



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: MARCH 2, 2020

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

February 11, 2020

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

ROLL CALL:

Present:	Hassett, Kneffel, Goodhall, Thornton, Roberts, Dolly (Arrived at 4:04 p.m.)
Absent:	Waltenspiel, Klemanski, Price
Also Present:	Brandon Skopek, Director of Authorities; Aaron Stahly, Deputy Public Works Director
Guests:	None

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

PERSONS WISHING TO BE HEARD

None.

CORRESPONDENCE AND PRESENTATIONS

A. Correspondence from City Manager Tanghe Regarding Renovation Funds

Mr. Skopek read a piece of correspondence from City Manager Tanghe regarding renovation funds for the Playhouse building on the Municipal Campus. The full correspondence is attached.

Dr. Dolly arrived at 4:04 p.m.

Ms. Roberts asked if there was a tenant proposed for the building. She added that she would be more comfortable allocating funds for the renovation project if the Board knew who the user was.

Mr. Skopek stated that a yet-to-be-determined tenant would likely be an office user that would be compatible with the municipal campus. He provided the City's consulting engineer, the Transportation Improvement Association, and the Community Development Department as examples of previous users.

Vice Chairman Kneffel asked how the estimate of \$27,000 was generated for the proposed enhancements of the building.

Mr. Skopek stated that this number is based on a renovation budget of \$10/square foot for the 2,700 square foot building. He added that this is a request to have the funds available, not approval of a tenant or work to commence.

Chairman Hassett stated he is not concerned with the financial request, but he would like additional information on a proposed user.

Vice Chairman Kneffel suggested placing a not-to-exceed amount on the \$27,000 request.

Ms. Thornton stated that she is in support of allocating funds for the building renovation.

Ms. Roberts stated that she also in support of allocating the funds, but would like to know more about a proposed tenant.

The consensus of the Board was to report back to City Manager Tanghe that the funds requested would be available.

APPROVAL OF MINUTES

A. TIFA Regular Meeting Minutes – January 14, 2020

**Moved by Mr. Goodhall to approve the TIFA Regular Meeting minutes from January 14, 2020 as presented.
Supported by Ms. Roberts**

**Yes: Hassett, Kneffel, Goodhall, Thornton, Roberts, Dolly
No: none**

Motion carried

FINANCIAL REPORT

A. FY 2020 Adopted Budget and YTD Summary – January 31, 2020

There was no discussion on the agenda item.

**Moved by Ms. Roberts to receive and file the financial report for period ending January 31, 2020.
Supported by Mr. Kneffel**

**Yes: Hassett, Kneffel, Goodhall, Thornton, Roberts, Dolly
No: none**

Motion carried

OLD BUSINESS

None.

NEW BUSINESS

A. Bid Award for Interior Demolition of 3346 Auburn Road

Mr. Skopek provided a brief summary of work that has been completed to date at 3346 Auburn Road stating that the Department of Public Works has assisted with removing the existing furniture from the building. He noted that some of the furniture has been sold, but a majority of the furniture is to be disposed of. The Department of Public Works has also assisted with the invitation to bid for the interior demolition of the building to prepare it for a tenant build-out. Three bids were submitted and staff is recommending a bid award to Blue Star, Inc. Blue Star, Inc. will be prepared to begin work three days after a notice to proceed is given.

Mr. Stahly stated that the project should move quickly once the notice to proceed is given. He anticipates project completion by the end of March.

Chairman Hassett asked if the revenue from the furniture sold went to the TIFA.

Mr. Skopek confirmed that the TIFA received the revenue for the furniture sales. He added that the TIFA received approximately \$100.

Ms. Roberts asked why there was such a discrepancy in price with the bids received.

Mr. Stahly stated that it is a supply and demand issue. There are some contractors that have more availability than others and the ones with more availability are typically more competitive with their pricing.

Vice Chairman Kneffel asked if there was language in the invitation to bid stating the contractor shall complete the project in a timely manner.

Mr. Stahly stated that there is language in the invitation to bid that discussed project timing. He added that he is confident that Blue Star, Inc. will complete the work and that if they do not, the contract can be terminated and other contractors may be sought.

Moved by Mr. Kneffel to award the bid for the interior demolition of the Tax Increment Finance Authority owned building, located at 3346 Auburn Road, to Blue Star, Inc. in the not-to-exceed amount of \$18,500. Funding for this project is available as budgeted in account number 251-735-975.000

Supported by Ms. Thornton

Yes: Hassett, Kneffel, Goodhall, Thornton, Roberts, Dolly
No: none

Motion carried

B. Discussion: Squirrel Court Building Façade Enhancements

Mr. Skopek presented a memo dated February 4, 2020, which provided a brief history of the agenda item. Due to the investment made in Riverside Park with the new Knight Amphitheater and Splash Pad, and the private development of Riverside Townes along Squirrel Court, the TIFA Board has expressed interest in improving the rear facades of the commercial buildings that front Auburn Road. Staff has had informal discussions with the owner of the buildings about enhancing these facades. The owner has indicated that they are open to façade enhancements, but has noted that they do not have funds available to do so. Mr. Skopek noted that any façade enhancement proposed will require the approval of the building owner in the form of a formal Agreement between the TIFA and owner. Mr. Skopek concluded by recommending the Board seek to hire a contractor to remove the existing paint and then apply a concrete stain in order to reduce maintenance costs and the need to continuously re-apply paint.

Mr. Skopek presented photos of the existing façade for the Board to review, as well as façade examples from surrounding downtowns.

The Board discussed different enhancements for the building facades.

Chairman Hassett suggested sandblasting the façades and staining an earth tone color palate that matches adjacent brick buildings.

The consensus of the Board was to receive quotes for sandblasting the building facades and brick stairways, and for earth tone concrete stain on the Happy Hour and Smoke Shop/Birmingham Ballroom storefronts.

BOARD MEMBER COMMENTS

None.

DIRECTOR UPDATES

None.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is scheduled for Tuesday, March 10, 2020 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room, 1827 N. Squirrel Road, Auburn Hills, Michigan 48326.

ADJOURNMENT

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

Supported by Ms. Thornton

Yes: Hassett, Kneffel, Goodhall, Thornton, Roberts, Dolly
No: none

Motion carried

The TIFA Board of Directors meeting adjourned at 5:10 p.m.

Respectfully submitted,

Steve Goodhall
Secretary of the Board

Brandon Skopek
Executive Director

From: [Tanghe, Tom](#)
To: [Skopek, Brandon](#)
Subject: Renovation Funds
Date: Thursday, February 06, 2020 4:10:20 PM

Brandon,

Please include the following under correspondence at your February 11, 2020 TIFA Board of Directors meeting. Thank you.

Chairman Hassett and Members of the TIFA Board of Directors,

In November 2019, we concluded a lease with OHM Advisors, our consulting civil engineers, for the building on our municipal campus known as The Playhouse. The building is at the top of the hill about one hundred fifty feet west of City Hall. For a number of years leading up to this past November, the building was leased to two private entities for which the City had direct business relationships. Prior to those uses, it was the home to our Community Development Department and going further back, was used by other City departments. In the early 2000's, I worked with then Councilwoman Marge Cooper to prepare the space for Community Development. This means that all of the carpeting and other decorator items such as blinds, paint, etc. in the building are approaching twenty years old and are well-worn.

In preparation for the next occupants (yet-to-be-determined), I am requesting that the TIFA consider a renovation budget for the interior of the building. Because much of what needs to be accomplished is cosmetic in nature, I am requesting a budget allocation from TIF District D of \$10.00 per square foot, or \$27,000 for this 2,700 square foot building. Please consider this correspondence as an official request. Our expectation is that we would need access to these funds around April of this year.

Thank you in advance for your consideration.

Tom

Thomas A. Tanghe
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