

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

FROM: J. MOORE

DATE: MAY 14, 2018

SUBJECT: REVIEW AND APPROVAL OF PROPOSED TIFA BUDGET FY2018-2019

Provided below is the current financial status of TIFA and information explaining the proposed FY2018-2019 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%) - Proposed

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 FY2018/19 the proposed budget reduces the cost sharing agreement from 20% last year to 18% in the upcoming budget; leaving more revenues in the TIFA Fund.

Below is an overview of the TIFA Fund

The starting fund balance for FY2017/18 was:	\$ 181,290
Total Estimated Revenues:	\$ 626,806
Total expenditures to date:	<u>\$ 405,935</u>
Total Reserves/Balances:	\$ 402,161
Remaining Budgeted Expenditures FY17/18	<u>\$ 156,975</u>
End of Fiscal Year Fund Balance June 30, 2018	\$ 245,186

Beginning Fund Balance July 1, 2018	\$ 245,186
Anticipated revenues FY18/19	<u>647,597</u>
Total Funds available FY18/19	892,783

Anticipated Expenditures FY18/19

Administration	188,432
Police Department	0
Communications	0
Public Works	51,000
Capital Improvements	
City Hall	0
Beebe Park Improvements	0
Facade Program	80,000
Streetscape Improvements	100,000
Other Improvements	<u>80,000</u>
Total	260,000
Debt Service	0
Transfer Out - Street Improvements	140,000

Total Expenditures 639,432

Estimated fund balance as of June 30, 2019 \$253,351

This leaves TIFA with \$253,351 in funds that TIFA is required to dedicate toward future projects. Although this number is lower than the City and TIFA have seen in the past, we have been anticipating a drop in the fund balance due to the consolidation of City Hall and the Police Post, pedestrian bump out and streetscape amenities.

Motion by _____, seconded by _____, to approve the FY2018/2019 TIFA Budget.

Attachments:

- 1) **Budget Narrative/Budget Worksheets** - This gives explanations for line items in the budget worksheets.
- 2) **Personnel Worksheet** – This is the breakdown on the Director’s salary.

1) BUDGET NARRATIVE: Fund: 251 TIFA FUND

REVENUES

DEPT: 001 REVENUES

402.000 TAX COLLECTION	\$647,197
The revenues are higher than last year's budget due to an increase in property values. 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 \$98,442. This is a reduction in the tax base sharing amount from 20% to 18%.	
445.000 PENALTIES/INTEREST ON TAXES.....	\$0
665.000 INTEREST ON INVESTMENTS	\$400
This number is lower due to the TIFA fund balance being lower.	
669.100 Principal for police car payment	\$0
Last year was the principal payment for the Police SUVs.	
670.000 MISCELLANEOUS REVENUES.....	\$0
691.000 PRINCIPAL ARSENIC REMOVAL PLANT.....	\$0
691.100 PRINCIPAL COMMUNITY CENTER.....	\$0
699.206 TRANSFER IN – FIRE FUND.....	\$0
699.404 TRANSFER IN – DPW EQUIP	\$0
The DPW paid off the street sweeper purchase last year.	
699.999 UNRESERVED FUND BALANCE	\$245,186
REVENUES.....	\$892,783

EXPENDITURES

DEPT: 200 ADMINISTRATION

702.000 SALARY & WAGES	\$43,670
This line item includes a funding to cover a percentage of employee salaries that work in the TIFA Fund: City Clerk (10%), City Planner (15%) and City Treasurer (10%). Currently, 25% of the City Manager's salary is charged to TIFA for his work as TIFA Director.	
707.000 OVERTIME WAGES.....	\$0
If the clerk is unable to take minutes, the wages paid to administrative staff are charged to this line item.	

712.000 EMPLOYEE BENEFITS	\$11,831
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	\$1,066
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	\$5,200
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	\$0
818.000 CONTRACTUAL SERVICES	\$7,000
With the extension of the TIFA, the authority needs to do a new development plan. The City Planner and City Manager are working with Macomb County to wrap up the Community Master Plan, and then will update the TIFA Plan and Business District Development Plan. Additional resources may be required to update some of the plan. These funds will also help cover costs associated with assisting the EDC in marketing the industrial property.	
826.000 LEGAL FEES	\$1,000
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.	
880.000 COMMUNITY PROMOTION	\$14,000
This includes funds to allow TIFA to work cooperatively with the EDC to promote the community. Funds to help market community events and sales. The Christmas Tree Lighting and Easter Egg Hunt will be paid for out of this line item along with other downtown activities that may come out of the new TIFA Plan. Funds to maintain the website will come out of this line item.	
900.000 PRINTING & PUBLISHING	\$1,000
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\$58,865

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 and front office staff spend time on TIFA.

956.000 MISCELLANEOUS\$3,000

Funds to provide for office supplies, postage and other miscellaneous items used by TIFA.

958.000 MEMBERSHIPS & DUES\$5,800

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

These funds would purchase new Christmas decorations as we progress with the Streetscape project. The DPW is researching various lifts that could be used to hang banners and change parking lot lights. This line item could potentially be used to cover this cost.

ADMINISTRATION\$188,432

DEPT: 301 POLICE DEPARTMENT

702.000 SALARY & WAGES\$0

Funds budgeted in TIFA for Police to cover special events is no longer in the TIFA budget, but has been kept Police Department budget in the General Fund.

707.000 OVERTIME WAGES\$0

712.000 EMPLOYEE BENEFITS\$0

818.000 CONTRACTUAL SERVICES\$0

POLICE DEPARTMENT\$0

DEPT: 325 COMMUNICATIONS

702.000 SALARY & WAGES\$0

Same as Police above.

707.000 OVERTIME WAGES.....\$0

712.000 EMPLOYEE BENEFITS.....\$0

COMMUNICATIONS\$0

DEPT: 442 DEPARTMENT OF PUBLIC WORKS

702.000 SALARY & WAGES\$18,000
Funds budgeted for DPW wages on TIFA projects and programs. This line item also includes personnel costs associated with hanging seasonal banners and watering the Streetscape flowers.

707 .000 OVERTIME WAGES.....\$4,000
Same as above.

712.000 EMPLOYEE BENEFITS.....\$9,000
Benefits on the salaries.

757.000 OPERATING SUPPLIES\$4,000
Funds budgeted to purchase supplies needed by DPW to maintain items on the streetscape.

818.000 CONTRACTUAL SERVICES.....\$10,000
Money to pay for maintenance services on the Trailhead Park and Pocket Park.

940.000 EQUIPMENT RENTAL.....\$6,000
Funds to pay for Equipment Rental on TIFA projects/work.

DEPARTMENT OF PUBLIC WORKS\$51,000

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.....\$80,000
This includes both \$15,000 for the facade loan program, \$50,000 for Project Clean-Up, and \$15,000

for the Downtown Revitalization Program, a program similar to Project Clean-Up but with the flexibility to fund a large project per year. The large program is utilized to encourage developers to invest in vacant buildings.

Last year, this line item was reduced and limits were placed on the programs. Both the EDC and TIFA have reviewed the programs and funding and are recommending the following funding levels for FY2018/2019: one (1) Downtown Revitalization Program project of up to \$15,000.00; six (7) Project Clean-Up Applications of up to \$6,000.00; fourteen (11) Project Clean-Up Applications of up to \$2,000.00; and one (1) Project Clean-Up Application of up to \$1,000.00. Additionally, all approved projects must be completed by June 30, 2019. The Façade Loan Improvement Program is no longer being funded.

818.012 CONTRACTUAL - STREETScape IMPROVEMENTS\$100,000

This is for Streetscape amenities that the Streetscape Committee has discussed. These amenities include banner poles for banners that cross M-19 and Division. (\$26,000 per set) Administration and the committee will be bidding out the remaining Streetscape Signage such as the community service group signs.

818.013 OTHER PROJECTS\$80,000

The line item includes \$80,000 to be used for property acquisition or other projects such as parking development. The line item includes funds (\$3,000) for TIFA’s portion of the repainting of the “metal” portion of the City Hall/Police Post roof and switching out the remaining conventional lights to LED lights in City Hall.

818.021 DOW STREET\$0

CAPITAL IMPROVEMENTS\$260,000

DEPT: 906 DEBT SERVICE

991.000 PRINCIPAL PAYMENTS.....\$0

995.000 INTEREST PAYMENTS\$0

998.000 PAYING AGENT FEES.....\$0

DEBT SERVICE\$0

DEPT: 965 TRANSFER OUT

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

999.405 TRANSFER OUT - STREET IMPROVEMENT FUND.....\$140,000

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 was reduced from \$150,000 to \$140,000.

999.508 TRANSFER OUT - RECREATION FUND	\$0
999.591 TRANSFER OUT - WATER FUND	\$0
TRANSFER OUT	\$150,000
TOTAL EXPENDITURES	\$639,432
TIFA FUND BALANCE (JUNE 30, 2018)	\$253,351

BUDGET REPORT FOR CITY OF RICHMOND
 Fund: 251 TAX INCREMENT FINANCE AUTH FD

GL NUMBER	DESCRIPTION	2016-17 ACTIVITY	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 REQUESTED BUDGET	2018-19 RECOMMENDED BUDGET	2018-19 APPROVED BUDGET
ESTIMATED REVENUES							
Dept 001 - REVENUES							
251-001-402.000	TAX COLLECTION	510,791	582,455	595,293	646,918	647,197	648,164
251-001-510.000	COMM DEVELOP BLOCK GRANT FUND	31,893		13,324			
251-001-510.100	GRANT REVENUE	31,472					
251-001-665.000	INTEREST ON INVESTMENTS	5,292	5,000	1,900	400	400	400
251-001-670.000	MISCELLANEOUS REVENUES	320	15,440	849			
251-001-699.404	TRANSFER IN - DPW EQUIP		98,107	15,440			
251-001-699.999	UNRESERVED FUND BALANCE			181,290			
Totals for dept 001 - REVENUES		579,768	701,002	808,096	892,504	892,783	893,750
TOTAL ESTIMATED REVENUES							
TOTAL ESTIMATED REVENUES		579,768	701,002	808,096	892,504	892,783	893,750
APPROPRIATIONS							
Dept 200 - ADMINISTRATION							
251-200-702.000	SALARY & WAGES	36,649	40,043	41,244	42,068	43,670	43,670
251-200-712.000	EMPLOYEE BENEFITS	8,528	14,246	14,673	14,966	11,831	11,831
251-200-715.000	BCABS DEDUCTIBLE		1,425	1,000	1,425	1,066	1,066
251-200-808.000	AUDIT SERVICES	5,000	5,000	5,000	5,000	5,200	5,200
251-200-818.000	CONTRACTUAL SERVICES	5,858	7,000	2,000	7,000	7,000	7,000
251-200-826.000	LEGAL FEES	1,004	1,000				
251-200-864.000	CONFERENCE & WORKSHOPS	387	1,000				
251-200-873.000	TRAVEL EXPENSE	1,828	2,000	1,828	1,000	1,000	1,000
251-200-880.000	COMMUNITY PROMOTION	10,471	12,000	11,000	14,000	14,000	14,000
251-200-900.000	PRINTING & PUBLISHING	658	1,000	1,000	1,000	1,000	1,000
251-200-920.000	UTILITIES	53,794	58,865	58,865	58,865	58,865	58,865
251-200-945.000	ADMINISTRATION FEES	9,500	9,000	9,000	9,000	9,000	9,000
251-200-956.000	MISCELLANEOUS	711	3,000	1,000	3,000	3,000	3,000
251-200-958.000	MEMBERSHIP & DUES	6,045	5,800	5,800	5,800	5,800	5,800
251-200-977.000	EQUIPMENT ACQUISITION	2,139	25,000	22,000	25,000	25,000	25,000
Totals for dept 200 - ADMINISTRATION		142,572	186,379	174,410	190,124	188,432	238,432
Dept 301 - POLICE DEPARTMENT							
251-301-702.000	SALARY & WAGES	7,505					
251-301-707.000	OVERTIME WAGES	4,269					
251-301-712.000	EMPLOYEE BENEFITS	928					
251-301-818.000	CONTRACTUAL SERVICES	3,412					
Totals for dept 301 - POLICE DEPARTMENT		16,114					
Dept 325 - COMMUNICATIONS							
251-325-702.000	SALARY & WAGES	234					
251-325-707.000	OVERTIME WAGES	576					
251-325-712.000	EMPLOYEE BENEFITS	62					
Totals for dept 325 - COMMUNICATIONS		872					
Dept 442 - DEPARTMENT OF PUBLIC WORKS							
251-442-702.000	SALARY & WAGES	16,286	25,000	17,000	18,000	18,000	18,000
251-442-707.000	OVERTIME WAGES	1,060	5,000	2,000	4,000	4,000	4,000
251-442-712.000	EMPLOYEE BENEFITS	8,293	12,000	9,000	9,000	9,000	9,000
251-442-757.000	OPERATING SUPPLIES	3,642	4,000	500	4,000	4,000	4,000
251-442-818.000	CONTRACTUAL SERVICES	9,910	10,000	10,000	10,000	10,000	10,000
251-442-940.000	EQUIPMENT RENTAL	11,086	6,000	5,000	6,000	6,000	6,000
Totals for dept 442 - DEPARTMENT OF PUBLIC WORKS		50,277	62,000	43,500	51,000	51,000	51,000
Dept 548 - WATER SYSTEM EXPENSE							
251-548-968.000	DEPRECIATION EXPENSE	83,705					
Totals for dept 548 - WATER SYSTEM EXPENSE		83,705					

BUDGET REPORT FOR CITY OF RICHMOND
 Fund: 251 TAX INCREMENT FINANCE AUTH FD

GL NUMBER	DESCRIPTION	2016-17 ACTIVITY	2017-18 AMENDED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 REQUESTED BUDGET	2018-19 RECOMMENDED BUDGET	2018-19 APPROVED BUDGET
APPROPRIATIONS							
Dept 900 - CAPITAL IMPROVEMENTS							
251-900-818.003	CONTRACTUAL-CITY HALL	1,509					
251-900-818.006	CONTRACTUAL - BEEBE PARK IMP	4,037					
251-900-818.011	CONTRACTUAL-FACADE PROGRAM	77,555	80,000	80,000	80,000	80,000	80,000
251-900-818.012	CONTRACTUAL-STREETScape IMP	(50,871)	100,000	30,000	100,000	100,000	100,000
251-900-818.013	OTHER PROJECTS	29,109	80,000	85,000	80,000	80,000	80,000
	Totals for dept 900 - CAPITAL IMPROVEMENTS	61,339	260,000	195,000	260,000	260,000	260,000
Dept 965 - TRANSFER OUT							
251-965-999.405	Transfer Out: Street Improvem	178,000	150,000	150,000	140,000	140,000	140,000
	Totals for dept 965 - TRANSFER OUT	178,000	150,000	150,000	140,000	140,000	140,000
TOTAL APPROPRIATIONS							
		532,879	658,379	562,910	641,124	639,432	689,432
NET OF REVENUES/APPROPRIATIONS - FUND 251							
		46,889	42,623	245,186	251,380	253,351	204,318

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

RESOLUTION NO. 2018-1

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 1992, endorses infrastructure improvements; and

WHEREAS, the Tax Increment Finance Authority of Richmond has adopted the Fiscal Year 2018/2019 Budget with revenues remaining of \$203,351; and

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

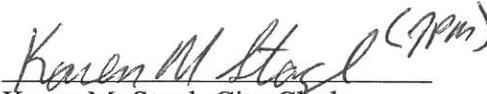
WHEREAS, Public Act 450 of 1980, Section 14 (2) requires a resolution of the Tax Increment Finance Authority in order to retain the remaining funds.

NOW, THEREFORE, BE IT RESOLVED, that the Tax Increment Finance Authority of the City of Richmond hereby dedicates \$203,351 against property acquisition and site development for off-street parking.

THIS RESOLUTION WAS DULY ADOPTED BY THE TAX INCREMENT FINANCE AUTHORITY OF RICHMOND DURING ITS REGULAR MEETING HELD ON JUNE 27, 2018.



Bill Ruff, Chairperson



Karen M. Stagl, 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 2018-2019 produces a reduction in the TIFA's Tax Increment Revenues equal to 18% 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.

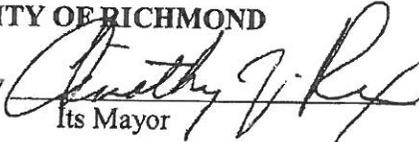
IN WITNESS WHEREOF, each of the parties hereto have executed this Agreement as of the day and year set forth immediately beneath their respective signatures.

**CITY OF RICHMOND
TAX INCREMENT FINANCE
AUTHORITY**

By 
Its Director

Date of execution: 7/2/18

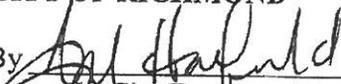
**CITY COUNCIL OF THE
CITY OF RICHMOND**

By 
Its Mayor

Date of execution: 7/2/18

Receipt acknowledged by City Treasurer

CITY OF RICHMOND

By 
Its City Treasurer

Date: 7/3/18

CITY OF RICHMOND CAPITAL IMPROVEMENT PLAN

Description	Proposed FY 2018/19	Projected FY 2019/20	Projected FY 2020/21	Projected FY 2021/22	Projected FY 2022/23	Projected FY 2023/24
CABLE TELEVISION						
Studio Cameras		4,400				
BUILDING AND GROUNDS-CHPD						
City Hall Community Room Table Replacement		6,000				
City Offices - Paint Metal Roof (65% General Fund)	35,750					
City Offices - Parking Lot Replacement				225,000		
City Offices - Storage Building - Roof Replacement (85% General)			10,000			
City Offices - Spot Patching	5,000					
City Offices - Crack Sealing	5,000					
BUILDING DEPARTMENT						
POLICE DEPARTMENT						
Police Vehicles						
GENERAL FUND CAPITAL PROJECTS						
City Buildings - LED Retrofits (85% General Fund)		47,500	47,000	47,000	47,000	47,000
DPW - Chain Link Fence, 2-sides (30% General Fund)	15,215					
DPW - Barn Extension (30% General Fund)		15,000				
DPW - Trench Drain Replacements (30% General Fund)			290,000			
WATER FUND						
Main Street Water Main Replacement				4,000		
Grove Street Infrastructure Improvements			746,400			
Forest & Park Infrastructure Improvements					268,600	
Stone Street Infrastructure Improvements (FY 24/25)						97,300
City Offices - Paint Metal Roof (15% Water)	8,250					370,000
City Buildings - LED Retrofits (5% Water)	895					
Well #4 enclosure			12,000			
Well #14 driveway & Fence upgrades		20,000				
Well #10 Permanent Generator			42,000			
GPS Upgrades	2,000					
GPS Data Plan	600	600	600	600	600	600
Well #14 maintenance			10,000			
Well #3 maintenance						
Well #11 maintenance				30,000		
Well #9 maintenance					30,000	
Replace Water Lab Incubator		2,100				
Water Tower Maintenance Agreement	22,357	22,357	22,357	22,357	22,357	22,357
Spot Patching	8,000	8,000	8,000	8,000	8,000	8,000
MAJOR STREET FUND						
DPW - Salt Bin Replacement	40,000					
Division Road Overlay - Entire Length	112,000					
Ridge Street Overlay - Entire Length			170,000			
Spot Patching	15,000	15,000	15,000	15,000	15,000	15,000
Crack Sealing	15,000	15,000	15,000	15,000	15,000	15,000
Traffic Services - Pavement Markings	2,000	4,000	2,000	4,000	2,000	4,000
LOCAL STREET FUND						
DPW - Salt Bin Replacement	40,000					
Monroe Street Overlay	75,000					
Madison Street Reconstruction		242,700				
31 Mile Road Reconstruction		338,500				
Pierce Street Overlay	75,000					
Seymour Street Pulverize & Overlay			177,000			
Grove Street Infrastructure Improvements					466,200	
Forest & Park Infrastructure Improvements						121,900
Stone Street Infrastructure Improvements (FY 24/25)						494,000
Spot Patching	15,000	15,000	15,000	15,000	15,000	15,000
Crack Sealing	15,000	15,000	15,000	15,000	15,000	15,000
Traffic Services - Pavement Markings	2,000	2,000	2,000	2,000	2,000	2,000
HUD FUND/GDBG						
FIRE FUND						
Replacement of Turnout Gear	8,500	9,500	10,000	10,000	10,000	12,000
Replacement Hose	1,000	1,000	1,000	1,500	1,500	1,500
Misc. Ice Rescue Equipment	2,500	2,500	2,500	2,500	2,500	2,500
Vehicle Maintenance/Pump Testing	5,000	5,000	5,000	5,000	6,000	6,000
Replace or Repair of SCBA's	20,000	14,500	14,500	10,000	10,000	10,000
Ladder Testing	550	550	900	900	900	900
Hose Testing	2,750	2,750	3,000	3,000	3,000	3,000
Radio Equipment	12,000	12,000	10,000	10,000	10,000	10,000
Misc. Air Fill/Bottle Equipment		5,000				
Extrication/Wildland Suits	2,000	1,000		3,000		3,000
Rope & Rescue Certifications	2,000	2,000			2,500	
Training Recertifications County	1,500	1,500	1,500	1,500	1,500	1,500
New Hire Costs	3,000	2,000	2,000	2,500	2,500	2,500
SCBA Flow Tests	1,000	1,000	1,000	1,000	1,250	1,250
I-Pad for Chief/Laptop for Secretary		2,000	2,000		2,000	2,000
Rescue - Extrication/Ram Equipment			30,000			
Thermal Imaging Camera			18,000			
Power Washer		5,000				
Replace Bay Doors		15,000				
Replace Ladder 1 with Quint	400,000	400,000				
Refurb/Replace Tanker				350,000	350,000	

CITY OF RICHMOND CAPITAL IMPROVEMENT PLAN

Description	Proposed FY 2018/19	Projected FY 2019/20	Projected FY 2020/21	Projected FY 2021/22	Projected FY 2022/23	Projected FY 2023/24
CEMETERY FUND						
Cemetery Mower	6,100	0	0	0	0	0
Chapel Upgrades		10,000				
WWTP EQUIPMENT REPLACEMENT FUND						
Convert Plant to Liquid Chlorine	25,000					
Grit Classifier Rehabilitation		50,000				
Rebuild final clarifiers 1&2		35,000				
Bar Screen Conveyor					2,100	
Replace Spectrophotometer						300,000
Sludge Screw Press						4,500
Replace BOD Incubator						
DPW VEHICLE & EQUIPMENT REPLACEMENT FUND						
New 5-7 yard dump truck - snow equipped (repl. 1994 GMC #26)	150,000					
Leaf Vacuum Trailer		80,000				
Pickup GMC 2500 4x4, standard box				30,000		
Replace dump box on 1 Ton Dump (2004 Ford #9)			12,000			
Equip. Purchase - Backhoe			6,000			97,000
DPW Mower						
RECREATION FUND						
Community Center LED Light Replacement	5,500					
Splash Pad						150,000
Permanent Ice Rink						83,000
Safety Resurfacing for each park: Beebe and Gierk (alternating)	2,500	2,500	2,500	2,500	2,500	2,500
SANITARY SEWER FUND						
Spot Patching	2,500	2,500	2,500	2,500	2,500	2,500
City Offices - Paint Metal Roof (15% Sewer)	8,250					
City Buildings - LED Retrofits (5% Sewer)	895					
SRF Bond Payments - 2007 Issue	178,700	178,800	178,800	181,100	178,420	180,740
SRF Bond Payments - 2010 Issue	60,800	59,600	63,500	62,200	61,000	61,000
GPS Upgrades	2,000					
SAW Grant Match	25,000					
Mar-Mac abandonment & Gravity Sewer Construction	60,000					
Vactor Replacement			360,000			
Replace roof on WWTP Administration Building	55,000					
Door & Window Replacement at WWTP			40,000			
Lift Station Radio Upgrades				20,000		
LOIS WAGNER MEMORIAL LIBRARY						
Staff & Public Computer Replacement	2,000	2,000	2,000	2,000	2,000	2,000
TAX INCREMENT FINANCE AUTHORITY						
Streetscape Improvements	100,000	80,000				
Façade Programs	80,000	80,000	80,000	80,000	80,000	80,000
City Offices - Paint Metal Roof (5% TIFA)	2,750					
City Buildings - LED Retrofits (5% TIFA)	895					
TOTALS	1,861,757	1,688,257	2,450,557	1,074,157	1,556,427	2,136,547

FUNDING SOURCES

General Fund	142,750	59,900	59,000	274,000	49,000	49,000
Major Street Fund	184,000	19,000	202,000	19,000	32,000	19,000
Local Street Fund	222,000	598,200	209,000	17,000	498,200	632,900
Fire Fund	52,300	52,800	44,400	42,900	41,400	45,900
HUD Fund	0	0	0	0	0	0
Recreation Fund	8,000	2,500	2,500	2,500	2,500	235,500
Sanitary Sewer Fund	393,145	238,300	644,800	265,800	241,920	244,240
Water Fund	72,102	53,057	841,357	60,957	329,557	498,257
Cemetery Fund	6,100	0	0	0	0	0
WWTP Equipment Replacement Fund	25,000	50,000	85,000	0	2,100	304,500
DPW Vehicle & Equipment Replacement Fund	150,000	80,000	18,000	30,000	0	97,000
TIFA Fund	183,645	160,000	80,000	80,000	80,000	80,000
Grants - Federal						
Grants - State						
Grants - Other						
TOTALS	1,439,042	1,313,757	2,186,057	792,157	1,276,677	2,206,297

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