



**REGULAR MEETING OF THE
PORT HURON
TAX INCREMENT FINANCE AUTHORITY**

Municipal Office Center
100 McMorran Blvd.
Port Huron, MI 48060
810-984-9735
www.porthuron.org

Thursday, May 4, 2017

8:30 AM

Conference Room 408

Agenda

A. CALL TO ORDER –

B. ROLL CALL –

Chair Timothy Ward
Member Edward Brennan
Member Jamie Cain
Member Daniel Casey
Member Robert Funk
Member Karry Hepting
Member Darlene Jacolik
Member Kirk Kramer
Member William Oldford
Member Katherine Peternel
Member Joseph Vito

C. ELECTION OF OFFICERS –

1. Election of Chairman
2. Election of Vice-Chairman

D. APPROVAL OF MINUTES –

1. Tax Increment Finance Authority - Regular Meeting - June 5, 2015 8:00 AM

E. REPORTS, RECOMMENDATIONS, AND RESOLUTIONS –

1. RES #17-001: Approving the transmittal of the Tax Increment Finance Authority's Annual Report to the Port Huron City Council on the status of its tax increment financing account for the fiscal year ending June 30, 2015.

2. RES #17-002: Approving the transmittal of the Tax Increment Finance Authority's Annual Report to the Port Huron City Council on the status of its tax increment financing account for the fiscal year ending June 30, 2016.
3. RES #17-003: Adoption of the Tax Increment Finance Authority final budget for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017.
4. RES #17-004: Review, recommendation, and adoption of the Tax Increment Finance Authority final budget for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, subject to no revisions from the proposed budget and the adoption of the final budget by the Port Huron City Council.

F. ADJOURNMENT –

David Haynes, Planning Director

PLEASE NOTE: If the meeting is after 4:30 p.m., doors to the Municipal Office Center building will open 15 minutes before the start of the meeting.

The City of Port Huron complies with the Americans with Disabilities Act and Title VI. If auxiliary aids or services are required at a public meeting, please contact the City Clerk's Office, City of Port Huron, 100 McMorran Blvd., Port Huron, Michigan 48060, 810-984-9725 Ext. 0, at least three (3) business days prior to any such meetings.

City of Port Huron
TAX INCREMENT FINANCE AUTHORITY
May 4, 2017

RES #17-001

Approving the transmittal of the Tax Increment Finance Authority's Annual Report to the Port Huron City Council on the status of its tax increment financing account for the fiscal year ending June 30, 2015.

WHEREAS, Section 14(3) of the Tax Increment Finance Authority Act 450 of 1980, as amended, requires the Authority to annually submit to the governing body of the municipality a report of the status of its tax increment financing account; and

WHEREAS, such report containing all the information required by the Act through the fiscal year ending June 30, 2015, has been prepared and reviewed by the Authority;

NOW, THEREFORE, BE IT RESOLVED that the Tax Increment Finance Authority does hereby approve the transmittal of the Annual Report to the Port Huron City Council on the status of its tax increment financing account through the years ending June 30, 2015.

CITY OF PORT HURON
Inter-Departmental Communication

TO: Planning Director

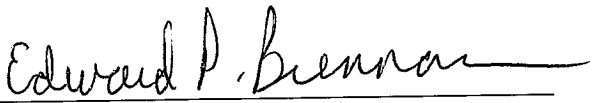
FROM: Director of Finance

SUBJECT: TIFA

DATE: May 1, 2017

Attached find a copy of the financial report for the Tax Increment Financing Authority for the year ended June 30, 2015. This report should be presented to the Authority board.

If you have any questions concerning this report, please let me know.


Edward P. Brennan
Edward P. Brennan, C.P.A.

EPB/je

Attachment

Attachment: Annual Report; TIFA; FY Ending June 30, 2015 (RES #17-001 : TIFA Annual Report Transmittal - FY Ending June 30, 2015)

TAX INCREMENT FINANCING

AREA #1

INDUSTRIAL PARK

TAX INCREMENT FINANCING

AREA #1 - INDUSTRIAL PARK

Major projects within the development area:
Continuing Development of Industrial Park

Infrastructure projects within the development area:
Water distribution system improvements
Wastewater collection system improvements
Street improvements

Public facilities created within the development area:
Park - 16th Street and Dove

Taxes no longer captured

CITY OF PORT HURON
Industrial Park
Tax Increment Financing Plan
TIFA Plan 1
Year Ended June 30, 2015

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

Revenues:		
Taxes - Current year	<u>\$</u>	<u>922,331.23</u>
Expenditures and other uses:		
Contractual services		36,000.00
Transfer to taxing units (no capture)		<u>922,331.23</u>
		<u>958,331.23</u>
Revenues Over (Under) Expenditures and Other Uses		(36,000.00)
Fund Balance at beginning of year		<u>108,813.70</u>
Fund Balance at end of year	<u>\$</u>	<u>72,813.70</u>

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$	-
Reimbursement due other funds	\$	-

ASSESSED VALUE

	<u>AdValorem</u>	<u>IFT's</u>
Initial	\$ 8,358,566.00	\$ 7,219,025.00
Captured	\$ 29,882,395.00	\$ 8,261,275.00

Attachment: Annual Report; TIFA; FY Ending June 30, 2015 (RES #17-001 : TIFA Annual Report Transmittal - FY Ending June 30, 2015)

TAX INCREMENT FINANCING

AREA #2 (as amended)

PAPER COMPANY

TAX INCREMENT FINANCING

AREA #2 - PAPER COMPANY

Infrastructure projects within the development area:

Water distribution system improvements

Wastewater collection system improvements

Street improvements

Public facilities created within the development area:

Black River Canal dredging and improvements

Taxes no longer captured

CITY OF PORT HURON
Paper Company
Tax Increment Financing Plan
TIFA Plan 2
Year Ended June 30, 2015

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

Revenues:		
Taxes - Current year	\$	243,580.28
Expenditures and other uses:		
Black River Canal Dredging		67,508.66
Transfer to taxing units (no capture)		243,580.28
		311,088.94
Revenues Over (Under) Expenditures and Other Uses		(67,508.66)
Fund Balance at beginning of year		85,932.27
Fund Balance at end of year	\$	18,423.61

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$	-
Reimbursement due other funds	\$	-

ASSESSED VALUE

	AdValorem	IFT's
Initial	\$ 10,182,575.00	\$ 3,221,150.00
Captured	\$ 9,123,407.00	\$ (305,950.00)

Attachment: Annual Report; TIFA; FY Ending June 30, 2015 (RES #17-001 : TIFA Annual Report Transmittal - FY Ending June 30, 2015)

TAX INCREMENT FINANCING

AREA #3 (as amended)

KRAFFT-HOLLAND

TAX INCREMENT FINANCING

AREA #3 - KRAFFT-HOLLAND

Major projects within the development area:

- Ramblewood condominiums**
- Northern Woods subdivision**
- Butternut Court condominiums**
- Oak Hills subdivision**
- Port Haven Manor senior citizens complex**
- Glenview Gardens apartment complex**
- Krafft 8 Theatre**
- Retail expansion**

Infrastructure projects within the development area:

- Krafft Road widening**

Public facilities created within the development area:

- Recreational facilities behind Port Huron Northern High School:**
 - Tennis courts**
 - Ball diamonds**
 - Soccer field**
 - Track fields**
 - Storage and concession buildings**

Taxes no longer captured

CITY OF PORT HURON

Krafft-Holland
Tax Increment Financing Plan
TIFA Plan 3
Year Ended June 30, 2015

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues:		
Taxes - Current year		\$ 538,143.48
Expenditures and other uses:		
Krafft Road Pedestrian Bridge		65,508.05
Transfer to taxing units (no capture)		538,143.48
		<u>603,651.53</u>
Revenues Over (Under) Expenditures And Other Uses		(65,508.05)
Fund balance at beginning of year		65,508.05
Fund Balance At End Of Year		<u>\$ 0.00</u>

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$ 0.00
Reimbursement due other funds	\$ 0.00

ASSESSED VALUE

Initial	\$ 2,286,075.00
Captured	\$ 20,269,816.00

NOTE: This plan has completed all projects and all captured funds have been expended, therefore this is the FINAL REPORT on this plan.

Attachment: Annual Report; TIFA; FY Ending June 30, 2015 (RES #17-001 : TIFA Annual Report Transmittal - FY Ending June 30, 2015)

TAX INCREMENT FINANCING

AREA #4

PEERLESS SITE

TAX INCREMENT FINANCING

AREA #4 - PEERLESS SITE

Major projects within the development area:

Thomas Edison Inn

Blue Water Convention and Tourism Bureau

Potential project - vacant land south of the Edison Inn

Infrastructure projects within the development area:

Street improvements including connection from Stone
Street to Thomas Edison Parkway

Public facilities created within the development area:

Thomas Edison Parkway, Thomas Edison Park and
seawall along St. Clair River

Thomas Edison Depot Museum

CITY OF PORT HURON
Peerless Site
Tax Increment Financing Plan
TIFA Plan 4
Year Ended June 30, 2015

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

Revenues:	
Taxes - Current year	\$ 93,568.97
<hr/>	
Current expenditures:	
Contractual services	92,421.39
<hr/>	
Revenues Over (Under) Expenditures and Other Uses	1,147.58
Fund Balance at beginning of year	2,323.58
Fund Balance at end of year	\$ 3,471.16

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$ -
Reimbursement due other funds	\$ 2,031,657.14

ASSESSED VALUE

Initial	\$ 3,399,605.00
Captured	\$ 3,299,985.00

ADVANCES, REPAYMENTS AND REIMBURSEMENTS DUE OTHER FUNDS

	<u>Beginning Balance</u>	<u>Advances</u>	<u>Repayments</u>	<u>Ending Balance</u>
Land Purchase fund	\$ 1,867,794.07	\$ -		\$ 1,867,794.07
General fund	163,863.07			163,863.07
	<u>\$ 2,031,657.14</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,031,657.14</u>

Attachment: Annual Report; TIFA; FY Ending June 30, 2015 (RES #17-001 : TIFA Annual Report Transmittal - FY Ending June 30, 2015)

City of Port Huron
TAX INCREMENT FINANCE AUTHORITY
May 4, 2017

RES #17-002

Approving the transmittal of the Tax Increment Finance Authority's Annual Report to the Port Huron City Council on the status of its tax increment financing account for the fiscal year ending June 30, 2016.

WHEREAS, Section 14(3) of the Tax Increment Finance Authority Act 450 of 1980, as amended, requires the Authority to annually submit to the governing body of the municipality a report of the status of its tax increment financing account; and

WHEREAS, such report containing all the information required by the Act through the fiscal year ending June 30, 2016, has been prepared and reviewed by the Authority;

NOW, THEREFORE, BE IT RESOLVED that the Tax Increment Finance Authority does hereby approve the transmittal of the Annual Report to the Port Huron City Council on the status of its tax increment financing account through the years ending June 30, 2016.

CITY OF PORT HURON
Inter-Departmental Communication

TO: Planning Director

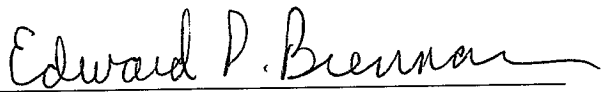
FROM: Director of Finance

SUBJECT: TIFA

DATE: May 1, 2017

Attached find a copy of the financial report for the Tax Increment Financing Authority for the year ended June 30, 2016. This report should be presented to the Authority board.

If you have any questions concerning this report, please let me know.


Edward P. Brennan
Edward P. Brennan, C.P.A.

EPB/je

Attachment

Attachment: Annual Report; TIFA; FY Ending June 30, 2016 (RES #17-002 : TIFA Annual Report Transmittal - FY Ending June 30, 2016)

TAX INCREMENT FINANCING

AREA #1

INDUSTRIAL PARK

TAX INCREMENT FINANCING

AREA #1 - INDUSTRIAL PARK

Major projects within the development area:
Continuing Development of Industrial Park

Infrastructure projects within the development area:
Water distribution system improvements
Wastewater collection system improvements
Street improvements

Public facilities created within the development area:
Park - 16th Street and Dove

Taxes no longer captured

CITY OF PORT HURON
Industrial Park
Tax Increment Financing Plan
TIFA Plan 1
Year Ended June 30, 2016

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues:		
Taxes - Current year	\$	<u>925,111.59</u>
Expenditures and other uses:		
Contractual services		36,813.70
Transfer to taxing units (no capture)		<u>925,111.59</u>
		<u>961,925.29</u>
Revenues Over (Under) Expenditures And Other Uses		(36,813.70)
Fund balance at beginning of year		<u>72,813.70</u>
Fund Balance At End Of Year	\$	<u><u>36,000.00</u></u>

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$	0.00
Reimbursement due other funds	\$	0.00

ASSESSED VALUE

	<u>Ad Valorem</u>	<u>IFT's</u>
Initial	\$ 8,358,566.00	\$ 7,219,025.00
Captured	\$ 30,443,495.00	\$ 8,261,275.00

TAX INCREMENT FINANCING

AREA #2 (as amended)

PAPER COMPANY

TAX INCREMENT FINANCING

AREA #2 - PAPER COMPANY

Infrastructure projects within the development area:

Water distribution system improvements

Wastewater collection system improvements

Street improvements

Public facilities created within the development area:

Black River Canal dredging and improvements

Taxes no longer captured

CITY OF PORT HURON
Paper Company
Tax Increment Financing Plan
TIFA Plan 2
Year Ended June 30, 2016

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues:		
Taxes - Current year		\$ 256,880.47
Expenditures and other uses:		
Black River Canal Dredging		18,423.61
Transfer to taxing units (no capture)		256,880.47
		<u>275,304.08</u>
Revenues Over (Under) Expenditures And Other Uses		(18,423.61)
Fund balance at beginning of year		18,423.61
Fund Balance At End Of Year		<u>\$ 0.00</u>

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$	0.00
Reimbursement due other funds	\$	0.00

ASSESSED VALUE

	<u>Ad Valorem</u>	<u>IFT's</u>
Initial	\$ 10,182,575.00	\$ 3,221,150.00
Captured	\$ 10,545,407.00	\$ (305,950.00)

NOTE: This plan has completed all projects and all captured funds have been expended, therefore this is the FINAL REPORT on this plan.

Attachment: Annual Report; TIFA; FY Ending June 30, 2016 (RES #17-002 : TIFA Annual Report Transmittal - FY Ending June 30, 2016)

TAX INCREMENT FINANCING

AREA #4

PEERLESS SITE

TAX INCREMENT FINANCING

AREA #4 - PEERLESS SITE

Major projects within the development area:

Thomas Edison Inn

Blue Water Convention and Tourism Bureau

Potential project - vacant land south of the Edison Inn

Infrastructure projects within the development area:

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Public facilities created within the development area:

**Thomas Edison Parkway, Thomas Edison Park and
seawall along St. Clair River**

Thomas Edison Depot Museum

CITY OF PORT HURON
Peerless Site
Tax Increment Financing Plan
TIFA Plan 4
Year Ended June 30, 2016

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues:	
Taxes - Current year	\$ 94,171.41
Expenditures and other uses:	
Contractual services	96,194.40
Revenues Over (Under) Expenditures And Other Uses	(2,022.99)
Fund balance at beginning of year	3,471.16
Fund Balance At End Of Year	<u>\$ 1,448.17</u>

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$ 0.00
Reimbursement due other funds	\$ 2,031,657.14

ASSESSED VALUE

Initial	\$ 105,225.00
Captured	\$ 3,299,985.00

ADVANCES, REPAYMENTS AND REIMBURSEMENTS DUE OTHER FUNDS

	<u>Beginning Balance</u>	<u>Advances</u>	<u>Repayments</u>	<u>Ending Balance</u>
Land Purchase fund	\$ 1,867,794.07	\$	\$	\$ 1,867,794.07
General fund	163,863.07	<u> </u>	<u> </u>	163,863.07
Totals	<u>\$ 2,031,657.14</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,031,657.14</u>

Attachment: Annual Report; TIFA; FY Ending June 30, 2016 (RES #17-002 : TIFA Annual Report Transmittal - FY Ending June 30, 2016)

City of Port Huron
TAX INCREMENT FINANCE AUTHORITY
May 4, 2017

RES #17-003

Adoption of the Tax Increment Finance Authority final budget for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017.

WHEREAS, on May 23, 2016, the Port Huron City Council adopted the budget of the Tax Increment Finance Authority for the Fiscal Year 2016-2017;

WHEREAS, the budget of the City of Port Huron Tax Increment Finance Authority for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017, has been prepared as follows:

Means of Financing

Estimated designated fund balance	\$ 36,000
Real property taxes	496,000
Personal property taxes	<u>323,000</u>
Total Means of Financing	<u><u>\$ 855,000</u></u>

Estimated Requirements

Property taxes not captured due to repayment of advances	\$ 729,000
Contractual Services:	
Professional and other services -	
Industrial Development	36,000
Payment to St. Clair County - development agreement	90,000
Capital Outlay:	
Infrastructure improvements	<u>0</u>
Total Estimated Requirements	<u><u>\$ 855,000</u></u>

NOW, THEREFORE, BE IT RESOLVED that the City of Port Huron Tax Increment Finance Authority does hereby adopt the final budget for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017.

CITY OF PORT HURON TAX INCREMENT FINANCE AUTHORITY

**Budget Summary
2016-2017**

	Tax Increment Financing Plans					Total
	Industrial Park	Paper Company	Kraft-Holland	Peerless		
MEANS OF FINANCING						
Estimated designated fund balance, July 1, 2016	\$ 36,000	\$ 0	\$ 0	\$ 0	\$	\$ 36,000
Taxes:						
Real property taxes	440,000			56,000		496,000
Personal property taxes	289,000			34,000		323,000
TOTAL MEANS OF FINANCING	<u>\$ 729,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 90,000</u>	<u>\$</u>	<u>\$ 855,000</u>
ESTIMATED REQUIREMENTS:						
Property taxes not captured due to repayment advances	\$ 729,000	\$ 0	\$ 0	\$ 0	\$	\$ 729,000
Contractual services:						
Professional and other services - Industrial development	36,000			90,000		36,000
Payment to St. Clair County - development agreement						90,000
TOTAL ESTIMATED REQUIREMENTS	<u>\$ 765,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 90,000</u>	<u>\$</u>	<u>\$ 855,000</u>

City of Port Huron
TAX INCREMENT FINANCE AUTHORITY
May 4, 2017

RES #17-004

Review, recommendation, and adoption of the Tax Increment Finance Authority final budget for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, subject to no revisions from the proposed budget and the adoption of the final budget by the Port Huron City Council.

WHEREAS, on May 22, 2017, the Port Huron City Council is expected to adopt the budget of the Tax Increment Finance Authority for the Fiscal Year 2017-2018; and

WHEREAS, the budget of the City of Port Huron Tax Increment Finance Authority for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, has been prepared as follows:

Means of Financing

Real property taxes	\$ 56,000
Personal property taxes	<u>32,000</u>
Total Means of Financing	<u>\$ 88,000</u>

Estimated Requirements

Payment to St. Clair County - development agreement	\$ 88,000
Capital Outlay:	
Infrastructure improvements	<u>0</u>
Total Estimated Requirements	<u>\$ 88,000</u>

NOW, THEREFORE, BE IT RESOLVED that the City of Port Huron Tax Increment Finance Authority does hereby review and recommend the above proposed budget to the City Council; and

BE IT FURTHER RESOLVED that the City of Port Huron Tax Increment Finance Authority does hereby adopt the final budget for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, subject to no revisions from the proposed budget and the adoption of the Final budget by the Port Huron City Council.

CITY OF PORT HURON TAX INCREMENT FINANCE AUTHORITY

**Budget Summary
2017-2018**

	Tax Increment Financing Plans					
	Industrial Park	Paper Company	Krafft- Holland	Peerless	Total	
MEANS OF FINANCING						
Taxes:						
Real property taxes	\$ 0	\$ 0	\$ 0	\$ 56,000	56,000	
Personal property taxes				32,000	32,000	
TOTAL MEANS OF FINANCING	\$ 0	\$ 0	\$ 0	\$ 88,000	\$ 88,000	
ESTIMATED REQUIREMENTS:						
Contractual services:						
Payment to St. Clair County - development agreement	\$ 0	\$ 0	\$ 0	\$ 88,000	88,000	
TOTAL ESTIMATED REQUIREMENTS	\$ 0	\$ 0	\$ 0	\$ 88,000	\$ 88,000	