

# The Downtown Development Authority (DDA)

**What is the DDA's origin? Why does the DDA keep mentioning a Village?** Prior to the construction of the interstate highways that border Oshtemo, 9th Street and Stadium Drive served as the major access roads for the Township. A historic village developed at the junction of these roads and was often referred to as the Oshtemo Village, although it never incorporated as such. Following a Township Master Planning project in 2004, the Downtown Development Authority (DDA) was established in this area with boundaries that incorporated the historic village. In 2006, the Township approved the Village Theme Development Plan, which provided a vision for the DDA district and later led to the adoption of the Village Form Based code in 2008. The essential goal of the Plan was to recreate the aesthetics of an historic village.

**What are the boundaries of the DDA?** See map on the back of this document.

**What is a DDA? How does the DDA get its funding?** A Downtown Development Authority is an economic development tool created by the State Legislature to help local communities become proactive in halting property value decline and helping business areas keep up with other areas of the community. When a DDA boundary is established, the DDA is allowed to capture and use future tax increment financing (TIF) funds from that area for reinvestment. This means that as improvements are made and/or development occurs within a DDA's boundary which increase the value in that designated area, the authority is allowed to capture the taxes generated on the increased value. These collected funds then allow the community to make improvements within the DDA boundary without impacting the general fund of the local jurisdictions. In other words, the DDA reinvests in the area.

By law the DDA Board consists of 9 to 12 members appointed by the Township Board and having a majority interest in the area, plus the Supervisor. This DDA Board is responsible for the formulation and implementation of the Tax Increment Financing and Development Plan regarding the use of captured tax dollars. The Oshtemo DDA annual budget is subject to Township Board approval.

**How has the DDA reinvested into the community?** Since the DDA funds rely on new development to capture incrementally increased taxes, it took several years for the Oshtemo DDA to accumulate funds to reinvest. A few DDA highlights over the past 15 years include:

- Continual maintenance and landscaping of the front of the Oshtemo Community Center.
- Adding banners along the DDA's main corridor.
- In partnership with the Township, building the commercial access drive Millard's Way from Atlantic Avenue, for better access to properties along 9<sup>th</sup> Street and Stadium Drive.
- Starting the Business Façade Improvement program.
- Developing sidewalk plans along Stadium from 8<sup>th</sup> Street to the DDA easterly boundary.
- In Spring 2020 the DDA implemented a COVID-19 Small Business Emergency Assistance Grant Program which helped 19 businesses within the DDA Boundary.
- Purchased and demolished an abandoned car wash on Stadium Drive to construct a corner greenspace, including a welcome sign.

**If you have any questions or comments about the DDA, their projects, or are within the DDA boundary and want to get involved with the group, please feel free to contact Iris Lubbert, Oshtemo Planning Director, [ilubbert@oshtemo.org](mailto:ilubbert@oshtemo.org).**

