



BOARD OF DIRECTORS MEETING

March 9, 2020

5:30 p.m.

Auburn Hills City Hall, Administrative Conference Room • 1827 N. Squirrel Road, Auburn Hills, MI 48326
Minutes of the DDA Board Meeting will be on file in the City Clerk's Office • 248-370-9402

MEETING CALLED TO ORDER

- 1) ROLL CALL
- 2) PERSONS WISHING TO BE HEARD
- 3) APPROVAL OF MINUTES
 - a) Regular Meeting Minutes – January 13, 2020
- 4) CORRESPONDENCE AND PRESENTATIONS
 - a) 2019 DDA Annual Report
- 5) FINANCIAL REPORT
 - a) FY 2020 Adopted Budget and YTD Summary – February 29, 2020
- 6) UNFINISHED BUSINESS
- 7) NEW BUSINESS
 - a) Children's Music Series
 - b) Movies in the Park
 - c) In Your Town Training
 - d) Committee Research Findings
- 8) EXECUTIVE DIRECTOR UPDATE
- 9) BOARD MEMBER COMMENTS
- 10) ADJOURNMENT

Next meeting is scheduled for May 11, 2020 at 5:30 p.m.



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: FEBRUARY 3, 2020

AGENDA ITEM NO. .

“Not Yet Approved”
**CITY OF AUBURN HILLS
DOWNTOWN DEVELOPMENT AUTHORITY MEETING**

January 13, 2020

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 5:30 PM.

ROLL CALL

Present:	Young, Jernigan, Volk, McDaniel, Wise
Absent:	Travnikar, Spurlin, Rasmussen, Gliniecki
Also Present:	Brandon Skopek, Director of Authorities
Guests:	None

PERSONS WISHING TO BE HEARD

None.

CORRESPONDENCE AND PRESENTATIONS

None.

APPROVAL OF MINUTES

A. Informational Meeting Minutes – December 9, 2019

Moved by Mr. Volk to approve the DDA Informational Meeting Minutes from December 9, 2019 as presented.
Supported by Ms. Wise.

Yes: Young, Jernigan, Volk, McDaniel, Wise
No: None

Motion carried

B. Regular Meeting Minutes – December 9, 2019

Moved by Mr. Volk to approve the DDA Regular Meeting Minutes from December 9, 2019 as presented.
Supported by Ms. Wise.

Yes: Young, Jernigan, Volk, McDaniel, Wise
No: None

Motion carried

FINANCIAL REPORT

A. FY 2019 Adopted Budget and YTD Summary – December 31, 2019

Mr. Skopek reviewed the financial report for period ending December 31, 2019. He stated that the DDA has received approximately 100% of budgeted property tax revenue to date for a total of \$159,243. He stated that approximately 88% of budgeted expenditures were utilized to date. The total net position of the DDA is \$306,929.

Mr. Volk asked if budget projections for the next five years and beyond were reflective of all the new and proposed development.

Mr. Skopek stated that the DDA Tax Increment Financing Plan does account for future development within the DDA district and that those projections are fairly accurate.

Mr. Volk asked if projections were based on steady growth or the rapid amount of development currently seen.

Mr. Skopek stated he will discuss revenue projections with the Finance Department and report back to the Board.

Moved by Ms. Jernigan to receive and file the financial report for period ending December 31, 2019.

Supported by Mr. Volk

Yes: Young, Jernigan, Volk, McDaniel, Wise

No: None

Motion carried

OLD BUSINESS

None.

NEW BUSINESS

A. Election of Officers

Mr. Skopek called for nominations for Chairman of the DDA Board of Directors for 2020. Mr. Young was nominated by Mr. Volk and supported by Mayor McDaniel. Mr. Skopek called roll, there were no objections or further nominations.

Yes: Young, Jernigan, Volk, McDaniel, Wise

No: None

Motion carried by roll call vote

Mr. Skopek called for nominations for Vice-Chairman of the DDA Board of Directors for 2020. Mr. Volk was nominated by Ms. Wise and supported by Ms. Jernigan. Mr. Skopek called roll, there were no objections or further nominations.

Yes: Young, Jernigan, Volk, McDaniel, Wise

No: None

Motion carried by roll call vote

B. Four Points of Main Street and Committee Responsibilities

Mr. Skopek presented a memo dated January 6, 2020. He reviewed the four points of the Main Street Approach and how each of the four points utilize a committee structure to accomplish the tasks outlined in each approach. He then discussed the proposed committee responsibilities and recommended forming a Promotion Committee and an Organization Committee. He noted that a Design Committee and an Economic Vitality Committee may be explored at a later date and are not currently needed as a majority of the responsibilities under these committees are completed collaboratively between the City Council, City staff, the DDA Board of Directors and the TIFA Board of Directors.

The Board discussed the different responsibilities of the Promotion Committee and the Organization Committee.

Chairman Young recommended appointing a Chairman and Vice-Chairman to the committees.

Ms. Jernigan will serve as the Chairman of the Organization Committee with Mr. Volk serving as the Vice-Chairman.

Ms. Wise will serve as the Chairman of the Promotion Committee with Mr. Volk serving as the Vice-Chairman.

Mr. Skopek stated that committees will report to the DDA Board as a whole and staff will work with the committees on work plans and strategies. He added that committees could be comprised of resident and merchant volunteers, as well as, other City Boards and Commissions.

Chairman Young suggested reaching out to the TIFA Board about members serving on the committees.

There was no further discussion on the agenda item.

BOARD MEMBER COMMENTS

None.

DIRECTOR UPDATES

Mr. Skopek stated that staff held the first Summerfest planning meeting to discuss event logistics and activities. He noted that one activity discussed was a bar crawl event in conjunction with Summerfest to encourage event attendees to patronize downtown. Although there are no definitive plans at this time, staff is seeking the DDA Board's input on their sponsorship of a bar crawl activity. If there is interest, staff will proceed with research and planning.

The Board discussed different components of the activity. The consensus of the Board was for staff to proceed with research and planning for a bar crawl event.

Staff will proceed with research of event logistics and report back to the Board with a definitive plan.

Mr. Skopek stated that the bands for the Friday Night Summer Concert Series have come in under budget. Approximately \$16,000 is proposed to be expended on the Friday Night Summer Concert Series, which has a budget of \$20,000. Staff discussed utilizing the remaining funds to host a children's music series during the week in order to bring patrons downtown during the weekdays around lunch time. Staff sought feedback from the Board before proceeding.

The Board discussed the children's concert series and noted that it is worth trying out and pursuing.

Staff will bring a recommendation to the Board at the March DDA meeting.

Mr. Skopek discussed utilizing the additional \$5,000 budgeted for events in 2020 for a summer movie series. He stated that the pop-up movie night last October was a success and staff is proposing to schedule four movie nights in August for Wednesday evenings.

The consensus of the Board was for staff to proceed with planning for a downtown movie series.

Mr. Skopek passed out the Downtown Dining Guide that the TIFA Board created for marketing downtown Auburn Hills. He noted that the dining guides have been placed in all the hotels located within City limits and within a three-mile radius of downtown.

ANNOUNCEMENT OF NEXT MEETING

The next Downtown Development Authority Board of Directors will be Monday, March 9, 2020, at 5:30 PM at City Hall in the Administrative Conference Room.

ADJOURNMENT

Moved by Mayor McDaniel to adjourn the DDA Board meeting.

Supported by Ms. Jernigan

Yes: Young, Jernigan, Volk, McDaniel, Wise

No: None

Motion carried

The DDA Board of Directors meeting adjourned at 6:35 p.m.

Respectfully submitted,
Brandon Skopek
Executive Director



2019 Downtown Development Authority Annual Report

Introduction

In 1975, the Downtown Development Authority (DDA) Act was enacted, and then updated and recodified in 2018, to be a catalyst in the development of a community's downtown district. The DDA provides for a variety of funding options including tax increment financing which utilizes funds for public improvements in the downtown district. The DDA tax increment financing mechanism allows for the capture of incremental growth of local property taxes over a period of time to fund public infrastructure improvements. Funding large-scale projects can lead to new development opportunities in the district and is considered an amenity to the development community. In collaboration with other public and private entities, the DDA Board of Directors strive to ensure the growth and prosperity of Downtown Auburn Hills.

Public Act 57 of 2018 Reporting Requirements

On January 1, 2019, Public Act 57 of 2018 took effect. PA 57 of 2018 is an Act that provides for the recodification and establishment of certain tax increment financing authorities and establishes new financial reporting and transparency requirements. In accordance with the new requirements established under the Act, the Downtown Development Authority has completed the initial financial reporting and has held two public Informational Meetings. The semi-annual Informational Meetings are meetings for the purpose of informing the public of the goals and direction of the authority, including projects to be undertaken in the coming year. Informational Meetings are not for the purpose of voting on policy, budgets or other operational matters. All authorities must be compliant by June 2020.

2019 Summary

In the second quarter of 2019, the Downtown Development Authority awarded a grant to residential developer, Robertson Brothers, for their multi-family residential development in downtown Auburn Hills. This development will feature fourteen townhomes available for sale along the Clinton River, adjacent to Riverside Park. The infill development came with many challenges that made the development more costly to construct; therefore, the Downtown Development Authority offered a grant incentive to assist in off-setting the additional site improvement expenses that made the development cost-prohibitive. Robertson Brothers completed construction of the first of three buildings in the fourth quarter of 2019.



In 2019, the Downtown Development Authority continued to serve as the primary sponsor to the Summer Concert Series held at the Knight Amphitheater in Riverside Park. In addition to the annual sponsorship of the Summer Concert Series, the Downtown Development Authority hosted the City's first annual SeptemBEERfest in downtown Auburn Hills. This charitable Michigan craft beer tasting event featured two blues bands, lawn games, catered BBQ, and a variety of craft beer options for event attendees to enjoy. The

event attracted over 300 people from across the region to downtown Auburn Hills. All proceeds from SeptemBEERfest benefitted the Auburn Hills Community Foundation.

In October 2019, the Downtown Development Authority hosted the first outdoor movie night at the Knight Amphitheater in Riverside Park and presented a showing of “Hocus Pocus” for event attendees. Attendees were offered popcorn and plush Halloween giveaways. In November 2019, the Downtown Development Authority hosted a groundbreaking ceremony for Fountain Circle of Auburn Hills, a \$20 million residential development that will feature 258 residences in seven buildings of various sizes, with a clubhouse, pool, and park areas.

The Downtown Development Authority continues to make great strides in becoming a Select Level community with Main Street Oakland County. By achieving the status of a Select Level Community, downtown Auburn Hills will benefit from special marketing, advertising and publicity opportunities with Oakland County, as well as gain additional technical services to continue to grow and develop the downtown. The Downtown Development Authority created a ten-step benchmark plan to first achieve Associate Level status with Main Street Oakland County and is quickly checking off the tasks to in order to do so.

In the second quarter of 2019, the Downtown Development Authority hosted a Resource Team visit with Main Street Oakland County where regional downtown experts were invited to downtown Auburn Hills to provide their feedback on next steps for the continued growth of downtown Auburn Hills. Following the recommendations made by the Resource Team, the Downtown Development Authority Board of Directors created a Promotions Committee and an Organization Committee. The Promotions Committee will assist with the promotion of downtown Auburn Hills through the creation of new events and print and digital marketing materials, whereas the Organization Committee will assist with outreach and downtown merchant engagement, and the enlistment of volunteers.

Future Outlook

With an estimated day-time population over 50,000 people within a two-mile radius of Downtown Auburn Hills, it is important to attract those individuals to the community during lunch and after work. As tax increment revenue continues to grow, the Downtown Development Authority will become the event and marketing mechanism for all of downtown Auburn Hills.

In 2020, the Board of Directors will continue to make progress through their ten-step benchmark plan to achieve Associate Level Status with Main Street Oakland County and will look to create additional events to draw people throughout the region to downtown Auburn Hills. With greater promotion, merchant engagement and cross promotion, and Board Member involvement, downtown events and businesses will continue to grow well into the future.

2020 DDA Board of Directors

John Young, Chairman

Steven Volk, Vice Chairman

Mayor Kevin McDaniel

Jean Jernigan

Dan Gliniecki

Dawn Wise

Ryan Rasmussen

Brandon Skopek, *Executive Director*



TO: Chairman Young and Members of the DDA Board of Directors

FROM: Brandon Skopek, Director of Authorities, DDA Executive Director

DATE: March 2, 2020

SUBJECT: FY 2020 Adopted Budget and YTD Summary – February 29, 2020

Attached for your review are the DDA financial statements for the period ending February 29, 2020

DDA STATEMENT OF REVENUES AND EXPENDITURES

- Approximately 32% of budgeted property tax revenue has been received for the DDA in 2020 for a total of \$56,815
- Approximately 19% of budgeted expenditures have utilized in fiscal year 2020. Major expenditures to date include the Friday Night Concert Series.

The net position of the DDA is \$337,419.

An appropriate motion is:

Move to receive and file the Financial Report for Period Ending February 29, 2020

**City of Auburn Hills
DDA Statement of Net Position
For the Period Ending February 29, 2020**

<u>ASSETS</u>	<u>DDA</u>
Cash and Cash Equivalents	340,093
Accounts Receivable	-
Total Assets	<u><u>340,093</u></u>
<u>LIABILITIES</u>	
Accounts Payable	-
Due to Trust and Agency	-
Due to Taxpayers	2,674
Deferred Revenue	-
Total Liabilities	<u><u>2,674</u></u>
<u>NET POSITION</u>	
Beginning Net Position 1/1/2020 (Un-Audited)	173,998
Excess of Revenues over Expenditures as of February 29, 2019	<u>38,621</u>
Net investment in capital assets	-
Unrestricted	337,419
Total Net Position	<u><u>337,419</u></u>

City of Auburn Hills
Statement of Revenues, Expenditures, and Changes in Net Position-DDA
For the Period Ending February 29, 2020

Fund 248-728		Amended	Year-	Fav / (Unfav)
		Annual	To-Date	Budget
<u>REVENUES</u>		<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
20	402.000 Property Taxes	\$ 181,371	\$ 56,865	\$ (124,506)
	418.00 Delinquent Personal Property	-	1	1
	421.000 Tax Chargeback	(2,200)	-	2,200
	422.000 MTT YE Accrual	(200)	(50)	150
	623.000 Event Fees	-	-	-
	664.000 Interest Revenue	-	119	119
	675.000 Contributions/Donations	-	-	-
	Total Revenues	178,971	56,935	(122,036)
<u>EXPENDITURES</u>				
55	729.000 Supplies	2,000	-	2,000
76	817.000 Consultant Services	2,500	-	2,500
	967.100 Site Improvement Grants	-	-	-
<u>Other Expenses</u>				
85	885.000 Community Relations	25,000	16,500	8,500
85	901.000 Marketing	5,000	-	5,000
85	958.000 Membership Dues	580	-	580
85	960.001 Conferences and Workshops	1,575	-	1,575
85	998.000 Miscellaneous	-	-	-
	929.000 Irrigation Water & Maintenance	7,000	57	6,943
59	927.000 Utilities	-	-	-
	994.000 Loan Payment - Principal	38,244		
	995.100 Loan Payment - Interest	4,800		
73	999.004 Administrative Charges	6,232	1,039	5,193
88	999.007 Interfund Services	4,306	718	3,588
	Total Expenditures	97,237	18,314	78,923
	Excess of Revenues over Expenditures as of February 29, 2020	81,734	38,621	<u>\$ (43,113)</u>
	Beginning Total Net Position (1/1/2020)	173,998	173,998	
	Ending Total Net Position	<u>\$ 255,732</u>	<u>\$ 212,619</u>	



TO: Chairman Young and Members of the DDA Board of Directors

FROM: Brandon Skopek, Director of Authorities, DDA Executive Director

DATE: February 28, 2020

SUBJECT: Children's Music Series

INTRODUCTION AND HISTORY

The Downtown Development Authority budget for fiscal year 2020 has \$20,000 allocated for the summer concert series downtown. The Recreation Department has managed to line-up a fun and diverse group of bands, which are listed below:

Friday, July 10 – Main Street Soul	\$3,000
Friday, July 17 – Atomic Radio	\$2,500
Friday, July 24 – Cruzin' Jupiter	\$1,500
Friday, July 31 – Toppermost Beatles Tribute	\$ 900
Friday, August 7– Joey Vee	\$1,400
Friday, August 14 – Denise Davis and the Motor City Sensations	\$1,500
Friday August 21 – Teen Angels	\$2,300
Friday, August 28 – 50 Amp Fuse	<u>\$3,400</u>
Total =	\$16,500

There is a realized savings of \$3,500 within the summer concert series budget. Staff is seeking approval to utilize the remaining funds for a Children's Music Series on Wednesdays in July. The intent is to host these concerts during lunch time on Wednesdays in an attempt to drive additional weekday traffic to downtown Auburn Hills to patronize businesses. The Recreation Department has researched and proposed the following acts for the Children's Music Series:

Wednesday, July 8, 2020 – Zippety 2 Dads	\$1,000
Wednesday, July 15, 2020 – Joe Reilly	\$ 850
Wednesday, July 22, 2020 – Guy Louis	\$ 800
Wednesday, July 29, 2020 – Rick and Dayna's Playhouse	<u>\$ 650</u>
Total =	\$3,300

STAFF RECOMMENDATION

Staff recommends utilizing remaining funds from the summer concert series to host a Children's Music Series. This will drive additional traffic downtown during the week and will serve as a good pilot in an attempt to host more regularly programmed events downtown.

An appropriate motion is:

Move to approve utilizing the remaining funds from the Summer Concert Series event budget for a Children's Music Series.



TO: Chairman Young and Members of the DDA Board of Directors

FROM: Brandon Skopek, Director of Authorities, DDA Executive Director

DATE: March 2, 2020

SUBJECT: Movies in the Park

INTRODUCTION AND HISTORY

In October 2019, the DDA hosted the first outdoor movie night at the Knight Amphitheater in Riverside Park and presented a showing of “Hocus Pocus” for event attendees. Attendees were offered popcorn and plush Halloween giveaways. The event proved to be successful and attracted many residents and visitors to downtown.

Based on the success of the event in 2019 and in an attempt to have more regularly programmed events downtown, staff is recommending hosting a downtown movie series this summer. The movies would take place on Wednesday evenings in August beginning at sunset. Staff proposes to utilize in-house equipment for the movie night to reduce costs; however, movie licensing will need to be sought, as well as the acquisition of miscellaneous event supplies. The Recreation Department has assisted with the below movie selection and staff has received quotes for the licensing fees.

Wednesday, August 5 – The Wizard of Oz (PG)	\$395
Wednesday, August 12 – Toy Story 4 (G)	\$450
Wednesday, August 19 – A Beautiful Day in the Neighborhood (PG)	\$435
Wednesday, August 26 – Frozen II (PG)	<u>\$450</u>
Total =	\$1,730

STAFF RECOMMENDATION

Staff recommends approval of the Downtown Auburn Hills Movies in the Park event series with funding not-to-exceed \$2,500. These funds will be used toward the acquisition of movie licensing and event supplies. There is currently \$5,000 budgeted in FY 2020 for new downtown events.

An appropriate motion is:

Move to approve the Downtown Auburn Hills Movies in the Park event series with event funding not-to-exceed \$2,500.



TO: Chairman Young and Members of the DDA Board of Directors

FROM: Brandon Skopek, Director of Authorities, DDA Executive Director

DATE: February 28, 2020

SUBJECT: In Your Town Training

INTRODUCTION AND HISTORY

On January 22, 2020, Board members and staff attended a workshop hosted by Main Street Oakland County on Board effectiveness. Many items were discussed, such as policy setting, organization/program advocacy, and Board member and staff responsibilities.

Since Auburn Hills was so well represented at this workshop, we were placed into a drawing with other Associate and Affiliate Level Main Street communities for a grant toward “In Your Town Training” in the amount of \$1,500 – The Auburn Hills DDA was the winner of this grant. The funding can be used toward a workshop/training the DDA would like to host related to our downtown efforts. Most communities choose a topic that informs or educates their district businesses on various topics that can assist them with being more competitive. The training will need to be completed by September 30, 2020.

Some examples of trainings hosted by communities include “Finding Your Business Market” where business development experts provided information on resources that are available to grow businesses, how to perform a site analysis, and how to examine competition. Another example is “Increase Your Sales and Profits as a Destination Business” where experts presented a 14-step strategy to learn how to be a destination business that attracts more customer traffic.

The DDA Board has expressed interest in hosting a storefront design workshop for merchants, which would also qualify for this grant.

STAFF RECOMMENDATION

Based upon previous conversations with the Board and the findings from the Resource Team Report, staff recommends the DDA Board host a storefront design workshop for our downtown merchants. However, options are open should the Board wish to pursue another training opportunity at this time. Following a selection by the Board, staff will work with Main Street Oakland County to schedule the training.

An appropriate motion is:

A motion, if so desired, will be made following the discussion.



TO: Chairman Young and Members of the DDA Board of Directors

FROM: Brandon Skopek, Director of Authorities, DDA Executive Director

DATE: February 27, 2020

SUBJECT: Committee Research Findings

No additional written material provided.

At this time, staff will present DDA/Main Street committee projects and committee structure as found in regional organizations.