

**TAX INCREMENT FINANCE AUTHORITY (TIFA) MINUTES
MEETING HELD THURSDAY MAY 19,2021
CITY HALL COUNCIL CHAMBERS AT 27600 JEFFERSON.**

PRESENT:

TIFA Members:

Richard Widgren, Chair
Joseph Claycomb, Vice Chair
Stan Simek
Tony Bellestri
Paul Ellis
Dan Colling
Richard Albrecht
Kenneth Blondell
Donna Flaherty
Matt Coppler, City Manager
Geri Hofmann
Mayor Kip Walby
Tony Rascano

ABSENT:

ALSO PRESENT:

Henry Bowman, Parks & Rec Director
Cheryl Samu, Recording Secretary

PLEDGE OF ALLEGIANCE/ROLL CALL

The Pledge of Allegiance was recited by all. Chairman Widgren called the meeting to order at 7 pm. Roll was called and a quorum was present.

APPROVAL OF MINUTES OF APRIL 22, 2021

Motion by Claycomb, seconded by Rascano, to approve the Minutes of April 22, 2021 as amended.

Ayes: All – 13

Receive & File Financial Statement/Treasurer’s report/Payment of Bills

Mr. Ellis discussed the financial report.

Will discuss further under the “budget” items.

Motion by Bellestri, seconded by Flaherty to receive and file financial report.

Ayes All – 13

Motion Bellestri, seconded by Flaherty to approve the invoices as presented, which read as follows:

Ayes: All – 13

Pg#	Date	Company	Amount	Invoice #
1	5/11/2021	AMAZON	\$455.86	1GT3-PXX3-GR7X
2	4/28/2021	AMAZON	\$279.20	1DGQ-9DD9-WC4L
3	4/6/2021	CITY OF SCS - ADMIN FEE APRIL	\$4,166.67	61435
4	5/4/2021	CITY OF SCS - ADMIN FEE MAY	\$4,166.67	61597
5	4/30/2021	CREATIVE OFFICE INTERIORS,INC	\$1,628.30	11225
6	4/27/2021	ECT	\$8,091.11	211637
7	1/1/2021	LANDSCAPE SERVICES	\$2,770.00	192859

8	1/1/2021	LANDSCAPE SERVICES	\$1,954.00	192861
9	1/1/2021	LANDSCAPE SERVICES	\$4,580.12	192862
10	1/1/2021	LANDSCAPE SERVICES	\$1,287.00	192864
11	1/1/2021	LANDSCAPE SERVICES	\$3,780.00	192863
12	2/1/2021	LANDSCAPE SERVICES	\$354.00	193329
13	2/24/2021	LANDSCAPE SERVICES	\$1,200.00	193673
14	2/1/2021	LANDSCAPE SERVICES	\$3,000.00	193330
15	1/1/2021	LANDSCAPE SERVICES	\$530.00	192860
16	2/1/2021	LANDSCAPE SERVICES	\$295.01	193331
17	4/21/2021	SPECTRUM	\$175.00	3906

Total \$38,712.94

NEW BUSINESS –

A. Proposed Amended 2021 budget

Ellis – The budget has been amended once already. The proposed changes are what is being asked for approval now. Bicycle GOTCHA was budgeted \$50,000 will write off \$25,500, that was the deposit that was given. Widgren explained that it was supposed to be for a full bicycle program; when the providers for the bicycle program went bankrupt the full \$50,000 was not spent, however, there was a deposit given of \$25,500, which the board is unable to recover.

Because the Christmas lighting is getting to be so large, the board had decided to give it its own category. Initially budgeted \$35,000, will increase to \$45,000. In addition to that the City picked up \$15,000 of that money, so the board expects to come close to spending the \$45,000. Mr. Bowman does have some people that may donate money as well.

Utilities increase \$4000, Repairs and Maintenance \$35,000, AquaFest eliminated that \$14,000 from budget because there will be no expenses until after June 31st. Blossom Heath Bath House reduced by \$29,080 because it does not appear the have more than that for the rest of the year. Ramp project has changed added \$27,000 to \$302,000. Budgeted expenses exceed our revenue by \$13,000, but there is a fund balance to cover it.

Motion by Rascano, seconded by Simek to approve amended budget 2021 as presented.

Ayes: All-13

B. Proposed Budget 2022

City of St. Clair Shores								
Tax Increment Finance Authority								
FY 2022 Proposed Budget		FY 2022 Tax Increment Finance Authority						
Fund 865		FY 2018	FY 2019	FY 2020	FY 2021			FY2022
Description	Acct	6/30/18	6/30/19	6/30/20	Adopted	Amended *	Actual	Proposed
		Actual	Actual	Actual	Budget	Budget	at 4/30/21	Budget
Revenues								
Property taxes	410000	\$587,127	\$628,870	\$687,207	\$773,580	\$720,000	\$720,070	\$745,000
Interest	664000	2,064	2,930	2,093	1,500	1,500	441	750
Other	695000	4,668	(137)	(280)			(555)	
Total Revenues		593,859	631,663	689,020	775,080	721,500	719,955	745,750
Expenditures - Dept 865								
Administration	806000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$41,667	\$50,000
Professional services	810000	21,666	41,485	7,372	10,000	10,000	6,892	7,000
Bicycles-GOTCHA	810901				50,000	25,500	25,500	
Services - MKSK	810905					21,000	19,000	
Services - Christmas Lighting	810970					45,000	34,455	35,000
Insurance	910000			1,145		1,100		
Utilities	920000	8,966	8,565	7,218	10,000	14,000	12,581	15,000
Repairs and maintenance	930000	9,871	73,627	39,689	50,000	135,000	109,769	75,000
Miscellaneous	950000	42,237	1,000	1,614	10,000	1,000	3,482	2,500
QuaFest Summer Festival	950890	9,712	13,556	13,611			(140)	5,000
Blossom Heath Bath House	980100	52,568	360,482	1,037,164	250,000	128,000	116,222	
Pier Project	980848			31,808	750,000			398,880
Ramp Project	980895					302,000	31,562	
Debt service								
Est Bond Principal & Interest	991000							
Interest	992000	6,265	5,012	3,759	1,253	2,506	2,506	750
Total Expenditures		509,300	586,168	1,193,380	1,181,253	735,106	403,495	589,130
Excess of Revenue Over Expenditures / Change in Net		\$84,559	\$45,495	(504,360)	(\$406,173)	(\$13,606)	\$316,460	\$156,620
Adj. for Loan Payments								
Fund Balance / Net Assets								
(Deficit) - Beginning of year		465,200	549,700	596,503	306,262	92,143	92,143	78,537
(Deficit) - End of year		\$549,700	\$595,195	92,143	(\$99,911)	\$78,537	\$408,603	\$235,157

Ellis- this budget is for year end June 31, 2022. Revenue has gone up from \$720,00 to \$745,000 those are the tax increases.

Admin stays the same, professional services reducing to \$7000; these are legal expenses.

Christmas lighting budgeted \$35,000 that may or may not cover depending on what Mr. Bowman comes up with.

Many of those lights are used over times.

Repairs and maintenance dropping to \$75,000

Aqua fest is \$5000

Blossom heath should be completed.

\$389,388 for pier project, that is the boards share of the first payment of the bond.

Mr Widgren - noticed on the debt service schedule there was a rising debt service commitment. It rose from \$350,000 to \$375,000 to \$398,000. Is this correct?

Mr. Coppler – first year is less than what the next years will be. Once the final determination of what the final project will be, then will know for sure what the number will be.

Interest expense is last interest payment on debt from utility fund.

Will have \$589,130 in expenses for a positive revenue over expenses of \$156,620.

Mr Widgren - budgeted out a program for 5 years with a concept in mind that the debt service obligation during that period of time will be not to exceed \$400,000/ year during the next 5 years. Hopefully the property tax capture will grow enough to pay for any inflation that will incur in normal expenses. Should be in a position of looking at \$175,000 to \$200,00 year of investable funds in other projects as they become available. The debt service of the \$400,000/year is on the belief that the bond issuance is \$6.5 million.

Motion by Blondell, seconded by Flaherty to approve the proposed budget of 2022.

C. St Clair Shores Literary Walk

Rosemary Orlando – Requesting funds to help sponsor this program. This is the 3rd year of sponsorship between St Clair Shores Library, Cultural Committee, and outside literary groups.

Poets/artists will be in the park, sharing their poetry or music. At the first walk there were 50 people that attended, last year it was held virtually and there were over 500 people that attended. This year there will be at least a dozen artists and it is believed that there will be 100's of people in attendance.

What other groups are contributing to program- Cultural Committee, Detroit Writers Guild, Friends of the Library, funding comes from various sources. The funding is used to pay the performers, artist, or musicians. Mrs. Orlando is requesting \$2,350.

It is the hope that this will be a yearly event.

Motion by Coppler, seconded by Walby to approve sponsorship for the Literary Walk of \$2350.

Ayes: All - 13

Old Business

A. Bathhouse Status

1. Pier Project Update – Matt Coppler

Updated overview of cost. About 70% to 75% complete drawing phase now, starting to get better estimates, will not know for sure until it goes out to bid. The big unknown is steel.

Trying to get as much into the bid packet as possible, but to get flexibility, if the steel prices and some of the other comities shoot up, the project can still get done. Our priority is to bring this vision to life. There is a base bid with several alternatives. At one point this estimate was about 10.4 million, trying to get that down.

Big change to pier, originally there was, at the base of the pier was a wider platform through a lot of discussion it is probably dead space, not the best place to congregate. Another change from concept to today, the barriers being installed. They are worried about ice flows and protecting the piers. That would be why they are putting in protection there. The impact of ice hitting that pier structure year after year, if provide protection now will not have to deal with having to correct damages later. The pier purposed goes out 390 ft. The shorter pier you would not get beyond the land that is Miller Marina, the shorter pier is 257 ft.

With some discussion with Council there is a willingness if TIFA goes above \$6.6 million the City may cover some items, such as the roadway and seawall expense.

The bid should be out in June and open it in July.

2. Date of ribbon cutting

May 23rd at Beach House, during the Farmers Market. Starts at 1pm, there will be 14 food trucks with 90 vendors.

3. Art project update

Committee will be meeting on Monday June 14th at the Bath House at 7pm.

4. Updates –

Walby – at last meeting Mr York asked about installing traffic lights near Blossom Heath. Mr Walby did speak with Chief Woodcox and Lt Reiss they did put together a plan in that area regarding safety in that area. Did contact Henry with that information. To include 4 police officers, mobile “no left turn” sign, 2 fully marked cars.

Kosch update – Council will be meeting with Kosch to look where we will be.

TIFA documents are now online.

Flaherty the Nautical Mile pamphlet - distributed annual market piece. Pure Michigan asked for about 7,000 copies, they have been distributed to welcome centers. Businesses are open, lots of traffic. People are coming from all over.

AUDIENCE PARTICIPATION –

Erin Stahl – Thanked the Mayor for getting the TIFA documents online.

Suggested televising the meetings because there are some incredible things going on with the pier and all the changes.

NEXT MEETING AND ADJOURNMENT

The next meeting date is 7/15/2021 at Beach House.

Motion by Rascano, seconded by Simek to adjourn the meeting at 8:09 p.m.

Ayes: All - 13

