



Special Meeting
6:00 p.m., Monday, May 1, 2023
Farmington City Hall
23600 Liberty Street
Farmington, MI 48335

SPECIAL MEETING AGENDA

- 1. Roll Call**
- 2. Approval of Agenda**
- 3. Public Comment**
- 4. Downtown Development Authority Budget Overview**
- 5. Other Business**
- 6. Public Comment**
- 7. Council Comment**
- 8. Adjournment**

**Farmington City Council
Staff Report**

**Council Meeting
Date:**
May 1, 2023

**Item
Number**

4

Submitted by: Kate Knight, DDA Director

Agenda Topic: DDA 2023/24 Budget Presentation

Proposed Motion:

N/A

Background:

This budget was approved by the DDA Board for submittal to the City Council on April 5, 2023.

Please find for your review the proposed budget for the fiscal year beginning July 1, 2023 and ending June 30, 2024.

Please note the following highlights:

- Property tax revenue is projected to increase 9%. (Projected \$468,000 to \$514,525)
- We enter our second year of debt service commitment increases of \$92,000, the DDA's pro rata portion of the Farmington Road Streetscape. This has doubled the DDA's commitment to capital project debt service at \$200,000, since 2021.
- Repairs and Maintenance budget within PSD, increases \$4,000 within projected PSD revenue of at \$280,000.
- \$89,000 in grants and donations related to Dinan Park total \$300,000 from Capital Outlay.
- We are drawing from fund balance by \$256,000, leaving \$118,000.

Materials:

DDA Proposed Budget 2032-24

FUND 248 - DOWNTOWN DEVELOPMENT AUTHORITY FUND

| DESCRIPTION | 2020-21 Actual | 2021-22 Actual | 2022-23 Amended Budget | 2022-23 Projected Activity | 2023-24 Manager Proposed |
|--|-------------------|-------------------|------------------------------|----------------------------------|--------------------------------|
| DOWNTOWN DEVELOPMENT AUTHORITY REVENUES | | | | | |
| Dept 000.00-TIF | | | | | |
| PROPERTY TAXES, OPR, REV | 4,873 | (5,839) | 0 | 0 | 0 |
| PROPERTY TAXES, TWO MILL LEVY | 0 | 0 | 0 | 0 | 0 |
| PROPERTY TAXES, TIFA | 447,670 | 451,062 | 462,000 | 468,000 | 512,327 |
| FEDERAL GRANTS (CAP) | 1,030 | 0 | 0 | 0 | 0 |
| GRANTS, OTHER | 11,792 | 4,500 | 1,000 | 79,600 | 90,397 |
| LOCAL COMMUNITY STABILIZATION APPROP. | 0 | 1,535 | 1,535 | 7,664 | 2,000 |
| CONTRIBUTION, GROVE | 0 | 0 | 0 | 0 | 0 |
| INVESTMENT INCOME | 2,340 | (4,298) | 800 | 20,000 | 4,000 |
| REVENUES, OTHER | 0 | 1,500 | 0 | 0 | 3,000 |
| Total | 467,705 | 448,460 | 465,335 | 575,264 | 611,724 |
| Dept 759.00-PRINCIPAL SHOPPING DISTRICT | | | | | |
| PROPERTY TAXES, TWO MILL LEVY | 45,547 | 45,875 | 47,289 | 47,289 | 50,400 |
| FEDERAL GRANTS | 29,912 | 0 | 0 | 0 | 0 |
| REVENUES, OTHER | 99,822 | 52,163 | 26,630 | 25,016 | 23,000 |
| DDA DISTRICT, SP ASSESSMENT | 186,000 | 188,000 | 200,140 | 200,140 | 206,144 |
| Total | 361,281 | 286,038 | 274,059 | 272,445 | 279,544 |
| Dept 761.00-FOUNDERS FESTIVAL | | | | | |
| REVENUES, OTHER | 10,000 | 10,000 | 10,000 | 0 | 0 |
| Total | 10,000 | 10,000 | 10,000 | 0 | 0 |
| Dept 762.00-ART ON THE GRAND | | | | | |
| VENDOR FEES | 450 | 1,590 | 1,350 | 1,350 | 1,350 |
| SPONSORSHIPS | 4,950 | 4,950 | 5,500 | 5,500 | 5,500 |
| REVENUES, OTHER | 3,631 | 4,356 | 3,600 | 4,300 | 4,300 |
| Total | 9,031 | 10,896 | 10,450 | 11,150 | 11,150 |

FUND 248 - DOWNTOWN DEVELOPMENT AUTHORITY FUND

| DESCRIPTION | 2020-21 Actual | 2021-22 Actual | 2022-23 Amended Budget | 2022-23 Projected Activity | 2023-24 Manager Proposed |
|--|-------------------|-------------------|------------------------------|----------------------------------|--------------------------------|
| Dept 764.00-HARVEST MOON CELEBRATION | | | | | |
| CONCESSION, HARVEST MOON | 0 | 38,690 | 20,000 | 43,029 | 25,000 |
| ADMISSIONS, HARVEST MOON | 10 | 30,650 | 15,000 | 33,008 | 20,000 |
| SPONSORSHIPS | 1,500 | 5,400 | 4,000 | 4,200 | 6,600 |
| REVENUES, OTHER | 0 | 1,811 | 1,350 | 700 | 1,350 |
| Total | 1,510 | 76,551 | 40,350 | 80,937 | 52,950 |
| Dept 766.00-RHYTHMZ IN RILEY PARK | | | | | |
| SPONSORSHIPS | 700 | 19,136 | 21,850 | 11,000 | 36,000 |
| Total | 700 | 19,136 | 21,850 | 11,000 | 36,000 |
| Dept 767.00-BUILDING RENTAL | | | | | |
| RENTAL FEES | 40,135 | 25,530 | 41,940 | 28,000 | 30,600 |
| REVENUES, OTHER | 287 | 380 | 0 | 0 | 0 |
| Total | 40,422 | 25,910 | 41,940 | 28,000 | 30,600 |
| Dept 768.00-LUNCH BEATS | | | | | |
| SPONSORSHIPS | 2,000 | 1,527 | 4,100 | 4,100 | 6,375 |
| REVENUES, OTHER | 0 | 13 | 0 | 3 | 0 |
| Total | 2,000 | 1,540 | 4,100 | 4,103 | 6,375 |
| Dept 769.00 - GRAND RAVEN FESTIVAL | | | | | |
| SPONSORSHIPS | 10,000 | 12,400 | 13,500 | 13,500 | 13,500 |
| REVENUES, OTHER | 3,704 | 550 | 600 | 567 | 600 |
| Total | 13,704 | 12,950 | 14,100 | 14,067 | 14,100 |
| Dept 770.00 - COMMUNITY FOUNDATION | | | | | |
| GRANTS, OTHER | 0 | 3,000 | 0 | 0 | 0 |
| CONTRIBUTIONS HARVEST MOON | 0 | 7,000 | 0 | 0 | 0 |
| Total | 0 | 10,000 | 0 | 0 | 0 |
| TOTAL DOWNTOWN DEVELOPMENT AUTHORITY REVENUES | 906,353 | 901,481 | 882,184 | 996,966 | 1,042,443 |

FUND 248 - DOWNTOWN DEVELOPMENT AUTHORITY FUND

| DESCRIPTION | 2020-21 Actual | 2021-22 Actual | 2022-23 Amended Budget | 2022-23 Projected Activity | 2023-24 Manager Proposed |
|--|-------------------|-------------------|------------------------------|----------------------------------|--------------------------------|
| DOWNTOWN DEVELOPMENT AUTHORITY EXPENDITURES | | | | | |
| Dept 000.00-TIF | | | | | |
| SALARIES, FULL TIME | 74,970 | 78,857 | 82,515 | 82,515 | 86,641 |
| SALARIES, DC RETIREE HEALTH CARE | 2,100 | 2,100 | 2,100 | 2,100 | 2,100 |
| SALARIES, PART-TIME/TEMP | 21,331 | 29,382 | 30,668 | 31,015 | 39,175 |
| SALARIES, OVERTIME | 0 | 375 | 0 | 0 | 0 |
| SALARIES, ACCRUED BENEFITS | (1,024) | (669) | 613 | 848 | 941 |
| LONGEVITY PAY | 0 | 260 | 325 | 325 | 390 |
| PYMT IN LIEU OF HOSP INS | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 |
| FICA, EMPLOYER'S SHARE | 7,585 | 8,593 | 9,120 | 9,164 | 10,113 |
| COMPREHENSIVE MEDICAL INSURANCE | 1,084 | 1,090 | 1,362 | 1,423 | 1,535 |
| LIFE INSURANCE | 138 | 171 | 192 | 192 | 202 |
| LONG TERM DISABILITY | 113 | 132 | 176 | 176 | 185 |
| WORKMEN'S COMPENSATION INS | 299 | 257 | 414 | 82 | 87 |
| CONTRIBUTION, PENSION | 15,812 | 19,693 | 20,721 | 24,771 | 35,104 |
| OFFICE SUPPLIES | 1,149 | 314 | 800 | 1,248 | 1,281 |
| POSTAGE, METER | 372 | 140 | 200 | 200 | 200 |
| PROFESSIONAL SERVICES | 47,411 | 71,219 | 16,850 | 26,850 | 51,275 |
| CONTRACTUAL SERVICES | 20,141 | 25,745 | 25,000 | 27,800 | 31,800 |
| TELECOMMUNICATIONS | 1,154 | 1,761 | 1,750 | 1,750 | 1,200 |
| TRANSPORTATION | 69 | 323 | 500 | 500 | 500 |
| RENTALS | 3,570 | 0 | 0 | 0 | 0 |
| MISCELLANEOUS EXPENSE | 367 | 286 | 2,000 | 2,000 | 2,000 |
| MEMBERSHIPS, SUBSCRIPTIONS | 997 | 1,249 | 825 | 985 | 1,060 |
| PROFESSIONAL DEV, CONFERENCES | (138) | 7,271 | 7,480 | 7,480 | 8,850 |
| B3-FARM-2020 | 0 | 274 | 0 | 0 | 0 |
| CONTINGENCY | 0 | 0 | 0 | 0 | 0 |
| CONTRIBUTION-STREETScape | 0 | 0 | 0 | 0 | 0 |
| DEPRECIATION EXPENSE | | | 0 | 0 | 0 |
| DEPRECIATION EXPENSE | 0 | 0 | 0 | 0 | 0 |
| CAPITAL OUTLAY | 33,507 | 27,393 | 58,362 | 122,000 | 346,000 |
| DEBT SERVICE | 96,184 | 105,757 | 200,962 | 207,654 | 208,673 |
| Total | 329,591 | 384,373 | 465,335 | 553,478 | 831,712 |

FUND 248 - DOWNTOWN DEVELOPMENT AUTHORITY FUND

| DESCRIPTION | 2020-21 Actual | 2021-22 Actual | 2022-23 Amended Budget | 2022-23 Projected Activity | 2023-24 Manager Proposed |
|--|-------------------|-------------------|------------------------------|----------------------------------|--------------------------------|
| Dept 759.00-PRINCIPAL SHOPPING DISTRICT | | | | | |
| SALARIES, PART-TIME/TEMP | 1,067 | 5,818 | 7,830 | 8,140 | 8,140 |
| FICA, EMPLOYER'S SHARE | 82 | 445 | 514 | 514 | 514 |
| PROFESSIONAL SERVICES | 0 | 0 | 0 | 0 | 0 |
| SEASONAL DECORATIONS,GARDENING | 98,087 | 38,277 | 40,600 | 29,600 | 23,200 |
| CONTRACTUAL SERVICES | 45,471 | 44,699 | 45,600 | 45,600 | 47,880 |
| COMMUNITY PROMOTION | 66,079 | 46,078 | 46,916 | 50,900 | 53,600 |
| BUSINESS DEVELOPMENT | 0 | 4,098 | 4,000 | 4,000 | 4,000 |
| VOLUNTEER MANAGEMENT | 1,790 | 5,917 | 4,000 | 4,000 | 4,000 |
| PUBLIC UTILITIES | 23,976 | 18,181 | 27,500 | 27,500 | 27,500 |
| REPAIRS & MAINTENANCE | 114,597 | 109,472 | 97,099 | 142,099 | 147,300 |
| Total | 351,149 | 272,985 | 274,059 | 312,353 | 316,134 |
| Dept 761.00-FOUNDERS FESTIVAL | | | | | |
| CONTRACTUAL SERVICES | 10,000 | 10,000 | 10,000 | 0 | 0 |
| Total | 10,000 | 10,000 | 10,000 | 0 | 0 |
| Dept 762.00-ART ON THE GRAND | | | | | |
| COMMUNITY PROMOTION | 3,360 | 910 | 4,050 | 4,250 | 600 |
| ENTERTAINMENT | 700 | 2,900 | 3,500 | 3,500 | 3,500 |
| EQUIPMENT RENTAL | 2,557 | 3,216 | 2,900 | 3,400 | 3,400 |
| MISCELLANEOUS EXPENSE | 0 | 4,528 | 0 | 0 | 3,650 |
| Total | 6,617 | 11,554 | 10,450 | 11,150 | 11,150 |
| Dept 764.00-HARVEST MOON CELEBRATION | | | | | |
| CONCESSION SUPPLIES | 0 | 17,554 | 9,172 | 20,809 | 20,000 |
| CONTRACTUAL SERVICES | 0 | 2,700 | 2,800 | 2,800 | 6,000 |
| COMMUNITY PROMOTION | 26 | 2,937 | 3,400 | 3,409 | 3,600 |
| ENTERTAINMENT | 0 | 8,950 | 9,000 | 10,024 | 10,100 |
| EQUIPMENT RENTAL | 0 | 7,374 | 8,600 | 7,823 | 8,800 |
| MISCELLANEOUS EXPENSE | (300) | 5,334 | 7,378 | 4,539 | 4,450 |
| CONTRIBUTION, COMMUNITY FOUNDATION | 0 | 7,000 | 0 | 0 | 0 |
| Total | (274) | 51,849 | 40,350 | 49,404 | 52,950 |

FUND 248 - DOWNTOWN DEVELOPMENT AUTHORITY FUND

| DESCRIPTION | 2020-21 Actual | 2021-22 Actual | 2022-23 Amended Budget | 2022-23 Projected Activity | 2023-24 Manager Proposed |
|--|-------------------|-------------------|------------------------------|----------------------------------|--------------------------------|
| Dept 766.00-RHYTHMZ IN RILEY PARK | | | | | |
| CONTRACTUAL SERVICES | 2,880 | 8,587 | 10,500 | 10,500 | 12,600 |
| COMMUNITY PROMOTION | 636 | 4,488 | 2,250 | 2,250 | 4,400 |
| ENTERTAINMENT | 0 | 7,625 | 9,100 | 9,100 | 19,000 |
| Total | 3,516 | 20,700 | 21,850 | 21,850 | 36,000 |
| Dept 767.00-BUILDING RENTAL | | | | | |
| PROFESSIONAL SERVICES | 4,734 | 5,411 | 5,202 | 5,202 | 5,021 |
| CONTRACTUAL SERVICES | 11,155 | 11,226 | 16,590 | 12,001 | 12,698 |
| PUBLIC UTILITIES | 126 | 1,481 | 525 | 525 | 525 |
| MAINT, BUILDING & GROUNDS | 3,271 | 7,257 | 6,292 | 6,292 | 6,607 |
| CONTRIBUTION INS & BONDS | 542 | 550 | 573 | 573 | 647 |
| CAPITAL OUTLAY, BUILDINGS | 0 | 8,880 | 5,000 | 5,000 | 5,000 |
| Total | 19,828 | 34,805 | 34,182 | 29,593 | 30,498 |
| Dept 768.00-LUNCH BEATS | | | | | |
| CONTRACTUAL SERVICES | 250 | 850 | 1,200 | 1,700 | 2,100 |
| COMMUNITY PROMOTION | 363 | 3,745 | 1,380 | 2,500 | 2,350 |
| ENTERTAINMENT | 0 | 1,135 | 1,520 | 1,135 | 1,925 |
| Total | 613 | 5,730 | 4,100 | 5,335 | 6,375 |
| Dept 769.00 - GRAND RAVEN FESTIVAL | | | | | |
| COMMUNITY PROMOTION | 1,842 | 1,822 | 1,875 | 2,171 | 1,875 |
| EVENTS | 6,110 | 12,654 | 4,375 | 3,983 | 5,300 |
| MISCELLANEOUS EXPENSE | 4,634 | 10,378 | 7,850 | 5,273 | 6,925 |
| Total | 12,586 | 24,854 | 14,100 | 11,427 | 14,100 |
| Dept 770.00 - COMMUNITY FOUNDATION | | | | | |
| CONTRIBUTION, COMMUNITY FOUNDATION | 0 | 10,000 | 0 | 0 | 0 |
| Total | 0 | 10,000 | 0 | 0 | 0 |
| TOTAL DOWNTOWN DEVELOPMENT AUTHORITY EXPENDITURES | 733,626 | 826,850 | 874,426 | 994,590 | 1,298,919 |

FUND 248 - DOWNTOWN DEVELOPMENT AUTHORITY FUND

| DESCRIPTION | 2020-21 Actual | 2021-22 Actual | 2022-23 Amended Budget | 2022-23 Projected Activity | 2023-24 Manager Proposed |
|--|-------------------|-------------------|------------------------------|----------------------------------|--------------------------------|
| Surplus/(Deficit) | 172,727 | 74,631 | 7,758 | 2,376 | (256,476) |
| BEGINNING FUND BALANCE | 131,151 | 303,878 | 372,229 | 372,229 | 374,605 |
| TRANSFER FROM RESTRICTED FUND BALANCE | | (6,280) | | | |
| ENDING FUND BALANCE | 303,878 | 372,229 | 379,987 | 374,605 | 118,129 |

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