

Hopkins Township

April 13, 2020 Public Hearing

Consideration of the proposed Ordinance Creating a Downtown Development Authority and

Setting the Boundaries of the Downtown District

FREQUENTLY ASKED QUESTIONS

1. What is a Downtown Development Authority and its purpose?

Public Act 57 of 2018, the Re-codified Tax Incrementing Financing Act authorizes a township to create a Downtown Development Authority (“DDA”). DDA is responsible for promoting economic development an area called the “Downtown District.” On April 13, 2020, the Township Board will discuss the boundaries of the proposed Downtown District and accept public comment from any interested party. The primary goal of the DDA is to prevent property value decline and develop a plan designed to promote economic development within the Downtown District. This will in turn increase property values in the District and the increase will be used to make improvements (such as infrastructure) within the District. If a DDA is created, a Downtown Development Authority Board will oversee the operations of the Authority.

The primary goal of the Hopkins Township Downtown Development Authority is to promote and preserve the economic health and stability of the Township.

DDAs may raise revenue for physical improvements through several methods, including: tax increment financing, issuing revenue bonds, tax levy, and grants.

2. If I own property within the “Downtown District” will my property taxes increase?

The Township Board **does not** plan to levy any additional mills on parcels located within the proposed Downtown District. The DDA may plan for the capture of the incremental growth of local property taxes over time to fund public infrastructure improvements within the Downtown District. The DDA is generally funded by capturing of a percentage of the property tax levied against the properties within the Downtown District boundaries. These captured property taxes are re-invested into the Downtown District to execute the development plan to promote economic development.

3. What are the boundaries of the proposed Downtown District?

The proposed Downtown District is available for review on the Township's website: <http://www.hopkinstownship.org/us-131-dda>.

4. If the Township Board adopts the Ordinance creating the DDA, what happens next?

The DDA is required to prepare a development plan and may create a tax increment financing plan to submit to the Township Board for approval. The Authority Board develops and designs a plan that must be for a public purpose to meet the needs of the Downtown District to stimulate economic development and protect against declining property values. The plan describes the cost and location for the installation of public improvements within the Downtown District. Examples of public improvements may include installation of water and sewer infrastructure, parks, traffic signals, road improvements, streetscaping, and street lights.

5. Who sits on the Downtown Development Authority Board?

The Township Planning Commission may be appointed as the Authority Board. Alternatively, 8-12 individuals may be appointed by the Township Board. In such a circumstance, the majority of the Authority Board must be individuals with an ownership or business interest in property in the Downtown District. Authority Board meetings are public meetings subject to the Open Meetings Act and any interested person may attend.