



Holland Charter Township

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Memorandum

TO: Board of Trustees
FROM: Steve Bulhuis
DATE: April 28, 2025
SUBJECT: Holland SmartZone Local Development Financing Authority FY2026 Budget

Board approval of a contract outlining services to be provided by the City of Holland, with possible cost sharing with Holland Charter Township, for the Holland SmartZone Local Development Finance Authority (LDFA) was approved in May of 2024 and remains in effect until June 30, 2026.

FY2026 will be the tenth-year taxes have been captured for the SmartZone. A copy of the SmartZone budget is attached which anticipates \$915,000 in revenues, the majority of which comes in the form of property taxes at \$875,000. Budgeted expenditures are \$1,143,100 for the coming fiscal year which begins July 1, 2025. The major expenditures include \$175,000 to Lakeshore Advantage for entrepreneurial/management services, the third contribution towards the new Lakeshore Advantage/Surge Center building at \$213,600 and the downtown ice rink project at \$166,700.

The proposed budget includes the planned use of reserves in the amount of \$228,100.

Since this is a three-way partnership between the City of Holland, Holland Charter Township and the Holland SmartZone LDFA, all parties need to approve the budget. The Holland SmartZone Board approved the proposed budget at their April 14, 2025, meeting. Holland City Council is scheduled to consider it on May 14, 2025.

Please feel free to contact me if you have any questions concerning this matter.

2025-26 Holland LDFA Satellite SmartZone Budget

	FY23 Actual	FY 24 Actual	FY 25 Adopted Budget	FY 25 Estimated	FY 26 Proposed Budget
Income					
City TIF Capture	350,478	463,801	466,535	574,400	615,000
Township TIF Capture	144,188	174,999	183,750	247,000	260,000
Tennant Income	32,530	27,396	30,000	30,000	35,000
Grant Reimbursement	25,000	-	-	-	-
Investment Income	15,894	50,180	5,000	20,000	5,000
Total	568,090	716,375	685,285	871,400	915,000
Expenses					
Accounting/Fiscal Services	12,360	14,140	14,453	14,500	14,700
Annual Audit	1,000	1,000	1,000	1,000	1,000
Legal Services	-	-	1,000	1,000	1,000
Contractual Admin Services	-	-	-	-	-
Admin/Entrepreneurial Services LA	150,000	150,000	175,000	175,000	175,000
SURGE Center Rent	84,000	91,500	49,500	49,500	-
Events	5,284	4,869	18,000	18,000	20,000
Entrepreneurial Programming	35,993	35,620	65,000	65,000	70,000
General Liability Ins	1,695	2,201	2,425	2,400	2,500
Incubator Space Planning	-	-	-	-	-
Infrastructure (General)			279,544	279,600	461,500
Infrastructure (LSA)		-	816,838	816,800	213,600
Infrastructure Dev-City	-		333,334	333,300	166,700
Infrastructure Dev-HCT	-		-	-	-
Capital Outlay - Furniture	15,326	-	-	-	-
DDA Services	8,300	11,000	11,550	11,600	12,900
Miscellaneous General	1,102	6,642	1,000	4,000	4,200
Total	315,060	316,972	1,768,644	1,771,700	1,143,100
Net Surplus (Deficit)	253,030	399,403	(1,083,359)	(900,300)	(228,100)
Beginning Fund Balance	503,990	756,000	1,155,403	1,155,403	255,103
Net Surplus (Deficit)	252,010	399,403	(1,083,359)	(900,300)	(228,100)
Ending Fund Balance	756,000	1,155,403	72,044	255,103	27,003