



CITY OF AUBURN HILLS
CITY COUNCIL AGENDA

MEETING DATE: MAY 17, 2021

AGENDA ITEM NO.

**CITY OF AUBURN HILLS
TAX INCREMENT FINANCE AUTHORITY MEETING
May 11, 2021**

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

ROLL CALL:

Present:	Kneffel (Auburn Hills, MI), Klemanski (Auburn Hills, MI), Moniz (Auburn Hills, MI), Hawkins (Pontiac, MI), Goodhall (Auburn Hills, MI), Waltenspiel (Auburn Hills, MI), Price (Auburn Hills, MI), Thornton (Charlevoix, MI), Dolly (Auburn Hills, MI)
Absent:	None
Also Present:	Brandon Skopek, Assistant to the City Manager; Sage Hegdal, Recreation Director; Stan Torres, Parks Supervisor
Guests:	2

LOCATION: Virtual Meeting

PERSONS WISHING TO BE HEARD

None.

APPROVAL OF MINUTES

A. TIFA Regular Meeting Minutes – April 13, 2021

Moved by Mr. Goodhall to approve the TIFA Regular Meeting minutes from April 13, 2021 as presented.

Seconded by Mr. Hawkins

Yes: Kneffel, Klemanski, Moniz, Hawkins, Goodhall, Waltenspiel, Price, Thornton, Dolly
No: none

Motion carried by roll call vote

B. Joint DDA and TIFA Meeting Minutes – April 13, 2021

Moved by Mr. Goodhall to approve the Joint DDA and TIFA Meeting minutes from April 13, 2021 as presented.

Seconded by Mr. Hawkins

Yes: Kneffel, Klemanski, Moniz, Hawkins, Goodhall, Waltenspiel, Price, Thornton, Dolly
No: none

Motion carried by roll call vote

CORRESPONDENCE AND PRESENTATIONS

None.

FINANCIAL REPORT

A. FY 2021 Adopted Budget and YTD Summary – April 30, 2021

Mr. Skopek presented the financial report for the period ending April 30, 2021.

Mr. Hawkins inquired about the history of the negative tax capture in TIF District-D.

Mr. Skopek provided an explanation on the negative tax capture and how this is partially offset by PPT reimbursement from the State of Michigan at the end of each year. He added that PPT reimbursement is projected through 2025, but it is anticipated to end around that time.

Vice Chairman Klemanski asked how PPT reimbursement is calculated.

Mr. Skopek stated that the State provides a form each year for municipalities to complete. The form has calculations based on personal property values from the base year of the TIF, the current fiscal year personal property values, and millage rates. He added that the State does not provide clear guidance on how PPT reimbursement is calculated or how much a municipality may receive.

Chairman Kneffel asked how TIF-D's fund balance looked in projections.

Mr. Skopek stated that TIF-D has a steady fund balance and has only a couple of infrastructure projects this year. Overall, the district focuses on maintenance of existing infrastructure to maintain a healthy fund balance throughout the remainder of the TIF's capture period.

Moved by Ms. Price to receive and file the financial report for period ending April 30, 2021.

Seconded by Dr. Klemanski

Yes: Kneffel, Klemanski, Moniz, Hawkins, Goodhall, Waltenspiel, Price, Thornton, Dolly

No: none

Motion carried by roll call vote

UNFINISHED BUSINESS

None.

NEW BUSINESS

A. Bid Award for the Seyburn Pavilion and Riverside Park Gazebo

Mr. Torres presented a memo dated May 3, 2021. He stated that even before the increased traffic as a result of the pandemic, Riverside Park saw very high usage and is in high demand with a number of new amenities constructed at this location. It is the opinion of staff that the park would benefit from a new gazebo to serve the south end of the park. Staff selected a 20'x20' gazebo for the area that will match the styling of the new pavilion. \$50,000 was budgeted for this project, however, due to market conditions, the low bid came in at \$63,600. With the addition of a 10% contingency, staff is requesting funding at \$69,960.

Mr. Torres added that the removal of the Seyburn Mansion opened up a pristine and scenic location in Civic Center Park overlooking the nearby pond. Staff researched a reasonably priced structure with unique architecture to make the space special. The design selected is from Legacy Post and Beam out of Fremont, Nebraska. This design was selected because of its simple, yet unique design. With a 10% contingency, staff is requesting \$160,270 for the structure, which is proposed to be called the "Seyburn Pavilion".

Mr. Torres concluded by stating the City allowed contractors to submit bids for both the exact structure staff selected and also an alternate version from another manufacturer. In the case of the two projects presented, the lowest bid was for the exact products specified and the lowest bidder was Michigan Recreational Construction of Brighton, Michigan. Staff recommends approval of the bid award for the purchase and construction of both structures to Michigan Recreational Construction.

Mr. Waltenspiel asked if composite prices have increased as much as lumber.

Mr. Craig Sheffer, Michigan Recreational Construction, noted that many products have increased in price and composite is one of those products. He added that the structures are being procured directly from the manufacturer and the materials are not being purchased separately.

Chairman Kneffel asked about the construction timeline.

Mr. Sheffer stated all structures will be completed by December 3, 2021. Once the bid is awarded, they will proceed with ordering materials. There is a 12–16-week lead time for materials to be delivered.

Mr. Moniz asked how the site would be secured during construction and how construction would impact events.

Mr. Torres stated that the contractor will install fencing to secure the site. The contract language specifies that the contractor shall make reasonable accommodations to work around any City events.

Mr. Moniz asked if these projects would need to be approved by City Council.

Mr. Skopek stated that these projects will be presented to City Council for permission to be constructed on City property. He added that these items will be on the May 17 City Council agenda for consideration. The TIFA Board is approving the contract and funding, whereas the City Council would authorize the construction.

Chairman Kneffel asked if the Manitoba Park structure and the Hawk Woods structure are included in the TIFA districts.

Mr. Skopek stated that the only two structures included within the TIFA districts are the Riverside Park gazebo and the Seyburn Pavilion. City Council would approve funding for the Manitoba Park structure and the Hawk Woods structure, as well as authorize the construction of all four structures because they are on City property. TIFA is only funding the Riverside Park gazebo and the Seybrun Pavilion.

Moved by Mr. Moniz to award a contract to Michigan Recreational Construction, P.O. Box 2127, Brighton, MI for the construction of a 20'x20' gazebo within Riverside Park in an amount not to exceed \$69,960 to be funded from TIFA-A account number 251-735-970.000, and also to construct a 36'x48' pavilion in Civic Center Park in an amount not to exceed \$160,270 funded from TIFA-D account number 253-737-970.000-MUNIPAVILION. Furthermore, amend the TIFA-A budget to increase funding by \$20,00 in account number 251-735-970.000 for the Riverside Park gazebo project.

Seconded by Dr. Dolly

Yes: Kneffel, Klemanski, Moniz, Hawkins, Goodhall, Waltenspiel, Price, Thornton, Dolly

No: none

Motion carried by roll call vote

EXECUTIVE DIRECTOR UPDATE

Mr. Skopek provided an update on the Public Square construction bid. He noted that the low bid for the project came in at approximately \$366,000 and that the engineer's opinion of probable cost for the project, including contingencies, was approximately \$186,000. Staff and the City Engineer is of the opinion that the project should be rebid again this winter for a spring 2022 construction. At that point, bids may be more reasonable. Staff cannot make a recommendation to proceed with the project at this point in time due to almost a 100% increase in cost. While the project would serve as a great amenity for downtown, it is not a must have for this year. Mr. Skopek recommended rolling out the artificial turf for the pop-up Public Square again this year, which would allow for some smaller events to be held in the core downtown, as well as serve as an additional seating area for downtown restaurants.

The Board concurred with staff's recommendation and next steps.

Mr. Skopek provided an update on the downtown Pedestrian Alleyway. He noted that the archways are scheduled to be installed the morning of May 12 and the uplights will be installed approximately 3-4 weeks from now. He added that once the archways are installed, the Department of Public Works will install the overhead string lights. The alleyway should be completed by Summerfest.

Mr. Skopek stated that each year the Michigan Municipal Executives (MME), a State Affiliate of the of the International City/County Management Association (ICMA), hosts a winter conference and summer workshop. This year's summer workshop is begin co-hosted by the City of Rochester and the City of Auburn Hills. Rochester will host a majority of the conference sessions at the Royal

Park Hotel, whereas Auburn Hills will host a number of evening activities, as well as an educational session in downtown Auburn Hills and a golf outing at Fieldstone Golf Club. He added that Auburn Hills will be hosting a concert and vendor reception for the summer workshop at the Knight Amphitheater. Since the concert will be held at the Knight Amphitheater and there are funds budgeted in the TIFA budget for community relations events, staff has suggested to the MME summer workshop planning committee that the TIFA Board could provide sponsorship for the band for that evening, in an amount not-to-exceed \$5,000. He concluded by stating this would be a great opportunity for downtown Auburn Hills and the City overall.

Vice Chairman Klemanski stated that this is a great opportunity for Auburn Hills as it increases the profile of the City among an interested and knowledgeable body.

Chairman Kneffel asked if the MME was comprised of City Managers throughout the state.

Mr. Skopek affirmed that a majority of the MME membership are those with the title of City Manager, Assistant City Manager, and Assistant to the City Manager throughout the State of Michigan. Department heads and college students seeking employment in local government are also eligible for membership.

The consensus of the Board was that sponsorship of a band would be a great opportunity for the TIFA and the City.

BOARD MEMBER COMMENTS

Mr. Moniz announced his resignation from the City Council effective May 18 noting his desire to spend time with his family and personal health as his reason for resigning. He stated he has enjoyed his years of service to the community. He added that per the City Charter, Mr. Hawkins will be sworn in as a new City Councilmember the first City Council meeting in June as Mr. Moniz's replacement. Mr. Moniz will remain on the TIFA Board as an Auburn Hills citizen for at least the remainder of the year and Mr. Hawkins will fill the role of City Council Liaison. Mr. Moniz wished Mr. Hawkins luck in his new role.

Board members thanked Mr. Moniz for his service to the community and congratulated Mr. Hawkins on his upcoming appointment to the City Council.

Mr. Hawkins thanked Mr. Moniz for his years of service to the community and noted he has big shoes to fill, but he is looking forward to serving the community in this capacity.

Secretary Goodhall noted that a resident asked if the DEN had a proposed reopening date.

Mr. Skopek stated that there is no reopening date proposed at this time. He added that the DEN will likely not reopen as a student center. He reminded the Board that there are funds budgeted for building improvements to the DEN to make it habitable for a small business that could enter a public/private partnership with the TIFA. Staff was in conversations with a bakery to occupy half the space; however, plans fell through due to the status of the pandemic.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is scheduled for Tuesday, June 8, 2021 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room, 1827 N. Squirrel Road, Auburn Hills, Michigan 48326.

ADJOURNMENT

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

Seconded by Ms. Thornton

Yes: Kneffel, Klemanski, Moniz, Hawkins, Goodhall, Waltenspiel, Price, Thornton, Dolly
No: none

Motion carried by roll call vote

The TIFA Board of Directors meeting adjourned at 4:55 PM

Respectfully submitted,

Steve Goodhall
Secretary of the Board

Brandon Skopek
Assistant to the City Manager