



**REGULAR MEETING OF THE
PORT HURON
LOCAL DEVELOPMENT 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

Minutes

A. CALL TO ORDER –

Acting Chair Timothy Ward called the meeting to order at 8:35 AM

B. ROLL CALL –

PRESENT: Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito

ABSENT: Cain, Jacolik, Peternel

STAFF: City Manager Freed, Planning Director Haynes and Planning Administrative Assistant Posey

C. ELECTION OF OFFICERS –

1. Election of Timothy Ward as Chairman

RESULT:	ADOPTED [7 TO 0]
MOVER:	Edward Brennan, Member
SECONDER:	William Oldford, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Oldford, Vito
ABSENT:	Cain, Jacolik, Kramer, Peternel

2. Election of Robert Funk as Vice-Chairman

RESULT:	ADOPTED [7 TO 0]
MOVER:	Timothy Ward, Edward Brennan
SECONDER:	William Oldford, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Oldford, Vito
ABSENT:	Cain, Jacolik, Kramer, Peternel

D. APPROVAL OF MINUTES –

1. Local Development Finance Authority - Regular Meeting - June 5, 2015 8:00 AM

RESULT:	ADOPTED [7 TO 0]
MOVER:	Robert Funk, Member
SECONDER:	Joseph Vito, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Oldford, Vito
ABSENT:	Cain, Jacolik, Kramer, Peternel

E. REPORTS, RECOMMENDATIONS, AND RESOLUTIONS –

1. RES #17-001: Approving the transmittal of the Local Development 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.

RESULT:	ADOPTED [7 TO 0]
MOVER:	Joseph Vito, Member
SECONDER:	Daniel Casey, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Oldford, Vito
ABSENT:	Cain, Jacolik, Kramer, Peternel

2. RES #17-002: Approving the transmittal of the Local Development 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.

RESULT:	ADOPTED [8 TO 0]
MOVER:	Robert Funk, Member
SECONDER:	Joseph Vito, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito
ABSENT:	Cain, Jacolik, Peternel

3. RES #17-003: Review and approval of the fiscal year 2016 - 2017 Local Development Finance Authority budget as adopted by City Council on May 23, 2016.

RESULT:	ADOPTED [8 TO 0]
MOVER:	Daniel Casey, Member
SECONDER:	Karry Hepting, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito
ABSENT:	Cain, Jacolik, Peternel

4. RES #17-004: Review, recommendation, and adoption of the Local Development 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.

RESULT:	ADOPTED [8 TO 0]
MOVER:	Joseph Vito, Member
SECONDER:	Robert Funk, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito
ABSENT:	Cain, Jacolik, Peternel

Member Casey gave an update on the status of the SmartZone and the possible changes that would be required for the program.

F. ADJOURNMENT –

On Motion, the meeting was adjourned at 8:50 AM

David Haynes, Planning Director

City of Port Huron
LOCAL DEVELOPMENT FINANCE AUTHORITY
May 4, 2017

RES #17-001

Approving the transmittal of the Local Development 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 Local Development Finance Authority Act 481 of 1986, 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, reports containing all the information required by the Act through the fiscal year ending June 30, 2015, have been prepared and reviewed by the Authority;

NOW, THEREFORE, BE IT RESOLVED that the Local Development 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 for the fiscal year ending June 30, 2015.

RESULT:	ADOPTED [7 TO 0]
MOVER:	Joseph Vito, Member
SECONDER:	Daniel Casey, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Oldford, Vito
ABSENT:	Cain, Jacolik, Kramer, Peternel

CITY OF PORT HURON
Inter-Departmental Communication

TO: Planning Director

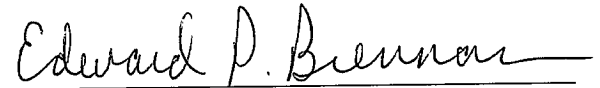
FROM: Director of Finance

SUBJECT: LDFA

DATE: May 1, 2017

Attached find a copy of the financial report for the Local Development Finance 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

LOCAL DEVELOPMENT FINANCING

AREA #2

INDUSTRIAL PARK EXPANSION AREA

LOCAL DEVELOPMENT FINANCING

AREA #2 - INDUSTRIAL PARK EXPANSION

Major projects within the development area:

Expansion of the Industrial Park with room for seven new plan sites plus an additional three sites in the original Industrial Park (Pelzer and two sites west of Armory)

Infrastructure projects within the development area:

**Water distribution system improvements
Wastewater collection system improvements
Street improvements**

CITY OF PORT HURON
Industrial Park Expansion
Tax Increment Financing Plan
L DFA Plan 2
Year Ended June 30, 2015

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues:	
Taxes - Current year	\$ 387,827.02
Current expenditures:	
Contractual services	24,368.01
Transfer to Land Purchase fund	364,287.38
	388,655.39
Revenues Over (Under) Expenditures and Other Uses	(828.37)
Fund balance at beginning of year	828.37
Fund Balance at end of year	\$ 0.00

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$
Reimbursement due other funds	\$ 1,482,979.89

ASSESSED VALUE

	AdValorem	IFT's
Initial	\$ 57,175.00	\$
Captured	\$ 11,489,025.00	\$ 2,634,300.00

ADVANCES, REPAYMENTS AND REIMBURSEMENTS DUE OTHER FUNDS

	Beginning Balance	Advances	Repayments	Ending Balance
Land Purchase fund	\$ 1,455,970.27	\$	\$ 364,287.38	\$ 1,091,682.89
General fund	391,297.00			391,297.00
	\$ 1,847,267.27	\$	\$ 364,287.38	\$ 1,482,979.89

City of Port Huron
LOCAL DEVELOPMENT FINANCE AUTHORITY
May 4, 2017

RES #17-002

Approving the transmittal of the Local Development 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 Local Development Finance Authority Act 481 of 1986, 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, reports containing all the information required by the Act through the fiscal year ending June 30, 2016, have been prepared and reviewed by the Authority;

NOW, THEREFORE, BE IT RESOLVED that the Local Development 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 for the fiscal year ending June 30, 2016.

RESULT:	ADOPTED [8 TO 0]
MOVER:	Robert Funk, Member
SECONDER:	Joseph Vito, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito
ABSENT:	Cain, Jacolik, Peternel

CITY OF PORT HURON
Inter-Departmental Communication

TO: Planning Director

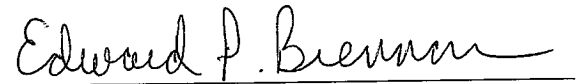
FROM: Director of Finance

SUBJECT: LDFA

DATE: May 1, 2017

Attached find a copy of the financial report for the Local Development Finance 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, C.P.A.

EPB/je

Attachment

LOCAL DEVELOPMENT FINANCING

AREA #2

INDUSTRIAL PARK EXPANSION AREA

LOCAL DEVELOPMENT FINANCING

AREA #2 - INDUSTRIAL PARK EXPANSION

Major projects within the development area:

Expansion of the Industrial Park with room for seven new plan sites plus an additional three sites in the original Industrial Park (Pelzer and two sites west of Armory)

Infrastructure projects within the development area:

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Wastewater collection system improvements
Street improvements**

CITY OF PORT HURON
Industrial Park Expansion
Tax Increment Financing Plan
L DFA Plan 2
Year Ended June 30, 2016

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues:		
Taxes - Current year	\$	372,839.64
Current expenditures:		
Contractual services		28,097.25
Transfer to Land Purchase fund		344,742.39
		372,839.64
Revenues Over (Under) Expenditures and Other Uses		
Fund balance at beginning of year		0.00
Fund Balance at end of year	\$	0.00

OUTSTANDING INDEBTEDNESS

Bonded indebtedness	\$	
Reimbursement due other funds	\$	1,138,237.50

ASSESSED VALUE

	AdValorem	IFT's
Initial	\$ 57,175.00	\$
Captured	\$ 11,489,025.00	\$ 5,093,000.00

ADVANCES, REPAYMENTS AND REIMBURSEMENTS DUE OTHER FUNDS

	Beginning Balance	Advances	Repayments	Ending Balance
Land Purchase fund	\$ 1,091,682.89	\$	\$ 344,742.39	\$ 746,940.50
General fund	391,297.00			391,297.00
	\$ 1,482,979.89	\$	\$ 344,742.39	\$ 1,138,237.50

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

City of Port Huron
LOCAL DEVELOPMENT FINANCE AUTHORITY
May 4, 2017

RES #17-003

Review and approval of the fiscal year 2016 - 2017 Local Development Finance Authority budget as adopted by City Council on May 23, 2016.

WHEREAS, on May 23, 2016, the Port Huron City Council adopted the budget of the Local Development Finance Authority for Fiscal Year 2016-2017 as follows:

Means of Financing

Real property taxes	\$ 111,000
Personal property taxes	<u>197,000</u>
Total Means of Financing	<u><u>\$ 308,000</u></u>

Estimated Requirements

Contractual Services:

Professional and other services -	
Industrial Development	\$ 25,000
Transfer to land purchase fund	258,000
Capital Outlay:	
Infrastructure improvements	<u>25,000</u>
Total Estimated Requirements	<u><u>\$ 308,000</u></u>

NOW, THEREFORE, BE IT RESOLVED that the City of Port Huron Local Development Finance Authority does hereby review and approve the final budget for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017, as adopted by the Port Huron City Council.

RESULT:	ADOPTED [8 TO 0]
MOVER:	Daniel Casey, Member
SECONDER:	Karry Hepting, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito
ABSENT:	Cain, Jacolik, Peternel

City of Port Huron
LOCAL DEVELOPMENT FINANCE AUTHORITY
May 4, 2017

RES #17-004

Review, recommendation, and adoption of the Local Development 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 Local Development Finance Authority for the Fiscal Year 2017-2018;

WHEREAS, the budget of the City of Port Huron Local Development 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	\$ 112,000
Personal property taxes	<u>73,000</u>
Total Means of Financing	<u>\$ 185,000</u>

Estimated Requirements

Contractual Services:	
Professional and other services - Industrial Development	\$ 65,000
Transfer to land purchase fund	100,000
Capital Outlay:	
Infrastructure improvements	<u>20,000</u>
Total Estimated Requirements	<u>\$ 185,000</u>

NOW, THEREFORE, BE IT RESOLVED that the Port Huron Local Development 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 Local Development 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.

RESULT:	ADOPTED [8 TO 0]
MOVER:	Joseph Vito, Member
SECONDER:	Robert Funk, Member
YES:	Ward, Brennan, Casey, Funk, Hepting, Kramer, Oldford, Vito
ABSENT:	Cain, Jacolik, Peternel