

# City Commission Briefings

5/12/2026

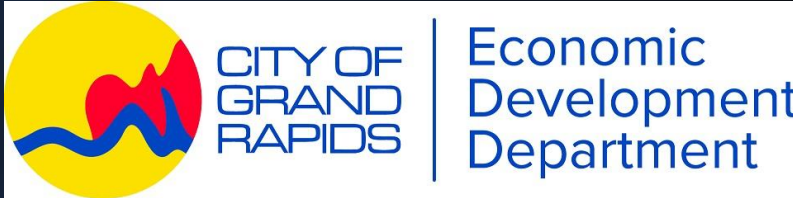


# Indiana Ave, LLC– Indiana Ave NW Redevelopment Project

Address: 335 and 343 Indiana Avenue NW

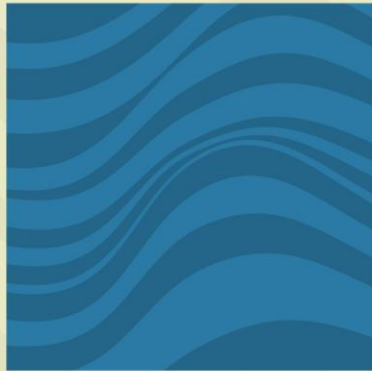
Project type: 15-year Neighborhood Enterprise Zone Exemption Certificate

Project type: Brownfield Plan Amendment



- Mixed use, multi-family residential redevelopment on Indiana Ave
- 29 residential units and a small commercial space
  - 6 studios, 20 one-bedrooms, and 3 two-bedrooms
    - Studios: 408+ square feet
    - One-bedrooms: 589+ square feet
    - Two-bedrooms : 1,000+ square feet
- \$6 million in total project costs including \$5+ million in construction costs
- Inclusion Plan Goals:
  - ~2% MBE, ~2% WBE and ~2% MLBE which amounts to an overall participation of 4.8% or \$246,459 of the construction costs
- \$ 1.38 million in eligible activity costs
  - Department Specific Activities (Phase I), Demolition, Housing Development Activities (Site preparation, Infrastructure Improvements, Financing Gap for development of income qualified housing units).
  - 18 years of income qualification for 6 residential units: Households earning 80% AMI or less
  - Financing Gap (Potential Rent Loss) is valued at \$739,152 over 18 years
  - 5 years of LBRF capture valued at \$370,318
- 15-year Neighborhood Enterprise Zone valued at \$ \$1,091,000
  - Qualifies for base + 6 due to Housing Affordability investment criteria
- Construction to start in Summer of 2026 – Delivery of first units by late 2027





# FY 2027 / PRELIMINARY FISCAL PLAN

PUBLIC HEARING / MAY 12, 2026



# Budget Review Process

November 13, 2025	City Commission Prioritization Workshop
February 24, 2026	FY2026 Mid-Year Update
April 28, 2026	City Manager presents FY2027 Preliminary Fiscal Plan/Budget
May 5, 2026	Budget Work Session – Special Meeting, 9 a.m. <i>Safe Community</i> <i>Mobility / Vital Streets Oversight Commission</i> <i>Engaged and Connected Community</i> <i>Governmental Excellence</i>
May 12, 2026	Budget Work Session – Committee of the Whole, 10 a.m. <i>Economic Prosperity and Affordability</i> <i>Health and Environment / Stormwater Oversight Commission</i> <b>Public Hearing on FY2027 Budget, Revenue Omnibus, and Tax Rates – City Commission, 7 p.m.</b>
May 19, 2026	Commission adopts FY2027 Final Fiscal Plan/Budget
July 1, 2026	FY2027 Begins
September 2026	FY2026 Annual Performance Presentation

# Assumptions Used to Develop the FY2027 Fiscal Plan

- \$785.4 million all funds and \$206.7 million General Fund
- Continuation of all basic City services
- The Strategic Plan is our roadmap
- 8.7511 mills – a decrease of 0.1076 mills from last year

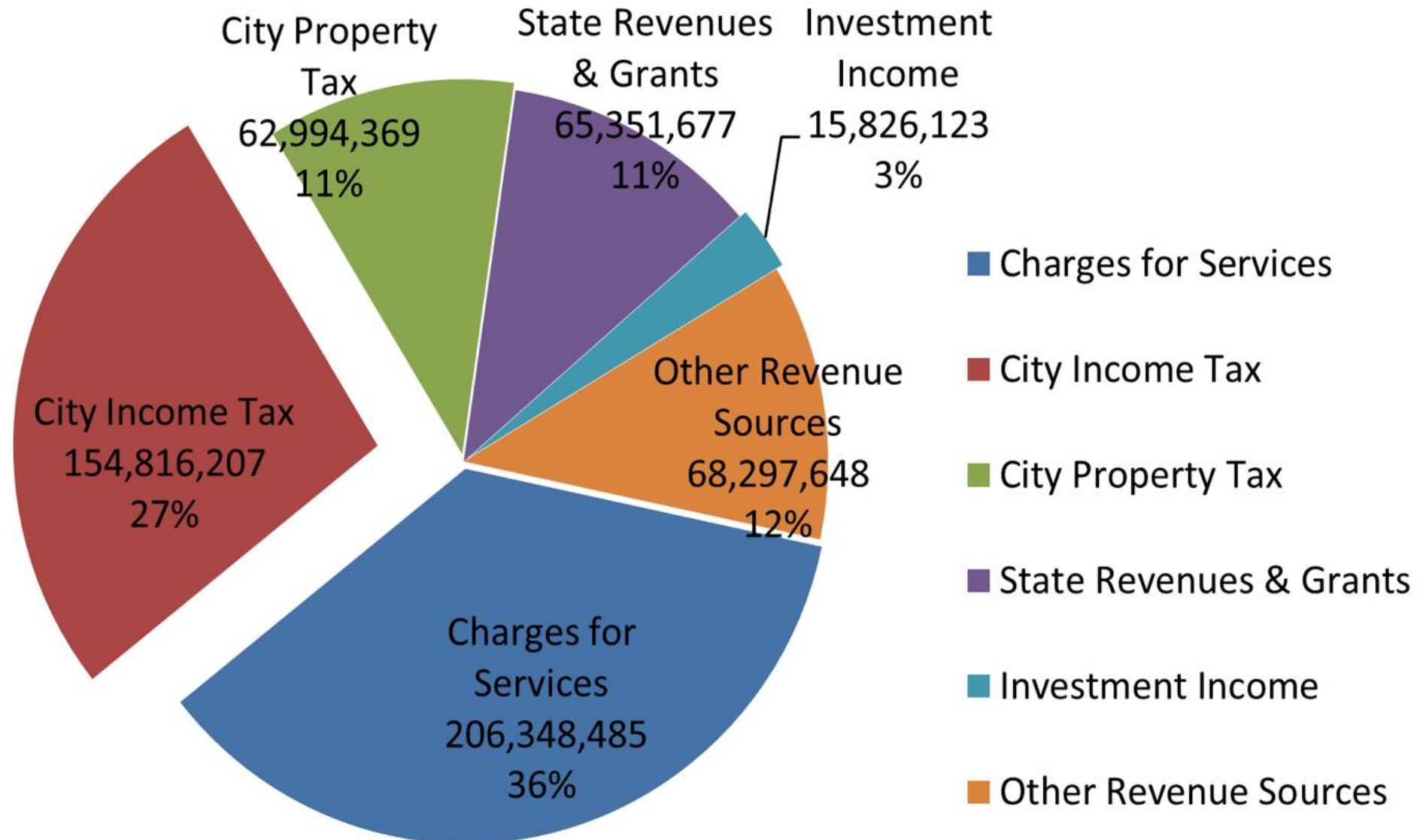


# Estimated 2026 (FY2027) Property Tax Millage Rate & Resident Impact

	Max Authorized Millage	2025 (FY2026)	2026 (FY2027)	Increase (Decrease)
City Operations	6.4100	5.5503	5.4659	(0.0844)
Library	0.3741	0.3413	0.3361	(0.0052)
Promotional	4.0000	0.0064	0.0061	(0.0003)
Refuse	3.0000	1.8000	1.8000	0.0000
Parks II	1.2500	1.1607	1.1430	(0.0177)
<b>Total</b>	<b>15.0341</b>	<b>8.8587</b>	<b>8.7511</b>	<b>(0.1076)</b>

	GR Property Tax (City of Grand Rapids Millage Only)	Average Residential Taxable Value	Estimated Average Market Value
As of July 1, 2025	\$720.69	\$81,354	\$276,696
As of July 1, 2026	\$757.69	\$86,583	\$295,262
\$ Increase (Decrease)	\$37.00	\$5,228	\$18,552
	Annually		
% Increase (Decrease)	5.13%	6.43%%	6.70%

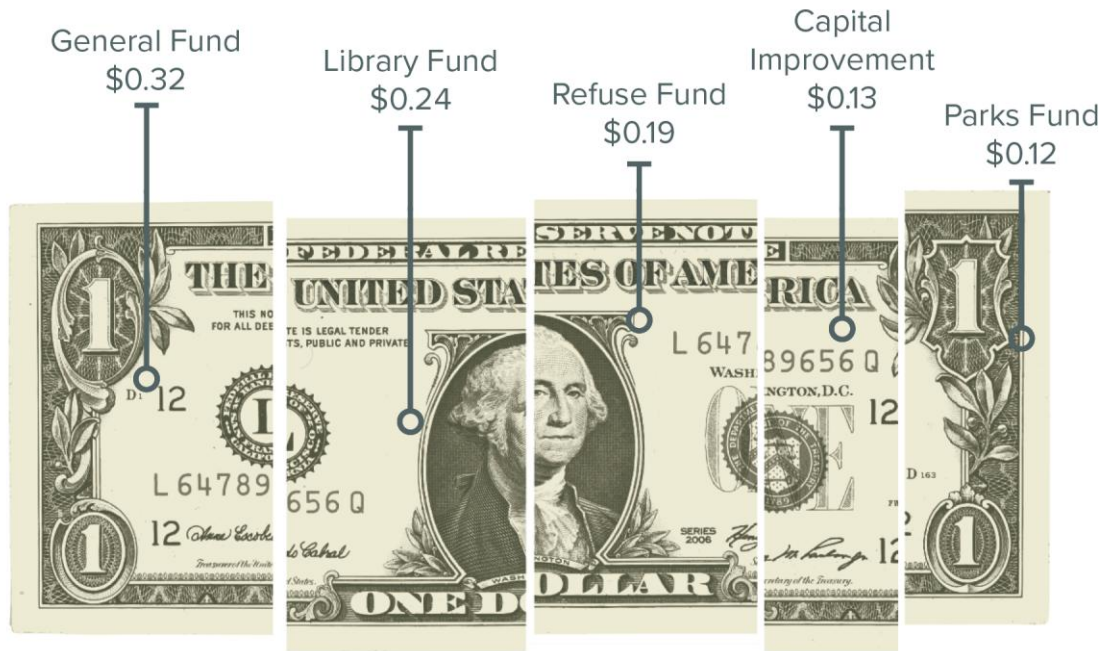
# City-wide Revenues (in millions)



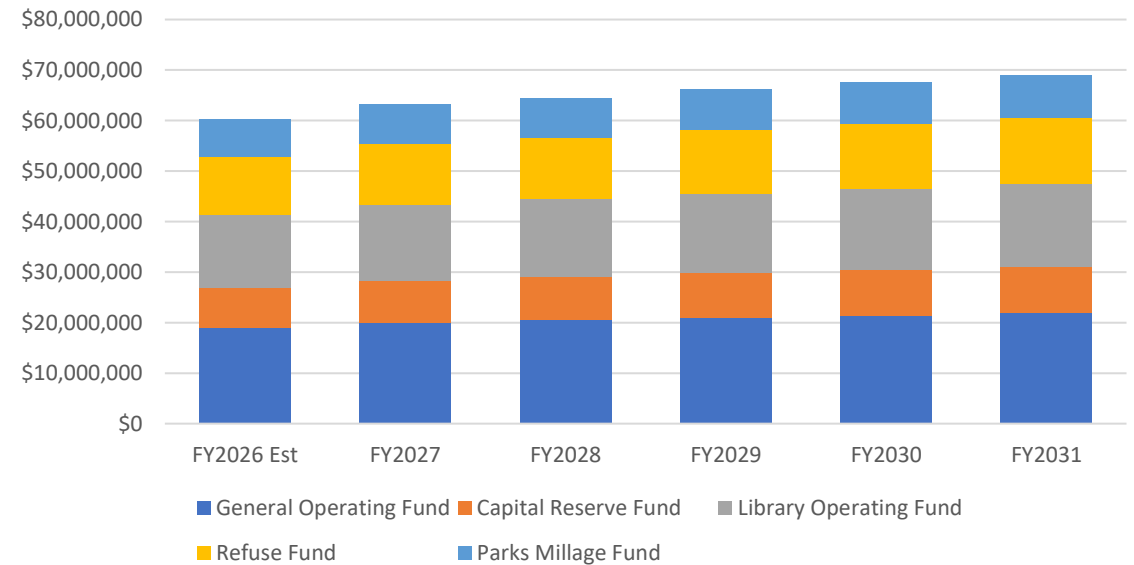
# Fees by Category FY2027

Fee Category	Number of Fees	Percentage of Total Fees
All Fees	1272	100%
Fees with no recommended changes (Code A)	799	63%
Fees with cost-of-living adjustments (Code B)	309	25%
Fees with larger than cost of living adjustment (Code C)	143	12%
Fees achieving less than full cost recovery (Code D)	398	N/A
New Fees	21	N/A

# Property Tax Distribution



Property Tax Projections



# Select Program Highlights

- \$201.6 million for Water and Wastewater with water and sewer rates reflecting previously adopted adjustments averaging 2.52%; \$11.4 million is included for private lead service line replacement.
- \$75.4 million for Police, including \$1.3 million allocated for 10 police officers that were added in FY26 in anticipation of increased state revenue for public safety.
- \$48.3 million for Fire services.
- \$2.9 million for Oversight and Public Accountability – \$1.7 million of this is for Axon contract including body cameras; \$400,000 will need to be programmed for crime prevention efforts based on increased state revenue for public safety.

## Select Program Highlights (continued)

- \$19.8 million for Economic Prosperity and Affordability in City budget, plus \$49.5 million for corridor improvement districts and special authorities.
- \$48 million for Vital Streets.
- \$40.4 million for Parks and Community Services.
- \$21.1 million for Refuse and Recycling.

## Select Program Highlights (continued)

- \$17.8 million for Library Services.
- \$13.5 million for 61st District Court.
- Approximately \$10 million will be transferred to the Affordable Housing Fund with the sale of 201 Market.
- \$8.2 million in federal funding for Community Development with nearly \$7 million specifically supporting programs that address homelessness and housing stability.
- Grand Rapids Public Museum is currently receiving 50% of Countywide Millage. Kent County is considering renewal options with a possible reduction in the split.

## Select Program Highlights (continued)

- Updates to the Downtown Area Shuttle (DASH) service and a new agreement with The Rapid will avoid an approximately \$1.6 million annual increase and reduce future capital needs by \$7 million over five years.
- Fourteen new positions are proposed across non-General Fund departments, enhancing Environmental Services, Water, Mobile GR, Parks and Engineering.
- \$100,000 for the Mel Trotter belongings storage program, with ARPA funding transitioning to the Refuse Fund.
- \$60,000 for contractual services to support the Retail Retention Program.



Thank You