

Downtown Development Authority

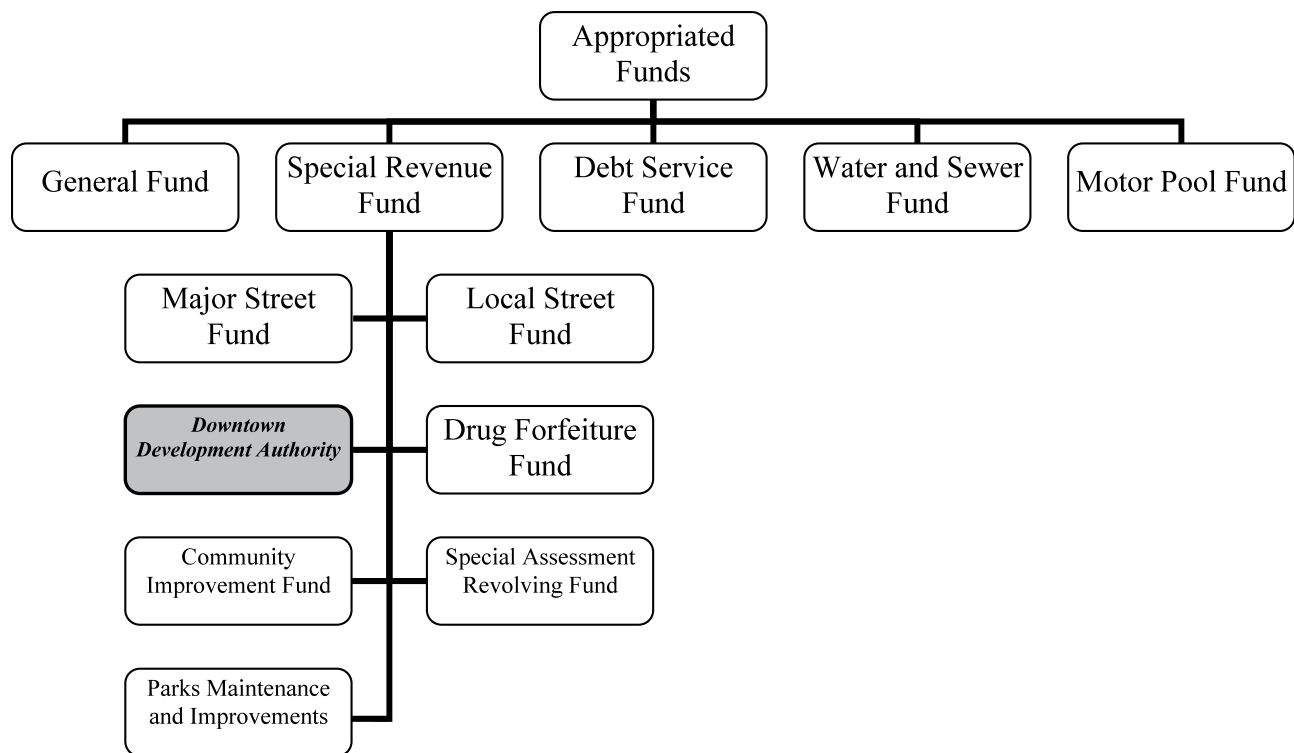
Statement of Services

The Downtown Development Authority (DDA) is supported by the Community Development Department and was established to correct and prevent stagnation and deterioration within the south end commercial business district.

The boundaries of the District include properties abutting John R Road from Gardenia to Ten Mile Road and Eleven Mile Road from I-75 to Lorenz. These properties are primarily zoned and used for commercial and industrial purposes.

This Fund is financed from the capture of incremental property taxes on properties within the District.

Organizational Fund Structure



Accomplishments

Resource Management:

- Business retention, ombudsmen and new business welcome programs included more than 240 visits to local businesses.
- Consolidated the highly successful Art Challenge and Around the Globe Taste Fest.

Objectives

Resource Management:

- Subject to funding, continue the Right-of-Way (ROW) maintenance program (lawn care and trash pickup).

Financial Summary

	Actual 2014-15	Estimate 2015-16	Budget 2016-17	Increase (Decrease) FY 2015-16 to FY 2016-17	Percent Change
Requirements:					
Other Services and Charges	\$ 18,288	\$ 11,714	\$ 21,306	\$ 9,592	81.9
Capital Outlay	0	0	11,500	11,500	0.0
Transfers	34,303	36,800	15,235	(21,565)	(58.6)
Total	\$ 52,591	\$ 48,514	\$ 48,041	\$ (473)	(1.0)
Resources:					
Property Taxes	\$ 8,169	\$ 38,605	\$ 52,867	\$ 14,262	36.9
Interest/Miscellaneous	0	0	0	0	0.0
Fund Balance	0	9,909	(4,826)	(14,735)	100.0
Total	\$ 8,169	\$ 48,514	\$ 48,041	\$ (473)	(1.0)

Key Issues

- Given the decline in property values and that DDA funding is derived exclusively from incremental growth in real and personal property tax above the 1997 base year, tax revenues have declined 75% over the last six years from \$243,100 in FY 2009-10 to \$48,041 for FY 2016-17.
- The FY 2016-17 Budget includes the following major expenditures:
 - \$ 15,235 - DDA funding match of 10% for the Economic Development Program
 - \$ 5,000 - Right-of-way mowing
 - \$ 3,302 - Public right-of-way trash receptacle program
 - \$ 10,000 - Berm area maintenance
 - \$ 1,000 - Blight removal
- The impact on DDA revenues of the 2012 State legislative repeal of the personal property tax remains unclear, although the recent 2014 legislation to fully replace lost personal property tax revenue does include a component to reimburse Tax Increment Financing (TIF) Districts for lost value and losses due to the exemptions.
- The DDA has started to receive State reimbursement for replacement of repealed personal property tax. In 2015 this reimbursement amount was \$21,129. \$20,100 is budgeted for FY 2017.