



TIFA Agenda

Thursday, April 11th, 2019, 1:00pm

1. Call to order
2. Roll Call
3. Approval of Agenda
4. Approval of minutes of March 14th, 2019
5. Public Comment
6. Financial report
 - a. FY2018-2019 TIFA Budget review
7. Review draft of project prioritization process
8. Discuss sidewalk repair process option
9. Confirm regular meeting schedule
10. Communications from members
11. Adjournment



CITY OF HART

407 S. STATE ST.

HART, MI 49420

TAX INCREMENT FINANCE AUTHORITY (TIFA)

March 14, 2019, at 1:00 pm

Minutes

Members Present: Chair – Patrice Martin, Tracey Lipps, and Tom Drenth

Members absent: Irene Knoth, Garth Larson, and Bill Hegg

Also present: City Manager - Lynne Ladner, Deputy City Clerk - Cheri Eisenlohr, Steve Bruch and Main Street Manager – Julie Kreilick.

- The meeting was called to order at 1:00 p.m. by Chair Martin.
- The agenda was approved upon a motion by Ms. Lipps and supported by Mr. Drenth. The minutes for the November 8, 2018 meeting were approved upon a motion by Mr. Drenth and supported by Ms. Lipps. All ayes, motions carried.

Public comments were made at this time:

- Julie Kreilick – Main Street Manager, stated that Main Street did not have any issues with the TIFA
- amount being reduced by half in the next fiscal year. The Main Street board has not been advised of this at this time.

Review of and discuss a plan for new TIF Reporting Requirements and Timeline:

- Currently adopted TIF development plan
- TIF Financing Plan
- Dedicated webpage
 - The webpage is to show board packets, minutes and the adopted plan.
 - The deadline for reporting is April 1, 2019.
 - TIFA is required to hold two informational meetings per year. These will be held in conjunction with regular meetings, before the roll call.

Financial Report:

- FY2018-2019 TIFA Budget Review
 - Mr. Drenth questioned the dollar amounts on the budget. Ms. Ladner stated that Mr. Rickard established the prior budgets without involving the TIFA board. This year's budget is set in stone at this time but will be looked at for the next fiscal year of 2019/2020.

Discuss project prioritization process options:

- Base on locally adopted plans; Master Plan, Parks & Recreation, Main Street Plan
- Base on new study and analysis of economic changes taking place in the City and its environs as they relate to urban deterioration in the development area.
- Based on the application/proposal process initiated by area business/property owners.
- Other
 - Members liked all the above-issued suggestions, but preferred the third option of having business/property owners make suggestions.

Adopt a regular meeting schedule:

- Meetings will be on the second Thursday of the month, at 1:00 pm.

Communications from Members:

- Sidewalk repairs that are needed within the City and options to help property owners afford repairs.

The meeting adjourned at 2:27 p.m. and was approved upon a motion by Mr. Drenth and supported by Ms. Lipps. It was agreed to hold the next meeting on Thursday, April 11 at 1:00 p.m. at City Hall.

TAX INCREMENT FINANCING AUTHORITY - FUND 215

Revenues

	2014/15 ACTUAL	2015/16 ACTUAL	2016/2017 ACTUAL	2017/2018 ADOPTED	2017/2018 PROJECTED	2018/2019 ADOPTED
Current Property Taxes	\$32,223	\$31,177	\$31,243	\$32,000	\$36,100	\$36,500
Interest on Investments	\$103	\$115	\$73	\$100	\$70	\$70
Contribution - Water, Sewer, Electric	\$0	\$0	\$0	\$0	\$0	\$50,000
Grants	\$0	\$0	\$0	\$0	\$0	\$15,000
From Cash Reserves	\$0	\$3,782	\$0	\$0	\$0	\$19,620
	\$32,326	\$35,074	\$31,316	\$32,100	\$36,170	\$121,190

Expenditures

	2014/15 ACTUAL	2015/16 ACTUAL	2016/2017 ACTUAL	2017/2018 ADOPTED	2017/2018 PROJECTED	2018/2019 ADOPTED
Professional & Other Services	\$4,064	\$0	\$0	\$0	\$0	\$0
Assessing Services	\$2,200	\$0	\$2,200	\$2,200	\$2,200	\$2,200
Hart Main Street Program	\$16,880	\$34,590	\$17,900	\$18,440	\$18,440	\$18,990
Capital Outlay/Pocket Park	\$0	\$484	\$3,632	\$3,000	\$1,500	\$100,000
Capital Outlay/Sidewalks	\$0	\$0	\$0	\$8,000	\$14,000	\$0
	\$23,144	\$35,074	\$23,732	\$31,640	\$36,140	\$121,190

HART MAIN STREET

Revenues

	2014/15 ACTUAL	2015/16 ACTUAL	2016/2017 ACTUAL	2017/2018 ADOPTED	2017/2018 PROJECTED	2018/2019 ADOPTED
City of Hart	\$29,790	\$33,500	\$15,910	\$19,800	\$19,800	\$24,810
Tax Increment Finance Authority	\$16,880	\$17,390	\$17,900	\$18,400	\$18,400	\$18,990
Other Revenue	\$51,386	\$78,200	\$32,380	\$47,220	\$28,500	\$40,680
	\$98,056	\$129,090	\$66,190	\$85,420	\$66,700	\$84,480

Expenditures

	2014/15 ACTUAL	2015/16 ACTUAL	2016/2017 ACTUAL	2017/2018 ADOPTED	2017/2018 PROJECTED	2018/2019 ADOPTED
Wages/Benefits	\$57,810	\$60,118	\$0	\$0	\$0	\$0
Office Supplies	\$2,920	\$2,460	\$2,151	\$2,000	\$2,000	\$2,120
Postage/Mailing	\$440	\$930	\$201	\$730	\$400	\$520
Printing/Copying	\$4,500	\$5,690	\$4,756	\$2,780	\$6,200	\$8,040
Dues, Subscriptions	\$1,230	\$1,000	\$1,222	\$1,200	\$1,600	\$1,200
Accounting, Legal	\$4,000	\$4,750	\$2,591	\$4,050	\$4,000	\$4,250
Office Equipment Maintenance	\$0	\$0	\$0	\$1,000	\$0	\$2,000
Contractual Services	\$0	\$0	\$0	\$6,000	\$6,000	\$6,000
Insurance (Property, Liability)	\$0	\$0	\$1,735	\$1,800	\$1,800	\$1,800
Rent	\$860	\$5,400	\$6,000	\$5,400	\$6,050	\$4,800
Advertising/Promotions	\$1,060	\$1,920	\$1,463	\$9,100	\$1,740	\$1,070
Music/Entertainment	\$0	\$0	\$3,550	\$3,050	\$5,300	\$6,000
Travel/Meetings	\$2,470	\$5,500	\$2,013	\$4,600	\$3,800	\$4,000
Event Supplies & Services	\$20,420	\$26,050	\$14,193	\$18,410	\$18,500	\$18,930
Streetscape/Facade Imp.	\$0	\$10,000	\$1,695	\$18,000	\$5,700	\$12,800
	\$95,710	\$123,818	\$41,570	\$78,120	\$63,090	\$73,530

PERIOD ENDING 03/31/2019

GL NUMBER	DESCRIPTION	2018-19		YTD BALANCE		ACTIVITY FOR		AVAILABLE BALANCE	% BDCY
		AMENDED BUDGET	NORMAL (ABNORMAL)	03/31/2019	03/31/2019	MONTH 03/31/2019	INCREASE (DECREASE)		
Fund 215 - TIFA									
Revenues									
Dept 000.000				29,235.40		0.00		7,264.60	80.10
215-000.000-402.000	CURRENT PROPERTY TAXES	36,500.00		0.00		0.00		15,000.00	0.00
215-000.000-540.000	STATE GRANT	15,000.00		0.00		0.00		63.76	8.91
215-000.000-665.000	INTEREST ON INVESTMENTS	70.00		6.24		0.64		19,620.00	0.00
215-000.000-699.000	USE OF CASH RESERVES	19,620.00		0.00		0.00		50,000.00	0.00
215-000.000-699.400	OTHER REV-WTR/SEW/HYD	50,000.00		0.00		0.00			
Total Dept 000.000		121,190.00		29,241.64		0.64		91,948.36	24.13
TOTAL REVENUES									
		121,190.00		29,241.64		0.64		91,948.36	24.13
Expenditures									
Dept 000.000				0.00		0.00		2,200.00	0.00
215-000.000-801.209	Assessing Services	2,200.00		0.00		0.00		(1,550.00)	100.00
215-000.000-880.000	COMMUNITY PROMOTIONS	0.00		1,550.00		0.00		96,728.00	3.27
215-000.000-970.982	DowntownRevitalization	100,000.00		3,272.00		0.00		9,495.00	50.00
215-000.000-999.840	Main Street Program	18,990.00		9,495.00		0.00			
Total Dept 000.000		121,190.00		14,317.00		0.00		106,873.00	11.81
TOTAL EXPENDITURES									
		121,190.00		14,317.00		0.00		106,873.00	11.81
Fund 215 - TIFA:									
TOTAL REVENUES									
		121,190.00		29,241.64		0.64		91,948.36	24.13
TOTAL EXPENDITURES									
		121,190.00		14,317.00		0.00		106,873.00	11.81
NET OF REVENUES & EXPENDITURES									
		0.00		14,924.64		0.64		(14,924.64)	100.00

City of Hart TIFA Property Improvement Grant Program Guidelines

Background

The City of Hart TIFA Property Improvement Grant Program is a program of the City of Hart TIFA.

Program Purpose

The grant program is to encourage private investment through the rehabilitation and improvement of commercial and mixed-use property within the City of Hart Tax Increment Finance Authority District, to encourage good design that will serve as quality examples, and to preserve the architectural character that is distinctive to the City of Hart. The program is also intended to support the City of Hart Master Plan, and Parks & Recreation Plan, as appropriate. By improving the appearance of commercial and mixed-use properties, the program serves to improve the economic viability of the TIFA District.

Program Description

This program provides a matching grant for improvements within the TIFA District. It is a competitive grant program. For every dollar awarded the applicant must spend an equal amount. Individual grant amounts will be up to 50 percent of project cost. A total of \$XXX is allocated to be awarded during the current budget year. The grant program is funded by the City of Hart TIFA with funds raised through its revenues. Grant applications will be reviewed by the City of Hart TIFA Board, and the Board will also make all final grant-funding decisions. There is no set minimum or maximum number of projects per year.

Program Target Area

The target area for the City of Hart TIFA Commercial and Business Property Improvement Grant Program is the TIFA District with a special emphasis on properties outside the core downtown district.

Eligible Applicants

Property owners or leaseholders of all commercial or mixed-use buildings within the TIFA district area are eligible to apply for grant funds. In the case a leaseholder applies they must submit a notarized letter of permission from the property owner with their application. Preference will be given to new applicants who have not received grant funding from the program.

Eligible Improvements

All grant-funded improvements must be permanent and must meet all State, County and Local code requirements. **Improvements must also follow the Hart Main Street Design Guidelines.** (Copies are available from the Main Street office) Applications for projects must be reviewed and approved by the City of Hart TIFA Board. Eligible items include, but may not be limited to:

- Removal of siding that was used to cover original building materials
- Exterior brick or wall surface repair
- Pointing of brick/mortar joint repair
- Window and/or door replacement/repair
- Any architectural details in need of repair and/or replacement
- Painting the building
- Landscaping
- Construction, installation and/or renovation of awnings, marquees, doors, windows, or pavement between the business door and the sidewalk
- Other city-approved façade improvements
- Priority will be given to historic buildings

- Ineligible expenses include signage, and reimbursement for work that has already been completed.

Funding Guidelines

Projects must be completed within one year of the date the grant is awarded. If requested, extensions of grant funds may be considered.

Improvements made through the Property Improvement Grant Program must be maintained by the applicant and may not be removed or significantly altered for a period of five years, according to the **Historic Preservation Easement** that must be executed following the approval of a grant award.

All applicants must be in good standing with the City of Hart which includes being current with all fees, permits and taxes.

No grant will be awarded until the project is 100% complete and all City approval processes completed (i.e., final inspection on all building permits and final inspection of grant work). For example, if the services of an architect are needed, reimbursement to applicant for architectural expenses will be paid to the applicant at the end of the project as part of the total grant award. The grant is awarded on a reimbursement basis.

Application Process

1. Meet with the City Manager and TIFA board representative to explain scope of project.
2. **Complete a grant application and submit to the City of Hart office by _____ on _____, _____. All applications must include design plans and estimates for the proposed work. A detailed description of the work to be completed along with building photos showing the areas where the work will be done must be submitted.**
3. Applications will be reviewed by the TIFA Board, which serves as the grant review committee. The final grant decision will be made by the City of Hart TIFA Board.
4. **All grantees will be required to sign a Historic Preservation Easement which guarantees the maintenance and preservation of the improvements for a period of five years.**
5. When the project is completed and "Before" and "After" pictures are submitted, City of Hart staff will verify work has been completed as specified in the grant application.
6. When completed the applicant must submit copies of invoices, receipts, and an itemized statement of the total cost of the project signed by the applicant. All documentation for payment must be provided at one time to the City of Hart TIFA for one payout. After receipt and verification of the information, the City of Hart TIFA will release the grant money to the applicant. The grant is awarded on a reimbursement basis.

Program Amendments

The details of the City of Hart TIFA Property Improvement Grant Program may be amended subject to the formal approval of the City of Hart TIFA Board.

Contact Information

For questions or to apply for the City of Hart TIFA Property Improvement Grant Program, contact the _____ . An application will be made available to interested parties after an in-person meeting with City of Hart TIFA representatives.

**CITY OF HART TAX INCREMENT FINANCE AUTHORITY
Property Improvement Grant Program Application**

Applicant's Name _____

Property Address _____

Is the applicant the property owner? Yes No

Has the applicant received prior grant funding? Yes No

Business Name _____

Business Mailing Address _____

Business owner _____

Phone# _____ Email: _____

Property Owner Name _____

Property Owner Address _____

Parcel # _____

Present Use of Building _____

Have you secured financial resources for this project? (Please be specific)

Improvement(s) Planned (check whichever applies)

- Removal of siding that was used to cover original building materials
- Exterior brick or wall surface repair
- Pointing of brick/mortar joint repair
- Window and/or door replacement/repair
- Any architectural details in need of repair and/or replacement
- Painting the building
- Landscaping
- Construction, installation and/or renovation of awnings, marquees, doors, windows, or pavement between the business door and the sidewalk
- Other; please specify: _____

Part of Property Impacted Front Rear Side Corner lot

Total Cost of Improvement \$ _____

Incentive Amount Requested \$ _____

Please identify to which goals, if any, of the most recent City of Hart Master Plan and/or the City of Hart Parks & Recreation Master Plan your proposed improvements will contribute. Applications that identify contribution to either plan will receive priority for funding.

City of Hart Master Plan

Goal #: _____
Principle #: _____
Goal #: _____
Principle #: _____
Goal #: _____
Principle #: _____

City of Hart Parks & Recreation Master Plan

Goal: _____
Objective: _____
Goal: _____
Objective: _____
Goal: _____
Objective: _____

The following information must be submitted with your application:

1. Project Improvement Plans drawn to scale, if applicable
2. Samples of paint colors to be used on facade improvements
3. Photograph(s) of existing condition of property
4. Proposed budget and detailed cost estimates for work
5. Written permission by property owner, if tenant
6. Proof of payment of taxes

The Applicant certifies and agrees to the terms and conditions set forth below:

1. The Applicant is the owner or tenant of a property in the City of Hart TIFA District as outlined in the City of Hart TIFA Property Improvement Grant Program Guidelines Exhibit "A", hereinafter referred to as "Program Guidelines."
2. The Applicant is in good standing with the City of Hart in terms of payment of taxes and utilities.
3. The Applicant agrees to be bound by the rules as outlined in the Program Guidelines and has reviewed the Design Guidelines when making decisions regarding the aesthetic quality of the property improvement(s).
4. All improvements to be undertaken will be consistent with all applicable zoning and building codes. Further, if review is necessary by the City of Hart Planning Commission in accordance with the City of Hart Zoning Ordinance, the review will be conducted before the work on the property begins.
5. Only the work that is outlined on the application will be eligible for reimbursement.

6. The project must be completed within one year of approval of the application. Extensions may be considered for unforeseen circumstances. The project is not eligible for reimbursement if the work is not completed during the approved time period.
7. Funds are awarded on a reimbursement basis. Disbursement of funds shall be made only after the entire project is complete and certified by the City of Hart to be in compliance with the approved design. The Applicant must submit copies of invoices, receipts and an itemized statement of the total cost of the project, signed by the applicant. All documentation for payment must be provided at one time to City of Hart TIFA for one payout.
8. The Applicant understands that he/she is responsible for the construction management for the entire project.
9. It is expressly understood and agreed that the applicant shall be solely responsible for all safety conditions and incompliance with all federal, state, and local safety conditions, safety regulations, building codes, ordinances and other applicable regulations.
10. The applicant shall, at his/her own expense, indemnify, protect, defend and hold harmless the City and/or its agents and employees, from all claims, damages, lawsuits, costs, and expenses, for any property damage, personal injury or other loss relating in any way to the City of Hart TIFA Property Improvement Grant Program.
11. The Applicant understands that he/she is responsible for the maintenance of the facade improvements described here for a period of five years from the project completion in accordance with the Historic Preservation Easement that will be executed in the event this application is approved.

Applicant's Signature _____ Date _____

Property Owner's Signature _____ Date _____

Complete and return to City of Hart TIFA, 407 State St., Hart, MI 49420