
Grand Rapids Downtown Development Authority

(a component unit of the City of Grand Rapids, Michigan)

Financial Report
with Supplemental Information
June 30, 2022

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Independent Auditor's Report

To the Board of Directors
Grand Rapids Downtown Development Authority

Opinions

We have audited the accompanying financial statements of the governmental activities and the governmental fund of the Grand Rapids Downtown Development Authority (the "Authority"), a component unit of the City of Grand Rapids, Michigan, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Grand Rapids Downtown Development Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the governmental fund of the Authority as of June 30, 2022 and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 2 to the financial statements, at July 1, 2021, the Authority adopted Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, which gives guidance on the identification and reporting of lease activities. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors
Grand Rapids Downtown Development Authority

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the basic financial statements. The other information comprises the schedule of current and ongoing projects but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Plante & Moran, PLLC

December 12, 2022

Grand Rapids Downtown Development Authority

Management's Discussion and Analysis

This section of the Grand Rapids Downtown Development Authority's (the "Authority") financial report presents a discussion and analysis of the Authority's financial performance for the fiscal year ended June 30, 2022. This discussion has been prepared by management, along with the financial statements and related footnote disclosures, and should be read in conjunction with, and is qualified in its entirety by, the financial statements and footnotes. This discussion and analysis is designed to focus on current activities, resulting changes, and currently known facts.

Using This Annual Report

This financial report consists of financial statements that focus on the financial condition of the unit of government and the results of its operations as a whole. One of the most important questions asked about governmental finances is whether the unit of government as a whole is better off or worse off as a result of the year's activities. The keys to answering this question are the statement of net position and the statement of activities.

The statement of net position includes the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Deferred outflows of resources are the consumption of net position by the Authority that is applicable to a future reporting period. The statement of net position is prepared using the accrual basis of accounting, whereby revenue and assets are recognized when levied or the service is provided, and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. The Authority's net position is one indicator of the Authority's financial health. Over time, increases or decreases in net position indicate the improvement or erosion of the Authority's financial health.

Condensed Statement of Net Position

	Governmental Activities		
	2022	2021	Percent Change
Assets			
Current and other assets	\$ 14,731,142	\$ 16,199,547	(9.1)
Capital assets	22,189,048	24,578,055	(9.7)
Total assets	36,920,190	40,777,602	(9.5)
Deferred Outflows of Resources	-	565,282	(100.0)
Liabilities			
Current liabilities	5,149,193	5,273,968	(2.4)
Noncurrent liabilities:			
Due within one year	63,341	6,493,219	(99.0)
Due in more than one year	81,532	525,203	(84.5)
Total liabilities	5,294,066	12,292,390	(56.9)
Net Position			
Net investment in capital assets	22,053,103	18,132,801	21.6
Restricted	9,573,021	10,917,693	(12.3)
Total net position	<u>\$ 31,626,124</u>	<u>\$ 29,050,494</u>	8.9

Current Assets

Equity in Pooled Cash and Investments

The City of Grand Rapids, Michigan (the "City") maintains an investment pool for most city funds and component units. The Authority's \$14.6 million portion of the investment pool is displayed on the statement of net position as cash and cash equivalents. Investments are a diversified mixture of U.S. government agency and U.S. Treasury securities, money market mutual funds, and commercial paper rated by at least two rating organizations at their highest rating. In fiscal year 2022, cash decreased by \$1.0 million from fiscal year 2021. The difference is the result of reduced charges for services and interest revenue, as well as an increase in expenditures.

Grand Rapids Downtown Development Authority

Management's Discussion and Analysis (Continued)

Receivables

The Authority's net receivables for fiscal years 2022 and 2021 of \$85,848 and \$279,990, respectively, are composed of interest receivable in both years and an accrued payment from the City in connection with Ottawa Ave extension from Cherry Street to Oakes Street in fiscal year 2021.

Noncurrent Assets

Long-term Loan Receivable

In May 2008, the Authority loaned \$898,848 to a local developer that used the funds to purchase vacant city property at the southwest corner of Fulton Street and Division Avenue. The terms of the repayment agreement include simple interest to be charged at 4.5 percent per year, with repayment of principal beginning in 2015. In fiscal year 2022, the developer paid off the loan in full.

Prepaid Expenses

In January 2006, the Authority entered into a 15-year maintenance agreement for repairs and improvements to be made by the current owner of the Plaza Towers property for the Authority's Riverwalk and Singer Sculpture between the Plaza Towers property and the Grand River. This agreement ended January 2021; therefore, there were no prepaid expenses as of June 30, 2022.

Capital Assets - Net of Depreciation

Net capital assets of \$22.2 million include the historical construction and acquisition costs of infrastructure, land, land improvements, buildings and structures, machinery and equipment, and office equipment and furniture, less \$65.0 million for accumulated depreciation. Detailed information regarding capital asset additions and deletions is available in Note 4.

Deferred Outflows of Resources

Deferred Outflows on Refunding of Bonds

The decrease in the amount deferred on the refunding of bonds consists of the scheduled current year amortization.

Current Liabilities

Accounts Payable

As of June 30, 2022, accounts payable of \$5.1 million include amounts owed to vendors for goods and services received in fiscal year 2022 but paid for in fiscal year 2023, as well as \$4.2 million for excess tax increment captures owed to Grand Rapids Public Schools, Kent Intermediate School District, and the State of Michigan. The accounts payable balance as of June 30, 2022 is \$18,000 lower than the balance on June 30, 2021.

Noncurrent Liabilities

Noncurrent Liabilities, Due within One Year

Noncurrent liabilities, due within one year, of \$63,341 represent the amount of the Authority's debt service payments due within 12 months after June 30, 2022, plus compensated absences expected to be paid within the same time frame. The decrease is due to scheduled principal payments. See Note 5 for additional information.

Noncurrent Liabilities, Due in More Than One Year

Noncurrent liabilities of \$81,532 represent lease payments scheduled to be made as well as compensated absences not due within 12 months. The decrease in the amounts outstanding on June 30, 2022 and 2021 is due to scheduled payments of principal and interest on the bonds. See Note 5 for additional information.

Grand Rapids Downtown Development Authority

Management's Discussion and Analysis (Continued)

Net Position

Net position represents assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. Total net position at June 30, 2022 was about \$31.6 million, an 8.9 percent increase compared to total net position at June 30, 2021.

Net Investment in Capital Assets

Net investment in capital assets of \$22.1 million includes the historical construction and acquisition costs of infrastructure, land, land improvements, buildings and structures, machinery and equipment, office equipment and furniture net of accumulated depreciation, and related bond principal outstanding. The 21.6 percent, or \$3.9 million, increase between fiscal years 2022 and 2021 is approximately equal to the \$2.4 million decrease in net capital assets plus the \$0.6 million decrease in deferred charges on refunding plus the \$6.9 million decrease in long-term liabilities. Detailed information regarding capital assets and acquisition-related debt obligations is in Notes 4 and 5.

Restricted for Authorized Projects

The Authority's net position is restricted by the requirements of Michigan Public Act 57 of 2018, as amended, as well as Michigan Public Act 197 of 1975, as amended, which limits expenditures to those that further the Authority's approved development plan. The \$1.3 million decrease in restricted net position in fiscal year 2022 is a function of the total \$2.6 million in excess of revenue over expenditures less the \$3.9 million increase in net investment in capital assets.

The Authority's Changes in Net Position

	Governmental Activities		
	2022	2021	Percent Change
Revenue			
Property taxes	\$ 14,929,738	\$ 13,881,584	7.6
Federal grants	-	297,285	(100.0)
Charges for services	645,035	402,988	60.1
Investment (loss) earnings:			
Unrealized loss on investments	(1,483,778)	(161,690)	(817.7)
Interest income	316,950	334,009	(5.1)
Other revenue	197,670	207,670	(4.8)
Total revenue	14,605,615	14,961,846	(2.4)
Expenses			
Urban development	11,768,217	12,706,189	(7.4)
Interest and paying agent fees	261,768	687,104	(61.9)
Total expenses	12,029,985	13,393,293	(10.2)
Net Change in Net Position	2,575,630	1,568,553	64.2
Net Position - Beginning of year	29,050,494	27,481,941	5.7
Net Position - End of year	\$ 31,626,124	\$ 29,050,494	8.9

Revenue

Property Taxes

The Authority's revenue is generated primarily through the use of property tax increment financing in which the Authority captures property tax revenue attributable to increases in the value of real and personal property within the district boundaries. Property tax increment revenue related to the State Education Tax, the Kent Intermediate School District, and the Grand Rapids Public Schools levies are retained only in an amount sufficient to support the annual debt service for eligible debt obligations outstanding when Proposal A took effect on January 1, 1995 or for debt obligations that refunded those pre-1995 eligible obligations.

Grand Rapids Downtown Development Authority

Management's Discussion and Analysis (Continued)

Property tax increment revenue related to the City of Grand Rapids, Michigan; County of Kent, Michigan; Grand Rapids Community College; and the Interurban Transit Partnership are used to support the Authority's cash and debt-financed development projects. Property tax increment revenue for the year ended June 30, 2022 includes property taxes levied on July 1, 2021 and on December 1, 2021.

Property tax revenue between fiscal years 2022 and 2021 increased by 7.6 percent due to rising taxable values within the Authority's boundaries.

Investment Earnings

This is interest revenue consisting of interest earned when authority funds are invested by the city treasurer, interest related to a loan to a downtown developer, and gains or losses on investments as they are brought to market value on June 30, 2022 and 2021. There was an decrease of 777.1 percent in investment earnings between fiscal years 2022 and 2021. The large decrease is due to fluctuations in the market and movement of investments brought on by COVID-19.

Charges for Services

In fiscal year 2022, charges for services increased by 60.1 percent, or approximately \$242,000, mainly due to a rebound of parking fee revenue from the pandemic.

Expenses

Urban Development

In the fiscal year ended June 30, 2022, the Authority expended \$11.8 million for urban development work related to the Authority's development plan compared to \$12.7 million in the prior year. There were five projects in fiscal year 2022 for which expenditures were much larger than all the other projects. Below are those five projects and the amounts expended for them in fiscal year 2022:

Public facility developer reimbursements - HP3 LLC-J.W. Marriott, Owen-Ames-Kimball, 38 Commerce LLC, Two West Fulton, DBD Properties LLC, Health Park Central LLC, 68 Commerce LLC, 35 Oakes Associates, 100 Commerce Development LLC, Arena Place Development LLC, 55 Ionia Partners LLC, Harris Lofts LLC, CWD 50 Louis LLC, Waters Building LLC, 20 Monroe Building Co LLC, and Venue Towers LLC	\$	1,500,180
Streetscape improvements		1,455,626
Public space activation		837,214
Public realm improvements		782,709
River edge improvements		434,108

The five largest projects in terms of expenditures for fiscal year 2021 are below:

Public facility developer reimbursements - HP3 LLC-J.W. Marriott, Owen-Ames-Kimball, 38 Commerce LLC, Two West Fulton, DBD Properties LLC, Health Park Central LLC, 68 Commerce LLC, 35 Oakes Associates, 100 Commerce Development LLC, Arena Place Development LLC, 55 Ionia Partners LLC, Harris Lofts LLC, CWD 50 Louis LLC, Waters Building LLC, 20 Monroe Building Co LLC, and Venue Towers LLC	\$	1,663,016
Arena Plaza improvements		1,333,901
Streetscape improvements		989,361
Economic development and innovation		671,206
Downtown marketing and inclusion program		372,622

Interest and Paying Agent Fees

At various times, the Authority has issued bonds and other long-term obligations for the purpose of supporting development projects within district boundaries. Current debt service supports the following financed projects: partial support of the DeVos Place Convention Center construction, Van Andel Arena construction, and improvements to floodwalls and embankments along the Grand River (see Note 5).

Grand Rapids Downtown Development Authority

Management's Discussion and Analysis (Continued)

Overall Financial Position

Management believes the Authority is in good condition financially. Current tax increment revenue is adequate to cover ongoing debt service requirements and current project commitments.

Requests for Further Information

This financial report is intended to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Grand Rapids, Michigan comptroller's department at 300 Monroe Avenue NW, Grand Rapids, MI 49503.

Grand Rapids Downtown Development Authority

Statement of Net Position/Governmental Fund Balance Sheet

June 30, 2022

	Governmental Fund	Adjustments (Note 3)	Statement of Net Position
Assets			
Cash and cash equivalents	\$ 14,645,294	\$ -	\$ 14,645,294
Receivables:			
Interest	73,848	-	73,848
Other receivables	12,000	-	12,000
Capital assets: (Note 4)			
Assets not subject to depreciation	-	11,012,494	11,012,494
Assets subject to depreciation - Net	-	11,176,554	11,176,554
Total assets	\$ 14,731,142	22,189,048	36,920,190
Liabilities			
Accounts payable	\$ 5,148,113	-	5,148,113
Accrued interest payable	-	80	80
Customer deposits	1,000	-	1,000
Noncurrent liabilities: (Note 5)			
Due within one year			
Compensated absences - Less than a year	-	3,898	3,898
Current portion of bonds and contracts payable	-	59,443	59,443
Due in more than one year	-	81,532	81,532
Total liabilities	5,149,113	144,953	5,294,066
Equity			
Fund balance:			
Restricted	4,775,581	(4,775,581)	-
Assigned	4,806,448	(4,806,448)	-
Total fund balance	9,582,029	(9,582,029)	-
Total liabilities and fund balance	\$ 14,731,142		
Net position:			
Net investment in capital assets		22,053,103	22,053,103
Restricted		9,573,021	9,573,021
Total net position		\$ 31,626,124	\$ 31,626,124

Grand Rapids Downtown Development Authority

Statement of Activities/Statement of Revenue, Expenditures, and Changes in Fund Balance

	Year Ended June 30, 2022		
	Governmental Fund	Adjustments (Note 3)	Statement of Activities
Revenue			
Property taxes	\$ 14,929,738	\$ -	\$ 14,929,738
Charges for services	645,035	-	645,035
Investment (loss) earnings:			
Unrealized loss on investments	(1,483,778)	-	(1,483,778)
Interest income	316,950	-	316,950
Other revenue:			
Other income	357,342	(357,342)	-
Gain on sale of assets	-	197,670	197,670
Total revenue	14,765,287	(159,672)	14,605,615
Expenditures			
Urban development	9,438,854	2,329,363	11,768,217
Principal payments	6,490,000	(6,490,000)	-
Interest and paying agent fees	324,500	(62,732)	261,768
Total expenditures	16,253,354	(4,223,369)	12,029,985
Excess of Revenue (Under) Over Expenditures	(1,488,067)	4,063,697	2,575,630
Other Financing Sources			
Leases entered into	197,231	(197,231)	-
Sale of capital assets	197,670	(197,670)	-
Total other financing sources	394,901	(394,901)	-
Net Change in Fund Balance/Net Position	(1,093,166)	3,668,796	2,575,630
Fund Balance/Net Position - Beginning of year	10,675,195	18,375,299	29,050,494
Fund Balance/Net Position - End of year	\$ 9,582,029	\$ 22,044,095	\$ 31,626,124

Note 1 - Reporting Entity

The Grand Rapids Downtown Development Authority (the "Authority" or the DDA), a component unit of the City of Grand Rapids, Michigan (the "City"), was created in 1979 by the City under the provisions of the State of Michigan Public Act 197 of 1979, as amended. The Authority is also guided by Public Act 57 of 2018, which was enacted effective January 1, 2019. Public Act 57 recodifies several tax increment financing (TIF) statuses, including the Authority's enabling statute, while allowing the Authority to continue to capture property tax increment revenue. Public Act 57 establishes reporting requirements and penalties for noncompliance with these reporting requirements. It requires the Authority to hold informational meetings twice a year. In addition, Public Act 57 provides for the continuation of a liability or obligation of an authority under a statute that the bill repeals. The purpose of the Authority is to correct and prevent deterioration in business districts, encourage historic preservation, authorize the acquisition and disposal of interests in real and personal property, authorize the creation and implementation of development plans in the districts, promote the economic growth of the districts, authorize the levy and collection of taxes, authorize the issuance of bonds and other evidences of indebtedness, and authorize the use of tax increment financing.

Until 2007, the district was bounded roughly by Interstate 196 on the north, Division Avenue on the east, Cherry and Wealthy Streets on the south, and Seward Street on the west. In November 2007, the Authority approved a plan amendment that nearly doubled the Authority's development area but did not double the tax increment revenue, since much of the property in the expansion districts is exempt from paying property taxes. The new boundaries were bounded roughly by Newberry Street on the north, west of Lafayette Avenue or Prospect Avenue on the east, north of Logan Street or Wealthy Street on the south, and east of Lexington Avenue or Seward Avenue on the west. The initial property tax increment revenue capture for the expansion section was in fiscal year 2009.

In December 2016, the Authority approved a plan amendment that increased its development area but did not significantly increase tax increment revenue due to the overlapping of existing tax increment districts and the inclusion of tax-exempt properties. These newest boundaries are adjacent to the Authority's northernmost and southernmost boundaries described in the previous paragraph. Specifically, the expansion boundaries are primarily north of Newberry Street, south of Wealthy Street, and north of Bridge Street.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The Authority follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the Authority:

Basis of Accounting

The governmental fund uses the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Authority has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Employee benefit costs that will be funded in the future (such as compensated absences) are not counted until they come due for payment.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Authority considers amounts collected within 60 days of year end to be available for recognition; however, property tax increment revenue is recognized as revenue in the fiscal year for which it was levied.

June 30, 2022

Note 2 - Significant Accounting Policies (Continued)

The Authority uses the economic resources measurement focus and the full accrual basis of accounting to prepare the statement of net position and statement of activities. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Budget

The Grand Rapids City Commission annually approves the Authority's budget after the authority board members have reviewed and recommended it. After the City Commission approves the budget, the authority board members adopt it. The budget for the Authority is a project budget rather than an annual budget. Therefore, budget to actual information has not been reflected in the financial statements.

Specific Balances and Transactions

Cash and Investments

The City maintains an investment pool for most city funds, including component units, such as the Authority. The Authority's portion of the investment pool is displayed on the balance sheet as cash and cash equivalents. The Authority's equity in this pool is deemed to be a cash equivalent for financial reporting purposes because cash may be withdrawn at any time without prior notice or penalty.

The investment policy adopted by the City Commission is governed by the provisions of Michigan Public Act 20 of 1943, as amended. The policy is designed to prioritize the preservation of principal while also providing an investment return. Details on the investment policy and the categorization of cash and investments are included in the Annual Comprehensive Financial Report of the City of Grand Rapids, Michigan to give an indication of the level of risk assumed by the City at year end. It is not feasible to allocate the level of risk to the various component units of the City because of the commingling of assets in the pool. Interest income and investment losses from the cash and investment pooling is distributed by the city treasurer to the appropriate funds based on the fund's weighted-average share of the investment pool.

Deposits are less than 10 percent of the total portfolio. They consist of bank money market funds, demand deposit accounts, and certificates of deposit with original maturities greater than three months at the date of purchase. Michigan statutes require that deposits be maintained in financial institutions with offices located in Michigan. Most deposits are uninsured and uncollateralized.

Investments are a diversified mixture of U.S. government agency and U.S. Treasury securities, money market mutual funds that maintain a \$1 value per share, obligations of the State of Michigan or its subdivisions with a rating of A or higher, and commercial paper rated by at least two rating organizations at their highest rating. All investments are reported at fair value.

Capital Assets

Capital assets, which include land, infrastructure, land improvements, buildings and structures, machinery and equipment, and furniture, are reported on the statement of net position. Capital assets are defined by the Authority as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

	Depreciable Life - Years
Land improvements	20
Buildings, structures, and improvements	20 - 30
Furniture and furnishings	3 - 30
Machinery and equipment	3 - 30

June 30, 2022

Note 2 - Significant Accounting Policies (Continued)

Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the governmental fund financial statements, bond issuances and premiums are recognized as other financing sources and bond discounts as other financing uses.

Net Position

Net position of the Authority is classified in two components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Net position is reported as restricted when there are limitations imposed on its use either through legislation or other external restrictions.

Net Position Flow Assumption

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance

Fund balance in the Authority's governmental fund column is reported in different categories based on the nature of any limitations regarding the use of resources for specific purposes. Amounts reported as restricted fund balance are the result of external restrictions, including Internal Revenue Service restrictions on the use of bond proceeds and, primarily, the Authority's enabling statute. Amounts reported as assigned are funded through the Authority's non-tax increment funds.

Property Tax Revenue

The majority of the Authority's revenue is generated through property tax increment financing. Summer taxes are levied by the City on July 1 and attach as an enforceable lien at that time. Summer taxes are due without penalty on or before July 31. Winter taxes are levied on December 1 and attach as an enforceable lien at that time. Winter taxes are due without penalty on or before February 14.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Leases

The Authority is a lessee for noncancelable leases of a building. The Authority recognizes a lease liability and an intangible right-to-use lease asset governmental activities.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

June 30, 2022**Note 2 - Significant Accounting Policies (Continued)**

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with noncurrent liabilities in the governmental activities column.

Adoption of New Accounting Pronouncement

During the current year, the Authority adopted GASB Statement No. 87, *Leases*. As a result, the governmental activities now include a liability for the present value of payments expected to be made and right-to-use assets. Lease activity is further described in Note 8.

Note 3 - Reconciliation of Individual Fund Columns of the Statement of Net Position/Statement of Activities

Net position reported in the statement of net position column is different than the fund balance reported in the individual fund columns because of the different measurement focus and basis of accounting, as discussed in Note 2. Below is a reconciliation of the differences:

Fund Balances Reported in Governmental Funds	\$ 9,582,029
Amounts reported for governmental activities in the are different because:	
Capital assets and lease assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	87,219,174
Accumulated depreciation	<u>(65,030,126)</u>
Net capital assets and lease assets used in governmental activities	22,189,048
Lease liabilities are not due and payable in the current period and are not reported in the funds	(135,945)
Accrued interest is not due and payable in the current period and is not reported in the funds	(80)
Compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	<u>(8,928)</u>
Net Position of Governmental Activities	<u>\$ 31,626,124</u>

June 30, 2022**Note 3 - Reconciliation of Individual Fund Columns of the Statement of Net Position/Statement of Activities (Continued)**

The change in net position reported in the statement of activities column is different than the change in fund balance reported in the individual fund columns because of the different measurements focus and basis of accounting, as discussed in Note 2. Below is a reconciliation of the differences:

Net Change in Fund Balance Reported in Governmental Funds	\$ (1,093,166)
Amounts reported for governmental activities in the are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Depreciation expense	(2,590,727)
Capital outlay	4,489
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	(357,342)
Repayment of bond principal and lease liabilities is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt and lease liabilities)	6,506,540
Interest expense is recognized in the government-wide statements as it accrues	106,878
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(1,042)
Change in Net Position of Governmental Activities	\$ 2,575,630

Grand Rapids Downtown Development Authority

Notes to Financial Statements

June 30, 2022

Note 4 - Capital Assets

The following table summarizes, by major class of asset, the Authority's capital asset activity:

	Balance July 1, 2021	Additions	Disposals and Adjustments	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 11,008,005	\$ -	\$ -	\$ 11,008,005
Construction in progress	-	4,489	-	4,489
Subtotal	11,008,005	4,489	-	11,012,494
Capital assets being depreciated:				
Infrastructure	267,779	-	-	267,779
Land improvements	6,708,245	-	-	6,708,245
Buildings and structures	60,161,125	-	-	60,161,125
Machinery and equipment	6,044,760	-	-	6,044,760
Office equipment and furniture	2,827,540	-	-	2,827,540
Lease asset	197,231	-	-	197,231
Subtotal	76,206,680	-	-	76,206,680
Accumulated depreciation:				
Infrastructure	202,316	5,950	-	208,266
Land improvements	5,987,804	189,729	-	6,177,533
Buildings and structures	48,918,006	2,007,958	-	50,925,964
Machinery and equipment	4,998,828	232,197	-	5,231,025
Office equipment and furnishings	2,332,445	94,207	-	2,426,652
Lease asset	-	60,686	-	60,686
Subtotal	62,439,399	2,590,727	-	65,030,126
Net capital assets being depreciated	13,767,281	(2,590,727)	-	11,176,554
Net capital assets	\$ 24,775,286	\$ (2,586,238)	\$ -	\$ 22,189,048

Note 5 - Long-term Debt

Long-term debt activity for the year ended June 30, 2022 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:					
Other debt - Bonds payable	\$ 6,490,000	\$ -	\$ (6,490,000)	\$ -	\$ -
Unamortized bond premiums	520,536	-	(520,536)	-	-
Total bonds and contracts payable	7,010,536	-	(7,010,536)	-	-
Leases	197,231	-	(61,286)	135,945	59,443
Compensated absences	7,886	8,928	(7,886)	8,928	3,898
Total long-term debt	\$ 7,215,653	\$ 8,928	\$ (7,079,708)	\$ 144,873	\$ 63,341

June 30, 2022**Note 6 - Contingencies**

The City is regularly involved in various property tax appeals. For the Authority, as of June 30, 2022, funds have been accrued for estimated property tax increment revenue losses plus estimated interest that would be owed to the property owner. The outcomes of the individual appeals are not predictable with reasonable assurance, and it is reasonably probable that some of these matters may be decided unfavorably for the City and the Authority.

The Authority is exposed to a number of asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on the financial position of the Authority.

Note 7 - Commitments

In 2003, the City County Joint Building Authority (CCJBA) concurrently issued \$5,000,000 Series 2003A and \$5,000,000 Series 2003B bonds for the purpose of defraying, in part, the cost of constructing the Devos Place Convention Center facility on Monroe Avenue. In 2013, the CCJBA refunded the two issues with Series 2013A and 2013B refunding bonds. Debt service for the Series 2013A bonds is supported by the County of Kent, Michigan's semiannual rental payments and will be completed in December 2023. Debt service for the Series 2013B bonds is supported by the Authority's semiannual payments and will also be completed in December 2023. The Authority's \$5,000,000 debt-financed project contribution on behalf of the DeVos Place project was supplemented by an additional \$5,000,000 cash contribution early in fiscal year 2004.

The amount of Series 2013B principal outstanding for which the Authority is responsible as of June 30, 2022 is \$610,000. Future payments, including interest expense, are as follows:

Years Ending	Amount
2023	\$ 318,400
2024	316,200
Total	<u>\$ 634,600</u>

Note 8 - Leases

The Authority leases a building from a third party. Payments are generally fixed monthly.

Lease asset activity of the Authority is included in Note 4.

Future principal payment requirements related to the Authority's lease liability at June 30, 2022 are as follows:

Years Ending	Principal	Interest	Total
2023	\$ 59,443	\$ 791	\$ 60,234
2024	61,085	353	61,438
2025	15,417	19	15,436
Total	<u>\$ 135,945</u>	<u>\$ 1,163</u>	<u>\$ 137,108</u>

Other Supplemental Information

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited)

June 30, 2022

The Authority captures property tax increment revenue from two sources: local tax increments and school tax increments. Local tax increment (LTI) revenue is derived from millages assessed by the City of Grand Rapids, Michigan; the County of Kent, Michigan; the Interurban Transportation Partnership; and the Grand Rapids Community College. School tax increment (STI) revenue is related to the State Education Tax millage; the Grand Rapids Public Schools operating, sinking fund, and debt millages; and the Kent Intermediate School District millages. State law restricts the Authority's use of STI revenue for payment of debt service and other eligible obligations in existence prior to January 1, 1995 and for debt obligations that refunded those pre-1995 eligible obligations. Nontax revenue includes interest on investments and rental and parking revenue generated by facilities owned by the Authority.

In December 2015, the Authority approved GR Forward, which established a vision and strategies for the future of Downtown Grand Rapids. Drawing on input from the community, GR Forward prioritizes ideas and projects that align with and enhance the collective vision and began building leadership around the following five goals:

Goal 1: Restore the Grand River as the draw and create a connected and equitable river corridor.

Goal 2: Establish a true downtown neighborhood that is home to a diverse population.

Goal 3: Implement a 21st century mobility strategy.

Goal 4: Expand job opportunities and ensure continued vitality of the local economy.

Goal 5: Reinvest in public space, culture, and inclusive programming.

GR Forward established an implementation schedule and is the basis for the Authority's fiscal years 2016 to 2025 priority planning process and beyond. Projects and initiatives have been prioritized to ensure the Authority's investments provide strategic support to projects and initiatives meeting the criteria established by GR Forward.

Funds are allocated annually to enable the Authority to assist with private and public projects that fall within the public purpose criteria of state law and would help to accomplish the developmental objectives of the Authority. As recommended by GR Forward, development projects have been subdivided into the five goals, each with an alliance that advises on projects and implementation activities.

The Authority's development projects described below are funded with LTI or non-tax increment (NTI) revenue.

Goal 1: Create a Connected and Equitable River Corridor

River Governance Incubation (LTI)

Support to advance on recommendations flowing from the work begun in FY 2020 to define a long-term organizational and funding strategy for Grand River corridor revitalization. In addition to continued project management support, this includes proposed investment to develop or support the following:

- A business plan, board development, and other startup organizing efforts to establish the new river-focused entity
- A community engagement program to support continued governance incubation. This investment proposes to build on the FY 2020-2022 DDA-funded community engagement work with the Community Catalysts/WMCAT.
- An equity framework plan that presents a shared definition around "equity" grounded in common goals, measurable outcomes, and tactics
- An impact analysis of the potential increased visitation/tourism benefits associated with a revitalized river corridor. This work builds on the initial benefits analysis conducted in FY 2021. Project partners will include Experience GR, Grand Rapids Public Museum, and other corridor stakeholders.
- Research and fundraising services to help identify and strategize around capital and infrastructure funding opportunities

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited) (Continued)

June 30, 2022

- A Corridor Connections Plan that maps the strategic assets, identifies opportunities for broader collaboration, and defines key projects to support river corridor revitalization from Riverside Park to Millennium Park
- River-specific engagement and activation that help reconnect Grand Rapidsians to the Grand River socially, psychologically, and recreationally. These efforts, organized in close collaboration with community partners, will support more informed and robust community participation in ongoing river planning and activation conversations. More specifically, efforts could include Kayak Crawls, River Walks, and other activities that intentionally strive to invite people outdoors and around the river.

Downtown Plan (LTI)

Planning initiatives to further the goals of GR Forward. Proposed initiatives in FY 2022 include the following:

- GR updates
- Support for City Master Plan update on downtown-related recommendations

River Edge Improvement (LTI)

Funds to support rehabilitation, improvement, and expansion of the Grand River edge trail. More specifically:

- Repair the existing concrete trail section from Louis Street to the Blue Bridge.
- Stabilization, access, and safety improvements at Fish Ladder Park
- Access and safety improvements on City-owned property at Market Street and Wealthy Street
- Extend river trail north of Coldbrook, including safety improvements across Leonard Street.
- Design support for trail/edge improvements at Grand Rapids Public Museum and GVSU Seidman College.

Lyon Square Improvements (LTI)

Funds to reconstruct and significantly enhance the public park and alleyway.

Downtown Speaker Series (NTI)

Funding to bring thought leaders in city building to Grand Rapids and advance key organization goals.

Riverwalk Assessment (NTI)

Funding to evaluate and recommend improvements to the existing Riverwalk.

Goal 2: Establish a True Downtown Neighborhood that is Home to a Diverse Population

Development Project Guidance (LTI)

Funding for legal and staff time expended on behalf of facilitating development projects.

Development Project Tax Increment Reimbursements (LTI)

Continued funding for the existing Development Support Program. Program funds will be used to further promote economic growth and development downtown by funding approved eligible expenses in new construction projects over \$5 million in new investment and in rehabilitation projects featuring over \$1 million in new investment. Proposed funding is to cover existing obligations and to capitalize on new opportunities.

Downtown Enhancement Grant (LTI)

Funding for the Downtown Enhancement Grant Program. Funds will be used to cover existing obligations and to continue to assist property and business owners in the rehabilitation of the downtown public realm. Funds are utilized to reimburse eligible activities, including installation of street furniture, snowmelt, and other public realm improvements.

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited) (Continued)

June 30, 2022

Heartside Quality of Life Plan Implementation (NTI)

Funding to implement recommendations from the Heartside neighbors and businesses during the Quality of Life process. Specific activities will be developed in collaboration with the Goal 2 Alliance and will align with recommendations from GR Forward.

Stakeholder Engagement - Downtown Neighbor Network (NTI)

Support for downtown and downtown-adjacent neighbors that are connected, informed, and empowered to improve downtown living. Activities include the following:

- Communications and marketing of the DNN
- Regular events to connect stakeholders and bring together downtown residents
- Continuing education and leadership trainings
- Advocacy around active and vital streets improvements with the Goal 3 Alliance

Goal 3: Implement a 21st Century Mobility Strategy

Accessibility and Mobility Repairs (LTI)

Ongoing collaboration with Disability Advocates of Kent County and Common Notice on the Collective Impact Strategic Plan to measure potential social impact and the plan's successes in improving access for all.

Bicycle-friendly Improvements (LTI)

Funding to continue the implementation of Division Avenue Bikeway Phase 2, the continued design and planning for various separated facilities (Pearl, Ionia, and Turner), the final connection of the bicycle lane on Monroe from I-196 to Michigan Street, and the further implementation of repair stands and bicycle parking in partnership with Mobile GR.

Streetscape Improvements: Zicla Transit Bulb #2 (LTI)

Building upon the success of the first Zicla transit bulb (Fulton and Sheldon), this funding will support the installation of a second Zicla. The yet to be determined location will be based on feasibility and the number of daily boardings at the stop. This project is in partnership with Mobile GR.

Streetscape Improvements: DNN Active and Vibrant Street Demonstration Projects (LTI)

Funding to support tactical and temporary installations to test pedestrian safety priority projects, as outlined by the Downtown Neighbor Network's Safer Streets Agenda.

Streetscape Improvements: Pedestrian Crossing Enhancements (LTI)

Pedestrian-safety improvements, including rapid flashing beacons in collaboration with Mobile GR at the following locations:

- Weston Street at Market Avenue (as part of Market reconstruction)
- Cherry Street at US131 (midblock crossing)
- Crescent Street at Division Avenue

Streetscape Improvements: Pedestrian Countdown Signal Retrofitting (LTI)

In collaboration with Mobile GR, this will complete the final nine countdown signals in downtown.

Streetscape Improvements: Monroe Avenue Dedicated Transit Lane Study (LTI)

Funding to support traffic analysis and stakeholder engagement to determine feasibility of dedicated transit lanes on Monroe Avenue, from Fulton to Michigan. This work is in collaboration with Mobile GR.

Streetscape Improvements: Ottawa Avenue from Michigan to Fulton (LTI)

DDA share of funding to complete the resurfacing of Ottawa Avenue.

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited) (Continued)

June 30, 2022

Streetscape Improvements: Furnishings (LTI)

Funding for pedestrian and human-scaled enhancements along key downtown corridors. Ongoing enhancements will include seating, trash cans, banners, lighting, trees, and planters.

Streetscape Improvements: Ped Counters and Placer.ai Data (LTI)

Ongoing support of existing pedestrian counters and the use of Placer.ai data gathering to more accurately understand how people are using downtown. This Placer.ai data is finer-grained and more accurate than the physical pedestrian counters and will work in tandem with them. This may also help downtown businesses to better understand their patrons.

Streetscape Improvements: Monroe North Spectrum ROW Improvements (LTI)

Funding to support street and right-of-way improvements related to Spectrum investments in Monroe North.

Wayfinding System Implementation (LTI)

Funding to implement phase 1 deployment of the downtown wayfinding system.

DASH North Shuttle Lease (LTI)

Funding to help support the continued operation of DASH North and West.

New Downtown Circulator Infrastructure (LTI)

Funding to purchase and install four to five new transit shelters in the downtown. This is an ongoing project in collaboration with Mobile GR and The Rapid.

Goal 4: Expand Job Opportunities and Ensure Continued Vitality of the Local Economy

Economic Development and Innovation: Retail Attraction and Incubation RFP (LTI)

Expand funds available to attract underserved and unavailable retail options downtown. The overarching goal is to build a unique retail market and experience that expands opportunities for all, including attracting and serving an increasingly diverse population. This is done through gap support for individual businesses, as well as supporting space activation activities, such as pop-up shops and incubation spaces geared towards retailers interested in doing business downtown.

Economic Development and Innovation: Doing Business Downtown: Business Education (LTI)

A program to provide support for continued education for downtown businesses. Educational opportunities will focus on challenges that downtown businesses face, such as dealing with social service needs, managing downtown events, or contracting with DGRI or the City.

Economic Development and Innovation: Downtown Business Association Support (LTI)

This funding will be used explicitly to support the Business Association's organizational support. What this means depends on the association but will be for events, marketing, and work that the Business Associations are doing themselves. Much will tie into the overall business development efforts, such as the expo and seminar series.

Economic Development and Innovation: Downtown Business/Retail Marketing (LTI)

Developing a branding/marketing strategy for downtown retail. A study on what is "Brand Rapids" would help inform market gaps and opportunity better informing where efforts should be focused. It would additionally allow for a more aggressive approach to promoting downtown as a retail destination for both businesses and shoppers.

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited) (Continued)

June 30, 2022

Economic Development and Innovation: Research (LTI)

A study of current retail conditions by looking at vacancy rates/locations and leakage/gap analysis in order to set a baseline within the context of local regional and national conditions. This also would increase the internal capacity to maintain the relevancy and accuracy of the data to measure and track the impact of DGRI efforts and programs. Ongoing efforts would include a map/listing of retail opportunities, maintaining a directory of downtown retailers, and economic statistics that impact general business decisions.

Economic Development and Innovation: Downtown Workforce Program (NTI)

Events and programs to engage the downtown workforce.

Goal 5: Reinvest in Public Space, Culture, and Inclusive Programming

Downtown Marketing and Inclusion Efforts (LTI)

The DDA's contribution to downtown marketing helps support communications that promote downtown events and programming initiatives to downtown stakeholders, residents, businesses, and customer audiences. This includes but is not limited to paid advertising, the production of marketing collateral, and ongoing maintenance and enhancements of a digital media platform that serves more than 85,000 users and reaches thousands more.

Downtown Tree Plantings (LTI)

Investments in the urban tree canopy to achieve the canopy goals for downtown.

Parks Design (LTI)

Final funding to complete Lyon Square designs.

Public Realm Improvements: Van Andel Arena Alley Design and Partial Construction (LTI)

Funding to complete professional services for the design and construction documentation of the Van Andel Arena alley from Fulton to Oakes. This is phase 2 of the plaza design and reconstruction. The budget also includes funding for early construction efforts.

Public Realm Improvements: Portland Loo 2 (LTI)

Funding to purchase and install a second Portland Loo on Ionia Street near Van Andel Arena.

Public Realm Improvements: Switchback Park and River Connections Planning (LTI)

Funding to provide a comprehensive plan for the design of connections to and from Belknap Hill, the Grand River, Monroe North, and downtown.

Public Realm Improvements: Transportation Corridor Study (LTI)

Funding to study transportation corridors within downtown in support of GR Forward and the City Master Plan.

Public Realm Improvements: Coordinated Transportation and Safety Education (LTI)

In collaboration with Mobile GR, this funding will support a priority item of the Downtown Neighbor Network's Safer Streets Agenda that relates to public traffic safety education.

Public Realm Improvements: Ecliptic at Rosa Parks Circle (LTI)

DDA share of the reconstruction of Ecliptic at Rosa Parks Circle.

State of the Downtown Event/Annual Report (LTI)

DDA contribution to the State of the Downtown Event/Annual Report helps to support the programming activities and production for the annual event, as well as the costs to support the marketing medium for DGRI's annual report.

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited) (Continued)

June 30, 2022

Urban Rec Improvements (LTI)

Funding for place management programs will include support for the pop-up dog park, parklet, dog waste and cigarette urn bins, trash receptacles, beautification, Calder Plaza, and equipment storage.

Bridge Lighting Operations (NTI)

DDA contribution to Bridge Lighting Operations helps to support electricity and maintenance for lighting on the Indiana Railroad Bridge (Blue Bridge) and the Gillett Bridge.

DGRI Event Production (NTI)

DDA contribution to DGRI Event Production contributes to the support of World of Winter, which contributes to a two-month festival with various programming and events. This will also cover efforts for alley activation events and programming, Chalk It Up, Silent Disco, and scavenger hunts.

Diversity and Inclusion Programming (NTI)

The DDA's contribution to Community Relations and Engagement helps support efforts to create a more welcoming and inclusive downtown, attract and serve more multicultural audiences, and strengthen community ties in and to the downtown neighborhood. This work includes but is not limited to event support and production, program sponsorship, and partnership building to advance the collective vision of downtown for the benefit of the entire community.

Downtown Ambassador Program (NTI)

Funding to extend the hospitality contract with Block by Block and continue deployment of the Downtown Ambassadors.

Experience Miscellaneous (NTI)

Funds not currently associated with projects but that provide the opportunity to take advantage of unforeseen projects, partnerships, or initiatives that arise during the fiscal year.

Holiday Décor Program (NTI)

DDA contribution to Holiday Décor Program helps to support the DDA's investment towards lighting and decorating the downtown during the winter and holiday season. This continued support will allow DGRI to continue to decorate the downtown with the replacement of existing decoration investments.

Major Event Sponsorship (NTI)

DDA contribution to Major Event Sponsorship helps to support downtown signature events like ArtPrize, Water Festival, and Confluence.

Project and Fixed Asset Maintenance (NTI)

Funding for ongoing maintenance of DDA-owned infrastructure.

Public Space Activation (NTI)

DDA contribution to Public Space Activation helps to continue and expand upon the Pop-Up Performer Program, public games, winter programming, public artwork programs, murals, Activate This Place placemaking grant program, alley activation, food truck initiatives, projection mapping installations, parks and river related programming, and other enlivening interventions that help create an ambiance and atmosphere within the downtown.

Rosa Parks Circle Ice Skating (NTI)

DDA contribution to Rosa Parks Circle Ice Skating helps to support skate rink operations, including operations of the Zamboni, maintenance, and upkeep of the rink.

Grand Rapids Downtown Development Authority

Schedule of Current and Ongoing Projects (Unaudited) (Continued)

June 30, 2022

Special Events Grants - Seasonal Event and Programming Sponsorship Program (NTI)

DDA contribution to Special Events Event Sponsorship Support Program will help to support events and programming happening within the downtown that are seeking event support and that align with the community goals that were voiced through the Special Events Optimization process finalized in FY 2015. This program will help provide free and open to the public events between October and April and help encourage GR Forward's goal of creating a four-season city.

City of Grand Rapids Office of Special Events Support (NTI)

DDA contribution for the City of Grand Rapids Office of Special Event (OSE) support financially helps maintain and run the office's management in order to schedule, process, and permit events looking to host an event within the City of Grand Rapids.

Special Events Training Program (NTI)

DDA contribution to Special Events Management Training Program will help to support four educational workshops for events training in order to help assist event planners and producers to successfully plan and manage an event within the downtown and the City of Grand Rapids.

Winter Avenue Building (NTI)

Funding for annual maintenance needs at the DDA-owned building on Winter Avenue.