



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: AUGUST 27, 2017

AGENDA ITEM NO. .

CITY OF AUBURN HILLS DOWNTOWN DEVELOPMENT AUTHORITY MEETING

August 20, 2018

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

CALL TO ORDER: Chairman Young called the meeting to order at 5:49 PM.

ROLL CALL
Present: McDaniel, Travnikar, Wise, Volk, Young
Absent: Gliniecki, Jernigan, Spurlin
Also Present: Samantha Seimer, Director of Authorities
Guests: None.

PERSONS WISHING TO BE HEARD

None.

APPROVAL OF MINUTES

A. DDA Meeting Minutes from July 9, 2018

There was no additional discussion of the minutes.

**Moved by Mr. Volk to approve the DDA Minutes from July 9, 2018 as submitted.
Support by Mr. Travnikar.**

**Yes: McDaniel, Travnikar, Wise, Volk, Young
No: None**

Motion carried

FINANCIAL REPORT

A. Financial Report for period ending July 31, 2018

Ms. Seimer reviewed the financial report for period ending July 31, 2018. She stated that the DDA has received \$71,790 in tax increment revenue over the last several months. This is 63% of the budgeted tax revenues for the year. Ms. Seimer stated that this is on par with what all of the TIF Districts have received in tax increment revenue to date.

The DDA has utilized 30% of its budgeted expenditures for the year, specific to administrative and interfund charges as well as payments and marketing for the downtown concert series.

The Board now has a cash position of over \$145,000.

**Moved by Mr. Travnikar to receive and file the financial report for period ending July 31, 2018.
Supported by Ms. Wise.**

**Yes: McDaniel, Travnikar, Wise, Volk, Young
No: None**

Motion carried

CORRESPONDENCE AND PRESENTATIONS

A. 2019 – 2023 Budget Presentation

Ms. Seimer presented the DDA Board with its 2019 – 2023 budgets. She reviewed that the DDA has budgeted extremely conservatively over the last several years in order to build its coffers for future capital improvement projects and potential incentives. Currently, the only projected revenue for the DDA is tax increment revenue which conservatively increases each year by the expected rate of inflation

which overs just above 2% over the next five years. When completing the budget process, new construction is not taken into consideration. Staff cannot accurately predict when tax increment revenue from new builds may affect the tax rolls. However, with the amount of planned development within the DDA District in the next two years, staff anticipates that the cash position will increase more than the budget predicts.

She reviewed the 2018 compared to 2019 expenditures noting that the budgeted increase of \$17,700 is due to supplies and community relations. There is additional dollars budgeted for marketing and printing of materials and additional programming of the amphitheater. Ms. Seimer added that the increase allows the DDA Board to be flexible in the next year, choosing different projects to support, host, or sponsor.

At the end of 2018, the projected fund balance of the DDA will be just under \$200,000 and expected to increase at a rate of 20% annually if the budget remains consistent.

The only change that will occur to the DDA Budget as presented to City Council is the addition of the \$160,000 transfer from TIF B to the DDA in 2019, with the corresponding loan repayment for four years beginning in 2020.

Moved by Mr. Volk to approve the Downtown Development Authority 2018 Amended Budget and 2019 Proposed Budget and recommend to the City Council the inclusion of these budgets for adoption in the City's overall budget documents.

Supported by Mr. Travnikar.

Yes: McDaniel, Travnikar, Wise, Volk, Young

No: None

Motion carried

OLD BUSINESS

None.

NEW BUSINESS

None.

BOARD MEMBER COMMENTS

The Board asked about the status of projects forthcoming in downtown. Ms. Seimer stated that tree removals began today at Primary Place. The MiL and The Residences at Thirty Two 50 are still moving forward to the best of her knowledge. Mayor McDaniel added that the MiL will definitely be moving forward soon, they have negotiated to lease the vacant space next to Auburn Village Family Dental, formerly Waterhouse Photography, to use as their leasing office. Robertson Brothers plans to break ground this fall and there is a new condo development off of Old Adams Road as well as at the Mound and Superior Site. Ms. Seimer stated that she plans to reach out to Terry Bailey with The Residences of Thirty Two 50 this week for a status update. She added that his site plan does expire in October and he is aware.

Ms. Wise asked about the green building at 3180 Auburn Road. Ms. Seimer stated that is still caught up in litigation and has since gone to the Michigan Supreme Court. Staff hopes to have a determination by the end of the year on the ownership of the building.

ANNOUNCEMENT OF NEXT MEETING – The next Downtown Development Authority Board of Directors will be Monday, November 19, 2018, at 5:30 PM at City Hall in the Administrative Conference Room.

ADJOURNMENT

There being no objections, the meeting was adjourned at 6:15 p.m.

Respectfully submitted,

Samantha R. Seimer

Executive Director