

AGENDA

MONROE
NORTH
TIFA



TIFA

TAX INCREMENT
FINANCE
AUTHORITY

Board Members:

Shaun Biel • Mayor Rosalynn Bliss • Diedre Deering • Kayem Dunn • Jane Gietzen
Howard Hansen • Carl Kelly • Mark Roys • Jim Talen • Rick Winn

Wednesday, August 10, 2016
9:00 a.m. Meeting
29 Pearl Street, NW Suite #1

- | | | |
|---|---------------|----------------|
| 1. Call to order | | |
| 2. Approve Meeting Minutes from May 11, 2016 (9:31)
(enclosure) | <i>Motion</i> | <i>Hansen</i> |
| 3. Accept June 30, 2016 Financial Statements (9:33)
(enclosure) | <i>Motion</i> | <i>Wallace</i> |
| 4. Authorize Agreement for FY16 MNTIFA Audit (9:38)
(enclosure) | <i>Motion</i> | <i>Wallace</i> |
| 5. Adopt FY17 Budget (9:48)
(enclosure) | <i>Motion</i> | <i>Larson</i> |
| 6. Approve Streetscape Support for Garage Bar Parklet (9:54)
(enclosure) | <i>Motion</i> | <i>Kelly</i> |
| 7. Project Update: Grand River Trail Demonstration Site (10:00) | Info Item | Kelly |
| 8. President & CEO Report (10:05) | Info Item | Larson |
| 9. Public Comment (10:08) | | |
| 10. Board Member Discussion (10:09) | | |
| 11. Adjournment | | |



UNAPPROVED MINUTES

Meeting of the City of Grand Rapids Tax Increment Financing Authority

May 11, 2016

1. Call to Order – The meeting was called to order at 9:53 a.m. by Chair Howard Hansen

2. Attendance

Present: Shaun Biel, Mayor Rosalynn Bliss, Diedre Deering, Kayem Dunn, Jane Gietzen, Howard Hansen, Jim Talen, Rick Winn

Absent: Carl Kelly, Mark Roys

Others Present: Kristopher Larson (Executive Director), Murphy Ackerman (Executive Asst/Office Manager), Bill Kirk, Tim Kelly, Kimberly Van Driel, Andy Guy, Annamarie Buller, LaTarro Traylor (staff) Jana Wallace, Dick Wendt, Ryan Wheeler, John Wheeler, Jono Klooster

3. Approve Meeting Minutes from August 12, 2015 and November 11, 2015

Motion: Jane Gietzen, supported by Kayem Dunn, moved to approval of the minutes of the August 12, 2015 meeting of the TIFA as submitted. Motion carried unanimously.

Motion: Kayem Dunn, supported by Jane Gietzen, moved to approval of the minutes of the November 11, 2015 meeting of the TIFA as submitted. Motion carried unanimously.

4. Accept March 31, 2016 Financial Statements

Ms. Wallace presented the MNTIFA financial statements for the first nine months of the fiscal year. Ms. Wallace explained that it was a long list of payments, as this was the first presentation of statements for the year.

Motion: Jane Gietzen, supported Kayem Dunn, moved to approve Statement C- Preliminary Schedule of March 31, 2016 expenditures as recommended. Motion carried unanimously.

5. Presentation of FY15 MNTIFA Audit

Ms. Wallace explained that the presentation of the FY15 audit has been a bit delayed due to a lack of meetings since its completion. Ms. Wallace explained that the supplemental section outlines current and future projects for the benefit of the Board to reference in future years.

Motion: Kayem Dunn, supported by Shaun Biel, moved to accept the audit for the year ending June 30, 2015. Motion carried unanimously.

6. Approve and Recommend FY17 Budget

Mr. Larson shared some of the projects that the MNTIFA participated in in FY16, the largest project being the demonstration project at Coldbrook. Mr. Larson explained that the MNTIFA is more limited in the types of projects that it can fund and tends to focus on bricks and mortar projects. Mr. Larson said that he and Mr. Kelly have worked together to find more projects that this Board can participate

in. Mr. Larson gave an overview of the projects that have been identified in the FY17 budget outline. These include; streetscape improvements, continued support for Canal Street Park, contributions to Whitewater projects, increasing mobility initiatives, continued support of banner programs, and various public realm improvements. Mr. Larson said these projects are in direct response to the needs in the community. Mr. Talen asked when the Boardwalk reimbursements are captured. Ms. Wallace said that these have expired.

Motion: Kayem Dunn, supported by Rick Winn, moved to recommend the FY17 MNTIFA Budget Summary to the Grand Rapids City Commission and request fund appropriation. Motion carried unanimously.

7. Approve NEZ for 1001 Monroe Ave.

Mr. Kelly introduced the NEZ for 1001 Monroe Ave. Mr. Kelly said that this project will result in approximately a \$9,000,000 investment with 32 rental units and ground floor retail. Mr. Klooster said approval of the NEZ would exclude the property from both SmartZone and MNTIFA tax capture for the first 15 years as neither authority may capture NEZ taxes. Mr. Ryan Wheeler presented blueprints of the project to the Board. Mayor Bliss asked what the proposed rents for the residential units will be. Mr. Ryan Wheeler said that the rents will range from \$1,625 to \$3,500 per unit. Mr. John Wheeler said that this is a smaller project and is directly on the river making the land more valuable and a unique site with higher amenities. Mr. John Wheeler said these factors make it difficult to support affordable housing. Mr. John Wheeler added that this project has been vetted through both the Planning Department and Parking Services. Mr. Talen asked how this might affect the riverwalk in this area and if it will encroach on the path. Mr. Ryan Wheeler said there is an encroachment limit of 30 feet to the riverwalk and additional access to the riverwalk.

Motion: Kayem Dunn, supported by Rick Winn, moved to approve the NEZ Exemption Certificate for the project located at 1001 Monroe Avenue NW. Motion carried unanimously.

8. President & CEO Report
DGRI (5/5/16)

- Received alignment updates from Airport and The Rapid
- Approved support for new Food Truck Ordinance!

DDA 5/11/16

- Will Consider FY 17 budget
- Will consider pedestrian counter purchase
- Will consider areaway grants for 2 WestSide properties
- Will consider development support for 250 Monroe

MNTIFA (5/11/16)

- Will Consider FY 17 budget

DID (5/13/16)

- Review of Assessments billed / collected

Alliances:

INVESTMENT (5/10)

- Chair: Nikos Monoyios, Long Range Planner @ The Rapid
- Recommended FY17 AFI Budget Priorities

VIBRANCY (4/20)

- Chair – Brandy Moeller, City of Grand Rapids
- Recommended FY17 AFV Budget Priorities

LIVABILITY (4/25)

- Chair: Lynee Wells, Principal @ Williams & Works – Working Group Discussions;
- Received Ambassador and GRPD Reports
- Participated in discussions on Downtown Census, Food Truck Reform, and Skate Park planning
- Recommended FY17 AFL Budget Priorities

DGRI Staff Highlights

Events / Marketing / Communications

- 1st Residential Stakeholder Event, May 3, 2016- ~150 attendees
- Conducted stakeholder outreach re: Food truck policy reform
- Launched development of 2 video projects
- Compiling the FY16 Annual Report
- Preparing for Relax at Rosa – 20 weekly, recurring events starting 5/5
- Planning launch of 2016 Movies in the Park lineup – May 17 on DayBreak & 8West on WoodTV8
- State of the Downtown – June 9!!!!

Planning / Development

- Released results of Downtown Census project
- Organizing Inter-City Trip > Minneapolis – May 19-21
- Collaborating on flood protection improvements for Ah-nab-Awen Park & Indian Mounds Park
- Partnering with Experience GR and Grand Action on Destination Asset Initiative
- Managing Lyon Square Schematic Design
- Calder Plaza Design – Steering Committee Meeting – 5/23
- Next TIF Plan Committee Meeting - 7/14
- Achieved approval from Rapid Board for free Silverline service north of Wealthy St.
- Preparing speech for World Towns Leadership Summit June 16 in Edinburgh, Scotland

9. Public Comment
None
10. Board Member Discussion
None
11. Adjournment
The meeting adjourned at 10:34 a.m.

MEMORANDUM

CITY OF GRAND RAPIDS

Agenda Item #3
August 10, 2016
Monroe North TIFA Meeting

DATE: August 2, 2016

TO: Monroe North Tax Increment Financing Authority

FROM: Jana M. Wallace
Debt and Authority Finance Officer

SUBJECT: FY2016 Preliminary Financial Statements Through June 30, 2016

Attached are the preliminary Monroe North Tax Increment Financing Authority financial statements for the fiscal year ended June 30, 2016. This is the final set of FY2016 financials until the Authority's audit is completed.

Statement A: Balance Sheet - Preliminary

Statement B: FY2016 Statement of Revenues and Expenses - Preliminary

Statement C: Schedule of April 1 through June 30, 2016 Expenditures - Preliminary

Tax increment revenues are a little lower than budgeted due to assessment appeal settlements but net interest revenues at \$9,089 are a little higher than budgeted. Actual expenditures are well within FY2016 budget parameters. The Authority has sufficient cash for budgeted expenditures.

Please call me at 456-4514 or email me at jwallace@grcity.us if you have any questions.

Attachments

STATEMENT A

MONROE NORTH TAX INCREMENT FINANCING AUTHORITY

Balance Sheet as of June 30, 2016 Preliminary

ASSETS

Pooled Cash and Investments	\$	1,463,193
Interest Receivable		6,263
General Fixed Assets		5,307,124
Future Tax Increment Revenues Anticipated		334,800
TOTAL ASSETS	\$	<u>7,111,380</u>

LIABILITIES AND FUND EQUITY

Liabilities

Accounts Payable	\$	5,520
Contracts Payable		334,800
TOTAL LIABILITIES	\$	<u>340,320</u>

Fund balance / equity:

Investments in General Fixed Assets	\$	5,307,124
Reserve for Compensated Absences		1,902
Reserve for Encumbrances		6
Reserve for Authorized Projects		1,462,028
TOTAL FUND EQUITY	\$	<u>6,771,060</u>

TOTAL LIABILITIES & FUND EQUITY	\$	<u>7,111,380</u>
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STATEMENT B

**MONROE NORTH
TAX INCREMENT FINANCING AUTHORITY
FY2016 Statement of Revenues and Expenses
July 1, 2015 - June 30, 2016 Preliminary**

REVENUES	Budget	Actual
Property Tax Increment	\$ 498,309	\$ 497,915
Property Tax Increment - Prior Year Appeals	(7,500)	-
Interest on Investments	8,839	17,084
Interest on Investments - Multi-Year Accrual Reversal	-	(7,995) ¹
From / (To) Fund Balance	587,826	-
TOTAL REVENUES	\$ 1,087,474	\$ 507,004
EXPENSES		
Committed and Ongoing		
Staff Support	\$ 60,000	\$ 49,270
Supplies	200	-
Contractual Services - Annual Audit	5,600	5,600
Contractual Services - Legal	5,000	2,271
Insurance - General Liability	1,234	1,234
Floodwalls Debt Service - Principal	106,200	106,200
Floodwalls Debt Service - Interest	15,339	15,339
General Fund Department Services	8,901	8,901
Share of DGRI Administration	5,000	5,680
Sub-Total Committed and Ongoing	207,474	194,495
Development Support Projects		
Building Re-Use Incentive Program	40,000	-
Development Support - Miscellaneous	20,000	-
Sub-Total Development Support Projects	60,000	-
Investment		
Accessibility and Streetscape Improvement	5,000	-
Bond Avenue Reconstruction	200,000	-
Canal Street Park Riverwalk Extension	150,000	18,788
GR Forward Planning Process & Implementation	80,000	21,733
Mason Street Reconstruction	20,000	70,914
Monroe/Ottawa/Coldbrook Intersection Reconstruction	10,000	-
Newberry Street Reconstruction	50,000	-
Ottawa Avenue Re-Construction Phase I	100,000	-
Infrastructure Improvements - Miscellaneous	20,000	-
Sub-Total Investment	635,000	111,435
Livability		
Asset and Riverwalk Maintenance	10,000	-
Bicycle Infrastructure Improvements	10,000	-
Downtown Census	10,000	5,000
Transit Improvements	80,000	27,919
Urban Recreation Plan	10,000	-
Sub-Total Livability	120,000	32,919
Livability		
New Electrical Service - Monroe Avenue	50,000	-
Public Realm Improvements	10,000	-
Street Lighting Banner Brackets	5,000	-
Sub-Total Vibrancy	65,000	-
TOTAL EXPENSES	\$ 1,087,474	\$ 338,849
EXCESS / (DEFICIT)	\$ -	\$ 168,155

Note 1: For efficiency reasons, the City Treasurer does not record interest revenue when earned from multiple year investments. Instead, revenues associated with multiple-year investments are accumulated annually, accrued, then reversed in the following fiscal year.

STATEMENT C

MONROE NORTH TAX INCREMENT FINANCING AUTHORITY Schedule of Expenditures April 1 - June 30, 2016 Preliminary

Transaction	Date	Document Number	Document Reference	Vendor	Amount
	6/30/2016	Underground power lines	Mason Street Reconstruction	City Treasurer - Engineering Dept	\$ 70,914.00
	6/30/2016	JV17000091	Share of 12/28-06/24/2016 payroll	Downtown Development Authority	22,411.05
	04/05/2016	2016-015	DS floodwalls 2000,2008	COUNTY OF KENT	6,740.25
	04/13/2016	Shuttle bus lease	DASH North Lease Feb 2016	City Treasurer - Parking Services	6,667.00
	04/13/2016	Shuttle bus lease	DASH North Lease Mar 2016	City Treasurer - Parking Services	6,667.00
	7/25/2016	Shuttle bus lease	DASH North Lease 04/2016	City Treasurer - Parking Services	6,667.00
	7/25/2016	Shuttle bus lease	DASH North Lease 05/2016	City Treasurer - Parking Services	6,667.00
	7/25/2016	Shuttle bus lease	Dash North Lease 06/2016	City Treasurer - Parking Services	6,667.00
	7/19/2016	011-15-02	Downtown census services	Gustavo A. Rotondaro	5,000.00
	04/08/2016	General Fund depts services	MONTHLY A-87 OP TRAN FY16 P10	City Treasurer - Budget Office	741.00
	04/08/2016	General Fund depts services	MONTHLY A-87 OP TRANX FY16 11	City Treasurer - Budget Office	741.00
	04/08/2016	General Fund depts services	MONTHLY A-87 OP TRANX FY16 P12	City Treasurer - Budget Office	741.00
	7/13/2016	161680000795	Health insurance July-Sept 2016	PRIORITY HEALTH	361.64
	5/10/2016	042316GDNERN216	Staff services	City of Grand Rapids	345.60
	6/29/2016	061816GDNERN221	Staff services	City of Grand Rapids	328.56
	5/17/2016	050716GDNERN219	Staff services	City of Grand Rapids	310.95
	5/31/2016	052116GDNERN215	Staff services	City of Grand Rapids	155.47
	6/14/2016	LEASEJUNE2016	Office Lease June 2016	Federal Square Building Co. #1, LLC	151.33
	04/16/2016	LEASEMARCH2016	Office Lease March 2016	Federal Square Building Co. #1, LLC	151.33
	04/19/2016	LEASEAPRIL2016	Office Lease April 2016	Federal Square Building Co. #1, LLC	151.33
	04/19/2016	LEASEMAY2016	Office Lease May 2016	Federal Square Building Co. #1, LLC	151.33
	6/30/2016	JV17000091	12/28-06/24/2016 payroll fees	Downtown Development Authority	104.30
	04/08/2016	General insurance	GEN INS ALLOC FY16 P10	City Treasurer - Risk Mnmt	103.00
	04/08/2016	General insurance	GENL INS ALLOC FY16 P11	City Treasurer - Risk Mnmt	103.00
	04/08/2016	General insurance	GENL INS ALLOC FY16 P12	City Treasurer - Risk Mnmt	103.00
	6/9/2016	060416GDNERN221	Staff services	City of Grand Rapids	86.34
	04/16/2016	86473-SB1 16/04	Insurance April-June 2016	TGG, Inc.	54.02
	7/7/2016	86473-SB1 16/07	Insurance July-September 2016	TGG, Inc.	49.47
	5/26/2016	797785	Copier svcs/overage - April-July 2016	Applied Imaging	45.19
	6/24/2016	167324	Business insurance	Hub International Midwest Limited	37.90
	5/23/2016	18490445	HR Consulting April 2016	HR Collaborative LLC	35.38
	04/14/2016	18490388	HR Consulting March 2016	HR Collaborative LLC	31.64
	7/19/2016	18490496	HR Consulting June 2016	HR Collaborative LLC	29.94
	6/28/2016	18490452	HR Consulting May 2016	HR Collaborative LLC	26.64
	7/19/2016	007039764710 16/07	Dental Insurance July-Sept, 2016	BLUE CROSS BLUE SHIELD OF MICH	17.08
	04/14/2016	DENTAL APR-JUN2016	Dental Insurance April-June, 2016	BLUE CROSS BLUE SHIELD OF MICH	16.92
	04/16/2016	833	Kris Larson leadership assessment	Real-time Perspectives Inc.	16.65
	6/28/2016	1083214	Legal services	DICKINSON WRIGHT PLLC	14.55
	7/19/2016	127278	Business cards	BRECK GRAPHICS INC	14.09
	5/31/2016	1075195	Legal services	DICKINSON WRIGHT PLLC	13.74
	04/14/2016	32407	Pd via Payroll Deduct April 2016	MVP Sportsplex - GR, LLC	12.51
	04/16/2016	31462	Pd via Payroll Deduct March 2016	MVP Sportsplex - GR, LLC	12.51
	5/26/2016	33060	Pd via Payroll Deduct May 2016	MVP Sportsplex - GR, LLC	12.50
	6/27/2016	33723	Pd via Payroll Deduct June 2016	MVP Sportsplex - GR, LLC	12.50
	04/18/2016	2461303	Janitorial Services Mar 2016	Professional Maint of Michigan Inc.	11.66
	6/28/2016	2495205	Janitorial Services May 2016	Professional Maint of Michigan Inc.	11.66
	5/23/2016	2477604	Janitorial Services April 2016	Professional Maint of Michigan Inc.	11.65
	5/27/2016	1068504	Legal services	DICKINSON WRIGHT PLLC	11.31
	7/19/2016	2511806	Janitorial Services June 2016	Professional Maint of Michigan Inc.	11.12
	6/27/2016	29110	Small business advisors - 04/2016	Baker Holtz, P.C.	11.10
	6/28/2016	29093	Small business advisors - 05/2016	Baker Holtz, P.C.	11.10
	7/25/2016	0616KLARSON3955	Contractual Services	FIFTH THIRD BANK	8.75
	5/27/2016	1068505	Legal services	DICKINSON WRIGHT PLLC	8.48
	7/13/2016	9766251537	Cell phone service May 2016	CELLCO PARTNERSHIP	7.02
	5/26/2016	9764603273	Cell phone service April 2016	CELLCO PARTNERSHIP	6.83

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STATEMENT C
MONROE NORTH
TAX INCREMENT FINANCING AUTHORITY
Schedule of Expenditures
April 1 - June 30, 2016 Preliminary

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Transaction				
Date	Document Number	Document Reference	Vendor	Amount
<i>continued from previous page</i>				
04/19/2016	616 719 4601 16/04	Phone Service April 2016	TDS Metrocom	\$ 6.52
5/23/2016	616 719 4601 16/05	Phone Service May 2016	TDS Metrocom	6.48
6/17/2016	616 719 4601 16/06	Phone Service June 2016	TDS Metrocom	6.45
04/16/2016	668068	Electricity March 2016	Federal Square Building Co. #1, LLC	6.44
6/14/2016	677154	Electricity April 2016	Federal Square Building Co. #1, LLC	6.26
5/26/2016	153857	Network / technology services	FUSION IT LLC	5.55
6/23/2016	154061	Network / technology services	FUSION IT LLC	5.55
04/18/2016	153559	Network services April 2016	FUSION IT LLC	5.55
04/19/2016	153663	IT Service Tickets 2/19/16-3/8	FUSION IT LLC	5.27
6/14/2016	18730878	Copier/printer lease - May 2016	GreatAmerica Financial Services Corp	5.14
7/12/2016	18884871	Copier/printer lease - June 2016	GreatAmerica Financial Services Corp	5.14
04/13/2016	0316KLARSON3955	P-Card for K Larson	FIFTH THIRD BANK	5.05
5/23/2016	18578883	Copier/printer lease - April 2016	GreatAmerica Financial Services Corp	4.56
5/31/2016	1075196	Legal services	DICKINSON WRIGHT PLLC	4.45
6/7/2016	01720359909013 16/07	29 Pearl internet service June 2016	Comcast	3.31
5/26/2016	153922	Network / technology services	FUSION IT LLC	3.16
5/23/2016	01720359909013 16/05	29 Pearl internet service May 2016	Comcast	3.10
04/11/2016	01720359909013 16/04	29 Pearl internet service April 2016	Comcast	3.10
7/13/2016	154209	Network / technology services	FUSION IT LLC	3.00
5/26/2016	3299713200	Misc supplies	Staples Contract and Commercial Inc.	2.75
6/23/2016	3302569007	Misc supplies	Staples Contract and Commercial Inc.	2.68
5/31/2016	153977	Network / technology services	FUSION IT LLC	2.47
6/27/2016	154166	Network / technology services	FUSION IT LLC	2.47
7/13/2016	154210	Network / technology services	FUSION IT LLC	2.11
7/13/2016	3305307471	Misc supplies	Staples Contract and Commercial Inc.	2.00
04/19/2016	A991517	Security System May-July 2016	ENGINEERED PROTECTION SYS INC	1.99
04/19/2016	1266261	Toilet Repair 3/16	GODWIN PLUMBING INC	1.98
5/26/2016	3298575119	Misc supplies	Staples Contract and Commercial Inc.	1.80
6/21/2016	0516KLARSON3955	B. Hendrick laptop charger	FIFTH THIRD BANK	1.77
5/23/2016	124902	Business cards	BRECK GRAPHICS INC	1.76
7/19/2016	33059519565	Misc supplies	Staples Contract and Commercial Inc.	1.74
5/23/2016	2	Art installation	BRANDON ALMAN	1.67
6/14/2016	3301433413	Misc supplies	Staples Contract and Commercial Inc.	1.60
6/27/2016	3303186966	Misc supplies	Staples Contract and Commercial Inc.	1.50
5/26/2016	1500991	Water cooler rental & water	Gordon Water Systems	1.46
6/27/2016	3303186967	Misc supplies	Staples Contract and Commercial Inc.	1.43
6/23/2016	4808	Coffee for meetings & staff	Madcap Coffee 1	1.42
6/23/2016	5072	Coffee for meetings & staff	Madcap Coffee 1	1.42
6/28/2016	3304086706	Misc supplies	Staples Contract and Commercial Inc.	1.40
7/13/2016	5884	Coffee for meetings & staff	Madcap Coffee 1	1.38
6/23/2016	3302051597	Misc supplies	Staples Contract and Commercial Inc.	1.37
04/16/2016	5209	Coffee for meetings & staff	Madcap Coffee 1	1.36
5/26/2016	5335	Coffee for meetings & staff	Madcap Coffee 1	1.36
6/23/2016	5577	Coffee for meetings & staff	Madcap Coffee 1	1.36
5/26/2016	3300281561	Misc supplies	Staples Contract and Commercial Inc.	1.34
6/28/2016	3304086707	Misc supplies	Staples Contract and Commercial Inc.	1.34
04/18/2016	3296710019	Misc supplies	Staples Contract and Commercial Inc.	1.30
7/13/2016	3304804525	Misc supplies	Staples Contract and Commercial Inc.	1.24
7/19/2016	358983	Business insurance	Hub International Midwest Limited	1.22
5/27/2016	1062175	Legal services	DICKINSON WRIGHT PLLC	1.21
5/26/2016	3299713203	Misc supplies	Staples Contract and Commercial Inc.	1.20
5/26/2016	5450	Coffee for meetings & staff	Madcap Coffee 1	1.19
6/27/2016	5725	Coffee for meetings & staff	Madcap Coffee 1	1.19
7/19/2016	6047	Coffee for meetings & staff	Madcap Coffee 1	1.19

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STATEMENT C
MONROE NORTH
TAX INCREMENT FINANCING AUTHORITY
Schedule of Expenditures
April 1 - June 30, 2016 Preliminary

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Transaction				
Date	Document Number	Document Reference	Vendor	Amount
continued from previous page				
6/23/2016	1508600	Water cooler rental & water	Gordon Water Systems	\$ 0.99
6/21/2016	0516KLARSON3955	Insurance payment	FIFTH THIRD BANK	0.87
6/22/2016	1267452-	Toilet Repair 4/16	GODWIN PLUMBING INC	0.85
5/23/2016	0591037	Share of entryway mat	MODEL COVERALL SERVICE INC	0.85
6/23/2016	0596962	Share of entryway mat	MODEL COVERALL SERVICE INC	0.85
7/13/2016	0602913	Share of entryway mat	MODEL COVERALL SERVICE INC	0.85
5/26/2016	3299713202	Misc supplies	Staples Contract and Commercial Inc.	0.77
7/13/2016	1515704	Water cooler rental & water	Gordon Water Systems	0.76
04/18/2016	3296710017	Misc supplies	Staples Contract and Commercial Inc.	0.73
04/18/2016	3296710018	Misc supplies	Staples Contract and Commercial Inc.	0.65
5/26/2016	3299120738	Misc supplies	Staples Contract and Commercial Inc.	0.57
04/19/2016	3297351441	Misc supplies	Staples Contract and Commercial Inc.	0.56
5/26/2016	153772	Network / technology services	FUSION IT LLC	0.53
7/25/2016	0616KLARSON3955	Misc supplies	FIFTH THIRD BANK	0.49
5/26/2016	3299120737	Misc supplies	Staples Contract and Commercial Inc.	0.37
5/26/2016	3299713201	Misc supplies	Staples Contract and Commercial Inc.	0.34
5/26/2016	153858	Network / technology services	FUSION IT LLC	0.27
6/23/2016	154062	Network / technology services	FUSION IT LLC	0.27
04/18/2016	153560	Network services April 2016	FUSION IT LLC	0.27
5/26/2016	3299713199	Misc supplies	Staples Contract and Commercial Inc.	0.25
04/18/2016	3296710021	Misc supplies	Staples Contract and Commercial Inc.	0.16
7/19/2016	3305919564	Misc supplies	Staples Contract and Commercial Inc.	0.13
TOTAL EXPENDITURES FROM APRIL 1, 2016 THROUGH JUNE 30, 2016 PRELIMINARY				\$ 143,964.35

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 1, 2016

TO: Monroe North Tax Increment Finance Authority
Kristopher Larson, Executive Director

FROM: Jana M. Wallace
Debt & Authority Finance Officer

SUBJECT: Resolution authorizing the signing of an “Agreement to Provide Audit Services,” for the fiscal year ended June 30, 2016

In January, 2011, a Request for Proposal (RFP) was mailed to twenty-two accounting firms for professional financial auditing services for the City and its seven associated authorities plus the Grand Valley Regional Biosolids Authority (“GVRBA”) for the fiscal years ended June 30, 2011 through June 30, 2013. In addition to typical considerations, the RFP referenced the City’s upcoming accounting and financial software conversion.

Five proposals were received and reviewed by Chief Financial Officer Scott Buhrer, Deputy Comptroller Ruth Lueders, and me on February 28, 2011. Competitive prices from each firm resulted in a difference of only \$6,430 between the highest fee proposal and the lowest. In 2011, we ranked BDO USA LLP’s proposal as the best proposal based on the criteria specified in the RFP.

Due to changes in ownership of the Cogsdale Financial Management System (CFMS) software installed in December 2011, the “new accounting system” anticipated when the 2011 is in the process of being replaced with CGI’s Advantage360 Financial Management System (“A360”) software.

The City’s A360 Performance Budgeting software went “live” last fall and the A360 Financial Management / Procurement and Pentaho Reporting software went live on May 1, 2016. City staff are now working to implement the A360 Human Resources Management and payroll software and expect to complete this work in the fiscal year ending June 30, 2017.

Given these ongoing conversion processes, hiring a new auditing firm would require significant additional effort from City staff to train a new auditing staff. Until the completion of the conversion process, auditing services continuity is the efficient and cost effective choice. In September, 2017 the City should be able to issue an RFP for FY2018 through FY2020 auditing services proposals.

BDO is charging the same fees for the fiscal year ended June 30, 2016 audits as it charged for the FY2015 audits. For the FY2017 audits, BDO is increasing its overall fees by slightly more than 3.1%. The fees are compared below:

Entity To Be Audited	FY2015 Fees	Proposed FY2016 Fees	Proposed FY2017 Fees
City of Grand Rapids, including federal single audit	\$112,000	\$112,000	\$115,500
Grand Rapids Brownfield Redevelopment Authority	5,050	5,050	5,200
Grand Rapids Downtown Development Authority	6,500	6,500	6,700
Grand Rapids SmartZone LDFA	6,250	6,250	6,450
Grand Rapids/Kent County Joint Building Authority	6,250	6,250	6,450
Grand Rapids Building Authority	6,750	6,750	6,950
Grand Rapids Tax Increment Finance Authority	5,600	5,600	5,750
Grand Valley Regional Biosolids Authority	4,000	4,000	4,150
Audits Total Cost	\$152,400	\$152,400	\$157,150

Due Diligence - Each Official Statement for City Bonds \$ 2,500 \$ 2,500 \$ 2,600

Attached for your review is BDO's proposed "Agreement to Provide Audit Services" for the Authority's June 30, 2016 financial audit. On July 12, 2016 the City Commission approved BDO as the auditing services provider for the Citywide audit, as well as the City's various authority audits, for the fiscal years ending June 30, 2016 and June 30, 2017. However, BDO's internal policies require the annual approval of the "Agreement to Provide Audit Services" from each authority board.

I am asking the Authority to authorize Chairman Howard Hansen to sign the attached BDO USA LLP auditing services agreement for the Authority's fiscal year ended June 30, 2016.

Please contact me at jwallace@grcity.us or at 616-456-4514 if you have any questions.

Attachment



Tel: 616-774-7000
Fax: 616-776-3680
www.bdo.com

200 Ottawa Avenue NW, Suite 300
Grand Rapids, MI 49503

Agreement to Provide Audit Services

This Agreement is made as of July 20, 2016 between The Grand Rapids Tax Increment Financing Authority, a Michigan municipal corporation, 300 Monroe Avenue NW, Grand Rapids, Michigan ("the Client") and BDO USA, LLP, a limited liability partnership ("BDO" or "the Auditor").

Objectives and Scope of the Audit

BDO USA, LLP will audit the financial statements of the Client as of and for the year ended June 30, 2016. Management's discussion and analysis and the supplementary schedule of projects accompanying the financial statements will not be subject to the auditing procedures applied in the audit of the basic financial statements, and the auditor's report will not provide an opinion or any assurance on such information.

Responsibilities of BDO

The Auditor will conduct the audit in accordance with GAAS. Those standards require that the Auditor plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. The Auditor's work will be based primarily upon selected tests of evidence supporting the amounts and disclosures in the financial statements and, therefore, will not include a detailed check of all of the Client's transactions for the period. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

An audit is not designed to detect errors or fraud or violations of federal statutes and regulations that are immaterial to the financial statements or major programs. However, the Auditor will inform the Client of any material errors or fraud that comes to their attention. The Auditor will also inform the Client of possible illegal acts that come to their attention unless they are clearly inconsequential. In addition, during the course of the audit, financial statement misstatements relating to accounts or disclosures may be identified, either through the audit procedures or through communication by Client employees to the Auditor and the Auditor will bring these misstatements to the Client's attention as proposed adjustments. At the conclusion of the engagement the Auditor will communicate to those charged with governance (as defined below) all uncorrected misstatements. Because the determination of abuse is subjective, *Governmental Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

The term “those charged with governance” is defined as the persons with responsibility for overseeing the strategic direction of the Client and obligations related to the accountability of the Client, including overseeing the financial reporting process. For the Client, the Auditor and Client agree that the Board of the Grand Rapids Tax Increment Financing Authority (the Board) meets that definition.

In making risk assessments, the Auditor will consider internal control relevant to the Client’s preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Client’s internal control. Accordingly, we will express no such opinion. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses in internal control. However, the Auditor will communicate to the Client and the Board in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that the Auditor identifies during the audit.

The Auditor is also responsible for communicating with the Board what the Auditor’s responsibilities are under GAAS, an overview of the planned scope and timing of the audit, and significant findings from the audit.

Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

The audit will be conducted on the basis that the Client and the Board acknowledge and understand that the Client and the Board have responsibility (1) for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; (2) for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements and relevant to federal award programs that are free from material misstatement, whether due to fraud or error; (3) for identifying and ensuring that the Client complies with the laws and regulations applicable to its activities; and (4) to provide the Auditor with access to all information of which the Client and the Board are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation and other matters, additional information we may request for the purpose of the audit, and reasonable access to persons within the government from whom the auditor determines it is necessary to obtain audit evidence.

Management is responsible for recording proposed audit adjustments in the financial statements, after evaluating their propriety based on a review of both the applicable authoritative literature and the underlying supporting evidence from the Client’s files; or otherwise concluding and confirming in a representation letter (as further described below) provided to the Auditor at the conclusion of the audit that the effects of any uncorrected misstatements are, both individually and in the aggregate, immaterial to the basic financial statements taken as a whole. The Auditor will communicate to the City Comptroller and the Chief Financial Officer, and when the Auditor deems it appropriate, to the Client’s governing body (Commission, Board or Authority) all such unrecorded adjustments. Additionally, as required by the Uniform Guidance, it is management’s responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

As required by GAAS, the Auditor will request certain written representations from management at the close of the audit to confirm oral representations given to the Auditor and to indicate and document the continuing appropriateness of such representations and reduce the possibility

of misunderstanding concerning matters that are the subject of the representations. Because of the importance of management's representations to an effective audit, the Client agrees, subject to prevailing laws and regulations, to release and indemnify BDO and its employees from any liability and costs relating to our services rendered under this Agreement attributable to any knowing misrepresentations by management.

Expected Form and Content of the Auditor's Report

At the conclusion of the audit, the Auditor will submit to the Client a report containing the Auditor's opinion as to whether the financial statements, taken as a whole, are fairly presented based on accounting principles generally accepted in the United States of America. The Client will distribute the reports to the governing bodies at their next scheduled meetings. The examination shall begin as soon after the signing of this agreement as shall be convenient to both parties and shall be completed no later than November 30 of each year, assuming appropriate cooperation by the Client to enable the Auditor to complete such audit by November 30, or as otherwise mutually agreed to by the parties. If, during the course of the Auditor's work, it appears for any reason that the Auditor will not be in a position to render an unmodified opinion on the financial statements, the Auditor will discuss this with the Client. It is possible, that because of unexpected circumstances, the Auditor may determine that they cannot render a report or otherwise complete the engagement. If, for any reason, the Auditor is unable to complete the audit or are unable to form or have not formed an opinion, the Auditor may decline to express an opinion or decline to issue a report as a result of the engagement. If, in the Auditor's professional judgment, the circumstances require, the Auditor may resign from the engagement prior to completion.

Client Reacceptance Matters

BDO is retaining the Grand Rapids Tax Increment Financing Authority as a client in reliance on information obtained during the course of the Auditor's continuing client reacceptance procedures. Kevin Muntter has been assigned the role of engagement partner, and he is responsible for directing the engagement and issuing the appropriate report on the Client's financial statements.

Email Communication

In connection with this engagement, the parties may communicate with each other or others via email transmission. The parties acknowledge that emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties. The parties agree that any material that will end up as part of a public document is suitable to transmit by email, as well as all matters of a routine nature such as setting up meetings. However, the parties agree to exercise care and discretion in their communications regarding sensitive matters; for such matters, they agree to use personal contact. The Client, upon request, will continue to disclose what is required by law under the Freedom of Information Act (FOIA).

Ownership of Working Papers

The working papers prepared in conjunction with the audit are the property of BDO, constitute confidential information, and will be retained by the Auditor in accordance with BDO's policies and procedures. However, upon request by the Client, the Auditor may provide the Client, without charge, copies of such workpapers, as appropriately redacted by the Auditor, if necessary.

However, pursuant to authority given by law or regulation, the Auditor may be requested to make certain working papers available to authorized representatives of the State Treasurer upon formal request by the State Treasurer, the Client's oversight agency, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. The Auditor will notify the Client of any such request. If requested, access to such working papers will be provided under the supervision of BDO personnel and at a location designated by BDO. Furthermore, upon request, the Auditor may provide photocopies of selected working papers to the aforementioned parties. These parties may intend or decide to distribute the photocopies of information contained therein to others, including other governmental agencies.

Reproduction of Audit Report

If the Client plans any reproduction or publication of a document that includes our report, or any portion of it, and that is assembled differently from any paper or electronic version that we may have assembled and provided to the Client (e.g., by the addition of financial statements and/or accompanying information that you have produced), a copy of the entire document in its final form should be submitted to BDO in sufficient time for its review and written approval before printing. The Client agrees to provide BDO with a copy of the final reproduced material for our written approval before it is distributed.

Posting of Audit Report and Financial Statements on City's Website

The Client agrees to indemnify BDO from any and all claims that may arise from any differences between the electronic version of the financial statements and audit report presented on the Client's website, now and in the future, and the signed version of the financial statements and audit report provided to the Client's management by BDO.

Review of Documents for Issuance of Debt

The audited financial statements and our report thereon should not be provided or otherwise made available by the Client to recipients of any document to be used in connection with the issuance of debt without first submitting copies of the document to the Auditor in sufficient time for the Auditor's review and written approval.

Availability of Records and Personnel

The Client shall complete and balance all accounts and prepare financial statements and schedules for all funds, operations and agencies to be audited by the Auditor, and shall provide the Auditor with space deemed adequate by the Auditor for the efficient conduct of the audit. The Client shall provide the Auditor, for its use and retention, with copies of these financial statements and schedules and shall provide the Auditor with trial balances of the various funds, operations and agencies in a form acceptable to the Auditor. The Auditor shall be responsible for the typing and proofing of the financial reports.

The Client agrees that all records, documentation and information the Auditor requests in connection with the audit will be made available to the Auditor (including those pertaining to related parties), that all material information will be disclosed to the Auditor and that the Auditor will have full cooperation of, and unrestricted access to, the Client's personnel during the course of the engagement.

The Client also agrees to ensure that any third party valuation reports that the Client provides to the Auditor to support amounts or disclosures in the financial statements (a) indicate the purpose for which they were intended, which is consistent with the actual use of such reports; and (b) do not contain any restrictive language that would preclude the Auditor from using such reports as audit evidence.

Assistance by the City's Personnel

The Auditor also asks that the Client's personnel, to the extent possible, prepare various schedules and analyses for the Auditor's staff. This assistance by the Client's personnel will serve to facilitate the progress of the Auditor's work and minimize costs to the Client.

Peer Review Reports

Government Auditing Standards requires that the Auditor provide the Client with a copy of the Auditor's most recent quality control review report. The latest peer review report accompanies this agreement.

Other Services

The Auditor shall always be available to meet with the Client's management at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting the Client. Whenever the Client's management feels such meetings are desirable, the Client shall notify the Auditor. The Auditor is also prepared to provide services to assist the Client in any of these areas. The Auditor also agrees, at the request of Client's management, to attend meetings of the Client's governing body.

Independence

Professional and certain regulatory standards require the Auditor to be independent, in both fact and appearance, with respect to the Client in the performance of its services. Any discussions that the Client's management has with the Auditor's personnel regarding employment could pose a threat to the Auditor's independence. Therefore, the Auditor requests that the Client inform the Auditor prior to any such discussions so that the Auditor can implement appropriate safeguards to maintain its independence.

Insurance and Hold Harmless

Prior to execution of this Agreement, the Auditor provided the Client with documentation that it has professional liability, general liability and workers' compensation insurance. The Client has found such insurance to be acceptable. The Auditor agrees to keep similar levels and types of insurance coverages in force throughout the period it performs services pursuant to this Agreement, or to advise the Client in advance in writing if it intends to significantly reduce any such coverage.

The Auditor agrees to hold the Client harmless from any and all physical injury to the person or damage to the property of, or any loss or expense incurred by any employee of the Client pursuant to such physical injury or damage, which arises out of or pursuant to the Auditor's performance under this Agreement. The Auditor shall also hold the Client harmless from any claims by the Auditor's employees arising out of, or pursuant to, the Auditor's and/or employee's performance under this Agreement, except to the extent caused by the negligence, gross negligence or intentional misconduct on the part of Client or its employees or agents. The Auditor agrees to hold the Client harmless for any injuries to persons, or any injury, loss,

expense or damage to property caused by the Auditor's employees except to the extent caused by the negligence, gross negligence or intentional misconduct on the part of Client or its employees or agents.

Equal Opportunity

The Auditor agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to her/his hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of her/his race, color, religion, national origin, age, sex, height, weight or marital status. Breach of this covenant may be regarded as material breach of this Agreement as provided for in Act 453 of the Public Acts of 1976, as amended, entitled "Michigan Civil Rights Act." The Auditor further agrees to review and examine with the Client relevant employment data and other information pertaining to its hiring practices. The Auditor further agrees that it will require similar covenants from any subcontractor under this Agreement.

Dispute Resolution Procedure

If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement, either party may, upon written notice to the other party, request facilitated negotiations. Such negotiations shall be assisted by a neutral facilitator acceptable to both parties and shall require the best efforts of the parties to discuss with each other in good faith their respective positions and, respecting their different interests, to finally resolve such dispute.

Each party may disclose any facts to the other party or to the facilitator that it, in good faith, considers necessary to resolve the dispute. However, all such disclosures will be deemed in furtherance of settlement efforts and will not be admissible in any subsequent litigation against the disclosing party. Except as agreed by both parties, the facilitator shall keep confidential all information disclosed during negotiations. The facilitator shall not act as a witness for either party in any subsequent arbitration between the parties.

Such facilitated negotiations shall conclude within sixty days from receipt of the written notice unless extended by mutual consent. The parties may also agree at any time to terminate or waive facilitated negotiations. The costs incurred by each party in such negotiations will be borne by it; the fees and expenses of the facilitator, if any, shall be borne equally by the parties.

If the parties are unable to resolve any dispute through the facilitated negotiation, they agree that the state courts of Michigan located in The City of Grand Rapids, and the U.S. District Court - Western District of Michigan, are the only proper forums and venues for the filing of any legal proceedings in connection with the agreement and the services provided pursuant to it.

Fees

The Grand Rapids Tax Increment Financing Authority as Client agrees to pay the Auditor for the services described above a flat fee of \$5,600 for the year ended June 30, 2016, plus \$2,500 for each due diligence associated with the issuance of debt during the term of this Agreement. Charges for other services will be agreed to separately in writing. The flat fee includes our out-of-pocket expenses.

Should unusual conditions arise whereby the services of the Auditor are deemed necessary beyond the extent of the work required in the preceding sections, such unusual conditions shall

be referred to the Client's management, which shall instruct the Auditor concerning such additional services.

Any additional services must be agreed to in writing by both parties. For additional services agreed to beyond those covered by the fees stated above, detailed bills, specifying hours worked by the various auditor classifications and the hourly rate of each classification, along with the services performed, will be submitted to the Client by the Auditor on a monthly or other periodic basis with payment terms of net due upon receipt. If the Client fails to make payments promptly on receipt of proper bills, the Auditor reserves the right to stop work on the engagement.

Third Party Use

The Auditor will perform the professional services provided in connection with this engagement solely for the information and use of the Client and federal awarding agencies and pass-through entities. The Auditor does not anticipate and does not authorize reliance by any other party on its professional services. Any amendment to this provision must be made through a written document signed by the Client and BDO.

Miscellaneous

This Agreement is intended to cover only the services specified herein. This Agreement is the whole agreement and may be amended only in a writing executed by all parties. This engagement is a separate and discrete event, and any future services will be covered by a separate agreement to provide services.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and a few of those banks have mandated the use of this service. To the extent applicable, the Client hereby authorizes the Auditor to participate in this electronic confirmation process through the third party's website (e.g., by entering the Client's bank account information to initiate the process and then accessing the bank's confirmation response) and agrees that the Auditor shall have no liability in connection therewith.

This Agreement may be transmitted in electronic format and shall not be denied legal effect solely because it was formed or transmitted, in whole or in part, by electronic record; however, this Agreement must then remain capable of being retained and accurately reproduced, from time to time, by electronic record by the parties to this Agreement and all other persons or entities required by law. An electronically transmitted signature to this Agreement will be deemed an acceptable original for purposes of consummating this Agreement and binding the party providing such electronic signature.

Any portion of the work requiring a license or certification of any type shall be performed only in accordance with the licensing or certification provisions applicable.

The Auditor shall keep itself fully informed of and shall at all times comply with all local, state and federal laws, rules and regulations, applicable to this Agreement and the work to be done and the goods to be provided. The Grand Rapids City Charter shall be the governing document in this and all contractual relations with The City of Grand Rapids. The Client retains the right to determine finally all questions as to the proper performance under this Contract or any unfinished portion of it, and in case of improper, dilatory or unsatisfactory performance, to suspend the work and to order the proper performance of the work. The Client, likewise, retains full power to determine all questions arising under this contract according to the true

intent and meaning thereof, all in accordance with Section II of Title XVIII of the City Charter. This Agreement shall be construed according to Michigan law.

No failure or delay on the part of a party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Contract preclude any other or further exercise of it or the exercise of any other right, power or privilege. The rights and remedies provided in this Contract are cumulative and not exclusive of any rights or remedies provided by law.

This Agreement shall not be assigned by any party without prior written consent of all parties to the Agreement.

* * * * *

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year above first written.

THE GRAND RAPIDS TAX INCREMENT FINANCING AUTHORITY

By: _____
Kristopher Larson

Date: _____

Attest: _____

Date: _____

BDO USA, LLP

By: Kevin Muntier
Kevin Muntier, Partner

Date: July 20, 2016

Attest: John D. LaFramboise
John D. LaFramboise, Director

Date: July 20, 2016



BAKER TILLY

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225 S Sixth St, Ste 2300
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tel 612 876 4500
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QUALITY CONTROL MATERIALS REVIEW REPORT

To the Partners of BDO USA, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the development and maintenance of the *BDO USA Audit Manual Version 2015.01 and the related FormsDoc Version 2014-01 and the Audit Process Tool (APT) Version 2.6.2.1000* (hereafter referred to as materials) of BDO USA, LLP (the provider) and the resultant materials applicable to non-SEC issuers in effect at March 31, 2015. Our quality control materials review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The provider is responsible for designing and complying with a system of quality control that provides reasonable assurance that the materials are reliable aids to assist users in conforming with the components which are integral to the professional standards that the materials purport to encompass. Our responsibility is to express an opinion on the design of the system, the provider's compliance with that system, and the reliability of the resultant materials, based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a Quality Control Materials Review are described in the standards at www.aicpa.org/prsummary.

Users of the materials and this report should carefully consider the scope of this review. They also should understand the intended uses and limitations of the materials as reflected in their user instructions and related information, as well as the level of explanatory guidance provided by the materials. Users of the materials are responsible for evaluating their suitability and implementing, tailoring, and augmenting the materials as appropriate. Therefore, the reliability of the materials is also dependent on the effectiveness of these actions and could vary from user to user. Further, there may be important elements of a quality control system in accordance with the Statements on Quality Control Standards that are not included in the materials that have been subject to this review.

In our opinion, the system of quality control for the development and maintenance of the *BDO USA Audit Manual Version 2015.01 and the related FormsDoc Version 2014-01 and the Audit Process Tool (APT) Version 2.6.2.1000* of BDO USA, LLP applicable to non-SEC issuers was suitably designed and was being complied with during the year ended March 31, 2015, to provide users of the materials with reasonable assurance that the materials are reliable aids. Also, in our opinion, the quality control materials previously referred to are reliable aids to assist users in conforming with the components which are integral to the professional standards the materials purport to encompass at March 31, 2015. Providers can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. BDO USA, LLP has received a peer review rating of *pass*.

Baker Tilly Virchow Krause LLP

Minneapolis, Minnesota
December 2, 2015

**CITY OF GRAND RAPIDS, MICHIGAN
MONROE NORTH
TAX INCREMENT FINANCING AUTHORITY
FY2017 Appropriation Request
Recommended by the Monroe North TIFA Board
on May 11, 2016
Approved by City Commission on June 7, 2016
Submitting for Adoption by the Monroe North TIFA Board**

RESOURCES

Property Tax Increment Revenue	\$ 365,238
Property Tax Increment - Prior Year Adjustment	(7,500)
Interest on Investments	9,472
(To) / From Fund Balance	267,340
TOTAL RESOURCES	\$ 634,550

APPROPRIATIONS

Ongoing and Committed Expenditures

Staff Support	\$ 60,000
Supplies	200
Contractual Services - Annual Audit	5,600
Contractual Services - Legal	5,000
Insurance - General Liability	1,635
KCDC Series 2008 Floodwall Bonds Debt Service - Principal	111,600
KCDC Series 2008 Floodwall Bonds Debt Service - Interest	11,249
General Operating Fund Overhead Allocation	20,666
Share of Downtown Grand Rapids Inc Administration	6,100
TOTAL ONGOING AND COMMITTED	\$ 222,050

DEVELOPMENT AND INFRASTRUCTURE EXPENDITURES

Development Support Projects **\$ 60,000**

Infrastructure Projects

Investment - infrastructure & real property support projects	162,500
Livability - projects and programs for downtown residents	155,000
Vibrancy - projects and programs for tourist attraction	35,000

TOTAL DEVELOPMENT AND INFRASTRUCTURE **\$ 412,500**

TOTAL APPROPRIATIONS **\$ 634,550**

EXCESS / (DEFICIT) **\$ -**

CITY OF GRAND RAPIDS, MICHIGAN
MONROE NORTH TAX INCREMENT FINANCING AUTHORITY
Five Year Priority Plan
Submitted to the MNTIFA Board of Directors on May 11, 2016

TABLE 1 - REVENUES	FY2016			FY2017	FY2018	FY2019	FY2020	FY2021	FY2017-21	
	Budget	Actual ¹	Estimated	Request	Forecast	Forecast	Forecast	Forecast	TOTAL	
Property Tax Increment Revenue	\$ 498,309	\$ 498,308	\$ 490,000	\$ 365,238	\$ 367,064	\$ 368,900	\$ 370,744	\$ 372,598	\$ 1,844,543	Assumes 0.5% annual growth
Property tax increment - Prior Year Appeals	(7,500)	-	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(37,500)	Reserve for prior year appeals
Interest on investments	8,839	(1,094)	8,839	9,472	5,894	4,480	4,627	7,164	31,637	Interest rates ranging from 0.75% to 1.5%
TOTAL ANNUAL REVENUES	\$ 499,648	\$ 497,214	\$ 491,339	\$ 367,210	\$ 365,459	\$ 365,879	\$ 367,871	\$ 372,262	\$ 1,838,681	
TABLE 2 - ONGOING AND COMMITTED EXPENDITURES	FY2016			FY2017	FY2018	FY2019	FY2020	FY2021	FY2017-21	
	Budget	Actual ¹	Estimated	Request	Forecast	Forecast	Forecast	Forecast	TOTAL	
Staff Support	\$ 60,000	\$ 25,632	\$ 55,000	\$ 60,000	\$ 61,800	\$ 63,654	\$ 65,564	\$ 67,531	\$ 318,548	Work performed by DGRI and City staff
Contractual Services - Annual Audit	5,600	5,600	5,600	5,600	5,750	5,923	6,100	6,283	29,656	FY2017 & FY2018 per contract. Otherwise staff ests
Contractual Services - Legal	5,000	2,217	5,000	5,000	5,000	5,000	5,000	5,000	25,000	Staff estimate
General Fund Departments Services	8,901	6,678	8,901	20,666	21,286	21,925	22,582	23,260	109,719	Per City Budget Instructions, Exhibit G
Insurance - General Liability	1,234	925	1,234	1,635	1,792	2,013	2,178	2,178	9,796	Per City Budget Instructions, Exhibit E
KCDC Floodwall Bonds Debt Service - Interest	15,339	8,599	15,339	11,249	6,689	3,677	2,240	744	24,599	Series 2008 - final debt service pmt due 11/01/2020
KCDC Floodwall Bonds Debt Service - Principal	106,200	106,200	106,200	111,600	116,400	34,200	35,400	37,200	334,800	Series 2008 - final debt service pmt due 11/01/2020
Share of DGRI Administration	5,000	3,929	6,000	6,100	6,200	6,300	6,400	6,500	31,500	Share of 29 Pearl NW, operations
Supplies	200	-	200	200	200	200	200	200	1,000	Supplies purchased solely for Authority work
TOTAL 2 EXPENDITURES	\$ 207,474	\$ 159,780	\$ 203,474	\$ 222,050	\$ 225,117	\$ 142,892	\$ 145,664	\$ 148,896	\$ 884,618	
TABLE 3 - DEVELOPMENT AND INFRASTRUCTURE PROJECT EXPENDITURES	FY2016			FY2017	FY2018	FY2019	FY2020	FY2021	FY2017-21	
	Budget	Actual ¹	Estimated	Request	Forecast	Forecast	Forecast	Forecast	TOTAL	
DEVELOPMENT SUPPORT PROJECTS										
Building Reuse Incentive Program	40,000	-	-	40,000	40,000	40,000	40,000	40,000	200,000	Historic preserv, ADA compliance, & façade improv
Development support - Miscellaneous	20,000	-	-	20,000	20,000	20,000	20,000	20,000	100,000	Projects to be determined
TOTAL DEVELOPMENT PROJECTS	60,000	-	-	60,000	60,000	60,000	60,000	60,000	300,000	
INFRASTRUCTURE PROJECTS										
Investment										
Accessibility and Streetscape Improvement	5,000	-	-	25,000	250,000	50,000	50,000	50,000	425,000	Pedestrian priority street design & construction
Bond Avenue Reconstruction	200,000	-	-	-	-	-	-	-	-	Share of streetscape improvements
Canal Street Park Riverwalk Extension	150,000	18,788	100,000	100,000	-	-	-	-	100,000	Scheduled to be built in FY2016 and FY2017
GR Forward Planning Process & Implementation	80,000	21,733	21,733	2,500	2,500	2,500	2,500	2,500	12,500	Share of creation & implem of GR Foward
Grand River Restoration	-	-	-	25,000	-	-	-	-	25,000	Parital support for river restoration
Infrastructure Improvements - Miscellaneous	20,000	-	-	10,000	-	-	-	-	10,000	Tree plantings
Mason Street Reconstruction	20,000	-	90,000	-	-	-	-	-	-	Burying of utility lines
Monroe/Ottawa/Coldbrook Reconstruction	10,000	-	-	-	-	-	-	-	-	Construct a roundabout at intersection
Newberry Street Reconstruction	50,000	-	-	-	200,000	-	-	-	200,000	Share of streetscape improvements
Ottawa Avenue Reconstruction Phase I	100,000	-	-	-	200,000	-	-	-	200,000	Ottawa Ave from Fairbanks to Monroe
Sub-Total Investment	635,000	40,521	211,733	162,500	652,500	52,500	52,500	52,500	972,500	
Livability										
Asset and Riverwalk Maintenance	10,000	-	10,000	10,000	10,000	10,000	10,000	10,000	50,000	General maintenance / repair of assets
Bicycle Infrastructure Improvements	10,000	-	-	5,000	25,000	2,500	-	-	32,500	Pilot protected lane, possible Ionia cycle track
Downtown Census	10,000	-	2,500	-	5,000	-	5,000	-	10,000	Planning and community engagement effort
Transit Improvements in Monroe North District	80,000	(5,416)	80,000	130,000	80,000	80,000	80,000	80,000	450,000	New DASH stops, North Monroe mobility shuttle svc
Urban Recreation Improvements	10,000	-	-	10,000	-	-	-	-	10,000	Site planning - trailhead, skate park, etc.
Sub-Total Livability	120,000	(5,416)	92,500	155,000	120,000	92,500	95,000	90,000	552,500	
Vibrancy										
New Electrical Service - Monroe Avenue	50,000	-	50,000	-	-	-	-	-	-	New electric service within public right-of-way
Public Realm Improvements	10,000	-	-	25,000	-	-	-	-	25,000	Potential event / mobile vending infrastructure
Street Lighting Banner Brackets	5,000	-	5,000	10,000	-	5,000	-	5,000	20,000	Installation of banner fixtures in district
Sub-Total Vibrancy	65,000	-	55,000	35,000	-	5,000	-	5,000	45,000	
TOTAL INFRASTRUCTURE PROJECTS	\$ 820,000	\$ 35,105	\$ 359,233	\$ 352,500	\$ 772,500	\$ 150,000	\$ 147,500	\$ 147,500	\$ 1,570,000	
TOTAL 3 EXPENDITURES	880,000	35,105	359,233	412,500	832,500	210,000	207,500	207,500	1,870,000	
TOTAL ANNUAL EXPENDITURES	\$ 1,087,474	\$ 194,885	\$ 562,707	\$ 634,550	\$ 1,057,617	\$ 352,892	\$ 353,164	\$ 356,396	\$ 2,754,618	
ANNUAL FUND BALANCE SUMMARY										
Beginning Fund Balance	\$ 1,293,880	\$ 1,293,880	\$ 1,293,880	\$ 1,222,512	\$ 955,172	\$ 263,014	\$ 276,002	\$ 290,709	\$ 1,222,512	
Plus: Annual Revenues	499,648	497,214	491,339	367,210	365,459	365,879	367,871	372,262	1,838,681	
Less: Annual Expenditures	(1,087,474)	(194,885)	(562,707)	(634,550)	(1,057,617)	(352,892)	(353,164)	(356,396)	(2,754,618)	
Ending Fund Balance	\$ 706,054	\$ 1,596,209	\$ 1,222,512	\$ 955,172	\$ 263,014	\$ 276,002	\$ 290,709	\$ 306,575	\$ 306,575	

Note 1: Transactions through March 31, 2016

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MEMORANDUM

MONROE
NORTH
TIFA



TIFA

DATE: August 5, 2016
TO: Monroe North TIFA
FROM: Tim Kelly, AICP
Planning Manager



Agenda Item #06
August 10, 2016
MNTIFA Meeting

SUBJECT: Garage Bar Parklet

In July 2013, Downtown Grand Rapids Inc. (DGRI) created the Downtown Parklet Program (Program) to expand opportunities for improvements to public spaces Downtown. The Program, which can pay up to 50 percent of costs associated with the design, construction and installation of a parklet, was created collaboratively with the City of Grand Rapids as well as volunteers from the DGRI Alliance for Investment. Since creation of the Program, five parklets have been installed Downtown.

The Garage Bar, located at 819 Ottawa Avenue, NW is seeking to take advantage of the Program for their newly installed parklet. The parklet, which provides 10 additional outdoor seats, has provided an additional amenity for patrons, and serves as a further draw for visitors to the Monroe North district.

In an effort to further improve public spaces throughout Downtown, and in recognition of the benefits of the project to the community and surrounding neighborhood, staff recommends the Monroe North TIFA Board approve the request.

Recommendation: Approve Garage Bar's request for \$18,150 for costs associated with the installation of the parklet at 819 Ionia Ave.

