



AGENDA - Downtown Development Authority

DATE: June 12, 2024 7:00 PM City Council Chambers

- I. Call to Order
- II. Roll Call
- III. Informational Meeting of the DDA
 - I. Public Comment
 - II. Overview of Annual Activities
 - III. Adjournment of Informational Meeting
- IV. Regular Meeting
- V. Approval of Meeting Minutes
 - I. Approval of April 16 Meeting Minutes
- VI. Public Comment (Agenda Items)
- VII. Unfinished Business
- VIII. New Business
 - I. Tax Increment Financing Revenue Capture Agreement
- IX. Public Comment (Non-Agenda Items)
- X. Adjournment

Public Comment: Public Comments are limited to three minutes.

Live Stream: The meeting will be livestreamed to the Official City of Grosse Pointe Park YouTube Channel.



DOWNTOWN DEVELOPMENT AUTHORITY MEETING

DATE: June 12, 2024

SUBJECT: Overview of Annual Activities

SUMMARY: Pursuant to PA 57 of 2018, the DDA is required to hold two informational meetings per year. This is the 1st information meeting of 2024, and this report summarizes DDA activities and accomplishments since the December 12, 2023 DDA Meeting.

Fiscal Year 24-25 Budget

The DDA Fiscal Year proposed 2024-2025 budget includes approximately \$122,400 from captured property taxes. New budgeted items for this Fiscal Year include Printing Services for DDA Letterhead and Envelopes, Maintenance & Repair Land Improvements around City Hall for overhead light replacement and a breakout of Engineering and other professional services for the Civic Campus project. The DDA proposes a continuation to budget for Green Infrastructure in the Fiscal Year; DDA Legal Services with McGraw Morris to act as Legal Counsel, an inflation increase in funds for landscape/maintenance of the Jefferson boulevards and islands, a continuation to budget for the Civic Campus Project, an increase for wages and fringes of the DDA Director.

Facade Improvement Program

One of the many opportunities with a Downtown Development Authority is the ability to administer grant programs for the district. The DDA distributed grants during the COVID-19 pandemic as well as business improvement grants thereafter. The DDA continued with a facade improvement grant program or FIG for short for the remaining portion of the 23-24 Fiscal Year. The goal of the Facade Improvement Program is to provide financial assistance to local businesses to meet economic and beautification goals throughout the DDA District and. Only businesses located within the DDA District are eligible for the program. Eligible projects may include but not limited to lighting, painting and other building beautification, outside architectural enhancements including increased accessibility and signage. Applicants must review code compliance and check with the building department prior to start of the project with a maximum of \$2,500.

Jima Studio Design Rendering

The DDA submitted an RFP to review the Civic Campus of City Hall, Public Safety building and the library for the future potential of what our campus could become. After numerous meetings, discussions including an open house earlier this year Jima Studios completed our Civic Campus. Jima completed a site analysis and engagement summary including comments and suggestions from residents as well as the vision and design for the future. The next steps in this process will be the DDA reviewing the vision, look for potential funding opportunities, grants and partnerships, setting realistic expectations

over a multiyear plan and budgeting for upcoming fiscal years.

FINANCIAL IMPACT: No Financial Impact

RECOMMENDATION: Review Annual Activity Summary

PREPARED BY: Nick Sizeland, City Manager

Downtown Development Authority MEETING – April 16, 2024
7:00 PM

CALL TO ORDER

Roll Call

The following were present- Board members Wixson, Ochab, Corbin, Farhat, Hodges, Kilgus and Horne

Also Present: Nick Sizeland, DDA Director and City Manager; and Kevin Kilby, DDA Attorney

Excused Board members: Kretzschmar

Chairman Wixson announced Boardmember Turnbull resigned from the Board and thanked her for service to the DDA

APPROVAL OF December 12th 2023 MEETING MINUTES

Motion by Wixson, Seconded by Ochab to approve the December 12th Meeting Minutes.

Ayes: All

Nays: None

PUBLIC COMMENT AGENDA ITEMS

NONE

UNFINISHED BUSINESS

No Unfinished Business

NEW BUSINESS

Budget Review Fiscal Year 24-25

DDA Director Sizeland presented an overview of the proposed 2024-2025 Fiscal year Budget for the DDA's consideration. The DDA Fiscal Year proposed 2024-2025 budget will include approximately \$122,400 from captured property taxes. New budgeted items

for this Fiscal Year include Printing Services for DDA Letterhead and Envelopes, Maintenance & Repair Land Improvements around City Hall for overhead light replacement and a breakout of Engineering and other professional services for the Civic Campus project. The DDA proposes a continuation to budget for Green Infrastructure in the Fiscal Year; DDA Legal Services with McGraw Morris to act as Legal Counsel, an inflation increase in funds for landscape/maintenance of the Jefferson boulevards and islands, a continuation to budget for the Civic Campus Project, an increase for wages and fringes of the DDA Director.

Motion by Wixson, Seconded by Corbin to adopt Fiscal Year 24-25 Budget

Closed Session

Motion by Wixson, Seconded by Horne to go into Closed Session Pursuant to MCL 15.268(1)(h) to consider information exempt from discussion by state or federal law

Ayes: All

Nays: None

DDA returned to open session at 9:20pm, Motion by Wixson and Seconded by Corbin to proceed as discussed in closed session

Ayes: All

Nays: None

PUBLIC COMMENT NON AGENDA

NONE

ADJOURMENT

Motion by Board member Corbin, seconded by Wixson, to adjourn the meeting Ayes: All

The Meeting ended at 9:20PM



DOWNTOWN DEVELOPMENT AUTHORITY MEETING

DATE: June 12, 2024

SUBJECT: Tax Increment Financing Revenue Capture Agreement

SUMMARY: The DDA currently does not collect 3 special city millages, including a road millage, a public safety millage and an infrastructure millage. Historically when these millages were adopted the DDA elected to not collect the millages as these services are a direct benefit to the DDA from the City such as road repair, public safety and water/sewer repairs.

Since the time of adoption of the millage the DDA has been sharing these millage back with the city informally. As a best practice the DDA should formalize the sharing of these millage back to the city so that both parties clearly understand the rights and obligations of this decision by the DDA

Informally and once adopted the municipal and county treasurers transmit to the DDA tax increment revenues as set forth in 215(1) of 2018 PA 57, being MCL § 125.4215(1). Thereafter, on a date or dates determined by the DDA, the DDA shall provide the City with a check for each of the Millages it has captured based upon the rate for each of the Millages set forth in Article III herein. The City shall thereafter ensure that shared revenue is deposited into the correct account at the City and spent only on purpose that the electors approved the Millages to be use for when they were approved.

FINANCIAL IMPACT: No Financial Impact

RECOMMENDATION: Motion to approve the Tax Increment Revenue Capture Agreement as presented

PREPARED BY: Nick Sizeland, City Manager

TAX INCREMENT FINANCING REVENUE CAPTURE AGREEMENT

This Tax Increment Financing Revenue Capture Agreement (“Agreement”) dated January 1, 2024, is entered into by and between the City of Grosse Pointe Park Downtown Development Authority, a Michigan public body corporate, whose address is 15115 East Jefferson Avenue, Grosse Pointe Park, Michigan 48230 (hereinafter the “DDA”) and the City of Grosse Pointe Park, a Michigan Home Rule city, whose address is 15115 East Jefferson Avenue, Grosse Pointe Park, Michigan 48230 (hereinafter the “City”). The DDA and the City are sometimes hereinafter referred to as the parties or the party if in the singular.

RECITALS

Whereas, as more fully set forth in Article III of this Agreement, the electors of the City voted in three (3) special millages, including a road millage, a public safety millage, and an infrastructure millage (hereinafter collectively referred to as the “Millages”);

Whereas, when the Millages were adopted, the DDA Board decided not to collect the Millages as the Millages are used to provide services directly to or for infrastructure within the DDA district;

Whereas, since the time of adoption of the Millages, the DDA has been sharing these Millages back to the City informally;

Whereas, the DDA has decided to formalize the sharing of these Millages back to the City so that both parties clearly understand the rights and obligations of this decision by the DDA; now

Therefore, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

Article I Adoption of Recitals

All of the matters stated in the Recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement as though fully set forth in their entirety herein, provided that in cases of conflict, provisions of this Agreement shall control over matters stated in the recitals.

Article II Right to Capture the Millages

As the City did not or was not allowed to opt out of the DDA district it is subject to having its tax increment financing revenue captured by the DDA. Section 201 of 2018 PA 57, as amended, being MCL § 125.4201(cc) provides that only certain millages are exempt from capture by the DDA. The Millages are not exempt from capture by the DDA. Therefore, the DDA has the authority and absolute right under law to capture the Millages.

Article III
Agreement to Share Millages with City

Subject to Article V, the DDA Board has agreed to enter into this Agreement with the City to share a portion of the captured assessed value of the DDA district pursuant to Section 214(4) of 2018 PA 57, being MCL § 125.4214(4). The DDA agrees to share the Millages back to the City as more fully set forth below:

Millage	Millage Rate to be Shared
Roads	0.9571
Public Safety	2.5696
Infrastructure	2.5

If in the future the electors of the City increase or decrease the millage rates set forth above, the rates shall automatically increase or decrease accordingly. If the millage expires or are not renewed, the millage will automatically be removed from the above chart. Additionally, if the millage rates set forth above are adjusted due to the Headlee Amendment rollback provision, the above millage rates shall automatically adjust accordingly.

Article IV
Revenue Sharing Process

The municipal and county treasurers shall transmit to the DDA tax increment revenues as set forth in 215(1) of 2018 PA 57, being MCL § 125.4215(1). Thereafter, on a date or dates determined by the DDA, the DDA shall provide the City with a check for each of the Millages it has captured based upon the rate for each of the Millages set forth in Article III herein. The City shall thereafter ensure that shared revenue is deposited into the correct account at the City and spent only on purpose that the electors approved the Millages to be use for when they were approved.

Article V
Term

As stated in Article II of this Agreement, the DDA Board has adopted a development and tax increment financing plan that the City has not or could not opt out of at the time of adoption and as such the DDA is legally entitled to capture the Millages. Due to this fact, the DDA Board is not legally obligated to share the Millages with the City. The DDA has several projects in its development and tax increment financing plan that have not been finished. Therefore, the DDA Board may, in the future, decide to use the shared Millages for these projects. This Agreement shall continue until the DDA Board makes a determination at an open meeting not to share the Millages with the City and the DDA provides the City with at least one (1) years' notice that it will be terminating this Agreement. In lieu of terminating this Agreement, the DDA Board and the City may mutually agree to suspend this Agreement in writing for a period of years that is mutually agreeable to the DDA and the City.

Article VI
Miscellaneous Provisions

1. **Remedies Upon Default.** If the DDA fails to make payment as set forth in this Agreement, the City shall have all available remedies in law and equity against the DDA.
2. **Freedom of Information Act Requests.** If either party receives a Freedom of Information Act request related to this Agreement it shall immediately notify the other party hereto.
3. **Severability.** The parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State of Michigan or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality or contravention shall not affect any other sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any other situation or circumstance, and it is intended that this Agreement shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause or word had not been included herein, and the rights and obligations of the parties hereto shall be construed and remain in force accordingly.
4. **Venue.** It is specifically agreed among the parties to this Agreement that Wayne County, State of Michigan is the place of performance of this Agreement. In the event that any legal proceeding is brought to enforce this Agreement or any provision hereof, the same shall be brought in the Wayne County Circuit Court.
5. **Interpretation/Construction.** For purposes of interpretation and construction of this Agreement, this Agreement has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the parties hereto. This Agreement therefore shall not be construed against any party to this Agreement.
6. **Modification.** This Agreement shall not be modified, altered, or amended except through a written amendment signed by the DDA and the City.
7. **No Third-Party Beneficiaries.** This Agreement is not intended to confer upon any person or entity, other than the parties hereto, any rights or remedies of any kind or nature whatsoever.
8. **Counterparts.** This Agreement may be executed in several counterparts each of which shall be deemed one and the same Agreement. It shall be binding upon and inure to the benefit of the parties to it and their respective successors and assigns.
9. **Captions and Bylines.** The captions and bylines used in this Agreement are for the convenience of reference only and in no way define, limit or describe the scope of intent of any provision of this Agreement.

10. **Addresses and Notice.** Unless otherwise provided herein and except for invoices for construction, any other notice, communication, request, reply or advice (herein severally and collectively, for convenience, called “Notice”) herein provided or permitted to be given, made or accepted by any party to any other party must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party, addressed to the party to be notified. Notice deposited in the mail in the manner described above shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three (3) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to DDA, to:

City of Grosse Pointe Park Downtown Development Authority
Attn: Director
15115 East Jefferson Avenue
Grosse Pointe Park, Michigan 48230

If to City, to:

City of Grosse Pointe Park
Attn: City Manager
15115 East Jefferson Avenue
Grosse Pointe Park, Michigan 48230

The parties hereto shall have the right to agree to using email as a form of communication for Notice if both parties agree to its use. Additionally, the parties shall have the right to agree from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other party hereto.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this Agreement to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written, which is the Agreement Date.

City Grosse Pointe Park:

By: _____
Its:

ATTEST:

Its:

City of Grosse Pointe Park Downtown Development Authority:

By: _____

Its:

ATTEST:

Its: Secretary

This agreement was prepared by:

McGraw Morris P.C.

Attorney Kevin Kilby

2075 West Big Beaver Road

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Troy, Michigan 48084

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