

CITY OF ESCANABA, MICHIGAN

Downtown Development Authority

Comparative Balance Sheet

June 30, 2013 and 2012

	June 30	
	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash and Equivalents	\$3,462	\$3,458
Investments:		
Equity in pooled cash and investments	167,611	167,663
Receivables:		
Accrued Interest	1,187	792
Governmental Units	16,168	7,136
Donations	0	1,000
	<u>\$188,428</u>	<u>\$180,049</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$8,153	\$3,111
Due to Other Funds		
Marina Fund	-	-
	<u>\$8,153</u>	<u>\$3,111</u>
FUND BALANCE:		
Reserved for:		
Prepaid expenses	-	-
Future DDA projects as listed in the TIF Development Plan	\$180,275	\$176,938
	<u>180,275</u>	<u>176,938</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$188,428</u>	<u>\$180,049</u>

# CITY OF ESCANABA, MICHIGAN

## Downtown Development Authority

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

For the Year Ended June 30, 2013

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	\$265,000	\$258,587	(\$6,413)
Miscellaneous:			
Interest Earnings	3,000	3,820	820
Contributions from Private Sources	-	0	0
Other	1,000	2,590	1,590
Gain on Sale of Investments	-	(2,125)	(2,125)
<b>TOTAL REVENUES</b>	<b>\$269,000</b>	<b>\$262,872</b>	<b>(\$6,128)</b>
EXPENDITURES:			
Salaries and Wages	\$55,000	\$43,080	\$11,920
Fringe Benefits	6,000	3,882	2,118
Supplies	2,800	1,280	1,520
Professional Services	33,300	6,054	27,246
Property Rehabilitation Payments	4,000	2,000	2,000
Communications	2,200	2,055	145
Transportation	500	148	352
Public Relations	22,000	18,074	3,926
Printing and Publishing	500	307	193
Insurance and Bonds	1,200	895	305
Public Utilities	3,100	3,055	45
Maintenance of Parking Lots	24,000	24,053	(53)
Repairs/Maintenance of Structures	18,000	17,179	821
Equipment Maintenance	3,000	2,792	208
Lease of Parking Lots	0	0	0
Equipment Rental	3,000	3,002	(2)
Meetings	500	200	300
Capital Outlay - Land & Buildings	90,000	80,773	9,227
Capital Outlay - Equipment	0	0	0
Books, Magazines & Periodicals	200	186	14
Memberships & Dues	500	390	110
Transfer to Marina Fund	4,000	4,000	
Debt Service Payments	46,130	46,130	0
<b>TOTAL EXPENDITURES</b>	<b>\$319,930</b>	<b>\$259,535</b>	<b>\$60,395</b>
EXCESS REVENUES (EXPENDITURES)	(\$50,930)	\$3,337	\$54,267
Beginning Fund Balance	176,938	176,938	0
Ending Fund Balance	<u>\$126,008</u>	<u>\$180,275</u>	<u>\$54,267</u>

CITY OF ESCANABA, MICHIGAN

Downtown Development Authority

Statement of TIF Revenues

**Breakdown of DDA TIF Revenues for the Year ended 6/30/2013**

City of Escanaba	\$157,365
Bay De Noc Community College	30,600
Delta County	46,575
Delta County Sheriff	8,325
Delta Area Transit Authority	5,549
Community Action Agency	5,549
Delta County Central Dispatch Authority	<u>4,624</u>
2012/13 Fiscal Year Tax Collections	<u><u>\$258,587</u></u>

Note: The City of Escanaba DDA does not capture SET.

**For the Year Ended June 30, 2014**

2012 Taxable Value of DDA TIF District	\$22,053,749
Base Value of DDA TIF District	<u>12,457,000</u>
Captured Value	<u><u>\$9,596,749</u></u>

CITY OF ESCANABA, MICHIGAN

Downtown Development Authority

Statement of Bonded Indebtedness

June 30, 2013

Original 1999 Issue \$600,000.00

6.13%

<u>Due Date</u>	<u>1999 Issue</u>		<u>Total Debt Service</u>
	<u>Principal</u>	<u>Interest</u>	
12/13	\$40,000	\$2,452	\$42,452
6/14	-	1,226	1,226
12/14	40,000	1,226	41,226
	<u>\$80,000</u>	<u>\$4,904</u>	<u>\$84,904</u>

## DOWNTOWN DEVELOPMENT AUTHORITY GOALS, OBJECTIVES & ACCOMPLISHMENTS

### **PURPOSE OF REPORT:**

The DDA Rule of Procedure 2.7 requires the DDA Board to review its 2013 year's performance against its 2013 goals & objectives and report its progress to the City Council. The rule also requires the DDA Board to set goals and objectives for 2014. The purpose of this report is to advise the City Council of the DDA's 2013 performance and 2014 goals & objectives.

### **DDA's 2013 Performance:**

#### Completed Projects

- The DDA has continued its curb and sidewalk replacement program. This year the south side of the 1000 block of Ludington Street was completed. The cost of the project was \$26,598.04
- The DDA has continued to follow the Downtown Development Plan that was accepted and included in Escanaba's Master Plan in January of 2012.
- The DDA has enhanced communication to the downtown businesses and the citizens of Escanaba by more fully utilizing social media. We continue to use both written and verbal media to get our message out. The DDA has maintained an open door policy to improve all channels of communication. We are looking for our message to be as transparent as possible to all stake holders.
- We continue to look for ways to improve the curb appeal of downtown. The DDA funds \$2500 worth of flowers that are planted at Ludington & Lincoln Roads to welcome visitors. We fund the cost of the Christmas Garland and its installation for the Christmas season (\$11,000).
- We enhance the ability of downtown visitors to stay connected by providing free wifi access at a cost of \$2500.
- We continue to support & advertise our downtown brand through our Website and many networking opportunities.
- The DDA also continues to promote the downtown marketing & promotional plans through event sponsorship. The past year we have helped sponsor the following events:
  - Mites to Men Junior Hockey Tournament (\$1000)
  - Bay de Noc Homerun event (\$200)
  - Uptoer Fest (\$700)
  - "Black Friday on Tuesday" Christmas Shopping Kickoff (\$3500)
  - Sidewalk Sale Days – (\$1000)
  - Annual Center Court Community Tree Lighting (\$2300)
  - Christmas Parade – Main Sponsor (\$2000)
- The DDA continued the funding for the maintenance of the 8 DDA controlled parking lots. This would include plowing, striping and signage for each lot.
- Two years ago a group of downtown businesses formed a new organization entitled the "Downtown Partners in Business". The DDA has continued to provide administrative support for the group and supplied \$5500 in financial assistance for promotion of downtown events

during 2013. The group's update from Secretary Sue Parker: As we look back upon last year we have noticed many significant changes. Our evening events continue to be a success as well as being promoted thru social media and getting a lot of good press. We do feel that there are several ways we can improve and look forward to the challenges that face us in the upcoming year. Sidewalk Sales have been and continue to be a large draw to the downtown area and we are looking into how we can improve on that event. Also our Hot Summer Nights in August, while not a good evening event for retailers, it did bring extra business to the restaurants and bars. By far our biggest promotion is the Black Friday on Tuesday promotion that we partner with the DDA and they also have the Tree Lighting ceremony. This event surpassed last year by leaps and bounds and we feel it can only get better as we go along. This year was also a record breaking year for businesses participating in the Christmas promotion. Our main goal with this is to promote the Downtown as a whole for all your shopping and entertainment needs. This year we opened up the idea of getting service businesses and others that normally would not have participated by offering them a discounted rate to be included in the advertising. We went from a projected budget of \$10,000, to over \$14,000. This was mainly in part to all the hard work that Peggy Schumann did for us. Many retailers are reporting an increase in sales from the previous year. I can say for a volunteer organization it is really impressive how many business owners are willing to work together to achieve our goals. I look forward to what we can accomplish in 2014 to make our downtown a better place to be enjoyed by all.

- The DDA continues to pay the cost of snow removal for the sidewalks on Ludington from Second Street to Stevenson.
- The DDA provides administrative support for the Farmer's Market, as well as providing electric, water, phone and internet access for bridge cards at the site. We also supply the temporary bathrooms for the market. We have also supported the EskyGrow gardens at the location.
- The DDA is in the final stages of revamping its website. The new site will feature enhanced functionality to allow video and improve the ability to update information regarding downtown events, meeting information, building news and other important links.
- The DDA replaced the corner street signs on Ludington to comply with revised MDOT guidelines. The total cost of the project was approximately \$18,000.
- The DDA replaced the "Welcome to Escanaba" sign at Ludington and Lincoln roads. This included lighting of the sign. Total cost of the project to date is approximately \$39,000.
- The DDA continued support for the Marina Water Basin Management Plan. (\$4000)
- The DDA continues to support the Delta County Chess Club through a middle school program and a tournament held at Center Court.

#### **Goals & Objectives for 2013 - 2014**

1. Downtown Building Façade Improvement Program – The Façade program is available for communities that seek to improve/restore buildings to support movement towards a traditional downtown. Grants are available where improvements can sustain and minimize deterioration

of commercial/mixed-use properties that have a significant impact on the downtown community. The program is administered through the Michigan Economic Development Corporation (MEDC) utilizing funds received from the US Department of Housing and Urban Development (HUD).

The 2013 Façade Program included 7 buildings that received a total of \$124,386 in grants and \$41,468 contributed from the business owners. The 2014 program will include 10 buildings in the preliminary phase of the process as of January 9th. We will look to apply for grants after the initial architectural drawings are completed.

2. Indoor/Outdoor Farmer's Market Building – The DDA has reviewed architectural drawings completed by Barry Polzin for a year-round building for the Farmer's Market during 2013. We have also explored a different location for the market at 117 Stephenson Ave. We have made the decision to look at enhancing the current site of the Farmer's Market. We will be working with Barry Polzin to explore idea's to enhance the current site. This will be a key objective for the team during 2014. We feel the Market has had a positive economic impact. Changes to the current site will allow us to make it a multi-purpose facility for the downtown.
3. Business Incubator Site Strategy – creating a Business Incubator process that could be utilized to grow new businesses downtown is also a key objective for 2014. The plan during 2013 was to have this initiative tied to the Farmer's Market project. The team has decided to make this a stand-alone project and will look for a downtown location to implement this process during 2014.
4. Weather Optimization Program – Michael Larson of Michigan Energy Options has completed 15 energy audits with downtown businesses during 2013. The audits highlight money saving options as well as going green initiatives. The DDA is creating a matching program capped at \$500 for the businesses that take advantage of the audit feedback during 2014. We will continue to supply Michael Larson with businesses to contact for audits during 2014.
5. Streetscape – The DDA is committed to make physical and visual improvements to the downtown district, following our outline in the Downtown Development Plan. During the end of 2013 we attended MEDC sponsored training that was very helpful as we look at our downtown. The training "Redevelopment Ready Cities" outlined new processes and certification needed for grants and reviewed many successful communities' plans to redeveloped, reinvigorate and make meaningful changes to their downtown. 2014 we will be looking to true-up our plan for downtown.
6. National Register for Historic Places – Bill Rutter created the report and presented the Escanaba Central Historic District nomination to the State Review Board in September of 2013. Based on the size and complexity of our nomination we expect our District to have Federal Historic status during the first part of 2014.