

Good Morning and Happy New Year everyone!

I'd like to thank the Chamber of Commerce and its Executive Director, Denise Asker, along with the Chamber Board of Directors, for allowing me the opportunity to share with all of you, our accomplishments during 2014 and also talk a little about the coming year. I want to recognize Denise and her staff once again for their Michigan Outstanding Chamber of 2014 Award. As members, we all know that this recognition is well-deserved.

Let me also thank the Palace of Auburn Hills and its staff for helping to make this event possible.

Well, we did it. Last year I said that I didn't know how we were going to top 2013, but we did it. 2014 was definitely a **banner** year!

It is such an exciting time to be in Auburn Hills and it is a great honor to serve as Mayor of a city that I care so deeply about. Auburn Hills is a city that has seen great economic development over the past few years, and we are positioned to continue to grow, not only in the commercial sector, but also in the areas of residential and educational space. I look forward to working with

my fellow council members, city staff, residents and members of our business community, to continue making Auburn Hills a thriving city.

Now is a perfect time to recognize some of my colleagues on City Council, as many of them are here today. I would ask them to join me at the podium as I introduce them. I think it would be nice for everyone to be able to associate a name with a face, so council if you would please come up as I call your name.

**Mayor Pro-Tem Bob Kittle** could not be here today. He is actually on the west side of the state working with some school districts. Bob is a former VP in the automotive industry and currently is the President of Auburn Hills' local business Munetrix, which works with government entities and schools helping to provide financial transparency to the community. Bob was appointed to Council in Feb. of 2002, after the late Marge Cooper passed and enters his **13<sup>th</sup>** year on Council. Now that I think about it, I believe Bob's appointment also occurred on Former Mayor Edwards watch, so Tom, again you can thank Mari for your misfortune.

**Council Member Henry Knight**, who served on Planning Commission 22 years before starting, get this, his **20<sup>th</sup>** year on City Council. That's right Henry has devoted nearly **42 years** of community leadership and has earned the nickname of Veteran Council Member Knight. Henry is also retired from GM Truck and Coach where he was an Engineer and Product Planning Manager. Henry is also an Army Veteran, having served in the Korean War. He and his wife Clair stay continually active in the Boys and Girls Club and many (too many to list), other initiatives throughout the community.

**Council Member Maureen Hammond**, served 2 years on the Beautification Advisory Commission and enters her 10<sup>th</sup> year on City Council. Ms. Hammond also has professional experience as a restaurant General Manager and has been serving meals on wheels in our community for over 13 years.

**Council Member Cheryl Verbeke**, served on our City's Planning Commission for **13 years**, and our Tax Abatement Review Committee for a year. Cheryl enters her 4<sup>th</sup> year on City Council and has been actively involved on the Board of the AH Boys and Girls Club for **14 years**. Cheryl and her husband

**Phil**, are also proud parents of 4 children, while also fostering children in need.

**Council Member VeRonica Mitchell**, enters her **2nd** year on Council after serving on our Environmental Review Board for **2 years**, was the Auburn Hills representative on the Oakland County Women's Advisory Board for a year, Planning Commissioner for **5 years**, and Library Board Trustee for **3 years**; most recently serving as President of that board. Here's a tidbit I recently learned, VeRonica actually worked for the City **years ago** for a **6 month** period as an After School Activity Leader. Professionally, she brings experience as **an** Automotive Engineer for GM.

**Council Member and Retired Fire Chief John Burmeister**, served our City for **30 years** with the Fire Department, **8** of those starting as a paid on call fire-fighter. John was actively involved in our Auburn Hills Helping Hands program and served **10 years** with the Michigan National Guard during the Persian Gulf War. John enters his **2nd** year on council and is a small business owner in the City. John also continues to offer his years of fire service experience, by working **part-time** for the Rochester Fire Department.

Council, thank you to all of you! (Dismiss them back to their seats). Ladies and gentlemen, you are looking at over **130 years** of public service. And I'll steal a quote from one of my fellow council member's, Ms. Mitchell, who I think honestly summed it up best. ***"Life is a team sport, and we will not win if we do not learn to work together, value everyone's talents and recognize we are all unique, because it is the differences that allow us to best complement each other."*** Clearly everyone can see that this Council is exactly that, full of talent with unique broad experiences, with one goal, to do the best for the community. It is these reasons that I have enjoyed working with all of you this past year, and it's incredible what we have accomplished together.

My personal thanks to each of you not only for your commitment and service to Auburn Hills, but the support you give me as your Mayor.

We have what I believe are the best people at the top of their professions in key positions at the City. I would also like to recognize our **City Manager Tom Tanghe**. Tom was appointed by a unanimous vote last **September** to

the role of City Manager, **from his previous role of Assistant City Manager.**

Tom has a proven record of leadership and accomplishment in Auburn Hills.

For nearly 14 years, Tom has worked hard for the residents, the business community and city employees, and **we** believe he is the right person for the job. My colleagues on City Council and I have the utmost confidence in Tom and we know he will continue to lead Auburn Hills in a positive direction, in his role as City Manager.

I know I say this often, but it's true. We have an exceptional and dedicated team here at Auburn Hills and I want to take a moment to also thank all of our staff. They provide excellent customer service—they go above and beyond. They have a can-do attitude—they deliver municipal services in a way that meets, and often times exceeds people's expectations.

We have such a great staff, and that applies at all levels of the organization.

You see, staff members at every level have a great deal of interaction with the public, and in essence, **they** are all the face of our city.

It never gets old **to experience** the pride I feel when I get a phone call, email, or hand written note, mentioning how one of our Staff Members went above

and beyond, to provide exceptional service. This is just simply the norm for our Auburn Hills employees; it's who they are, each and every one of them have so much pride in the community they serve, **Exceeding** expectations just comes natural. They always strive to do well and represent the citizens of Auburn Hills with distinction.

So to all of our Staff, on behalf of your City Council, we thank you. You all make us **so** proud and your efforts are very much appreciated.

I think it is also important to recognize that Auburn Hills is very fortunate to have so many great corporate partners, many of which are right here in this room. We thank you for your dedication to the community. From volunteering for our **Meals on Wheels**; to all of your very generous donations to our many other community programs. It is apparent that many in our corporate community are engaged. So again, **thanks** to all of you. Your support of our community is greatly appreciated!

We have two very important local non-profit organizations that help those in need from students to senior citizens, and these organizations are a tremendous asset to the community. Recently, for the **6<sup>th</sup>** consecutive year, **Continental**, the City's **5<sup>th</sup>** largest employer, donated \$10,000 to one of

these non-profits; our Auburn Hills Firefighters' Helping Hands. **Helping Hands** assists families in need right here in Auburn Hills, with food, assistance with energy bills and helps provide immediate financial assistance to families who are displaced from their homes by a **fire**. All of this work would not be possible without great supporters like our friends at **Continental**.

Established in 2011, the **Auburn Hills Community Foundation** seeks to assist in funding community endeavors which include senior citizens, **veterans and active duty military**, children, healthy living initiatives, and environmental issues. Its mission is to serve the people and programs of Auburn Hills. The foundation has awarded over **\$28,000** in the past three years. Some of the organizations served include the Rochester Area Neighborhood House, the City's Meals-on-Wheels program, and the City's Snowkeepers and Lawn Keepers program for our **Seniors**. We really believe that charity begins at home and to **everyone** who has supported any of our programs, we offer you our heartfelt thanks.

Road funding has been a big topic of conversation in Lansing lately, so I thought we should talk about a few upcoming *construction* projects **slated** for this year. A number of companies have recently chosen to locate or

expand in Auburn Hills near the University Drive Interchange. As many of you know, **because you drive on it**, the condition of the University Bridge over I-75 is frankly, **terrible!** Years of underinvestment **has** resulted in traffic congestion, and deteriorated pavement, and has created a bridge **that required** emergency structural repair in 2003 and again in January of last year. This interchange is vital to the prosperity of world-class companies that provide quality jobs here in Auburn Hills, Oakland County and the State of Michigan. This interchange is literally a barrier to economic development and job growth. As you may or may not know, this bridge belongs to MDOT, not Auburn Hills, as is true with nearly all the bridges in Michigan. That being the case, we felt **so strongly** that it needed to be replaced. So we set out to see **what**, if anything, **we could do** at the local level to make the project occur. For **5** years, staff worked with the Federal Government to get grant funding to help with the replacement of this bridge. While we were not successful in obtaining any federal dollars, we decided to become even more **proactive**, and work with MDOT and our elected officials in Lansing, to see to it that funding was made available for this interchange reconstruction. In June of last year, after months of meetings, emails and phone calls, the City

was notified that funding would be made available for this approximately **\$20 million** project. Funding sources include a **\$2 Million** competitive grant from MDOT, a **\$4 million** local contribution from the City's Tax Increment Finance Authority, and funding was also made available, directly through MDOT's Metro Region bridge fund. We are very pleased that the State has recognized the economic benefit of the University Drive Bridge, and its importance to facilitating commerce throughout Auburn Hills, Oakland County and the State of Michigan.

So let's talk some construction details. Being involved in the process, allowed us to have a strong voice in the new design of this interchange. A Diverging Diamond Interchange or DDI, is a type of interchange designed to increase capacity, decrease congestion, and minimize new construction cost and future maintenance. A DDI is different from traditional interchanges. This will be the first of its kind in Michigan, and it's happening right here in Auburn Hills. The construction will begin in the spring, and the interchange is expected to be open **late fall** of this year. The bridge will be closed throughout the construction process. Project updates can be found on the City's website, and a list of detour routes and a detour map are available

where you first came in. Please pick one up if you haven't already done so, and visit our website for construction updates.

Two other projects that are likely to affect your commute are projects along North Squirrel Road and also on Featherstone. North Squirrel Road, between Walton Blvd. and Dutton Road, will be under construction beginning Spring of 2015, and expected to be completed in Fall of 2015. The project entails widening the road to include a center turn lane and vegetated medians. Northbound traffic will be **maintained** throughout the project. Again, please visit the City's website for project details and updates throughout the construction period.

Featherstone Road, between North Squirrel Road and Opdyke began in Spring of 2014, and delays with water main installation caused only half of the road (the eastbound lanes) to be completed. Road construction will continue with the westbound lanes beginning in the spring, and expected to be complete by mid-summer.

We all know that construction is one big headache! It seems like everything is always under construction. Trust me, the short-term inconvenience **will** pay off in the long run.

In a global economy where speed, flexibility, certainty and trust are key factors that influence a company's decision where to invest tens of millions of dollars, **local governments**, must deliver on their promises. Auburn Hills has done and will continue to do just that. Auburn Hills continues to partner with the business community, to help create new jobs and grow their business. Creating a culture of innovation and adapting to the changing economy, **has allowed** Auburn Hills to be at the forefront of the economic recovery we are experiencing.

Let me assure you, that we here in Auburn Hills get it. Customer service is key, and it's what we strive to excel at every day. We have earned a reputation for getting developers through the site plan, review, and permitting processes quickly and efficiently. We have a team here that has mastered the steps. And that's not just lip service. When we say we can get you through our processes quickly.....we deliver! Having the least amount of bureaucracy is the hallmark of doing business in Auburn Hills.

A lot of people ask us what our secret is - How does Auburn Hills continue to attract so many **great investments**? Our team here at the City, **at all levels** and in every department, practices **Great Workplace Initiatives**. Credibility, Respect, Fairness, Pride, and Camaraderie translates to the way we respond **to the needs** of the community. Our non-bureaucratic way of thinking, has allowed us **to stay out** of our own way! What exactly does this mean? It means that we know time is a valued commodity to businesses.

Speaking of great investments, things have been quite busy along Taylor Road near Fieldstone Golf Club.

**TI Automotive**, which has operated facilities in Auburn Hills since 2004, has recently broken ground, and is constructing a new **141,000** square foot world headquarters facility on nearly **9 acres**, located along the south side of Taylor Road, east of Giddings. This will be directly across from our very own Fieldstone Golf Club. The total investment is estimated at **\$16.9** million.

What better place to locate your world headquarters than across the street from the beautiful and very challenging, Arthur Hill's designed Fieldstone

Golf Course. Even if you don't play golf, it is a great place to grab lunch or dinner at Vista Grille.

For more than 25 years, **Ralco Industries** has called Auburn Hills home. They are constructing their new world headquarters facility on over **18 acres** of land, along the north side of Taylor Road. During recent years, their business has expanded beyond the capacity of their existing facilities. **This** prompted them to construct this new **state-of-the-art** building, to facilitate all of their operations **under one** roof. This represents over **\$13 million** in investment in our community. We are thrilled that **Ralco Industries** has made the decision to continue to invest and expand in Auburn Hills. This project demonstrates Ralco's commitment to the community, and to the state of Michigan. Ralco is a valued corporate partner, and their decision to build here in Auburn Hills further solidifies our reputation, as the premier global manufacturing address in the **Midwest!**

**Visioneering** is a leader in design and manufacturing, and installer of assembly tooling systems, for the aerospace and defense industry. Their **181,000** square foot building represents a **\$31 million** investment and

**Visioneering** plans to add **150** jobs to the area. The City of Auburn Hills is excited that this aerospace engineering company, has made us their **landing pad** and further diversify our tax base.

Other areas of the City are also experiencing redevelopment and investment.

The first corporation to locate at the old **Showcase** site is auto supplier **GKN**.

What was once an old movie theatre; is now the site for the world's leading producer of automotive driveline components. This new **168,000** square foot building houses their North American Headquarters, and will be home to approximately **400** employees. **GKN** has been located in Auburn Hills since **1986** and this reinvestment into the community represents **\$23 Million**.

There is still enough land available for an additional headquarters building if anyone is interested in locating or expanding in Auburn Hills.

**Oakland Technology Park** has also seen substantial development over the last year. Bruce Brickman and his team have successfully positioned Oakland Technology Park to be the epicenter for top automotive and manufacturing firms.

**Faurecia** is the world's **5th** largest automotive supplier and opened its new North American Headquarters on High Meadow Circle, located in the **Oakland Technology Park**. Their massive **278,000** square foot, **3-story** building houses nearly **700** employees. This project in particular, is just another example of how the City of Auburn Hills has partnered with the business community, to create new jobs and growth. It took the City only **41 days** to review and approve the project, and now less than one year later, this incredible building is fully operational.

**Atlas Copco** opened their new US Headquarters, for their Tools and Assembly Division, here in Auburn Hills. This **\$15 million** dollar investment will employ approximately **225** people at their **120,000** square foot facility, also located within the **Oakland Technology Park**. It is twice the size of their former building, which is also located in our community. We look forward to celebrating with them in **2 week**, at their ribbon cutting ceremony at which the **Governor** will be in attendance.

This next company first came to our town in 1992, when they built their current facility located on Glenmeade Lane, which is **170,000 sq. ft.** in size.

Construction on the new Japanese based **Hirotec America** is well under way in the **Oakland Technology Park**. This new **213,000** square foot Headquarters for the Americas is expected to be complete by August. They plan to keep both buildings operating and will float around **450** people between the two locations.

**Noah's Event Center** is a **10,000** square foot multi-purpose event and conference center at the southwest corner of North Squirrel Road and Cross Creek Parkway. They plan to be open late spring. This **\$4 million** state of the art facility can be used for corporate training, small conferences, weddings and receptions. Founded in Utah in **1953**, Noah's currently operates **7** facilities with locations in Arizona, Colorado and Texas. This will be their **1st** event center in Michigan.

Do you know, that the people who design and test the reverse safety cameras, for most of the **new** vehicles driven in the United States, come to work **right here** in the City of Auburn Hills?

**Magna Electronics, Inc.** supplies these sophisticated electronic communication systems, along with many other unique products, to most of the automakers ... **and they're growing!** The company is currently renovating **34,000** sq. ft. of vacant space in their existing building at 2050 Auburn Road, which will bring their headquarters and technical center to almost **90,000** sq. ft. in size.

**Umicore Autocat USA Inc.**, one of the world's leading producers of catalysts used in automotive emission systems, for both light-duty and heavy-duty vehicles, is working on a **3300** sq. ft. addition to their **North American Headquarters and Technical Center** at 2347 Commercial Drive. The company has been located in Auburn Hills since 1997 and employs approximately **60** people at the facility.

We're pleased to report that construction is underway on the **3-story, 46,000** sq. ft. office addition and parking lot expansion at **BorgWarner's Powertrain Technical Center (PTC)** located at 3800 Automation Avenue. Project completion is anticipated by late Spring. The **\$9.4** million investment will allow BorgWarner, a global **Tier-1** automotive supplier, to hire at least **120**

additional people, with plans to bring their total employee count to just under **700** at this site. The company's **world headquarters** is also located in the City of Auburn Hills at 3850 W. Hamlin Road.

More good news!

**SL America**, a Tier 1 supplier of exterior lighting, gear shifters, electronics, and pedal modules for the automotive industry, has announced plans to invest approximately **\$5.5** million in the City of Auburn Hills. The company has outgrown its current facility in Sterling Heights, and plans to expand into a **40,000** sq. ft. building located at 4375 Giddings Road. The move will create a larger North American engineering center for the company, and employ **118** people.

SL America is a subsidiary of South Korea-based SL Corporation. Their primary customers are Hyundai-Kia, GM, and Ford.

As a City, we are always flattered when a company elects to invest in **us**. With all the choices out there, we're proud when a company chooses Auburn Hills. But perhaps, what is equally flattering, is when a company chooses to

**expand and grow** in our community, by re-investing **after having** been here for a number of years.

We appreciate that vote of confidence!

We will continue to recruit a diverse base that complements our already strong industrial, retail, entertainment, and educational presence.

**So speaking of entertainment - Great Lakes Crossing Outlets** is seeing **their fair share** of new development. London-based Merlin Entertainment, chose the former GameWorks space for their new **SEA LIFE** aquarium location. SEA LIFE Michigan is a **35,000** square-foot aquarium, that will transport you into the amazing underwater world. Come nose-to-nose with sharks, stingrays, jellyfish, seahorses and over **5,000** underwater creatures, including some local species. With fun talks, animal feeds, special events, and a children's play area. There's plenty of fun for everyone! It feels like we just had the **sand-breaking** for the aquarium, now they are getting ready to open their doors to the public. **Next week** we will be celebrating their grand opening, and we hope that you will visit **this** new Auburn Hills attraction.

Another magnificent entertainment venue I'd like to highlight; is none other than, where we all are sitting right now. It's hard to believe that the Palace of Auburn Hills is in its **27<sup>th</sup>** year of operation. I'm sure **Council Member Knight** actually remembers, way back then, when it was actually **free** to name the Palace.

As you can all see, **Palace Sports & Entertainment** continues to make significant investments in The Palace of Auburn Hills. Our records show that they've spent close to **\$50 million** to upgrade the arena, since owner Tom Gores purchased the Pistons franchise and overall business, more than **3 years** ago. With a new scoreboard, renovations of suites, and many other patron areas, this **26-year** old facility, continues to look like the most modern of arenas, and is positioned for another successful year. And of course, let's not forget to mention that our Piston's are on a winning streak.

The economy is definitely on the upswing, and tourism will continue to fuel job growth in the area. In particular, Michigan's hospitality sector is surging. Hotels, resorts and tourist destinations are flourishing. As a result, **Marriot Towneplace Suites and Hotel**, is under construction just south of the 2<sup>nd</sup> and

Charles Bookstore, which is located adjacent to **Great Lakes Crossing**

**Outlets.** This brand has been recognized as the best extended-stay, mid-price hotel by Business Traveler News for the past two years. This is owner Basil Ba-call's third hotel adjacent to the Mall. It's set to open in March.

Auburn Hills is seeing a boom in residential development as well. The City will see more new housing starts this year, than in the previous **6 years** combined. Set to start this year, Auburn Hills will have **\$100** Million in new residential development either approved or underway. Much of this new development will be happening in and around our Downtown.

**The Parkways** continues to take shape near Forrester Square.

The development will be built by the **Moceri Companies**, headquartered in Auburn Hills. Moceri has built several first-class projects within the City, such as office spaces; (you may know University Village and Wellington Green), and residential developments; (such as Riverwalk, Astoria Park, and Arbor Cove).

Developer **Burton-Katzman** will be investing nearly **\$9 million** redeveloping the southwest corner of Auburn and Squirrel Roads to loft apartments and retail space. Called **The Edge Lofts**, this mixed use, urban loft project planned in Downtown Auburn Hills, is generating a lot of excitement in the community.

**Forester Hills** will break ground in the spring and consists of **27** single family ranch and split-level homes.

**Forrester Square** continues to see construction of new homes in that already well-established area.

**Primary Place**, a development consisting of **18** townhomes, will be developed by David Steuer (Stoyer). Located on the south side of Primary Street, east of South Squirrel Road and along the rail-trail, **Primary Place** offers **3-story** townhouse living, with attached **2-car** tandem garages that will be within walking distance to the core of our Downtown.

We also anticipate having some other exciting announcements this year about further development in our Downtown. As you can see, there has

been a **great deal** of interest by developers to invest in Downtown Auburn Hills.

I can't think of anyplace else in Michigan that has over **\$100 Million** in residential, scheduled to be built.

While we're on the subject of our Downtown, I'm happy to report that 2014 also brought the opening of some new Downtown Businesses.

If you need to get a lunch time workout in, you can visit **Cross-Fit Renovate**.

If you're up for the challenge, then **Cross-Fit Renovate** is the place to be.

They offer high-intensity interval training, Olympic weightlifting, plyometrics, and power lifting.

**E7 Solutions** also opened in our Downtown. E7 Solutions is a software development and consulting firm that helps businesses utilize technology to solve complex problems.

And if you've visited Downtown recently, and wondered about all the activity at Ashford Commons located at 3400 Auburn Road. Well, I'm happy to report that an estimated **\$275,000** renovation is nearly complete, and

**Fieldstone Architecture and Engineering** will open soon. They offer a team of experienced architects, engineers, designers and consultants, all in one firm. They have built a solid reputation in both the residential and commercial industry. We are very excited to welcome them to our beautiful Downtown!

Also under renovation is the **former Elwell Grill space**. Expected to be completed soon, this building will be home to a new family restaurant and will be a welcomed addition to our Downtown.

We take great pride in getting to know our businesses and the employees who come to work here in Auburn Hills Monday through Friday.

A really cool concept that was kicked off this past year was the **Auburn Hills Road Show**. We take City Hall on the road. Staff from various departments, set up tables in the lobby areas of companies, and showcase their services.

We have everything from **Police and Fire** to **Recreation and Senior services**.

This gives us the opportunity to get to know your employees, and they in turn, can learn about the many services the City provides; including events,

training and more! So far, we have visited **Faurecia** and **Delphi**, and we look forward to visiting more of our businesses in the very near future!

As I have mentioned before, partnerships have allowed us to build upon, and leverage our assets. We work closely with our partners at the County, on quite a few economic development initiatives. This allows us the opportunity to combine our resources, and work with other communities to help drive the success of the area.

**Oakland County** is a prominent player in the technology sector. Did you know that there are over **2,000** tech firms in Oakland County? That's twice the number of any other county in Michigan. This represents approximately **42,000** jobs. I am excited that Auburn Hills, along with many other communities, joined Oakland County's **tech248 Program**. Our **colleagues** at Oakland County have recognized that our community knows how to lead, and they have asked us to participate in this initiative. **Tech248** is designed to accelerate growth in the IT/tech industry, by encouraging collaboration and innovation. Industry segments include Software Development, Game Development, Cyber Security, and others. Oakland County is **full** of talent,

and connecting them with business counseling, funding, and other services can help keep this sector growing.

Auburn Hills continues to participate in the County's **One Stop Ready** program, established by Oakland County Executive L. Brooks Patterson. It's built upon each community evaluating itself, information sharing between participants, and the collection of best practices in customer service; **with** the goal of increasing development throughout the entire County.

You'll be happy to hear that our recruitment and retention efforts have resulted in more jobs. Our companies continue to invest in their employees, creating a dynamic workforce. So, you may not be surprised to hear, that at the end of last year, **NerdWallet**, which is a consumer finance site, crunched the numbers to find the highest-paying zip codes in Michigan and Auburn Hills was ranked **#14 out of 930** Places. I don't know about you, but I think that is pretty cool! This speaks volumes about the **companies and talent** we have right here in Auburn Hills.

We were recognized once again by the **University of Michigan** for being an entrepreneurial city. We were designated as a **5 star** community, meaning that we continue to create a culture of success for businesses, large and small.

While we are very excited about our business climate here in Auburn Hills, we are also very proud of the quality of life we continue to provide for our residents, and those who visit.

As our population continues to grow, our staff continues to deliver top notch services. From our beautiful parks, to our wonderful community events like Summerfest, Paddlepalooza, and the annual Tree Lighting Ceremony. It's great to see the community comes together.

I know I have said in the past, that one event in particular that City Council always looks forward to, is the Ice Cream Social, which is part of Summerfest. Let me assure you, this **still holds** true. Your City Council loves to scoop ice cream!

However, I had the great opportunity to participate in my **first Paddlepalooza** event this past June. What an awesome and fun experience it was to keep from tipping over, while going down the Clinton River with **my teammate** and one of our City Engineer's, **Jim Stevens**. If you haven't paddled the Clinton River, I am **personally challenging** all of you to sign up and be here this summer.

Auburn Hills and Rochester Hills co-host this event at our very own Riverside Park. As part of this event, there is a challenge to obtain the Mayor's Cup Award. I'm happy to report that with the help of two city employees, First-Stringers, Wayne Holbrook and Tim Wisser, these two led Team Auburn Hills and brought home the Cup from Rochester Hills.

Before I wrap up today, I want to touch a little on the budget. Alright, now we get to dig deep into the numbers! Don't worry, I'm just kidding, I won't bore you with that. But I do want to say, that I'm really proud of our staff for continuing to go that extra mile, in terms of cost saving measures. In 2014, the City's bond rating was upgraded to AA+ from AA, by Standard and Poor's. This bond upgrade is a direct reflection of the work by the City Council and

staff, to make sure we remain fiscally responsible. The City has continually maintained good financial practices, which has allowed us to continue to grow, despite economic setbacks **of the** last few years. As we look to the future, we will continue to seek positive changes that allow us to create value for our citizens.

We will look at spending approximately **\$16 million** in capital projects in 2015. These include Water, Sewer, Storm Drains and Roads, and our DPW has a very good program for their maintenance, repair and replacement. We also utilize much of our capital budget to leverage our local funds, in order to obtain State or Federal grants.

Our 2015 budget and the 2016 thru 2019 projections make this the **4<sup>th</sup>** consecutive year that the city has produced a five-year financial plan.

As I mentioned earlier, this is truly an exciting time to be in Auburn Hills.

Continued investment in the city is sparking strong interest from developers, prospective tenants, and retailers.

As we move into 2015, Auburn Hills will continue to evolve and adapt to change. An initiative we made a **top priority** in 2014 was to make Auburn Hills an Age Friendly Community.

As I mentioned last year, we see a big change coming! By 2030, the population of people age **65 and over**, is expected to **double** its current size.

Your Auburn Hills City Council proactively committed to join the **AARP Network of Age-Friendly Communities Program**. The City of Auburn Hills was the first municipality from the State of Michigan to be accepted into this premier network, which includes communities such as New York City and Portland, Oregon.

No doubt, the City of Auburn Hills is changing for the better. As a community, we can, and we will, make sure we are well-prepared for an aging population. This we know will benefit everyone. City Council Members and Staff met with groups of individuals throughout 2014, and they talked about what the future of Auburn Hills should or could include. We called these ideas their **“rock star ideas”**. Housing was a big topic of discussion, as was transportation and social functions.

Two very important projects that will compliment this initiative are

**Angelica's Place and First & Main.**

*Angelica's Place* will be constructed on several vacant parcels of land, consisting of **1.4 acres** in size, located on the south side of Walton Boulevard, east of Snellbrook. The facility will **be home to** seniors over the age of **60**, **who** desire to live independently. Skilled care will also be provided for residents with Alzheimer's Disease. Residents will have access to care, **24-hours** a day at **this facility**.

The best way to describe this next project is that it will feel like **"a cruise ship on land"** for its residents. Granger's unique "First & Main design", integrates healthcare, senior living, hospitality, and retail, into a healing environment that's natural and welcoming. Their **town-center** concept, gives their residents the look and feel of a downtown boulevard inside the building, which includes a variety of amenities such as a bistro, shops, spa, salon, art studio, healing garden, and chapel. This **\$28 million** community, **within our community** is intended to bridge the gap between independent living and

nursing home **care**. The average age of their residents will range between 85 and 90 years old.

Now I don't know about you, but I am particularly excited about this development. You see, I'm a huge fan of cruises. As for my wife's opinion, not so much! So being the long term planner that I am, I think I've found a way for us to not only enjoy our retirement, but also a way for me to serve my 50<sup>th</sup> year as Mayor in Auburn Hills.

As we look into 2015, City Council made this next initiative a priority. A Committee, which includes City Council Members, Staff and residents, will be working on a citizen and business **community survey**. We want to know what we do well, and what we need to do better. The survey will be distributed in 2016, so this gives the staff a year to make sure we ask the right questions, and make the survey meaningful.

We have accomplished a lot in 2014, **and** so much can be attributed to our many great **partnerships**. One of those partnerships we look to continue to grow, is our partnership with the Chamber. We have enjoyed a great

relationship with the Board of Directors, now led by Bernie Sinz , and their executive Director, Denise, and of course her wonderful staff—Our missions and goals are very much aligned, and by continuing to work **cooperatively**, we will accomplish many more great things **together**.

Another great partnership is with our colleges and universities. In case you haven't noticed, Auburn Hills is a college town. Home to Oakland University, Baker College, Oakland Community College, and Cooley Law School, we have over **34,000** college students **pursuing higher education** in our community.

A partnership we are truly proud of is the work we have done with **Oakland University** along University Drive. This transformation was started in 2014. There you may have noticed newly painted black light poles **with** hanging banners, showcasing **Auburn Hills as the Home of Oakland University**. This project will continue in 2015, as even more significant improvements are made. We look forward to growing our relationship with the University and its new President Dr. George Hynd.

**Well indeed** 2014 is going to be hard to beat, but I can assure you that your **City Council** and **city staff** will give it their best effort. Thank you again for being here this morning. I **wish** everyone **a safe, healthy, and prosperous** 2015.