



CITY OF AUBURN HILLS
CITY COUNCIL WORKSHOP
MINUTES

April 6, 2026

CALL TO ORDER & Mayor Hawkins at 5:30 PM

PLEDGE OF ALLEGIANCE:

LOCATION:

Admin Conference Room, City Hall, 1827 N. Squirrel Rd, Auburn Hills, MI 48326

Present: Council Members Ferguson, Fletcher, Hawkins, Knight, Marzolf, Moniz, and Verbeke

Absent: None

Also Present: City Manager Tanghe, Asst City Manager Skopek, City Attorney Kelly, City Clerk Pierce, Chief of Police Gagnon, Fire Chief Robinson, Director of Community Development, Economic Development Mgr Carroll, Mgr of Fleet & Roads Hefner, Asst to the Manager Hagge

0 Guests

Workshop Topic: Business Improvement District (BID) and Future of DDA Funding

Mr. Tanghe introduced the topic, noting that the discussion will focus on the methods to maintain and promote the downtown as the Downtown Development Authority (DDA) and Tax Increment Finance Authority (TIFA) funding sources approach expiration.

Mr. Skopek explained that the DDA will sunset on December 31, 2029 and TIFA will sunset on December 31, 2031. There will be no dedicated funding source for the downtown once those expire and the City must continue to invest in the downtown. He explained that the DDA is the marketing and promotions arm of the downtown. He reviewed the budget and the capital improvement projects coming out of the DDA budget, relieving the general fund of having to fund those projects.

Mr. Skopek explained that establishing a BID would promote economic development within a defined area by allowing for the collection of revenues through a special assessment and bonds, which would be used for the maintenance, security and operation of the district. He noted that a BID would be established by City Council resolution and governed by a Board of Directors. He reviewed the proposed boundary map.

Mr. Skopek explained the estimated revenue from a special assessment would be \$190,000 annually based on \$0.20/square foot for commercial properties, with a \$20,000 annual cap for large commercial buildings and \$0.05/square foot for single-family residential properties. A BID is required to be reviewed every five years, but could be reviewed more frequently such as every three years. Concern was expressed with the impact on the property owners with a new assessment.

Mr. Skopek noted that there are two potential funding options: 1) to approach Oakland County about the DDA renewal; 2) to implement a DDA millage in the future, up to two mills may be levied, which is approved by Council. He noted that a millage is not recommended at this time.

Mr. Skopek noted the importance of ongoing public investment. Even with a special assessment revenue and DDA renewal, it would not cover capital expenses and there would be some impact on the general fund.

Mr. Skopek recommended that staff finalize details for the creation of a Business Improvement District which include finalizing the boundary, finalizing the square footage calculations for special assessment, creating a Business Improvement District Board, having the Board adopt a Business Improvement District Development Plan and approaching Oakland County about a DDA renewal.

Discussion ensued regarding capital improvement projects and the BID boundaries. It was noted that the entire financial burden will not be taken on fully by the property owners. The City would still be subsidizing. It was also noted that the BID special assessment would be separate from the DDA renewal.

It was the consensus of Council to move forward with the recommendation as presented.

The meeting adjourned at 6:53 PM.

Eugene Hawkins III, Mayor

Laura M. Pierce, City Clerk

