

# Annual Update

FROM THE VILLAGE OF CALUMET DOWNTOWN DEVELOPMENT  
AUTHORITY (DDA)

# What is a DDA?



Downtown Development Authorities were created originally under Michigan Act 197 of 1975 which was repealed and replaced by Act 57 of 2018 (effective January 2019). The Act dictates virtually all aspects of DDA function.



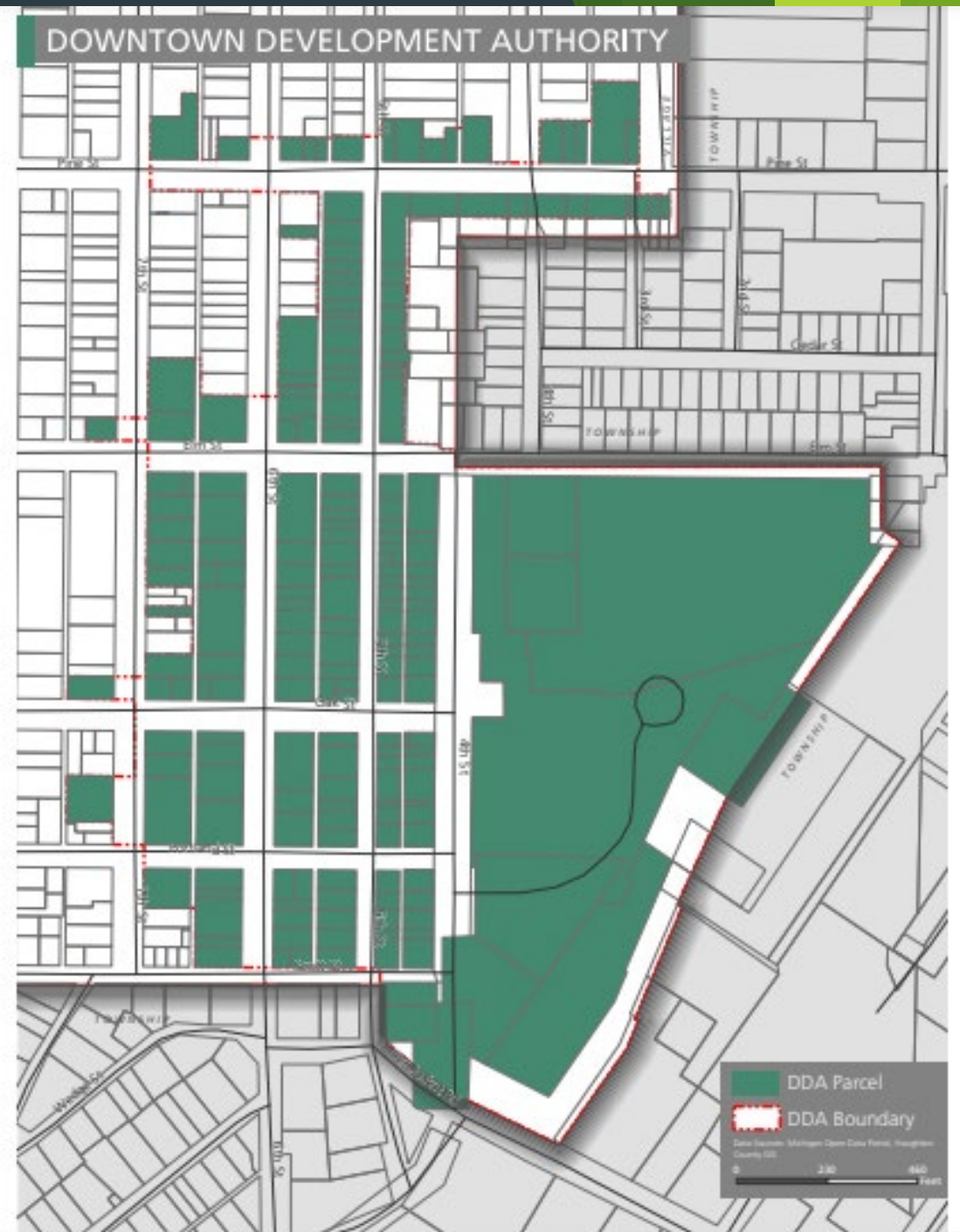
**PURPOSE** halting, preventing and correcting deterioration in downtown business districts, to create and implement development plans for the District, and to utilize financial tool (like tax increment financing (TIF)) for the completion of authorized projects that are part of a comprehensive DDA plan.



Act does not dictate how to achieve success, nor does it prescribe spending priorities.

# Our District

- ▶ The DDA District was created in 1979.
- ▶ Was updated in 1991 due to loss of value in the TIF
- ▶ The DDA/TIF Plan was last updated in 2021.



# DDA Plan & TIF Plan

- ▶ DDA Plan outlines priorities for spending
- ▶ TIF Plan outlines from where and how money enters the TIF
- ▶ Both are available at <http://www.villageofcalumet.com/dda-documents.html>

# The DDA Board

- ▶ 9 member board (8 members plus the Village President)
- ▶ Potential members submit application, the board makes a recommendation, and the Village President makes appointments.
- ▶ We have one vacancy at this time which can be filled by an individual having an interest in the district.
- ▶ Applications are available online at [villageofcalumet.com/news](http://villageofcalumet.com/news)

## Current Board Members

Rob Tarvis, Village President

Leah Polzien, Chairperson

JW Miller, Treasurer

Pete Hahn

Andrew Ranville

Tom Dumble

Rick Campioni

Lorri Oikarinen, Secretary

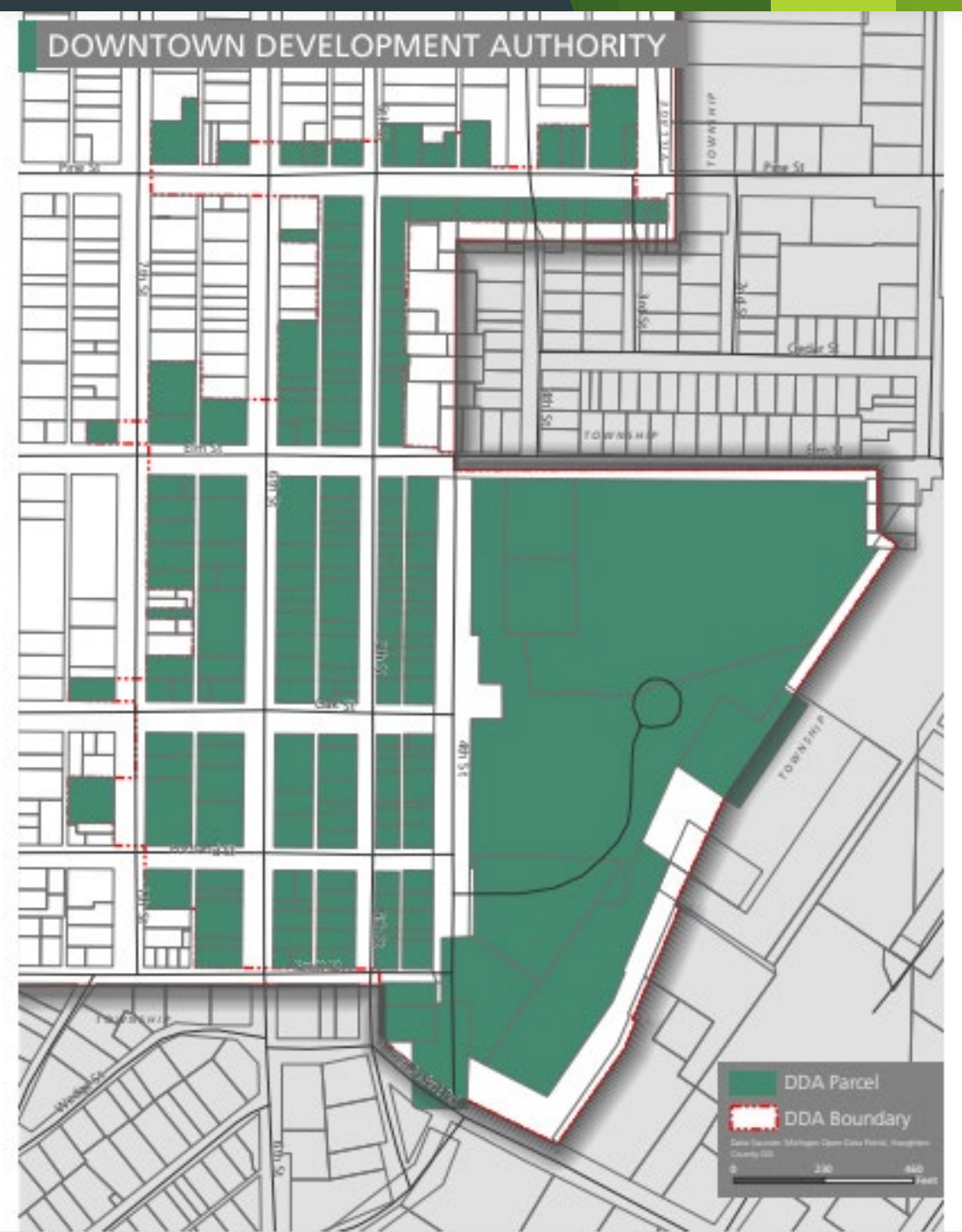
1 Vacant

# Financial Tools Available to DDA's

- **Tax Increment Financing or TIF (an annual report must be submitted to the municipality and to the State Tax Commission)**
- **Millage (up to two mills for municipalities with population of less than one million)**
- Special assessments
- Revenue bonds
- Revenues from property owned or leased by the DDA
- **Donations and grants to the authority**
- Contributions from the local unit of government

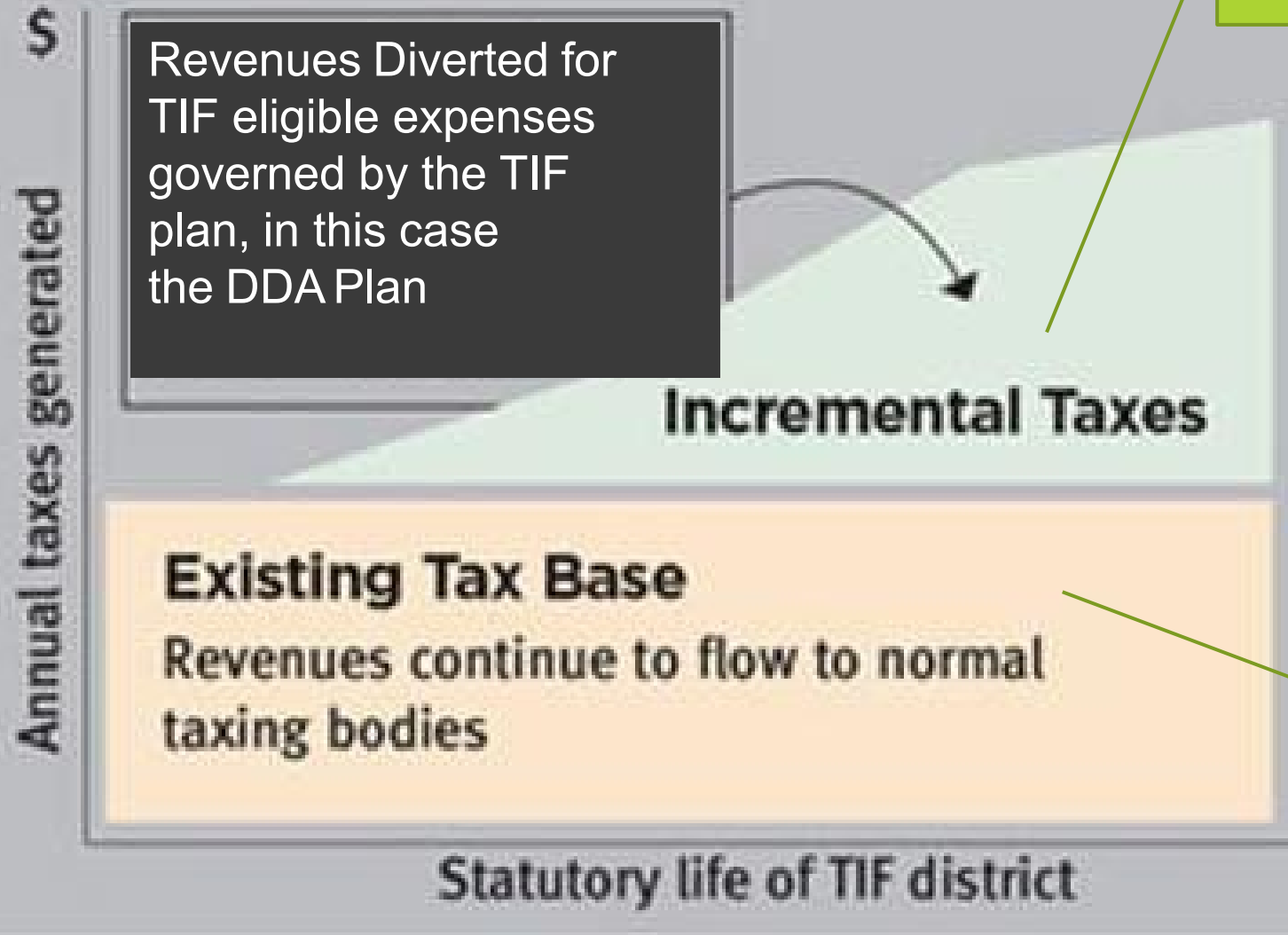
# Our District

- ▶ Our 2021 taxable value is estimated at \$4,413,730, with a captured value of \$1,844,672.
- ▶ After calculating all mills and levies the DDA TIF revenue is estimated at \$54,000.
- ▶ The DDA Special Millage of 1.1991 generates around \$5100 a year.





# Basic TIF Model



The increment we collect taxes on is valued at \$1,844,672

## Tax Increment Financing (TIF)

Calumet DDA District base value is \$2,569,058

Values are estimates for 2021 tax year



# Tax Increment Financing (TIF)

As used in relation to property tax, 1 mill is equal to \$1 in property tax, which is levied per every \$1,000 of a property's determined taxable value.

(Tax Year Value – Initial Year Value)

Divide by 1000

Multiply by Total Mills=

Total Tax Capture

Authority	Mills
Village of Calumet	20.1181
Calumet Township	1.2731
Houghton County	6.2710
Road Commission	1.5
Medical Care Facility	2.5531
Total Mills 2016	30.2153

# DDA Owned Properties

- ▶ 512 Portland Street
- ▶ 427 5<sup>th</sup> Street
- ▶ Mihelcich Slaughterhouse
- ▶ 325 5<sup>th</sup> – no structure



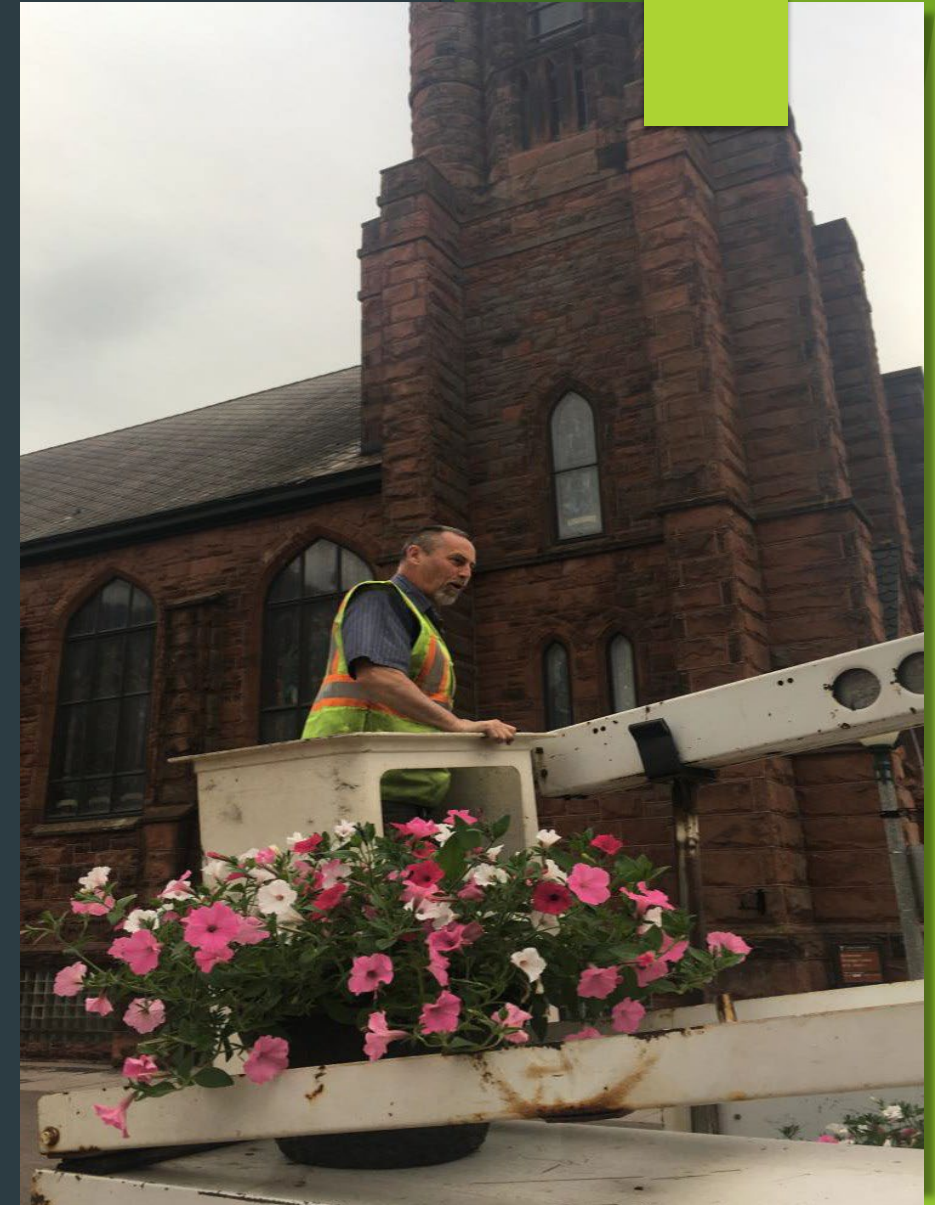
# Our Priorities

- ▶ Encourage Redevelopment
- ▶ Reduce Blight, Improve Visual Appearance of District
- ▶ Promote the District
- ▶ Building Preservation & Stabilization



# On-Going Projects

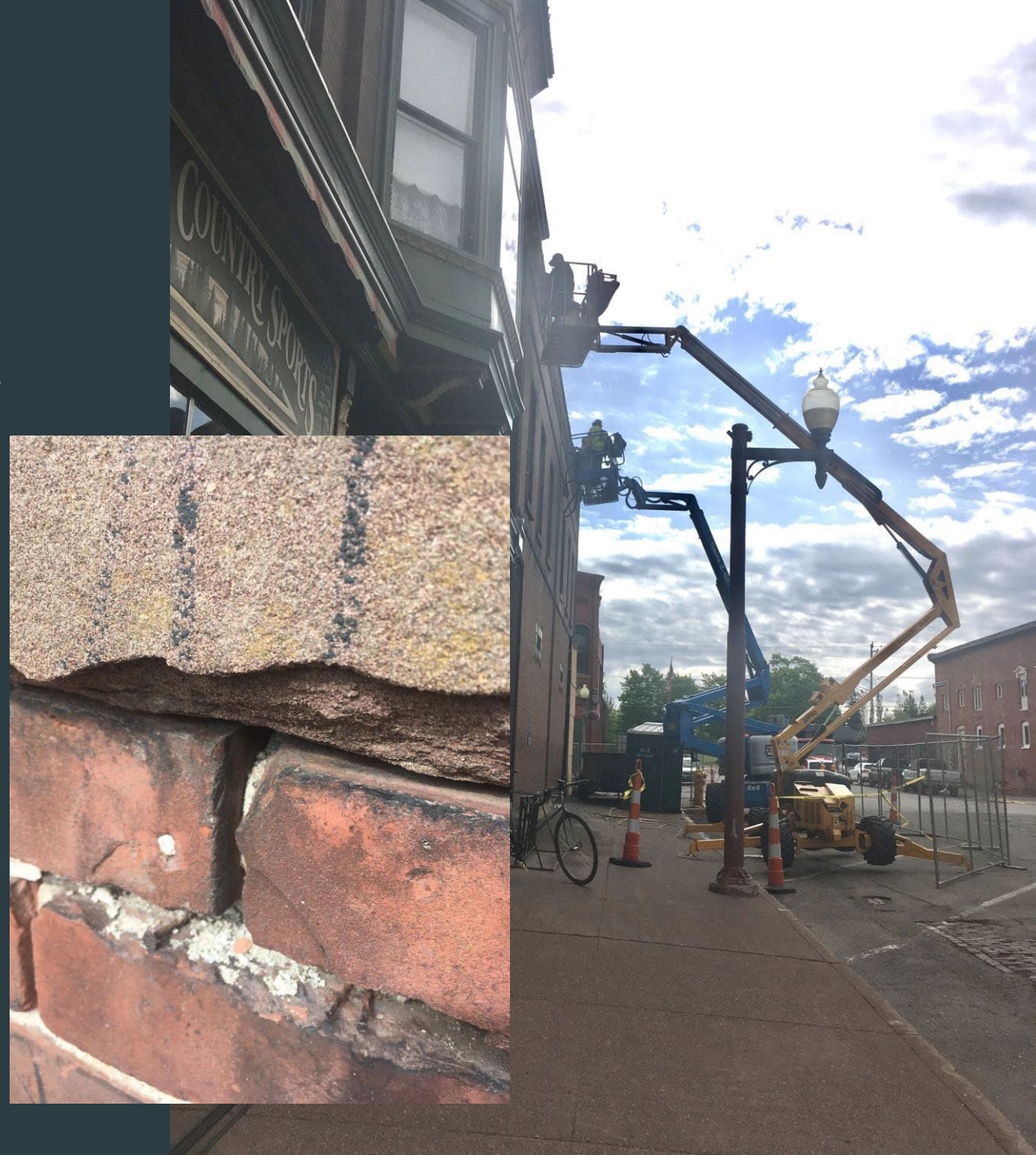
- ▶ Hanging flower baskets (\$3k)
- ▶ Street sweeping (\$3k)
- ▶ Blight Enforcement (\$5k)
- ▶ Streets Department Equipment (used heavily in downtown district) \$9-15k
- ▶ Historic property loss prevention and inventory management (\$1-\$10k)
- ▶ Farmers Market Support (\$5k)



# On-going Projects

## ► HDC Support

- Our HDC works to ensure historical face of Calumet exists into the future!
- Leading new downtown street sign project, implementation 2023
- KNHP Advisory Commission and Certified Local Government (CLG) Grant for Historic District GIS Survey completed in 2022





# On-going Projects

- 400 Block Community Garden Support
  - All beds rented in 2022
  - DDA pays for water & receives bed rental fees



*Volunteer  
Opportunity  
Available!*





# On-Going Projects

- ▶ Sach's Lot Greenspace - ~\$311k investment
  - ▶ Awaiting construction drawings
  - ▶ Expected construction in summer 2023
- ▶ Calumet Area Trails Planning
  - ▶ Contributed to "Welcome to Calumet" Sign on rail trestle





# Redevelopment Grant Support 2022-2023

- ▶ Complete or Near Complete
  - ▶ \$10k 100 5<sup>th</sup>
  - ▶ 5k 201 5<sup>th</sup>
- ▶ 2023 Construction
  - ▶ \$10k 322 5<sup>th</sup>







# Promotion

- ▶ Social Media and Public Outreach
- ▶ Developer Communication
- ▶ Interagency Coordination
- ▶ Community Events & Promotion
- ▶ Business Support



# Resources

- ▶ Visit <http://www.villageofcalumet.com/dda-home.html> for even more information about our DDA, including minutes, plans and past projects.
- ▶ To learn more about the properties we own (and submit a purchase proposal!) visit <http://www.villageofcalumet.com/downtown-properties.html>
- ▶ View annual report at [http://www.villageofcalumet.com/uploads/1/1/8/5/118509013/annual\\_report\\_on\\_status\\_of\\_tax\\_increment\\_financing\\_plan\\_fy\\_2022\\_1.pdf](http://www.villageofcalumet.com/uploads/1/1/8/5/118509013/annual_report_on_status_of_tax_increment_financing_plan_fy_2022_1.pdf)