



MCKENNA

April 7, 2025

Nicol Brown
City Manager
City of Hartford
19 West Main Street
Hartford, MI, 49057

Subject: City of Hartford DDA Development and Tax Increment Financing (TIF) Plan Update

Dear Ms. Brown:

The City of Hartford’s Downtown Development Authority (DDA) met to discuss the budget and other items on March 26, 2025. During the meeting McKenna presented a project scope for the process to update and renew the DDA plan and to update the TIF boundaries. Members of the DDA asked McKenna to tailor the project scope to the community to show the many tasks associated with the proposed renewal. McKenna here presents the tasks that the community can do, and the technical items that McKenna proposes to update the DDA plan and amend the TIF boundary. This proposal includes work not to exceed \$10,000. If this approach is acceptable, a contract will be presented to the DDA board. The tasks are as follows:

| Task | Assignment |
|---|----------------------------------|
| Pass a resolution of intent to renew or create a DDA, and the governing body finds that it is necessary for the best interests of the public to do the following related to the defined business district: <ul style="list-style-type: none"> • To halt property value deterioration • Increase property tax valuation • Eliminate the causes of deterioration • Promote economic growth • Create and provide for the operation of the DDA | Hartford City Council |
| The governing body sets a public hearing, based upon its resolution of intent, to create a DDA. | Hartford City Council McKenna |
| Notice is given of a public hearing by publication and mail to taxpayers within a proposed district and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture of tax increment revenues. The governing body takes comments at the public hearing. | Hartford City Council McKenna |
| Not less than 60 days following the hearing, the governing body may adopt proposed ordinance creating the DDA and designating the boundaries of the DDA district. | Hartford City Council |



| | |
|---|---|
| The ordinance must be published at least once in a local newspaper and filed with the Secretary of State. | Hartford City Council |
| Draft Updated DDA and TIF Plan, and revise the boundary of the DDA as determined, create a new map is as prescribed. | McKenna |
| If the DDA board anticipates the need for capturing tax increments or using revenue bonds to support a project, a development plan and a tax increment financing plan must also be adopted by the DDA board and the municipality. | Hartford City Council DDA Board McKenna |

McKenna is well-suited to prepare the City’s amended Development and TIF Plan. Our Plan will refine the vision for the future of Downtown Hartford, include compelling visuals and renderings, and provide a roadmap to achieve the vision. It will also include the required elements necessary by the Recodified Tax Increment Financing Act, Public Act 57 of 2018. Collaborating with McKenna means:


1. Tapping into our 45+ year track record of experience in developing dozens of DDA and TIF Plans and strategic economic development plans for downtowns.
2. Producing an authentic and thorough public engagement program that reaches engaged business members, residents and stakeholders --- allowing the DDA and City leaders to tout the inclusive nature of the process.
3. Bringing a technical, deep experience to the downtown with urban designers skilled in the art of placemaking, transportation and urban design and certified public engagement specialists.

It’s easy to recognize and appreciate Hartford’s strong desire for continued commitment to invest in the downtown area. We are excited about the prospect of working with the City of Hartford in this effort, along with its business community, and its residents to chart the future of downtown for years to come.

Thank you, as always, for considering our team.

Respectfully submitted,

McKenna


Donovan Smith, AICP
Principal Planner


Hillary Taylor
Senior Planner

Cc: John Jackson, AICP, President



Work Plan

Hartford's Downtown Development Authority is aims to foster an attractive Downtown environment that will increase foot traffic flow into the Downtown area and general economic activity for small businesses.

We have designed the following work plan for Hartford to achieve a well-articulated, informative, and progressive Development and Tax Increment Financing (TIF) Strategic Plan, one that builds upon the existing 2015 DDA Ten Year Plan and the 2009 Hartford Downtown Blueprint, as well as the community's existing assets which will position the City for sustainable future downtown success.

The finished product will be a high-quality, comprehensive Development and TIF Strategic Plan founded on community input, supported by stakeholders, graphically attractive, and rooted in realistic implementation with a focus on tomorrow. The following tasks detail a description of the services and processes that we envision for Hartford's Plan update:

- Task 1: Project Initiation and Organization
- Task 2: Hartford 2025 – Identify, Quantify, And Analyze
- Task 3: A Thorough, Inclusive Public Participation Process
- Task 4: Drafting the Plan
- Task 5: Public Review and Adoption

TASK 1: PROJECT INITIATION AND ORGANIZATION

Kick-Off Meeting (Internal)

McKenna will conduct an initial meeting with City Administration to receive input and direction on the work plan, and to finalize a structure for review and management of the plan process. At this first internal meeting McKenna will:

1. Establish a working relationship, answer questions and reach an understanding of expectations (defining basic client desires);
2. Make mutually agreed upon adjustments in the work plan and/or schedule;
3. Identify preferred method of communication (i.e. email, mail, phone, etc.);
4. Assess available maps and data; collect various documents; and
5. Determine key stakeholders.



DDA Board Kick-Off Notice of Intent

McKenna will conduct an introductory meeting with the DDA Board, and any other designated City representatives, and conduct a walking tour of the downtown district. At this first, internal meeting, McKenna will:

1. Pass a resolution of intent to renew or create a DDA.
2. Review the current DDA plan, including goals, and project status updates;
3. The boundary of the DDA is determined and a new map is made.
4. Review and discuss other plans, projects, and documents related to the DDA; and
5. Define specific project objectives to guide the study and plan development moving forward.

TASK 2: HARTFORD 2025 – IDENTIFY, QUANTIFY, AND ANALYZE

McKenna will update the database of information on the Development Area and TIF District, using data from the U.S. Census, ESRI, other available previous work, and collecting new data. Our analysis will be performed and presented through mapping, sketches, and photo reconnaissance. Land uses, physical features, aesthetics, legibility, circulation, and other features will be considered, along with known community needs and desires, plans and potentials. The following is a list of steps that McKenna will take to accomplish this task:

1. **Evaluate Existing Plans, Projects, and Conditions.** We will review relevant previous plans, studies and reports prepared for the DDA or the City as a whole (e.g. TIF and Development Plans, Master Plan, etc.). We will also review what has been accomplished and what remains to be completed, as well as the established vision and direction for the district.
2. **Evaluate Downtown Conditions.** During McKenna's walking tour of the downtown with the DDA, McKenna will document the existing conditions, assets, challenges, and opportunities. McKenna will observe and annotate the DDA's physical environment, a critical factor for envisioning future potentials. We will then map the land use pattern and quantify existing land uses in the district.
3. **Opportunities and Constraints.** As part of the preparation for the project identification and prioritization process, McKenna will prepare a graphic analysis of the district's opportunities and constraints.
4. **TIF Projections.** As required by Public Act 57 of 2018, McKenna will complete projections of future TAX capture and revenues from the TIF to have a basis to budget desired projects and improvements for the DDA.

Our analysis will be performed and presented through mapping, sketches, and photo reconnaissance. Land uses, physical features, aesthetics, legibility, circulation, and other features will be considered, along with known community needs and desires, plans, and potentials.

TASK 3: A THOROUGH, INCLUSIVE PUBLIC PARTICIPATION PROCESS

The McKenna process engages stakeholders and encourages them to envision the future, create excitement, and put priority on the DDA's projects, thereby increasing the likelihood of implementation.

We know the DDA values empowering its residents, and we share that philosophy. McKenna proposes a multi-pronged approach to engaging the business community, key stakeholders, residents, and visitors to the City. In our experience, offering a variety of public engagement methods affords residents and stakeholders the



opportunity to connect. We believe our approach is cost effective but broad enough to engage many different types of users in Hartford. With all the various public engagement options, the Plan will afford business owners, residents, and stakeholders a true opportunity to weigh in on topics that define their community.

A descriptive summary and analysis of public input comments, feedback and preferences will be conducted by McKenna and included as a chapter within the Plan.

We propose the following public engagement program as described below. However, the program can be modified based on Hartford's public engagement preferences:

1. **One (1) Kick-Off Meeting and DDA Meeting.**
2. Up to **(3) Working Meetings with the DDA.** The purpose of these working meetings is to assist with Task 2 and ensure that the final Plan represents the future project and funding desires of the DDA.
3. **Two (2) Public Hearings.** One public hearing with the City of Hartford City Council is required for notice of intent to plan and an additional for final adoption.

TASK 4: DRAFTING THE PLAN

The tasks below generally describe the process for amending the Plan:

Goals and Objectives. Using feedback from the initial kickoff meeting and the community engagement process, McKenna will create goals and objectives that will guide the Plan. These goals and objectives will be at the forefront of the entire deliverable and will transition into an action-based Plan that identifies projects based on each goal.

Development Plan. Based on the prioritized list of projects and goals generated through public engagement, McKenna will create a Downtown Development Authority Development Plan, which will include all the requirements for a Development Plan under Public Act 57 of 2018. These contents include:

- The boundaries of the development area.
- The location, character, and extent of public and private land uses, both existing and proposed.
- A description of existing improvements to be demolished, repaired, or altered and an estimate of the time required for completion of these projects.
- A description, including location and cost, of any new development or rehabilitation and time required for completion.
- A description of any areas to be left as open space and the intended use of the space.
- A description of any areas the DDA desires to sell, donate, exchange or lease to or from the City.
- A description of desired zoning changes and/or changes in infrastructure.
- The Plan will reflect the DDA's current operating budget and realistic recommendations for future budgets, including identification of viable funding sources. The Plan will be portrayed in table form and will include the following information, at a minimum and as necessary:



- Project description and recommendations.
- Project location.
- Budget with cost estimates and method of funding sources.
- Year(s) to be implemented.
- An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the DDA to arrange the financing.
- Designation of the person(s) or entity(s) to whom a development is being leased or sold, if applicable, or a description of the bidding procedures to be established if there is no agreement for purchase.
- Estimates, of the number of persons residing in the development area and the number of families and individuals to be displaced by improvements in the district as well as a plan for the relocation of these persons and provisions for the costs (if applicable).
- Other information as deemed necessary to the plan or for compliance with state laws and for formal presentations to the DDA and City.

TIF Plan. McKenna will update the TIF Plan, including all the information required by Public Act 57 of 2018. These contents include:

- A detailed explanation of the tax increment financing procedure.
- Maximum amount of debt to be incurred, if any; the duration of the program; and estimates of yearly captured assessed valuation.
- A statement of the estimated impact of the tax increment financing on the assessed values of all taxing jurisdictions in which the Development Area is located.
- Plans for the expenditure of captured assessed value to be used by the DDA, including the types of public improvements to be made.
- A description of the planned use of any captured assessed value.
- Other information necessary to the Plan.

TASK 5: PUBLIC REVIEW AND ADOPTION

Present Draft Plan for Review

McKenna will present the draft Plan to the DDA at approximately two-thirds of the way through the planning process for feedback and will incorporate any revisions as necessary.

Prepare and Submit Draft Plan for Adoption

We will prepare for and present the final Plan to the City Council at their respective public hearing and adoption meeting.

The final Plan will be prepared as a bound, written report and will include text and high-quality graphics, maps, charts, and tables explaining the work. In our experience, bringing such clarity to the Plan offers a level of transparency all stakeholders — City leaders, DDA Board members, members of the business community, and residents alike — deeply appreciate. This approach also results in greater ease of viewing on the website.



Proposed Schedule

The following is a proposed eight-month schedule allowing for planning activities, up to (3) meetings (including time for substantial input from the community and stakeholders), and the statutorily required analysis and adoption.

We are happy to adjust the schedule to meet your needs and are prepared to begin the project immediately upon authorization.

| TASKS | Month | | | | | | | |
|---|-------|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. Project Initiation and Kick-Off | | | | | | | | |
| 2. Development of District Area Citizen's Council (if needed) | | | | | | | | |
| 3. Identify, Quantify, and Analyze | | | | | | | | |
| 4. Targeted Public Outreach | | | | | | | | |
| 5. Draft the Plan and Review the TIF/Development Plan | | | | | | | | |
| 6. Public Review / Adoption | | | | | | | | |
| MEETINGS (shown with an "x" for one meeting) | | | | | | | | |
| Initial Planning Meeting and Walking Tour with the DDA Board | X | | | | | | | |
| Working Meetings with the DDA Board and Designees | | X | | | | X | | |
| Public Hearing with City Council (required) | X | | | | | | | X |



Project Fee and Deliverables

McKenna will prepare an amendment to Hartford’s Development and TIF Strategic Plan, for a total not-to-exceed fee of \$10,000. Invoicing will be monthly on a percent complete basis. Please note that we are amenable to modifying the scope of our services to best accommodate the DDA’s needs and expectations. We appreciate the opportunity to discuss these types of modifications with you.

Significant revisions, expanded/new project tasks, or other additional changes to the proposed work plan not identified in this scope will be billed according to the following hourly fee schedule, with authorization from the DDA prior to completion of any additional services.

PROFESSIONAL FEE SCHEDULE FOR HOURLY RATED SERVICES

| Professional Classification | Rate Per Hour* | |
|--|----------------|---|
| President | \$220 | <p>* Rates include the following overhead: Accounting, Advertising and Promotion, Books, Publications and Maps, Business Entertainment, Charitable Contributions, Computers, Furniture and Fixtures, Graphics Supplies and General Insurance, Interest, Legal, Licenses, Meals, Memberships and Subscriptions, Office Equipment, Office Space and Parking, Office Supplies, Postage (Except Overnight), Professional Dues, Software, Taxes and Telephone.</p> <p>These rates do not include photography, outside reproduction, document or materials purchases, which are invoiced additionally. Rates also do not include reimbursable costs for travel, courier, overnight mail, etc. Mileage will be invoiced at the Federal mileage rate.</p> <p>These hourly rates are valid through December 31, 2025, after which they may change per classification by a percentage equal to the increase in the Consumer Price Index for the prior 12 months per U.S. Department of Labor, Bureau of Labor Statistics.</p> |
| Executive or Senior Vice President | \$200 | |
| Vice President | \$190 | |
| Director | \$180 | |
| Senior Principal or Manager | \$175 | |
| Principal | \$145 | |
| Senior | \$130 | |
| Associate | \$110 | |
| Assistant | \$100 | |
| Administrative Assistant | \$75 | |
| Consultation, preparation for, and sitting as expert witness in legal matters. | \$220 | |



DELIVERABLES

The above Scope of Work describes the products to be developed as part of this Plan; though this may not be an exhaustive list (client satisfaction is our #1 priority – that means we “do what it takes” during a project to deliver the best experience).

Public Engagement Materials. Display boards, handouts, fliers, and other swag prepared for events will be turned over to the City once we have used them for analysis.

Maps and Graphics. The Plan will include the following maps / graphics:

1. DDA Development Area Boundaries Map
2. Existing Land Use Map
3. Proposed Project Locations Map
4. Other maps or graphics as deemed necessary.

At the DDA’s request, large-scale color versions of the above maps or graphics for presentation and display can be provided at McKenna’s documented cost.

Final Development and TIF Strategic Plan Document. The final Plan and all work elements, maps, tables, charts, and products described above, will be compiled in report form. McKenna will provide Hartford with a digital copy on a flash drive for DDA and City use (in .PDF format). Bound copies of the Plan will be provided at McKenna’s documented cost, at the request of the DDA.