

Downtown Development Authority of City of Madison Heights

Memorandum

Date: December 29, 2022
To: Downtown Development Authority Board Members
From: Giles Tucker, Community & Economic Development Director
Subject **DDA Budget FY 23-24**

The DDA needs to adopt a budget to be included in the greater city budget process. Here are some notable features of the proposed FY23-24 budget:

1. **Contractual Services:** \$5000 for tree planting and \$7,500 for MSU's SBEI program or similar outside planning related costs.
2. **Electric:** \$600 for existing electric costs and an additional \$650 budgeted for electricity costs for holiday decorations for around 1 month assuming 52 decorations. Changes in the number of decorations or duration of lighting them will impact this line item.
3. **Conferences and Workshops:** \$1500 to pay for costs associated with attending conferences, workshops, or other training.
4. **Membership & Dues:** Costs for CPIX increased to \$820 and proposed costs include \$125 in MDA membership and \$100 towards their lobbying efforts in Lansing.
5. **Use of Fund Balance:** We often don't spend all the money we budget because there are line items that we don't always use such as the façade and sign grants. If we spent 100% of each line item in the budget, we would use \$34,363 of our Fund Balance.
6. **Events:** \$500 is included in the budget to cover costs associated with a Madison Heights DDA Small Business Saturday promotion or another event to support the downtown.
7. **Improvements:** The proposed budget includes \$20,000 towards larger project for physical improvements in the downtown including wayfinding & gateways, banners, other improvements.
8. **Property Acquisition & Demolition:** In past budgets we have set aside \$35,000 each year towards potential property acquisition. Do we want to continue this?

Staff recommended action:

Staff recommends the DDA board adopt the proposed budget as presented.

		2022-23 ACTIVITY					
GL NUMBER	DESCRIPTION	2020-21 ACTIVITY	2021-22 ACTIVITY	2022-23 AMENDED BUDGET	THROUGH 12/29/22	2023-24 DEPT REQ BUDGET	2024-25 DEPT REQ BUDGET
Dept 011 - PROPERTY TAXES							
248-011-402-4030	TAXES REAL OPERATING	\$46,488	\$103,615	\$57,815	\$92,705	\$59,549	\$59,549
248-011-410-4160	TAXES PERSONAL OPERATING	\$3,132	\$2,995	\$2,809	\$6,079	\$2,809	\$2,809
248-011-411-0000	DELINQUENT/MTT TAX REFUNDS - GENERAL	\$0	\$4	\$0	(\$1,663)	\$0	\$0
248-011-437-0000	TAXES IFT ACT 198	\$0		\$0	\$0	\$0	\$0
248-011-573-4159	PPT REIMBURSEMENT - STATE	(\$5,598)	\$584	\$0	\$0	\$0	\$0
Totals for dept 011 - PROPERTY TAXES		\$44,022	\$107,198	\$60,624	\$97,121	\$62,358	\$62,358
Dept 023 - STATE SHARED REVENUES							
248-023-573-0000	LOCAL COMMUNITY STABILIZATION SHARING	\$35,213	\$33,662	\$35,213	\$37,216	\$35,213	\$35,213
Totals for dept 023 - STATE SHARED REVENUES		\$35,213	\$33,662	\$35,213	\$37,216	\$35,213	\$35,213
Dept 025 - COUNTY SHARED REVENUES							
248-025-588-1000	COUNTY GRANT	\$0	\$7,320	\$0	\$0	\$0	\$0
Totals for dept 025 - COUNTY SHARED REVENUES		\$0	\$7,320	\$0	\$0	\$0	\$0
Dept 044 - MISCELLANEOUS REVENUE							
248-044-665-5000	INTEREST EARNED	\$266	(\$720)	\$250	(\$363)	\$250	\$250
248-044-674-0000	DONATIONS/PRIVATE CONTRIBUTIONS	\$3,075	\$0	\$0	\$1,075	\$0	\$0
248-044-680-6701	MISCELLANEOUS REVENUE	\$0	\$0	\$0	\$4	\$0	\$0
Totals for dept 044 - MISCELLANEOUS REVENUE		\$3,341	(\$720)	\$250	\$716	\$250	\$250
Dept 048 - TRANSFERS IN							
248-048-699-0000	TRANFERS IN (FROM GEN FUND)	\$0	\$0	\$0	\$0	\$0	\$0
248-048-699-0244	TRANSFERS IN EDG	\$0	\$0	\$0	\$0	\$0	\$0
248-048-699-6000	TRANSFERS IN (FROM SAD)	\$0	\$0	\$0	\$0	\$0	\$0
Totals for dept 048 - TRANSFERS IN		\$0	\$0	\$0	\$0	\$0	\$0
Dept 053 - PRIOR YEARS FUND BALANCE							
248-053-692-6970	USE OF FUND BALANCE	\$0	\$0	\$33,172	\$0	\$34,363	\$34,363
Totals for dept 053 - PRIOR YEARS FUND BALANCE		\$0	\$0	\$33,172	\$0	\$34,363	\$34,363
TOTAL ESTIMATED REVENUES		\$82,576	\$147,460	\$129,259	\$135,053	\$132,184	\$132,184
APPROPRIATIONS							
Dept 863 - DOWNTOWN DEVELOPMENT AUTHORITY							
248-863-729-0000	FORMS AND PRINTING	\$0	\$0	\$500	\$0	\$500	\$500
248-863-730-0000	POSTAGE	\$0	\$0	\$0	\$0	\$0	\$0
248-863-766-0000	TOOLS AND SUPPLIES	\$0	\$22,550	\$0	\$0	\$0	\$0
248-863-807-0000	AUDIT FEES	\$1,607	\$1,907	\$2,020	\$5,971	\$2,020	\$2,020
248-863-817-0000	EVENTS	\$0	\$0	\$500	\$0	\$500	\$500
248-863-818-0000 **	CONTRACTUAL SERVICES	\$5,484	\$14,762	\$10,000	\$0	\$12,500	\$12,500
248-863-818-0001	DDA MARKET ANALYSIS	\$0	\$0	\$0	\$0	\$0	\$0
248-863-818-5000	BLIGHT REMOVAL - SIGN GRANT PROGRAM	\$0	\$0	\$5,000	\$5,148	\$5,000	\$5,000
248-863-818-5001	BLIGHT REMOVAL - FACADE IMPROVEMENT	\$0	\$5,000	\$10,000	\$0	\$10,000	\$10,000
248-863-818-5002	BLIGHT PROPERTY	\$0	\$0	\$0	\$0	\$0	\$0
248-863-818-5003	BLIGHT REMOVAL - PROPERTY ACQUI	\$0	\$0	\$0	\$0	\$0	\$0
248-863-818-5004	PERM ID PROGRAM	\$0	\$0	\$0	\$0	\$0	\$0
248-863-826-0000	LEGAL FEES	\$0	\$0	\$0	\$0	\$0	\$0
248-863-826-2000	HOURLY RATE-LEGAL	\$0	\$0	\$0	\$0	\$0	\$0
248-863-832-1000	MAINTENANCE-BERM AREA	\$18,490	\$16,462	\$17,500	\$10,736	\$17,500	\$17,500
248-863-832-1001	MAINTENANCE - ROW TRASH	\$1,990	\$5,087	\$3,500	\$1,260	\$3,500	\$3,500
248-863-921-0000 **	ELECTRIC	\$551	\$552	\$1,000	\$216	\$1,250	\$1,250
248-863-944-0000	MOTOR POOL CHARGES	\$0	\$0	\$0	\$0	\$0	\$0
248-863-944-1000	DEPT OF PUBLIC SERVICES CHARGES	\$0	\$0	\$0	\$0	\$0	\$0
248-863-955-8640 **	CONFERENCES AND WORKSHOPS	\$0	\$330	\$1,500	\$0	\$1,500	\$1,500
248-863-958-0000 **	MEMBERSHIPS AND DUES	\$126	\$860	\$870	\$30	\$1,045	\$1,045
248-863-960-9570	SUBSCRIPTIONS AND MAGAZINES	\$0	\$0	\$0	\$0	\$0	\$0
248-863-981-0000	COMPUTER EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0
248-863-987-0000 **	IMPROVEMENTS	\$0	\$0	\$20,000	\$0	\$20,000	\$20,000
248-863-987-0001	ALLEY IMPROVEMENTS	\$0	\$0	\$0	\$0	\$0	\$0
248-863-987-0002	PROPERTY ACQUIS/DEMO	\$0	\$0	\$35,000	\$0	\$35,000	\$35,000
248-863-987-0003	PATINA PLACE - BRA STREETSCAPE IMPRVMNT	\$0	\$0	\$0	\$0	\$0	\$0
248-863-987-0004	MADISON TOWN CTR - BRA ST IMPROV	\$0	\$0	\$0	\$0	\$0	\$0
248-863-987-0006	11 MILE/JOHN R ROAD IMPROVEMENTS	\$0	\$0	\$0	\$0	\$0	\$0
248-863-987-0011	IMPROVEMENTS - BICYCLE RACK PROGRAM	\$0	\$0	\$0	\$0	\$0	\$0
248-863-987-0012	DDA BUSINESS GRANT	\$0	\$0	\$0	\$0	\$0	\$0
Totals for dept 863 - DOWNTOWN DEVELOPMENT AUTHORITY		\$28,248	\$67,510	\$107,390	\$23,361	\$110,315	\$110,315
Dept 965 - TRANSFERS OUT							
248-965-995-2272	TRANSFER TO LOCAL ST	\$0	\$0	0.00	\$0.00	\$0.00	\$0.00
248-965-995-4000	TRANSFER TO SAD REVOLVING	\$0	\$0	0.00	\$0.00	\$0.00	\$0.00
248-965-995-6000	TRANSFER TO GENERAL FUND	\$10,000	\$22,053	21,869.00	\$21,869.00	\$21,869.00	\$21,869.00
248-965-995-9991	TRANSFER TO MAJOR STREETS	\$0	\$0	0.00	\$0.00	\$0.00	\$0.00
248-965-998-9990	PAYING AGENT FEES	\$0	\$0	0.00	\$0.00	\$0.00	\$0.00
Total Dept 965 - TRANSFERS OUT		\$10,000	\$22,053	\$21,869	\$21,869	\$21,869	\$21,869
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:							
TOTAL REVENUES		\$82,576	\$147,460	\$129,259	\$135,053	\$132,184	\$132,184
TOTAL EXPENDITURES		\$38,248	\$89,563	\$129,259	\$45,230	\$132,184	\$132,184
NET OF REVENUES & EXPENDITURES		\$44,328	\$57,897	\$0	\$89,823	\$0	\$0
NET OF REVENUES/APPROPRIATIONS - FUND 248							
BEGINNING FUND BALANCE		\$44,328	\$57,897	\$0	\$89,823	\$0	\$0
FUND BALANCE ADJUSTMENTS		\$176,978	\$221,308	\$279,204	\$279,204	\$279,204	\$279,204
ENDING FUND BALANCE		\$1	\$0	\$0	\$0	\$0	\$0
		\$221,307	\$279,205	\$279,204	\$369,027	\$279,204	\$279,204

* NOTES TO BUDGET: DEPARTMENT 863 DOWNTOWN DEVELOPMENT AUTHORITY

818-0000	CONTRACTUAL SERVICES					
	FOOTNOTE AMOUNTS:					5,000
	(2023-24) TREE PLANTING					
	FOOTNOTE AMOUNTS:					7,500
	(2023-24) SBEI					
	ACCOUNT '818-0000' TOTAL					12,500
921-0000	ELECTRIC					
	FOOTNOTE AMOUNTS:					600
	(2023-24) ELECTRIC					
	FOOTNOTE AMOUNTS:					650
	(2023-24) HOLIDAY ELECTRIC					
	ACCOUNT '921-0000' TOTAL					1,250
955-8640	CONFERENCES AND WORKSHOPS					
	FOOTNOTE AMOUNTS:					1,500
	(2023-24) MICHIGAN DOWNTOWN ASSOCIATION CONFERENCE					
958-0000	MEMBERSHIPS AND DUES					
	FOOTNOTE AMOUNTS:					820
	(2023-24) CPIX CBOR MEMBERSHIP DUES					
	FOOTNOTE AMOUNTS:					225
	(2023-24) MDA MEMBERSHIP & LOBBYING					
	ACCOUNT '958-0000' TOTAL					1,045
987-0000	IMPROVEMENTS					
	FOOTNOTE AMOUNTS:					20,000
	(2023-24) BANNERS, GATEWAY OR OTHER PROJECTS					
	DEPT '863' TOTAL					36,295

Dept 965 - TRANSFERS OUT						
248-965-995-2272	TRANSFER TO LOCAL ST					
248-965-995-4000	TRANSFER TO SAD REVOLVING					
248-965-995-6000 * *	TRANSFER TO GENERAL FUND	10,000	22,053	21,869	21,869	22,050
248-965-995-9991	TRANSFER TO MAJOR STREETS					
248-965-998-9990	PAYING AGENT FEES					
Totals for dept 965 - TRANSFERS OUT		10,000	22,053	21,869	21,869	22,050

* NOTES TO BUDGET: DEPARTMENT 965 TRANSFERS OUT

995-6000	TRANSFER TO GENERAL FUND					
	FOOTNOTE AMOUNTS:					22,050
	(2023-24) ALLOCATION OF ECONOMIC DEVELOPMENT DIRECTOR					
	DEPT '965' TOTAL					22,050