

City of Grosse Pointe Park

15115 EAST JEFFERSON AVENUE □ GROSSE POINTE PARK, MICHIGAN 48230 □
PHONE (313) 822-6200

Grosse Pointe Park Tax Increment Finance Authority

Goals, Accomplishments and Activity Reports for Fiscal Year 2020-2021

The City of Grosse Pointe Park is a mature suburban residential community that shares a border on the west and north with the City of Detroit and a border to the east with the City of Grosse Pointe. Over time, borders with neighboring communities had become vague and ill defined. This erosion and the loss of identity and uniqueness was particularly harsh on one area in particular; the Northwest section of the City of Grosse Pointe Park. On October 27, 1986, in an effort to (1) halt a decline in property values, (2) increase property tax evaluation, (3) eliminate the cause of decline in property values and (4) promote growth within this section of the City, the Grosse Pointe Park City Council created, by resolution, the Grosse Pointe Park Tax Increment Finance Authority ("TIFA" or the "Authority").

Goals

The City's current effort to revitalize the Northwest section of the City will depend upon the ability of the TIFA to initiate and participate in the improvement of properties within the District. The general goals and objectives within the TIFA Amended Development Plan are as follows:

1. Improve the overall aesthetics of the District.
2. Enhance the western entrances of the District to promote a positive image.
3. Encourage the renovation, improvement and facilitate the establishment of private and publicly owned properties within the District.
4. Increase safety and security within the District.
5. Encourage improvement of existing facades and landscapes.
6. Address and improve parking needs and alternative programs within the Development Area.
7. Construct and maintain a new Department of Public Works building

Due to the COVID-19 pandemic starting in March of 2020 the Tax Increment Finance Authority Board of Grosse Pointe Park along with other local communities were impacted by the pandemic with loss of revenue to businesses, customers being able to visit and invest in the community and residents staying at home from their workplaces. To assist the businesses in the TIFA the City set up Three Rounds of COVID-19 Grant funding which totaled \$139,231 assisting 15 businesses.

Accomplishments and Activity of the TIFA

The Authority was established in 1986 and subsequently amended in 2012 and 2020. The Authority is set to expire in 2035.

Accomplishments of the TIFA include the creation of the Social District which allows participating businesses to serve to go alcoholic drinks to consumers, who can then partake of their purchased beverages. The Social District starts at the alley between Alter Road and Wayburn street to Nottingham Street and continuing on Charlevoix Avenue from the same alley between Alter Road and Wayburn Street to the west side of Nottingham Street. The two commons areas are on Kerchaval and Charlevoix.

To assist the businesses in the TIFA the City set up Three Rounds of COVID-19 Grant funding which totaled \$139,231 assisting 15 businesses. This program assisted businesses with Expansion of Outdoor Dining/To-Go options and allowed for purchases of outdoor heaters, tables, point of sale systems, tents, etc.

The TIFA has discussed the need for parking improvements withing the area and is working with the City Master Plan consultant MKSK to complete.

The TIFA approved a \$4,000,000 bond and lease for a new Department of Public Works Building

As part of the Public Works building property the old Verdunkts property was demolished and 1480 Wayburn

The TIFA approved Roncelli as the General Contractor for the Public Works building.

The residential street light program continued

Residential street tree trimming

Fiscal Year Ended Revenue

For the fiscal year ending June 30, 2021, the Authority collected a total of \$933,070 and total budget was \$1,328,070. The initial tax base in 1986 was \$20,390,100 and in 2020 was \$37,512,932

County	\$249,010.84
Jail	35,190.88
WC Parks	9,224.43
HCMA	7,892.72

WCCC	121,571.91
WCTA	37,479.17

End of FY Expenditure Activity Report

ACCOUNT	DESCRIPTION	2020-21 ORIGINAL BUDGET	2020-21 ACTIVITY THRU 06/30/21
Dept 000			
ESTIMATED REVENUES			
404.000	Captured Property Taxes	933,070	933,085
676.100	Reimbursements - Other	0	89,423
695.251	Surplus Appropriation	395,000	0
TOTAL ESTIMATED REVENUES		1,328,070	1,022,508
NET OF REVENUES/APPROPRIATIONS - 000 -		1,328,070	1,022,508
Dept 730 - Project Development			
APPROPRIATIONS			
702.010	SALARIES-FULL TIME EMPLOYEES AST	70,000	59,846
702.100	DIRECTOR/FINANCE	36,000	0
719.000	Fringe Benefits	0	861
740.000	Operating Supplies	10,000	1,550
762.030	TRAFFIC LIGHTING	35,000	35,750
802.000	Legal Services	45,000	51,612
810.000	Auditor	5,500	5,500
818.107	Holiday decoration	10,000	5,869
818.112	COVID-19-BUSINESS GRANTS	50,000	137,260
818.201	PEDESTRIAN LIGHTING	25,000	24,270
818.203	RESIDENTIAL IMPROVEMENT PROGRAM	425,000	175,039
818.204	BUSINESS DIST.-CAPITAL IMPROVEMEN	80,000	4,538
818.205	ENGINEERING PROFESSIONAL SERVICES	175,000	156,556
818.212	MARKETING PROMOTIONS	75,000	51,093
981.402	INSTALLMENT PURCHASE CONTRACT INT	325,000	0
TOTAL APPROPRIATIONS		1,366,500	709,744
NET OF REVENUES/APPROPRIATIONS - 730 - Project Devel		(1,366,500)	(709,744)
ESTIMATED REVENUES - FUND 251		1,328,070	1,022,508
APPROPRIATIONS - FUND 251		1,366,500	709,744
NET OF REVENUES/APPROPRIATIONS - FUND 251		(38,430)	312,764
BEGINNING FUND BALANCE		4,914,950	4,914,950
ENDING FUND BALANCE		4,876,520	5,227,714
ESTIMATED REVENUES - ALL FUNDS		1,458,070	1,132,081
APPROPRIATIONS - ALL FUNDS		1,496,500	800,911
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS		(38,430)	331,170
BEGINNING FUND BALANCE - ALL FUNDS		6,414,013	6,414,013
ENDING FUND BALANCE - ALL FUNDS		6,375,583	6,745,183

Reserves and Proposed Uses

All funds collected during the past five years have been expended. Currently, the authority has available at June 30, 2020 total unrestricted reserves of \$247,185. These funds will be expended through the Department of Public Works project and residential/business district infrastructure improvements.

Audited Financial Statements

The TIFA audited financial statements are incorporated with the City of Grosse Pointe Park's annual audit report. The following reflects the audited Statement of Net position and statement of activities of the of the TIFA for the Fiscal Year ending.



City of Grosse Pointe Park, Michigan
Component Units
Statement of Net Position
June 30, 2020

	Downtown Development Authority	Tax Increment Finance Authority	Total
Assets			
Cash and cash equivalents	\$ 1,176	\$ 242	\$ 1,418
Receivable		-	-
Due from other governmental units:			
Other Primary government	128,753	399,355	528,108
Capital assets (Note 4):			
Assets not being depreciated	1,413,654	4,667,765	6,081,419
Total assets	<u>1,543,583</u>	<u>5,067,362</u>	<u>6,610,945</u>
Liabilities			
Accounts payable	44,520	43,669	88,189
Due to other governmental units:			
Other Primary government	-	54,294	54,294
Accrued and other liabilities	-	54,449	54,449
Total liabilities	<u>44,520</u>	<u>152,412</u>	<u>196,932</u>
Net Position			
Net investment in capital assets	1,413,654	4,667,765	6,081,419
Unrestricted	85,409	247,185	332,594
Total net position	<u>\$ 1,499,063</u>	<u>\$ 4,914,950</u>	<u>\$ 6,414,013</u>