

CITY COUNCIL: 05/2/22
TIFA: 05/25/22

**TO: MAYOR AND CITY COUNCIL MEMBERS
CHAIRMAN AND AUTHORITY MEMBERS**

FROM: J. MOORE

DATE: APRIL 25, 2022

SUBJECT: REVIEW AND APPROVAL OF PROPOSED TIFA BUDGET FY2022-2023

Provided below is the current financial status of TIFA and information explaining the proposed FY2022-2023 TIFA budget. In accordance with Public Act 450 of 1980 this budget will first be presented to the City Council for their approval and then submitted to the TIFA for their adoption. TIFA revenues have been adjusted in recent years with a tax base sharing agreement between the City and TIFA to reduce the TIFA capture by:

\$186,308 in FY2012/13 (34%)
\$153,340 in FY2013/14 (34%)
\$149,209 in FY2014/15 (34%)
\$153,866 in FY2015/16 (34%)
\$109,975 in FY2016/17 (24%)
\$100,115 in FY2017/18 (20%)
\$ 98,442 in FY2018/19 (18%)
\$ 84,861 in FY2019/20 (15%)
\$ 86,767 in FY2020/21 (15%)
\$ 67,648 in FY2021/22 (12%)
\$ 86,047 in FY2022/23 (10%)

The City received an opinion from Miller Canfield that allows this tax base sharing agreement with the City. A new agreement will need to be adopted along with the budget. For FY2022/23 the proposed budget lowers the cost sharing agreement to 10% from 12%.

Below is an overview of the TIFA Fund

The starting fund balance for FY2021/22 was:	\$ 900,298
Total Estimated Revenues:	\$ 703,995
Total expenditures to date:	\$ 380,047
Remaining Budgeted Expenditures FY21/22	<u>\$ 594,423</u>
End of Fiscal Year Fund Balance June 30, 2022	\$ 629,823

Beginning Fund Balance July 1, 2022	\$ 629,823
Anticipated revenues FY22/23	<u>774,418</u>

Total Funds available FY22/23	1,404,241
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Anticipated Expenditures FY22/23

Administration	213,480
Public Works	91,000
Water System Expense (Depreciation)	90,000

Capital Improvements

Facade Program	75,000
Streetscape Improvements	100,000
Other Improvements	465,000
<u>Contractual – Aud Projects</u>	<u>0</u>
Total	640,000

Transfer Out - Street Improvements	130,000
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<u>Total Expenditures</u>	<u>1,164,480</u>
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Estimated fund balance as of June 30, 2023	\$239,761
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This leaves TIFA with \$239,761 in funds that TIFA is required to dedicate toward future projects. In the past we have dedicated the funds toward future streetscape improvements and parking improvements. TIFA has also discussed being willing to participate in the purchase of a leaf vacuum, should City Council determine to go in that direction.

Motion by _____, seconded by _____, to approve the FY2022/2023 TIFA Budget.

Attachments:

- 1) **Budget Narrative/Budget Worksheets** - This gives explanations for line items in the budget worksheets
- 2) **Personnel Worksheet** – These are the Personnel Sheets that have some portion of their salary paid by TIFA.
- 3) **Capital Improvement Sheets**
- 4) **Tax Base Sharing Agreement**

1) BUDGET NARRATIVE: FUND: 251 TAX INCREMENT FINANCE AUTH FD

REVENUES

DEPT: 001 REVENUES

402.000 TAX COLLECTION	\$774,418
This line item also includes administration's recommendation that TIFA and the City continue the tax base sharing agreement that will limit the TIFA capture by \$86,047. This is a reduction of the tax base sharing agreement from 12% to 10%.	
665.000 INTEREST ON INVESTMENTS	\$0
670.000 MISCELLANEOUS REVENUES.....	\$0
699.999 UNRESERVED FUND BALANCE	\$629,823
REVENUES.....	\$1,404,241

EXPENDITURES

DEPT: 200 ADMINISTRATION

702.000 SALARY & WAGES	\$51,894
This line item includes a funding to cover a percentage of employee salaries that work in the TIFA Fund: Administrative Assistant (20%), City Clerk (10%), City Treasurer (10%) and the City Planner (15%). On Mondays, when the City Assessor assists the City Treasurer with payroll and other administrative functions, her hourly wage is in part paid by TIFA (10%).	

In addition to the percentages above a set amount, currently 24.2% of the City Manager's salary is charged to TIFA for his work as TIFA Director (\$22,558.34). This is broken up into 26 equal payments on the payroll checks.

707.000 OVERTIME WAGES.....	\$500
If the clerk is unable to take minutes, the wages paid to administrative staff are charged to this line item.	

712.000 EMPLOYEE BENEFITS.....	\$13,811
This is an amount equal to the percentage of benefits for those staff members that work within the TIFA Fund.	

715.000 BC/BS DEDUCTIBLE	\$1,425
This is an amount equal to the percentage of benefits for those staff members that work within the TIFA Fund for their Blue Cross/Blue Shield Deductible.	

808.000 AUDIT SERVICES\$7,000

These are funds to pay for the yearly audit. The auditors check TIFA's books at the same time they check the City's.

810.000 BANK SERVICE CHARGES\$650

The interest rates in recent years have not been enough to cover the fees banks charge on the accounts.

818.000 CONTRACTUAL SERVICES\$8,000

Due to its use as a promotional tool for the City and District, TIFA pays the majority of the website hosting/maintenance fee from CivicPlus (\$4,216) plus the tech-cloud storage (\$500). This line item also covers TIFA's portion of the Server, City Manager and City Planners computer maintenance through Hi-Tech.

826.000 LEGAL FEES\$0

As we do capital improvement projects, like the streetscape and property acquisition we will use the attorneys more often. This line item also helps cover legal fees associated with tax tribunals within the TIFA District.

864.000 CONFERENCES & WORKSHOPS\$1,000

This amount was increased to cover training regarding economic development and planning that would benefit boards that work in this area. It will also cover any conferences or workshops that the TIFA Director or City Planner attend relating to economic development.

873.000 TRAVEL EXPENSE\$2,000

This number includes TIFA's percentage of the City Manager's car allowance (\$1,350) and mileage for any Economic Development training or meetings that the City Planner Attends.

880.000 COMMUNITY PROMOTION.....\$26,000

This includes funds to allow TIFA to work cooperatively with the EDC to promote the community. It also includes funds to help market community events and sales that bring people to the TIFA District. Although each year the cost fluctuates for each event, below are estimates for the events that TIFA normally helps to fund. As the City and Event Organizers continue to adjust their events to deal with COVID, this line item will fluctuate. Below are the events that TIFA normally contributes to during a calendar year when not experiencing COVID issues.

- Chili Cook Off/Good Old Winter Days - (\$400) for Chili Cook Off Supplies (Rybar Memorial will cover Chili Cook Off Expenses for at least the next five years), (\$320) for date change on banner and (\$3,750) for ice carvings (if a Winterfest is held at the same time)
- Easter Egg Hunt - (\$850) eggs, candy and sometimes signage
- Rummage & Relic/Community Garage Sale - (\$250) bathroom and brochures/maps showing weekend events and sales.
- RAGODF - (\$400) two additional golf carts for the Police
- Memorial Day Decorations for the Pocket Park and Stage (\$200)

- Recreation Department Scarecrows - (\$500) straw bales
- Halloween/No Tricks Only Treats - (\$500) candy, decorations and supplies
- Community Tree Lighting/Santa Parade – (\$750) hall rental, (\$1,600) Santa, food, cut outs and decorations. As this event grows, this number may vary.
- Christmas Cash – (\$1,500) posters, ticket boxes, tickets and the actual cash.

The community promotions line item also includes \$4,000 for Richmond’s ads in the Blue Water Vacationland Magazine and one issue of the Macomb Momentum Magazine.

900.000 PRINTING & PUBLISHING\$0
 Printing of various community brochures. As the EDC and TIFA develop programs and events to bring people into the downtown, this line item will pay for advertising.

920.000 UTILITIES\$60,000
 The TIFA Fund covers the lighting costs of the ornamental street lights that have been installed from Howard Street north to Park Street. The ornamental lights were installed by TIFA to provide an aesthetic improvement in our downtown districts. These lights are closer together and at a higher rate than the average street lights normally installed by the City. This line item will also cover 5% of City Hall utilities.

945.000 ADMINISTRATION FEES\$9,000
 This money goes to the City to cover work done by the administration not covered by TIFA directly. The Assessor, Public Service Director and front office staff spend time on TIFA.

956.000 MISCELLANEOUS\$800
 Funds to provide for office supplies, postage and other miscellaneous items used by TIFA.

958.000 MEMBERSHIPS & DUES\$6,400
 Membership in the Michigan Downtown and Finance Association. This association keeps organizations using tax increment financing updated on legislation affecting this process. They also deal with TIFA’s and DDA’s as they relate to issues facing downtowns. The \$5,000 fee to belong to the Macomb Orchard Trail is charged to this line item.

977.000 EQUIPMENT ACQUISITION\$25,000
 TIFA has completed the purchase of all new decorations. This budget includes \$4,000 to continue to replace old garland and any damaged decorations that need replacing. It also includes \$6,000 to decorate City Offices, Library and Community Center during the holidays as requested by the City Council. The administrative assistant is currently reviewing catalogues and building facades to determine the best type of decorations for each building. Administration will also try to incorporate decorations for the Aud.

The budget also includes \$15,000 toward a potential phase II of the downtown lights to bring back Rauhorn Electric if additional property owners decide to participate.

ADMINISTRATION\$213,480

DEPT: 548 WATER SYSTEM EXPENSE

968.000 DEPRECIATION EXPENSE\$90,000

Beginning for fiscal years ended in 2001, the Governmental Accounting Standards Board (GASB 34) required that certain capital improvement projects funded fully or in part by TIFA have to be capitalized in the TIFA Fund. This is done by capitalizing a portion of the expense as an asset on the revenue side, and then over time charging a portion of this “capitalized amount” back on the expense side. Although it has been happening behind the scenes since then, administration left it in the budget this year for a couple of reasons. First, by showing it in the budget we provide TIFA and Council with a more accurate picture of the finances. Second, due to TIFA reporting requirements under PA 57. By keeping the depreciation in the budget, it will more closely match the audited financial statements that are sent to the State.

The large items that have been capitalized in the past in the TIFA fund that now cause the budgeted \$95,000 in depreciation expense this year are the renovation project to the City Hall/Police Post building, the Community Center, Streetscape improvements and any large expense that is capitalized, for example Christmas Decorations. Below is an explanation of why capital assets are handled this way.

Capital assets, which include property, equipment, and infrastructure assets (i.e., roads, sidewalks, and similar items), are reported in the financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Capital assets are depreciated using the straight-line method over the following useful lives: buildings and improvements 5 - 50 years; vehicles and equipment 5 - 40 years; utility systems 50 years; infrastructure - Roads 25 years.

TRANSFER OUT\$90,000

DEPT: 442 DEPARTMENT OF PUBLIC WORKS

702.000 SALARY & WAGES\$30,000

Funds budgeted for DPW wages on TIFA projects and programs. This line item also includes personnel costs associated with hanging seasonal banners, staffing events such as the Community Tree Lighting and watering the Streetscape flowers.

707 .000 OVERTIME WAGES.....\$5,000

Same as above.

712.000 EMPLOYEE BENEFITS.....\$12,000

Benefits on the salaries.

757.000 OPERATING SUPPLIES\$10,000
Funds budgeted to purchase supplies needed by DPW to maintain items on the streetscape, banners and Christmas decorations.

818.000 CONTRACTUAL SERVICES\$15,000
Money to pay for maintenance services on the Trailhead Park and Pocket Park.

940.000 EQUIPMENT RENTAL\$19,000
Funds to pay for Equipment Rental on TIFA projects/work.

DEPARTMENT OF PUBLIC WORKS\$91,000

DEPT: 900 CAPITAL IMPROVEMENTS

818.003 CONTRACTUAL – CITY HALL\$0

818.005 CONTRACTUAL – INDUSTRIAL DRIVE\$0

818.006 CONTRACTUAL - BEEBE PARK IMPROVEMENTS.....\$0

818.011 CONTRACTUAL - FACADE PROGRAM.....\$75,000
This includes the following funding levels for FY2022/2023: one (1) Downtown Revitalization Program project of up to \$15,000.00; six (7) Project Clean-Up Applications of up to \$6,000.00; nine (9) Project Clean-Up Applications of up to \$2,000.00. Additionally, all approved projects must be completed by June 30, 2023.

818.012 CONTRACTUAL - STREETSCAPE IMPROVEMENTS\$100,000
TIFA has been working on the engineering for parking lot improvements in the north business district. However due to COVID the project has been delayed due to DTE not being able to put together numbers to put utilities underground. We recently received a partial estimate from DTE of \$347,000 to put the utilities underground. This does not cover all of the DTE costs or any of the frontier and comcast costs. As a result, TIFA recently directed administration to move forward with the engineering proposal. In FY2022-2023, Tetra Tech will provide layouts and recommendations for the three largest parking lots in the North Business District. We will then proceed with construction in FY2023-2024.

818.013 OTHER PROJECTS\$465,000
This line item incorporates \$230,000 toward the Barn Extension at the DPW. This project has been incorporated into our plans and budgets for several years. Last year TIFA assisted in the infrastructure improvements to make way for the barn this year. The new barn extension will clear out the old barn that runs parallel to Water Street. It is administration’s intentions to move the Christmas decorations from the three bays in the Good Old Days Barn to the Barn along Stone Street.

Prior to the start of the work on the FY2022/2023 budget the City Manager met with the RAGODF Chair Tim Rix to discuss the potential to build a barn/pavilion structure on the Festival grounds. The results of those discussions and a TIFA meeting, is that included in “Other Projects” is \$235,000 toward the construction of a \$300,000 barn/pavilion structure in Beebe Park to replace the need for the RAGODF to rent a tent. The \$235,000 from TIFA and \$65,000 from RAGODF make the \$300,000.

In our meeting, the TIFA Director and RAGODF Chair discussed the following financial scenario from TIFA.

FY2021/2022	\$100,000	Concrete Floor
FY2022/2023	\$300,000	Structure (Barn or Pavilion)

The RAGODF Chair indicated that of the \$300,000 cost of the Structure, the RAGODF could put \$65,000 toward the construction and then pay back TIFA \$8,000 per year until they paid back 50% of the building cost (\$150,000). This would be approximately 10.63 years, beginning in October 2024. At their March meeting, the TIFA board approved \$108,000 toward the concrete floor based on a quote received by the RAGODF.

The barn/pavilion will also be available for use by the Recreation Department and other organizations/individuals subject to the approval of RAGODF.

818.024 CONTRACTUAL - AUD PROJECT\$0
 At the present time no TIFA funds have been set aside in the FY2022-2023 budget for the Aud.

CAPITAL IMPROVEMENTS\$640,000

DEPT: 965 TRANSFER OUT

999.202 TRANSFER OUT – MAJOR STREET.....\$0

999.405 TRANSFER OUT - STREET IMPROVEMENT FUND.....\$130,000

The Street Improvement Fund was originally funded by a set-aside equal to 2 mills of the general operating tax levy to provide a perpetual street improvement program. In recent years as the General Fund budget had less resources to put towards the Street Improvement Fund, TIFA has assisted in covering the contribution into the Street Improvement Fund. This year the amount of TIFA’s contribution is \$130,000. Between the General Fund and TIFA Fund we are contributing about 1.44 mills toward the Street Improvement Fund.

999.508 TRANSFER OUT - RECREATION FUND\$0

999.591 TRANSFER OUT - WATER FUND\$0

TRANSFER OUT\$130,000

TOTAL EXPENDITURES\$1,164,480

TIFA FUND BALANCE (JUNE 30, 2023)\$239,761

2020-21	2021-22	2021-22	2021-22	2022-23	2022-23	2022-23
ACTIVITY	AMENDED	PROJECTED	REQUESTED	RECOMMENDED	APPROVED	
	BUDGET	ACTIVITY	BUDGET	BUDGET	BUDGET	BUDGET
BL NUMBER	DESCRIPTION					
Dept 001 - REVENUES						
251-001-402.000	TAX COLLECTION	719,361	703,995	703,995	774,418	774,418
251-001-665.000	INTEREST ON INVESTMENTS	(39)				
251-001-670.000	MISCELLANEOUS REVENUES	2,464	2,000			
251-001-699.999	UNRESERVED FUND BALANCE		762,838	900,298	629,823	629,823
	NET OF REVENUES/APPROPRIATIONS - 001 - REVENUES	721,786	1,468,833	1,604,293	1,490,288	1,404,241
Dept 200 - ADMINISTRATION						
251-200-702.000	SALARY & WAGES	44,027	50,481	52,000	51,894	51,894
251-200-707.000	OVERTIME WAGES	300	500	400	500	500
251-200-712.000	EMPLOYEE BENEFITS	10,469	15,533	16,000	13,811	13,811
251-200-715.000	BC\BS DEDUCTIBLE	491	1,425	400	1,425	1,425
251-200-808.000	AUDIT SERVICES	7,000	7,000	7,000	7,000	7,000
251-200-810.000	BANK SERVICE CHARGES	566	600	600	650	650
251-200-818.000	CONTRACTUAL SERVICES	6,597	8,000	6,800	8,000	8,000
251-200-864.000	CONFERENCE & WORKSHOPS		1,000	280	1,000	1,000
251-200-873.000	TRAVEL EXPENSE	1,350	2,200	1,400	2,000	2,000
251-200-880.000	COMMUNITY PROMOTION	8,285	25,000	18,000	26,000	26,000
251-200-920.000	UTILITIES	45,948	60,000	48,000	60,000	60,000
251-200-945.000	ADMINISTRATION FEES	9,000	9,000	9,000	9,000	9,000
251-200-956.000	MISCELLANEOUS	162	800	200	800	800
251-200-958.000	MEMBERSHIP & DUES	5,880	6,500	5,880	6,400	6,400
251-200-977.000	EQUIPMENT ACQUISITION	2,442	40,000	18,500	25,000	25,000
	NET OF REVENUES/APPROPRIATIONS - 200 - ADMINISTRATION	(142,517)	(227,435)	(184,460)	(213,480)	(213,480)
Dept 442 - DEPARTMENT OF PUBLIC WORKS						
251-442-702.000	SALARY & WAGES	17,999	20,000	24,000	30,000	30,000
251-442-707.000	OVERTIME WAGES	2,625	5,000	4,000	5,000	5,000
251-442-712.000	EMPLOYEE BENEFITS	9,363	9,500	10,000	12,000	12,000
251-442-757.000	OPERATING SUPPLIES	2,731	11,000	2,500	10,000	10,000
251-442-818.000	CONTRACTUAL SERVICES	10,106	15,000	12,000	15,000	15,000
251-442-940.000	EQUIPMENT RENTAL	18,379	15,000	19,000	19,000	19,000
	NET OF REVENUES/APPROPRIATIONS - 442 - DEPARTMENT OF	(61,203)	(75,500)	(71,500)	(91,000)	(91,000)
Dept 548 - WATER SYSTEM EXPENSE						
251-548-968.000	DEPRECIATION EXPENSE	86,375	95,000	90,000	90,000	90,000
	NET OF REVENUES/APPROPRIATIONS - 548 - WATER SYSTEM E	(86,375)	(95,000)	(90,000)	(90,000)	(90,000)
Dept 900 - CAPITAL IMPROVEMENTS						
251-900-818.011	CONTRACTUAL-FACADE PROGRAM	51,982	75,000	60,000	75,000	75,000
251-900-818.012	CONTRACTUAL-STREETScape IMP	15,210	450,000	43,510	100,000	100,000
251-900-818.013	OTHER PROJECTS	78,785	100,000	70,000	465,000	465,000
251-900-818.024	CONTRACTUAL - THE AUD		150,000	325,000		
	NET OF REVENUES/APPROPRIATIONS - 900 - CAPITAL IMPROV	(145,977)	(775,000)	(498,510)	(640,000)	(640,000)
Dept 965 - TRANSFER OUT						
251-965-999.405	Transfer Out: Street Improvem	130,000	130,000	130,000	130,000	130,000
	NET OF REVENUES/APPROPRIATIONS - 965 - TRANSFER OUT	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)
ESTIMATED REVENUES - FUND 251						
APPROPRIATIONS - FUND 251						
	NET OF REVENUES/APPROPRIATIONS - FUND 251	721,786	1,468,833	1,604,293	1,490,288	1,404,241
	NET OF REVENUES/APPROPRIATIONS - FUND 251	566,072	1,302,939	974,470	1,164,480	1,164,480
	NET OF REVENUES/APPROPRIATIONS - FUND 251	155,714	165,894	629,823	325,808	239,761

CITY OF RICHMOND CAPITAL IMPROVEMENT PLAN

	Proposed FY 2022/23	Projected FY 2023/24	Projected FY 2024/25	Projected FY 2025/26	Projected FY 2027/28	Projected FY 2028/29
CABLE TELEVISION						
Canon XA40 Camera System	2,300		2,300		2,300	
Council Chambers Remote Camera Upgrades		8,000				
BUILDING AND GROUNDS-CHPD						
City Offices - Parking Lot Replacement (65%C, 15%W, 15%S, 5%T)			146,250			
City Hall Copier (40% General Fund, 30% Water & Sewer)	10,000					
BUILDING DEPARTMENT						
POLICE DEPARTMENT						
Police Vehicles	54,000		57,000	57,000	57,000	0
Dispatch Consoles	400,000					
GENERAL FUND CAPITAL PROJECTS						
Tree Planting program	3,000	3,000	3,000	3,000	3,000	3,000
DPW - Barn Extension (33%C, 8.25%M, 8.25%L, 8.25%W, 8.25%S)	230,000		4,000			
DPW - Trench Drain Replacements						
WATER FUND						
City Offices - Parking Lot Replacement (65%C, 15%W, 15%S, 5%T)	60,000		33,750			
DPW - Barn Extension (33%C, 8.25%M, 8.25%L, 8.25%W, 8.25%S)	8,000	8,000	8,000	8,000	8,000	8,000
Spot Patching	494,000		115,000		155,000	
Stone Street Road Reconstruction and Water Main Replacement						
Forest & Park Infrastructure Improvements						
Circle Lane Infrastructure Improvements						
Grove Street Infrastructure Improvements (FY28/29)						268,000
Master Plan Updates						20,000
GPS Upgrades	2,000					
GPS Data Plan	600	600	600	600	600	600
Main Street Water Main Replacement				914,000		
Well #10 Permanent Generator (EM Grant)	42,000					
Well #9 maintenance	35,000					
Well #10 maintenance		35,000				
Well #14 maintenance		2,100	8,000			
Replace Water Lab Incubator		2,100				
Meter Reading Hardware & Software	50,000	50,000	50,000	50,000	50,000	50,000
Water Tower Maintenance Agreement	24,816	24,816	24,816	24,816	24,816	24,816
MAJOR STREET FUND						
DPW - Barn Extension (33%C, 8.25%M, 8.25%L, 8.25%W, 8.25%S)	60,000					
DPW Yard Paving (50% M, 50% L)		78,000				
Howard Street Storm Sewer Outlet	100,000					
Gratiot Ave Resurfacing TIP						
Spot Patching	5,000	5,000	5,000	25,000		
Crack Sealing		15,000	5,000	5,000	5,000	5,000
Traffic Services - Pavement Markings	2,000	2,000	2,000	2,000	2,000	2,000
LOCAL STREET FUND						
DPW - Barn Extension (33%C, 8.25%M, 8.25%L, 8.25%W, 8.25%S)	60,000					
DPW Yard Paving (50% M, 50% L)		78,000				
Spot Patching	5,000	5,000	5,000	5,000	5,000	5,000
Crack Sealing		15,000	5,000	15,000	15,000	15,000
Traffic Services - Pavement Markings	2,000	2,000	2,000	2,000	2,000	2,000
SIDEWALK IMPROVEMENT FUND						
Ridge Street		37,000				
Pound Rd					250,000	
Richwood Lane			135,000			
FIRE FUND						
Power Washer		5,000				
Class A	8,000	8,000	8,000	8,000	8,000	8,000
Turnout Gear/Wildland Gear	38,500	8,500	8,500	8,500	8,500	8,500
Hose Testing	3,000	3,000	3,000	3,000	3,000	3,000
Misc. SCBAs Flow Test	1,000	1,000	1,000	1,000	1,250	1,250
Misc. Refurb/Replace Tanker		400,000	400,000	400,000		
Hose & Gear Dryer						
Add Utility Vehicle	12,000	55,000				
Misc. Ice Rescue Equipment	2,500		2,500			
Replacement Hose	1,500	1,500	1,500	1,500	1,500	1,500
Misc. Rope & Rescue Certs		2,500	2,000		2,500	2,000
Misc. I-Pad.Chief.Laptop.Sec		550	900	900	900	900
Ladder Testing		2,750	3,000	3,000	3,000	3,250
Hose Testing	67,300					
New SCBAs Replace Repair SCBA ongoing	10,000	10,000	4,000	4,000	15,000	15,000
Radio Equipment (User Fees)	3,000	3,000	3,000	3,000	4,250	4,250
Department New Hires	1,500	1,500	1,500	1,500	3,000	3,000
Misc. Training Re-certs County		15,000	1,500	1,500	1,500	2,000
Replace Bay Doors		15,000				
Vehicle/Eqpt.Maintenance & Pump Test	5,000	5,000	5,000	5,000	6,000	6,000
Rescue Struts						
Misc. Refurb/Replace Engine 1	10,000	400,000	400,000			

CITY OF RICHMOND CAPITAL IMPROVEMENT PLAN

	Proposed FY 2022/23	Projected FY 2023/24	Projected FY 2024/25	Projected FY 2025/26	Projected FY 2027/28	Projected FY 2028/29
CEMETERY FUND						
WWTP EQUIPMENT REPLACEMENT FUND						
Raw Sewage Screw Pumps (FY 31/32)						350,000
Oxidation Ditch Rotor tube & paddles	50,000					
PEW System Replacement		35,000				
Final Clarifier Effluent Weirs	50,000					
Sludge Screw Press	50,000	600,000				
Raw Sewage Sample Pump		5,000				225,000
Return Activated Sludge Screw Pumps & MCCs						25,000
Boiler Damper Repairs (FY 31/32)						
DPW VEHICLE & EQUIPMENT REPLACEMENT FUND						
Manlift Cage (#33.4)	3,000					
Utility Trailer (#12.2)	3,000					
Pickup GMC 1500 4x4, standard box				30,000		
Cemetery Backhoe (#6)		125,000				
Backhoe (#35)						125,000
RECREATION FUND						
Tennis Court Resurfacing	20,000					
Splash Pad1	155,000					
Splash Pad Alternate	167,000					
Replace exercise Items/Climber	71,000					
New Flooring Community Center	16,000					
SANITARY SEWER FUND						
City Offices - Parking Lot Replacement (65%C, 15%W, 15%S, 5%T)			33,750			
DPW - Barn Extension (33%C, 8.25%M, 8.25%L, 8.25%W, 8.25%S)	60,000					
Spot Patching	2,500	2,500	2,500	2,500	2,500	2,500
Master Plan Updates						20,000
S-41 Sewer - Water to Monroe	140,000					
Stone Street Infrastructure Improvements (Sewer Repairs)	50,000					
GPS Upgrades	2,000					
Sewer Lining Project			250,000			
Meter Reading Hardware & Software	50,000	50,000	50,000	50,000	50,000	50,000
LOIS WAGNER MEMORIAL LIBRARY						
Staff & Public Computer Replacement	2,000	2,000	2,000	2,000	2,000	2,000
Library Re-Design		250,000				
Painting Library Side Dore	500					
TAX INCREMENT FINANCE AUTHORITY						
City Offices - Parking Lot Replacement (85%C, 5%W, 5%S, 5%T)			11,250			
DPW - Barn Extension (33%C, 8.25%M, 8.25%L, 8.25%W, 8.25%S)	230,000					
Alley Paving	350,000					
Leaf Vacuum Trailer			125,000			
Parking Lot Improvements Water to Monroe		200,000				
Parking Lot Improvements Monroe to Park		150,000				
Parking Lot Improvement Main Municipal Lot			150,000			
Facade Improvement Programs	75,000	75,000	75,000	80,000	80,000	80,000
TOTALS	4,374,316	1,362,316	2,555,116	2,504,316	768,116	1,742,766

FUNDING SOURCES

General Fund	468,300	10,000	207,550	59,000	61,300	2,000
Major Street Fund	167,000	100,000	7,000	47,000	7,000	22,000
Local Street Fund	1,078,000	100,000	167,000	626,000	343,000	488,200
Fire Fund	65,000	80,500	423,000	420,500	23,250	20,750
HUD Fund	0	37,000	0	0	0	0
Recreation Fund	429,000	0	0	0	0	0
Sanitary Sewer Fund	304,500	52,500	336,250	52,500	52,500	72,500
Water Fund	716,416	120,516	240,166	997,416	238,416	371,416
Cemetery Fund	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
WWTP Equipment Replacement Fund	150,000	40,000	600,000	0	0	600,000
DPW Vehicle & Equipment Replacement Fund	6,000	125,000	0	30,000	0	125,000
TIFA Fund	425,000	425,000	350,000	80,000	80,000	80,000
Grants - Federal						
Grants - State						
Grants - Other						
TOTALS	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!

Note: Cells highlighted in yellow are items subject to Planning Commission review and approval.

**TAX INCREMENT FINANCE AUTHORITY
CITY OF RICHMOND
COUNTY OF MACOMB**

RESOLUTION NO. 2022-1

WHEREAS, the Tax Increment Finance Authority was established in the City of Richmond in 1984 to halt a decline in property values, increase property tax evaluation, eliminate the causes of the decline in property values and to promote growth within the Tax Increment Finance District; and;

WHEREAS, the Tax Increment Finance Authority Development Plan, Adopted in 2019, endorses infrastructure improvements; and

WHEREAS, the Tax Increment Finance Authority of Richmond has adopted the Fiscal Year 2022/2023 Budget with revenues remaining of \$165,894; and

WHEREAS, the Tax Increment Finance Authority Development Plan for the District has projects remaining that further the development program; and

WHEREAS, Public Act 450 of 1980, Section 14 (2) requires a resolution of the Tax Increment Finance Authority in order to retain the remaining funds.

NOW, THEREFORE, BE IT RESOLVED, that the Tax Increment Finance Authority of the City of Richmond hereby dedicates:

- \$239,761 in FY2023/2024 to re-develop the parking lots on the north end Business District. As there are three parking lots, this project will go beyond FY2022/2023.

THIS RESOLUTION WAS DULY ADOPTED BY THE TAX INCREMENT FINANCE AUTHORITY OF RICHMOND DURING ITS REGULAR MEETING HELD ON JUNE 22, 2022.



Bill Ruff, Chairperson



Heather L. McCallister, City Clerk

**CAPTURED ASSESSED VALUE SHARING AGREEMENT
BETWEEN
THE CITY OF RICHMOND TAX INCREMENT FINANCE AUTHORITY
AND THE CITY OF RICHMOND**

THIS AGREEMENT is made by and between **THE CITY OF RICHMOND TAX INCREMENT FINANCE AUTHORITY**, an authority created by the City of Richmond in accordance with Act 450, Public Acts of Michigan, 1980, as amended (the “TIFA”), and **THE CITY OF RICHMOND**, a Michigan municipal corporation (the “City”).

WHEREAS, the TIFA was created by the City under the authority of Act 450, Public Acts of Michigan, 1975, as amended (“Act 450”); and

WHEREAS, pursuant to Act 450, the TIFA has previously prepared and the City has approved by ordinance a [Tax Increment Financing Plan and a development plan], as amended by the TIFA and the City (the “Plan”) to prevent deterioration and encourage growth within the area in which the TIFA exercises its powers (the “District”); and

WHEREAS, pursuant to the Plan, the TIFA has used and continues to use tax increment revenues, as defined in Act 450 (the “Tax Increment Revenues”) to provide for the acquisition, construction and financing of certain public improvements in the development area described in the Plan (the “Development Area”), in order to promote growth within the District for the benefit of the residents of the City and all taxing units levying taxes within the Development Area; and

WHEREAS, Section 13(3) of Act 450 permits the TIFA to enter into agreements with the taxing jurisdictions in the Development Area to share a portion of the captured assessed value of the District (the “Captured Assessed Value”); and

WHEREAS, it is the desire of both the TIFA and the City to enter into an agreement to share a portion of the Captured Assessed Value pursuant to Section 13(3) of Act 450, so that some of the Tax Increment Revenues otherwise captured by the TIFA will be shared with the City.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties, the parties agree hereto as follows:

**ARTICLE 1
SHARING OF CAPTURED ASSESSED VALUE**

1.1 Agreement to Share Captured Assessed Value. Subject to the terms and conditions of this Agreement, the TIFA hereby agrees to share annually with the City Captured Assessed Value in an amount which, for **Fiscal Year 2022-2023** produces a reduction in the TIFA’s Tax Increment Revenues equal to **10%** of the TIFA’s capture of taxes attributable to the

City. Such sharing may be extended by agreement of the TIFA and the City, but not later than upon the expiration of the Plan.

1.2 Use of Tax Increment Revenues Remaining. Tax Increment Revenues that remain after sharing pursuant to Section 1.1 shall be retained by the TIFA and used for the purposes set forth in the Plan, pursuant to Act 450.

1.3 Agreement Shall Not Impair Payment of Existing Obligations. The parties agree that nothing contained in this Agreement shall prevent or impair the TIFA from fulfilling its primary obligation to meet payment requirements on any existing or future debt service on any outstanding obligation or liability of the TIFA, or other obligations issued by the City on behalf of the TIFA, payable from tax increment revenues, including maintenance of any debt service reserve funds.

1.4 Direction to City Treasurer. The parties agree that the consequence of sharing the Captured Assessed Value pursuant to this Agreement is to diminish the TIFA’s tax base and increase the City’s tax base, resulting in a decrease in Tax Increment Revenues collected by the TIFA and an increase in ad valorem taxes collected by the City, and the Treasurer shall do all things necessary or appropriate to assure that the taxes, as collected, are distributed to the TIFA and the City to reflect the change in tax base.

ARTICLE 2
MISCELLANEOUS

2.1 Entire Agreement. This Agreement shall constitute the entire agreement between the parties hereto; all prior agreements between the parties, whether written or oral, are merged herein and shall be of no force or effect.

2.2 Governing Law. Each and every term, provision and condition of this Agreement shall be governed and construed in all respects, whether as to matters of validity, capacity, performance or otherwise, in accordance with the laws of the State of Michigan.

2.3 Severability. Each term, condition and provision of this Agreement is severable and if any term, condition or provision shall be determined to be illegal, invalid and/or unenforceable for any reason whatsoever, this Agreement shall thereafter be read, construed, and enforced as though such illegal, invalid and/or enforceable term, condition or provision were not included herein.

2.4 Captions. All captions or headings preceding the text of separate paragraphs of this Agreement are solely for reference purposes and shall not affect the meaning, construction, interpretation or effect of the text.

2.5 Notices. All notices required to be given pursuant to this Agreement or otherwise desired to be delivered by one party to another, shall be effective only if the same shall be in writing and shall be either personally served or sent by facsimile, United States mail or air

courier service with postage prepaid, to such party at its address set forth herein to the attention of the person whose title is set forth below. Any such notice given by mail or air courier shall be deemed defective upon two days following the date the same shall have been deposited in the US mail or other air courier service.

If to the TIFA:

City of Richmond Tax Increment Finance Authority
Attn: Director
36725 Division Road
P.O. Box 457
Richmond, Michigan 48062

Telephone: (586) 727-7571
Facsimile: (586) 727-2489

If to the City:

City of Richmond
Attn: City Council
36725 Division Road
P.O. Box 457
Richmond, Michigan 48062

Telephone: (586) 727-7571
Facsimile: (586) 727-2489

2.6 Counterparts. This Agreement may be signed in any number of counterparts.

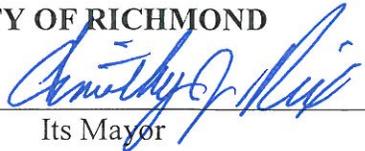
IN WITNESS WHEREOF, each of the parties hereto have executed this Agreement as of the day and year set forth immediately beneath their respective signatures.

**CITY OF RICHMOND
TAX INCREMENT FINANCE
AUTHORITY**

By 
Its Director

Date of execution: 6/23/2022

**CITY COUNCIL OF THE
CITY OF RICHMOND**

By 
Its Mayor

Date of execution: 6/23/2022

Receipt acknowledged by City Treasurer

CITY OF RICHMOND
By 
Its City Treasurer

Date: 6/23/2022

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