

CITY OF PINCONNING DOWNTOWN DEVELOPMENT AUTHORITY

HISTORY AND PROJECT SUMMARY

October 14, 2019

A. HISTORY

1. The boundaries for the DDA district were authorized by passage of ordinance No. 6, By city council on 11-1-1989. This established the DDA district by Mayor Darryl Adcock/Clerk Karen Waterman/City Manager Norm LaPorte. The DDA district was expanded by council amendment on 6-30-1997 to include newly constructed medical clinic on M-13, North of city limits.
2. The DDA "Development Area Plan" was passed by council on 4-4-1990 by Ordinance No. 7, which established the DDA's long range plan of objectives to accomplish with tax increment financing funds authorized by council to collect beginning with the August 1990 tax billing.
3. The DDA "Tax Increment Financing Plan" was passed by council on 4-4-1990, which authorized collection of tax proceeds from city, county, school and Delta College millages from real property valuation of \$4,485,750.00 for the base year of 1988, on commercial properties within the city of Pinconning district. Our first "TIFA" proceeds were collected in August of 1990 in the amount of \$5,731.32. Currently, the real property valuation base has appreciated to \$6,718,524.00, which we collected on the difference of \$2,232,774.00 multiplied by the taxing unit millages which we are authorized to collect (city, county, and Delta millages) and amounts to an estimated \$57,906.55 for this fiscal year 2019/20. Of this 2019/20 TIFA capture estimate, a breakdown by funding entity estimate is as follows, the City of Pinconning \$32,762.83, Bay County \$20,582.83, Delta College \$4,560.89. Thus \$25,143.71 of DDA TIFA funding is derived from outside the city sources.
4. The life of the city of Pinconning DDA is 20 years by ordinance and by legal opinion did expire on 4-4-2010, which is based on the date that city council authorized the development plan and tax increment financing plan on 4-4-1990. City council renewed/extended DDA for an additional 10 years in 2009 to expire on 4-4-2020.

B. MAJOR PROJECT ACCOMPLISHMENTS

Post office relocation 1992/93 \$280K; Highway sidewalk installation 1994/95 \$202K; 1997/98 Redeveloped blighted area in downtown area to prepare for senior housing/library site plan \$200K; 2000/01 aided in development of library site; 2001/02 purchase decaying "Community Building" and updated to keep in public use for our community \$100K; Assisted in recreation concession building at City Park \$15K; 2002/03 assisted community clothing to relocate to downtown area \$35K; pursued planning for area wide street scape design \$15K; 2003/04 plan and funded street scape for downtown area \$600K; 2004/05 establish plan for M-13 street scape with construction in phased 2006/07/08 \$1 Mill plus; 2008 funded engineering for West Fifth Street resurfacing \$15K; additional projects, DDA has funded Third Street road improvement and has provided/allocated funds for other road improvement to be done on Third Street.

Over the past five years, the DDA has invested in projects in the City of Pinconning in the amount of \$375,563.95, which is an average of \$75,112.79 per year. Of that annual average project investment, \$32,804.19 was expended for "City Public Works Project" that include street and infrastructure improvements, streetlight LED conversion to conserve energy, beautification projects and recreation/park improvements. Review the 5-year history project accomplishment list for details on these accomplishments. Over the life of the City of Pinconning DDA since 1990, a total estimated \$2,877,563.95 in project investments has been accomplished by the DDA. Based on an average of \$30,000.00 of TIFA proceeds generated by city commercial property tax captured within the DDA district, this generates a Return on Investment of 319.73% annual return. A great proactive planning tool and result for the City of Pinconning!

DDA has also provided funds to the City for many engineering studies when asked to assist for funding grant applications for infrastructure projects and city marketing studies. These are the major investments we have accomplished that does not include many study and engineering costs covered by the DDA on the City's behalf. We have also supplemented the City's general fund in the estimated amount of nearly \$147,500 over our life. These are the highlights of our DDA.

In summary, the City of Pinconning DDA has been a "proactive planning body" for the city and has accomplished many projects the city alone could not have done. By being proactive and following a long-range plan, it has made Pinconning a better place. Hope you all give thought to the DDA being renewed by consensus.

Thank you, DDA Board of Directors and Brian Saha, Chairperson