DDA DEVELOPMENT AND TIF PLANS
1. August work session check-in
2. DDA State Statute
3. How does A2 compare to other DDA’s?
4. Coordinating planning efforts
5. Next Steps
PLAN REQUIREMENTS

State Statute
Michigan ACT 57 of 2018 requires all DDA’s to create a Development Plan and TIF Plan. The Development Plan establishes the boundary, and identifies the activities and projects the DDA will participate in.

The Development Plan shall include:

1. Boundaries of the Downtown Development Area
2. Location, Character, Extent of Existing Streets, Public Facilities, and Land uses.
3. Location, Character, and Extent, and Estimated Cost of Proposed Improvements
4. Location, Character, and Extent of Existing Public and Private Land Uses
5. Planned Construction and Estimated Construction Timeline
6. Existing and Planned Open Space Areas
7. Description of Existing Zoning and Proposed Changes
8. Street Changes
10. Identification of Private Development Entities to Which Acquired Properties Have Been or Will Be Sold or Leased
11. Land Disposition Terms
12. Estimates of the Number of Persons Residing in the Development Area
I. INTRODUCTION

A. Purpose of the Downtown Development Authority Act

Downtown Grand Rapids is of great importance to the City of Grand Rapids (the "City") and to the West Michigan Region. The economic vitality and stability of the Region would be threatened if vacancy, blight, deterioration and obsolescence were allowed to persist within the urban core. The City and the City of Grand Rapids Downtown Development Authority (the "Authority" or "DDA") have recognized the need for a vigorous, well-coordinated program to secure Downtown Grand Rapids (Downtown) as the business, educational, medical, governmental and cultural heart of our community. These Plans provide a comprehensive framework to support the necessary development and redevelopment these goals.

Act 197 of the Public Acts of Michigan of 1975, as amended ("Act 197"), commonly referred to as the Downtown Development Authority Act, was created to correct and prevent deterioration of the business districts, promote economic growth and revitalization; encourage historic preservation; authorize the acquisition and disposal of interests in real and personal property, to authorize the creation and implementation of development plans in the district, and authorize the levy and collection of taxes, the issuance of bonds, and the use of tax increment financing in the accomplishment of specific downtown development activities contained in locally adopted development plans (the central business districts of Michigan cities.

Act 197 seeks to reverse historical trends that have led to loss of population, jobs, businesses, and the quality of life in our cities by attacking the problems of urban decline where they are most apparent, in the downtown districts of communities.

B. Creation of the City of Grand Rapids Downtown Development Authority and the City of Grand Rapids Downtown District

On October 16, 1979, the City Commission of the City adopted Ordinance No. 79-69, which created the Authority. The DDA was given all of the powers and duties prescribed for a downtown development authority, pursuant to Act 197, except that of taxation. On November 27, 1979, the City Commission approved the appointment of nine individuals to serve on the DDA's Board of Directors (the "Board").

The City Commission, in Ordinance No. 79-69, also designated the initial boundaries of the downtown district within which the DDA may carry out development plans. (These boundaries, as amended, are shown on Map 1 and a legal description can be found in Attachment 1.)

C. Creation of the Grand Rapids Development Area No. 1

In December, 1980, the City Commission approved the initial Tax Increment and Development Plan for the Grand Rapids Development Area No. 1. The Grand Rapids Development Area No. 1 is

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**TABLE 1A.**

Summary of Ongoing Expenditures, Proposed Improvements and Estimated Costs

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<td>Ongoing Expenditures</td>
<td>$1,223,922</td>
<td>$1,720,499</td>
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<td>Van Andel Arena Bonds (Series 1994 and 2009)</td>
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<td>Jona Avenue Improvement Bonds (BRA 2012A)</td>
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<td>Kent County Drain Commission Floodwall Refunding (Series 2008 Bonds)</td>
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<td>$15,782</td>
<td>$15,683</td>
<td>$15,810</td>
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<td>Total Expenditures for Duration of the Plan</td>
<td><strong>$279,706,717</strong></td>
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The TIF Plan establishes procedures, requirements, and methods for the collection and use of tax increment revenues, in order to carry out the activities of the DDA.

The TIF Plan shall include:

1. A detailed explanation of the tax increment procedure
2. Identification of the maximum amount of bonded indebtedness to be incurred over the life of the Plan
3. Statement on the duration of the program
4. A statement on the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located.
III. TAX INCREMENT FINANCING PLAN FOR GRAND RAPIDS DOWNTOWN DEVELOPMENT AREA NO. 1, AS AMENDED

This Tax Increment Financing Plan sets forth the procedures, requirements, amounts, and methods by which costs associated with the initiation and completion of project activities and improvements described in the Development Plan for Development Area No. 1, as amended, shall be financed.

A. Tax Increment Financing Procedure

The tax increment financing procedure, as outlined in Act 187, requires the adoption by the City, by ordinance, of a Development Plan and a Tax Increment Financing Plan. Following the adoption of the ordinance, the City Treasurer transmits to the DDA that portion of the tax levy of taxing bodies paid each year on the "Captured Assessed Value" of real and personal property located in the Development Area No. 1 as provided for in the Tax Increment Financing Plan.

Promised in Tables B and C are schedules of the estimated costs, assessed value, taxable value of real and personal property in Development Area No. 1, as amended. Also included are assessment values on properties for which an industrial facilities exemption certificate has been issued and are in effect pursuant to Act 198 of the Public Acts of 1978, as amended ("Act 198").

The Tax Increment Financing Plan for District A was approved in 1984. The most recent assessment of all taxable property in District A, at the time of the Plan approval in 1984, occurred on December 31, 1979, for the tax year 1980. The Tax Increment Financing Plan for District B was approved in 1981. The most recent assessment of all taxable property in District B, at the time of the Plan approval in 1981, occurred on December 31, 1981, for the tax year 1982. The Tax Increment Financing Plan for District C was approved in 1983. The most recent assessment of all taxable property in District C, at the time of the Plan approval in 1983, occurred on December 31, 1982, for the tax year 1983. The Tax Increment Financing Plan for District D was approved in 1984. The most recent assessment of all taxable property in District D, at the time of Plan approval in 1984, occurred on December 31, 1983, for the tax year 1984. The Tax Increment Financing Plan for District E was approved in 1984. The most recent assessment of all taxable property in District E, at the time of Plan approval in 1984, occurred on December 31, 1983, for the tax year 1984. The Tax Increment Financing Plan for District F was approved in 1996. The most recent assessment of all taxable property in District F occurred on December 31, 1995, for the tax year 1996. The Tax Increment Financing Plan for District G was approved in 2002. The most recent assessment of all taxable property in District G occurred on December 31, 2001, for the tax year 2002. The Tax Increment Financing Plan for District H was approved in 2002. The most recent assessment of all taxable property in District H occurred on December 31, 2001, for the tax year 2002. The Tax Increment Financing Plan for District I, J and K were approved in 2007. The Tax Increment Plan for Districts L, M, N, O and P were approved in 2016. The most recent assessment of all taxable property occurred on December 31, 2016, for the tax year 2017.

To provide for an accounting of assessed values on personal property in all sixteen districts of the Grand Rapids Development Area No. 1 (Development Area No. 1), the City has established a tax data filing system, requiring owners to file an annual report with the City Assessor. The report contains, among other data, the assessed value of all personal property in the City for each year. The tax data filing system has been in operation since January 1, 1984.
PLAN UPDATES
GRAND RAPIDS & TRAVERSE CITY
Overview

Ann Arbor DDA
• 1 TIF District; 271 acres
• 8 employees, 12 board members
• Total TIF Revenue: $8.4M

Downtown Grand Rapids Inc.
• 16 TIF Districts; 873 acres total
• 18 employees, 9 board members
• Total revenue: $11.4M

Traverse City DDA
• 2 TIF Districts; 193 acres total
• 8 employees, 12 board members
• Total revenue: $7.13M
# Development and TIF Plan
## Latest Update and Process

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<tr>
<th>Ann Arbor</th>
<th>Grand Rapids</th>
<th>Traverse City</th>
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<tr>
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<td>Update underway</td>
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<td>2016 update - informed by a community-driven downtown</td>
<td>Current update - informed by community-driven downtown vision</td>
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<td>Plan</td>
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</table>

- 2016 update - informed by a community-driven downtown Plan
- Current update - informed by community-driven downtown vision
Plan Efforts

**GRAND RAPIDS**

~22 Month process

City/DDA collaboration. Consultant effort included:

- Public engagement to inform a downtown vision & guide investment.
- Equity-driven economic growth recommendations.
- Detailed downtown analysis – physical features, trends, and demographics.

**TRAVERSE CITY**

~20 Month process

Consultant effort included:

- Public engagement to inform a downtown vision & TIF Plan.
- Revenue sharing models and funding sources.
- Detailed market assessment and emerging trends and best-practices.
DOWNTOWN A2 COORDINATING EFFORTS
DDA TIF Workplan + Coordination
Downtown Planning Efforts

City Comprehensive Plan (Planning Department led, DDA involvement)
- Guide the City’s physical development, policymaking, and programming over the next 25 years, including a new downtown plan.
- Provide a framework for achieving the City’s desired goals, ensuring its diversity, supporting investment and promoting desired change.

Downtown Circulation Study (DDA-led, with Transportation Department cost share)
- Study how street changes can meet a range of community goals and create an implementation strategy. This includes the remaining bike connections into and through downtown, transit priority streets, an event street evaluation, and a 5th & Division two-way traffic feasibility study.

MDOT Jurisdictional Transfer Study (Transportation Department led, DDA involvement)
- Identify the cost and benefits of City ownership of the trunklines to inform a discussion about future ownership of these corridors.

Downtown Energy Utility Study (DDA/OSI co-led)
- Assess solar and geothermal opportunities downtown to support the creation of a Public Energy Utility.

Ongoing Data Collection & Analysis
- Pandemic Recovery Report
- State of Downtown Report
- Project outcome tracking

The updated Downtown Plan will refine a downtown vision; these efforts collectively will identify downtown needs.
Why create a new A2 DDA Plan?

Alignment & Stewardship

The current A2 DDA plan was created in 2003. A new plan will:

- Reflect updated City goals and ongoing efforts.
- Address new opportunities and needs in pandemic recovery and beyond.
- Ensure the highest level of transparency & stewardship.
- Better align with updated State Statute.
# DDA TIF Workplan + Coordination

## Downtown Planning Efforts

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<thead>
<tr>
<th>PLANNING EFFORTS</th>
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<th>2024</th>
<th>2025</th>
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<td></td>
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<td>Downtown Circulation Study</td>
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<td>City Comp Plan - Downtown Plan</td>
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<td>MDOT jurisdictional transfer study</td>
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<td>Downtown Energy Utility Study</td>
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## DDA TIF Workplan

### Programs and Policy

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<td>DDA storage space consolidation &amp; relocation</td>
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<td>Wayfinding system evaluation &amp; maintenance</td>
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<td>Public Restroom Location Assessment &amp; Pilot</td>
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