



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: JANUARY 28, 2019

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

January 8, 2019

CALL TO ORDER: Chairman Hassett called the meeting to order at 4:01 PM.

ROLL CALL:

Present:	Kneffel, Thornton, Hassett, Roberts, Goodhall
Absent:	Dolly, Waltenspiel, Price
Also Present:	Brandon Skopek, Director of Authorities; Michelle Schulz, Finance Director; Aaron Stahly, Deputy Director of Public Works
Guests:	None

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

PERSONS WISHING TO BE HEARD

Mr. Skopek stated that Finance Director, Michelle Schulz, was in attendance to provide some additional detail on the investment reports given by Mr. David Molnar at the previous TIFA meetings and to answer any remaining questions from the Board.

Vice Chairman Kneffel asked for clarification on how the terms of different investments work.

Ms. Schulz stated that the longest term for an investment is five years, but the average term on an investment is two-to-three years for Insight. She stated that MIClass and Investment Pooling have different terms and are mostly shorter terms with higher risk.

The Board thanked Ms. Schulz for making herself available for questions.

CORRESPONDENCE & PRESENTATIONS

A. TIFA Irrigation Coverage Maps

Mr. Skopek stated that he worked with the Department of Public Works to develop the irrigation maps provided in the packet and they serve as a follow-up to the discussion held during the December 11, 2018 TIFA meeting about irrigation locations that TIFA funds.

Chairman Hassett thanked Mr. Skopek for the reference materials and that the maps serve as a nice refresh for the Board to understand which areas they contribute to irrigation costs.

Aaron Stahly, Deputy Director of Public Works, stated that he and Mr. Skopek are planning to take a close look at the TIFA budget regarding Department of Public Works maintenance costs for 2020 in order to determine what makes business sense moving forward.

Chairman Hassett stated that following the economic downturn, TIFA assisted with many of the general maintenance costs within their district boundaries.

Mr. Stahly stated that he and Mr. Skopek could breakdown the expenses to give the Board a better understanding of what maintenance TIFA funds.

Mr. Skopek stated that it would be a good exercise for both him and Mr. Stahly in order to understand the history behind the funding and to determine how to best budget the funds moving forward.

B. TIFA District Maps

Mr. Skopek stated that the TIFA district maps were included in the packet as reference for the Board and to show the TIFA district boundaries in relation to the Downtown Development Authority (DDA) boundary.

Vice Chairman Kneffel asked how much of the DDA district was residential.

Mr. Skopek stated that most of the DDA district is comprised of residential property with the core downtown split between TIFA and DDA.

APPROVAL OF MINUTES

A. Regular Meeting Minutes – December 11, 2018

Moved by Mr. Goodhall to approve the Regular TIFA Minutes from December 11, 2018 as presented.

Supported by Ms. Thornton

Yes: Kneffel, Thornton, Hassett, Roberts, Goodhall

No: none

Motion carried

FINANCIAL REPORT

A. FY 2018 Adopted Budget and YTD Summary – December 31, 2018

Ms. Thornton requested to see only revenues and expenditures in the financial report and not all the detailed asset information that was included. She stated that there was additional detail in the report that may not be necessary to include.

Chairman Hassett stated that he would prefer to keep the detailed information in the report.

Moved by Ms. Thornton to receive and file the financial report for period ending December 31, 2018.

Supported by Ms. Roberts.

Yes: Kneffel, Thornton, Hassett, Roberts, Goodhall

No: none

Motion carried

OLD BUSINESS

None.

NEW BUSINESS

Chairman Hassett requested to discuss the University Construction update before the University Center utilization.

A. University Center Construction Update

Mr. Stahly discussed the construction progress to date stated the entire project should be completed by January 18. The first floor has been completed; however, there are minor items that need to be completed on the second floor of the building.

Chairman Hassett asked if the rooms would be repainted.

Mr. Stahly stated that any walls that were impacted have been touched up and repainted.

Mr. Stahly stated that the original estimate for the project was approximately \$24,000, but the unforeseen structural issues increased the costs to approximately \$75,000. The final costs are estimated to be approximately \$4,000 under budget with the project being substantially complete.

Chairman Hassett thanked staff for coming in under budget.

Mr. Stahly recommended that any future TIFA project have plans be signed and sealed by a registered engineer.

B. University Center Utilization Discussion

Chairman Hassett stated that the reservation calendar for the University Center that was included in the packet looked relatively empty.

Mr. Skopek stated that the University Center is underutilized for the year so far, but that there are opportunities for education institutions to reserve the classroom space for future semesters throughout the year. There are also opportunities for outside parties to reserve space. Many of the reservations were canceled early in 2018 due to the construction at the University Center.

Chairman Hassett asked for suggestions on how to better utilize the University Center.

Vice Chairman Kneffel asked if alcohol was allowed on the premises.

Mr. Skopek stated that alcohol is not allowed in City facilities.

Vice Chairman Kneffel suggested that TIFA hold an open house for the universities and higher education institutions to showcase the space and the technology available to them.

Mr. Skopek stated that the University Center partner schools are aware of the University Center as they hold classes in the center throughout the year and that Oakland University's Information Technology Department assisted with the installation of the technology in the University Center. Oakland University's Information Technology Department also assists with any repair and maintenance necessary for the technology. He can speak with his contacts that regularly utilize the space to ensure they are aware the construction is now nearing completion.

Mr. Skopek discussed that there was significant development interest downtown and asked the Board if there was any interest in potentially making the building available for a private development. He stated that Avondale Schools has a lease to utilize the University Center for their virtual classroom, but there might be an opportunity to find a new location for Avondale Schools if the Board was interested.

Chairman Hassett stated he liked the idea of making the property available for a larger development in the event a developer was interested. He asked what costs would be associated with relocating Avondale Schools.

Mr. Skopek stated that he did not have numbers at this time as this is just a thought for discussion purposes.

Ms. Thornton was in agreement with making the property available for a larger development downtown.

Mr. Skopek stated that this is not something the Board needs to make a decision on at this time, but that he was looking for feedback from the Board.

Vice Chairman Kneffel asked how much is charged for the higher education institutions to reserve the classrooms.

Mr. Skopek stated that there is no charge for the higher education institutions or Avondale Schools as they assisted in creating the University Center and are partner schools. The classrooms are available for outside rentals when there are no reservations for classes. The cost for the smaller classroom is \$50 per hour and the cost for the larger classroom is \$100 per hour.

Chairman Hassett recommended compiling a list of people and organizations to market the University Center to.

BOARD MEMBER COMMENTS

Chairman Hassett asked when construction was anticipated to commence at the Residences at Thirty-Two 50.

Mr. Skopek stated that staff has received an update from the developer that they are still waiting to close on financing with the Department of Housing and Urban Development. The developer stated they are anticipating a start date in March.

Chairman Hassett asked if staff has met with Eric Gorges about the downtown art piece.

Mr. Skopek stated that he has spoken with Mr. Gorges and that staff plans on meeting with him in late February or early March to review the progress made on the art piece.

Chairman Hassett asked about a grand opening for the amphitheater.

Mr. Skopek stated that staff is planning on having a ribbon cutting ceremony in June as the kick off to Summerfest.

Ms. Thornton asked about the Larco Brothers Pizzeria liquor license transfer.

Mr. Skopek stated that the final transfer agreement has been signed by both TIFA and Larco Brothers Pizzeria as of today. Staff's next step is to communicate with the Michigan Liquor Control Commission about transferring the license out of escrow to Larco Brothers Pizzeria.

DIRECTOR UPDATES

None.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, February 12, 2019 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room, 1827 N. Squirrel Road, Auburn Hills, Michigan 48326.

ADJOURNMENT

Moved by Ms. Thornton to adjourn the TIFA Board meeting.

Supported by Mr. Kneffel

Yes: Kneffel, Thornton, Hassett, Roberts, Goodhall

No: none

Motion carried

The TIFA Board of Directors meeting adjourned at 5:08 p.m.

Respectfully submitted,

Steve Goodhall
Secretary of the Board

Brandon Skopek
Executive Director