



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: AUGUST 5, 2019

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

July 9, 2019

CALL TO ORDER: Chairman Hassett called the meeting to order at 4:29 PM.

ROLL CALL:

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| Present: | Hassett, Kneffel, Klemanski, Waltenspiel, Price |
| Absent: | Dolly, Thornton, Goodhall, Roberts |
| Also Present: | Brandon Skopek, Director of Authorities |
| Guests: | 1 |

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

PERSONS WISHING TO BE HEARD

Buzz Brown, Munetrix, introduced himself to the Board. Mr. Brown provided a background on Munetrix and informed the Board about their need to relocate out of their existing building and move to a facility with more space. He respectfully requested that the Board notify Munetrix should space at the University Center become available for lease. Munetrix's lease is up in January of 2020.

Dr. Klemanski asked how much square footage was needed.

Mr. Brown stated Munetrix currently has 2,500 square feet of space, but are in need of expansion due to their growing staff.

Vice Chairman Kneffel asked how many employees Munetrix has on staff.

Mr. Brown stated Munetrix currently has 20 employees and is expected to grow.

Chairman Hassett noted that Bob Kittle, CEO of Munetrix, had reached out to him inquiring about leasing the first floor of the University Center. Chairman Hassett expressed that it is a Board decision and requested a representative from Munetrix to speak to the Board about their interest in leasing the space.

The Board thanked Mr. Brown for attending.

CORRESPONDENCE & PRESENTATIONS

A. Personal Property Tax Reimbursement Form 5716

Mr. Skopek presented the Board with the annual Form 5176 Request for State Reimbursement of Tax Increment Finance Authority Personal Property TIF Loss. He reminded the Board that these reports are submitted to the state annually to help the state calculate how much the TIFA has lost in personal property tax revenue over the last year. He added that the calculation the state uses does not always directly correlate to the actual amount of reimbursement received. Typically, staff reduces the anticipated amount for each district by 25% to be conservative in budget calculations. Here is the breakdown for the following districts per the 5176 Report:

| | |
|--|-----------|
| TIF District A (Avondale and Pontiac School Districts combined): | \$232,614 |
| TIF District B (Pontiac School District): | \$162,692 |
| TIF District D (Pontiac School District): | \$731,682 |

APPROVAL OF MINUTES

A. Regular Meeting Minutes – June 11, 2019

Moved by Mr. Kneffel to approve the Regular TIFA Minutes from June 11, 2019 as presented.
Supported by Mr. Waltenspiel.

Yes: Hassett, Kneffel, Klemanski, Waltenspiel, Price
No: none

Motion carried

B. Executive Session Minutes – June 11, 2019

Moved by Ms. Price to approve the Executive Session Minutes from June 11, 2019 as presented.
Supported by Mr. Kneffel.

Yes: Hassett, Kneffel, Klemanski, Waltenspiel, Price
No: none

Motion carried

FINANCIAL REPORT

A. FY 2019 Adopted Budget and YTD Summary – June 30, 2019

Mr. Skopek stated that there are not significant changes from the last reporting period with the exception of additional property tax revenues received and a slight increase in budgeted expenditures for each TIF district.

There was no further discussion on the financial report.

Moved by Mr. Kneffel to receive and file the financial report for period ending June 30, 2019.
Supported by Ms. Price.

Yes: Hassett, Kneffel, Klemanski, Waltenspiel, Price
No: none

Motion carried

OLD BUSINESS

None.

NEW BUSINESS

A. Downtown Marketing Campaign

Mr. Skopek reviewed a memo dated July 1, 2019 and provided a history of the direct marketing campaign proposed by the Board. Included in the packet is a design concept for a two-sided gloss print card which lists the restaurant and retail establishments in downtown Auburn Hills. He noted that the design concept contains stock photos and do not portray downtown establishments; staff proposes to take professional photos of the food options downtown and include those on the print materials. Also included in the packet is a proposed sales agreement from Revize, the City's website hosting company, for a multi-use listing directory page to be placed on the City's website.

Vice Chairman Kneffel suggested changing "Explore Auburn Hills" with a call to action and the downtown Auburn Hills logo. He suggested including the words "Just Minutes Away" on the front of the print material.

The consensus of the Board was to include the downtown Auburn Hills logo with the words “Minutes Away” on the front of the print material.

Mr. Waltenspiel suggested removing the words “Downtown Dining Guide” from the back of the print materials and moving the downtown Auburn Hills logo to the top and increasing the font size for the establishments.

Vice Chairman Kneffel suggested removing the City of Auburn Hills logo from the print materials.

The consensus of the Board was to replace the words “Downtown Dining Guide” with “Downtown Dining” and keep the downtown Auburn Hills logo at the bottom of the material. Further, to increase the font size for the establishments.

Mr. Skopek presented a three-mile radius map from the center point of downtown Auburn Hills. He is seeking the Board’s direction on whether to reach out to all hotels within this radius map, or to only focus on hotels within the City boundaries.

Chairman Hassett asked how many hotels this map captured.

Mr. Skopek stated it is approximately 20 hotels.

The consensus of the Board was to have staff reach out to the hotels contained within the City boundaries that are captured in the three-mile radius map, in addition to the hotels along Adams Road.

Mr. Waltenspiel suggested ordering stands for the print materials to place in hotels that do not have a designated location for the print materials.

The consensus of the Board was to proceed with ordering stands for the print materials for each hotel.

Mr. Skopek presented the sales agreement from Revize for the facilities directory page on the City’s website. He noted that staff has complete control over the website and can add and remove information as necessary. There is a one-time fee of \$1,200 for the addition of this page to the City’s website.

Moved by Dr. Klemanski to approve the scope of work for the creation of print marketing materials and to approve the Sales Agreement from Revize, LLC, 150 Kirts Blvd. Suite B, Troy, MI 48084, for the creation of a Multi-Use Listing Directory to be added to the City of Auburn Hills’ website. Furthermore, approve total project costs in an amount not to exceed \$1,500. Supported by Ms. Price.

Yes: Hassett, Kneffel, Klemanski, Waltenspiel, Price

No: none

Motion carried

B. Downtown Pedestrian Alley Archway

Mr. Skopek reviewed for the Board the progress made to date on the pedestrian alleyway downtown. To date, the brick pavers and conduit have been installed, but little progress has been made on the archway for the alley. The City Engineer has indicated that the fabricator is having a difficult time designing the product sought by the Board. Further, staff and the City Engineer have noted that the design for the archway still leads to the possibility of tampering and climbing; therefore, it is recommended to redesign the archway to utilize stonework for the archway bases and contract an outside artist to design the top of the archway which will still be metalwork. Staff is seeking feedback from the Board on the proposed direction.

Chairman Hassett recommended utilizing stonework for the archway base and contracting with an outside artist to create the design sought by the Board.

Mr. Skopek stated that the stone would serve as the foundation for the archway across the alley. The City Engineer is getting a meeting together with the design team and the contractors go over the recommended plan for the stone columns and develop a plan for construction and installation.

Chairman Hassett stated this is a good compromise to keep the project progressing, as well as receiving a unique design for the archway.

The consensus of the Board was to proceed with the recommended new archway design and contract with an outside artist to create a design for the top of the archway.

BOARD MEMBER COMMENTS

Chairman Hassett stated that he would like to try and market the University Center and the recently purchased property adjacent to it as one large development piece. He would like to see a multi-level building constructed across these sites.

Mr. Skopek stated that the direction from the Board was to market the pieces individually and to recruit destination restaurants and retailers. Staff has met internally to develop a long-term plan for these sites following the Board's direction and has been proceeding based upon that direction.

Chairman Hassett stated the University Center is underutilized and costing the Board money and needs to be leased out. He asked if Avondale Schools were still utilizing the building.

Mr. Skopek stated that Avondale is no longer utilizing the building for the virtual academy as in years prior, but they are utilizing it for professional development and ESL classes. He stated that staff has been proceeding with the direction given by the Board to market the first floor to destination restaurants and retailers.

Vice Chairman Kneffel asked if there was any available research on what to use public buildings for in a downtown area.

Mr. Skopek stated that the TIFA Board is in a unique position with owning so many properties in the core downtown, but that there are many opportunities such as pop-up shops sponsored by the TIFA, leasing out space entirely, or even selling for redevelopment. He added that by having these properties under control the Board can be more active in recruiting destination users.

DIRECTOR UPDATES

Mr. Skopek updated the Board that the sign for the parking structure is currently in fabrication and installation is anticipated within the next few weeks. He also updated the Board that staff will be meeting to discuss recommended projects in TIF District B for the Board to consider.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, August 13, 2019 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room, 1827 N. Squirrel Road, Auburn Hills, Michigan 48326.

ADJOURNMENT

Moved by Mr. Klemanski to adjourn the TIFA Board meeting.

Supported by Mr. Waltenspiel

Yes: Hassett, Kneffel, Klemanski, Waltenspiel, Price

No: none

Motion carried

The TIFA Board of Directors meeting adjourned at 5:31 p.m.

Respectfully submitted,

Steve Goodhall
Secretary of the Board

Brandon Skopek
Executive Director