



## ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY

# FY 2024 Adopted Budget

### Board Members

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Micah Bartelme  
Jessica A.S. Letaw  
Tyler Kinley  
Milton Dohoney, Jr.  
Mike Michelon

Darren McKinnon  
Alexandra Dieck  
Steven Brummer  
Danielle Vaughn  
Thressa Nichols

### Executive Director

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Maura Thomson, Interim

# Fund Descriptions and Relationships

## Downtown Development

**DDA General (TIF) Fund** – The General (TIF) Fund accounts for the downtown development activities of the DDA which are funded by tax increment financing revenues.

**DDA Housing Fund** – The DDA Housing Fund accounts for affordable housing activities in the downtown area that are funded by transfers in from the General (TIF) Fund.

**DDA (TIF) Construction Fund** – To account for construction activities in the downtown area funded by bond proceeds and transfers from the General (TIF) Fund. Used as needed.

## Parking System

**DDA Parking System** – To account for the operation of the parking system which is funded by parking fees.

**DDA Parking CIP Fund** - To account for capital improvements and maintenance of the parking structures and parking lots.

# Account Category Descriptions

## Revenues

**Current Property Tax Revenue** – Tax Increment Financing captures derived from new construction in the Downtown Development District. Annual increases to the DDA’s capture are capped by City Ordinance at 3.5%.

**Interest** – Interest earned on investments. Recorded at market value.

**Parking Fees** - This category accounts for parking fees. The FY 2023 increase is based on an anticipated increase in parking demand as the downtown recovers from the effects of the COVID-19 pandemic.

**Reimbursement Bond Proceeds** – The City of Ann Arbor issues bonds on behalf of the DDA to provide funding for downtown development projects and parking system improvements. Bond proceeds are accounted for here.

**Transfer from Other Funds** – Internal transfers from another fund.

**Uncollectable Parking Revenues** – The DDA recorded estimated uncollectable parking permits due to uncertainty about collections related to the pandemic and decreased activity in the downtown.

## Expenditures

**Parking Administration** – Administrative costs of the parking and general/TIF systems.

**Parking Operator** – Contracted operating services for the parking system.

**Misc Parking Operations** – Operating costs of the parking system including the 20% meter rent paid to the City of Ann Arbor.

**Debt Service** – Bonded debt payments to the City of Ann Arbor for debt issued by the City on behalf of the DDA to fund downtown development projects and parking system improvements. Also includes payments the DDA makes to the City under grant and debt service agreements for certain debt of the City's.

**Transfers Out** – Internal transfers to another fund.

**Housing** – Expenditures to support affordable housing in the DDA district.

**Community Development** – Administration expenditures of the DDA General/TIF Fund.

**Capital Outlay** – Capital projects of the Parking CIP Fund, the TIF Fund, and the TIF Construction Fund are accounted for in this category. These are primarily one-time expenditures with a high degree of variability from year to year.

**Streetscape Projects 001 thru 004** – Capital construction expenditures funded by Bonded Debt. One-time expenditures with a high degree of variability.

**RESOLUTION TO ADOPT THE DDA BUDGET  
FOR FISCAL YEAR 2024**

Whereas, PA 57 of 2018 requires that the Director of the Authority will prepare and submit for the approval of the DDA Board a budget for the operation of the Authority for the ensuing fiscal year;

Whereas, The statute also requires that the budget be prepared in the manner and contain the information required of municipal departments;

Whereas, The DDA has submitted its FY23-FY29 capital improvement items for inclusion in the City of Ann Arbor’s Capital Improvement Plan and that Plan has been approved by the Planning Commission for inclusion in the FY24 Budget;

Whereas, The DDA’s Finance Committee has reviewed the DDA’s updated Ten-Year Plan which includes long range capital improvements, debt service, parking operations, and which details the financial assumptions that have gone into that Plan;

Whereas, Before the budget may be adopted by the board, the statute requires that it be approved by the governing body of the municipality. and DDA staff did present the Budget to City Council by video which was posted to YouTube in March and the Ann Arbor City Council did approve the DDA’s FY24 Budget on May 15;

RESOLVED, That any unspent DDA Grants included in the FY 2023 budget may be carried forward without regard to fiscal year;

RESOLVED, That any unspent capital funds included in the FY 2023 budget may be carried forward without regard to the fiscal year;

RESOLVED, That the Executive Director be authorized to reallocate budgeted amounts within funds;

RESOLVED, That the DDA Board adopts the following revenue and expenditure appropriations by fund as its Fiscal Year 2023 Budget:

Ann Arbor DDA FY24 Budget					
Funds	231 Parking	246 Housing	248 General (TIF)	401 Parking CIP	All Funds
Revenue	20,967,200	389,900	8,458,200	6,347,500	36,162,800
Expenditure	26,621,100	404,600	11,292,800	4,753,000	43,071,500
Net Rev (Exp)	(5,653,900)	(14,700)	(2,834,600)	1,594,500	(6,908,700)
Beginning Fund Balance (projected)	10,441,691	73,793	6,136,116	2,108,734	18,760,334
Ending Fund Balance	4,787,791	59,093	3,301,516	3,703,234	11,851,634

**A vote on the resolution showed:**

**Ayes: Bartelme, Brummer, Dieck, Dohoney, Kinley, Letaw, McKinnon, Michelin, Nichols**

**Nays: None**

**Absent: Vaughn**

**The resolution was approved.**

**June 7, 2023**

Ann Arbor Downtown Development Authority  
Budget for Fiscal Year 2024  
Adopted by DDA Board June 07, 2023

GL NUMBER AND DEPARTMENT	DESCRIPTION	2021-22 ACTIVITY	2022-23 AMENDED BUDGET	2022-23 ACTIVITY THRU 03/31/21	2022-23 PROJECTED ACTIVITY	2023-24 BOARD ADOPTED BUDGET
<b>Fund 231 - DDA PARKING FUND</b>						
<b>ESTIMATED REVENUES</b>						
231-000-581.000	GRANT PROCEEDS FROM CITY	367,200				
231-000-652.070	PARKING FEES-5TH & WILLIAM	33,000	8,000	8,660	12,280	12,600
231-000-652.080	PARKING FEES-4TH & WASHINGTON	839,772	745,700	720,044	970,044	999,100
231-000-652.081	PARKING FEES-1ST & WASHINGTON	639,834	555,700	510,880	683,872	704,400
231-000-652.082	PARKING FEES-MAYNARD	2,066,820	2,045,200	1,720,667	2,293,698	2,362,500
231-000-652.083	PARKING FEES-FOREST	1,461,360	1,297,700	1,256,582	1,739,554	1,791,700
231-000-652.084	PARKING FEES-4TH & WILLIAM	1,620,492	2,056,500	1,238,314	1,789,598	1,843,300
231-000-652.085	PARKING FEES-LIBERTY SQUARE	1,925,266	1,707,700	1,635,660	2,205,014	2,271,200
231-000-652.086	PARKING FEES-ANN ASHLEY	2,225,553	1,724,200	1,767,552	2,430,522	2,503,400
231-000-652.087	PARKING FEES-LIBRARY LANE	1,126,583	1,608,800	907,610	1,235,586	1,272,700
231-000-652.088	PARKING FEES-S ASHLEY	570,680	468,600	460,708	648,540	668,000
231-000-652.091	PARKING FEES-1ST & WILLIAM	186,391	135,900	148,884	203,768	209,900
231-000-652.092	PARKING FEES-METER BAGS	465,376	442,500	491,820	646,490	665,900
231-000-652.093	PARKING FEES-METERS	4,428,053	4,837,200	3,824,168	5,107,084	5,260,300
231-000-652.095	PARKING FEES-415 WASHINGTON	191,238	150,400	150,391	205,462	211,600
231-000-652.200	PARKING FEES - EV'S			20,600	54,000	55,600
231-000-653.000	UNCOLLECTABLE PARKING REVENUES	(11,243)				
231-000-665.000	INTEREST	(316,469)	20,000	105,505	20,000	15,000
231-000-671.000	OTHER REVENUE	125,680	190,000	129,240	120,000	120,000
<b>TOTAL ESTIMATED REVENUES</b>		<b>17,945,586</b>	<b>17,994,100</b>	<b>15,097,285</b>	<b>20,365,512</b>	<b>20,967,200</b>
<b>APPROPRIATIONS</b>						
580	PARKING ADMINISTRATION	785,425	1,773,254	651,470	1,472,546	2,397,200
590	PARKING OPERATOR	4,581,619	6,745,500	4,269,083	6,745,500	7,698,500
592	MISC PARKING OPERATIONS	5,582,548	6,320,419	4,461,155	6,978,800	7,670,400
905	DEBT SERVICE	2,741,402	2,505,394	2,505,683	2,505,300	2,517,500
965	TRANSFERS OUT	2,600,000	2,600,000	2,600,000	2,600,000	6,337,500
<b>TOTAL APPROPRIATIONS</b>		<b>16,290,994</b>	<b>19,944,567</b>	<b>14,487,391</b>	<b>20,302,146</b>	<b>26,621,100</b>
NET OF REVENUES/APPROPRIATIONS - FUND 231		1,654,592	(1,950,467)	609,894	63,366	(5,653,900)
BEGINNING FUND BALANCE		8,723,732	10,378,325	10,378,325	10,378,325	10,441,691
<b>ENDING FUND BALANCE</b>		<b>10,378,324</b>	<b>8,427,858</b>	<b>10,988,219</b>	<b>10,441,691</b>	<b>4,787,791</b>

Ann Arbor Downtown Development Authority  
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<b>Fund 246 - DDA HOUSING FUND</b>						
<b>ESTIMATED REVENUES</b>						
246-000-665.000	INTEREST	(21,490)	800	6,342	800	1,000
246-930-690.000	TRANSFER FROM OTHER FUNDS	363,000	375,700	375,700	375,700	388,900
<b>TOTAL ESTIMATED REVENUES</b>		<b>341,510</b>	<b>376,500</b>	<b>382,042</b>	<b>376,500</b>	<b>389,900</b>
<b>APPROPRIATIONS</b>						
692	HOUSING	45,357	879,424	328,465	879,400	214,400
905	DEBT SERVICE		190,876	190,690	190,900	190,200
<b>TOTAL APPROPRIATIONS</b>		<b>45,357</b>	<b>1,070,300</b>	<b>519,155</b>	<b>1,070,300</b>	<b>404,600</b>
NET OF REVENUES/APPROPRIATIONS - FUND 246		296,153	(693,800)	(137,113)	(693,800)	(14,700)
BEGINNING FUND BALANCE		471,441	767,593	767,593	767,593	73,793
<b>ENDING FUND BALANCE</b>		<b>767,594</b>	<b>73,793</b>	<b>630,480</b>	<b>73,793</b>	<b>59,093</b>

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<b>Fund 248 - DDA GENERAL (TIF) FUND</b>						
<b>ESTIMATED REVENUES</b>						
248-000-402.000	CURRENT PROPERTY TAX REVENUE	7,928,709	8,206,200	8,152,575	8,152,500	8,437,900
248-000-412.000	DELINQUENT PERSONAL PROPERTY TAX	134	300		300	300
248-000-665.000	INTEREST	(347,120)	40,000	94,964	40,000	16,000
248-000-671.000	OTHER REVENUE	2,821	4,000	3,890	4,000	4,000
248-930-690.000	TRANSFER FROM OTHER FUNDS	1,393,091				
<b>TOTAL ESTIMATED REVENUES</b>		<b>8,977,635</b>	<b>8,250,500</b>	<b>8,251,429</b>	<b>8,196,800</b>	<b>8,458,200</b>
<b>APPROPRIATIONS</b>						
728	COMMUNITY DEVELOPMENT	2,364,113	2,670,917	1,275,275	2,321,151	3,470,100
900	CAPITAL OUTLAY	1,169,796	7,256,000	3,577,370	7,256,000	4,163,900
905	DEBT SERVICE	2,744,063	3,264,956	3,264,665	3,264,900	3,269,900
965	TRANSFERS OUT	363,000	375,700	375,700	375,700	388,900
<b>TOTAL APPROPRIATIONS</b>		<b>6,640,972</b>	<b>13,567,573</b>	<b>8,493,010</b>	<b>13,217,751</b>	<b>11,292,800</b>
NET OF REVENUES/APPROPRIATIONS - FUND 248		2,336,663	(5,317,073)	(241,581)	(5,020,951)	(2,834,600)
BEGINNING FUND BALANCE		8,820,400	11,157,067	11,157,067	11,157,067	6,136,116
<b>ENDING FUND BALANCE</b>		<b>11,157,063</b>	<b>5,839,994</b>	<b>10,915,486</b>	<b>6,136,116</b>	<b>3,301,516</b>



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<b>Fund 401 - DDA PARKING CIP FUND</b>						
<b>ESTIMATED REVENUES</b>						
401-000-665.000	INTEREST	(71,809)	10,000	47,496	10,000	10,000
401-930-690.000	TRANSFER FROM OTHER FUNDS	2,600,000	2,600,000	2,600,000	2,600,000	6,337,500
<b>TOTAL ESTIMATED REVENUES</b>		<b>2,528,191</b>	<b>2,610,000</b>	<b>2,647,496</b>	<b>2,610,000</b>	<b>6,347,500</b>
<b>APPROPRIATIONS</b>						
580	PARKING ADMINISTRATION	5,731	13,000	7,407	10,000	13,000
592	MISC PARKING OPERATIONS		350,000	109,854	300,000	
900	CAPITAL OUTLAY	1,550,816	3,580,000	857,426	3,580,000	4,740,000
<b>TOTAL APPROPRIATIONS</b>		<b>1,556,547</b>	<b>3,943,000</b>	<b>974,687</b>	<b>3,890,000</b>	<b>4,753,000</b>
NET OF REVENUES/APPROPRIATIONS - FUND 401		971,644	(1,333,000)	1,672,809	(1,280,000)	1,594,500
BEGINNING FUND BALANCE		2,417,090	3,388,734	3,388,734	3,388,734	2,108,734
<b>ENDING FUND BALANCE</b>		<b>3,388,734</b>	<b>2,055,734</b>	<b>5,061,543</b>	<b>2,108,734</b>	<b>3,703,234</b>

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<b>Fund 494 - DDA (TIF) CONSTRUCTION FUND</b>						
<b>ESTIMATED REVENUES</b>						
494-000-665.000	INTEREST	(12,013)				
494-000-677.000	REIMBURSEMENT - BOND PROCEEDS	4,131,146				
<b>TOTAL ESTIMATED REVENUES</b>		<b>4,119,133</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPROPRIATIONS</b>						
001	HURON ST	4,558				
002	FIRST, ASHLEY & WILLIAM STS	1,926,951				
003	DIVISION & WILLIAM	1,166,394				
004	STATE & KEY STREETS	139,856				
900	CAPITAL OUTLAY	184				
965	TRANSFERS OUT	1,393,091				
<b>TOTAL APPROPRIATIONS</b>		<b>4,631,034</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
NET OF REVENUES/APPROPRIATIONS - FUND 494		(511,901)	0	0	0	0
BEGINNING FUND BALANCE		511,901				
<b>ENDING FUND BALANCE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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<b>TOTAL ALL FUNDS</b>						
<b>ESTIMATED REVENUES - ALL FUNDS</b>		<b>33,912,055</b>	<b>29,231,100</b>	<b>26,378,252</b>	<b>31,548,812</b>	<b>36,162,800</b>
<b>APPROPRIATIONS - ALL FUNDS</b>		<b>29,164,904</b>	<b>38,525,440</b>	<b>24,474,243</b>	<b>38,480,197</b>	<b>43,071,500</b>
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS		4,747,151	<b>(9,294,340)</b>	1,904,009	<b>(6,931,385)</b>	<b>(6,908,700)</b>
BEGINNING FUND BALANCE - ALL FUNDS		20,944,564	25,691,719	25,691,719	25,691,719	18,760,334
<b>ENDING FUND BALANCE - ALL FUNDS</b>		<b>25,691,715</b>	<b>16,397,379</b>	<b>27,595,728</b>	<b>18,760,334</b>	<b>11,851,634</b>