

DOWNTOWN DEVELOPMENT AUTHORITY

City Ordinance established the Downtown Development Authority (DDA) in April of 1980 with the mission to revitalize Downtown Alpena and implement positive physical, economic, and aesthetic changes in the downtown district. Alpena’s DDA operates in accordance with state law (Public Act 197 of 1975, now Public Act 57 of 2018). The DDA recommends and oversees downtown tax increment financing (TIF) and the levy of an ad valorem tax (2 mill maximum) on all taxable property within the DDA district. The revenue from this ad valorem tax contributes to the operations of the authority, and funding that comes from TIF is invested into major projects and improvements in the downtown district led by the DDA.

The DDA allocates TIF funds following the improvements and projects as identified and outlined in the 2004 Downtown Development and Tax Increment Financing (TIF) Plan (approved by the City of Alpena) and the 2017 Downtown Market Analysis and Strategic Plan. The DDA has further identified priority projects and improvements through its Capital Improvement Projects for the next five years, which have been approved by the DDA Board of Directors, City Council, and Planning Commission.

The DDA received a \$14,350 grant for the Fresh Waves project through the Michigan Arts & Culture Council. While most of this grant was received in FY 2022/2023 (\$12,198), the remainder will be received in FY 2023/2024 (\$2,152), and the project will take place in July and August 2023.

The primary projects that are budgeted for FY 2023/2024 include:

- \$5,000 for downtown planters to rent to businesses (246-728-727.000)
- \$28,500 for Fresh Waves 2023 (246-728-982.200)

Additionally, the DDA has budgeted to continue marketing the downtown district, hosting promotional events, leading economic development activities, and investing in beautification initiatives such as hanging flower baskets, holiday decorations, and downtown maintenance.

The DDA currently has three full time employees: Executive Director, Marketing & Outreach Coordinator and a Parking Attendant and two-three seasonal employees that pick-up trash and cigarette butts throughout the downtown district.

Capital Outlay and Major Projects

Economic Development Fund	246-728-727.000	\$	10,000
Façade Grants - Design	246-728-967.002		5,000
Cap - Land Improvements	246-728-982.200		28,500
TOTAL DDA		\$	43,500

BUDGET REPORT FOR CITY OF ALPENA

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

GL NUMBER	DESCRIPTION	2021-22 ACTIVITY	2022-23 PROJECTED ACTIVITY	2023-24 RECOMMEND BUDGET	2024-25 RECOMMEND BUDGET
Fund: 246 DOWNTOWN DEVELOPMENT AUTHORITY					
ESTIMATED REVENUES					
Dept 000 - GENERAL GOVERNMENT					
246-000-402.000	CURRENT REAL PROPERTY TAXES	0	29,046	29,500	30,000
246-000-402.001	TAX INCREMENTS	140,835	150,425	146,000	146,000
246-000-410.000	CURRENT PERSONAL PROPERTY TA	0	2,100	2,142	2,185
246-000-540.000	STATE GRANTS - MISC	3,687	101,766	2,152	0
246-000-573.000	LOCAL COMM STABILIZATION SHA	5,229	1,334	5,000	5,000
246-000-583.004	LOCAL GRANTS	0	1,500	0	0
246-000-655.001	PARKING FINES	0	2,500	2,500	2,500
246-000-665.000	INTEREST INCOME - INVESTMENTS	3,886	4,540	4,000	4,000
246-000-667.011	PARKING LOT RENTAL	0	5,000	5,000	5,000
246-000-667.012	BIKE RACK RENTAL	0	1,200	1,000	1,000
246-000-674.000	DONATIONS	1,903	1,500	6,500	1,500
246-000-677.000	MISCELLANEOUS	2,554	5,000	5,000	5,000
246-000-687.001	REFUNDS/REBATES	0	546	500	500
Totals for dept 000 - GENERAL GOVERNMENT		158,094	306,457	209,294	202,685
TOTAL ESTIMATED REVENUES		158,094	306,457	209,294	202,685
APPROPRIATIONS					
Dept 223 - EXTERNAL AUDIT					
246-223-801.008	CONTRACT - AUDITORS	0	700	900	900
Totals for dept 223 - EXTERNAL AUDIT		0	700	900	900
Dept 728 - ECONOMIC DEVELOPMENT					
246-728-702.000	SALARIES & WAGES	72,497	105,800	105,000	108,600
246-728-703.000	OVERTIME	0	23	0	0
246-728-709.000	WORKERS COMPENSATION INSUR	997	1,150	1,200	1,250
246-728-710.000	HEALTH INSURANCE	3,330	3,589	3,507	3,858
246-728-712.000	LIFE INSURANCE	104	122	125	125
246-728-713.000	LONG TERM DISABILITY	187	296	322	322
246-728-714.000	FICA	5,494	8,094	8,033	8,308
246-728-716.000	DEFINED CONTRIBUTION	2,662	5,012	3,600	3,720
246-728-717.000	DEFERRED COMP	1,235	1,566	1,733	1,830
246-728-721.000	HSA CONTRIBUTION	1,639	2,235	1,490	1,490
246-728-722.000	INSURANCE OPT-OUT	0	1,000	0	0
246-728-724.000	CONTINUING EDUCATION	1,915	2,200	1,900	1,900
246-728-727.000	SUPPLIES	3,145	8,800	7,800	2,800
246-728-791.000	DUES & SUBSCRIPTIONS	252	650	650	650
246-728-801.000	PROF & CONTRACTUAL	12,613	17,000	1,865	1,865

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Fund: 246 DOWNTOWN DEVELOPMENT AUTHORITY					
APPROPRIATIONS					
Dept 728 - ECONOMIC DEVELOPMENT					
246-728-803.000	COMPUTER ADMIN SERVICES	2,743	2,897	3,437	3,273
246-728-825.000	GENERAL FUND SERVICES	1,073	4,692	4,833	4,978
246-728-850.000	COMMUNICATIONS	840	720	720	720
246-728-880.000	COMMUNITY PROMOTION	9,728	11,000	7,500	7,500
246-728-880.002	BEAUTIFICATION COMMITTEE	22,827	6,500	6,500	6,500
246-728-881.000	ECONOMIC PROMOTION	13,439	87,903	2,000	2,000
246-728-920.000	UTILITIES	1,930	2,000	2,100	2,200
246-728-930.000	REPAIRS & MAINTENANCE	3,494	3,800	3,800	3,800
246-728-932.012	MAINT - DDA SNOW REMOVAL	1,775	1,440	2,000	2,000
246-728-944.000	FIBER OPTIC RENT	232	240	247	255
246-728-953.000	RENTAL	0	2,700	2,700	2,700
246-728-956.007	MISCELLANEOUS - TAXES	0	22	0	0
246-728-961.000	FEES	117	55	50	50
246-728-964.000	REFUND/REBATE	0	120	0	0
246-728-965.000	INSURANCE & BONDS	(51)	299	350	350
246-728-967.002	FACADE GRANTS - DESIGN	5,000	0	5,000	5,000
246-728-982.200	CAP - LAND IMPROVEMENTS	0	10,102	28,500	10,000
Totals for dept 728 - ECONOMIC DEVELOPMENT		169,217	292,027	206,962	188,044
Dept 906 - DEBT SERVICE					
246-906-991.007	LAND ACQUISITION - PRINCIPAL	3,635	3,604	3,798	3,980
246-906-993.000	LAND ACQUISITION - INTEREST	1,636	1,667	1,474	1,291
Totals for dept 906 - DEBT SERVICE		5,271	5,271	5,272	5,271
Dept 966 - TRANSFERS OUT/OTHER FINANCING USES					
246-966-995.248	TRANSFER TO DDA #5	5,755	0	0	0
Totals for dept 966 - TRANSFERS OUT/OTHER FINAN		5,755	0	0	0
TOTAL APPROPRIATIONS		180,243	297,998	213,134	194,215
NET OF REVENUES/APPROPRIATIONS - FUND 246		(22,149)	8,459	(3,840)	8,470
BEGINNING FUND BALANCE		255,682	233,530	245,887	242,047
FUND BALANCE ADJUSTMENTS		0	3,898	0	0
ENDING FUND BALANCE		233,533	245,887	242,047	250,517

PROJECTED FUND BALANCE		
BUDGETED NET OF REVENUES (EXPENDITURES)	6/30/2024	\$ (3,840)
CURRENT EST. OPERATING SURPLUS (DEFICIT)	6/30/2023	\$ 12,357
FUND BALANCE FROM PRIOR YEAR	6/30/2022	\$ 233,530
FUND BALANCE		\$
<u>ASSIGNED</u>		
ECONOMIC DEVELOPMENT		\$ 53,697
<u>UNASSIGNED</u>		
PROJECTED UNASSIGNED FUND BALANCE AT FISCAL YEAR END 2023-24		\$ 188,350
PROJECTED TOTAL FUND BALANCE		\$ 242,047