

1. 8-28-19 SS Packet

Documents:

[FINAL SS PACKET.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.

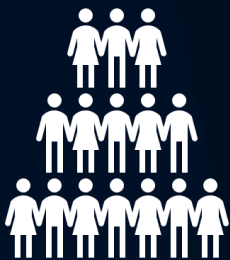
Public comment will be solicited during the two public comment periods noted in Rule 5.4, Order of Business. However, public comment will generally be received at any time during the meeting regarding a specific topic currently under discussion by the board. Members of the public wishing to comment should 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

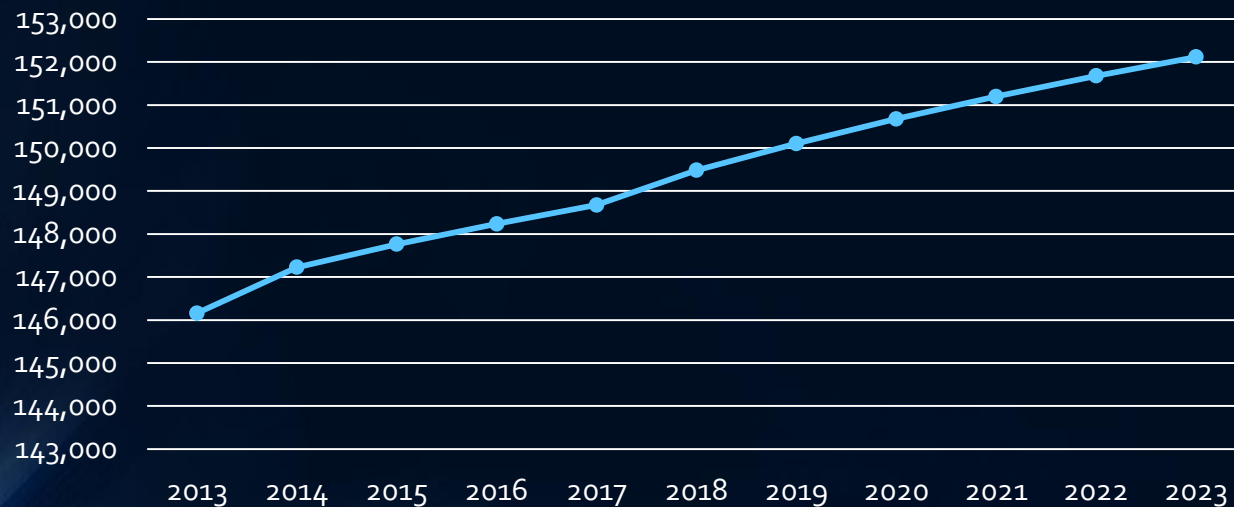


149,480 Total Population

➤ 2.3% increase 2013-2018

➤ 1.8% expected increase 2018 - 2023

Grand Traverse Regional Population (4-County)



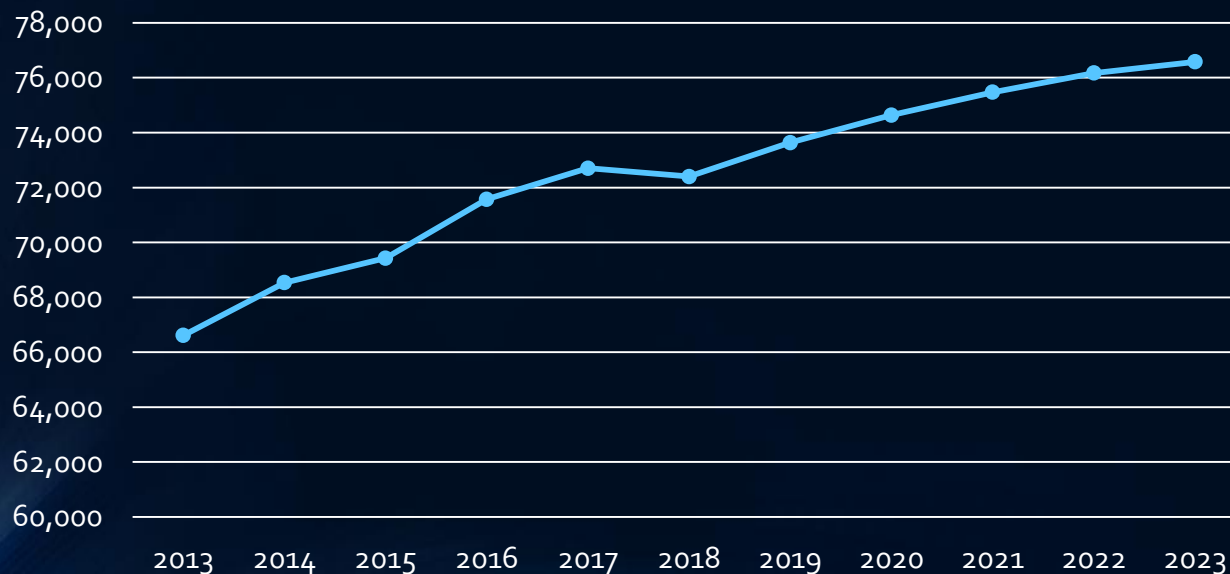


72,400 Total Jobs

➤ 8.7% increase 2013 - 2018

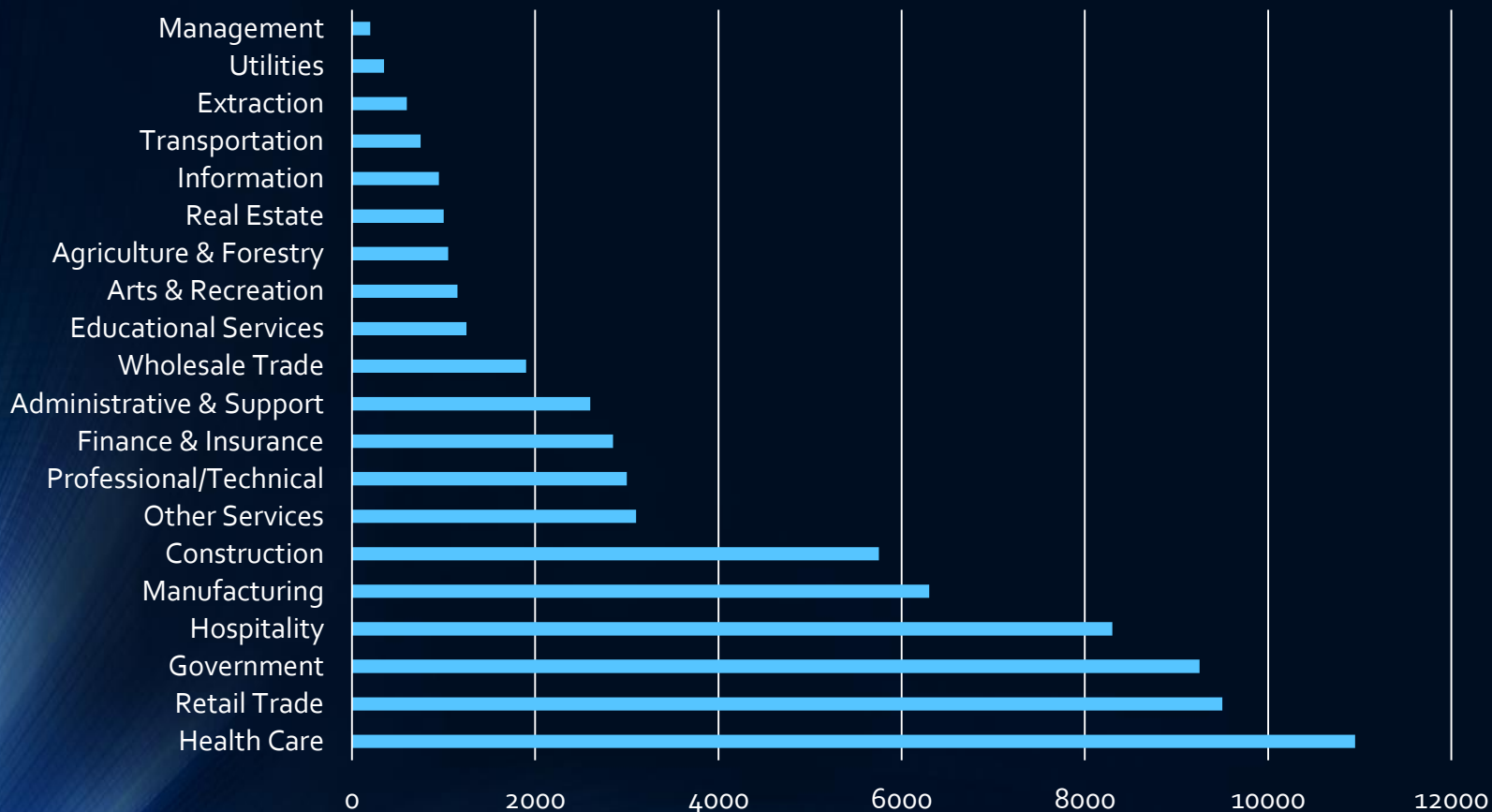
➤ 5.8% expected increase 2018 - 2023

Grand Traverse Regional Jobs (4-County)





Industry Jobs (4-County)



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



\$55,900 Median Income

3.1% below state average



93.6 Cost of Living (index)

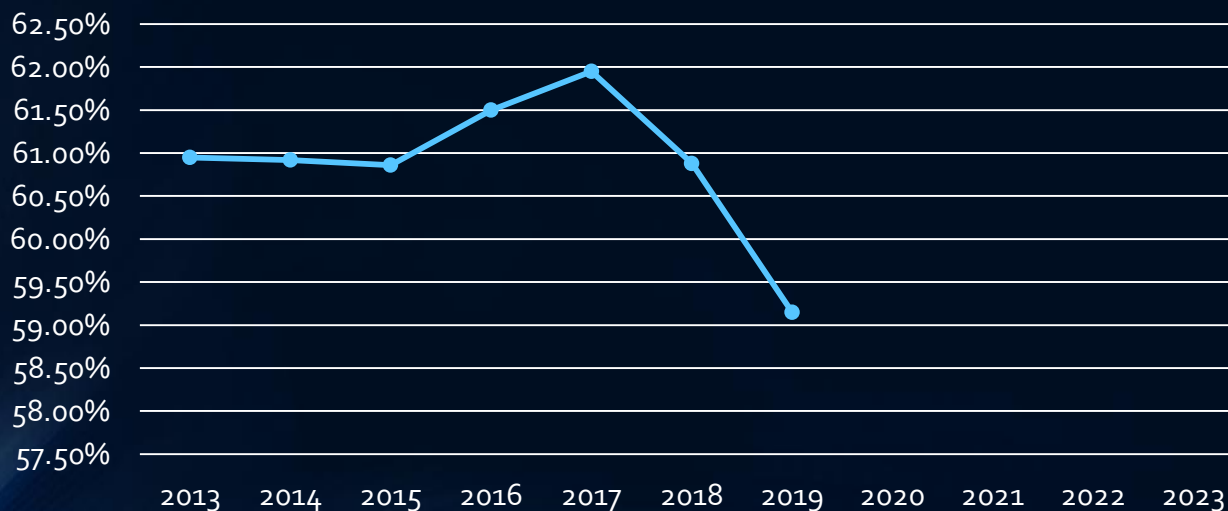
3.3% above state average



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		
Department:	Administration	Submitted By:	Nate Alger
Contact E-Mail:		Contact Telephone:	
Agenda Item Title:	TIF 97 Documents		
Estimated Time:		Laptop Presentation:	<input type="radio"/> Yes <input checked="" type="radio"/> No

(in minutes)

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:	<input type="radio"/> Yes <input type="radio"/> No
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If not included in budget, recommended funding source:

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

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

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	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	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	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	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

PROJECTED UNIT CAPTURE		Estimated 2018 Millage rate (fye 6/30/19)									
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 COMMISSION 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	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	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 COMMISSION 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		Summer	Millage	0.27295	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
Total Taxable Value	\$	127,189,623			\$ 1,541,118.51	\$ 1,120,474.95	\$ 420,643.55
Original Base Value	\$	32,860,088			\$ 295,079.93	\$ 214,538.77	\$ 80,541.16
Less: Park Place BF	\$	1,855,928			\$ 623,470.81	\$ 453,296.37	\$ 170,174.44
Captured Value	\$	92,473,607			\$ 62,984.30	\$ 45,792.93	\$ 17,191.37
					\$ 135,711.33	\$ 98,669.34	\$ 37,041.99
					\$ 34,977.15	\$ 25,430.24	\$ 9,546.90
					\$ 211,872.47	\$ 154,042.53	\$ 57,829.94
					\$ 2,905,214.49	\$ 2,112,245.14	\$ 792,969.35

City settlement total

Difference due to exclusion factor v base calculation

Tax Year 2019/20

TIF 2		Summer	Millage	0.74469	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
Total Taxable Value	\$	60,997,440			\$ 739,087.68	\$ 188,694.07	\$ 550,393.61
Original Base Value	\$	45,424,382			\$ 141,514.06	\$ 36,129.49	\$ 105,384.57
					\$ 299,003.35	\$ 76,337.57	\$ 222,665.78
					\$ 30,205.93	\$ 7,711.78	\$ 22,494.15
					\$ 65,084.27	\$ 16,616.45	\$ 48,467.82
					\$ 16,774.30	\$ 4,282.59	\$ 12,491.71
					\$ 101,609.54	\$ 25,941.60	\$ 75,667.94
					\$ 1,393,279.13	\$ 355,713.56	\$ 1,037,565.56

City settlement total

Difference due to exclusion factor v base calculation

Tax Year 2019/20

Winter		Millage	0.27295	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
COA		0.4916	0.134181	\$ 62,526.42	\$ 45,460.03	\$ 17,066.39
Lib Oper		0.9431	0.257416	\$ 119,952.53	\$ 87,211.86	\$ 32,740.67
NMC Oper		1.0669	0.291207	\$ 135,698.61	\$ 98,660.09	\$ 37,038.52
NMC Debt		0.2750	0.075060	\$ 34,977.15	\$ 25,430.24	\$ 9,546.90
Rec Auth Op		0.0983	0.026831	\$ 12,502.74	\$ 9,090.16	\$ 3,412.58
Rec Auth Dbt		0.3300	0.090072	\$ 41,972.58	\$ 30,516.29	\$ 11,456.29
COA Sr Ctr		0.0982	0.026803	\$ 12,490.02	\$ 9,080.91	\$ 3,409.11
GTC Road		0.9835	0.268443	\$ 125,090.99	\$ 90,947.79	\$ 34,143.20
Veterans		0.1179	0.032180	\$ 14,995.66	\$ 10,902.64	\$ 4,093.02
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
				\$ 577,542.64	\$ 419,904.15	\$ 157,638.49

City settlement total

Difference due to exclusion factor v base calculation

Winter		Millage	0.74469	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
COA		0.4916	0.366091	\$ 29,986.34	\$ 7,655.72	\$ 22,330.63
Lib Oper		0.9431	0.702320	\$ 57,526.69	\$ 14,686.95	\$ 42,839.73
NMC Oper		1.0669	0.794513	\$ 65,078.17	\$ 16,614.90	\$ 48,463.27
NMC Debt		0.2750	0.204791	\$ 16,774.30	\$ 4,282.59	\$ 12,491.71
Rec Auth Op		0.0983	0.073203	\$ 5,996.05	\$ 1,530.83	\$ 4,465.22
Rec Auth Dbt		0.3300	0.245749	\$ 20,129.16	\$ 5,139.11	\$ 14,990.05
COA Sr Ctr		0.0982	0.073129	\$ 5,989.95	\$ 1,529.27	\$ 4,460.67
GTC Road		0.9835	0.732406	\$ 59,990.98	\$ 15,316.10	\$ 44,674.88
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

County 2019 Projected Totals				
Millage		Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
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		Summer	Millage	0.29078	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
Total Taxable Value	\$ 113,008,103	City	12.1167	3.523250	\$ 1,369,285.28	\$ 971,129.45	\$ 398,155.83
Original Base Value	\$ 32,860,088	City Act 345	2.32	0.674601	\$ 262,178.80	\$ 185,943.39	\$ 76,235.40
		County	4.9246	1.431957	\$ 556,519.70	\$ 394,696.91	\$ 161,822.79
Captured Value	\$ 80,148,015	BATA	0.4978	0.144748	\$ 56,255.43	\$ 39,897.68	\$ 16,357.75
		NMC Oper	1.072	0.311712	\$ 121,144.69	\$ 85,918.67	\$ 35,226.01
Exclusion Factor	0.709223612	NMC Debt	0.285	0.082871	\$ 32,207.31	\$ 22,842.18	\$ 9,365.13
		DDA	1.7188	0.499786	\$ 194,238.33	\$ 137,758.41	\$ 56,479.92
					\$ 2,591,829.54	\$ 1,838,186.71	\$ 753,642.83
					City settlement total	\$ 1,833,766.41	
					Difference due to exclusion factor v base calculation	\$ (4,420.30)	

Tax Year 2018/19

TIF 2		Summer	Millage	0.82298	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
Total Taxable Value	\$ 55,194,735	City	12.1167	9.971850	\$ 668,778.05	\$ 118,384.44	\$ 550,393.61
Original Base Value	\$ 45,424,382	City Act 345	2.32	1.909323	\$ 128,051.79	\$ 22,667.22	\$ 105,384.57
		County	4.9246	4.052867	\$ 271,811.99	\$ 48,115.08	\$ 223,696.91
Captured Value	\$ 9,770,353	BATA	0.4978	0.409681	\$ 27,475.94	\$ 4,863.68	\$ 22,612.26
		NMC Oper	1.072	0.882239	\$ 59,168.76	\$ 10,473.82	\$ 48,694.94
Exclusion Factor	0.1770160324	NMC Debt	0.285	0.234550	\$ 15,730.50	\$ 2,784.55	\$ 12,945.95
		DDA	1.7188	1.414545	\$ 94,868.71	\$ 16,793.28	\$ 78,075.43
					\$ 1,265,885.73	\$ 224,082.07	\$ 1,041,803.66
					City settlement total	\$ 224,082.07	
					Difference due to exclusion factor v base calculation	\$ 0.00	

Tax Year 2018/19

		Winter	Millage	0.29078	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
		COA	0.4939	0.143614	\$ 55,814.70	\$ 39,585.10	\$ 16,229.60
		Lib Oper	0.9467	0.275278	\$ 106,984.77	\$ 75,876.13	\$ 31,108.65
		NMC Oper	1.0719	0.311683	\$ 121,133.39	\$ 85,910.66	\$ 35,222.73
		NMC Debt	0.2850	0.082871	\$ 32,207.31	\$ 22,842.18	\$ 9,365.13
		Rec Auth Op	0.0983	0.028583	\$ 11,108.70	\$ 7,878.55	\$ 3,230.15
		Rec Auth Dbt	0.3300	0.095956	\$ 37,292.67	\$ 26,448.84	\$ 10,843.83
		COA Sr Ctr	0.0987	0.028700	\$ 11,153.90	\$ 7,910.61	\$ 3,243.29
		GTC Road	0.9881	0.287316	\$ 111,663.31	\$ 79,194.25	\$ 32,469.05
		Veterans	0.1185	0.034457	\$ 13,391.46	\$ 9,497.54	\$ 3,893.92
		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)	

		Winter	Millage	0.82298	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
		COA	0.4939	0.406472	\$ 27,260.68	\$ 4,825.58	\$ 22,435.10
		Lib Oper	0.9467	0.779119	\$ 52,252.86	\$ 9,249.59	\$ 43,003.26
		NMC Oper	1.0719	0.882157	\$ 59,163.24	\$ 10,472.84	\$ 48,690.40
		NMC Debt	0.2850	0.234550	\$ 15,730.50	\$ 2,784.55	\$ 12,945.95
		Rec Auth Op	0.0983	0.080899	\$ 5,425.64	\$ 960.43	\$ 4,465.22
		Rec Auth Dbt	0.3300	0.271585	\$ 18,214.26	\$ 3,224.22	\$ 14,990.05
		COA Sr Ctr	0.0987	0.081229	\$ 5,447.72	\$ 964.33	\$ 4,483.39
		GTC Road	0.9881	0.813190	\$ 54,537.92	\$ 9,654.09	\$ 44,883.83
		Veterans	0.1185	0.097524	\$ 6,540.58	\$ 1,157.79	\$ 5,382.79
		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)	

County 2018 Projected Totals				
Millage		Tax Assessed	Tax Captured by DDA	Base to Taxing 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

		Summer	Millage		Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
TIF 97				0.31067			
Total Taxable Value	\$ 105,770,985	City	11.1167	3.453648	\$ 1,175,824.31	\$ 810,528.57	\$ 365,295.74
Original Base Value	\$ 32,860,088	City Act 345	2.32	0.720759	\$ 245,388.69	\$ 169,153.28	\$ 76,235.40
		County	4.9429	1.535621	\$ 522,815.40	\$ 360,391.27	\$ 162,424.13
Captured Value	\$ 72,910,897	BATA	0.342	0.106250	\$ 36,173.68	\$ 24,935.53	\$ 11,238.15
		NMC Oper	1.076	0.334283	\$ 113,809.58	\$ 78,452.13	\$ 35,357.45
Exclusion Factor	0.689327957	NMC Debt	0.295	0.091648	\$ 31,202.44	\$ 21,508.71	\$ 9,693.73
		DDA	1.7424	0.541315	\$ 184,295.36	\$ 127,039.95	\$ 57,255.42
					\$ 2,309,509.46	\$ 1,592,009.44	\$ 717,500.02
					City settlement total	\$ 1,589,031.66	
					Difference due to exclusion factor v base calculation	\$ 2,977.78	
Final							
Tax Year 2017/18							

Winter	Millage	0.31067	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
COA	0.4958	0.154031	\$ 52,441.25	\$ 36,149.22	\$ 16,292.03
Lib Oper	0.9467	0.294113	\$ 100,133.39	\$ 69,024.75	\$ 31,108.65
NMC Oper	1.0760	0.334283	\$ 113,809.58	\$ 78,452.13	\$ 35,357.45
NMC Debt	0.2950	0.091648	\$ 31,202.44	\$ 21,508.71	\$ 9,693.73
Rec Auth Op	0.0983	0.030539	\$ 10,397.29	\$ 7,167.14	\$ 3,230.15
Rec Auth Dbt	0.3300	0.102522	\$ 34,904.43	\$ 24,060.60	\$ 10,843.83
COA Sr Ctr	0.0991	0.030788	\$ 10,481.90	\$ 7,225.47	\$ 3,256.43
GTC Road	0.9918	0.308125	\$ 104,903.66	\$ 72,313.03	\$ 32,590.64
Veterans	0.1190	0.036970	\$ 12,586.75	\$ 8,676.40	\$ 3,910.35
			\$ 470,860.69	\$ 324,577.44	\$ 146,283.25
			City settlement total	\$ 323,951.84	
			Difference due to exclusion factor v base calculation	\$ 625.60	

TIF 2		Summer	Millage	0.86447	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
Total Taxable Value	\$ 52,545,865	City	11.1167	9.610066	\$ 584,136.62	\$ 79,167.39	\$ 504,969.23
Original Base Value	\$ 45,424,382	City Act 345	2.32	2.005573	\$ 121,906.41	\$ 16,521.84	\$ 105,384.57
		County	4.9429	4.272994	\$ 259,728.96	\$ 35,200.78	\$ 224,528.18
Captured Value	\$ 7,121,483	BATA	0.342	0.295649	\$ 17,970.69	\$ 2,435.55	\$ 15,535.14
		NMC Oper	1.076	0.930171	\$ 56,539.35	\$ 7,662.72	\$ 48,876.64
Exclusion Factor	0.1355288946	NMC Debt	0.295	0.255019	\$ 15,501.03	\$ 2,100.84	\$ 13,400.19
		DDA	1.7424	1.506254	\$ 91,555.92	\$ 12,408.47	\$ 79,147.44
					\$ 1,147,338.96	\$ 155,497.58	\$ 991,841.38
					City settlement total	\$ 155,196.99	
Final					Difference due to exclusion factor v base calculation	\$ 300.59	
Tax Year 2017/18							

Winter	Millage	0.86447	Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
COA	0.4958	0.428605	\$ 26,052.24	\$ 3,530.83	\$ 22,521.41
Lib Oper	0.9467	0.818395	\$ 49,745.17	\$ 6,741.91	\$ 43,003.26
NMC Oper	1.0760	0.930171	\$ 56,539.35	\$ 7,662.72	\$ 48,876.64
NMC Debt	0.2950	0.255019	\$ 15,501.03	\$ 2,100.84	\$ 13,400.19
Rec Auth Op	0.0983	0.084978	\$ 5,165.26	\$ 700.04	\$ 4,465.22
Rec Auth Dbt	0.3300	0.285275	\$ 17,340.14	\$ 2,350.09	\$ 14,990.05
COA Sr Ctr	0.0991	0.085669	\$ 5,207.30	\$ 705.74	\$ 4,501.56
GTC Road	0.9918	0.857382	\$ 52,114.99	\$ 7,063.09	\$ 45,051.90
Veterans	0.1190	0.102872	\$ 6,252.96	\$ 847.46	\$ 5,405.50
			\$ 233,918.43	\$ 31,702.71	\$ 202,215.72
			City settlement total	\$ 31,630.72	
			Difference due to exclusion factor v base calculation	\$ 71.99	

County 2017 Totals				
Millage		Tax Assessed	Tax Captured by DDA	Base to Taxing Jurisdiction
County	4.9429	\$ 782,544.36	\$ 395,592.05	\$ 386,952.31
COA	4.4958	\$ 78,493.49	\$ 39,680.05	\$ 38,813.44
COA Sr Ctr	0.0991	\$ 15,689.20	\$ 7,931.21	\$ 7,757.99
GTC Road	0.9918	\$ 157,018.65	\$ 79,376.11	\$ 77,642.54
Veterans	0.119	\$ 18,839.71	\$ 9,523.85	\$ 9,315.85
		\$ 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.

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 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.

**Downtown
Development
Authority**

**Downtown
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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.

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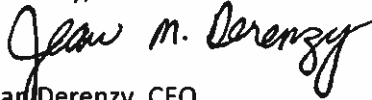
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Mr. Nate Alger, County Administrator
Extension of TIF 97/Page 4

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 Derenzy, CEO
Downtown Development Authority

Enc.

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