



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: JULY 9, 2018

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

June 12, 2018

CALL TO ORDER: Chairman Hassett called the meeting to order at 4:03 PM.

ROLL CALL:

Present:	Goodhall, Hassett, Kneffel, Molnar, Roberts, Waltenspiel
Absent:	Dolly, Price, Thornton
Also Present:	Samantha Seimer, Director of Authorities; Tom Tanghe, City Manager; Don Grice, Assistant City Manager; Mark Michling, Manager of Public Utilities
Guests:	Eric Gorges, Voodoo Choppers

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

PERSONS WISHING TO BE HEARD

None.

CORRESPONDENCE AND PRESENTATIONS

A. Eric Gorges, Voodoo Choppers – Riverside Park Art Piece

Ms. Seimer reviewed that public art has long been a goal of the TIFA Board for many years given its continuous place in the budget. Staff including Parks and Recreation Director Brian Marzolf, and City Planner Shawn Keenan have been engaged in dialogue with Mr. Eric Gorges about the addition of a substantial art piece to be included in the renovations taking place at Riverside Park.

She introduced Mr. Eric Gorges of Voodoo Choppers based in Auburn Hills. Mr. Gorges is the host of PBS TV Show, “A Craftsman’s Legacy.” Mr. Gorges revealed a scaled model of his proposed art piece for Riverside Park. He added that in creating his piece, he reviewed many history books about Auburn Hills and how it grew into the community that it is today. Mr. Gorges focused on the importance of water and the river to the community. The piece is made of varying sizes of metal ribbons twisted like water ripples situated in a circular fashion, but open and pointing upwards towards the top of the piece. The openness and growth at the top of the sculpture represents the upward growth of the community from a mill town, to a world class community.

Mr. Molnar asked about the size of the finished product. Mr. Gorges stated that the final product will be approximately 6 feet wide and 10 feet tall.

Chairman Hassett asked about the durability of the proposed metal. Mr. Gorges replied that he has worked with a variety of metals and believes that heat treated steel will be the most durable for the art piece. He added that the heat treatment adds color to the metal and gives each ribbon its uniqueness. Chairman Hassett asked Mr. Gorges if he would take a sample ribbon and leave it out in the elements to see how the metal reacts over time.

Mr. Molnar asked if lighting, fence or water feature was considered for the piece for added safety. Mr. Grice added that staff has explored different colored lights on the scaled model. He added that a fence may take away from the artwork, but a water basin could be considered. He cautioned that the water feature would come with added maintenance. Chairman Hassett stated that water could be circulated from the splash pad.

Mr. Molnar asked if consideration has been given to unveiling the art piece with the splash pad and amphitheater. Mr. Tanghe stated that the plan is to unveil the art piece at the same time the amphitheater and splash pad open as one large grand opening ceremony. Therefore, the opening will more than likely occur in the Spring of 2019.

Moved by Mr. Molnar to commission an art piece as proposed by Eric Gorges for Riverside Park in the not-to-exceed amount of \$25,000 with funding provided from TIFA Account #251-735-970.000. Such piece will be approximately 6' wide and 10' tall and made of materials as presented by the artist and will include appropriate mounted and secured installation. Additionally, waive the purchasing ordinance competitive bid requirement and award the commission to a single source vendor due to the unique nature of the public art project. Supported by Ms. Roberts.

Yes: Goodhall, Hassett, Kneffel, Molnar, Roberts, Waltenspiel
No: none

Motion carried

APPROVAL OF MINUTES

A. Regular Meeting Minutes – May 8, 2018

There was no additional discussion about the meeting minutes.

Moved by Mr. Goodhall to approve the Regular TIFA Minutes from May 8, 2018 as presented.
Supported by Mr. Molnar

Yes: Goodhall, Hassett, Kneffel, Molnar, Roberts, Waltenspiel
No: none

Motion carried

FINANCIAL REPORT

A. Period ending May 31, 2018

Ms. Seimer presented the financial report for period ending May 31, 2018. She reviewed the investment accounts stating that district A has \$1.64 million cash and \$1.2 million invested between three separate accounts including Investment Pooling, Cutwater and MiClass, District B has \$2.23 million cash, and \$7.83 million invested with Cutwater and District D has \$902, 476 cash on hand and \$1.85 million invested with Cutwater. The investment funds have seen a slight increase since the previous month

TIF A has received 64% of its budgeted property tax revenue and utilized 27% of its expenditures. TIF B has received 60% of its budgeted property tax revenue and has only utilized 1.1% of its anticipated expenditures. Ms. Seimer explained that expenditure utilization will increase as water main replacement begins on Opdyke Road in the next several months. TIF D has no budgeted property tax revenue due to the loss of personal property tax. Over the last month 18% of budgeted expenditures have been utilized, majority of these expenditures have been for utilities and administrative charges.

There was no additional discussion about the financial report.

TIFA 85-A	\$ 26,978,354	Available Cash (TIF-A)	\$ 2,862,342
TIFA 85-B	\$ 18,606,549	Available Cash (TIF-B)	\$ 10,059,600
TIFA 86-D	\$ 27,227,106	Available Cash (TIF-D)	\$ 2,188,343
	\$ 72,750,815		\$ 15,110,285

Moved by Mr. Roberts to approve the Financial Report of May 31, 2018 as submitted.
Supported by Mr. Waltenspiel.

Yes: Goodhall, Hassett, Kneffel, Molnar, Roberts, Waltenspiel
No: none

Motion carried

OLD BUSINESS

A. Opdyke Road Scope of Construction Services

Mr. Michling presented a memo dated June 12 to the Tax Increment Finance Authority Board of Directors for the approval request for the scope of construction services with OHM Advisors for the Water Main Improvements associated with the Opdyke Road Rehabilitation Project.

Mr. Michling reviewed that on May 2 the TIFA approved a cost participation agreement with the City of Auburn Hills and Road Commission for Oakland County. The total scope of services includes construction engineering and observation as well as contract administration. The total cost of the scope of construction services is \$275,000 with TIFA B's proportional share of 59% totaling \$163,000

Mr. Michling also included the bid tab for the project as let by RCOC on May 4 and tabulated by May 21, 2018.

**Moved by Mr. Kneffel to Approve the Scope of Construction Services with OHM Advisors for the Water Main Improvements associated with the Opdyke Road Rehabilitation Project in the not-to-exceed amount of \$163,000 paid with budgeted funds from account #252-736-971.000
Supported by Mr. Molnar.**

**Yes: Goodhall, Hassett, Kneffel, Molnar, Roberts, Waltenspiel
No: none**

Motion carried

NEW BUSINESS

A. TIFA Sponsorship – Auburn Hills Chamber of Commerce Taste of Auburn Hills

Ms. Seimer presented a memo dated June 7, 2018 for an opportunity for TIFA to be a sponsor of the Chamber of Commerce Taste of Auburn Hills. Ms. Seimer reviewed that the Taste of Auburn Hills has been hosted at a variety of places including the Chrysler Museum as well as the Palace of Auburn Hills. The 2018 Taste of Auburn Hills is at the HUB, located in TIF District B.

By being the Presenting Sponsor for the 2018 Taste of Auburn Hills, Ms. Seimer reviewed that TIFA will receive second placement level on all digital and print media, information about TIFA on all publicity and advertising, a banner at the event, name on the website and logo on the event handout. Additionally, TIFA will receive 25 tickets to the event.

Ms. Seimer added that by sponsoring this signature event, at a location within TIF District B, it will give greater exposure to the tax Increment Finance Authority and its investment and benefit to the community. Ms. Seimer also stated that each year a portion of the proceeds benefit local area charities. The 2017 recipients were the Auburn Hills Community Foundation and Senior Services Meal Program.

Chairman Hassett asked why TIFA did not have the lead sponsorship for the event. Ms. Seimer added that FCA had already pledged itself as the lead sponsor for the Taste of Auburn Hills.

**Moved by Mr. Molnar to approve \$4,000 Presenting Sponsorship for the 2018 Taste of Auburn Hills and create budget in General Ledger account #252-736-885.000 for approved funding.
Supported by Ms. Roberts.**

**Yes: Goodhall, Hassett, Kneffel, Molnar, Roberts, Waltenspiel
No: none**

Motion carried

B. TIF-A Business Recruitment Incentive Discussion

Mr. Tanghe discussed a couple incentive opportunities in which the TIFA Board may be involved in the near future. He has a legal opinion and state statute that states the TIFA may loan money to other TIF districts as well as the DDA. He discussed an incentive opportunity for a for-sale development in downtown. TIF District B would loan money for the incentive to the DDA with a low interest rate and four year pay-back period. He presented another opportunity where TIF B could loan money to TIF D to assist in a development on the community campus. The Board was receptive to the opportunity to be involved in project incentives. Mr. Tanghe explained that the next step with the downtown incentive is to present a resolution to the DDA Board at their next meeting.

C. TIF-B Marketing Discussion

Mr. Tanghe gave a brief history about how marketing throughout the community has been perceived. He discussed an idea for a commercial years ago. Ms. Seimer discussed a proposal from Corp! Magazine to place ads from TIFA marketing the Auburn Hills business community. Mr. Kneffel passed around a copy of Corp! for board members to review. Mr. Waltenspiel talked about his business Podcast Detroit and that new media is trending towards things like YouTube commercials and

Pandora commercials, places where active listening occurs. The consensus of the board was to hold off until a greater marketing plan is devised in greater detail.

BOARD MEMBER COMMENTS

None.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, July 10, 2018 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room 1827 N. Squirrel Road, Auburn Hills, MI 48326.

ADJOURNMENT

There being no objections, the TIFA Board of Directors meeting adjourned at 5:48.

Respectfully submitted,

Steve Goodhall

Secretary of the Board

Samantha Seimer

Executive Director