtown. It is the only agency charged with monitoring national downtown trends in order to anticipate changes in transportation, housing, service, and infrastructure needs. It is the only organization working with the community to help to sustain and protect those things that the community values most about our downtown. The DDA is also the only agency whose mission is to sustain that which is remarkable and necessary about Traverse City's downtown. This includes supporting the goals and concepts of the Traverse City Downtown Plan and advocating for the resources and policies that enable these plans to be realized.

The successful completion of our unfinished projects is instrumental in the continued smart growth of our area through the partnership with TIF. The partnership goal is to promote each of our organizations to continue the economic driver not just in the Downtown, but as we can clearly see evidenced throughout the region. Having a downtown that draws talent, promotes and values our natural assets, has opportunities for cultural benefits, is vital to continue to attract new talent and retain our current talent. The focus of the DDA for the next 10 to 20 years is:

- **West Front mixed-use parking structure.** Public parking structures were identified within TIF 97 for better land use within the downtown district. This would allow for the elimination of surface parking, and allow for more private investment within this area. The importance of continued partnership with public transportation will continue and promote other mobility opportunities through the focused strategic approach to parking, and bringing workers and visitors into Downtown.
- **Farmers Market.** Our current market was started in 1984 on City-owned parkland on the corner of Cass and Grandview Parkway. As the home of the largest grower's market in the state of Michigan, the project is a focus that will result in supporting local agriculture, land preservation, and creating a space for the community to have access to healthy produce in the heart of Downtown Traverse City. Studies have been completed to more effectively identify the Farmer's Market for farmers and customers. With the continued long-range vision of sustainability of location will be part of the discussion during the West End parking structure, and Lower Boardman River unified plan discussion.

Downtown
Development
Authority

Downtown
Traverse City
Association

303 East State Street, Suite C
Traverse City, Michigan 49684

231.922.2050
231.922.4863 fax
info@downtowntc.com
www.downtowntc.com

downtTCown!

Mr. Nate Alger, County Administrator
Extension of TIF 97/Page 3

- **Lower Boardman River.** Upon the removal of the three dams, the time has come to have a unified plan for arguably the most important part of the Boardman River running through the most urbanized area before emptying into the Great Lakes. Currently, we are working with a team formed by the DDA, in partnership with City Planning, City Parks and City Commission to have a Plan for the protection of the River, as well as accessibility of the River through the urbanized area.
- **Streetscapes.** Improving the pedestrian experience is a top priority for the DDA. Streetscapes (curbs, sidewalks, brick-work, lighting, trees) are a component included in the TIF Plan. Started as pilot projects, snowmelt systems were added to the Streetscape policy to be put in place with public/private partnerships. The vision is to implement snowmelt systems, and an improved streetscape throughout the Downtown area.
- **Civic Square.** Public places often offer free, open forums for people to experience art, enjoy performances, and to participate in other cultural activities. A great civic square symbolizes the City's renaissance, bringing people and events to a central urban area. The square is designed to act as a city gathering place that can be used both for passive enjoyment and community events. The space differs from other types of parks, such as Downtown's Open Space or Hannah and Lay Parks, in that it's more urbanized and integrated into the surrounding city commercial development. Civic squares are highly visible spaces that tend to have a lot of active uses in and around them and can focus on year-round seasonal activity.
- **Extension of the DDA District from 8th Street Bridge to Barlow.** *There is not a TIF component related to the proposed expansion of the DDA District.* The DDA will not be recommending utilizing TIF down this corridor. With the professional staff at the DDA and community partners, branding this area as a "Wellness Corridor" will help to identify private investment, which is necessary to achieve investment that meets the branding and goals of this corridor.

How do we complete these projects? By extending the TIF 97 Plan for an additional 8 to 20 years. If the projects are completed prior to the completion, then TIF 97 can be ended. As the Downtown grows, the taxable value of the region grows and thus benefits our partners.

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Authority

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Traverse City
Association

303 East State Street, Suite C
Traverse City, Michigan 49684

231.922.2050
231.922.4863 fax
info@downtowntc.com
www.downtowntc.com

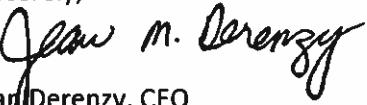
downtTCwn!

Mr. Nate Alger, County Administrator
Extension of TIF 97/Page 4

The attached overview of the collection of funds within TIF 97 is attached for your information. The other spreadsheets identify the growth adjacent to the DDA District (East Front, West Front, 8th Street and the Washington Street (commercial area only). I have attached a map that identifies the small area adjacent to the District to provide you the visual of the areas collected. We can see that the positive influence of a healthy downtown is clearly shown in the investments made in and near downtown. The attached table reflects that the impact is felt immediately by our partners because of the great work being done by the DDA.

The DDA's mission to promote a thriving downtown remains and I look forward to working with you throughout the process.

Sincerely,


Jean M. Derenzy
Jean Derenzy, CEO
Downtown Development Authority

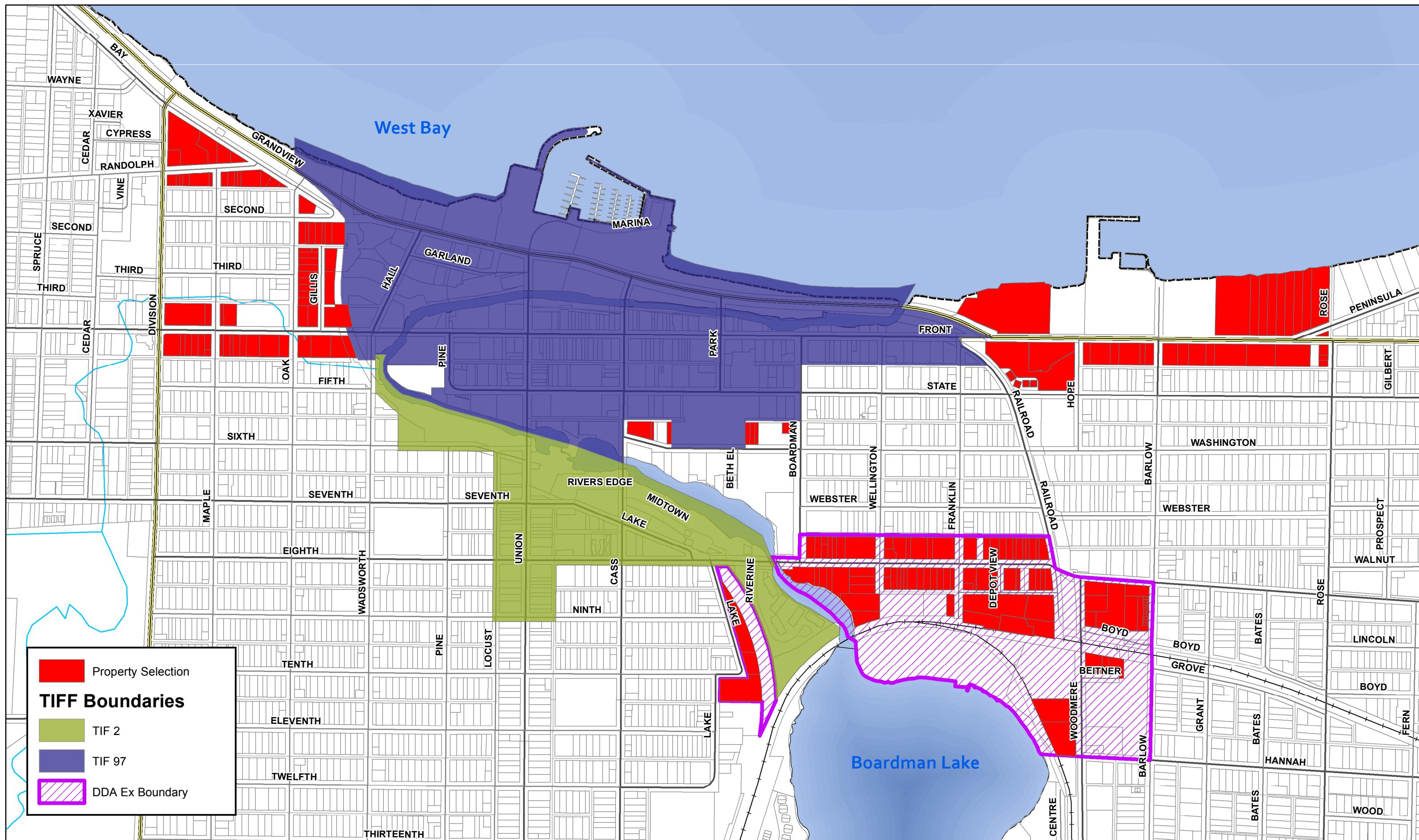
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**Downtown
Development
Authority**

**Downtown
Traverse City
Association**

303 East State Street, Suite C
Traverse City, Michigan 49684

231.922.2050
231.922.4863 fax
info@downtowntc.com
www.downtowntc.com



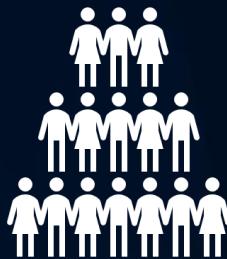
THIS MAP IS BASED ON DIGITAL DATABASES
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CANNOT ACCEPT ANY RESPONSIBILITY FOR ERRORS
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Local Demographic Trends & Regional Economic Development

TraverseCONNECT 

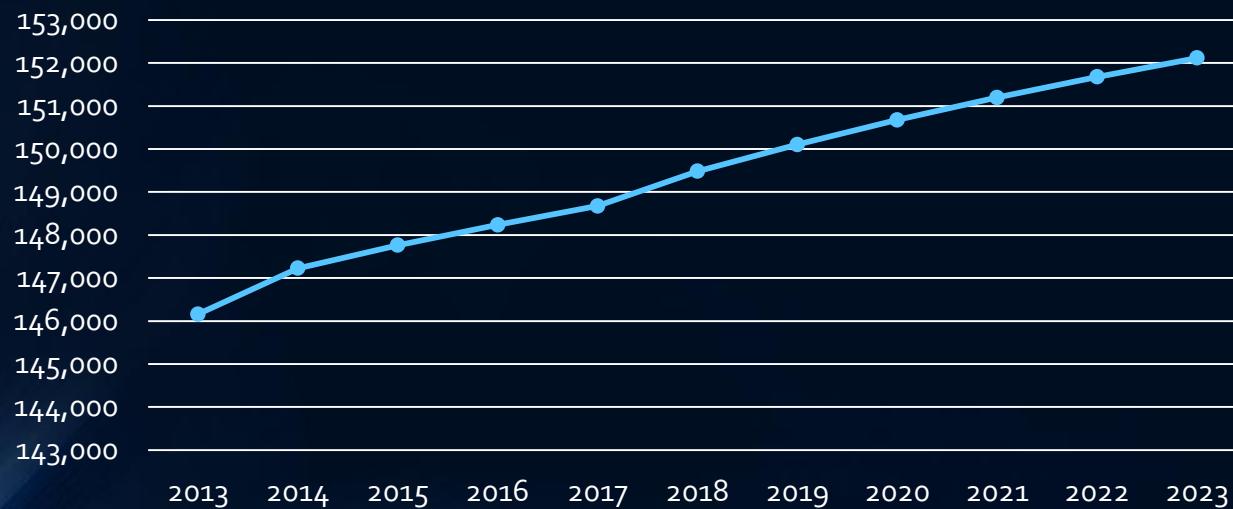
Warren M. Call
President & CEO



149,480 Total Population

- 2.3% increase 2013-2018
- 1.8% expected increase 2018 - 2023

Grand Traverse Regional Population (4-County)

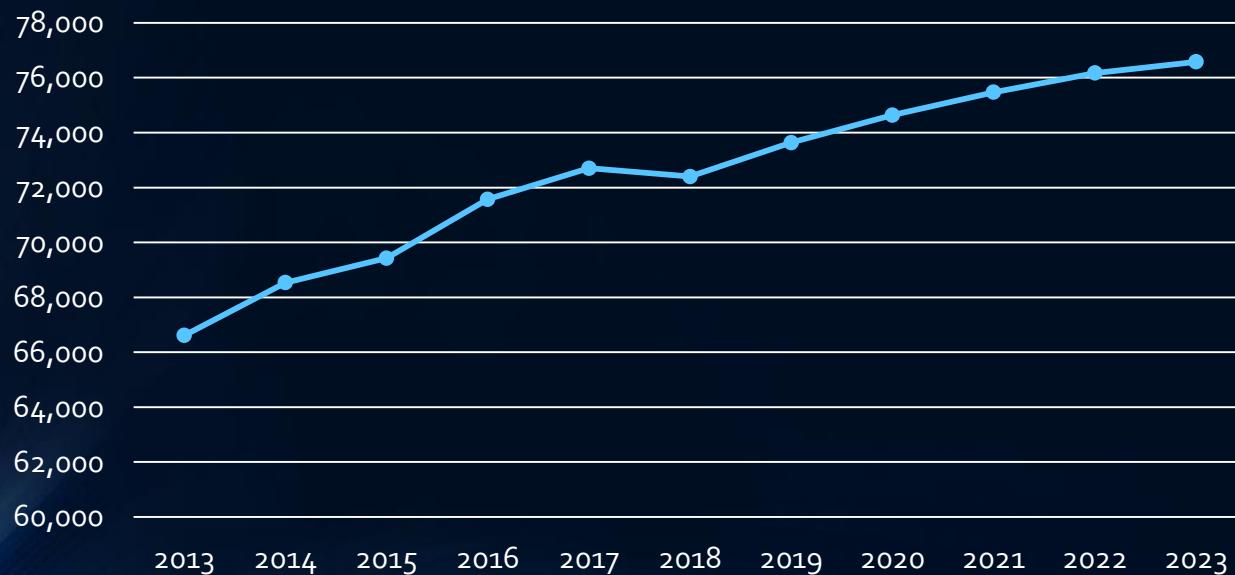




72,400 Total Jobs

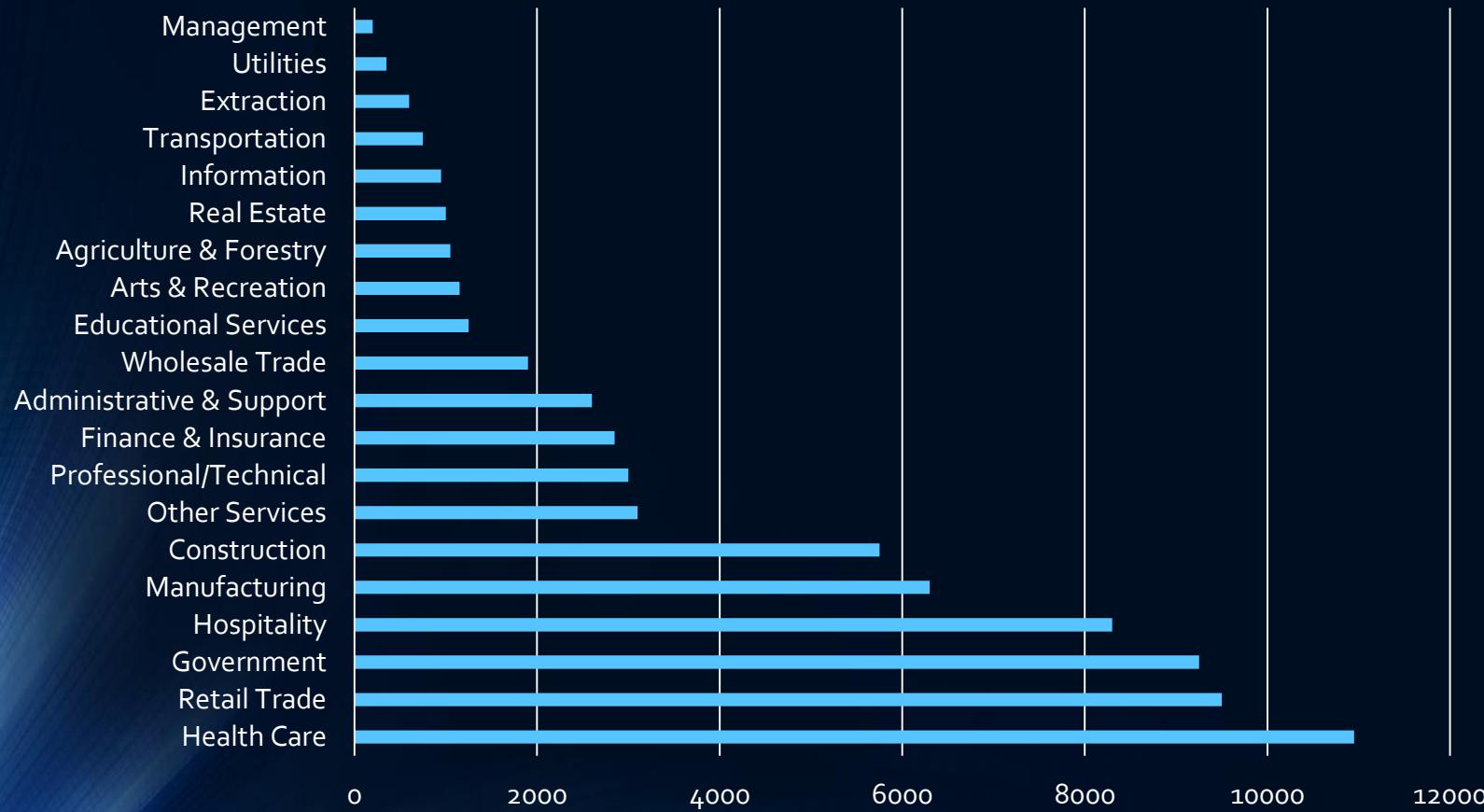
- 8.7% increase 2013 - 2018
- 5.8% expected increase 2018 - 2023

Grand Traverse Regional Jobs (4-County)





Industry Jobs (4-County)



Grand Traverse Regional Economy (Grand Traverse, Leelanau, Benzie & Kalkaska)



93.6 Cost of Living (index)

3.3% above state average



\$55,900 Median Income

3.1% below state average



76,336 Total Labor Force

- Flat 2013 - 2018
- Declined in 2019, trend?

Labor Force Participation



Grand Traverse Regional Economy (Grand Traverse, Leelanau, Benzie & Kalkaska)



56,313 Retiring Soon (ages 55+)

33% above US average



24,914 Millennials (ages 20-34)

19% below US average

Population Trends 2010-2017

| Age Group | GT County % Growth | US Average % Growth |
|----------------------------|--------------------|---------------------|
| Age 0 to 19 (children) | -5% | -1% |
| Age 20-34 (Young Adult) | 13% | 8% |
| Age 35-49 (Family Age) | -10% | -5% |
| Age 50-64 (Mature Workers) | 13% | 12% |
| Age 65+ (Retirees) | 31% | 23% |



So... What should be done to address this?

The Grand Traverse Region needs to take a more strategic approach to economic development in order to grow a competitive, prosperous and sustainable regional economy.

A DIVERSIFIED ECONOMY WITH FAMILY-SUSTAINING JOB OPPORTUNITIES

Create a Diversified, Value-Driven Economy:

- We need to foster growth in traded industries that bring value to the economy from outside of the region.

Grow Regional Businesses that Creates Family-Sustaining Jobs:

- We need growing firms, generating new wealth, and creating competitive-wage, year-round jobs.

Retain and Grow Number of Working Families in the Region:

- We need to reverse the current trend of losing key working age people, which puts stress on local school systems, public liabilities, and exacerbates our growing workforce gap.

PILLARS OF REGIONAL ECONOMIC GROWTH



REGIONAL LEADERSHIP

Establish a Clear Strategy – Define economic development goals in the region

Set Specific Priorities – Focus efforts to best utilize our time, talent, assets

Preserve Quality of Life – Appropriate growth, taking into account;

- Health, Housing, Childcare, Environment, Education, Infrastructure



BUSINESS EXPANSION

- Support and encourage company expansion efforts
- Build strong public-private partnerships to speed development
- Increase access to capital and be intentional about growth targets
- Represent voice of employers to local, state & national officials
- Leadership development; training, education, and industry councils
- Strategic events that foster productive community relationships



TALENT ATTRACTION

- Promote family-sustaining, high-skill jobs
- Work to retain and attract talent critical for future success
- Welcome program for trailing spouses
- Create a more welcoming community for diversity
- Educate talent on breadth of employment opportunities
- Address wage/cost of living gap with employers
- Partner with education providers to develop programs



BUSINESS ATTRACTION

- Market the Grand Traverse region as an economic destination
- Define the types of businesses to prioritize for attraction
- Connect site selectors and prospective businesses
- Raise our global visibility and promote regional assets
- Welcome strategy & hosting of prospective businesses



SUPPORTING ROLES

- Entrepreneurship and Innovation
 - Support startups and entrepreneurs in economic development efforts
- Community Development
 - Engage business community in solutions for housing, childcare, etc.
- Commercial Development
 - Work with community partners to support appropriate projects
- Public Infrastructure
 - Partner with public bodies to identify gaps in attraction efforts

REGIONAL ECONOMIC DEVELOPMENT

Economic Diversification; reduces our vulnerability to industry/market cycles

Capital Investment; leads to increased tax base for regional governments

Stronger Economy; makes region less dependent on state/federal resources

Talent Attraction; retains and increases working-age population (and kids)

A MORE RESILIENT, DYNAMIC & VIBRANT REGION

PUBLIC / PRIVATE PARTNERSHIP

Representation; Municipalities have voting seat on board

Definition; Detailed Professional Services Agreement

Coordination; Strengthened relationship with EDC and DDA

QUESTIONS?

TraverseCONNECT 

Warren M. Call
President & CEO



WHAT IS THE DDA?



CATALYST IN THE DEVELOPMENT IN TRAVERSE CITY'S DOWNTOWN:

- Helps in eliminating causes for building deterioration in Downtown's buildings
- Promotes economic growth for the Downtown Traverse City Area
- Aides in increasing property value
- Historic preservation

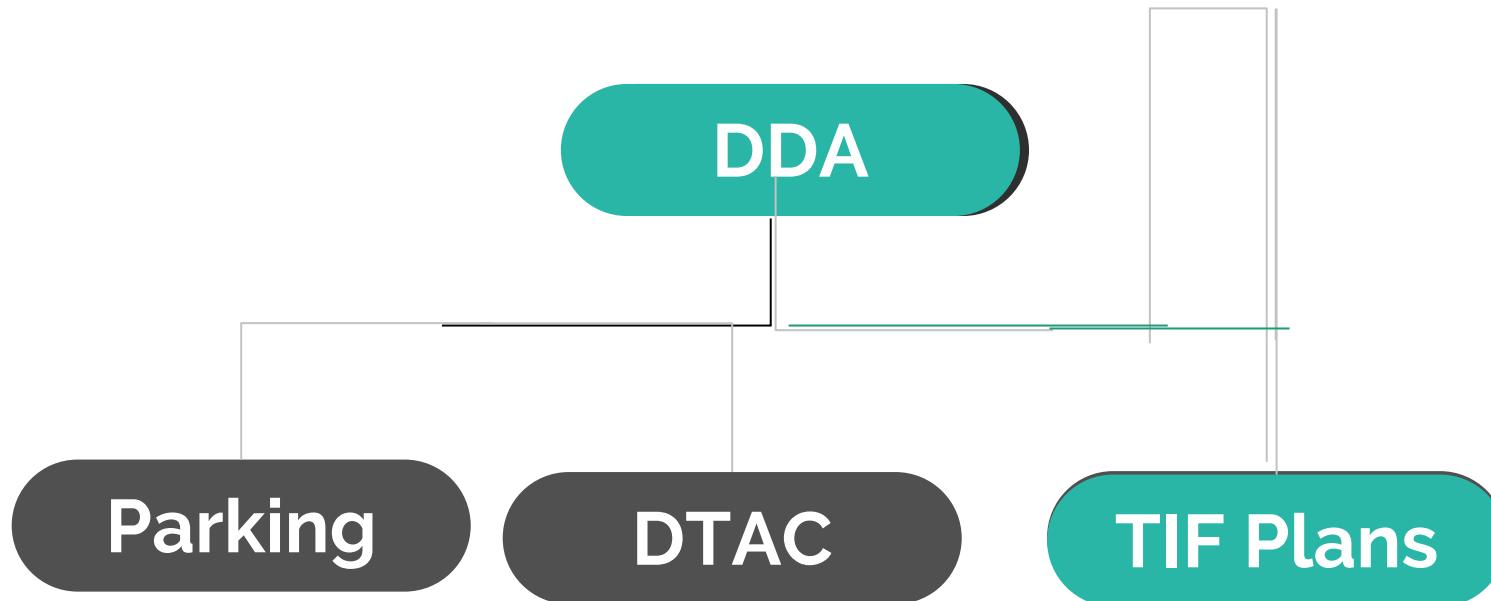
DDA OPERATION FUNDED BY:

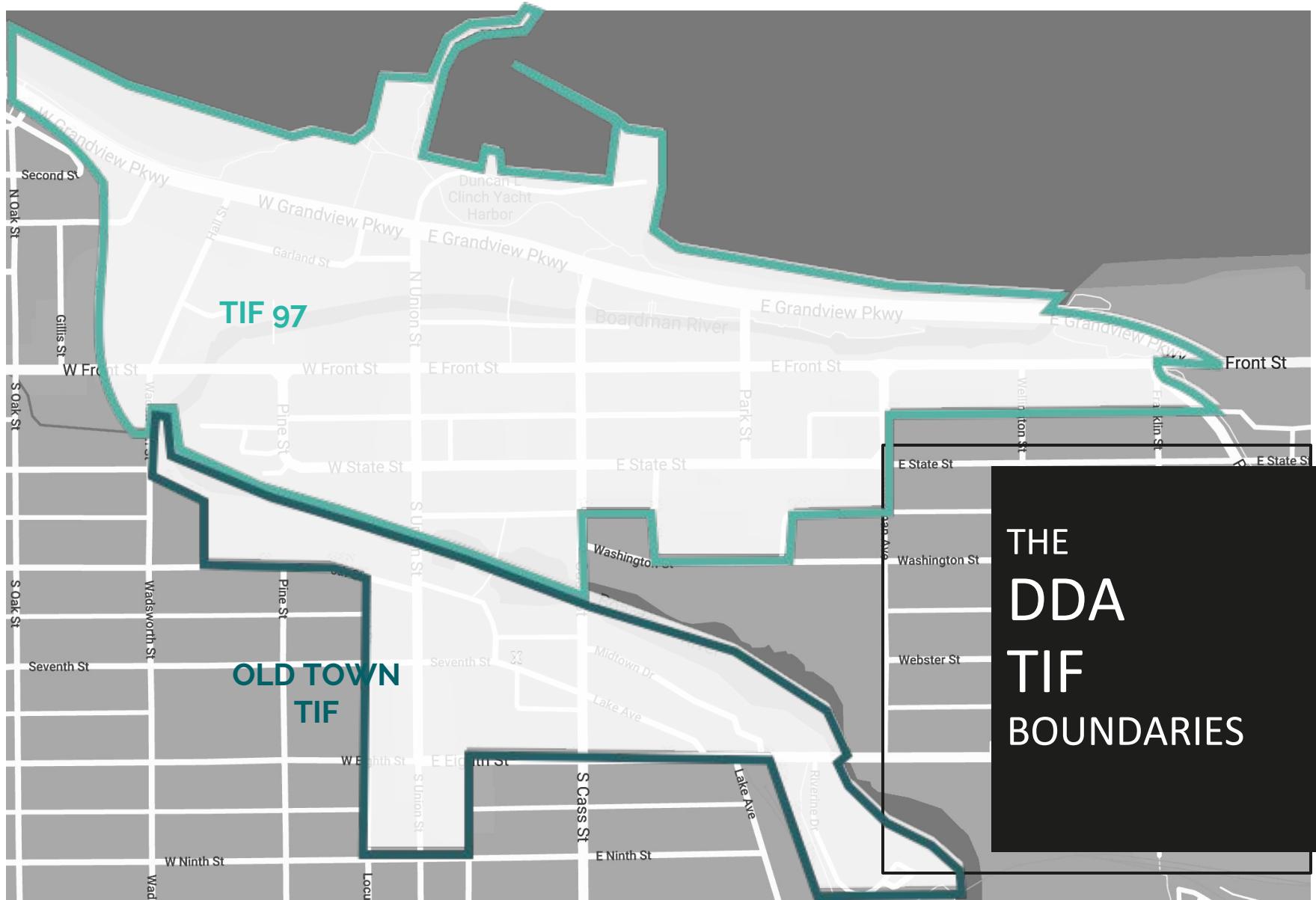
- Levy 2 Mills from Property Owners within District to pay for Operation.

TIF Funding:

- Public Infrastructure/capital Improvements.

ORGANIZATIONAL CHART – TRAVERSE CITY DOWNTOWN DEVELOPMENT AUTHORITY

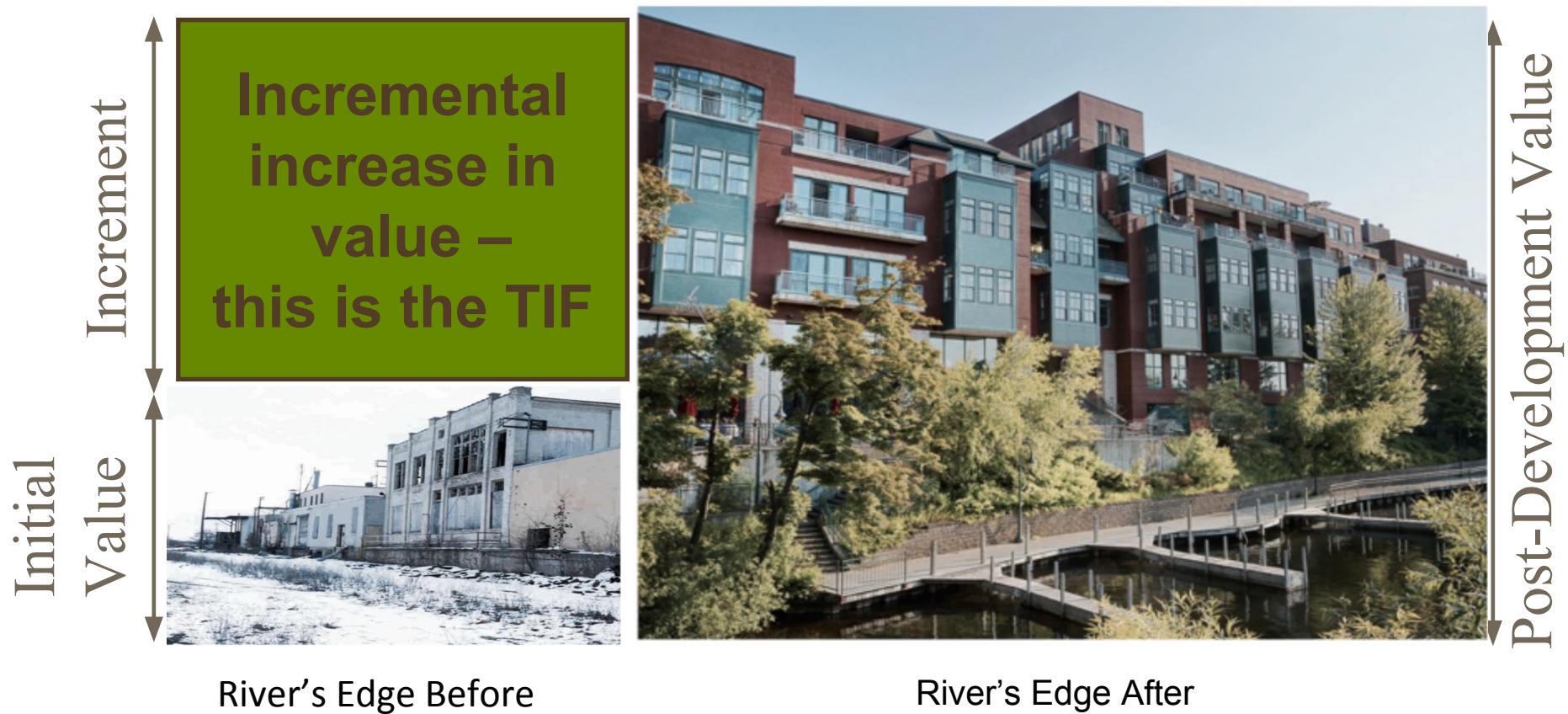


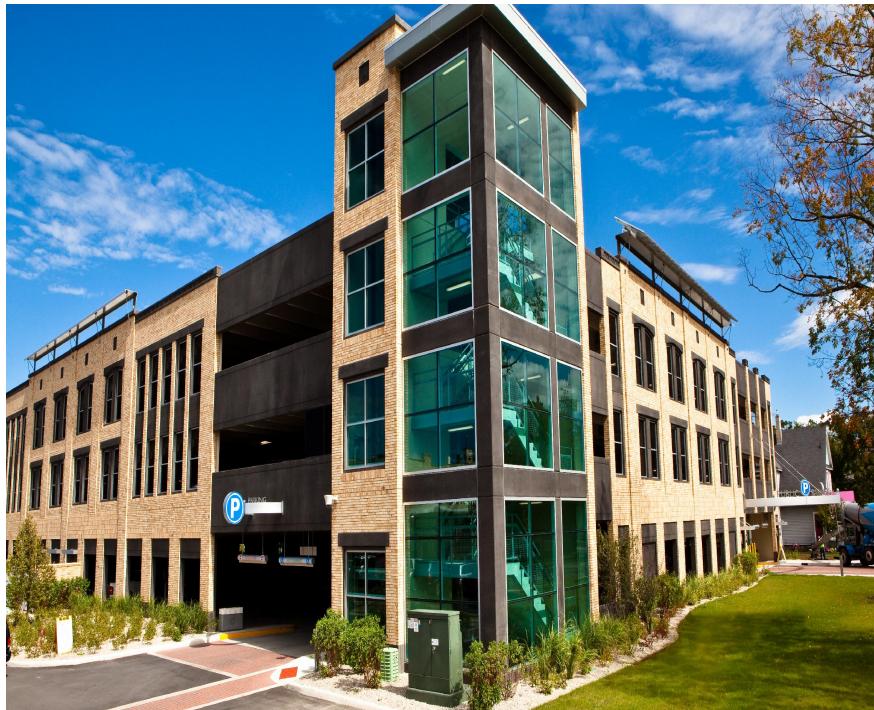




**Tax Increment Financing is one of the
REVENUE TOOLS
created by the State of Michigan
for use by Local Governments**

WHAT IS TAX INCREMENT FINANCING?





TIF UTILIZED FOR PUBLIC INFRASTRUCTURE



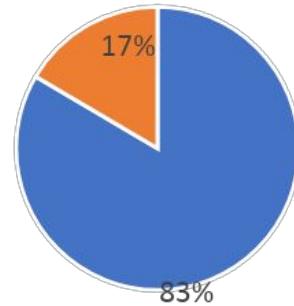
Traverse City,
only 2% of total
land area,
drives 17% of
County General
Fund Tax
Revenue

County Land Area (2%)



■ County excl. Traverse City ■ Traverse City

County Property Tax Revenue %



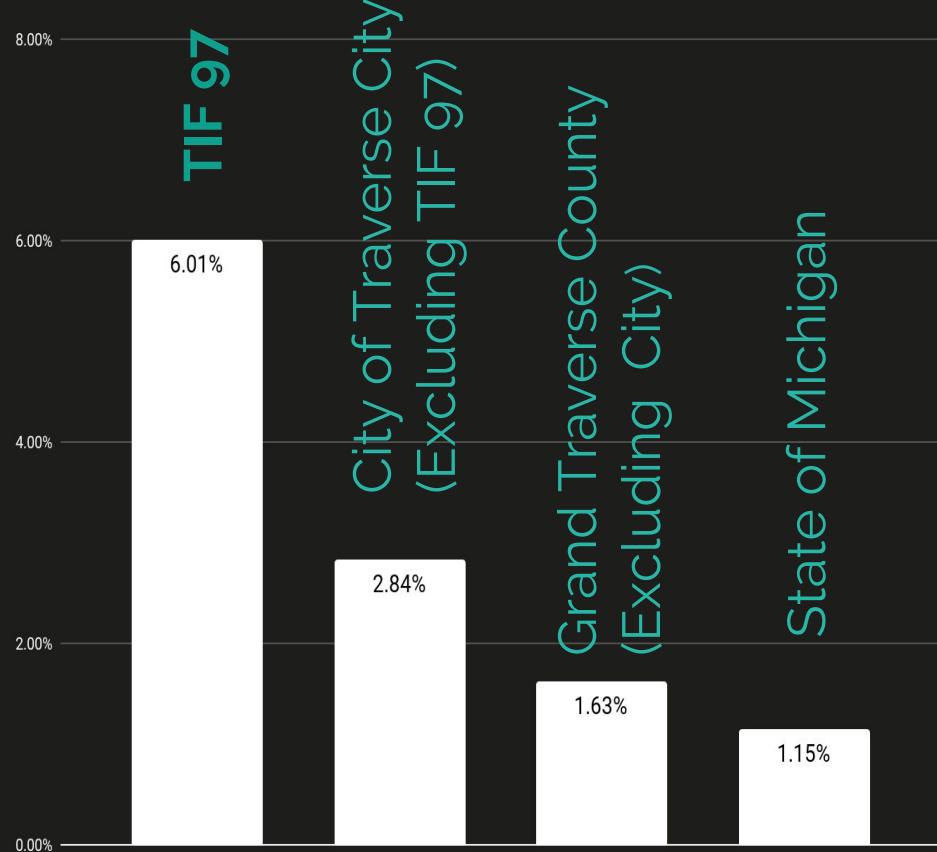
■ from GT County (excluding City)
■ from TC (excluding TIF 97 & TIF II)

Rising Tides Raise
All Ships:
Increased Tax
Revenue Across **ALL**
of Traverse City.

**Percent of County Property Tax Revenue from
Traverse City (excluding TIF 97 & TIF II)**



HOW DO “WE” COMPARE TO THE STATE



ABOVE AVERAGE GROWTH

A photograph of a woman with long blonde hair tied back in a ponytail, wearing a dark green dress, sitting on a concrete ledge. She is looking down at a white and blue merle Border Collie dog sitting next to her. They are in front of a modern building with a large blue sign that reads "CLINIC" and "ARL".

PUBLIC INFRASTRUCTURE
ENCOURAGES
PRIVATE INVESTMENT



Hardy Parking Garage



Hardy & Old Town Garages New Development Job Growth

HARDY PARKING GARAGE

- Radio Centre I, II, & III
- 101 N. Park Street
- Park Place Conf. Cntr.
- TC Lofts
- Renovation of the State Street Market
- Opening of the State Theatre
- A Revitalized 300 Block on E. Front
- Chase In-Fill

OLD TOWN PARKING GARAGE

- Old Town Corners
- Capri
- The Ivy
- The Regatta Building
- Hagerty Building
- A Revitalized Lake Avenue

JOB GROWTH:

Hagerty with nearly 600 employees
Disability Determination Services

Service Industry Jobs
Small law firms, CPA firms, marketing firms, and
Priority Health
20Fathoms



WHAT TIF HAS LEFT TO DO



STREETSCAPES
BRIDGE REPAIR
REDEVELOPMENT OF SURFACE LOTS
CITY OPERA HOUSE
STORMWATER INFRASTRUCTURE
CIVIC SQUARE
LOWER BOARDMAN RIVER
FARMERS MARKET
PARKING STRUCTURE





DDA EXTENSION OF TIME

TIF 97





DDA EXTENSION OF TIME

TIF 97

Public Parking Structure --- 20 YEAR BOND

Bond – Reimbursed through TIF

Extension of Time for TIF 97 – 8 to 13 years.



What Happens When TIF Plans are Complete?

EXAMPLE: TIF 2

Started AT \$3m Reset at \$44million
(1985 – 2015)

County Increase to General fund \$226,318



WORKING TOGETHER

Questions

Jean Derenzy, DDA CEO
jean@downtowntc.com