



ANN ARBOR DDA DEVELOPMENT AND TIF PLAN



City of Ann Arbor Downtown Development Authority

Adopted by Ann Arbor City Council: [Month] 2026

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DRAFT

Section 1: EXECUTIVE SUMMARY

All Downtown Development Authorities are required by law to create a Development Plan and Tax Increment Financing (TIF) Plan that describes potential projects and programs, and the resources needed for implementation. These plans are vital guides that demonstrate to our community the work we want to accomplish within the DDA boundary. In the summer of 2023, the Ann Arbor Downtown Development Authority (DDA) began work creating a new Development and TIF Plan, which was adopted in the winter of 2026 by the Ann Arbor City Council.

The process incorporated multiple City planning efforts, public outreach events, and key stakeholder meetings to identify needed projects and programs. It then prioritized the identified projects and programs based on the City of Ann Arbor's values-focused [Capital Improvement Plan process](#).

The DDA Development and TIF Plan will support the future vision for Ann Arbor as it continues to evolve and grow.

LEADING WITH VALUES DRIVEN BY GOALS



The City of Ann Arbor, through its policy commitments and emerging Comprehensive Plan, has defined its core values as Affordable, Equitable, Sustainable, and Dynamic. Downtown Ann Arbor, as the city's central hub, plays a key role in achieving these values. To support this, the DDA has updated its goals to **catalyze**, **enhance**, and **promote**. These goals provide a framework for how Ann Arbor's values will be realized downtown and were the driving force behind the TIF and Development Plan process.

DDA OBJECTIVES

To catalyze, enhance, and promote the goals above, the DDA will undertake the following within the boundaries of the DDA District:

Support Downtown Activity & Visitation: Construct flexible and welcoming public spaces that provide amenities, encourage activity and visitation, and give people a reason to linger downtown.

Invest in Downtown Parks & Amenities: Create world-class park destinations, encourage programming and activation, enhance accessibility, and promote social and environmental resiliency.

Invest in Public Utility Infrastructure: Increase the capacity, condition, and resilience of public water and sanitary mains to support increased density of people living, visiting, and working downtown.

Improve Safety and Comfort: Undertake street and sidewalk projects that improve safety, accessibility, and navigability for all people.

Enhance Downtown Access: Support active transportation and transit infrastructure to expand mobility options, improve access for all people, and reduce vehicle miles traveled.

Design a Downtown for All People: Partner with groups such as the Disability Network of Washtenaw, AARP, and nearby k-12 schools to audit downtown public space and address accessibility for all people at all stages of life.

Elevate Public Art and Placemaking: Install public art and placemaking elements that enrich the downtown experience by highlighting local history, fostering inclusion, and encouraging community interaction.

Undertake Regular Capital Maintenance & Small Interventions:

Repair and maintain the infrastructure unique to downtown and installed by the DDA to maintain a welcoming, accessible downtown and preserve the original project benefits.

Take on small capital and quick build projects that enhance downtown safety, access, and environment.

Fund a Downtown Service Team: Create and manage a downtown service team to support a livable and welcoming downtown area by keeping downtown clean, accessible, and well-maintained.

Affordable Housing: Support affordable housing development and maintenance through utility upsizing, streetscape support, and affordable housing grant funding.

Mitigate Climate Change Impacts: Install stormwater management measures, street trees, and landscaping to help mitigate climate change impacts, including increased flooding and the urban heat island effect.

Support Sustainable Energy: Invest in sustainable energy infrastructure (e.g., geothermal, solar, and wind) to support the creation of a Sustainable Energy Utility and meet the communities' carbon neutrality goals.

Support small businesses:

Foster an environment that welcomes, sustains, and attracts residents, employees, and visitors by supporting a high-quality of place and exploring a downtown retail incubator focused on goods or services that are not available or that are underserved in the downtown area. Act as a resource to small

businesses and the merchant associations by supplying visitor and parking data, bike counts, City process support, and general guidance as needed.

ACKNOWLEDGMENTS

CITY COUNCIL:

Mayor

- Christopher Taylor (D) — Term: 2022–2026

Ward 1

- Lisa Disch (D) — Term: 2024–2028
- Cynthia Harrison (D) — Term: 2022–2026

Ward 2

- Jon Mallek (D) — Term: 2024–2028
- Chris Watson (D) — Term: 2022–2026

Ward 3

- Travis Radina (D) — Term: 2024–2028
- Ayesha Ghazi Edwin (D) — Term: 2022–2026

Ward 4

- Jen Eyer (D) — Term: 2024–2028
- Dharma Akmon (D) — Term: 2022–2026

Ward 5

- Erica Briggs (D) — Term: 2024–2028
- Jenn Cornell (D) — Term: 2022–2026

DDA BOARD MEMBERS:

- Micah Bartelme – Board Chairperson
- Mike Michelin – Board Vice Chairperson
- Elisabeth Berry – Board Treasurer
- Steve Brummer
- Alexandra Dieck
- Angela Jackson
- Tyler Kinley
- Kim Mayes
- Thressa Nichols
- Molly Rowan
- Milton Dohoney Jr. – City Administrator, ex officio member

DDA STAFF:

- Executive Director – Maura Thomson
- Accounting Director/Deputy Director – Sara McCallum
- Capital Projects and Planning Manager – Amber Miller
- Parking Manager – Jada Hahlbrock
- Office Manager/Board Secretary – Kelley Graves
- Accounts Payable and Procurement Specialist – Hayett Chater
- Planning Specialist – Shelby Fergon
- Program Specialist – Sandra Andrade
- Communications Specialist – Charlotte Beers

THIS PLAN WAS PREPARED WITH ASSISTANCE FROM:

- SmithGroup
- Mission North

GENERAL OVERVIEW

The Downtown Development Authority (DDA) Act was passed by the State of Michigan in 1975. On May 10, 1982, the Ann Arbor City Council adopted Ordinance No. 14-82, creating the Ann Arbor Downtown Development Authority. This began a public-sector commitment to downtown as the heart of the city and region. Downtowns are fragile, and continued vitality and stability require public investment and proactive management. With this Plan, downtown investment and management can be strengthened and expanded.

The DDA is an economic development tool to address complex challenges and advance corresponding public improvements. A primary benefit of forming a DDA is the ability to capture the incremental increase in property taxes that result from improvements in the district. A DDA uses this new tax increment (TIF) to pay for public improvements and maintenance that are otherwise infeasible. In Ann Arbor, this helps further the goal of economic growth and vibrancy while creating equitable public spaces, advancing affordable housing and A2 Zero goals, and improving access to a downtown that serves the whole community.

A Development Plan guides future projects and programs and describes the resources needed for implementation. It demonstrates to the community the work the DDA intends to accomplish within its boundary. Recommendations ensure alignment with overarching City values and goals and enables the DDA to become eligible for other funding sources.

A DDA can only capture and spend tax increment within the defined district. Moreover, the creation of a TIF district does not take away current tax revenue; it captures a portion of the new increment that results from improvements to property. Nor does it cause payment of increased taxes by property owners in the DDA District. This Plan was prepared in accordance with the Downtown Development Authority Act, P.A. 57 of 2018.

SECTION 2

ANN ARBOR DDA DEVELOPMENT PLAN



Section 2: DEVELOPMENT PLAN

LEGAL BASIS OF THE PLAN

The Development Plan and Tax Increment Financing Plan are prepared pursuant to the requirements of Section 217(2)(a-p) of Act 57 of 2018. More specifically, Section 217 of the Act states that “When a board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 213 or tax increment financing as authorized in sections 214, 215, and 216, it shall prepare a development plan.”

DEVELOPMENT PLAN REQUIREMENTS

A. BOUNDARIES

The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

The development area is located within the limits of the City of Ann Arbor **Map #1**, which encompasses approximately 271 acres in downtown Ann Arbor. The boundaries of this development area are defined in the DDA’s Development Plan and include a diverse mix of public and private land uses, streets, and public facilities. In general, the development area is bounded by the front lot lines of properties along the north side of Kingsley Street, the north side of N. University Ave, and the north side of Washtenaw Avenue to the east, the rear lot lines of properties along the south side of S. University Avenue and E. William Street, and the front lot lines of properties along the south side of E. Mosley Street to the south, and the front lot lines of properties on the west side of S. Ashley, S. First, and Chapin Street to the west. This Development Plan expands the existing boundaries of the DDA to include approximately 98 acres north of the Original District. The boundaries of this development area are defined in the DDA’s Development Plan and include a mix of public and private land uses and public streets. In general, the development area is bounded by the rear lot lines of properties along the north side of Depot Street to the north, the front lot lines of the south side of High Street and the east side of N. Division Street to the east, the Original DDA Boundary to the south, and the front lot lines of properties along the west side of Wildt Street to the west.

The legal description is found in Exhibit D, Development Area Boundary, along with the amended ordinance.

B. EXISTING LAND USES

The location and extent of existing streets and other public facilities within the development area shall designate the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses, and shall include a legal description of the development area.

Existing land uses in the Development Area are illustrated on **Map #2**, "Existing Land Use". Land uses proposed for the development area include those identified in the City of Ann Arbor's Comprehensive Plan, as amended and are illustrated on Map #3. Existing streets and public facilities are illustrated on **Map #1**. The area is served by public water and sewer, the downtown public library, City Hall, the Ann Arbor 15th District Court, Washtenaw County Courthouse and Government Center, City Fire Station 1, the Robert J. Delonis Center, and several City Parks properties and City Parking Facilities.

C. IMPROVEMENTS TO BE ALTERED

A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

The description of existing improvements to be demolished, including a description of planned repairs and alterations, cost estimates, and timelines for completion, is provided in this plan in Section D "Proposed Improvements" below. The DDA will continue to use the Capital Improvements Plan (CIP) process, coordination with other projects, available funding, and staff capacity, to revise project descriptions and scope.

D. PROPOSED IMPROVEMENTS

The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

The proposed improvements are located within the existing Downtown Development Authority (DDA) District and Expansion Area 1. The Ann Arbor DDA plans a variety of improvements, spanning a wide range of project types, each designed to enhance the functionality, accessibility, and vibrancy of the downtown area. The proposed improvements, including the location, extent, character, estimated costs and timelines for completion are set forth in Table A.

The DDA identified the Proposed Improvements through recent and concurrent planning efforts, community engagement, and conversations with City Departments and partner agencies. The projects were then prioritized through the [City's Capital Improvements Plan \(CIP\) prioritization model](#). See Appendix A for a detailed summary of how the CIP process was applied and will be applied to future phases. The anticipated Phase 1 (2026-2035) implementation of the Proposed Improvements are also shown in Appendix A. Generally, the projects described in Table A will be undertaken over a period of one to 30 years and are proposed to remain flexible to allow the DDA to coordinate with other capital needs and partner efforts as additional study is completed and funding becomes available. Cost estimates for projects in the following tables are preliminary and presented as general budget estimates in 2025 dollars. Actual costs may increase or decrease based on further community engagement, study, and design.

Table A: Proposed Improvements

Project Type	Total Estimated Cost
Capital Improvements	
Streets	\$274,970,000
Placemaking	\$32,800,000
Transit	\$62,850,000
Bikeway and Trail Improvement	\$127,460,000
Parks and Plazas	\$59,190,000.00
Utilities	\$32,730,000
Sustainable Energy	\$227,950,000

Capital Maintenance and Small Projects	\$33,801,067
Public Restrooms	\$8,070,000
Administrative and Ancillary Improvements	\$5,168,600
Programs, Grants, and Services	
Service and Maintenance	\$52,335,112
Public Restroom Service	\$5,070,000
Affordable Housing Support	\$38,515,585
	\$5,000,000
Other grants, programs, and services	

CAPITAL IMPROVEMENTS

STREETS

Description: Projects may include streetscape (road curb to building face), full reconstruction and reconfiguration of the street (building face to building face), lane reconfigurations, road diets, or two-way restorations.

Typical Project Elements: Streetscape amenities, enhanced lighting and crosswalks, landscape and green infrastructure, bicycle facilities, transit improvements, road resurfacing and/or reconstruction, curb realignment, signal work, public utilities, stormwater, and seating areas. May also include curbless street design.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
	Ann Street Reconstruction + Streetscape	Original District	First to Fifth Avenue	\$5,000,000	Yes
1	Huron Street - MDOT Jurisdictional Support	Original District	First to Washtenaw Avenue	\$21,450,000	Yes
1	Washtenaw Ave - MDOT Jurisdictional Support	Original District	Washtenaw Court to S. University	\$9,850,000	Yes
2	Fifth / Division North/South Bus Rapid Transit (BRT) + Reconstruction (includes BRT, Broadway Bridge interchange and Beakes)	Original District & Expansion Area 1	Beakes from N. Main to Broadway; Fifth Avenue from Beakes to Packard; Division from Beakes to	\$44,390,000	Yes

Packard; The Broadway interchange					
4	Washington Street Streetscape + Reconstruction	Original District	Curbless: Ashley to Main; Slow street: Third St. to Ashley and Main to State	\$24,640,000	Yes
5	Liberty Street Curbless/Shared Streetscape + Reconstruction	Original District	Curbless: State to Ashley; Standard: Ashley to First	\$31,470,000	Yes
9	N. Main - MDOT Jurisdictional Support	Expansion Area 1	Kingsley to W. Summit Street	\$11,950,000	-
9	N. Main - MDOT Jurisdictional Support	Original District	Huron to W. Summit Street	\$11,730,000	Yes
12	N. Main - Street Improvements	Original District & Expansion Area 1	Huron to Summit	\$6,540,000	Yes
13	S. Main - Streetscape	Original District	Packard to Madison	\$9,600,000	Yes
16	Ann Street Two-Way Restoration	Original District & Expansion Area 1	N. Fifth Avenue to Division Street	\$6,560,000	Yes
17	William Street Streetscape	Original District	Streetscape: State to First	\$15,550,000	Yes
18	Fourth Ave. Streetscape + Reconstruction	Original District	Kingsley to Liberty	\$16,390,000	Yes
22	Church Street Curbless/Shared Streetscape + Reconstruction	Original District	South U to DDA District Boundary	\$7,550,000	Yes
22	Forest Street Curbless/Shared Streetscape + Reconstruction	Original District	Washtenaw to South U; Curbless: South U intersection to Willard	\$9,660,000	Yes
22	Maynard Street Curbless/Shared Streetscape + Reconstruction	Original District	Liberty to William	\$12,870,000	Yes
22	Miller Avenue Streetscape	Original District	Ashley to N. Fourth Ave	\$5,710,000	Yes
30	Alley Enhancements / Reconstruction	Original District & Expansion Area 1	Throughout	\$22,410,000	Yes
34	Alley creation	Original District & Expansion Area 1	Throughout	\$1,650,000	-

PLACEMAKING

Description: Enhancements to the public environment (streets, sidewalks, parks and plazas, alleys, etc.) that help activate spaces, create a sense of identity, support social interactions, and connectivity to Ann Arbor as a unique place.

Typical Project Elements: Pavement art, murals, wayfinding, special light feature installations, mosaics, parking structure art, interactive street elements, and seating areas.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
7	Event Bollard Installations	Original District	Intersections adjacent to event streets, where feasible	\$6,000,000	-
26	Elevate Program - 30-year total	Original District & Expansion Area 1	Throughout	\$7,500,000	-
29	Fifth Avenue Riverfront Connection	Expansion Area 1	Kingsley to Broadway Park	\$2,350,000	-
29	Fourth Avenue Riverfront Connection	Expansion Area 1	Kingsley to Broadway Park	\$1,880,000	-
31	Thompson Street Key Connector	Original District	Liberty to William	\$1,850,000	-
37	State St. To South University Wayfinding ² (State Eastward)	Original District	State from William to South University; South University from State to East University	\$6,400,000	-
40	New Streetlight Installation	Original District & Expansion Area 1	Throughout	\$5,500,000	-
45	Main Street Platform Dining	Original District	William to Huron	\$960,000	-
45	South University Platform Dining	Original District	East University to Washtenaw	\$360,000	-

TRANSIT

Description: Projects focused on transit ridership, operations, and stop/station comfort.

Typical Project Elements: Transit lanes, signals, queue jumps, and improved stops/shelters/stations.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
1	Huron St. East/West Bus Rapid Transit	Original District	Chapin to Glen	\$21,700,000	Yes
2	Fourth Ave – Transit Block	Original District	William to Liberty	\$8,200,000	Yes
15	Downtown Transit Center Capacity Support	Original District	Blake Transit Center	\$30,000,000	-
20	Fifth Ave. – Queue jump & transit only lanes	Original District & Expansion Area 1	Packard to Beakes	\$2,050,000	-
25	Transit Stop Upgrades - 15x Shelters	Original District	Throughout	\$750,000	-
32	Transit Stop Upgrades - x3 Shelters	Expansion Area 1	Throughout	\$150,000	-

BIKEWAY AND TRAIL IMPROVEMENTS

Description: Projects focused on key active transportation connections between downtown and residential neighborhoods, the river, and recreational paths.

Typical Project Elements: High comfort bike facilities involving curbed buffers and curb realignment, paint and delineator treatments, shared use paths, signal work, wayfinding, and signage.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
6	Broadway-Plymouth Sidepath	Expansion Area 1	Broadway Bridge @ Summit St to DDA Boundary	\$720,000	-
6	Division Street Bikeway Extension	Expansion Area 1	Catherine Street to Broadway Bridge @ Depot St	\$1,220,000	-
14	721 N. Main Trail	Expansion Area 1	Starting at Kingsley, extend the First Street bikeway north + create a fully separated connection to N. Main & Summit St	\$1,190,000	-

23	Summit Bikeway Connector	Expansion Area 1	N. Main to 5th Avenue and berm tunnel (Through Wheeler Park to Berm Tunnel and B2B)	\$3,360,000	Yes
28	Treeline Trail	Original District & Expansion Area 1		\$120,200,000	-
49	Chapin Street - Miller Bikeway to West Park connector	Original District	Miller Avenue to West Park driveway	\$770,000	-

PARKS AND PLAZAS

Description: Projects include repairing or reconstructing downtown parks and public spaces to create world-class destinations, promote social and environmental resiliency, and create flexible space for community, arts, culture, and play. Align with the Parks Department ADA transition plan and meet important capital needs.

Typical Project Elements: Landscaping, paving, seating, lighting and electrical, water service, interactive art, and stormwater infrastructure. May include restrooms and sustainable energy, when applicable.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
City Parks Properties					
11	Farmers Market Reconstruction (City Park Property)	Original District	Fifth Avenue, Detroit Street, Fourth Avenue	\$21,000,000	Yes
21	Liberty Plaza Reconstruction (City Park Property)	Original District	Liberty and Division	\$6,000,000	Yes
27	Wheeler Park (City Park Property)	Expansion Area 1	4th Avenue, Depot, and 5th Avenue	\$6,440,000	Yes
36	Sculpture Plaza Reconstruction (City Park Property)	Original District	Fourth Avenue and Catherine	\$1,700,000	Yes
48	North Main Park (City Park Property)	Expansion Area 1	Between Main and 4th Avenue	\$2,300,000	Yes
	Future Needs Assessment	Original District & Expansion Area 1	Throughout	\$300,000	No
Other Properties					
10	721 N. Main Park and Trail (City Non-Park Property)	Expansion Area 1	721 North Main Street	\$17,540,000	Yes
38	State Street/North University Plaza (City ROW)	Original District	State and North University	\$1,800,000	Yes
46	McDivitt-White Plaza (UM Property)	Original District	South University and East University	\$2,110,000	Yes

UTILITIES

Description: Projects increase the capacity, condition, and resilience of public water and sanitary mains. When paired with public site development and street projects, may also include stormwater capacity and infiltration elements.

Typical Project Elements: Water main replacements, sanitary sewer lining, stormwater capacity and infiltration treatments, and streetscape restoration.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
19	Housing Commission - Utility and Streetscape Support	Original District & Expansion Area 1	Sites: 406 N. Ashley Street, 353 S. Main, future sites as needed	\$400,000	Yes
33	Water main Replacement (bucket project)	Expansion Area 1	Throughout	\$5,630,000	Yes
33	Water main Replacement (bucket project)	Original District	Throughout	\$16,350,000	Yes
41	County Sites - Utility and Streetscape Support	Original District	Sites: Ann & Main County Lot, Washtenaw County Admin Parking Lot, Washtenaw County Courthouse Parking Lot	\$4,160,000	Yes
42	Downtown Library - Utility and Streetscape Support	Original District	Site: 343 S. Fifth Ave. & 319 S. Fifth Ave. (AADL downtown branch)	\$580,000	Yes
43	City Sites (Not Housing Commission) - Utility and Streetscape Support	Original District	Sites: 415 W. Washington, 216 W. William (First and William Lot), 305 S. Ashley	\$1,940,000	Yes
47	Sanitary Sewer Lining (bucket project)	Original District	Throughout	\$2,200,000	Yes
47	Sanitary Sewer Lining (bucket project)	Expansion Area 1	Throughout	\$1,470,000	Yes

SUSTAINABLE ENERGY

Description: Includes installation of sustainable energy infrastructure (e.g., geothermal, solar, and wind) to support the creation of a Sustainable Energy Utility and meet the communities' carbon neutrality goals.

Typical Project Elements: Geothermal, wind, and solar infrastructure.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
41	Geothermal Installation	Original District	Throughout	\$105,000,000	-
41	Geothermal Installation	Expansion Area 1	Throughout	\$140,000.00	-
44	District Solar & Wind Energy Assessment and Implementation	Original District	Throughout	\$106,000,000	-
44	District Solar & Wind Energy Assessment and Implementation	Expansion Area 1	Throughout	\$16,810,000	-

CAPITAL MAINTENANCE AND SMALL PROJECTS

Description: Repair and maintain infrastructure that is unique to downtown and installed by the DDA, including elements in the amenity zone such as public seating, pavers, tree grates, pedestrian lighting, bike parking, and pedestrian counters. In addition, take on small capital and quick-build projects that enhance downtown safety, access, and environment, including curb bump-outs and crossing improvements, paint and post pilots, and City Parks repairs.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
44	Annual DDA repairs - 30-year total DDA	Original District	Throughout	\$19,500,000	-
44	Annual DDA repairs - 30-year total	Expansion Area 1	Throughout	\$7,350,800	-
66	Annual streetlight maintenance - 30-year total	Original District	Throughout	\$4,500,000	-
66	Annual streetlight maintenance	Expansion Area 1	Throughout	\$2,450,267	-
-	Sidewalk millage reimbursement*	Original District & Expansion Area 1	Throughout	\$2,168,600	

* City ordinance specifies the agreement parameters for sidewalk millage reimbursement (defined in City Ordinance Ch. 49 Section 4:58 (B), (C), (D), (E)).

PUBLIC RESTROOMS

Description: The construction of safe and accessible public restroom facilities.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
31	Public Restroom Construction- x4	Original District		\$3,000,000	-

ADMINISTRATIVE AND ANCILLARY IMPROVEMENTS

Description: Other work that supports the capital improvement function of the DDA, including plans, studies, consultant support, administrative expenses, downtown-specific equipment (e.g., bikeway sweepers, solid waste containers and vehicles, portable vehicle barricades), and agreements with the City to maintain and support essential infrastructure.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
-	Plans & Studies	Original District & Expansion Area 1	Throughout	\$9,000,000	-
-	Equipment for Downtown Services & Events	Original District & Expansion Area 1	Throughout	\$3,000,000	-
	Bond Service	Original District & Expansion Area 1	Throughout	\$41,700,000	

* City ordinance specifies the agreement parameters for sidewalk millage reimbursement (defined in City Ordinance Ch. 49 Section 4:58 (B), (C), (D), (E)).

GRANTS, PROGRAMS, AND SERVICES

SERVICE AND MAINTENANCE

Description: A Downtown Service Team that addresses complex maintenance and management issues that lack a clear champion or solution today.

Typical Project Elements: In the Public ROW and City Parks, includes services such as sidewalk and curbside cleaning, landscape maintenance, annual alley power washing,

snow removal, and ice melt application at sidewalk ramps, bus stops, ADA parking spaces, and benches. Small paver, bench, and table repairs. Bikeway delineator maintenance, supplemental pedestrian trash can service when visitor volume is high, event barricade deployment, and a consistent presence and service connection downtown.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
-	Service and maintenance team 30-year total	Original District	Throughout	\$36,000,000	
-	Service and maintenance team 30-year total	Expansion Area 1	Throughout	\$16,335,112	

PUBLIC RESTROOM SERVICE

Description: Contracting for public restroom service for temporary restrooms.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
	Throne - Public Restroom Service Support 30-year total	Original District		\$5,070,000	

AFFORDABLE HOUSING SUPPORT

Description: Supporting the development or improvement of housing affordable to residents with low to moderate incomes, when it is determined by the Authority that such development or improvement is necessary or appropriate to aid in the economic growth of the downtown district and as defined in City Ordinance Ch. 7 Section 1:156 (3) (e).

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
-	DDA Affordable Housing Fund 30-year total	Original District & Expansion Area 1	Throughout	\$38,515,585*	

* City ordinance specifies that the minimum annual Housing Fund contribution shall be based on the rate of growth of the "total TIF capture." For our purposes here, we estimated that contribution as 4.23% of the estimated Tax Increment Revenue.

OTHER GRANTS, PROGRAMS, AND SERVICES

Description: Proposed small-scale and Brownfield grants disbursement, services, and other possible support provided. Includes future small-scale grant programs and Brownfield agreements in addition to those shown here.

Strategic Value Rank	Project Name	Boundary Area	Limits	Total Estimated Cost	Utility Enhancement
	Art Fair Grant	Original District & Expansion Area 1	Throughout	\$600,000	-
-	Customer and visitor data support	Original District & Expansion Area 1	Throughout	\$600,000	-
-	Retail Business incubator*	Original District & Expansion Area 1	Throughout	\$2,000,000	-
-	Sidewalk Vault Fill Grant Program	Original District & Expansion Area 1	Throughout	\$1,500,000	-
	SPARK Grant	Original District & Expansion Area 1	Throughout	\$300,000	-

* State Statute focuses DDA's on goods or services that are not available or that are underserved in the downtown area.

E. TIME OF COMPLETION

A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

To ensure consistency with all other City capital projects, the DDA will utilize the City CIP process to finalize the stages of planned construction and the estimated time of completion of each stage. The anticipated Phase 1 (2026-2035) implementation of the Proposed Improvements are shown in Appendix A. The project rank shown in Table A,

along with the timing of partnership initiatives and estimated TIF revenues shaped Phase 1 projects. The DDA intends to apply this same process to identify and implement future phases from the remaining projects in Table A. The DDA will continue to use the CIP process, coordination with other projects, available funding, and staff capacity, to revise stages of construction and estimated time of completion.

F. OPEN SPACE

A description of any parts of the development area to be left as open space and the use contemplated for the space.

Draft future land uses for the DDA District are shown on **Map #3**. Map #5 shows the current City Parks Open Space. The Plan maintains the existing City Parks Open Space depicted on Map #5.

G. PROPERTY DISPOSITION

A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease to or from the municipality, and the proposed terms.

At present, the DDA has no plans to lease, own, or otherwise control property in its own name. Should the acquisition of property be required in the future to accomplish the objectives of the DDA, or should the Authority receive property by donation, through purchase, or by any other means of acquisition, the Authority will establish and formally adopt appropriate procedures for property disposition, subject to applicable Federal, State, and local regulations.

H. ZONING OR STREET CHANGES

A description of desired zoning changes and changes in streets, street levels, intersections, or utilities.

At the time of this Development Plan's adoption, Ann Arbor was in the process of updating the City's Comprehensive Plan to set the stage for opportunities to strengthen zoning regulations, while remaining flexible, for new uses that may be attracted to the downtown. This will require zoning updates and may positively impact properties in the

DDA boundary area. Draft proposed land uses associated with that effort are illustrated on **Map #3**, as amended.

An overview of planned street projects is shown in Section D. Specific changes to infrastructure such as streets, sidewalks, utilities, etc., will be determined and scoped through the City's CIP process.

I. COST ESTIMATE

An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.

A description, including cost estimate, for each improvement project that will be completed within the district is contained in the Total Estimated Cost columns in Table A under "Proposed Improvements" in Section D. Project activities, including the ongoing activities and commitments listed in this Plan, have a total estimated cost of approximately \$966 million. The method of financing will include one or more of the following:

- Bond proceeds
- Tax increment revenues received pursuant to the Tax Increment Financing Plan
- Donations and sponsorships received by the DDA
- Parking revenue
- Investment income
- Grant proceeds
- Proceeds from any property, building, or facility owned, leased, or sold by the DDA
- Monies obtained through development agreements with property owners benefiting from adjacent open space improvements
- Monies provided by the State to indemnify DDAs against losses resulting from possible tax restructuring
- Misc. Incomes

The proceeds to be received from tax increment revenues, plus funds from other sources, is anticipated to be sufficient to finance all activities and improvements to be carried out under this Plan. The DDA is authorized through the adoption of the TIF Plan to accept and expend Tax Increment Revenues for the purposes stated herein. It is also authorized by the adoption of the TIF Plan to issue

debt to fund projects of the DDA. “The Downtown Development Authority of the City of Ann Arbor and the City of Ann Arbor Parking Agreement” authorizes the DDA to collect and expend parking revenues of the municipal parking system. Federal and State law provide a legal framework for the DDA’s acceptance of grant funding upon the approval of the DDA Board and/or City Council, as appropriate.

J. BENEFICIARIES OF PROPERTY CONVEYANCE

Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.

All property conveyed as part of a development is for the benefit of the DDA. If property conveyance is undertaken as part of a project, such recipients will be designated at the time of project planning.

K. CONVEYANCE PROCEDURES

The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.

All such procedures will follow both [City bidding policies](#) and state law, and there are no commitments made at present.

L. POPULATION

Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate

of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

As of the most recent estimates, approximately 12,200 people live within the Original District boundaries of the Ann Arbor Downtown Development Authority (DDA) and approximately 5,832 residents live in Expansion Area 1. This population includes a mix of permanent residents and part-time student residents.

The Plan does not contemplate acquisition of any parcels that would cause displacement and relocation of residents.

M. RELOCATION PLAN

A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

No displacement and relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan.

N. COSTS OF RELOCATION

Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the federal uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 42 USC 4601.

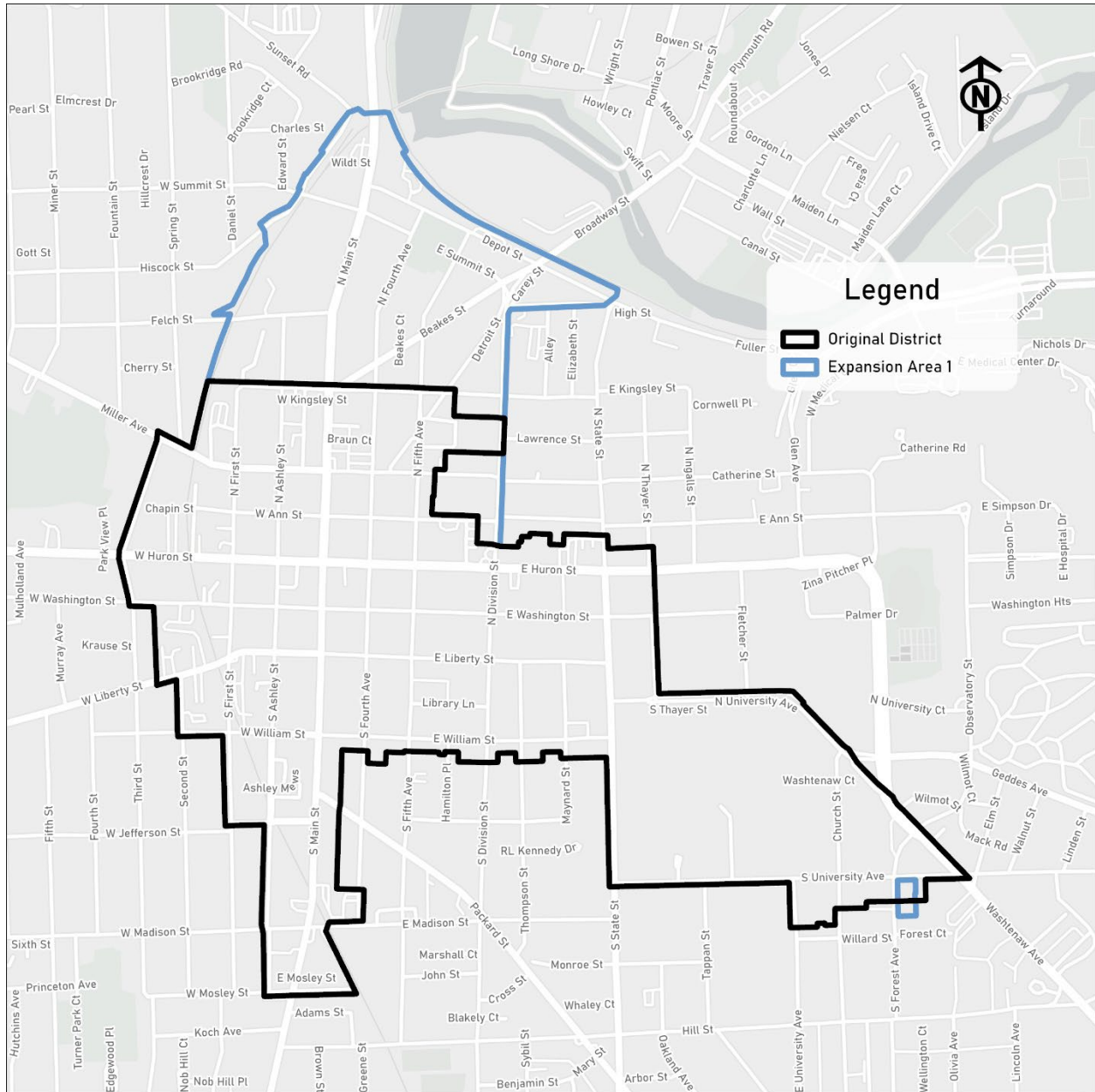
No displacement and relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan.

O. COMPLIANCE

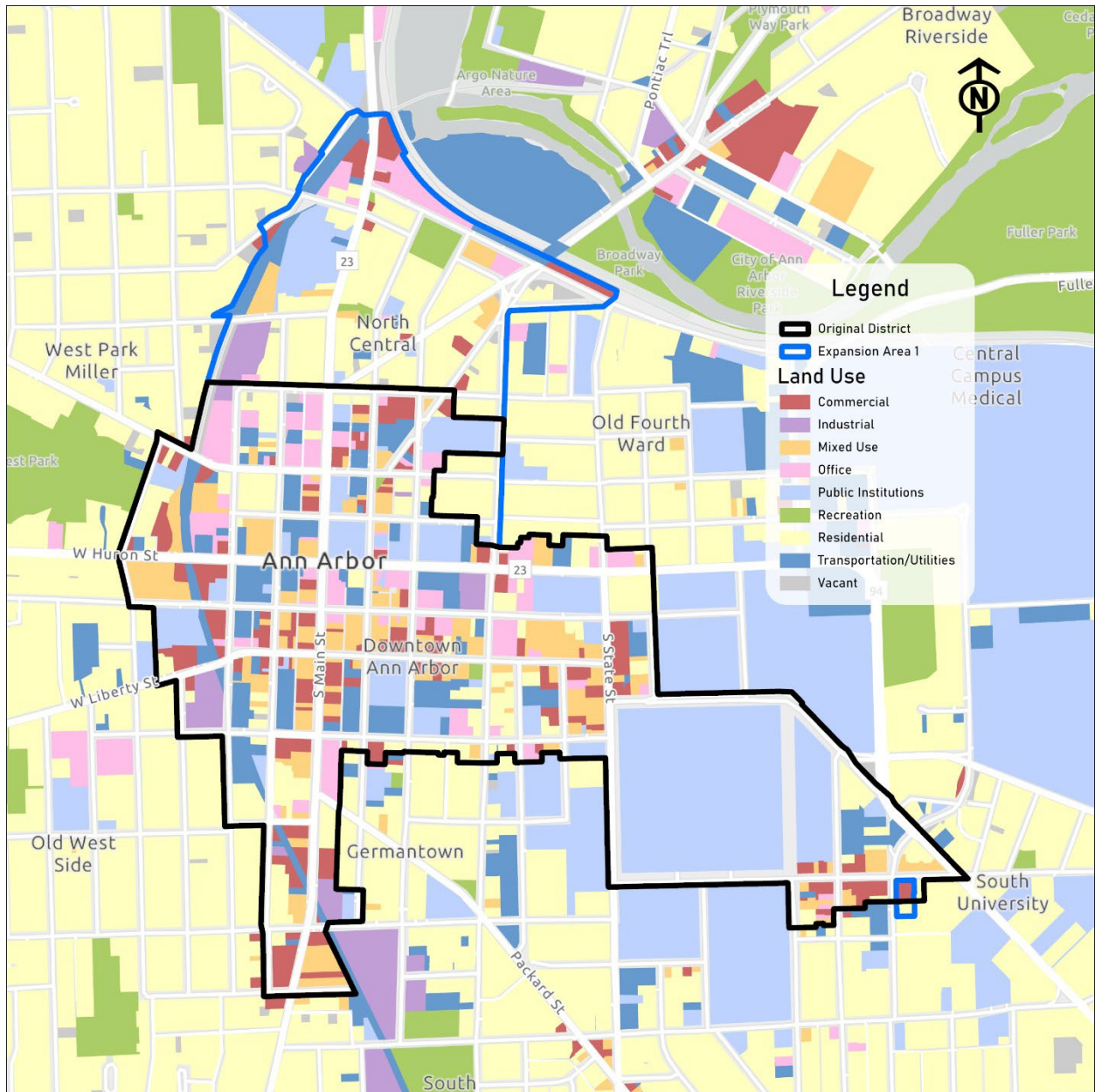
A plan for compliance with 1972 PA 227, MCL 213.321 to 213.332.

No displacement and relocation of families or individuals will take place within the scope of this proposed Development Plan or Tax Increment Financing Plan. If any relocation occurs in the future, an amendment to the Plan will be completed and compliant with 1972 PA 227.

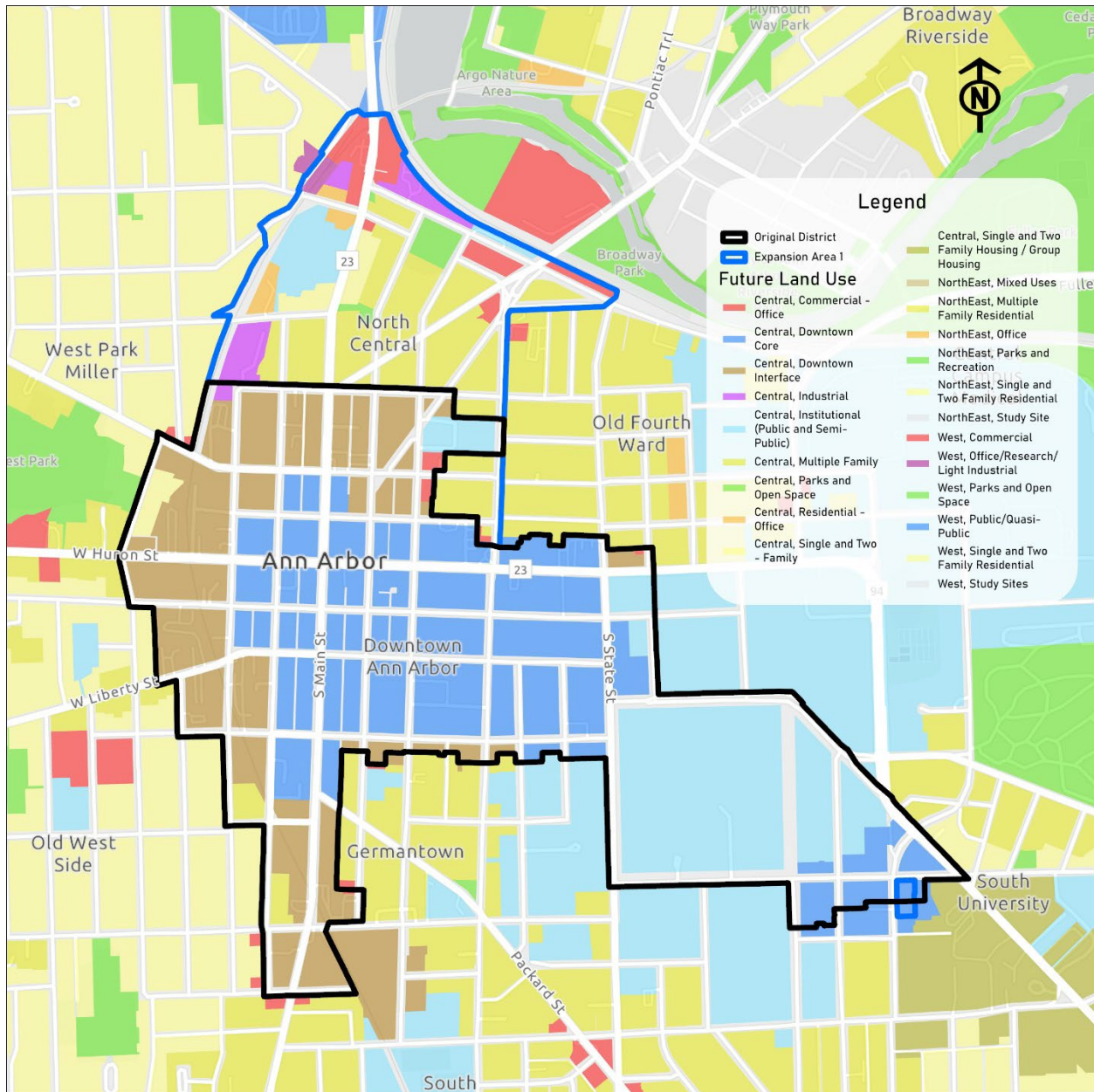
MAP #1: ANN ARBOR DDA BOUNDARIES



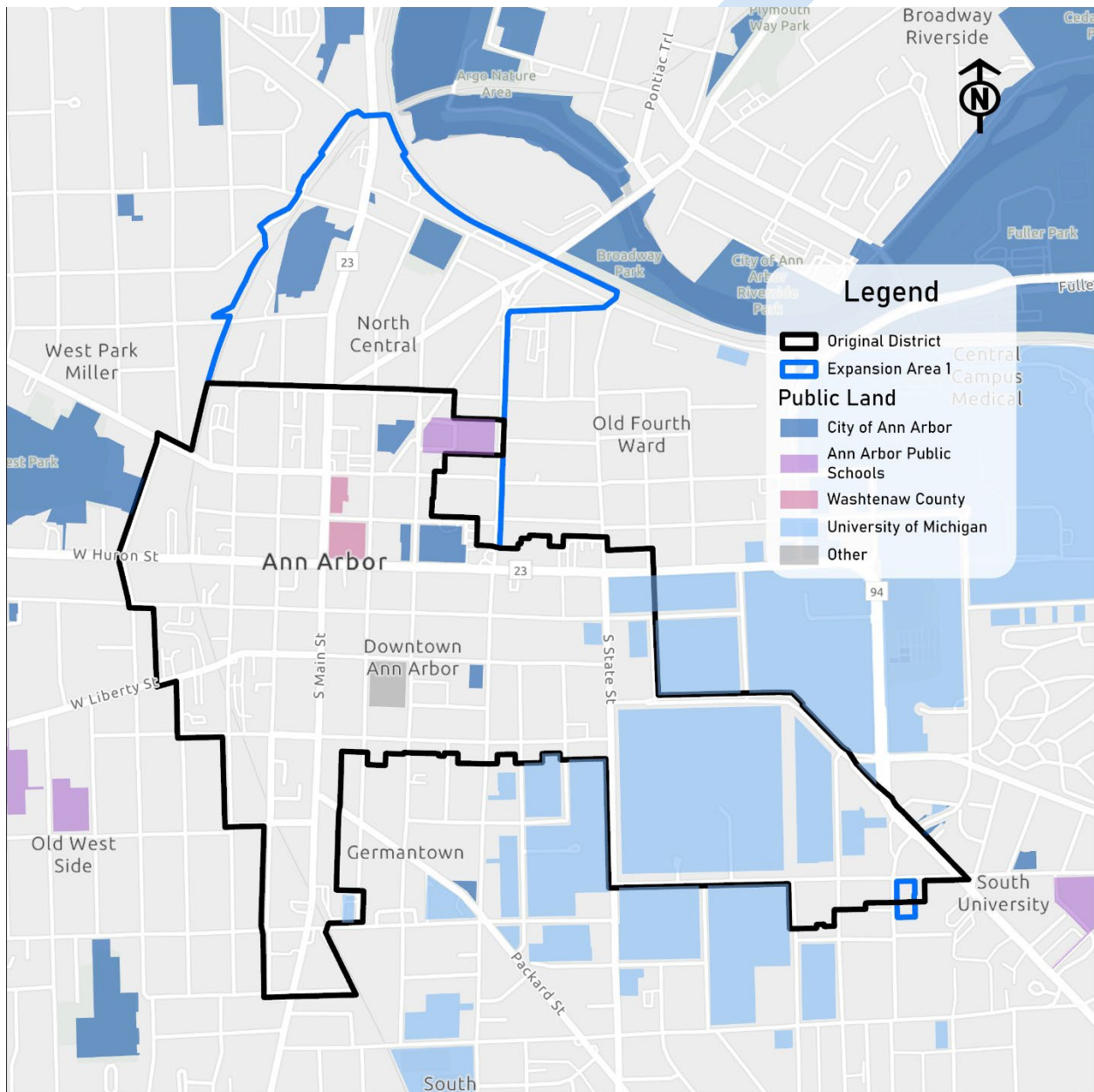
MAP #2: EXISTING LAND USE



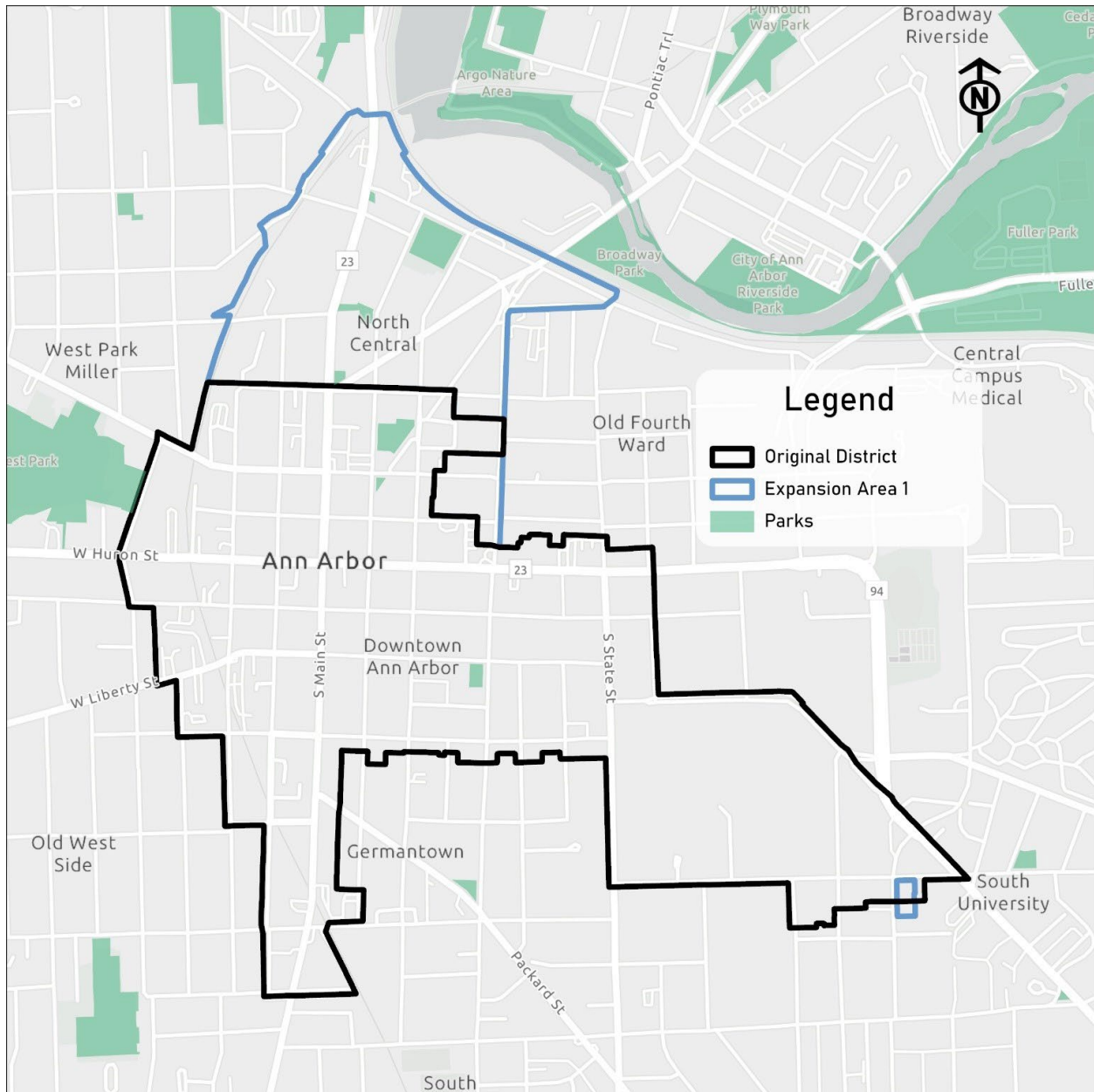
MAP #3: FUTURE LAND USE



MAP #4: PUBLIC LAND



MAP #5: EXISTING CITY PARKS OPEN SPACE



SECTION 3

ANN ARBOR DDA TAX INCREMENT FINANCING PLAN



Section 3: TAX INCREMENT FINANCING PLAN

This amendment extends the 1982 Plan, which was renewed in 2003, to allow the continued use of tax increment financing (TIF) for the costs associated with carrying out and completing those activities and improvements contained in the associated Development Plan. This amendment extends the duration of TIF capture through 2055 and expands capture into the expanded boundaries of the DDA set forth in the Development Plan. The original and expanded boundaries are set forth in Exhibit D.

Tax increment financing is a governmental financing program that contributes to economic growth by dedicating a portion of tax revenues to public improvements and other eligible efforts that promote economic growth. The DDA's capture of Tax Increment Revenues is permitted and limited by the State of Michigan Recodified Tax Increment Financing Act, PA57 of 2018 (PA 57). Tax Increment capture by the Ann Arbor DDA is limited in two ways: City-imposed limitations on what can be captured and the sharing of tax increment revenues that are captured. These limitations and sharing arrangements allow Local Taxing Entities, including the City of Ann Arbor, Washtenaw County, Washtenaw Community College, the Ann Arbor District Library, and the Ann Arbor Area Transportation Authority, to share in the revenue growth resulting from the DDA's efforts.

The DDA submits audited financial statements to the City of Ann Arbor that include tax capture information. The DDA also participates in the City's Capital Improvement Plan and submits its annual budget to City Council for their approval before it is adopted by the DDA Board. Additionally, the DDA adheres to the reporting requirements contained in Part 9 of PA 57.

A. EXPLANATION OF THE TAX INCREMENT PROCEDURE

PA 57 of 2018, Section 214(1) requires Tax Increment Financing Plans to include a "detailed explanation of the tax increment procedure." As stated in the introduction to this section, TIF is a governmental financing tool that contributes to economic growth by dedicating a portion of property taxes from private investment to public improvements and other eligible efforts. To understand how this tool is implemented by municipalities, some key definitions, excerpted from PA 57, 125.4201, will be helpful.:

(r) "Initial assessed value" means the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted.

(b) (ii) "Assessed value" means... For valuations made after December 31, 1994, the taxable value as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(f) "Captured assessed value" means the amount in any 1 year by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision (aa), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

(cc) "Tax increment revenues" means the amount of ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions upon the captured assessed value of real and personal property in the development area,

Specific to the Ann Arbor DDA, some other definitions may also be helpful:

“Adjusted Initial Assessed Value” means the 1983 Initial Assessed Value as established, and as adjusted annually for growth from inflation and uncapping.

“Maximum Captured Taxable Value” as defined by City of Ann Arbor Ordinance Chapter 7, 1:156 *Beginning with the 2016 tax year the maximum captured taxable value shall be \$224,000,000.00. Each tax year thereafter, the maximum captured taxable value shall be increased by 3.5% per annum.*

Municipalities, by ordinance, create DDAs by establishing downtown development district boundaries and approving the DDA’s Development and TIF Plans, which set the Initial Assessed Value, or base, for the district. Taxing agencies continue to receive revenues calculated on the Initial Assessed Value over the life of the plan.

Each year thereafter, the municipal treasurer calculates the Captured Assessed Value in the district according to the Tax Increment Procedure defined by the TIF Plan and

distributes the Tax Increment Revenues calculated on that value to the DDA. Any growth in the district, either from uncapping, inflation, or net new development, is generally included in the Tax Increment Revenue calculation and distributed to the DDA for investment in the district.

The Ann Arbor DDA was established by City of Ann Arbor Ordinance, effective for the 1983 tax year. The TIF model crafted by the City for its DDA is unique among Michigan DDAs, as it limits the DDA's growth to that which is attributable to net new development. Growth from inflation and uncapping is distributed to the taxing agencies, resulting in what is essentially an annually Adjusted Initial Assessed Value. The impact of this unique structural limitation on the DDA's growth is illustrated in Figure 1, where the blue bottom band illustrates inflationary and uncapping increases to the base over the life of the plan.

In addition to the limit on the type of growth attributed to the Captured Assessed Value, the City of Ann Arbor imposed, by ordinance, a Maximum Captured Taxable Value of \$224,000,000 for tax year 2016 and implemented a 3.5% cap on the year-over-year growth the DDA could realize on that value thereafter. Any new development growth above that level was not captured by the DDA, it was distributed to the Taxing Jurisdictions in addition to the Adjusted Initial Assessed Value. This was the TIF model the City implemented for its DDA from 2016 to 2025.

RENEWAL PROCEDURE

Personal Property Exemption:

With this renewal of the TIF Plan, personal property will be exempt from inclusion in the tax increment calculation.

Initial Assessed Value:

With this renewal of the TIF Plan, the DDA shall operate within an expanded footprint. The Initial Assessed Value of that expanded district shall be calculated as follows:

Original District – The Adjusted Initial Assessed Value of the original district (the 1983 Initial Assessed Value, as established, and as adjusted for inflation and uncapping from year to year) shall be the Adjusted Initial Assessed Value for tax year 2025, as equalized by the State Tax Commission. The Adjusted Initial Assessed Value for the original district for tax year 2025 shall be \$170,000,000.

Expansion Area(s) – The Initial Assessed Value of the expanded areas shall be the Initial Assessed Value for tax year 2025, as equalized by the State Tax Commission. The Initial Assessed Value for the Expansion Area(s) is \$127,212,517.

Expanded District – The sum of the original district Adjusted Initial Assessed Value and the expanded district Initial Assessed Value, as defined above, are established as the Initial Assessed Value for the expanded district for tax year 2026 and thereafter. The Initial Assessed Value for tax year 2026 for the expanded district shall be \$297,212,517.

Adjusted Assessed Value:

With this renewal of the TIF Plan, the initial Assessed Value will be adjusted each year for growth in the expanded District attributed to inflation and uncapping. This adjusted value, the Adjusted Initial Assessed Value, will be used to calculate the Captured Assessed Value for each year of the plan.

Captured Assessed Value:

With this renewal of the TIF Plan, Captured Assessed Value for the expanded district shall be the difference between the Current Assessed Value and the current Adjusted Initial Assessed Value in the expanded district. This difference represents growth attributed to net new development, and excludes growth attributed to inflation and uncapping as these values are retained for and distributed to the taxing authorities and are included in the Adjusted Initial Assessed Value.

Tax Increment Revenue Allocation Model:

With this renewal of the TIF Plain, the 2016 cap is released, the Cap Model is disbanded, and the DDA shall operate under a 70/30 Revenue Sharing Model, subject to the provisions below, and effective for the 2026 tax year.

The DDA shall retain 70% of all Tax Increment Revenues it captures as calculated on the Captured Assessed Value as described herein. It shall return 30% of the Local Tax Increment Revenues (“Pass Through Amount”) to the Local Tax Levying Entities, as shown in Table 1. This revenue sharing allocation shall be calculated and applied by the City Treasurer before distribution of Tax Increment Revenues is made *provided, however*, (a) the City shall not return any portion of the Pass Through Amount to a Local Tax Levying Entity who (i) elects after the effective date of the Plan Amendment to exempt its taxes from capture as tax increment revenues pursuant to Section 203(3) of PA 57 of 2018 in connection with any expansion of the DDA Districts, (b) if, in any fiscal year of the DDA, annual DDA Tax Increment Revenues are not sufficient to pay the annual debt service on

DDA obligations and it is necessary to use all or a portion of the Pass Through Amount to satisfy annual debt service. In that scenario, the portion of the Pass Through Amount required to make up such difference shall be distributed to the DDA. Any portion of the Pass Through Amount that remains after distribution to the DDA pursuant to this section, shall be proportionately (the percent of each Local Tax Levying Entity's tax levy subject to capture by the DDA to the total tax levy subject to capture from all Local Tax Levying Entities) passed through to the Local Tax Levying Entities, and (c) the obligation to return the Pass Through Amount to the Local Tax Levying Entities shall be subordinate to the pledge of DDA tax increment revenues as security for the payment of existing and future debt obligations of the DDA including, but not limited to, (i) the obligations of the DDA pursuant to a Reimbursement Agreement dated as of 2018, between the Authority and City of Ann Arbor, as may be amended, related to the payment of debt service on the LTGO Capital Improvement Bonds, Series 2018 (the Huron, First, Ashley, and William Street Projects) and (ii) the obligations of the DDA pursuant to payment of debt service on the Library Lane and Fifth Ave/Division Street Bond and (iii) the obligations of the DDA pursuant to payment of debt service on the 2016 Parking Facility Refunding Bonds (LTGO) and (iv) the obligations of the DDA pursuant to payment of debt service on the Parking Facility Capital Improvement Bonds 2013, Series A and (v) the obligations of the DDA pursuant to payment of debt service on the Parking Facility Capital Improvement Bonds, Series 2013-B and (vi) any other bonds or agreements, including brownfield agreements which the DDA may enter into over the course of this plan. Pursuant to the provisions of Section 203(6) of PA 57 of 2018, the DDA may enter into agreements with Local Tax Levying Entities to implement the provisions of revenue sharing.

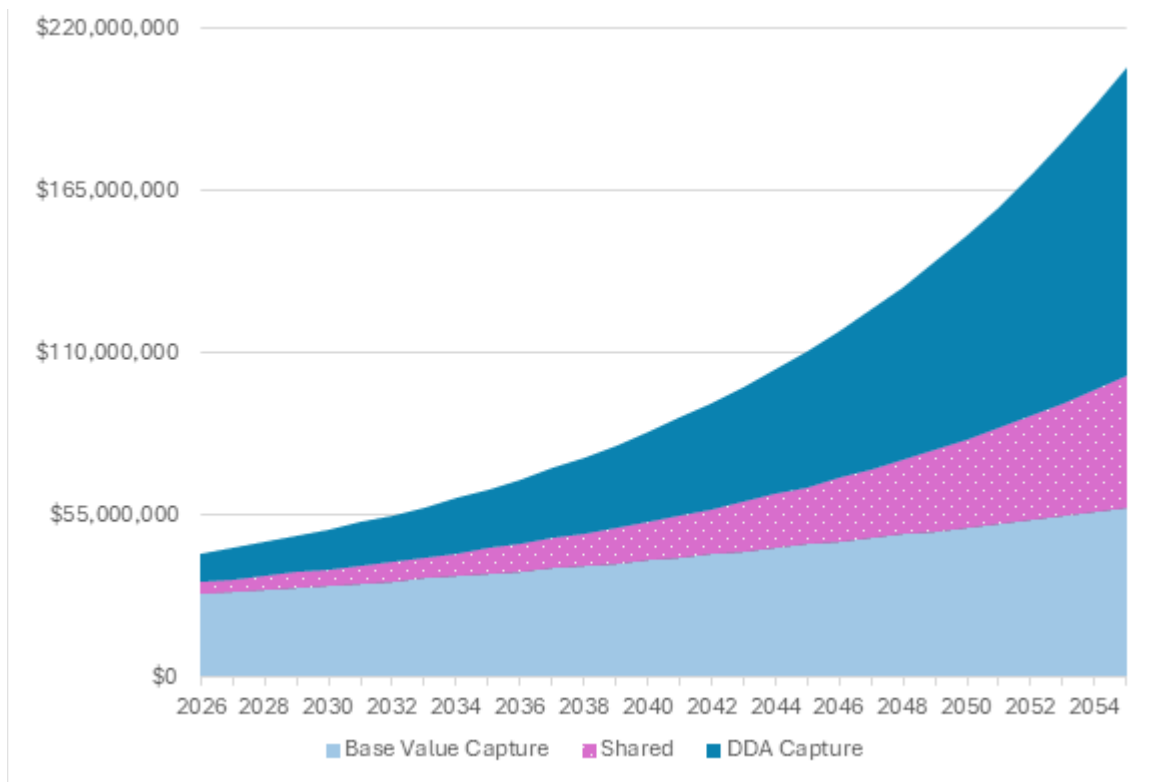
The DDA will be responsible for reporting any insufficiency to meet debt obligations to City Treasurer, along with any brownfield agreements or other such information as will inform the treasurer's calculation of TIF allocation and distribution.

Distributions of Tax Increment Revenues shall be made on the same schedule as required for other property tax distributions and shall include all adjustments made to the tax roll through the course of the tax year as required by State Statute.

Table 1 – Tax Increment Revenue Sharing		
Tax Years	Share	DDA Retains
2026-2055	30%	70%

The impact of this revenue sharing is shown in **Figure 1**, where the dotted pink middle band illustrates the DDA’s revenue share with taxing jurisdictions.

Figure 1 – Breakdown of Tax Collection



The area from which tax increment is collected is described in **Exhibit D**.

B. ESTIMATE OF CAPTURED ASSESSED VALUE AND TIF REVENUES

Reference to P.A. 57 of 2018, Section 214(1)

DDAs are required to estimate Tax Increment Revenues for the duration of their Development and TIF Plans. Typically, this involves estimating future and dynamic development activity as a linear average. To estimate future revenues and inform long-range planning, the DDA used a 10-year historical average (2015-2024) to estimate the first ten years of the plan revenue. Subsequent plan years reflect anticipation of growth rates slowing and stabilizing as downtown approaches build out. This is represented in **Table 2**.

Exhibit A shows the estimated changes in Assessed Values in the District over the life of the plan. Growth attributed to inflation and uncapping is shown as an adjustment to the Adjusted Initial Assessed Value. Growth attributed to net improvements in the District is

shown as an increase in Captured Assessed Value. The estimated growth rate for net improvements is shown in Table 2.

In estimating Tax Increment Revenues, the tax levy for the 2025 tax year - 31.4617 non-school mills - was applied to the Captured Assessed Value for real property only. Under this Tax Increment Financing Plan, schedules reflect estimates only. A portion of the Tax Increment Revenues will be shared with the Tax Levying Entities pursuant to the revenue sharing provisions on Section A of this plan.

Table 2– Estimated Tax Increment Revenue Growth Rate		
Tax Years	Original District Estimated Growth Rate	Expansion District 1 Estimated Growth Rate
2026-2035	9%	2%
2036-2045	6%	2%
2046-2055	3%	2%

C. USE OF TIF REVENUE

Reference to P.A. 57 of 2018, Section 214(1)

The Tax Increment Revenues captured by the DDA shall be used by the DDA in such manner as the DDA may deem necessary and appropriate to implement the Development Plan and updated through the annual Capital Improvement Plan and budget process, including, but not limited to, the following:

- The principal, interest and reserve payments required for any bonded indebtedness to be incurred in its behalf for purposes provided in the Development Plan
- Cash payments for initiating and completing any improvement or activity called for in the Development Plan
- Any annual operating deficits that the Authority may incur from acquired and/or leased property in the Development District
- Interest payments on any sums that the Authority should borrow before or during the construction of any improvement or activity to be accomplished by the Development Plan, Establish and maintain separate funds to complete any improvement or activity called for in the Development Plan and to establish reserves
- Administrative costs for the DDA and its projects, including but not limited to, payments for management and administration; survey and planning services;

consultant fees for authorized studies and investigations; and fees for legal counsel and advice; and staff services.

- Payments to reimburse private parties for eligible expenses incurred to install public facilities identified in the Development Plan.
- Grants for completing any improvement or activity called for in the Development Plan

The Downtown Development Authority may modify its priority of payments at any time if within its discretion such modification is necessary to facilitate the Development Plan.

D. BONDED INDEBTEDNESS TO BE INCURRED

Reference to P.A. 57 of 2018, Section 214(1). It is anticipated that bonding will be used to finance some of the improvements identified in this Plan. This indebtedness will be in addition to that which was outstanding at the time of approval of this Plan, which is shown in Exhibit B. The extent of future bonded indebtedness will be determined as projects are pursued, costs are refined, and other sources of funding are secured. The maximum amount of bonded indebtedness to be incurred under this TIF Plan will be limited to only those projects identified in the Development Plan and will be limited by only the annual revenues available to the DDA for bond interests and principal payments. Bonds issued under this TIF Plan may be issued in any form authorized under PA 57 of 2018.

E. ANNUAL SURPLUS

Any additional tax increment revenues beyond those projected in this Plan will:

1. Be used to expedite Development Plan implementation and expand project scopes;
2. Be used to expedite any debt service to the extent possible; then
3. Be returned, pro-rata, to the taxing units as provided by law.

If the tax increment revenues are less than projected, the DDA may choose to:

1. Collect and hold the captured revenues until a sufficient amount is available to implement Development Plan public improvements and programs; or
2. Implement Development Plan public improvement projects with a reduced scope or based upon the ability to match existing funds with expenditures, while seeking out additional funding sources; or

3. Either or both of the above.

As part of the Capital Improvement Plan and budget processes, the DDA shall annually review its proposed increment expenditures and revenues to prioritize the use of any additional funds, or to reduce expenditures if necessary.

F. IMPACT ON ASSESSED VALUES AND TAX REVENUES

Reference to P.A. 57 of 2018, Section 214(1)

The Development Plan is expected to generate increased economic activity in the Development District, the City of Ann Arbor, and Washtenaw County at large. This increase in activity will, in turn, generate additional amounts of tax revenue to local taxing jurisdictions through increases in assessed valuations of real and personal property and from increases in personal income of new employment within the Development District, and the City of Ann Arbor and Washtenaw County. All taxing jurisdictions benefit from this growth and from a stable and enhanced tax base resulting from public investment. The taxing units continue to receive their full tax levy on the District tax base, any increased value due to inflation and uncapping, and 30% of the increase due to new development.

For purposes of determining the estimated impact of this TIF Plan upon those taxing jurisdictions within the Development District, estimates of Captured Assessed Values (see **Exhibit C**) were used along with an estimated 32.28 mill annual allocation to determine tax increment revenue amounts that would be shifted from these jurisdictions to the Downtown Development Authority to finance the projects and activities called for in the Development Plan.

G. DURATION OF THE PLAN

Reference to P.A. 57 of 2018, Section 214(1)

The Tax Increment Financing Plan shall be for a term ending December 31, 2055. Eligible taxes billed up to this date are collectible by the DDA under this plan.

EXHIBITS

Exhibit A - Captured Assessed Value and Revenue	24
Exhibit B - Existing Bonded Indebtedness	25
Exhibit C - Impact on Taxing Authorities	26-27

EXHIBIT A - CAPTURED ASSESSED VALUE AND REVENUE

EXHIBIT B - EXISTING BONDED INDEBTEDNESS

Existing Bonded Debt Funded with TIF April 30th, 2025

Issuance Details				Principal Balance Allocation	
Issue Date	Project/Issue	Issue Amount	Principal Balance at 6/30/26	Parking	TIF
1/16/19	Streetscape Improvements Huron/1st & Ashley/William 2019 Capital Imp Bonds (LTGO), Series A	\$14,780,000	\$8,205,000	\$0	\$8,205,000
2/6/19	Library Lane/5th & Division 2019 Capital Imp Refunding Bonds (LGTO)	\$37,175,000	\$23,680,000	\$21,141,504	\$2,538,496
6/22/2016	4 th & William 2016 Parking Facility Refunding Bonds (LTGO)	\$2,790,000	\$305,000	\$305,000	
2/6/2013	1 st & Washington Parking Facility Capital Imp Bonds, Series 2013-B	\$4,045,000	\$1,520,000	\$1,520,000	

2/6/2013	1st & Washington Parking Facility Capital Imp Bonds (LTGO), Series 2013-A	\$4,480,000	\$1,695,000	\$1,695,000	
TOTAL		63,270,000	35,405,000	\$24,661,504	10,743,496

EXHIBIT C - IMPACT ON TAXING AUTHORITIES

Tax Year	City	County	AAATA	WCC	AA Library	TOTAL
millage rate>	17.6895	7.0413	2.374	3.3548	1.8228	32.2824
2026	\$5,240,730	\$2,086,071	\$703,326	\$993,900	\$540,027	\$9,564,054
2027	\$7,372,600	\$2,934,661	\$989,432	\$1,398,208	\$759,704	\$13,454,605
2028	\$8,606,446	\$3,425,793	\$1,155,019	\$1,632,206	\$886,844	\$15,706,308
2029	\$9,946,402	\$3,959,162	\$1,334,846	\$1,886,328	\$1,024,919	\$18,151,657
2030	\$11,401,595	\$4,538,401	\$1,530,139	\$2,162,304	\$1,174,868	\$20,807,307
2031	\$12,981,934	\$5,167,455	\$1,742,226	\$2,462,014	\$1,337,713	\$23,691,342
2032	\$14,698,182	\$5,850,607	\$1,972,554	\$2,787,499	\$1,514,562	\$26,823,404
2033	\$16,562,028	\$6,592,510	\$2,222,689	\$3,140,976	\$1,706,621	\$30,224,824
2034	\$18,586,165	\$7,398,217	\$2,494,336	\$3,524,852	\$1,915,196	\$33,918,765
2035	\$20,784,377	\$8,273,215	\$2,789,345	\$3,941,741	\$2,141,709	\$37,930,386
2036	\$23,171,635	\$9,223,462	\$3,109,724	\$4,394,483	\$2,387,702	\$42,287,006
2037	\$25,764,198	\$10,255,431	\$3,457,656	\$4,886,160	\$2,654,851	\$47,018,296
2038	\$28,579,721	\$11,376,149	\$3,835,510	\$5,420,122	\$2,944,974	\$52,156,476
2039	\$31,637,379	\$12,593,249	\$4,245,860	\$6,000,004	\$3,260,048	\$57,736,540
2040	\$34,957,996	\$13,915,019	\$4,691,500	\$6,629,757	\$3,602,218	\$63,796,489
2041	\$38,564,185	\$15,350,462	\$5,175,464	\$7,313,668	\$3,973,815	\$70,377,594
2042	\$42,480,507	\$16,909,353	\$5,701,050	\$8,056,395	\$4,377,369	\$77,524,674

2043	\$46,733,633	\$18,602,308	\$6,271,836	\$8,862,997	\$4,815,629	\$85,286,403
2044	\$51,352,527	\$20,440,858	\$6,891,710	\$9,738,967	\$5,291,579	\$93,715,640
2045	\$56,368,646	\$22,437,522	\$7,564,893	\$10,690,270	\$5,808,461	\$102,869,792
2046	\$61,816,152	\$24,605,900	\$8,295,969	\$11,723,385	\$6,369,795	\$112,811,201
2047	\$67,732,143	\$26,960,759	\$9,089,918	\$12,845,349	\$6,979,403	\$123,607,572
2048	\$74,156,909	\$29,518,135	\$9,952,147	\$14,063,801	\$7,641,438	\$135,332,430
2049	\$81,134,206	\$32,295,445	\$10,888,527	\$15,387,039	\$8,360,408	\$148,065,626
2050	\$88,711,549	\$35,311,605	\$11,905,436	\$16,824,077	\$9,141,209	\$161,893,876
2051	\$96,940,545	\$38,587,154	\$13,009,800	\$18,384,699	\$9,989,159	\$176,911,356
2052	\$105,877,234	\$42,144,400	\$14,209,138	\$20,079,535	\$10,910,033	\$193,220,340
2053	\$115,582,478	\$46,007,569	\$15,511,620	\$21,920,128	\$11,910,101	\$210,931,896
2054	\$126,122,373	\$50,202,971	\$16,926,115	\$23,919,010	\$12,996,176	\$230,166,646
2055	\$137,568,699	\$54,759,178	\$18,462,257	\$26,089,797	\$14,175,654	\$251,055,585
TOTAL	\$1,461,433,174	\$581,723,023	\$196,130,041	\$277,159,672	\$150,592,181	\$2,667,038,090

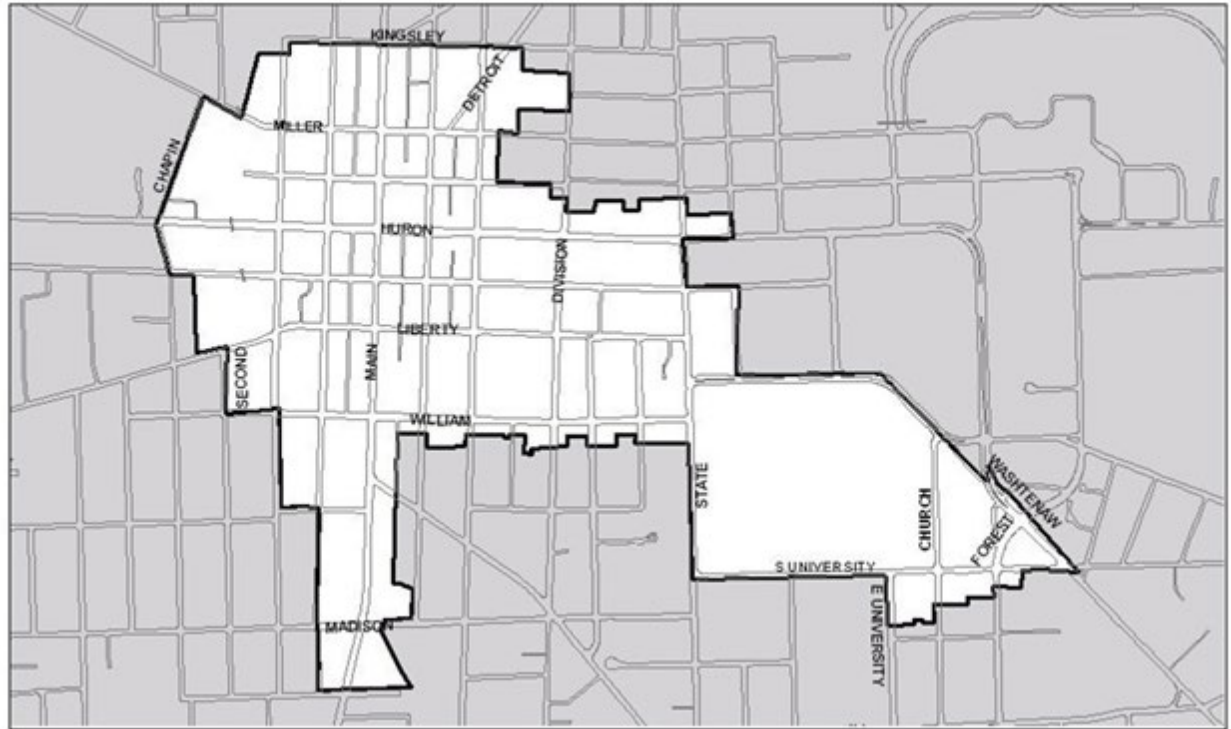
- ☐ 2024 millage rates used
- ☐ Does not consider personal property collections
- ☐ For discussion purposes only

EXHIBIT D - LEGAL DESCRIPTION OF THE DEVELOPMENT AREA

ORIGINAL DDA DISTRICT

The original Ann Arbor Downtown Development District encompasses all or part of 67 city blocks, or approximately 271 acres, of which 80 acres are public rights-of-way.

DDA District



LEGAL DESCRIPTION OF THE ORIGINAL DDA DISTRICT

Beginning at the southwest corner of the intersection of South University and East University Streets rights-of-way; thence south along the west right-of-way line of East University Street to the north right-of-way line of Willard, thence east to the west right-of-way line of South Forest Avenue, thence north 232 feet, thence easterly approximately 188 feet to the west line of Lot #9, Block 5, R.S. Smith's Second Addition; thence easterly approximately 165 feet; thence north 44 feet; thence east approximately 360 feet to the west line of Lot #9, Block 5, R. S. Smith's Second Addition; thence north approximately 155 feet to the south right-of-way line of South University Street; thence east along a south right-of-way line of East University Street to the northeast right-of-way line of Washtenaw Avenue; thence northwesterly along said line to the north right-of-way line of North University Street; thence west along the north right-of-way line of North University Street to the east right-of-way line of South Thayer Street; thence north approximately 1,030 feet to the north line of Lot #1 of Eastern Addition (110 North Thayer Street); thence west to the east right-of-way line of North State Street; thence north approximately 70 feet; thence west to the northwest corner of Lot #17, of Assessor's Plat No. 8; thence south to the north line of Lot #18 of said plat; thence west to the east line of Lot #20 of said Assessor's Plat No. 8; thence north along the east line of said Lot #20 to the north line of said lot; thence west 150.08 feet to the east line of Lot #1 of Assessor's Plat No. 8; thence south to the southeast corner of said lot; thence westerly and southerly along the

northwest side of Lot #22 and the north side of Lot #23 of Assessor's Plat No. 8 to the east right-of-way line of North Division Street; thence northwesterly to a point 4 feet south of the northeast corner of Lot #8 of original plat of Ann Arbor; thence west approximately 101 feet; thence north 3.3 feet; thence west to a point 27 feet east of the northwest corner of Lot #10, original plat of Ann Arbor; thence north along a line that is 27 feet west of the east line of Lot #10 to the north right-of-way line of Ann Street; thence west along the north right-of-way line of said street to a point that is 16.5 feet east of the southwest corner of Lot #2 of original plat of Ann Arbor; thence north 132 feet on a line parallel with the west line of said Lot #2 to a point that is 16.5 feet east off the northwest corner of Lot #2; thence east 10 feet along the north line of Lot #2; thence north 198 feet along a line parallel to and 40 feet west of the east line of Lot #15 of original plat of Ann Arbor to the southwest corner of Lot #149 of Assessor's Plat No. 29; thence east 74.37 feet to the southeast corner of Lot #150 of Assessor's Plat #29; thence north 132.35 feet to the northeast corner of Lot #150, Assessor's Plat No. 29; thence east along the north side of Lots #151, #153, #154, #155, and #158 of Assessor's Plat No. 29, extended to the east side of the North Division Street right-of-way; thence north along the east right-of-way line of North Division Street to the northwest corner of Lot #2 of Assessor's Plat No. 6; thence west to the southwest corner of Lot #141 of Assessor's Plat No. 29; thence north along the west line of said lot extended to the north right-of-way line of East Kingsley Street; thence west along the north right-of-way of East and West Kingsley Street to the intersection of the right-of-way line of North First Street with the north right-of-way line of West Kingsley Street; thence south $4^{\circ} 02' 10''$ west 131.56 feet; thence north $83^{\circ} 23' 50''$ west 137.76 feet; thence south $15^{\circ} 31' 45''$ west 66 feet; thence south $15^{\circ} 01' 40''$ west 350.49 feet to the north right-of-way line of Miller Avenue; thence northwest along the northeasterly right-of-way line of Miller Avenue to a point approximately 125 feet northwest of the northwest intersection of the rights-of-way of Spring Street and Miller Avenue; thence southwesterly along the northwest right-of-way of Chapin Street to intersect with the southwest right-of-way of Third Street; thence southeast along said southwest right-of-way line of Third Street to a point intersecting with the south right-of-way line of West Washington Street; thence east along said south right-of-way line of West Washington Street to the northeast corner of Lot #1 of Krause's Addition; thence south along the east side of Lots #1, #3, #4, #5, #6, #7, #8, and #9 of Krause's Addition to a point intersecting with the southeast right-of-way line of West Liberty Street; thence northeasterly along said southeasterly right-of-way line of West Liberty Street to a point intersecting with the west right-of-way line of Second Street; thence south along said west right-of-way line to the intersection of the west right-of-way line of Second Street with the south right-of-way line of West William Street; thence east along the south right-of-way line of West William Street to the west right-of-way line of First Street; thence south along the west right-of-way line of First Street to the intersection of the north right-of-way line of Jefferson Street with the west right-of-way line of First Street; thence east to the west right-of-way line of South Ashley Street; thence south along said west right-of-way line of South Ashley Street to the south right-of-way line of West Mosley Street; thence east along said south right-of-way line of West Mosley Street to the northwest right-of-way line of the Ann Arbor Railroad right-of-way; thence northeasterly along the northwest right-of-way line of said Ann Arbor Railroad to a point intersecting the south right-of-way line of West Madison Street; thence east along said south right-of-way line to a point in line with the extension of the east right-of-way line of

South Fourth Avenue; thence north along the east right-of-way line of South Fourth Avenue to a point approximately 33 feet north of the southwest corner of Lot #7, Block 55, R5E, Ann Arbor Land Co.'s Addition; thence west to a point 33 feet north of the southwest corner of Lot #10, Block 55, R4E, Ann Arbor Land Co.'s Addition; thence north along the west side of Lots #10, #11, #12, #13, #14, #15, #16, #17, and #18 of said block, and continuing north along the east right-of-way line of 16-foot wide alley between Main Street and Fourth Avenue to a point 6 feet south of the northwest corner of Lot #15, Block 45, R4E, original plat of Ann Arbor; thence east to the west right-of-way line of South Fourth Avenue; thence south along said right-of-way line 99 feet to appoint on said right-of-way line; thence east along a line parallel with and 31.5 feet south of north line of Lot #3, Block 45, R5E, original plat of Ann Arbor to the west line of Lot #14 of said block; thence south 1.5 feet, thence east to the west line of South Fifth Avenue; thence north along the west right-of-way line of South Fifth Avenue 36 feet; thence west approximately 132 feet to a point 3 feet north of the southwest corner of Lot #15 of said block; thence north 52 feet; thence east 132 feet to the west right-of-way line of South Fifth Avenue thence northeasterly to a point 66 feet south of the northwest corner of Lot #1, Block 45, R6E, original plat of Ann Arbor; thence east 189 feet; thence south 16.5 feet; thence east to a point on the east right-of-way line of Hamilton Place approximately 50 feet north of the southwest corner of Lot #8 of said block; thence north approximately 25 feet; thence east 66.15 feet; thence south 138.1 feet; thence east 33 feet; thence north 66 feet; thence east to the southeast corner of Lot #2, Block 45, R7E, Ann Arbor Land Co.'s Addition; thence north 66 feet, thence east approximately 132 feet to the west right-of-way line of Thompson Street; thence south 66 feet; thence east to the southeast corner of Lot #2, Block 45, R8E, Ann Arbor Land Co.'s Addition; thence north to the southwest corner of Lot #16 of said block; thence 132 feet to the west right-of-way line of Maynard Street; thence south approximately 40 feet; thence east to the west right-of-way line of South State Street; thence south to the south right-of-way line of South University Street; thence east to the point of beginning.

EXPANDED DDA DISTRICT

[INSERT MAP]

LEGAL DESCRIPTION OF AREA OF EXPANSION TO ORIGINAL DDA DISTRICT

[INSERT LEGAL]