



BOARD OF DIRECTORS MEETING

January 9, 2018

Auburn Hills City Hall, Administrative Conference Room • 1827 N. Squirrel Road, Auburn Hills, MI 48326
Minutes of the TIFA Board Meeting will be on file in the City Clerk's Office • 248-370-9402

MEETING CALLED TO ORDER

- 1) ROLL CALL
- 2) PERSONS WISHING TO BE HEARD
- 3) CORRESPONDENCE & PRESENTATIONS
- 4) APPROVAL OF MINUTES
 - a) Special Meeting – December 6, 2017
- 5) FINANCIAL REPORT
 - a) Period Ending December 31, 2017
- 6) OLD BUSINESS
 - a) Final 2017 Budget Amendments
- 7) NEW BUSINESS
 - a) 2018 Election of Officers
 - b) Adoption of 2018 Board Meeting Schedule
- 8) BOARD MEMBER COMMENTS
- 9) DIRECTOR UPDATES
- 10) ADJOURNMENT



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: JANUARY 22, 2017

AGENDA ITEM NO.

"Not Yet Approved"
**CITY OF AUBURN HILLS
TAX INCREMENT FINANCE AUTHORITY MEETING**

December 6, 2017

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

ROLL CALL:

Present:	Hassett, Kneffel, Molnar, Thornton, Waltenspiel
Absent:	Dolly, Goodhall, Roberts, Price
Also Present:	Executive Director, Samantha Seimer; City Manager, Thomas Tanghe; Community Development Director, Steve Cohen
Guests:	None.

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

NEW BUSINESS

A. Purchase of Property: 27 S. Squirrel

Mr. Tanghe presented a memo dated December 5, 2017 for the Acquisition of 27 South Squirrel Road. He reviewed that in 2005, the Tax Increment Finance Authority entered into an agreement to purchase a portion of the land that one made up the Auburn Lanes bowling alley Property. That land is now the location of the municipal surface parking lot off of Primary Street. The remaining portion of the parcel along South Squirrel was retained by Retail Investments, LLC. Retail Investments has made several attempts to sell and/or develop the property but have yet to succeed.

The City of Auburn Hills is currently working on a proposed development to the north of this parcel at the southeast corner of Auburn Road and South Squirrel. This development is expected to be presented to Planning Commission in February. There may be some ingress/egress, and utility easement issues with the site. By owning the property at 27 S. Squirrel, these issues will be eliminated. Staff believes the TIFA Board would better position to market the property for redevelopment. Mr. Tanghe mentioned that the potential development to the north has plans to design a building for the site, taking the doubt out of site plan approval with a concept already in place for the development community. This creates a level of confidence with the developer that their product will be approved.

Mr. Tanghe informed the Board that through a series of offers and counter-offers, a price of \$275,000 was settled on between the two parties. The site is about a quarter of an acre, and a building on this site could have a footprint of approximately 8,000 SF, at 4 stories a potential development of 32,000 SF is possible on this site. Mr. Tanghe concluded by stating that having control of this property will be key to the future growth of Downtown.

Chairman Hassett informed the Board that if TIFA does not retain control of the property at 27 South Squirrel, the development of the southeast corner of Auburn Road and Squirrel may not happen because of the current easement issues. Vice Chairman Molnar stated that this density and higher building is a good signal to downtown and the merchants that the City is looking to the future with higher buildings. He added that City Council is on board with higher density too. Mr. Tanghe affirmed that this purchase is in line with the goals for downtown.

The Board agreed that the purchase of 27 South Squirrel is a strategic purpose to guide the growth of downtown.

**Moved by Ms. Thornton to authorize the Executive Director to enter into a purchase agreement with Retail Strategies, LLC, for the property located at 27 South Squirrel Road, in the amount of \$275,000. Furthermore, authorize the Executive Director to sign all documents related to the purchase up to and including those required to close the transaction.
Supported by Mr. Kneffel.**

Yes: Hassett, Molnar, Waltenspiel, Kneffel, Thornton
No: none

Motion Carried (5-0)

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, January 9, 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 4:32PM.

Respectfully submitted,

Steve Goodhall
Secretary of the Board

Samantha Seimer
Executive Director



TO: Chairman Hassett and Members of the TIFA Board of Directors

FROM: Samantha Seimer, Director of Authorities

DATE: January 3, 2018

SUBJECT: Financial Report for period ending December 31, 2017

Attached for your review are the TIFA Funds financial statements for the period ending December 31, 2017.

TIFA STATEMENT OF NET POSITION

- All districts have a majority of their cash invested in the following accounts:
 - o 1.2 million TIF-A
 - \$410,246 - Investment Pooling
 - \$301,100 - Cutwater
 - \$503,076 - MiClass
 - o 7.83 million TIF-B - Cutwater
 - o 1.29 million TIF-D - Cutwater
- All of the budget amendments approved by TIFA in September are now included in the financial reports – you will notice larger percentages reflected in the total budget utilization due to these amendments

TIFA 85-A STATEMENT OF REVENUES AND EXPENDITURES

- 105% of budgeted property tax revenue for TIF-A in 2017 has been received and overall, 124% of total budgeted revenue has been collected for 2017
- 82% of budgeted expenditures have been utilized to date a 27% increase in the last month.
- Largest increase in expenditures for the month of September occurred in Decorations/Landscape and General Maintenance and Community Relations for the Tree Lighting Ceremony, a horticultural services contract payment and increased expenditures in Downtown due to unplanned maintenance on the Downtown entrance sign that was damaged due to a car accident.

TIFA 85-B STATEMENT OF REVENUES AND EXPENDITURES

- 103% of budgeted property tax revenue for TIF-B in 2017 has been received and overall, 112% of total budgeted revenue has been collected for 2017
- TIF B expenditures for 2017 is 67% after budget adjustments, majority of this is for administrative and interfund services, utilities and maintenance.

TIFA 86-D STATEMENT OF REVENUES AND EXPENDITURES

- 57% of budgeted revenues have been received in TIF-D a 55.5% increase over the last financial report due to the reimbursement from the Local Community Stabilization Share Appropriation. This
- 91% of budgeted expenditures have been utilized for utilities and admin interfund charges and the Curbco maintenance contract portion dedicated to TIF-D. This is a 32% increase from the previous financial statements.

Local Community Stabilization Share Appropriation

As anticipated, the TIFA Districts and received reimbursements from the State of Michigan for personal property tax loss in November. However, the checks did not identify which district the amount belonged, so we had to wait for clarification from the state before depositing the check. The original calculations on the reports submitted to the state anticipated that the only TIF district to receive reimbursement would be district D. After the state made their adjustments, the reimbursements for each district were significantly higher than anticipated. Below is a table showing each reimbursement by TIF and School District.

TIFA Name	TIFA Identifier	School District	2017 PPT Reimbursement
Auburn Hills City TIFA A	02-T1-AVON-1984	Avondale School District	\$8,320.21
Auburn Hills City TIFA B	02-T1-PONT-1984	Pontiac School District	\$146,511.13
Auburn Hills City TIFA A	02-T2-PONT-1984	Pontiac School District	\$173,821.56
Auburn Hills City TIFA D	02-T3-PONT-1986	Pontiac School District	\$601,122.29

ADDITIONAL NOTES

The financial statements will be presented for approval at the Board meeting on Tuesday, January 9, 2017. You are welcome to contact myself of Michelle Schulz prior to the meeting to discuss particular budget line items, budget capital items or any of the documents mentioned in this memo.

An appropriate motion is:

Move to receive and file the TIFA Financial Report for period ending December 31, 2017.

1.3.2018

**City of Auburn Hills
TIFA Statement of Net Position
For the Period Ending December 31 2017**

<u>ASSETS</u>	<u>TIFA 85-A</u>	<u>TIFA 85-B</u>	<u>TIFA 86-D</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 2,906,697	\$ 9,374,927	\$ 2,253,365	\$ 14,534,989
Accounts Receivable				0
Land	5,839,465		2,017,211	7,856,676
Land Improvements (Net)	1,631,255	852,196	2,199,550	4,683,000
Buildings & Building Additions (Net)	5,811,388		13,816,276	19,627,665
Office Equipment & Furnishings (Net)	69,944		1	69,944
Construction in Progress	229,082	(0)	268,350	497,431
Roads & Infrastructure (Net of Depreciation)	11,267,578	8,030,434	7,535,105	26,833,116
Total Assets	\$ 27,755,407	\$ 18,257,556	\$ 28,089,857	\$ 74,102,821
 <u>LIABILITIES</u>				
Retainage Payable	2,080	10,000	-	12,080
Due to Taxpayers/Accounts Payable	5,448	16,243	-	21,691
Total Liabilities	7,528	26,243	-	33,771
 <u>NET POSITION</u>				
Beginning Net Position 1/1/2016	27,706,848	16,812,087	27,899,053	72,417,988
Excess of Revenues over Expenditures as of December 31, 2017	494,909	640,238	293,717	1,428,864
Net investment in capital assets	24,848,711	8,882,629	25,836,492	59,567,832
Unrestricted	2,899,168	9,348,684	2,253,365	14,501,217
Total Net Position	27,747,879	18,231,314	28,089,857	74,069,050
Total Liabilities and Total Net Position	\$ 27,755,407	\$ 18,257,556	\$ 28,089,857	\$ 74,102,821

City of Auburn Hills
Statement of Revenues, Expenditures, and Changes in Net Position-TIFA 85-A
For the Period Ending December 31, 2017

Fund 251-735		Amended	Year-	Fav / (Unfav)
		Annual	To-Date	Budget
REVENUES		Budget	Actual	Budget
402.000	Property Taxes	\$ 825,009	\$ 870,344	\$ 45,335
666.000	Interest Revenue	8,749	10,299	1,550
670.001	Building Rental	60,520	49,690	(10,830)
573.000	Local Community Stabalization Fund		182,142	
677.000	Reimbursed Expenses/Misc	7,900	7,900	-
Total Revenues		902,178	1,120,375	36,055
EXPENDITURES				
703.000	Wages & Benefits - Temporary & Part-Time	61,582	50,687	10,895
757.000	Supplies	9,350	4,236	5,114
800.199	Landscape/General Maintenance	165,000	185,656	(20,656)
931.000	Bldg Maintenance	61,256	63,251	(1,995)
935.000	Road, Parking Lot, Sidewalk Maintenance	2,500		2,500
801.000	Contractual Services	8,000	7,252	748
967.100	Site Improvement Projects	30,000		
Other Expenses				
810.000	Investment Fees	461	380	81
885.000	Community Relations	34,000	11,184	22,816
901.000	Marketing	5,500	1,623	3,877
957.000	Miscellaneous	100	38	62
920.000	Utilities	134,449	129,609	4,840
957.002	Liability Insurance	6,801	6,801	0
958.000	Membership Dues	280	280	0
959.000	Property Taxes	3,500	3,173	327
999.004-7	Admin/Interfund Charges	112,668	112,641	27
Capital Expenditures				
970.000	Land and Improvements	122,700	48,655	74,045
988.083	Traffic Signal			0
Total Expenditures		758,147	625,466	102,681
Excess of Revenues over Expenditures				
as of December 31, 2017		144,031	267,937	
Beginning Total Net Position (1/1/2016)		27,706,848	27,706,848	\$ 138,736
Ending Total Net Position		\$ 27,850,879	\$ 28,201,757	

City of Auburn Hills
Statement of Revenues, Expenditures, and Changes in Net Position-TIFA 85-B
For the Period Ending December 31, 2017

Fund 252-736		Amended	Year-	Fav / (Unfav)
		Annual	To-Date	Budget
<u>REVENUES</u>		Budget	Actual	
402.000	Property Taxes	\$ 1,090,238	\$ 1,124,144	\$ 33,906
573.000	Local Community Stabalization Fund		146,511	
664.000	Interest Revenue	98,179	60,627	(37,552)
	Total Revenue	1,188,417	1,331,282	(3,646)
<u>EXPENDITURES</u>				
800.199	Landscape/General Maintenance	142,000	64,353	77,647
935.000	Road Maintenance	540,000	445,636	94,364
967.100	Site Improvement Projects	100,000	25,800	74,200
<u>Other Expenses</u>				
810.000	Investment Fees	8,110	7,188	922
885.000	Community Relations	1,000		1,000
901.000	Marketing	1,000		1,000
957.000	Miscellaneous	2,305	2,275	30
922.000	Utilities	15,828	14,585	1,243
999.004-7	Admin/Interfund Charges	82,899	82,899	0
<u>Capital Expenditures</u>				
971.000	W&S-Sewer Repair and Replacement	142,000	50,604	91,396
970.000	Land and Improvements		(2,295)	
	Total Expenditures	1,035,142	691,045	341,803
Excess of Revenues over Expenditures				
as of December 31, 2017		153,275	640,238	\$ 338,157
Beginning Total Net Position (1/1/2016)		16,812,087	16,812,087	
Ending Total Net Position		\$ 16,965,362	\$ 17,452,325	

City of Auburn Hills
Statement of Revenues, Expenditures, and Changes in Net Position-TIFA 86-D
For the Period Ending December 31, 2017

Fund 253-737

	Amended Annual Budget	Year- To-Date <u>Actual</u>	Fav / (Unfav) <u>Budget</u>
<u>REVENUES</u>			
402.000 Ad Valorem	\$ 1,639	\$ 1,799	\$ 160
573.000 Local Community Stabilization Share App	425,595	601,122	175,527
664.000 Interest Revenue	16,125	9,958	(6,167)
675.000 Contributions/Donations-Pontiac Rd	625,000		(625,000)
Total Revenue	<u>1,068,359</u>	<u>612,880</u>	<u>(455,640)</u>
<u>EXPENDITURES</u>			
703.000 Wages Temporary & Part-Time	21,559	18,532	3,027
800.199 Landscape and General Maintenance	120,000	90,515	29,485
931.000 Building Maintenance		# 9,930	(9,930)
935.000 Road Maintenance	15,000	9,434	5,566
<u>Other Expenses</u>			
810.000 Investment Fees	1,332	1,225	107
885.000 Community Relations	2,500		
957.000 Miscellaneous	100	38	62
920-929 Utilities	103,852	# 113,594	(9,742)
957.002 Liability Insurance	-	587	(587)
999.004-7 Admin/Interfund Charges	42,470	42,470	(0)
<u>Capital Expenditures</u>			
970.000 Land and Improvements	42,025	32,836	9,189
973.000 Road & Traffic Improvements			-
Total Expenditures	<u>348,838</u>	<u>319,162</u>	<u>27,176</u>
Excess of Revenues over Expenditures as of December 31, 2017	719,521	293,717	<u>\$ (428,464)</u>
Beginning Total Net Position (1/1/2016)	<u>27,899,053</u>	<u>27,899,053</u>	
Ending Total Net Position	\$ 28,618,574	\$ 28,192,770	



TO: Chairman Hassett and Members of the TIFA Board of Directors
FROM: Samantha Seimer, Director of Authorities, TIFA Executive Director
DATE: January 3, 2017
SUBJECT: Review and approval of final 2017 Budget Amendments

As you will recall, in August 2017, the Tax Increment Finance Authority reviewed and made amendments to the 2017 budget. The budget is a continuously moving target. At the time of amendments, staff works to make their best educated guess as to what may be spent in each fund throughout the remainder of the year.

Below are four expenditure funds that require an amendment to balance at the end of FY 2017. The decorations, landscape and general maintenance fund is higher due to accidents in the Downtown which required the planters and downtown entrance sign to be fixed. The utilities including telephone and water consumption are simply slight errors in our estimation on billing at the time of budget amendments in June. The higher than anticipated cost in building maintenance is due to the Proxy Card project as well as some routine however, unplanned maintenance at the University Center, The DEN and Chamber.

Dept 735 - TIF A		Budgeted	Utilized	Percentage
Expenditure Review				
251-735-800.199	DECORATIONS/LANDSCAPE/GEN MAINT	165,000	169,991	1.03
251-735-920.000-PARKINGSTRUC	TELEPHONE	1,587	1,811	1.14
251-735-927.000-CHAMBEROFCOM	WATER CONSUMPTION	1,000	1,132	1.13
251-735-931.000	BLDG. MAINTENANCE	2,556	3,248	1.27
251-735-931.000-CHAMBEROFCOM	BLDG. MAINTENANCE	5,000	4,819	0.96
251-735-931.000-EDUCATIONCTR	BLDG. MAINTENANCE	26,500	23,200	0.88
251-735-931.000-LOGCABINTIFA	BLDG. MAINTENANCE	21,500	27,279	1.27
251-735-931.000-PARKINGSTRUC	BLDG. MAINTENANCE	5,000	1,147	0.23
TOTAL EXPENDITURE TO REVIEW		228,143	232,627	1.02

Staff recommendation:

It is the recommendation of staff that the TIFA Board of Directors amend the final 2017 budget to include \$13,157 in expenditures for work completed in fiscal year 2017. Below is a breakdown of the increases:

		Amount of Increase	Total Budget
251-735-800.199	DECORATIONS/LANDSCAPE/GEN MAINT	12,000	177,000
251-735-920.000-PARKINGSTRUC	TELEPHONE	413	2000
251-735-927.000-CHAMBEROFCOM	WATER CONSUMPTION	300	1300
251-735-931.000	BLDG. MAINTENANCE	444	61000
	TOTAL	13,157	241,300

An appropriate motion is:

Move to approve the final 2017 budget amendments for the Auburn Hills Tax Increment Finance Authority as of 12/31/2017.



TO: Chairman Hassett and Members of the TIFA Board of Directors
FROM: Samantha Seimer, Director of Authorities, TIFA Executive Director
DATE: January 3, 2018
SUBJECT: 2018 Election of Officers

No additional written material provided.

At this time, the floor will be opened up for the nomination of Chairperson, Vice Chairperson and Secretary for 2018.



TO: Chairman Hassett and Members of the TIFA Board of Directors

FROM: Samantha Seimer, Director of Authorities, TIFA Executive Director

DATE: January 3, 2017

SUBJECT: Motion - Adoption of 2018 Board Meeting Schedule

In preparation for the publication of the 2017 Auburn Hills' calendar, the following dates and time for the 2017 Auburn Hills Tax Increment Finance Authority Board of Directors meetings is proposed. Each meeting will take place at 4:00 PM the second Tuesday of each month in the City Hall Administrative Conference Room. The date, time and location may be modified from time to time to accommodate the needs of the Board and our constituents. Per guiding legislation, if there is a change to the meeting, the City Clerk must post the change 18 hours prior to the meeting.

The proposed schedule for 2018 is as follows:

- January 9
- February 13
- March 13
- April 10
- May 8
- June 12
- July 10
- August 14
- September 11
- October 9
- November 13
- December 11

An appropriate motion is:

Move to approve the 2018 Auburn Hills Tax Increment Finance Authority Board of Directors meeting schedule as the Second Tuesday of each month at 4:00PM in the City Hall Administrative Conference Room.

2018

January						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

March						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

October						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

November						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

December						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

January
01: New Year's Day
15: M L King Day
February
19: Presidents' Day
March
17: St. Patrick's Day
30: Good Friday
April
01: Easter Sunday
May
13: Mother's Day
28: Memorial Day
June
17: Father's Day
July
04: Independence Day
August
07: Library Primary if Needed
September
03: Labor Day
October
08: Columbus Day
31: Halloween
November
06: City Council Election
11: Veterans Day
22: Thanksgiving Day
December
10: Two City Council Meeting
24: Christmas Eve
25: Christmas Day
31: New Year's Eve

Yellow = City Offices Closed Red = City Council Meetings Pink = TIFA Meeting