

Ann Arbor DDA
Fiscal Year 2012/13 Proposed Budget

City Council Work Session, April 9th, 2012

The DDA's Mission

To undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments.



The DDA's Two Revenue Sources

- ▶ Tax Increment Financing
- ▶ Parking Revenues



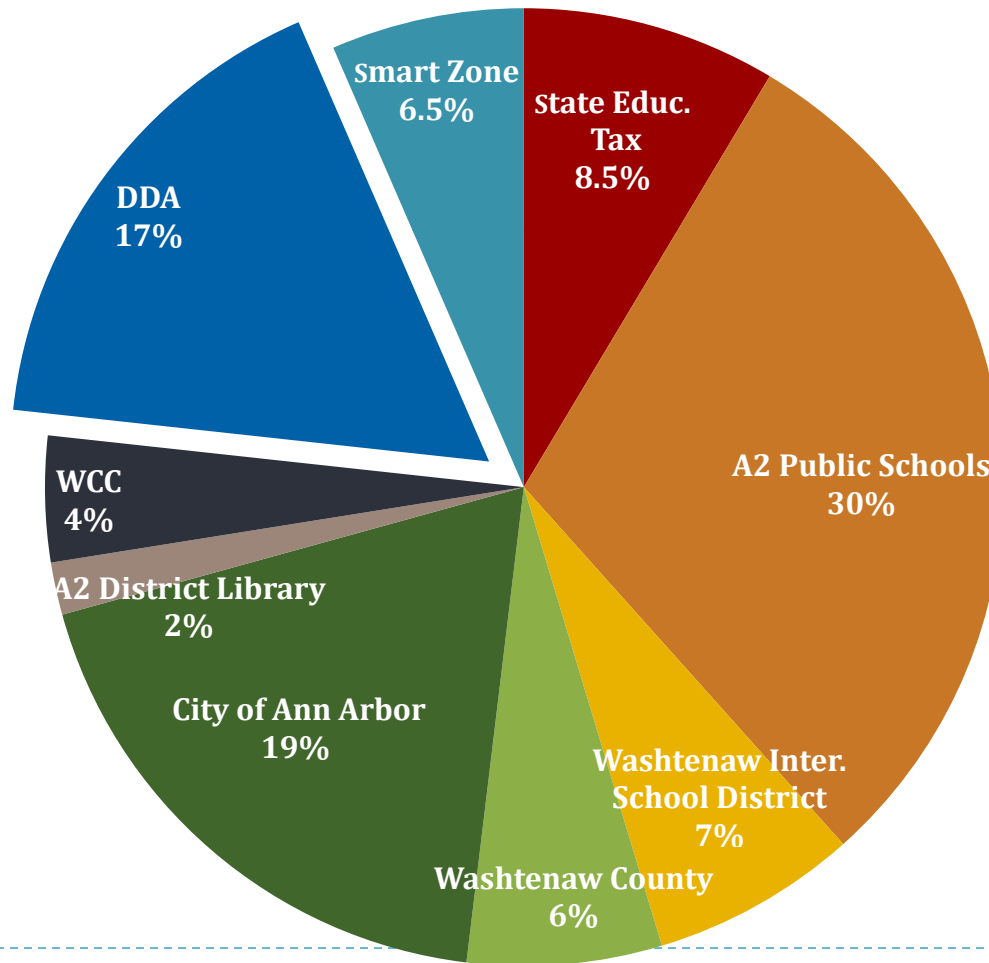
TIF – Tax Increment Financing

- ▶ The DDA's TIF comes from some of the tax increase due to new construction in the DDA area.
- ▶ Taxes collected due to increases in taxable property value because of inflation and property sales go to the City and other taxing authorities, not the DDA.



DDA Captures 17% of Downtown Property Taxes 83% is Captured by Other Taxing Authorities

\$22 Million of Total Tax Capture 2011/12

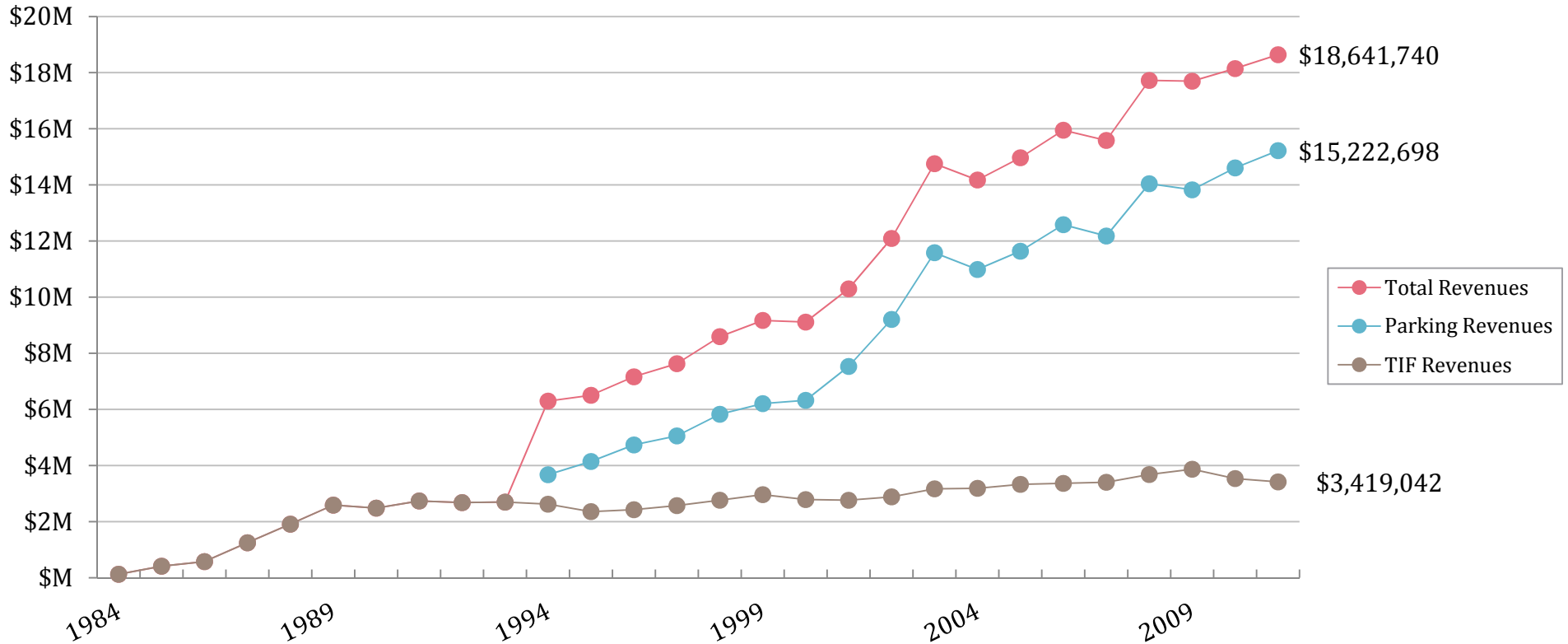


Parking Revenue

- ▶ 1992: DDA took over Operation, Maintenance & Improvement of City Parking Structures & Surface Lots
- ▶ 2002: DDA took over Operation, Maintenance & Improvements of the Parking Meters
- ▶ \$16 Million Total Parking Revenue in 2011/12
- ▶ The City receives 17% of Total DDA Parking Revenue



DDA Revenue Growth 1984-2011



Meeting the DDA Mission with Projects and Programs

- ▶ Over \$100 Million in Downtown Infrastructure Investment
- ▶ Support for City Goals with Grants & Programs
- ▶ City Owns All DDA-Funded Infrastructure Including Parking, Sidewalks, Alleys, Plazas & Lighting



Liberty Plaza Park Improvements



Hanover Park Improvements Corner of Packard and Division

before



after



Sculpture Plaza Improvements Corner of Catherine and Fourth Avenue

before



after



Kempf House Repairs & Improvements



Historic Façade Grants



Grant for Historic Markers



Farmers Market Repairs & Solar Demonstration Project



Demolition of Former YMCA Building Construction Permeable Pavement Parking Lot



Sidewalk Repairs



Curb Ramp Replacements



Extensive Bike & Moped/Scooter Parking

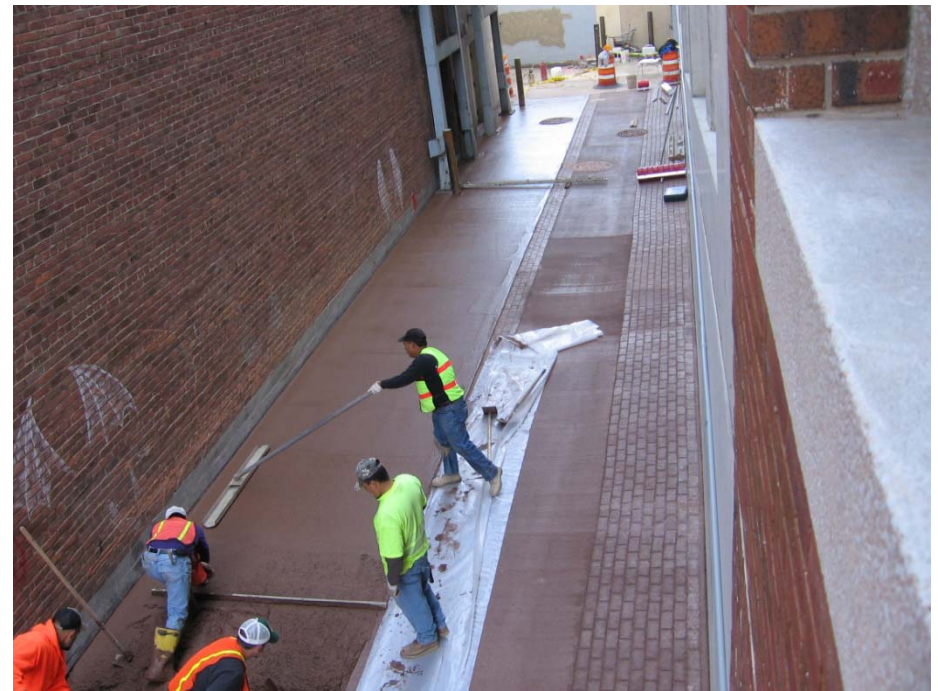


Major Pedestrian-Friendly Alley Repairs

before



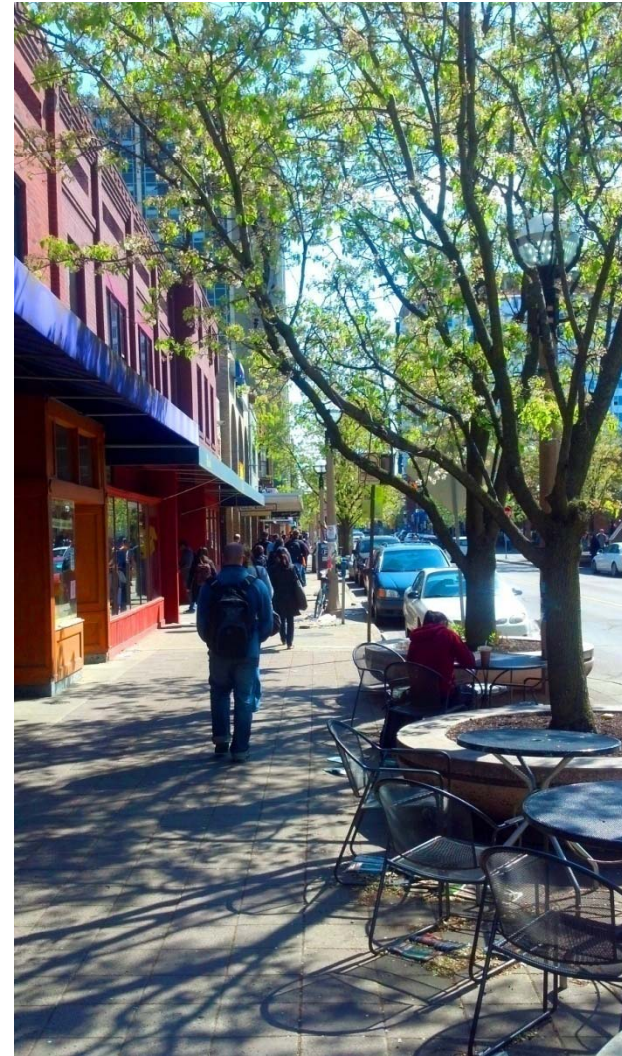
after



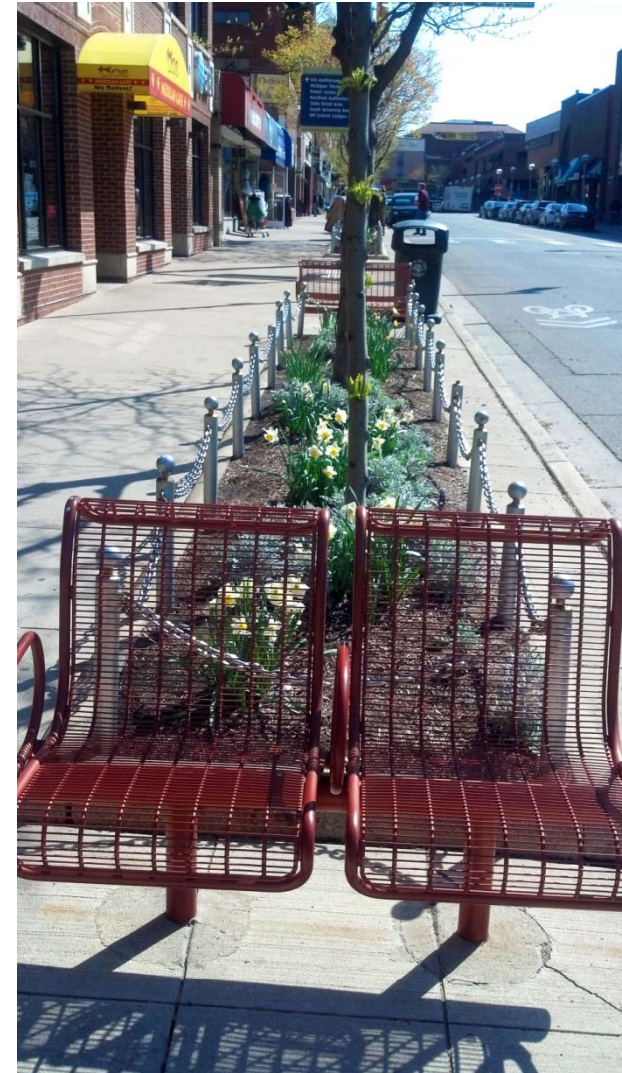
LED Streetlights: First Downtown in the Nation



South University Streetscape Project



State St. Streetscape Project



Washington St. Streetscape Project



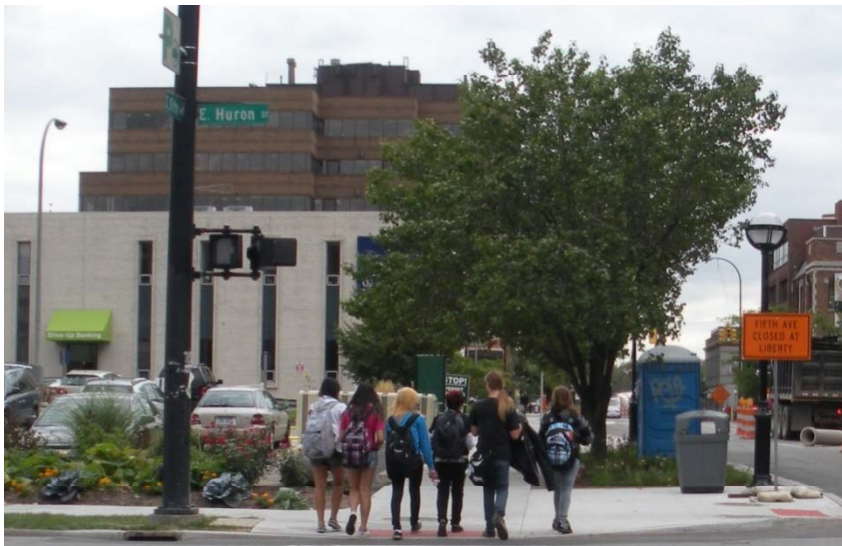
Main St. Streetscape Project



Downtown Wayfinding Design & Installation



Fifth & Division Streetscape Project



City Hall & Fire Station Streetscape Project



City Hall & Fire Station Streetscape Project



Municipal Center & LEED Certification Grant



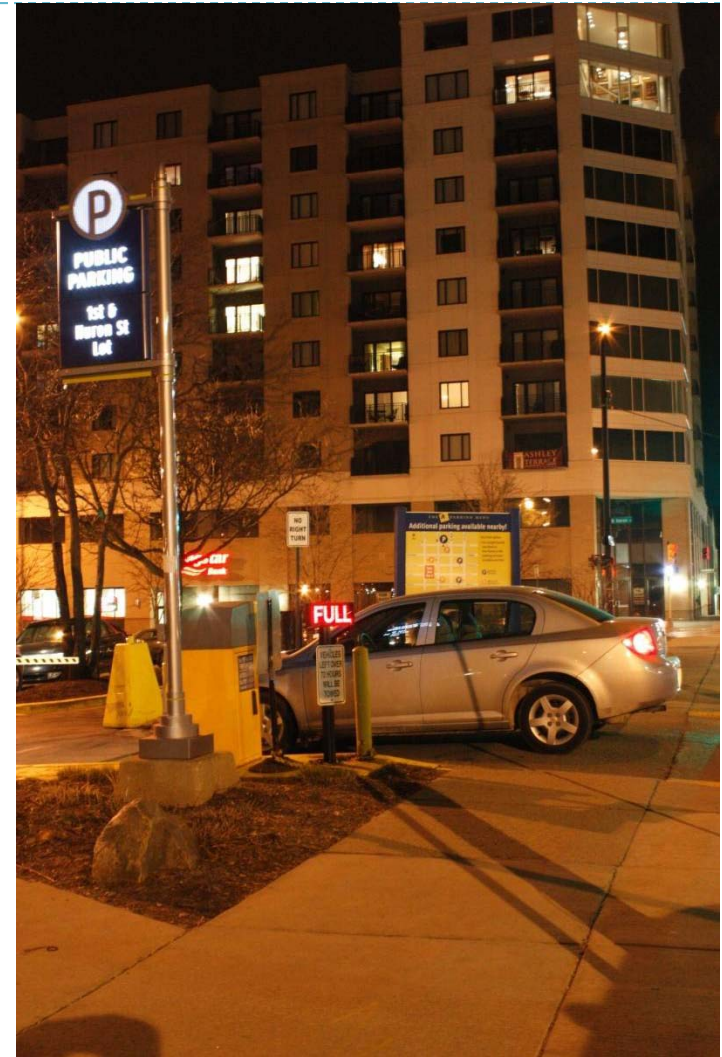
GO! Pass & Get Downtown Program



Energy Saving Grant Program



Parking System Repairs & Improvements



Liberty Square Parking Structure New Construction



Ann-Ashley Parking Structure New Construction



Starting in 1996
Repair or Replacement of
All Parking Structures



Maynard Parking Structure Major Repairs



Fourth & William Parking Structure Addition & Major Repairs



Fourth & Washington Parking Structure Demolition & New Construction



Forest Avenue Parking Structure Demolition & New Construction

Former Forest Structure



New Forest Structure



First & Washington Parking Structure Demolition & Site Redevelopment Preparation



First and Washington Structure New Construction Underway



Starting in 2009
The Library Lane Project



Underground Parking Structure, New Street, Streetscape & Utility Improvements



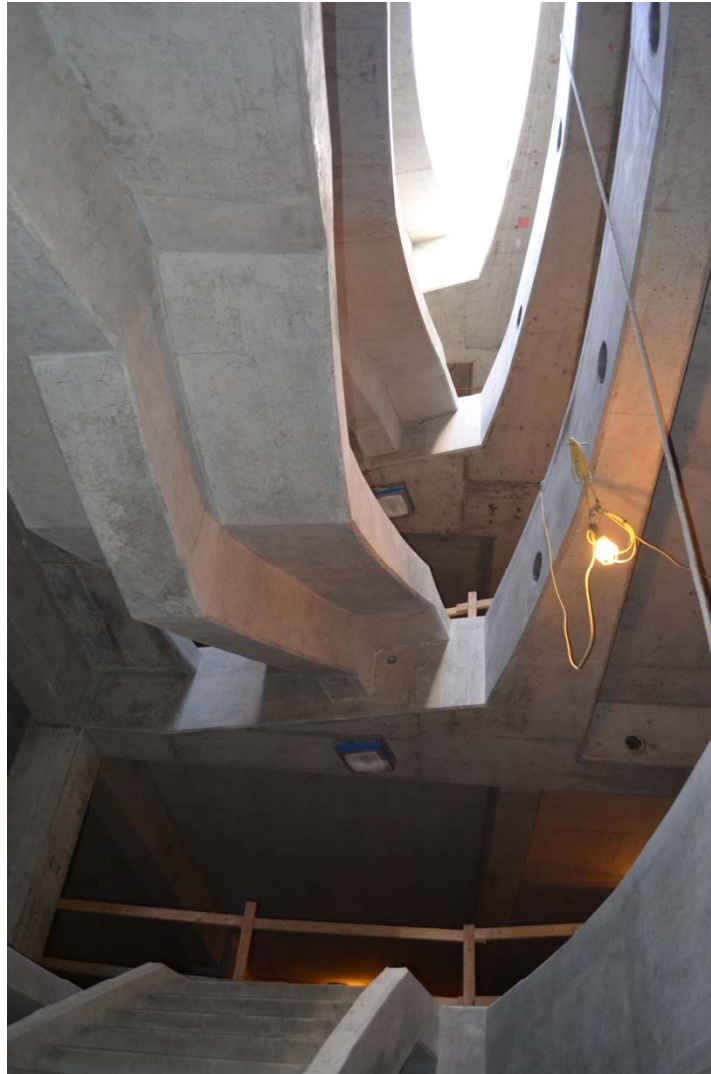
Library Lane Parking Structure Fifth Avenue Stairway - Bottom Level



Library Lane Parking Structure Fifth Avenue Stairway



Library Lane Parking Structure Fifth Avenue Stair



Library Lane Parking Structure Division Street Stairway



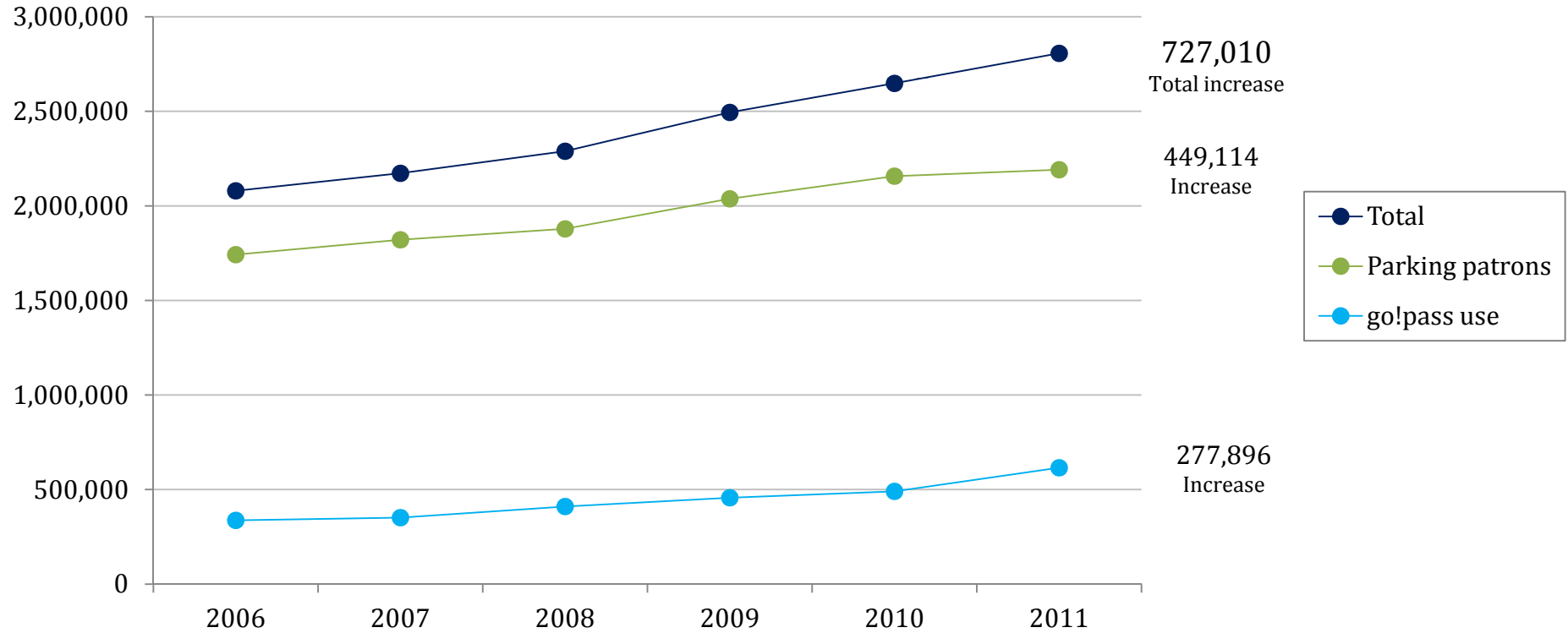
DDA Impacts Since 1982

- ▶ Private Sector has Invested \$300+ Million in Downtown Construction
- ▶ Over 3 Million Square Feet of New Private Construction
- ▶ DDA District Taxable Value Grew From \$89 Million to \$386 Million
- ▶ Four High Rise Developments Currently Under Construction




Five Year Growth of Visits to Downtown

727,000 More Visits in 2011 than 2006



DDA Budget FY 2012-2013

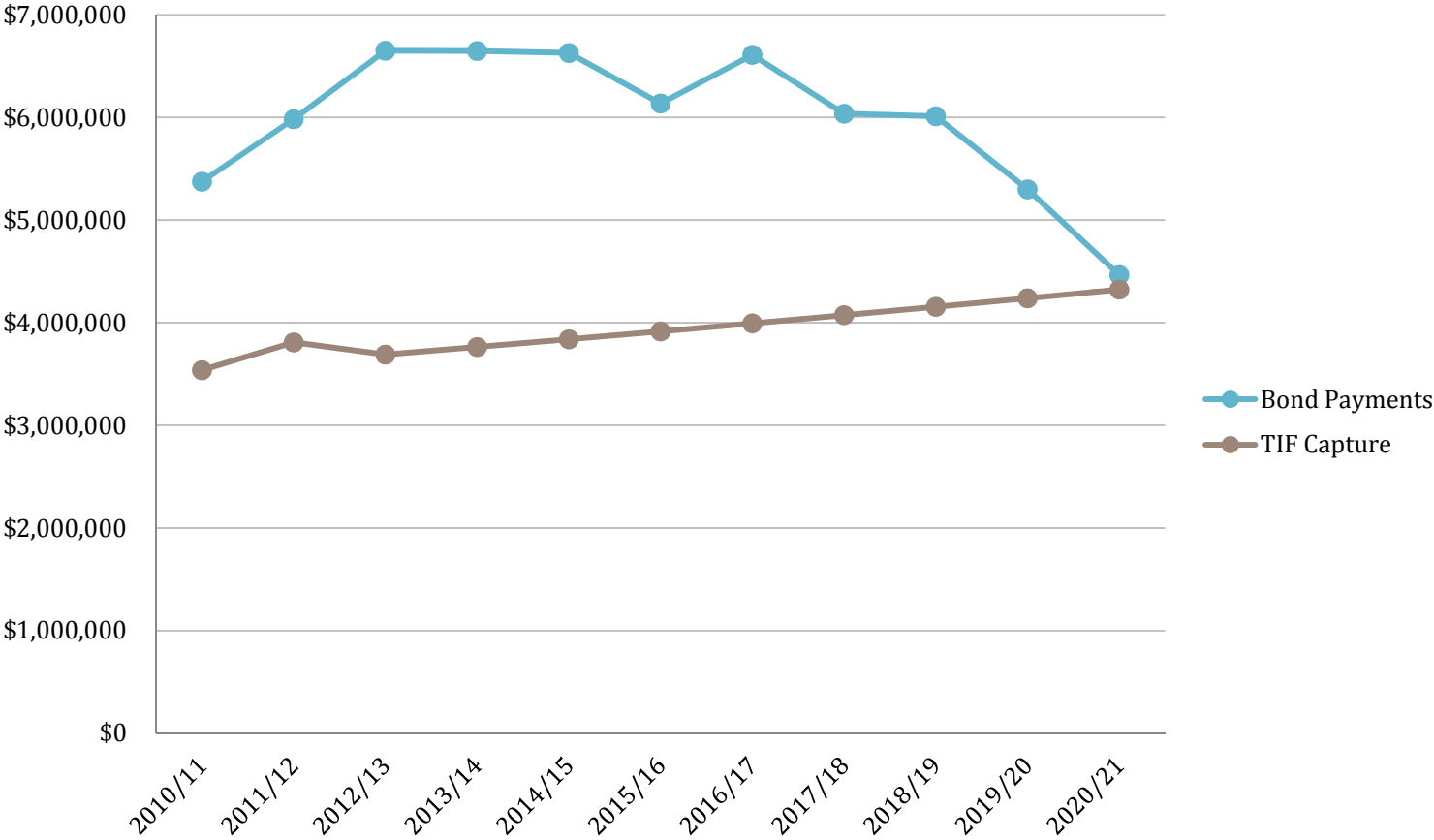


DDA Long Term Planning

- ▶ Major Infrastructure Requires Years of Savings, Followed by Spending on Construction
- ▶ DDA has a 'Ten Year Plan' to Manage these Changes
- ▶ Budget Surpluses in Years With No Construction
- ▶ Budget Deficits in Years With Construction
- ▶ Fund Balance Changes Reflect Saving & Building



DDA TIF & DDA Bond Payments



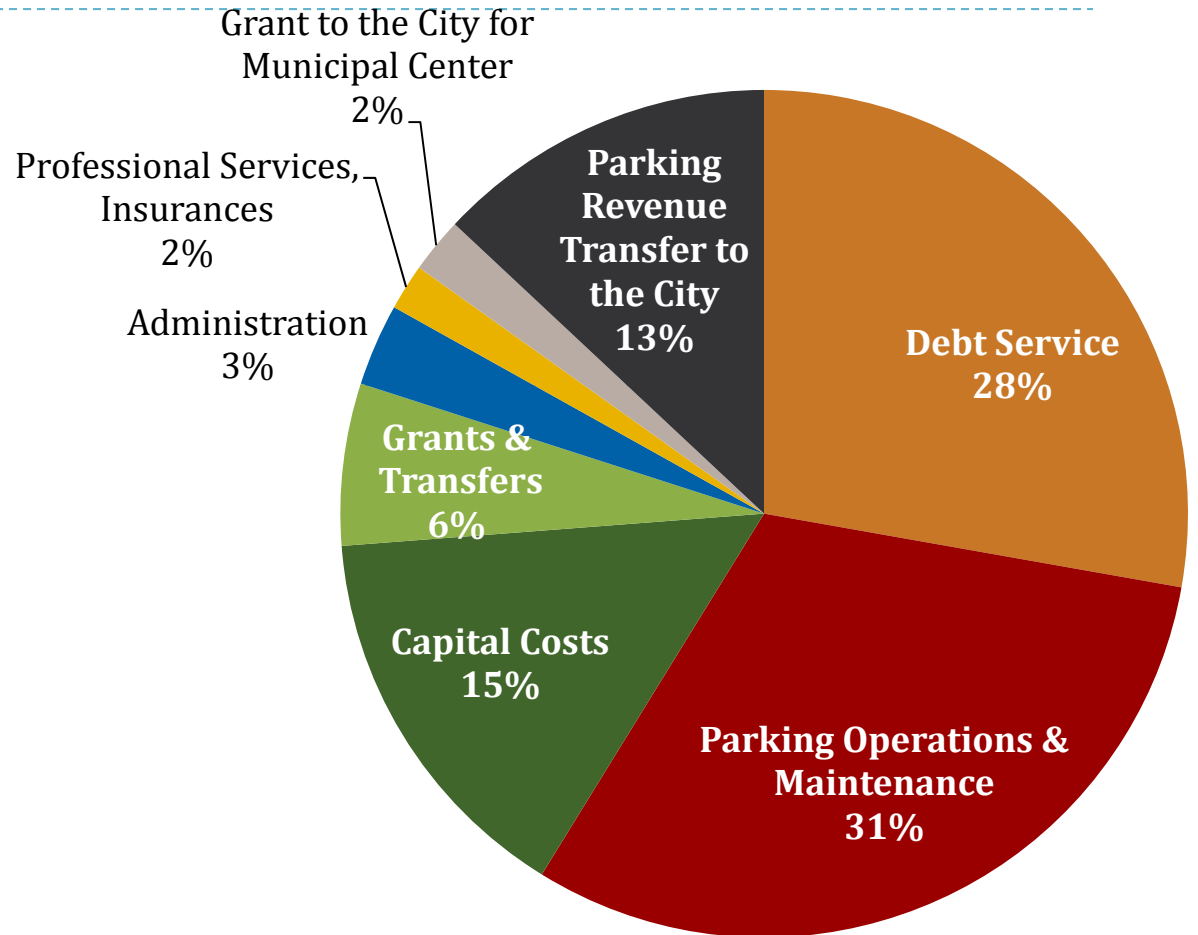
DDA Revenues & Expenditures in 2012/13

2012/13 DDA Revenues

TIF Capture	\$4M
Parking Revenue	\$18M
Total	\$22M

2012/13 DDA Expenses

Debt Service	\$6.7M
Parking Operations	\$7.5M
Capital Costs	\$3.6M
Grants & Transfers	\$1.5M
Administration	\$0.7M
Prof. Services & Insurance	\$0.4M
City Municipal Center Grant	\$0.5M
Parking Rev. Transfer to City	\$3.1M
Total	\$24 M



Major Changes from the FY 2012 Budget

- ▶ Parking revenues increased \$2.0M
- ▶ Parking operations expenses increased \$0.5M
- ▶ Parking capital costs increased \$0.7M
- ▶ Bond payments increased \$0.6M
- ▶ TIF capital costs are reduced (\$0.8M)
- ▶ Fund balances reduced (\$2.0M)



Changes in Fund Balance

- ▶ Planned use of Fund Balance: \$2.0M
- ▶ Remaining Fund Balance end of 2012/13: \$4.4M



Major Upcoming Events

- ▶ First & Washington Parking Structure Construction
 - \$1.6M for Structure
 - \$0.4M for Affordable Housing
 - \$0.7M New Bond Payment

- ▶ Library Lane Parking Structure construction completed & opened to the public

- ▶ Parking rate increase in September



Questions?

