

CITY OF PETOSKEY
Downtown Development Authority
Tax Increment Financing Annual Synopsis
2019

ANNUAL SYNOPSIS

The Downtown Development Authority Tax-Increment Financing and Development Plans were adopted by the Petoskey City Council at their December 24, 2004 meeting. The tax increment financing is provided by captured tax revenue from increased taxable values, due to new investment, from a one block section of the downtown whose boundaries are: US -31 Highway, Mitchell Street, Petoskey Street and Lake Street. The development plan proposed additional parking within three designated areas.

The initial year of capture was 2005 in which the Authority captured \$6,746 in tax revenue. The developer then cleared the site of all existing buildings and excavated the property in preparation of constructing an underground structure. The project stalled when the developer went into bankruptcy and the property has set as is ever since. The taxable value declined to \$804,309 in 2006, which is below the base value of \$1,209,978 and has yet to increase to the base value. Therefore, there has not been any TIF tax capture since 2006.

The site was purchased in late 2018 and the new owner is actively pursuing development of the property. A conceptual plan for development was presented to the City's Planning Commission in March 2019 by the developer. The Authority is expecting to have discussions with the developer during 2019 and advancing the goals of the development plan. The process of site plan review and approval would include several governmental bodies, with proposed construction taking several years. The proposal does include underground public parking as provided for in the DDA development plan and financing through a TIF. The City and Authority continues to promote the City and specifically development of this property through area agencies, who in turn contact potential developers.

REQUIREMENTS

- I. Accumulation of Funds for more than 5 years.
 1. Reasons for accumulating (5yrs.) and proposed uses
 2. Time frame for expending
 3. If accumulated over 10 yrs.
 - A. Amount of funds held over 10 years.
 - B. Why not expended
- II. List of Authority Accomplishments
 1. Progress made on Development Plan and TIF plan goals for the year.
- III. List of Authority Projects
 2. Active and completed projects for the year.
- IV. List of Authority events and promotion campaigns for the year.