



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: FEBRUARY 26, 2018

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

February 13, 2018

CALL TO ORDER: Chairman Hassett called the meeting to order at 4:00 PM.

ROLL CALL:

Present:	Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
Absent:	Dolly, Waltenspiel
Also Present:	Samantha Seimer, Director of Authorities; Steve Cohen, Director of Community Development, Tim Juidici, OHM Advisors
Guests:	None.

LOCATION: City Hall Administrative Conference Room, 1827 N. Squirrel Road, Auburn Hills, Michigan 48326

PERSONS WISHING TO BE HEARD

None.

CORRESPONDENCE AND PRESENTATIONS

A. 2017 Tax Increment Finance Authority Annual Report

Ms. Seimer presented and reviewed the 2017 TIFA Annual Report. She noted one change that needed to be made, under the fund balance, \$773 million, should read \$73 million. She assured the board that the change would be made before being submitted to City Council.

Additionally, Ms. Seimer let the board know that Mr. King from DPW released the bid for Downtown Parking Structure maintenance on February 13, and expects numbers to be ready for the March TIFA Meeting.

Ms. Seimer also read the Board an email from Mr. Ted Peters from McAlpine Law Firm regarding the status of the TIFA vs. Haussmann/Mayotte litigation. The email stated that the Court of Appeals denied the appeal of the lower court's dismissal of our claim against Mayotte. The cause for the denial of appeal was because the appellate court relied upon the fact that Mr. Tanghe testified that TIFA's contract with Haussmann required the contractor to retain an architect to work directly for Haussmann and not TIFA. Additionally, the court ruled that it did not have to follow the case relied on for the proposition that a design professional always owes duty of third parties economically harmed by negligence, because the case was decided before 1990.

APPROVAL OF MINUTES

A. Regular Meeting Minutes – January 9, 2018

Moved by Mr. Goodhall to approve the Regular TIFA Minutes from January 9, 2018 as presented.

Supported by Mr. Molnar

Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton

No: none

Motion carried

FINANCIAL REPORT

A. Period ending January, 31 2018

Ms. Seimer presented the financial report for period ending January 31, 2018. She noted that minor changes have been made to the financial sheets to reflect more accurate general ledger account numbers and budget classifications. By the March meeting, Ms. Seimer plans to have together a breakdown of the 2018 budget plans so the Board can see what

each account classification comprises for the year. She explained that the budget has now rolled over into 2018 and reflects the changes made by the Board in September.

Winter tax collection will be settled by the end of February. The financial statements reflect all tax capture up to the end of January, averaging about 12% as to what is expected for the year. Minor expenditures have been utilized so far, but will increase as construction projects throughout the districts begin.

Mr. Molnar asked what was comprised in the \$400,000 budgeted in the Community Relations line item for TIF-B. Ms. Seimer stated that the much larger than previous years amount of \$400,000 is for a potential partnership with Baker College that Mr. Tanghe highlighted as a potential public, private partnership with the school and its available building for sale.

Chairman Hassett asked how much money is being made from Cutwater. Ms. Seimer stated that Ms. Schulz is best to answer that question. Ms. Seimer added that she would speak with Ms. Schulz and find out, she will also provide the board with the quarterly investment statements when available.

TIFA 85-A	\$ 27,811,901	Available Cash (TIF-A)	\$ 2,945,910
TIFA 85-B	\$ 18,381,153	Available Cash (TIF-B)	\$ 9,498,524
TIFA 86-D	<u>\$ 28,077,698</u>	Available Cash (TIF-D)	<u>\$ 2,241,206</u>
	\$ 74,270,752		\$ 14,685,639

**Moved by Mr. Molnar to approve the Financial Report of January 31, 2018 as submitted.
Supported by Ms. Thornton**

**Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
No: none**

Motion carried

OLD BUSINESS

None.

NEW BUSINESS

A. Review and Approval of Scope of Design Work for Downtown Pathway Project

Ms. Seimer presented a memo dated February 8, 2018 for the review and approval of the scope of design services for the Downtown Pathway Project. She reviewed that the TIFA Board wished to pursue an alleyway improvement between Astoria Park and Birmingham Ballroom. On January 25, city staff, Chairman Hassett and Vice Chairman Molnar participated in a Charrette planning process that focused on the development of TIFA's goals and objectives for the alleyway improvement.

Some of the ideas that were expressed at the meeting were displayed on the conference room screen.

OHM has provided the TIFA Board with a proposal for the design of two concepts for the alleyway improvements with a targeted construction budget of approximately \$150,000. The TIFA Board will review the concepts, provide input and select its preferred alternative to explore final designs. If approved, the concepts may be presented as early as the March TIFA Board meeting.

It is planned to complete site demolition, grading and lighting as part of the Auburn Road Construction project. Further cost estimates will be made available when the bid specs for the project are back.

Mr. Molnar added that the meeting was extremely productive. Some of the major ideas that came out of the meeting were to make the gateway inviting to downtown, but not to loiter. Therefore, the pathway should have no seating, no trees, and be well lit. The lighting should point downward to take careful consideration of the residents in Astoria Park. Chairman Hassett added that the buildings are offset in the rear, so the focus should remain along Auburn Road. He also asked if brick pavers from the roundabout reconstruction could be reused in the project. Mr. Juidici stated that the Auburn Road construction project plans for the reuse of the bricks already, but the same brick can be brought through the alleyway too.

The Board discussed different varieties for dumpster screening for Astoria Park as well as the businesses that have parking along Squirrel Court. Staff said that they would research cost estimates for dumpster screening options.

**Moved by Mr. Molnar to authorize payment for the Scope of Design Services to OHM Advisors for 2018 Pedestrian Alley Improvements in the not-to-exceed amount of \$21,500 paid from TIF A Account 251-735-817.000.
Supported by Ms. Thornton**

**Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
No: none**

Motion carried

B. Review and Approval of 2018 Business Recruitment Grant

Ms. Seimer presented a memo dated February 8, 2018 for the review and approval of the 2018 Business Recruitment Grant. She reminded the Board that at their budget meeting, more recruitment tools were requested to enhance downtown. The Board agreed to a business recruitment grant for a business expanding to a second location in downtown.

Ms. Seimer reviewed the grant application reminding the Board that they had the opportunity to review and comment on the document from January 11, through January 26. From there, the document was forwarded to the City Attorney, who reviewed the application and guidelines and found them satisfactory from a legal standpoint.

With approval from The Board, staff plans to market the program through social media, news media and direct mailers to over 100 established restaurants throughout the region.

Chairman Hassett recommended that the grant start at a lower amount than \$50,000. He suggested a two tier system beginning with \$10,000 that can be used to assist smaller start-up businesses. The Board agreed.

**Moved by Ms. Price to approve the attached Business Recruitment Grant with recommended changes and authorize Executive Director to begin accepting applications for the 2018 Fiscal Year.
Supported by Ms. Thornton.**

**Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
No: none**

Motion carried

BOARD MEMBER COMMENTS

The Board discussed making improvements to the buildings with rear entrances off of Squirrel Court. Ms. Thornton stated that downtown Petoskey has some great examples of renovated rear entrances. The consensus of the board was for staff to research preliminary costs to enhance the buildings. Chairman Hassett added that the easement agreement could be used as leverage for further assistance and improvements in the area.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, March 6, 2018 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room 1827 N. Squirrel Road, Auburn Hills, MI 48326.

ADJOURNMENT

There being no objections, the TIFA Board of Directors meeting adjourned at 5:08PM.

Respectfully submitted,
Steve Goodhall
Secretary of the Board

Samantha Seimer
Executive Director

