

# Downtown Development Authority

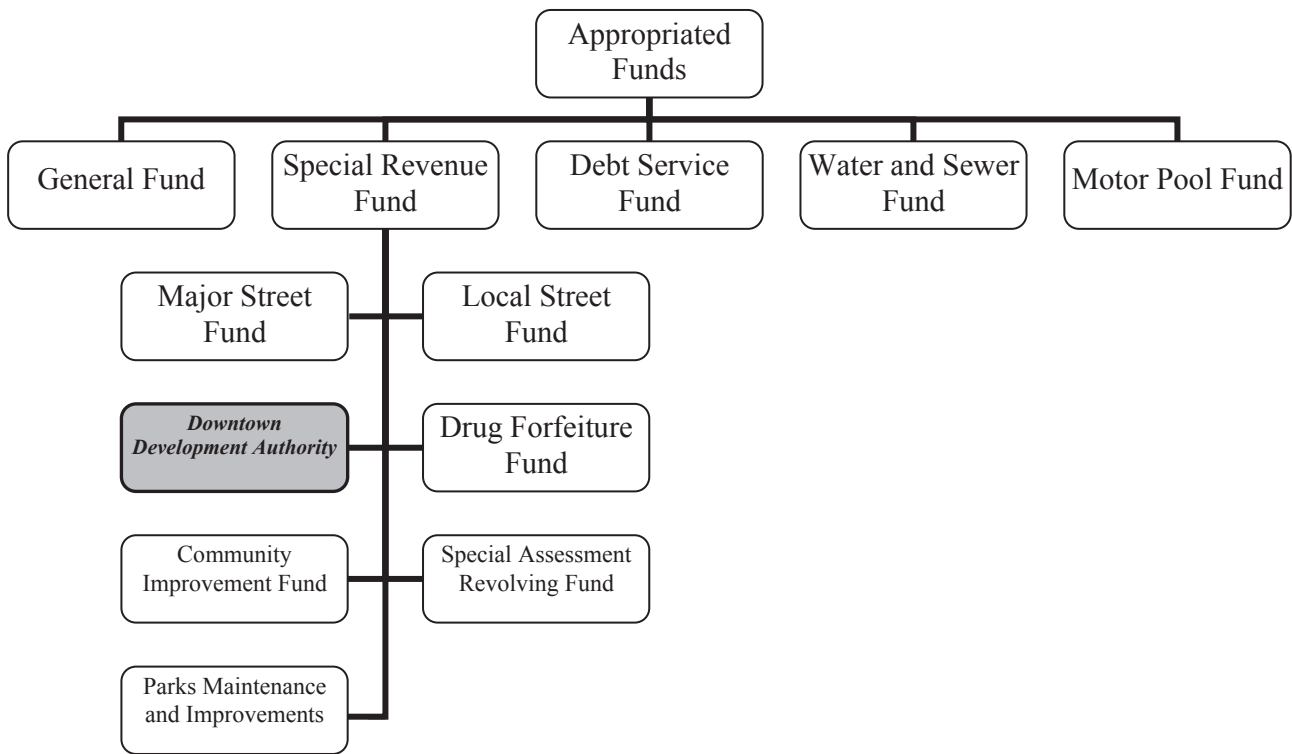
## Statement of Services

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 515 visits to local businesses.
- Two DDA business events held in 2013 - Art Challenge and Around the Globe Taste Fest.

### Objectives

#### Resource Management:

- Consolidate the highly successful Art Challenge and Around the Globe Taste Fest.
- Subject to funding, continue the Right-of-Way (ROW) maintenance program (lawn care and trash pickup).

## Financial Summary

	Actual 2012-13	Estimate 2013-14	Budget 2014-15	Increase (Decrease) FY 2013-14 to FY 2014-15	Percent Change
<b>Requirements:</b>					
Other Services and Charges	\$16,178	\$8,780	\$20,625	\$11,845	134.9
Construction	5,193	0	0	0	0.0
Transfers	55,588	36,300	34,303	(1,997)	(5.5)
Total	\$76,959	\$45,080	\$54,928	\$9,848	21.8
<b>Resources:</b>					
Property Taxes	\$78,734	\$45,080	\$42,485	\$(2,595)	(5.8)
Interest/Miscellaneous	2,850	0	0	0	0.0
Fund Balance	0	0	12,443	12,443	100.0
Total	\$81,584	\$45,080	\$54,928	\$9,848	21.8
Fund Balance	\$48,960	\$48,960	\$36,517	\$(12,443)	(25.4)

### 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 82% over the last four years from \$243,100 in FY 2009-10 to \$42,485 for FY 2014-15.
- The FY 2014-15 Budget includes the following major expenditures:
  - \$ 34,303 - DDA funding match of 25% for the Economic Development Program and code enforcement support
  - \$ 5,000 - Right-of-way mowing
  - \$ 3,302 - Public right-of-way trash receptacle program
- 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.