

# Downtown Development Area Resident Consultancy Council

February 11, 2025



# AGENDA

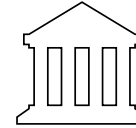
- DDA 101
- Purpose of DDARCC
- Development and TIF Plan Process & Requirements
- Plan Values & Goals
- Coordinated Planning Efforts
- Development Plan Timeline & Highlights

A blue-tinted photograph of a city street scene. On the left, a tall clock tower with two clock faces stands prominently. The street is busy with pedestrians crossing a crosswalk in the foreground. A white SUV is parked on the right side of the street. The background shows more buildings and trees. The overall scene is a typical urban environment.

# DDA 101

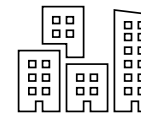
# What is a Downtown Development Authority (DDA)?

A component-unit of the City in which it is established



## **AUTHORIZATION**

Local governments may create a DDA in an area primarily zoned & used for business (only 1 per municipality)\*



## **PURPOSE**

To correct and prevent the deterioration of a downtown district

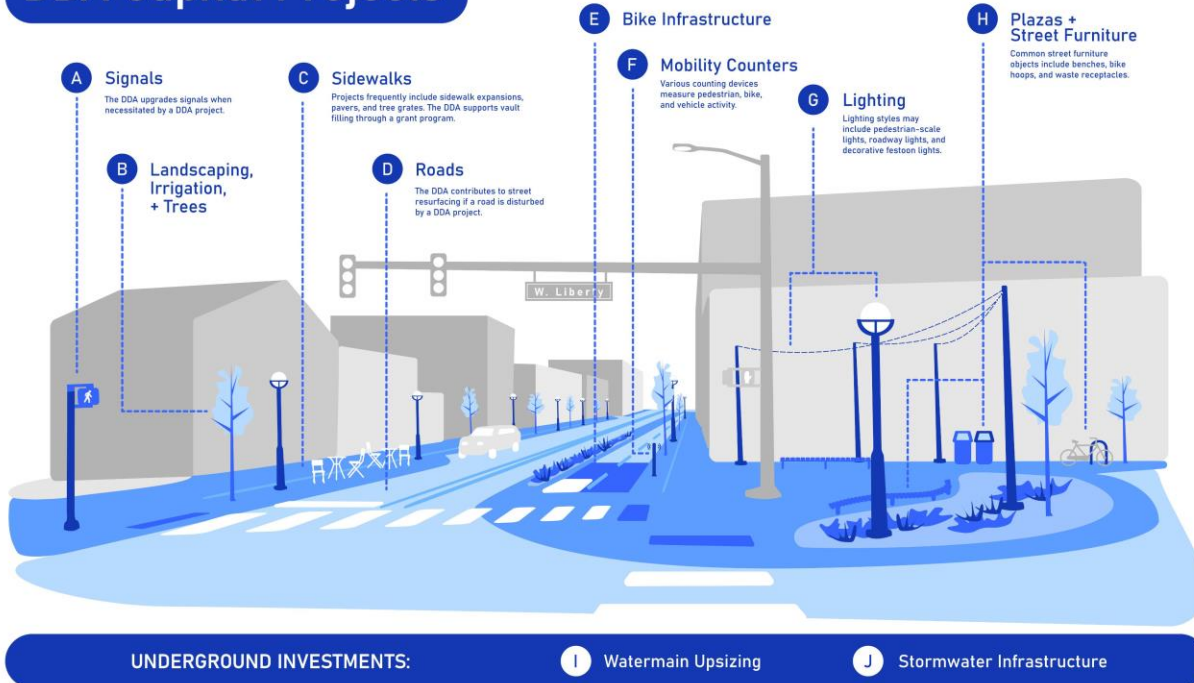
*\*Per MI PA57 of 2018 - the Recodified Tax Increment Financing Act*



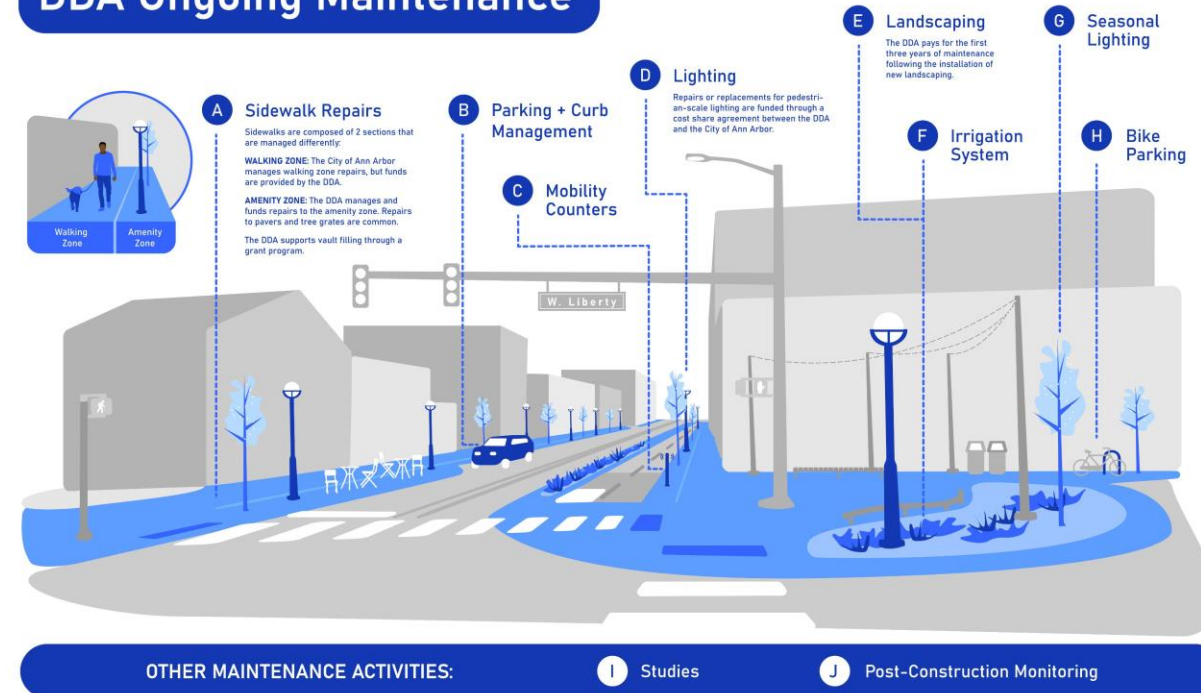
# TIF – Regional Funding Tool

Regional contributions from the County, Library, AAATA, and WCC help fund capital projects and maintenance in a regional downtown. Without this tool in place, all future infrastructure projects and maintenance costs would be the responsibility of the City alone.

## DDA Capital Projects



## DDA Ongoing Maintenance



The majority of A2 DDA TIF (~90%) is spent on downtown capital projects and maintenance

# Economic Development Tools

State-Authorized Financing Tools (sample)		
Economic Development Tool	Eligible projects/activities	Primary Funding Source
<b>DDA</b> Downtown Development Authority	Public improvements focused in DDA District and within approved DDA/TIF plans	TIF
<b>LDFA</b> Local Development Financing Authority	Public facility to benefit industrial park and transit	TIF
<b>TIFA</b> Tax Increment Finance Authority	Within defined TIFA area	TIF
<b>BIZ</b> Business Improvement Zone	Beautification activities & security	Special Assessment
<b>BID</b> Business Improvement District	Improvements, maintenance, security, and beautification	Special Assessment
Other Tools		
<b>Area Association</b>	Events and promotion	Membership dues & sponsorship

# Downtown A2 Tools



## DDA + LDFA

**DDA** focuses on public improvements.

**LDFA** funds/services are contracted to SPARK.



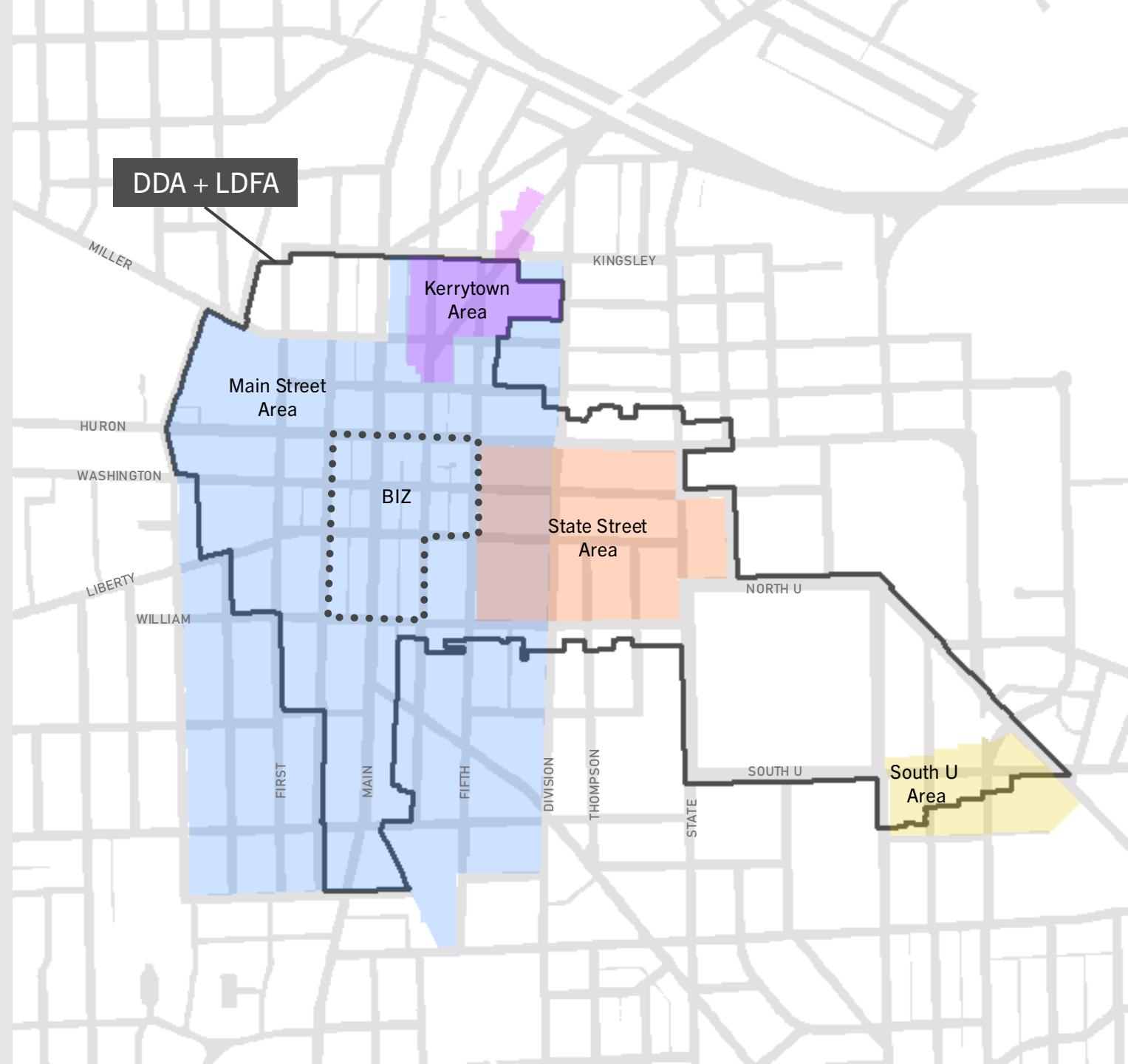
## Main Street Area BIZ


**BIZ** services include snow removal, sidewalk cleaning, landscaping, and graffiti removal.



## Area Associations

**Area Assoc.** collect dues and sponsorship to fund events and advocate on behalf of businesses.



A blue-tinted photograph of a downtown street scene. In the background, a prominent clock tower with a square face and a pointed roof stands on the left. The street is lined with buildings, and several pedestrians are walking across a crosswalk in the foreground. A person is pushing a stroller, and others are walking in small groups. Street lamps and a crosswalk sign are visible. The overall scene is a typical urban environment.

# **Purpose of Downtown Development Area Resident Consultancy Council**



# **The role of the DDARCC is to act as an advisory body to the authority and the governing body in the adoption of the development or tax increment financing plans.**

Section 125.4222 of PA 57 of 2018

- Authority shall periodically consult with and advise the DDARCC regarding the aspects of a Plan.
- Consultation shall begin before plan adoption and continue throughout the preparation and implementation of a Plan.
- Within 20 days after the public hearing on a Plan, the DDARCC shall notify the governing body, in writing, of its findings and recommendations concerning a proposed Plan.



# Development & TIF Plan Process & Requirements

# 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 PLAN PROCESS

- Peer City DDA Plan Research
- DDA Development Plan
  - Establish Plan Goals (DDA Board) and objectives
  - Existing conditions assessment
  - Development Plan & Recommendations
    - Informed by State Statute, Comp Plan, Circulation Study, Geothermal Study, and infrastructure and operational needs
- TIF Plan Update
- Summary Document and Approvals
  - Executive Summary
  - Statute Review
  - Notification and Filing
  - Approval (DDA Board and City Council)

# DDA Development Plan Requirements

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
9. Development Cost Estimates and Financing
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



# Grand Rapids Development Plan Sample Pages

## 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 those 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 for 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

TABLE 1A.

Summary of Ongoing Expenditures,  
Proposed Improvements and Estimated Costs

Local Increment – Ongoing Expenditures, Proposed Improvements and Estimated Costs						
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	TOTAL (Including Future Expenditures)
Ongoing Expenditures	\$1,223,922	\$1,720,499	\$1,754,100	\$1,786,215	\$1,817,242	\$19,538,000
Development Support	\$1,225,000	\$1,234,000	\$1,225,000	\$1,273,000	\$1,320,000	\$70,000,000
Parks, Open Space & Culture	\$1,500,000	\$5,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$25,000,000
Streetscape	\$3,089,000	\$1,536,000	\$1,300,000	\$1,300,000	\$1,300,000	\$120,000,000
Infrastructure	\$250,000	\$250,000	\$200,000	\$200,000	\$250,000	\$33,330,000
Van Andel Arena Bonds (Series 1994 and 2009)	\$5,811,325	\$5,811,663	\$5,811,163	\$5,807,013	\$5,808,263	\$10,139,017
Ionia Avenue Improvement Bonds (BRA 2012A)	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$750,000
Devos Place Convention Center Refunding Bonds (Series 2013B)	\$328,550	\$327,100	\$324,225	\$326,125	\$321,400	\$949,700
Kent County Drain Commission Floodwall Refunding (Series 2008 Bonds)	\$51,187	\$51,287	\$15,782	\$15,683	\$15,810	-
					Total Expenditures for Duration of the Plan	\$279,706,717

# Tax Increment Finance Plan

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.

# Grand Rapids TIF Plan Sample Pages

### 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 197, requires the adoption by the City, by ordinance, of a Development Plan and a Tax Increment Financing Plan. Following the adoption of that 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 this Tax Increment Financing Plan.

Presented in Tables B and C are schedules of the estimated captured, 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 were in effect pursuant to Act 198 of the Public Acts of 1974, as amended (“Act 198”).

The Tax Increment Financing Plan for District A was approved in 1980. The most recent assessment of all taxable property in District A, at the time of the Plan approval in 1980, occurred on December 31, 1979, for 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, 1980, for tax year 1981. 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 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 1990. The most recent assessment of all taxable property in District E, at the time of Plan approval in 1990, occurred on December 31, 1989, for the tax year 1990. The most recent assessment of all taxable properties in District F occurred on December 31, 1996, for the tax year 1997. The Tax Increment Plan for Districts G and H were approved on May 7, 2002. The most recent assessment of all taxable properties in District G and District H, at the time this Plan takes effect in 2002, occurred on December 31, 2000 for the tax year 2001. The Tax Increment Plan for Districts 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 properties 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 report filing system, requiring owners to file an annual report with the City Assessor. The report contains, among

Table 2  
CITY OF GRAND RAPIDS, MICHIGAN  
DOWNTOWN DEVELOPMENT AUTHORITY  
SUMMARY OF ESTIMATED 2017 CAPTURED ASSESSED VALUES AVAILABLE FOR CAPTURE  
NOVEMBER 10, 2016

Values for existing districts include a 2% increase in 2016 MBOR assessed values								2017/FY2018 ESTIMATED CAPTURED VALUE
DISTRICT	AD VALOREM					IFT NEW Post-1993		BY DISTRICT
	REAL PRE / HOMESTEAD	REAL NON-PRE NON-HOMESTEAD	PERSONAL PROPERTY			Real	Personal	
			Utility	Industrial	Commercial			
A	<sup>1</sup> \$ 9,481,048	\$ 112,916,332	\$ (26,754)	\$ (47,922)	\$ 18,476,178	\$ -	\$ -	\$ 140,798,882
B	<sup>1</sup> 5,320,229	32,814,886	609,756	-	1,926,882	-	-	40,671,753
C	<sup>1</sup> 721,229	64,164,685	3,100,494	(437,276)	8,397,048	-	-	75,946,180
D	<sup>1</sup> -	3,971,512	1,040,094	(35,280)	283,152	-	-	5,259,478
E	<sup>1</sup> 21,050,649	23,797,013	1,236,036	-	3,615,900	-	-	49,699,598
F	<sup>2</sup> (23,165)	129,064	96,084	(49,000)	(155,526)	175,249	-	172,706
G	<sup>1</sup> -	6,807,391	-	-	(1,750,966)	-	-	5,056,425
H	<sup>3</sup> -	-	-	-	-	-	-	-
I	<sup>4</sup> (124,793)	5,706,424	-	484,704	(183,260)	705,534	493,578	7,082,186
J	<sup>4</sup> -	(1,401,027)	-	-	102,000	-	-	(1,299,027)
K	<sup>4,5</sup> -	-	-	-	-	-	-	-
New District L	<sup>1</sup> 3,291	14,448	-	-	522	-	-	18,261
New District M	<sup>6</sup> -	-	-	-	-	-	-	-
New District N	<sup>1</sup> -	80	-	-	136	-	-	216
New District O	<sup>1</sup> -	10,818	-	7,092	-	-	-	17,910
New District P	<sup>1</sup> -	127,160	-	3,136	62,940	-	-	193,236
TOTAL	\$ 36,428,487	\$ 249,058,786	\$ 6,055,710	\$ (74,546)	\$ 30,775,006	\$ 880,783	\$ 493,578	\$ 323,617,804
<b>Totals by Capture Category</b>								
A - G	\$ 36,549,989	\$ 244,600,882	\$ 6,055,710	\$ (569,478)	\$ 30,792,668	\$ 175,249	\$ -	\$ 317,605,021
A - G minus F	36,573,155	244,471,819	5,959,626	(520,478)	30,948,194	-	-	317,432,316
District F only	(23,165)	129,064	96,084	(49,000)	(155,526)	175,249	-	172,706
Dist I and J only	(124,793)	4,305,397	-	484,704	(81,260)	705,534	493,578	5,783,160
L, N, O, and P	3,291	152,506	-	10,228	63,598	-	-	229,623

Note 1: Non-overlapping areas of this district may capture all school and local mills to the extent allowed by the DDA Act.  
Note 2: Kent County opted out of this district so the DDA may only capture City of Grand Rapids, Interurban Transit Partnership, & Grand Rapids Community College mills.  
Note 3: This district overlaps the SmartZone LDFA which captures all local mills and 50% of school mills. Since the DDA isn't capturing City and County mills here, it may also not capture any school mills.  
Note 4: Kent County and GR Community College opted out of this district so the DDA may only capture City of Grand Rapids and Interurban Transit Partnership mills.  
Note 5: Although District K may legally capture City of Grand Rapids and Interurban Transit Partnership mills for this District, the SmartZone LDFA existed prior to the DDA in this district, so the SmartZone captures those tax increment revenues rather than the DDA.  
Note 6: This district overlaps the WestSide CID which captures all local mills. Since the DDA isn't capturing City and County mills here, it may also not capture school mills.  
capture any school mills.

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# Development Plan Values & Goals



# DDA BOARD ESTABLISHES PLAN GOALS

SEPTEMBER 2024

GOALS BASED ON VALUES ESTABLISHED THROUGH THE COMPREHENSIVE PLAN PROCESS

## **Goals:**

- **Ensure alignment with City policy priorities**
- **Inform staff implementation**
- **Direct project priorities and budgeting**
- **Guide how we measure outcomes**



# DDA VALUES AND GOALS FRAMEWORK

VALUES

AFFORDABLE

All people should have the opportunity to call Ann Arbor home and thrive through every stage of life

EQUITABLE

All people should have equal access to essential services and amenities, with additional resources for underserved people

SUSTAINABLE

All systems - social, built, and natural, should be integrated to create a resilient place to live, work, and recreate

VIBRANT\*\*

*\*\*Fourth Value is being defined, and not yet adopted. Potentially references active, thriving, dynamic, identity*

## DDA GOALS

OBJECTIVES

Support a robust and diverse population & a livable downtown

Equitable, just access for all people

Safe, comfortable streets

A resilient & sustainable downtown

Connected community with inviting and active public

Thriving & diverse local economy

Infrastructure Capacity

Access for persons with disabilities

Multi-Modal Safety Outcomes

Energy Use / Generation

Enhances Placemaking

Economic Diversity & Opportunity

Affordable Housing

Investment in areas with documented racial inequity and/or disadvantages

Vehicle Miles Traveled (VMT)

Stormwater Management and Reducing Flooding

Scale of Benefit

Housing Supply

Climate Change Mitigation & Heat Island Effect



# Development & TIF Plan Efforts

# PARALLEL PLANNING EFFORTS

## COMPREHENSIVE PLAN

Determine **VISION AND PRIORITIES** for the future of the city

Determine future land use, desired policy changes, and priorities for public spending and capital projects

## DOWNTOWN AREA CIRCULATION

Identify **FUTURE CAPITAL IMPROVEMENTS** to downtown area streets and transportation plan updates

Balance the demands on limited downtown area street space

## BASE LEVEL SERVICE DISCUSSIONS

Identify gaps and inconsistencies in downtown **SERVICE AND MAINTENANCE**

# PARALLEL PLANNING EFFORTS

## M-DOT JURISDICTIONAL TRANSFER STUDY

Determine **COSTS AND BENEFITS** involved in the City gaining control and maintenance responsibility for state-owned corridors

## GEO-THERMAL STUDY

Identify **FUTURE GEOTHERMAL OPPORTUNITIES** to support a more resilient and sustainable energy system

Implement through street and parks projects

## UTILITY UPGRADES

Identify **WATERMAIN AND SANITARY NEEDS** to improve infrastructure resiliency and support future public and private projects

A blue-tinted photograph of a town square. On the left, a tall clock tower with a square base and a smaller square top section is visible. The base has two clock faces. To the right of the tower is a modern building with large glass windows. In the foreground, several people are walking across a crosswalk. A white SUV is parked on the street. A black lamppost with two globe lights stands on the right. The overall scene is a busy urban environment.

# Timeline and Highlights





2024

Development & TIF  
Plan work began in  
coordination with  
downtown planning  
efforts

2025

Preparing draft Plan  
and following statutory  
process

August 2025

Final Plan ready for City  
Council adoption

## **Plan Highlights**

- Expand DDA's role in maintenance and service
- Capital investments to support more efficient, safe, and attractive street closures
- DDA boundary expansion

# Downtown Service Team Responsibilities

- **Sidewalk & curbside cleaning**, weeding, trash & debris removal
- Landscape maintenance
- Alley power washing





# Downtown Service Team Responsibilities

- **Snow removal and ice melt application** at sidewalk ramps, bus stops, ADA parking spaces, and benches
- **Bikeway delineator** maintenance / replacement
- Brick, bench, and bike hoop **repairs**
- **Supplemental pedestrian trash can service** when visitor volume is high





# Downtown Service Team Responsibilities

- Barricade deployment
- Seasonal light installation
- Provide a consistent presence and service connection to
  - Educate and remind business owners of code requirements
  - Connect directly with A2 fix it to report streetlight outages and infrastructure concerns
  - Connect those in need with services





# RETRACTABLE BOLLARD SYSTEM

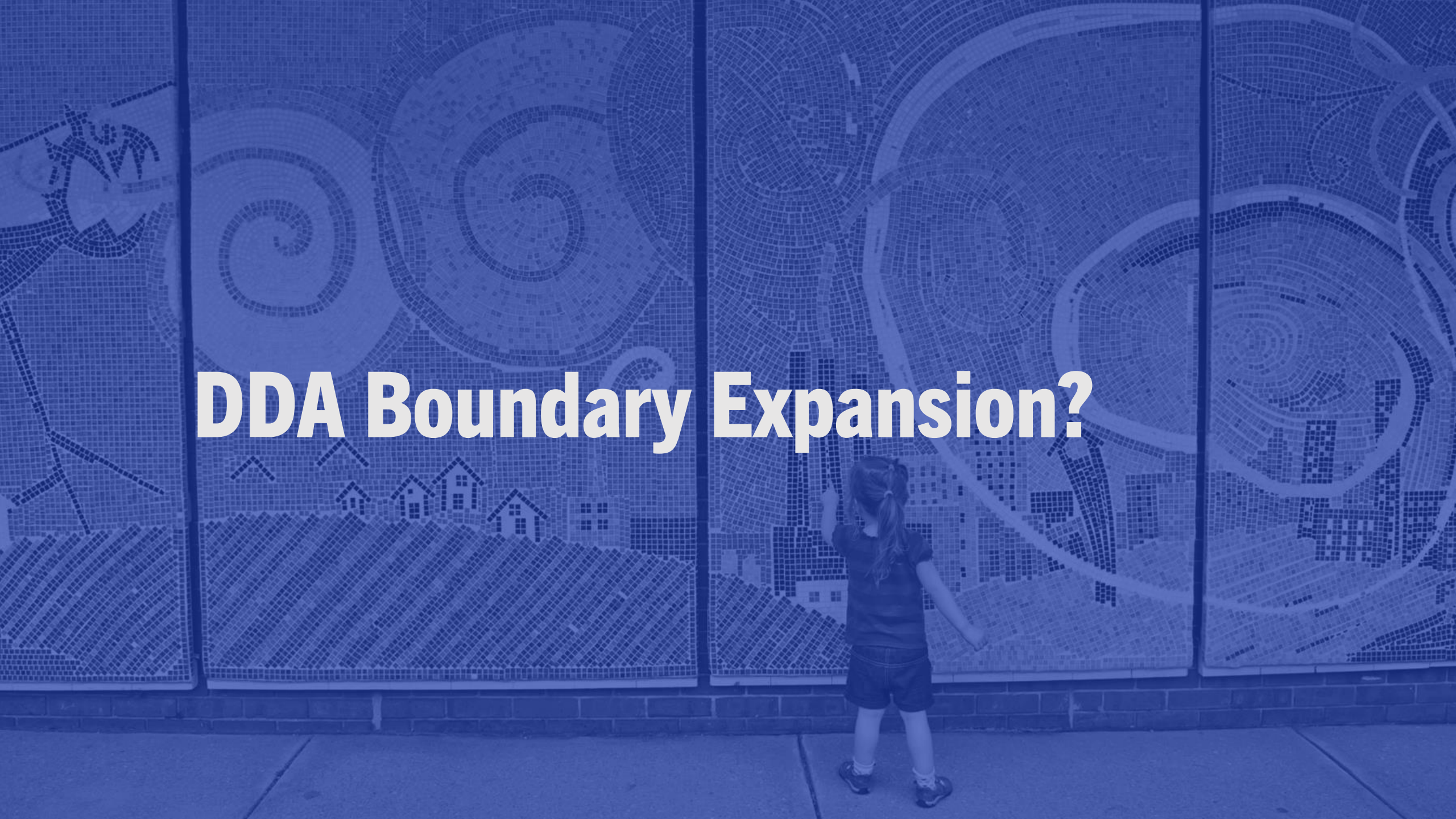
PROVIDING SECURITY AND SUPPORTING DOWNTOWN EVENTS AND ACTIVATION

- Bollards retract into the street
- Protects against a 7,000 lbs vehicle at 30-mph
- Access key allows for a single person to deploy – less than 5 minutes per street section to deploy – SERVICE TEAM MEMBER





# DDA Boundary Expansion?

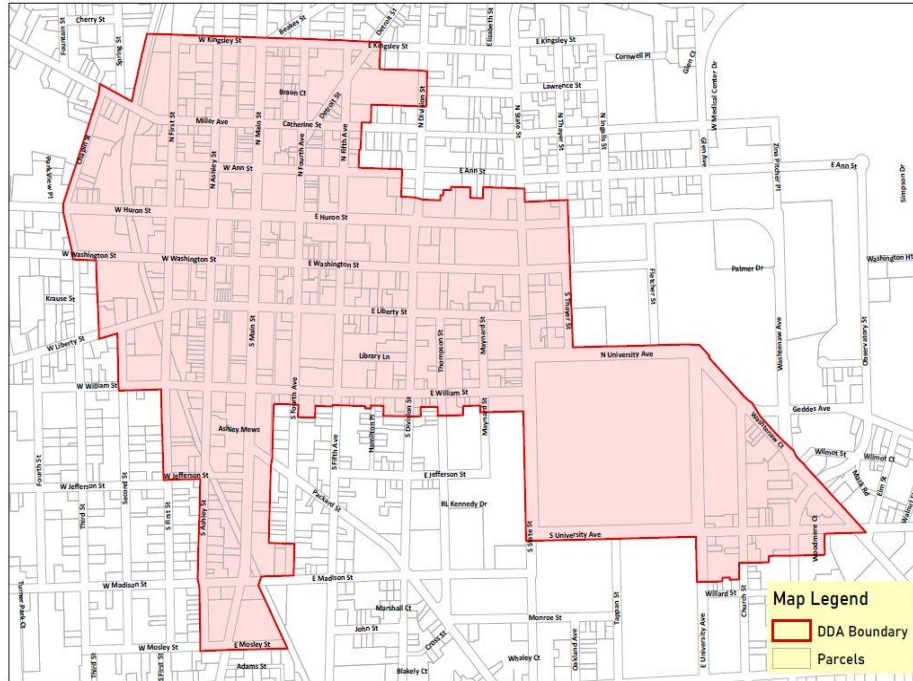




# DDA Expansion Comparison

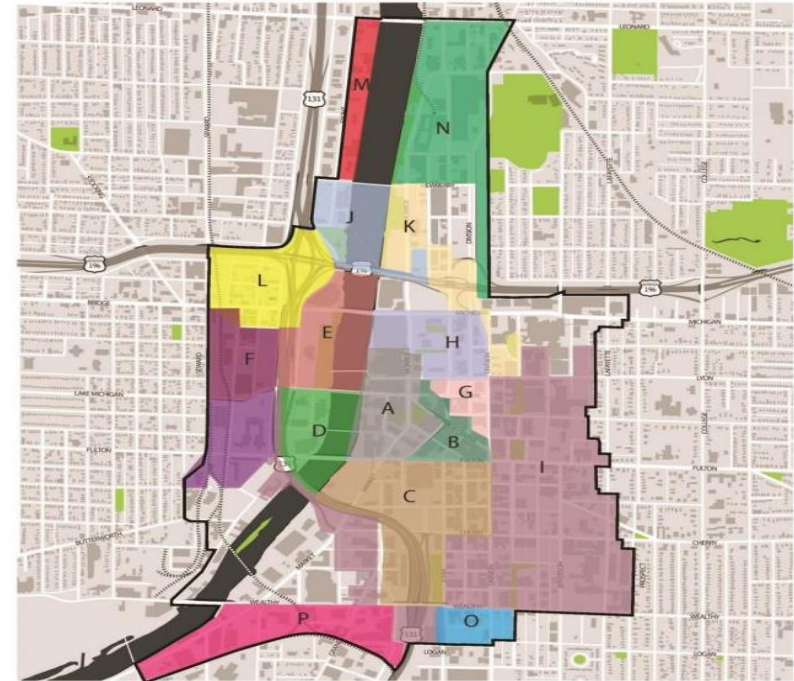
# Ann Arbor DDA

- 1 TIF District; 271 acres



# Downtown Grand Rapids Inc.

- 16 TIF Districts; 873 acres



# DDARCC Meeting Schedule

**Virtual meetings scheduled through the end of DDA FY25 fiscal year:**

**Tuesday, February 11, noon**

**Wednesday, March 12, noon**

**Wednesday, April 9, noon**

**Wednesday, May 14, noon**

**Wednesday, June 11, noon**