



# Annual Update

FROM THE VILLAGE OF CALUMET DOWNTOWN DEVELOPMENT  
AUTHORITY (DDA)

# What is a DDA?



Creation of Downtown Development Authorities are allowed under Michigan Act 197 of 1975 which was repealed and replaced by Act 57 of 2018 (effective January 2019)



**PURPOSE** halting, preventing and correcting deterioration in downtown business districts, to create and implement development plans for the District, and to utilize 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 Board

- ▶ Ordinance calls for a 9 member board, 8 members plus the Village President.
- ▶ 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 anyone interested.
- ▶ Applications are available in Village office and at [www.villageofcalumet.com](http://www.villageofcalumet.com) – go to NEWS tab

# Current Board Members (Terms)

Brian Abramson, Village President (Nov 2024)

Leah Polzien, Chairperson (August 2026)

John "JW" Miller (August 2022)

Pete Hahn, Secretary (August 2021)

Vacant (August 2021)

Andrew Ranville (August 2024)

Tom Dumble (August 2024)

Rick Campioni, Treasurer (August 2022)

Lorri Oikarinen (August 2022)

DDA Administrator Caleb Katz

# DDA Plan & TIF Plan

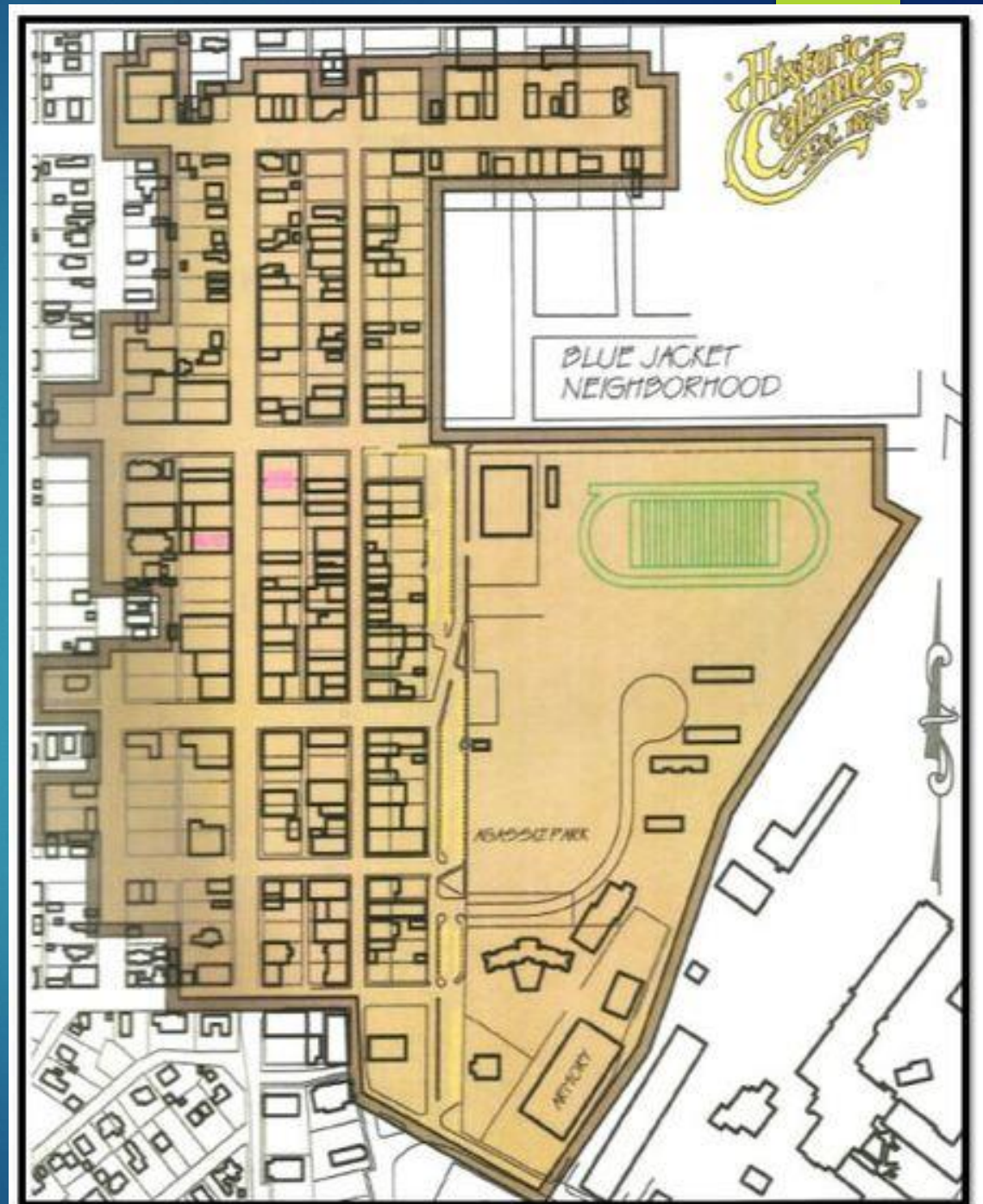
- ▶ DDA Plan outlines priorities for spending
- ▶ TIF Plan outlines where and how money enters the TIF
- ▶ Both are available at <http://www.villageofcalumet.com/dda-documents.html>

# Financial Tools Available to DDA's

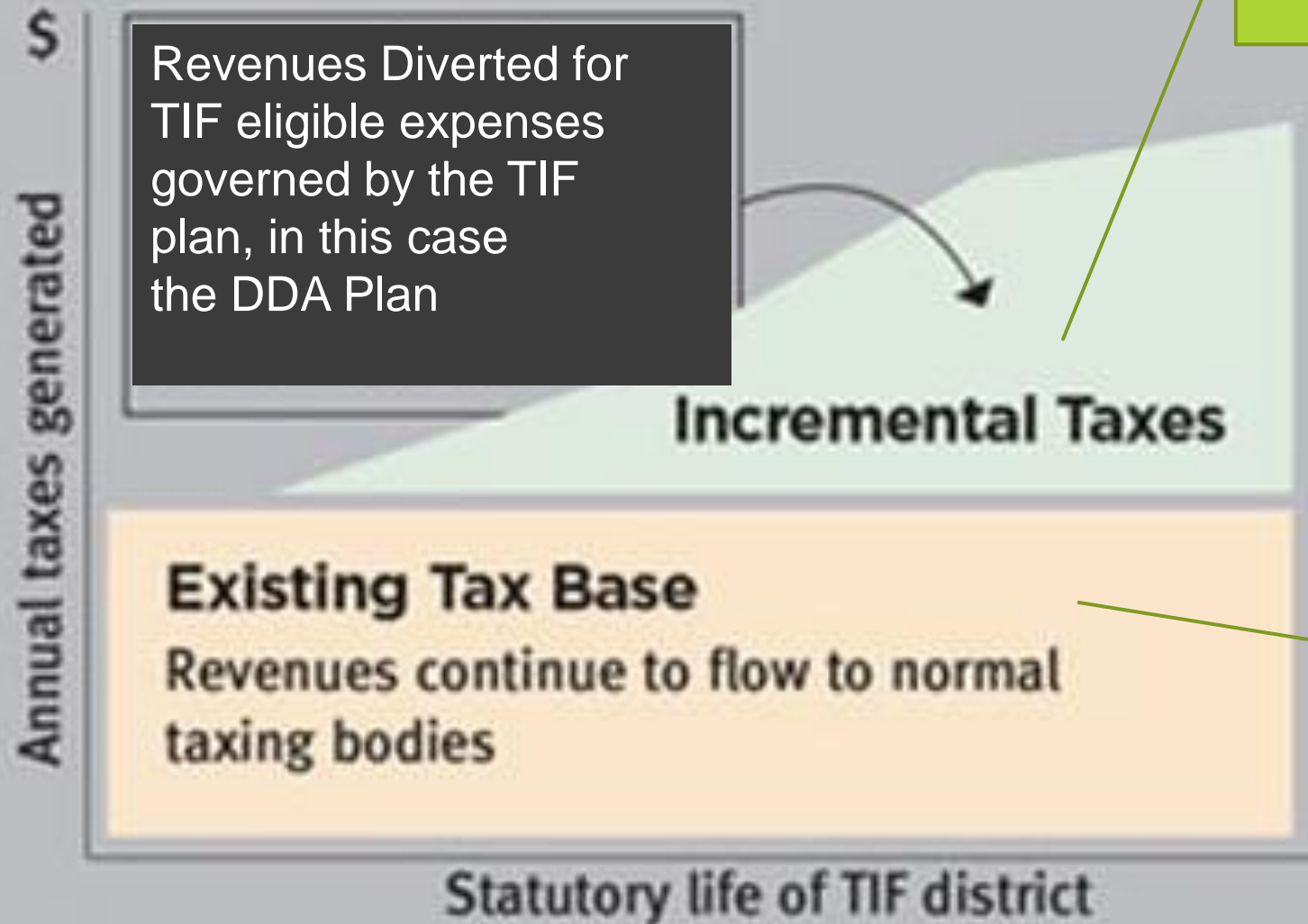
- **Tax Increment Financing or TIF (an annual report must be submitted to the municipality and to the State Tax Commission)**
- **Millage (up to two mills for municipalities with population of less than one million)**
  - Special assessments
  - Revenue bonds
  - Revenues from property owned or leased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

# Our District

- ▶ The DDA District was created in 1979.
- ▶ Was updated in 1991 due to loss of value in the TIF
- ▶ Our 2021 taxable value is estimated at \$4,413,730, with a captured value of \$1,844,672.
- ▶ After calculating all mils and levies the DDA TIF revenue is estimated at \$55,737.32 in tax year 2021.
- ▶ The DDA Special Millage of 1.1991 should bring an additional \$5456 in tax year 2021.



# 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 Inventory

## 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
- ▶ Prevent Additional Structural Losses
- ▶ Promote the District



## Partnership with Main Street Calumet

- ▶ Social Media and Public Outreach
- ▶ Developer Communication
- ▶ Interagency Coordination
- ▶ Community Events & Promotion
- ▶ Covid-19 Business Support

# Our Priorities

## ► Encourage Redevelopment

- Developer Communication
- Support of Façade and other grant projects
- Parks and Recreation Projects
- Beautification
- Support of Streets Department
- Fund HDC (\$2500/yr)



# Façade Grants

- ▶ 5 Buildings in 2019/2020 Project with MEDC
- ▶ Total project \$326,000+ with 75% grant from MEDC, DDA contributed \$10,000
- ▶ REJ to complete project this winter



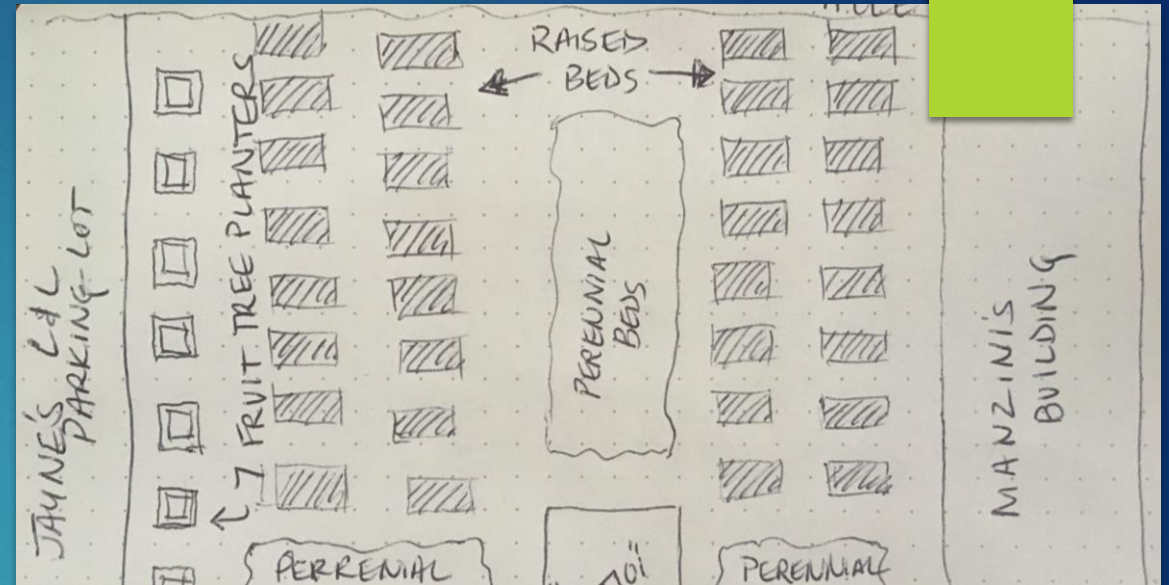
# Beautification

- ▶ The DDA funds the purchase and maintenance of hanging flower baskets (\$3000)
- ▶ Via Main Street Calumet holiday greens doorway buckets.
- ▶ Street sweeping (\$3000)



# Parks and Recreation

- ▶ 400 Block Community Garden
- ▶ Goal is to enliven the 400 Block
  - ▶ \$4000 of lumber for raised beds has been donated
  - ▶ \$1200 in-kind from MI-American Water has been donated
  - ▶ Current plan would allow for 30+ 4'x8' raised beds, and landscaping and south and east sides.





# Parks and Recreation

- ▶ Sach's Lot Greenspace
  - ▶ Draft design is in place
  - ▶ Space is activated weekly by the Main Street Calumet Farmers Market
- ▶ Calumet Area Trails Planning
  - ▶ Broad based effort to improve trails and trail connections in and around Calumet

# Support of Village Infrastructure and Services



Snow Removal  
(downtown district)  
\$10-30,000 a year



Streets Department  
Equipment (used heavily  
in downtown district)  
\$10-15,000 a year



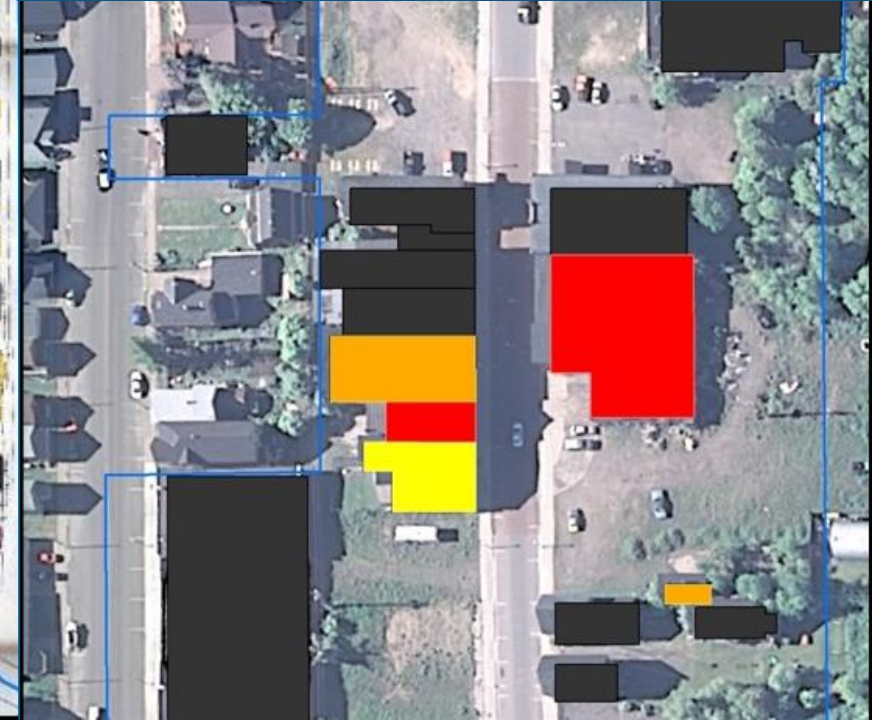
Infrastructure Projects  
(\$0 FY2021)



Blight Enforcement  
\$5,000 a year

# Loss Prevention

- Blight enforcement (legal fees & recommendations)
- Stabilization
- Coordination with Land Bank to break cycle of tax foreclosures



# Inventory Management Example : 512 Portland

## EXPENSES

Lost tax revenue

Non-payment of taxes

Effect on surrounding taxable  
value

Visual impact on surrounding  
community

Resources required to acquire,  
stabilize, hold

Resources required to market, sell  
and monitor



# Inventory Management Example : 512 Portland

## WORK COMPLETED

Structural Assessment completed

Grant secured (\$43,000 with \$10,000 match) from MSHDA/MEDC to replace roof, perform structural stabilization and foundation rebuild

Match provided by DDA, River Valley Bank, KCF and anonymous donor

Stabilized for future development

Property sale proposals



# Promotion

- ▶ Brochure printing
- ▶ Events
- ▶ Social Media
  - ▶ 5163 Facebook followers
  - ▶ 34.6% increase in likes since March 1, 2019 to present
  - ▶ 1318 posts from Jan 6, 2017 – November, 2020 (.92 per day for 1427 days)
  - ▶ 1,255,938 lifetime reach (January 6, 2017– November, 2020.)
- ▶ Collaboration with Remote Workforce Keweenaw



# DDA Plan Update



DDA and DDA TIF Plan before 2022 expiration



DDA District and Parcel list update



Residential and Customer Survey (available now)



Develop Plan Priorities

Agassiz Park/4<sup>th</sup> Street Update

Removal or reuse of parking meters

Purchase of streetscape furnishings (benches, garbage cans, etc)

# Questions

- ▶ 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>