



CASCADE

DISTRICT

Cascade Downtown Development Authority

What is the Cascade Downtown Development Authority (DDA)?

Authorized by the State of Michigan (PA 197 of 1975)

Purpose:

- Halt property value deterioration and increase property tax valuation where possible
- Eliminate the causes of deterioration
- To promote economic growth.

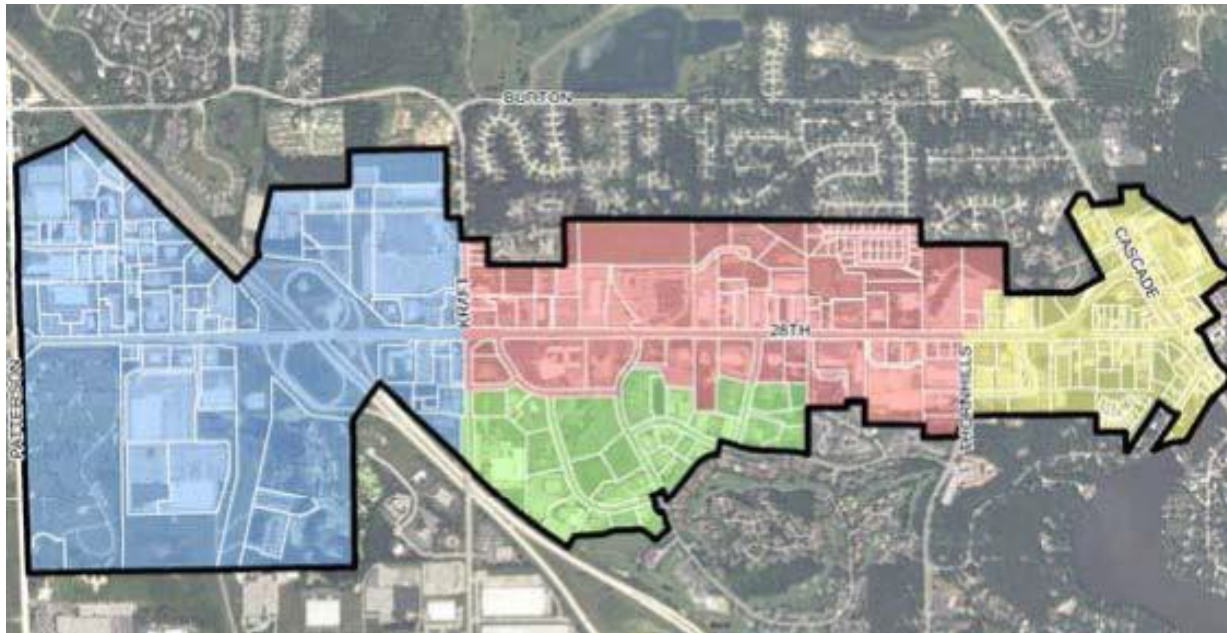
Cascade Township DDA

- Established in 1993
- Expanded in 2003 (Interchange Area)
- Expanded in 2004 (Centennial Business Park)

DDA is governed by a Board of Directors (9 members) appointed by the Township Board

- Mixture of Business owners, DDA residents and at-large residents

Cascade Downtown Development Authority



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How is a Downtown Development Authority Funded?

- Donations
- Millage (up to 2 mills) Cascade does not levy millage
- Bond Proceeds
- Revenue From Properties
- Other Sources (Grants, Special Assessment, GF Contributions, etc...)
- Tax Increment Financing

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What is “Tax Increment Financing?”

- The DDA can capture the taxes generated by subsequent growth in the district.
- Taxing jurisdictions always receive the tax revenues from the base taxable value.
- DDA receives tax revenues generated from any taxable value growth from the base year, for the duration of the Tax Increment Financing Plan.
- Local school millages and State Education Tax is not subject to capture – they continue to receive tax revenues on growth.

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How Does Tax Increment Financing Work?

Base Year

Joe's Trinkets and Widgets

Taxable Value = \$100,000

Millage = 10 mills

Base TV = \$100,000

Increment TV = \$0

Taxes = \$1000

Township = \$100

County = \$500

Library = \$100

College = \$300

DDA = \$0

Year One

Joe's Trinkets and Widgets

Taxable Value = \$103,000

Millage = 10 mills

Base TV = \$100,000

Increment TV = \$3,000

Taxes = \$1030

Township = \$100

County = \$500

Library = \$100

College = \$300

DDA = \$30

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What can Tax Increment Financing revenues in the DDA be spent on?

- DDA Act has a comprehensive list of the things a DDA can partake in.

TIF funds in general —

- Must be spent on infrastructure/projects/programs within or directly benefitting the DDA development area
- Must be spent on infrastructure/projects or program that are identified in the DDA Development Plan and Tax Increment Financing Plan

Cascade Plan was adopted by the Cascade DDA and Cascade Township Board in November 2011

Cascade Downtown Development Authority

What has the DDA invested in?

- Sidewalks
- Streetlighting
- Old 28th Street Streetscape
- Museum Garden Park
- Cascade/28th Interchange
- Cascade/TRD Interchange
- Mid-Block Crossing
- Project Maintenance
- Utility Costs
- Special Events
- Transportation
- Trees/Landscaping
- Studies/Plans
- Administration