



Public notice is hereby given that the City of Petoskey TIFA Board will meet in regular session, 7:00 P.M., October 20, 2021. This meeting will be held in the City Council Chambers. This meeting is open to the public to participate in person or remotely.

Join Zoom Meeting  
Dial by Phone: 888-788-0099 US Toll-free

<https://us02web.zoom.us/j/89901040961>

Meeting ID: 899 0104 0961

Persons who wish to submit comment about items on the meeting agenda prior to the meeting may do so via email to the Kendall Klingelsmith ([kklingelsmith@petoskey.us](mailto:kklingelsmith@petoskey.us))

Persons interested in addressing the TIFA Board during the meeting under public comment period can press the “raise hand” button in Zoom or by phone press \*9.

Persons with disabilities who require assistance in order to participate in the electronic public meeting should contact the City Clerk at the earliest opportunity by emailing [aterry@petoskey.us](mailto:aterry@petoskey.us) or by calling 231-347-2500 to request assistance.

## TAX INCREMENT FINANCE AUTHORITY BOARD

Wednesday, October 20, 2021

1. Call to Order - 7:00 P.M.
2. Approval of Minutes - Minutes of June 8, 2021 Meeting
3. Approval of Agenda
3. New Business -
  - a. New Member Orientation and Introductions
  - b. Election of Officers
  - c. Budget Overview
  - d. CIP Presentation
  - e. Livable Shoreline Presentation
4. Miscellaneous
5. Adjournment



**TAX INCREMENT FINANCE AUTHORITY BOARD**

Tuesday, June 8, 2021

A meeting of the City of Petoskey Tax Increment Finance Authority Board was held in virtually on Tuesday, June 8, 2020. Meeting was called at 7:00 P.M. and the following were:

Present: Linda Bade  
Gary Hunter  
George Robson  
Clark Smith  
Diana Harold

Staff: Kendall Klingelsmith, Parks and Recreation Director  
Lisa Denoyer, Administrative Assistant

**APPROVAL OF MINUTES**

Minutes of the Monday, September 24, 2020 meeting were read and approved. Motion for approval was made by Linda Bade, seconded by Gary Hunter, with all members present voting aye.

YEAS: Bade, Hunter, Robson, Smith (4)  
ABSTAIN: Harold (first meeting)  
NAYS: (0)

**APPROVAL OF AGENDA**

Motion for approval of agenda as presented was made by Clark Smith, seconded by Gary Hunter with all members' present voting aye.

YEAS: Bade, Harold, Hunter, Robson, Smith (5)  
NAYS: (0)

**NEW BUSINESS:**

Introductions were made and the board welcomed newly appointed Diana Harold to the group. Director Klingelsmith went through the history of TIFA and purpose, and highlighted some of the projects associated with the tenure of the program. Gary Hunter, Clark Smith and George Robson also contributed to the conversation. Mrs. Harold will be a welcome addition to the board.

Director Klingelsmith went through some of the planned TIFA projects scheduled for 2021 that include Solanus Mission Beach access improvements, Magnus Park improvements and phase one of Sunset Park. The City took advantage of a milder winter and made shoreline improvements that should suffice for the next several years. There is money available through

the TIFA Fund to consider Sunset Park improvements as the project was questionable and dependent on high water and erosion mitigation.

The group discussed dates and times for the fall meeting. Staff will send out some date/time options in September for an October meeting where the CIP and budget draft will be discussed.

### **MISCELLANEOUS**

Harold – Would like more information. Director Klingelsmith responded by inviting her to connect where they can take a deeper dive in to TIFA.

Bade – Wondered if the next meeting will be in person. Director Klingelsmith hopes it will be the case but will follow the City's policy at that time.

Hunter – Suggested a TIFA tour where the Board could reorient themselves to some of the great TIFA projects.

Robson – Wanted a Wheelway update, which was provided.

### **ADJOURNMENT**

There being no further business to come before the TIFA Board, the meeting was adjourned at 7:52 P.M. Motion for adjournment was made by Linda Bade, seconded by Gary Hunter, with all members present voting aye.

YEAS: Bade, Harold, Hunter, Robson, Smith (5)

NAYS: (0)

The next regular scheduled meeting of the Tax Increment Finance Authority Board will be held at in fall of 2021, either virtually or at City Hall. A date will be decided in early fall 2021.

Minutes reviewed and approved by Kendall Klingelsmith, Director of Parks and Recreation.



**BOARD:** Tax Increment Finance Authority Board

**MEETING DATE:** October 20, 2021

**DATE PREPARED:** October 13, 2021

**AGENDA SUBJECT:** Annual Organizational Meeting and Election of Officers

**RECOMMENDATION:** Nominate and elect a Chairperson and Vice Chairperson

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Board members will be asked to nominate and elect a chairperson to conduct the official meetings of the Tax Increment Finance Authority Board and a vice chairperson to act on behalf of the chairperson in their absence. These positions are currently vacant.

Periodically both the Chairperson and Vice Chairperson must be elected by the City's representatives currently serving on the Board.



**BOARD:** Tax Increment Finance Authority Board

**MEETING DATE:** October 20, 2021

**DATE PREPARED:** October 13, 2021

**AGENDA SUBJECT:** TIFA History and 2021 Proposed Budget

**RECOMMENDATION:** Hear Report

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History. On May 20, 1985, Petoskey City Council authorized the Tax Increment Financing Plan, Development Plan as proposed by the City of Petoskey Tax Increment Finance Authority Board dated April 12, 1985 for the Little Traverse Bay Waterfront and Bear River Valley Development Program.

The TIFA Act: the intended purpose of Act 450, Public Acts of Michigan, 1980 approved by the Governor, January 15, 1981, and commonly referred to as the Tax Increment Authority Act, is stated in the Acts preamble. An Act to prevent urban deterioration and encourage economic development and activity and to encourage neighborhood revitalization and historic preservation; to provide for the establishment of tax increment finance authorities and to prescribe their powers and duties; to authorize the acquisition and disposal of interests in real and personal property; to provide for the creation and implementation of development plans; to provide for the creation of a board to govern an authority and to prescribe its powers and duties; to permit the issuance of bonds and other evidences of indebtedness by an authority; to permit the use of tax increment financing.

Define Tax Increment: Tax increment financing results from “capturing” of tax revenues by the authority, which are derived from private development that occurs in the development area in excess of the valuations that were in place at the time that the tax increment-financing plan was adopted.

Development Plan for District: Same as the Boundary of Authority. Plan listed projects are divided into project areas.

- Project Area I – Magnus Park – upper and lower.
- Project Area II – Solanus Beach Area (West Bayfront Park)
- Project Area III – Bayfront Park
- Project Area IV – Bear River Valley

TIFA funded projects between 1985 and 2004 were concentrated in Bayfront Park Project Area III, development within Project Areas I, II and IV were limited or not undertaken during this time period and remain to be funded and developed.

TIFA Plan Extension: In 2004, City Council, at the request of the TIFA Board and Parks and Recreation Commission, agreed to lift the planned June 30, 2004 expiration date of the Tax Increment Finance Authority District with City Council having the ability to abolish the program either at a certain date or when the City Council determined that the purpose for which the program had been established had been completed, provided that funds would be sufficient to satisfy requirements associated with any debt obligations. Consideration of projects, which now could be more detailed for project areas other than Bayfront Park, later could be considered by the Tax Increment Finance Authority Board with its recommendations presented to City Council. In 2010,

Bear River Valley improvements were undertaken and completed in 2011. City issued bonds to finance the project are to be repaid by the TIFA District by 2029.

### **TIFA Revenue/Expense**

Debt Obligation as of December 31, 2021	\$1,434,513
Bond Matures April 1, 2029	

#### **Revenue 2021:**

Property Tax	\$ 389,000
Interest Income	\$ 8,500
Coastal Management Grant (Solanus Mission Beach)	<u>\$ 112,500</u>
Total	510,000

#### **Expense 2021**

Lease Rental to Debt Service (Bond Payment)	\$ 265,000*
Bond Discount Fee	\$ 7,000
Contracted Services	<u>\$ 270,000</u>
Total	\$ 542,000

#### **Projects**

Solanus Mission Beach	\$ 225,000
Pedestrian Bridge Decking – City Hall	\$ 25,000
Shoreline Erosion Improvements	\$ 10,000
Consultant Fees	<u>\$ 10,000</u>
	\$ 270,000

Excess of Revenues over Expenditures	\$ (32,000)
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\*Annual bond payments vary by fee schedule. Bond matures in 2029.

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# City of Petoskey

# Agenda Memo

**BOARD:** Tax Increment Finance Authority Board

**MEETING DATE:** October 20, 2021      **DATE PREPARED:** October 13, 2021

**AGENDA SUBJECT:** Capital Improvements Plan

**RECOMMENDATION:** Information only

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City Council passed the 2022-2027 Capital Improvements Plan (CIP) at their October 4<sup>th</sup> meeting. Staff will briefly go over the upcoming projects and plans associated with the CIP.

Enclosure



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**PARKS AND RECREATION  
2022-2027  
CAPITAL  
IMPROVEMENT PLAN**

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**City of Petoskey  
Capital Improvement Plan  
Project Funding Source**

<b>PROJECT CATEGORY</b>	<b>2022</b>	General	Grants/Other	Total
<b><u>BUILDINGS AND GROUNDS</u></b>				
Demolition of 620 Ingalls Avenue	City owned building used to store History Museum artifacts - building beyond repair.	25,000		25,000
<b><u>PARKS AND SPECIAL FACILITIES</u></b>				
Marina Fuel System Replacement	Tanks and piping will be 26 years old and in need of replacement and to increase diesel storage capacity.		250,000 Grant/Reserves	250,000
Festival Place Shelter Roof	Replace shingle roofing with metal roofing similar to Bear River pavilion.	30,000		30,000
Riverbend Skate Park Equipment	The original skate park equipment was purchased in 2002, with additional purchases in 2008 and 2012. This project would replace the 2002 equipment, including the original wood ramps and would add new skate elements to the facility.		10,000	10,000
Winter Sports Park Hockey Rink Improvements	Construction of a cover over the hockey rink to extend usability.		600,000 State and Local Grants	600,000
Bayfront Park West - Solanus Beach Improvements	Improvements to the beach area including an accessible boardwalk to the water and native landscaping.		250,000 TIFA/LWCF	250,000
Property Purchase - Boor	Purchase of 58 acres adjacent to the City Skyline Property in Bear Creek Township.	32,500	217,000 Donations/grant	249,500
Washington Park Design	Updates to preliminary park concepts	10,000		10,000
Pedestrian Bridge Decking - City Hall	Re-decking of the existing bridge		25,000 TIFA	25,000
Dog Park - Phase 1	Regional park possibly in conjunction with Bear Creek Township.	25,000		25,000
<b>Grand Totals</b>		<b>122,500</b>	<b>1,352,000</b>	<b>1,474,500</b>

**City of Petoskey  
Capital Improvement Plan  
Project Funding Source  
2023**

<b>PROJECT CATEGORY</b>		General	Parking	Streets	Electric	Grants/Other	Total
<b><u>BUILDINGS AND GROUNDS</u></b>							
Bayfront Park Clock Tower	Refurbish tower lights and clock mechanisms.					75,000 TIFA	75,000
East Lake Street Fire Station	Paint apparatus room, radiant heat tube replacement, and possible solar array.	200,000					200,000
Curtis Avenue Department of Parks and Recreation Facility Improvements	Improvements to include cold storage facility for DPW and Parks and Recreation and service drive improvements to connect facility to DPW facility.					3,400,000	3,400,000
<b><u>PARKS AND SPECIAL FACILITIES</u></b>							
Pennsylvania Park Upgrades	As part of the Downtown Greenway Corridor site amenities from Bay Street to East Mitchell Street, Park Avenue sidewalk widening, landscaping and storm water management improvements will be constructed in accordance with final engineered plans. Grant funding would offset Street/Sidewalk Fund.		50,000	100,000	75,000	150,000	375,000
Washington Park Access Engineering	Washington Park currently has limited access from Petoskey Street off of Washington Street and from Petoskey Street off of Sheridan Street, with limited parking taking place primarily on the streets. This project proposes to create a turn-around style parking lot off of Petoskey Street on the south end of the park and provide improved access to Washington Street on the north side of the park, and create a new pedestrian access off of Emmet Street into the park area and extend sidewalks to key areas within the park.	10,000		20,000			30,000
Pennsylvania Park Upgrades	A plaza adjacent to East Mitchell Street, where the annual tree-lighting occurs, will be created to improve the area for community gatherings.	75,000				25,000	100,000
Winter Sports Park Building Roof	The existing Winter Sports Park building will be 33 years old in 2023. Replacement of roof will be the first phase of improvements possibly including roof-top solar, with siding and deck repairs in 2024.	100,000					100,000
Winter Sports Park Building Interior Renovations	Interior renovations are anticipated and will include painting, concession and restroom sink and counter replacements, and replacement of the skate proof flooring on main level and door replacement at air lock entryway. These repairs are necessary and in particular the skate proof flooring. Failure of the flooring will jeopardize main level floor and underlying decking and joists.	70,000				20,000 Local Grant	90,000
Little Traverse Wheelway Resurfacing	Replace 1/2 mile segment of LTW.	130,000					130,000
Lockwood Park Upgrades	Upgrade the court to a multi-use Pickleball/Basketball court.	125,000				100,000	225,000
Sunset Park Phase II	Additional park improvements to include overlook deck and site re-grading for improved pedestrian access.					200,000	200,000
<b>Grand Totals</b>		<b>710,000</b>	<b>50,000</b>	<b>120,000</b>	<b>75,000</b>	<b>3,970,000</b>	<b>4,925,000</b>

**City of Petoskey  
Capital Improvement Plan  
Project Funding Source  
2024**

<b>PROJECT CATEGORY</b>		General	Streets	Water & Sewer	Grants/Other	Total
<b><u>BUILDINGS AND GROUNDS</u></b>						
Public Safety West	The building was constructed in 2011 and it is anticipated the overhead doors will need replacement.	75,000				75,000
Public Safety West	The building was constructed in 2011 and it is anticipated the garage floor will need to be resealed.	15,000				15,000
Replacement of DPW Building	Existing building is 60+ years old, does not meet operational needs and is inefficient. New building to incorporate green infrastructure and rooftop solar panels.				11,500,000	11,500,000
<b><u>PARKS AND SPECIAL FACILITIES</u></b>						
Bates Park Concession Building	Concession will be 25 years old in 2024 and in need of roofing and siding and potential roof-top solar.	100,000				100,000
Downtown Greenway Corridor Extension	Design and construction of the corridor between Emmet Street and Washington Street following rail corridor property purchase in 2020.	150,000			100,000	250,000
Marina Parking Lot Resurfacing	In 2024, the parking lot will be 34 years of age and will be in need of resurfacing. The lot has been used to house marina spoils prior to disposal which accelerated the decline of the top coat. In 2010, the lot was patched to accommodate the marina expansion utilities. Grant and restricted marina funds will be used to finance the lot resurfacing.	25,000			25,000 State Grant	50,000
Washington Park Improvements	Construction of access improvements and amenities identified through a master plan process, possibly including play area, pavilion and restrooms.	200,000	100,000	50,000	200,000	550,000
Winter Sports Park Building Siding and Decking	The existing Winter Sports Park building will be 34 years old in 2024 and exterior siding and decking will be needed to maintain structure.	60,000			100,000	160,000
<b>Grand Totals</b>		<b>625,000</b>	<b>100,000</b>	<b>50,000</b>	<b>11,925,000</b>	<b>12,700,000</b>

**City of Petoskey  
Capital Improvement Plan  
Project Funding Source  
2025**

<u>PROJECT CATEGORY</u>		General	Streets	Grants/Other	Total
<b><u>BUILDINGS AND GROUNDS</u></b>					
Fire Station - East Lake	Energy upgrades (HVAC and windows).	50,000			50,000
Salt Sheds and Materials Storage Area	Existing salt sheds are 30+ years old and must be upgraded. Sheds and material storage bins would potentially be relocated to the north side of Sheridan Street as part of the DPW campus upgrades.		500,000	1,210,000	1,710,000
Community Gardens Park and Yard Waste Drop Off Area	Community gardens would be relocated to the south side of Sheridan Street in proximity of current yard waste drop off and salt shed area. Site to be upgraded to enhance Bear River Valley/Iron Bell Trail and launch area with restrooms, as well as improved yard waste drop off and community gardens.			1,307,000 State Grant TIFA Bonds	1,307,000
<b><u>PARKS AND SPECIAL FACILITIES</u></b>					
Marina Restroom/Shower	Improvements to the Marina restrooms and showers include interior renovations to counter tops, partitions and painting. Shower renovations will include tiling and faucets.	25,000			25,000
Ed White Field	The facility was constructed in 1989 and will be in need of floor upgrades in scorers room, siding, bleachers and lighting upgrades.	155,000			155,000
Curtis Park Improvements	Development of a park master plan.	10,000			10,000
River Road Sports Complex	Construction of restrooms at River Road Sports Complex.	100,000		250,000 State Grant	350,000
Arlington Park Improvements	Based on Master Plan developed in 2022.	125,000		125,000	250,000
<b>Grand Totals</b>		<b>465,000</b>	<b>500,000</b>	<b>2,892,000</b>	<b>3,857,000</b>

**City of Petoskey  
Capital Improvement Plan  
Project Funding Source  
2026**

<b>PROJECT CATEGORY</b>		Funding Source	General	Grants/Other	Total
<b><u>BUILDINGS AND GROUNDS</u></b>					
East Lake Street Fire Station Renovations	The building was remodeled into the Fire Station in 1989 and will require numerous upgrades including replacement of windows, kitchen remodel, training room cabinet remodel and HVAC rooftop units.	Operating Revenue	200,000		200,000
Public Safety Garage - City Hall	Replace radiant tube heaters.	Operating Revenue	25,000		25,000
<b><u>PARKS AND SPECIAL FACILITIES</u></b>					
Lockwood Park	Construction of improvements identified through master plan process.	Operating Revenue	200,000	200,000	400,000
Bayfront Park Resource Center	The facility was constructed in 1984 and will be in need of front door replacement, windows, carpeting, concession stand renovations and landscaping.	Operating Revenue	75,000		75,000
<b>Grand Totals</b>			<b>500,000</b>	<b>200,000</b>	<b>700,000</b>

**City of Petoskey  
Capital Improvement Plan  
Project Funding Source  
2027**

<b>PROJECT CATEGORY</b>		Funding Source	General	Grants/Other	Total
<b><u>PARKS AND SPECIAL FACILITIES</u></b>					
Little Traverse Wheelway Resurfacing	Replace 1 mile segment of LTW.	Operating Revenue	260,000		260,000
Livable Shoreline Development	To improve resiliency to fluctuating water levels, project will recreate a more natural shoreline in place of revetment.	TIFA		1,000,000 TIFA/Grants	1,000,000
Lower Tennis Court Reconstruction	Lower courts will be in need of replacement in partnership with the Public Schools of Petoskey.	Operating Revenue	150,000	150,000	300,000
Upper Tennis Court Repaving	The upper tennis courts will need repaving in partnership with the Public Schools of Petoskey.	Operating Revenue	50,000	50,000	100,000
Pickle Ball Court Repainting	Repaving of courts at Riverbend Park constructed in 2020.	Operating Revenue	25,000		25,000
Paddle Sport Improvements at Bayfront Park	Improvements to include storage and installation of a barrier free launch.	TIFA		125,000 TIFA	125,000
<b>Grand Totals</b>			<b>485,000</b>	<b>1,325,000</b>	<b>1,810,000</b>

**City of Petoskey  
Capital Improvement Plan  
Long Term Projects/Capital Items Lacking Funding**

<b>PROJECT CATEGORY</b>		General	Grants/Other	Total
<b><u>BUILDING AND GROUNDS</u></b>				
Public Safety West	Built in 2011, building maintenance will require replacement windows, boiler upgrade, HVAC replacement and carpeting.	82,000		82,000
History Museum	Museum was built in 1971 and soffit will need replacement.	10,000	TBD	10,000
<b><u>PARKS AND SPECIAL FACILITIES</u></b>				
Little Traverse Wheelway - Resort Bluffs Potential Relocation	Potential relocation of the Little Traverse Wheelway from Magnus Park to East Park due to trail		TBD	
Bayfront Park and Magnus Park Shoreline	Due to on-going high water levels and resulting damage, improvements to stabilize shoreline.	7,000,000	TBD	7,000,000
Bayfront Park Marina	Upgrades to dock system to respond to fluctuating water levels.		TBD	
Bayfront Park Irrigation Extension	Install automated sprinkler system from Arboretum restroom to parking area east of Ed White Field. This area is currently partially irrigated with a manual plug-in system which provides inadequate coverage – requires manpower and must run during high use times when employees are available, which interferes with the general public.	32,000		32,000
Lake Street Dam Improvements	Implementation of the chosen alternative from engineering study.		TBD	TBD
Little Traverse Wheelway	LTW restoration (\$48 per linear foot x 5,280 (1 mile) x 8 miles).	2,027,520		2,027,520
Downtown Greenway Corridor - Washington Street to River Bend Park	Extension of the Downtown Greenway Corridor to connect to River Bend Park.		TBD	TBD
Bear River Valley	Extending whitewater improvements to south of Bridge Street, boardwalk replacements and improvements and trail repairs.		455,000	455,000
Magnus Park Campground Improvements	Campground and day use improvements per the Park Master Plan.		TBD	TBD
School Recreation Complex Maintenance	Projects to include Turcott drainage improvements, Middle School ballfield irrigation, concession upgrades, and tennis court repaving.	250,000	250,000 (PSP 50%)	500,000
Bates Baseball Complex	Bates Baseball Complex was constructed in 1998 and will be in need of improvements to fencing, bleachers, dugout restoration, lighting, concession stand renovation and asphalt path renovation.	150,000	150,000	300,000
River Road Sports Complex	The complex will require softball field fence replacement, restroom renovations and parking lot redesign.	130,000	100,000	230,000
Dog Park - Phase 2	Dog park was identified as a top community project based on public feedback per the current Parks and Recreation Masterplan.		300,000	300,000
Miscellaneous	Miscellaneous replacements including park benches and picnic tables as identified in the 2021 Capital Needs Assessment Study.	75,000		75,000
Bear River Valley Stair tower and Pedestrian Bridges Maintenance	Painting of stair tower and pedestrian bridges.	30,000		30,000
<b>Grand Totals</b>		<b>9,786,520</b>	<b>1,255,000</b>	<b>11,041,520</b>



**BOARD:** Tax Increment Finance Authority Board

**MEETING DATE:** October 20, 2021      **DATE PREPARED:** October 13, 2021

**AGENDA SUBJECT:** Livable Shoreline Demonstration Project

**RECOMMENDATION:** Information only

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The Parks and Recreation Department received funding through the Petoskey-Harbor Springs Area Community Foundation to assist with a livable shoreline demonstration project. The improvement is between the boat launch and Ed White ballfield. There will be a power point presentation highlighting the project and purpose.