

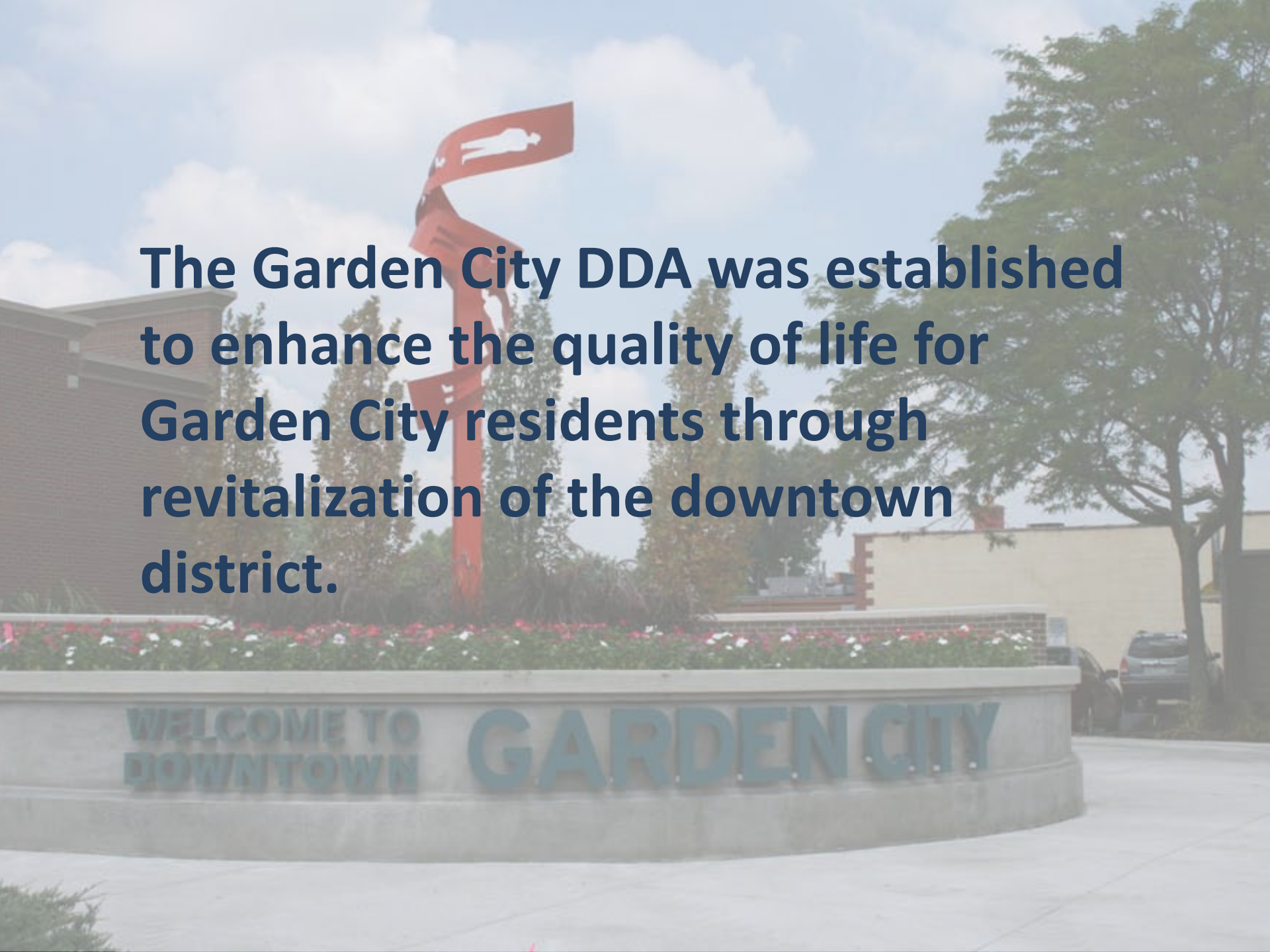
Garden City Downtown Development Authority

**Presentation to
City Council**

Monday, August 8, 2011

**WELCOME TO
DOWNTOWN**

GARDEN CITY



The Garden City DDA was established to enhance the quality of life for Garden City residents through revitalization of the downtown district.

What is the purpose of the DDA?

- To eliminate the causes of deterioration,
- To promote economic growth,
- Encourage expansion of commercial enterprises in the downtown district



How is the DDA funded?

The DDA's primary financial support comes from Tax Increment Financing (TIF), a mechanism to redistribute current taxes collected back to the local community.

It is **not** an increase in taxes, nor a dedicated millage.



The TIF Process

- The DDA develops a plan for reinvesting funds into the district
- The TIF Plan is reviewed and approved by City Council and other taxing jurisdictions such as Wayne County, when the district is created
- A base level of property tax revenue is established from year of inception



The TIF Process

- As property values increase in the district, the difference between the base level and the new total value is the TIF Capture
- This amount of increased property tax value is invested by the DDA for further improvements within the district.



Funding Sources for the DDA

- The DDA boundaries comprises of 56% of the City's income tax collection
- Of the 56% in income taxes, the City allocates 2.7% to the DDA through the TIF. Approximately \$263,600 in 2011.
- The 2.7% redistributed funds provides the DDA 61.3% of their operating budget

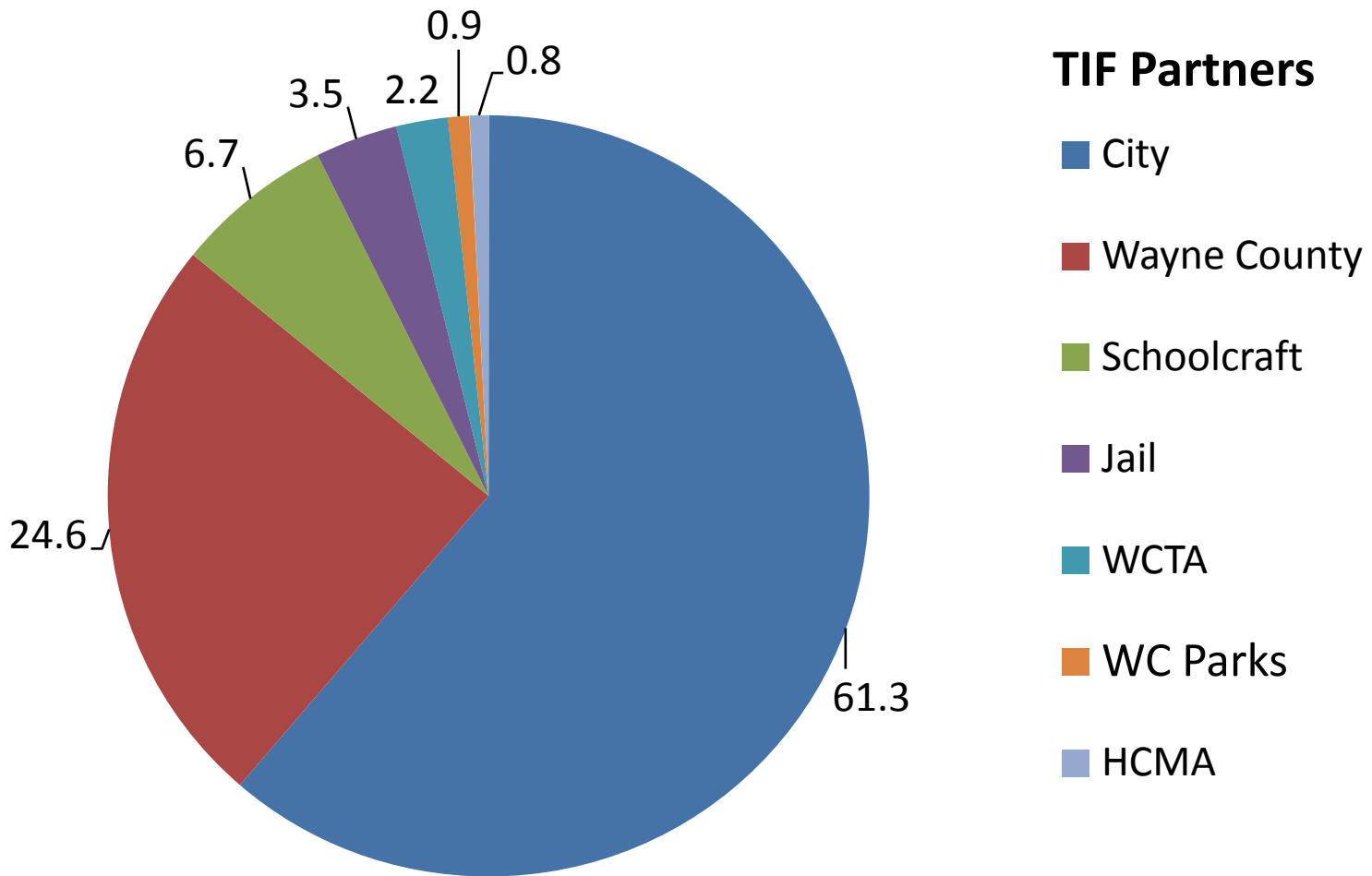


Funding Sources for the DDA

Other contributing taxing jurisdictions include:

- Wayne County – 24.6%
- Schoolcraft Community College – 6.7%
- Jail - 3.5%
- Wayne County Transit Authority – 2.2%
- Wayne County Parks – 0.9%
- Huron-Clinton Metro Authority – 0.8%

Funding Sources for the DDA

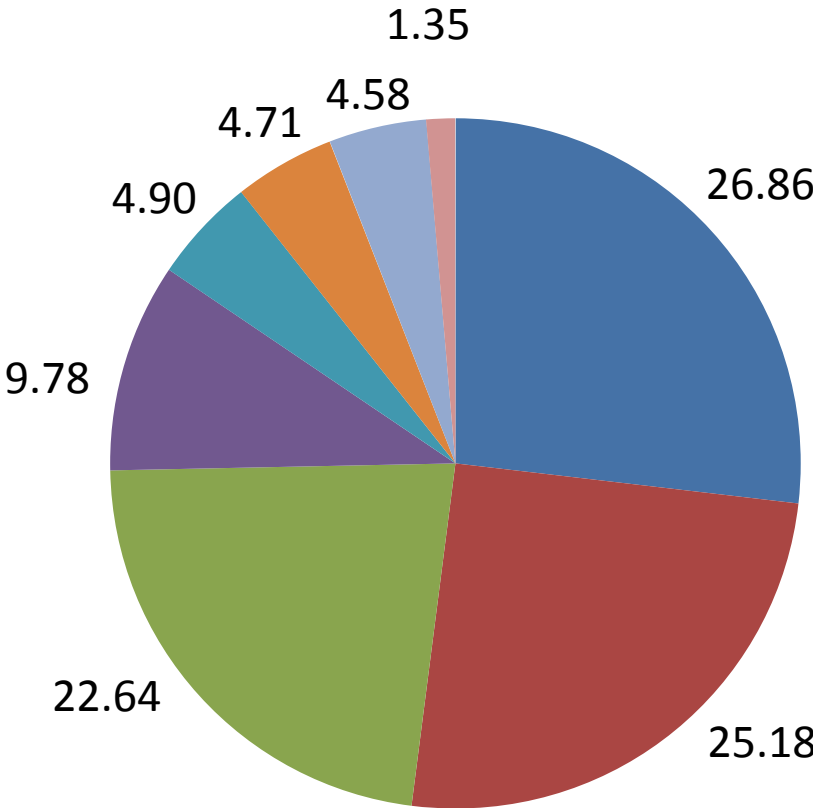


How DDA funds are Used

- Environment Enhancing
- Reinvesting
- Economic Vitality
- First Impressions
- Building Awareness



How DDA funds are Used



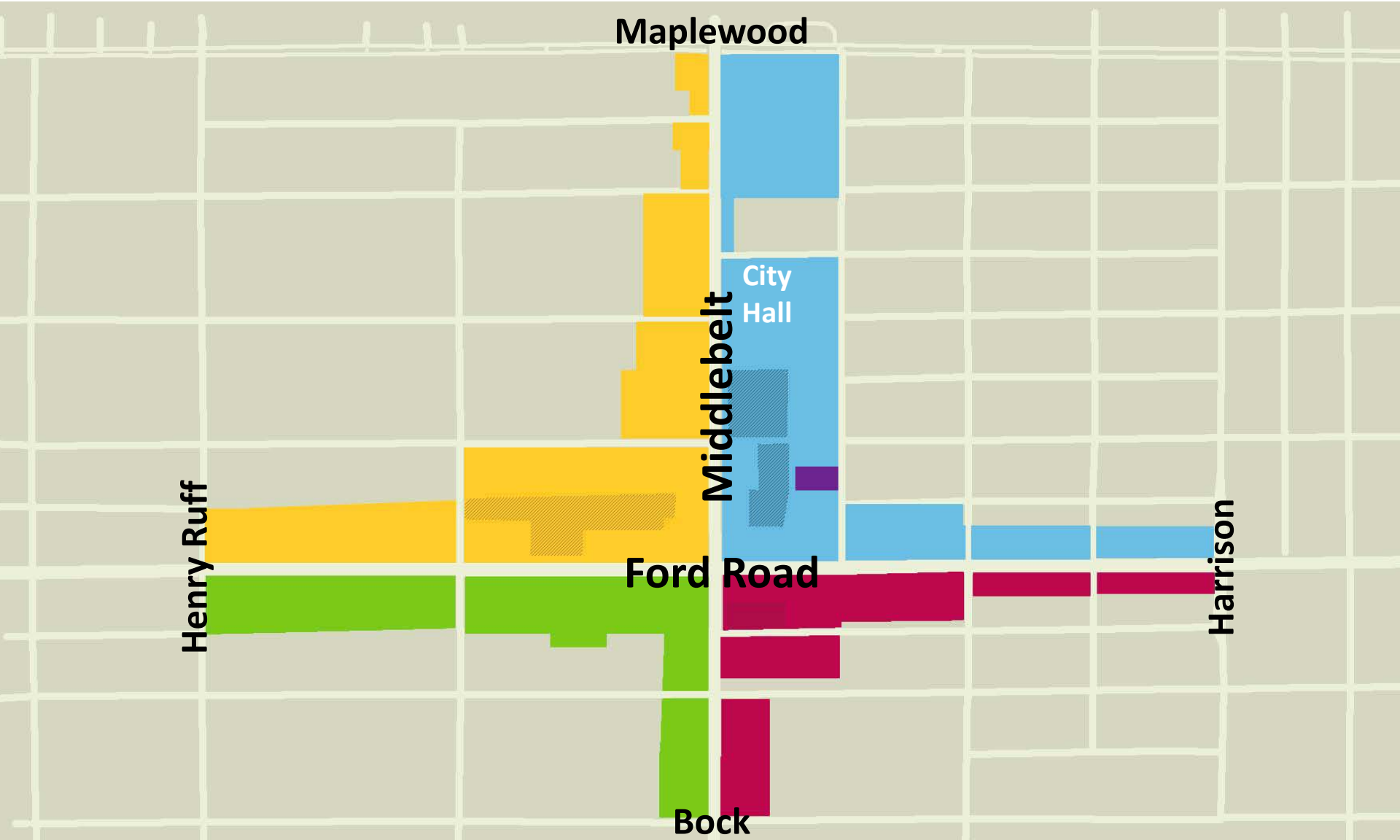
Expenditures

- Redevelopment Projects
- Debt Service - Bonds
- Streetscape Maintenance
- Staff
- Professional Services
- Operations
- Promotions/Events
- Other

If DDA was Dissolved

- Community would lose approximately \$166,400 in economic development dollars provided through the TIF from other tax jurisdictions
- City would absorb DDA debt service, maintenance contracts, administration fees, and utilities approximately \$490,680

DDA Boundaries



Why these Boundaries?

The DDA's TIF district is built upon the principle that strengthening a core area benefits the entire community, improving property values not only in the core district, but throughout the community.



Can the DDA Expand?

- These boundaries were determined at inception of the DDA in 1983.
- They can be amended.
 - This would involve City and County approval
 - The establishment of those additional areas as a second TIF district, also pending city and County approval
 - Approximately 2-3 year process



If the DDA were to Expand

The newly designated areas would have a TIF baseline established, allowing for redistribution of captured taxes. No additional tax applied.

Monies from those areas would then be reinvested within the DDA district as a whole.

- IE: streetscape improvements



DDA's Position in the City

- The DDA operates as a separate department or entity under the City.
- The DDA's budget is approved by the City Council annually.
- The DDA provides personal assistance to businesses seeking façade or site improvements through the DDA façade loan program.



Noted Projects to Date

- Streetscape with decorative lighting, landscaping and brick pavers
- Renovation of the Commons Corner
- Dumpster Enclosure to consolidate dumpsters
- Paving of City Parking Lots
- Fire Station Interior Renovations
- Santaland Parade Annual Main Sponsor



In the Pipeline

- Acquisition of the former Penske Building
- Creation of the Garden Plaza Business Improvement District (BID)
- Extension of street lighting in the DDA District
- Renovation of the lawn space of City Hall fronting Middlebelt



Past Participants of the DDA Business Improvement Loan Program

The DDA has granted over \$500K in façade loans and \$100K in Parking Loans

- Boland Florist
- Lindbloom State Farm Insurance
- Dr. Hider
- Dr. Barsamian
- Dairy Queen
- All State Insurance
- Muscle Car Parts Shop
- Castelli's Parking Lot
- Hershey's Shoes
- House of Pets
- Ace Hardware







Difference between City and DDA Government

The DDA Board of Trustees is appointed by the Mayor and consists of business owners, property owners, residents, and liaison members from City Council, and Chamber of Commerce.



How to Get Involved

Attend DDA Board Meetings:

3rd Tuesday of the month

Submit an application at City Hall to be considered for the DDA Board as appointed by the Mayor.

Currently (1) opening available.



Become a Volunteer!

Attending Committee Meetings

- ***Design Committee***
 - 2nd & 4th Tuesday of the month at 6:30pm
- ***Promotions/Marketing & Communications Committee***
 - 1st Thursday of the month at 4pm



Garden City Downtown Development Authority

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Thank you!

