



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: MAY 7, 2018

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

April 10, 2018

CALL TO ORDER: Chairman Hassett called the meeting to order at 4:02 PM.

ROLL CALL:

Present:	Dolly, Goodhall, Hassett, Kneffel, Molnar, Roberts,
Absent:	Price, Thornton, Waltenspiel
Also Present:	Samantha Seimer, Director of Authorities; Steve Cohen, Director of Community Development, Tim Juidici, OHM Advisors; Stephanie Carroll, Manager of Business Development and Community Relations; Ashley Swazuk, OHM Advisors; Ashley Efaw, OHM Advisors
Guests:	Cathy Darling and Stacey Beane, You, Me, and Bubble Tea

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

PERSONS WISHING TO BE HEARD

None.

**Moved by Mr. Goodhall to hear agenda item 7a. You, Me, and Bubble Tea – TIFA Business Recruitment Grant Application to agenda item 3a.
Supported by Mr. Molnar.**

Yes: Dolly, Goodhall, Hassett, Kneffel, Molnar, Roberts
No: none

Motion carried

CORRESPONDENCE AND PRESENTATIONS

A. You, Me, and Bubble Tea – TIFA Business Recruitment Grant Application (*moved from agenda item 7a.*)

Ms. Seimer reviewed a memo dated April 5, 2018 and application for a TIFA Business Recruitment Grant from You, Me and Bubble Tea. Ms. Seimer stated that owners Cathy Darling and Stacey Beane opened their first location one year ago in Oxford, Michigan. Their successes have led to the opening of a franchised location in Davison and signed lease for the owner operated location in Auburn Hills at 3395 Auburn Road, Suite C, the former Sweets! location. Ms. Seimer reviewed that You, Me and Bubble Tea falls into the first tier of the Business Recruitment Grant, seeking between \$10,000 and \$30,000. The total cost for readying the site for operation is \$32,000 and the owners are aware that this is a dollar for dollar matching grant. Their request is for a not-to-exceed amount of \$16,000. Ms. Seimer reviewed that the conditions of the grant are met as well as the request accomplishes the goals of the Tax Increment Finance Authority and City Council by filling a vacancy in downtown and the owners demonstrate the importance of community placemaking, entrepreneurial investment and promotion of our downtown.

Ms. Seimer introduced Cathy Darling and Stacey Beane to give more details about their business and how the TIFA Business Recruitment Grant will assist their growth as well as the growth of downtown.

Ms. Darling and Ms. Beane added that as they approach their one year anniversary in Oxford the business is expanding to incorporate more than just beverages. Currently there are between 30-40 different bubble tea flavor options and the owners like to keep all of their items local. They focus on giving back and fundraising in the community. They discussed the opportunity that the Auburn Hills location may have for the business to expand into lunch. They are cognizant of what is around downtown already and do not want to compete with existing businesses, the owners believe that businesses should support one another. The Auburn Hills location was a logical area of expansion for You, Me and Bubble Tea as many of

the employees are Oakland University Students. Ms. Darling and Ms. Beane also talked about their allergy free menu. Their Bubble Bites are vegan, there are dye free options as well as allergy friendly options. Any allergy exceptions do not cost any more than their non-allergy friendly counterparts.

Mr. Kneffel added that he appreciates that the owners are cognizant of what others in the community are doing and are willing to work together.

Mr. Molnar asked about any PR opportunities from the city. Ms. Seimer added that the city will produce some PR items for You, Me and Bubble Tea such as a welcome billboard and social media posts. Ms. Beane added that You, Me and Bubble Tea has a very strong following on social media and they often also put out press releases

Moved by Mr. Molnar to approve TIFA Business Recruitment Grant in the not-to-exceed amount of \$16,000 to You, Me and Bubble Tea at site address 3395 Auburn Road Suite C, Auburn Hills, MI 48326 from TIF-A Account #251-735-967.100 and authorize Executive Director to execute all necessary documents and verify improvements for grant compliance.

Supported by Dr. Dolly.

Yes: Dolly, Goodhall, Hassett, Kneffel, Molnar, Roberts

No: none

Motion carried

B. City Billboard and Marketing Procedures – Ms. Stephanie Carroll, Manager of Business Development and Community Relations

Ms. Carroll gave the TIFA Board a brief presentation about the City's Billboard and marketing procedures. She reviewed that the community relations staff including herself, a media communication specialist as well as a graphic artist will be up to full staff on April 16. The City has been without a media communications specialist or graphic artist for nearly three months.

Chairman Hassett explained the vision of the billboard for the Dream Vacation Sweepstakes in three phases. The first phase has a map to show people where downtown is located, the second tells people to stay tuned and has pictures of potential vacation locations and the final phase give people the details of the sweepstakes.

The Board wondered when the first billboard could be posted. Ms. Carroll stated that the typical billboard procedure runs about three weeks out. The new graphic artist, Sarah, could begin designing items for TIFA immediately upon her arrival.

Mr. Cohen suggested having two TIFA Board members volunteer to join a brainstorming session with staff about the Billboards at a design meeting on Wednesday, April 18. Mr. Kneffel and Dr. Dolly volunteered to be on the design committee. Ms. Seimer stated that she would pass along the calendar notification.

C. Downtown Alleyway Designs – OHM Advisors

Ms. Ashely Efaw and Ms. Ashley Swazuk of OHM Advisors presented the TIFA Board with two alternative designs for the pedestrian alleyway between 3395 Auburn Road and 3363 Auburn Road.

Ms. Swazuk began the presentation with ah recap of the Charrette that OHM conducted with staff and a TIFA committee including goals, elements and conceptual items that were included in the overall design. Each design created bears in mind an anticipated budget of \$150,000. Design Option A includes a narrow arch at each entry with plantings, alternating decorative pavement, and sculptures with pendant lights aimed downward attached to a pole. The narrow archways act as bollards for the alleyway.

The second design includes more concentrated decorative pavement, accentuates the center, includes an overhead structure, wider entry and low bollard lighting.

Chairman Hassett mentioned that he was concerned with the maintenance and replacement of an overhead structure. Vice Chairman Molnar stated that he was concerned with the maintenance of Plants. Mr. Goodhall stated that option A may be difficult for wheelchairs to maneuver around the alternating sculptures. Mr. Molnar asked for further clarification about the decorative concrete. Ms. Efaw stated that decorative concrete is regular concrete with a buff wash over top that creates different look.

Overall the Board prefers option B. Vice Chairman Molnar asked about the planters, stating that the board does not want something tall that can attract loitering in the alley. Ms. Swazuk stated that the plantings will be flush with the pavement.

Chairman Hassett added that durability is a large factor when discussing outdoor items. The Board discussed options for the overhead structure in Option B and decided it would be best to add decorative lighting that shines down as to not disturb the residents in the apartments.

Next, Ms. Efav presented options for gateways to the alleyway. The Board preferred a large arch with scrolls and light elements. Chairman Hassett asked if there was a cap on the top of the lights to keep dirt away. Ms. Efav stated that a cap could be placed at the top of each light cylinder to keep the dirt out of the lights. Mr. Juidici stated that this may be one of the more expensive features. The Board discussed being able to have one large archway just at the front, instead of two, in order to draw people in. Ms. Roberts stated that if there was one towards to back, it would distract from the dumpster. Chairman Hassett discussed having a light pole at the back with something smaller to draw people in.

OHM Advisors stated that the next steps begin implementation. After easements are in place they will begin a design/build concept with the current contractor for the Auburn Road Rehabilitation Project.

D. Chargepoint Usage Q1 Update

Ms. Seimer presented the TIFA Board with a data sheet for the first quarter of 2018 electric vehicle charging station usage. She reviewed that overall usage has increased in the last three months. With the fees that are currently in place, the TIFA Board sees an average margin of 65% above the actual cost of electricity. Vice Chairman Molnar asked if it would be useful to do a press release, or blog about our findings. Ms. Seimer stated that this type of information may not be appropriate for a press release, but it may be publicized a different way. She added that it could make a good article, or perhaps used to publish our findings with an automotive publication.

APPROVAL OF MINUTES

A. Regular Meeting Minutes – March 6, 2018

There was no additional discussion about the meeting minutes.

**Moved by Mr. Goodhall to approve the Regular TIFA Minutes from March 6, 2018 as presented.
Supported by Mr., Molnar.**

**Yes: Dolly, Goodhall, Hassett, Kneffel, Molnar, Roberts
No: none**

Motion carried

FINANCIAL REPORT

A. Period ending March 31, 2018

Ms. Seimer presented the financial report for period ending March 31, 2018. She reviewed the investment accounts stating that district A has \$1.2 million invested between pooling, Cutwater and MiClass, District B has \$7.82 million invested with Cutwater and District D has \$1.28 million invested with cutwater.

TIF A has received 62% of its budgeted property tax revenue and utilized 18% of its expenditures. TIF B has received 65% of its budgeted property tax revenue and has only utilized 1% of its anticipated expenditures. Ms. Seimer explained that expenditure utilization will increase as water main replacement begins on Opdyke Road in the next several months. TIF D has no budgeted property tax revenue due to the loss of personal property tax. Over the last month 9% of budgeted expenditures have been utilized, majority of these expenditures have been for utilities and administrative charges.

There was no additional discussion about the financial report.

TIFA 85-A	\$ 27,076,978	Available Cash (TIF-A)	\$ 3,000,966
TIFA 85-B	\$ 18,601,325	Available Cash (TIF-B)	\$ 10,054,375
TIFA 86-D	<u>\$ 27,252,125</u>	Available Cash (TIF-D)	<u>\$ 2,213,362</u>
	\$ 72,869,234		\$ 15,268,704

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

Yes: Dolly, Goodhall, Hassett, Kneffel, Molnar, Roberts
No: none

Motion carried

OLD BUSINESS

A. Downtown Construction Sweepstakes

Ms. Seimer presented a memo dated April 5, 2018 for the Downtown Construction Sweepstakes. She reviewed that at the March 13, 2018 TIFA Board meeting it was decided to conduct a no-purchase-necessary Downtown Sweepstakes to encourage residents and visitors to come downtown during the height of construction. Since then staff collected quotes from three local marketing agencies. The lowest qualified bidder is an Auburn Hills based company, Exposure Marketing. Ms. Seimer stated that Exposure Marketing has a variety of experience with hosting sweepstakes for large organizations such as the NFL and many car dealerships. Staff recommended awarding the scope of work to Exposure Marketing and Promotions.

The Board also discussed items for the incremental prizes. Ms. Roberts asked when Top Golf is slated to open. Ms. Seimer stated that Top Golf's earliest opening date is early December. Ms. Roberts stated that perhaps one of the prizes to look into is an invitation to its grand opening. She also suggested The HUB and The Cellar Door cooking classes as prizes.

Mr. Molnar updated the board about the items he is working on. He has created a donation pledge form, an acknowledgement letter for tax purposes and gift certificates that can easily be edited for each business if they do not have one created already. Mr. Molnar stated that he could be the sole gatekeeper for all of the donated items. Chairman Hassett stated that staff should ask for duplicates so one item can be included in each basket. He added that people should be permitted to enter once per day and a cheat sheet should be created for each business with answers to any questions regarding the sweepstakes. He suggested that all donations be submitted before Memorial Day, by May 24. The Board named the sweepstakes "Dream Vacation Sweepstakes." Marketing materials for the sweepstakes include road banners, window clings, billboards, social media and signage downtown.

At this time, the board did not set a not-to-exceed amount for prizes.

Moved by Mr. Kneffel to award Scope of Work to Exposure Marketing and Promotions 1000 N. Opdyke Road Ste. J, Auburn Hills, Michigan 48326, in the amount of \$5,000 to be paid from TIFA Account #251-735-885.000 Supported by Ms. Roberts.

Yes: Dolly, Goodhall, Hassett, Kneffel, Molnar, Roberts
No: none

Motion carried

NEW BUSINESS

A. Primary Street Parking Structure Temporary Sign

Ms. Seimer presented an informational memo dated April 5, 2018 for the Primary Street Parking Structure. She noted that the Board has requested more visible signage, especially for the parking structure during construction. She presented the board with a rendering of a 4 foot by 12 foot outdoor banner to be placed temporarily, during construction on the west 4th floor of the Primary Street parking garage. The banner will be in place approximately May 1 – October 31. Ms. Seimer added that the Board may consider a more permanent sign for the future. She added that if properties to the west continue to develop, the permanent sign runs the risk of losing visibility from S. Squirrel. Ms. Seimer stated that she would research the cost for 2019 budget consideration.

No motion required

BOARD MEMBER COMMENTS

None.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, May 8, 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 6:23PM.

Respectfully submitted,

Steve Goodhall
Secretary of the Board

Samantha Seimer
Executive Director