



## **MEETING NOTICE**

### **BIRMINGHAM TRIANGLE DISTRICT CORRIDOR IMPROVEMENT AUTHORITY**

PLEASE TAKE NOTICE that a meeting of the Birmingham Triangle District Corridor Improvement Authority will take place on **Friday, January 20, 2017 at 8:30 a.m.** in the City Commission Room (#205) at the Birmingham City Hall, 151 Martin St., Birmingham, MI 48009.

### **Meeting Agenda**

1. Call to Order by Commissioner Sherman
2. Roll Call
3. Approval of minutes from October 19, 2016
4. New Business
  - a. Review of discussions with Oakland County regarding TIF participation
5. Comments from the Public
6. Adjourn

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*Approved minutes of the meeting are available in the Planning Department or online at: [www.bhamgov.org](http://www.bhamgov.org).*

THIS NOTICE IS GIVEN in accordance with Act 261, 1968 Public Act 267.

**DATE POSTED: January 17, 2017**

Individuals requiring accommodations, such as interpreter services, for effective participation in this meeting should contact the City Clerk's Office at [\(248\) 530-1880](tel:248-530-1880) at least one day in advance of the public meeting.

Las personas que requieren alojamiento, tales como servicios de interpretación, la participación efectiva en esta reunión deben ponerse en contacto con la Oficina del Secretario Municipal al [\(248\) 530-1880](tel:248-530-1880) por lo menos el día antes de la reunión pública. (Title VI of the Civil Rights Act of 1964).

**BIRMINGHAM TRIANGLE DISTRICT  
CORRIDOR IMPROVEMENT AUTHORITY  
MINUTES OF WEDNESDAY, OCTOBER 19, 2016**

Municipal Building Commission Room #205  
151 Martin, Birmingham, Michigan

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1. Call to Order by City Commissioner Stuart Sherman at 9:35 a.m.
2. Roll Call:

Present: Kip Cantrick, Jr.  
J.C. Cataldo  
Edward Fuller  
Curtis Hays  
Victor Saroki  
Stuart Sherman  
Robert Ziegelman

Absent: None

Others Present: City Engineer O'Meara, City Attorney Currier, City Manager Valentine, Planning Director Ecker, Finance Director Gerber, Recording Secretary Salutes

3. Approval of Minutes from June 30, 2016

**MOTION:** Motion by Mr. Cantrick, seconded by Mr. Ziegelman:  
To approve the minutes of June 30, 2016 as presented.

VOTE: Yeas, 7  
Nays, None  
Absent, None

Motion carried 7-0.

4. New Business

- a. Review of draft contract with Oakland County

City Manager Valentine advised there have been additional conversations with the County since this group last met. The County has come back with some changes to the language. There are several additional modifications that the City is proposing that will be reviewed at this meeting prior to going back to the County.

City Attorney Currier explained the County has moved back from one to two parking structures. Also they are insisting on return of the money if the structures are not started or completed by a date certain. They propose to limit the total capture at \$1,615,565. At the end of 2026 if the CIA has not initiated the construction of a parking structure, the City shall provide an update to the County on the status of the project. The County may elect to amend or terminate the agreement and have the money returned. Before, they were insistent on terminating the agreement and having the tax increment money returned at that time. This is an extension because originally they wanted everything completed by 2020. Now the City just has to initiate by 2026. That is the biggest change in the agreement.

City Manager Valentine proposed modification to the language on page 6, article 3 to say the project must be initiated rather than completed by 2026, given the City would need to acquire land and private partnerships before starting the construction process. That gives the City some additional latitude to get the project done. He feels most people at the County now understand what the City needs to advance this project. In response to Mr. Saroki, City Manager Valentine explained his definition of "initiated" is at least having some agreements in place to begin the process.

It was agreed the term "initiated the construction" as it appears in articles 4 and 5 could be open to interpretation especially 10 years down the line. Mr. Ziegelman questioned if allowing 10 years to complete the project is enough time. City Manager Valentine replied the structure is the catalyst for development of the Triangle District. Not having the parking will stall the whole District. He indicated he would have loved to have the time extended, but the County had a concern with giving up revenue when no deals are in place. He explained there are no conditions on the money if the City doesn't build a second structure.

Mr. Cataldo noticed the language on page 5, section (f) has changed since the June CIA meeting. City Manager Valentine explained that by implementing the agreement the County had proposed with the language they had proposed the City would automatically be in violation of the agreement once they executed it. City Attorney Currier then drafted language the County was comfortable with.

He went on to note that originally the County wanted ownership or interest in property in the area to be a disqualifying factor. It was explained to them that the composition of the CIA was deliberately trying to get stakeholders who had an interest in seeing this done right. CIA members can own property or have interest in the area as long as they are not profiting from it.

Commissioner Sherman asked about the base year of tax capture. City Attorney Currier replied it will start when the agreement is executed. It will be moved from year 2015 to the next appropriate year.

Commissioner Sherman observed what they are talking about here is less than 4% of the money needed for this project, which is about \$37 million. The County is demanding all kinds of things in return and really has no intention of doing very much. His view was if they don't want to agree with what the City is doing, at this point he would be comfortable going back to the City Commission and saying that the County doesn't really want to be a partner and maybe the City should do the development without them.

City Manager Valentine advised that all counties throughout the State have been somewhat opposed to TIFs. So he feels Oakland County would like to get out of this entirely. However, he thinks politically there are reasons why they can't do that. Commissioner Sherman added that they don't want to be in the TIF business but they want the benefit of it. Publicly they are pro-development but privately they are not.

Mr. Saroki said if the \$1.6 million is available to the City he doesn't see it being onerous to have to jump through hoops to secure that money if possible.

Mr. Cataldo asked if it would be a problem for the City to decide at year 9 whether or not to keep the money, as opposed to making that decision this year. City Manager Valentine indicated he would be leery about taking that approach because the County might say they wouldn't participate if the City isn't serious. It is better for the City to be in a position where it has the money to refund. Mr. Cataldo wondered if the City is bound by the contract if they sign it.

City Attorney Currier explained the contract has the usual provision that it can't be amended as long as it is agreed to in writing by the parties. However, he could not imagine the County would not want their money back if offered.

Commissioner Sherman observed that \$1.6 million is a lot of money but the CIA has now spent two years negotiating with the County. At some point the City should say enough.

Mr. Ziegelman remarked that he thinks having a deadline helps to promote getting the project done. City Manager Valentine thought that strategically looking forward it doesn't hurt if the City later decides it won't need the funds. He doesn't think there would be a big hesitation from the County to accept them back in year 8 or 9.

Mr. Fuller noted deadlines are a good thing but the economy is going to play a big role in how this moves forward. If the economy doesn't get to the point of justifying that structure, it isn't going to happen. In response to a question by Mr. Fuller, City Attorney Currier advised that based on the contract language if the City opts out at some time

and doesn't perform, there will not be a penalty such as interest or a severance fee. Authority members didn't see any downside in that.

City Attorney Currier noted there had been some discussion regarding article 3 about adding some definition of "initiating construction" and what that means. Maybe that language could be changed to read something to the effect that if at the end of 2026 the CIA has not initiated a plan for a parking structure by at a minimum securing written agreement for the project development. That could be land acquisition, private/public partnership, or something of that nature.

It was decided to make "initiated" a defined term in the document.

City Manager Valentine described the process going forward. The City is working with the County legal counsel who then will take it back to their sub-committee of the TIF group. Following that it goes to the full group, then to the actual board. That will take about two months. Once the City gets approval, it goes to Mr. Currier and then the City Commission for execution, and back to the County for them to start the format they have to follow.

**MOTION:** Motion by Mr. Saroki, seconded by Mr. Ziegelman:

To approve and move forward with the document as presented with the clarifications noted by the City Attorney with regard to the word "initiate," for better definition and clarification.

There were no comments on the motion from the audience at 10:04 a.m.

VOTE:       Yeas, 7  
              Nays, None  
              Absent, None

Motion carried 7-0.

5.       Comments from the public (none)
6.       Adjournment

The meeting adjourned at 10:06 a.m.



# MEMORANDUM

Planning Division

**DATE:** January 17, 2017

**TO:** Corridor Improvement Authority

**FROM:** Jana L. Ecker, Planning Director

**SUBJECT:** Oakland County Participation in the Triangle District TIF

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In 2009, the City created a Corridor Improvement Authority ("CIA") to assist in the development and funding of public parking facilities in the Triangle District. The CIA completed a Development Plan and a Tax Increment Financing Plan to determine the best locations for public parking facilities within the Triangle District, and to identify potential taxes that could be captured to fund public parking improvements.

In 2015, the City began working with Oakland County to negotiate a tax capture agreement in accordance with the County's new guidelines. Despite numerous meetings with Oakland County officials and the approval of Oakland County's Budget Committee and Tax Increment Financing Committee, the City has been unable to execute an agreement with Oakland County that would ensure their participation in the tax capture under the proposed TIF Plan. At this time, the County has once again sought to amend the contract language, and is now asking to limit their contributions, and to require that one or more parking structures are constructed within a 10 year period or their tax contributions will be refunded to them, despite the fact that the approved TIF Plan operates over a 40 year period. Please find attached the latest emails received from County officials regarding Oakland County's participation in the Triangle TIF District. Given the ongoing issues with the County's attempts to limit their involvement, the CIA may wish to review the attached charts that illustrate the amount of County investment based on their proposed terms, and determine whether it is worth our while to continue to seek the support of Oakland County and their participation in our TIF or simply move forward without the economic support of Oakland County.

**Estimated Tax Capture by Taxing Jurisdiction  
Fiscal Year Ending June 30**

Fiscal Year	Captured Value <sup>(1)</sup>	City of Birmingham			Oakland County		Huron-Clinton Metro Park Authority OPT OUT	Oakland Comm. Coll. 1.5819 @ 75% 1.1864	SMART 0.5900	Total TIF Revenue
		Operating Levy 11.4943 @ 75% 8.6207	Refuse Levy .9170 @ 75% 0.6878	Library Levy 1.1000 @ 75% 0.8250	Operating @ 75% See Rates Below <sup>(2)</sup>	Parks & Rec .2410 @ 75% 0.1808				
2015	-									
2016	1,152,750	9,938	793	951	3,536	208	-	1,368	680	17,474
2017	2,334,319	20,123	1,606	1,926	7,073	422	-	2,769	1,377	35,296
2018	3,545,427	30,564	2,439	2,925	10,743	641	-	4,206	2,092	53,610
2019	4,786,813	41,266	3,292	3,949	14,504	865	-	5,679	2,824	72,379
2020	6,059,233	52,235	4,168	4,999	18,359	1,096	-	7,189	3,575	91,621
2021	7,363,464	63,478	5,065	6,075	22,311	1,331	-	8,736	4,344	111,340
2022	8,700,301	75,003	5,984	7,178	26,362	1,573	-	10,322	5,133	131,555
2023	10,070,559	86,815	6,927	8,308	30,514	1,821	-	11,948	5,942	152,275
2024	11,475,073	98,923	7,893	9,467	34,769	2,075	-	13,614	6,770	173,511
2025	12,914,700	111,334	8,883	10,655	39,132	2,335	-	15,322	7,620	195,281
2026	14,390,318	124,055	9,898	11,872	43,603	2,602	-	17,073	8,490	217,593
2027	15,902,826	137,093	10,938	13,120	48,186	2,875	-	18,867	9,383	240,462
2028	17,453,147	150,458	12,004	14,399	52,883	3,156	-	20,706	10,297	263,903
2029	19,042,226	164,157	13,097	15,710	57,698	3,443	-	22,592	11,235	287,932
2030	20,671,032	178,199	14,218	17,054	62,633	3,737	-	24,524	12,196	312,561
2031	22,340,558	192,591	15,366	18,431	67,692	4,039	-	26,505	13,181	337,805
2032	24,051,822	207,344	16,543	19,843	72,877	4,349	-	28,535	14,191	363,682
2033	25,805,868	222,465	17,749	21,290	78,192	4,666	-	30,616	15,225	390,203
2034	27,603,765	237,964	18,986	22,773	83,639	4,991	-	32,749	16,286	417,388
2035	29,446,609	253,850	20,253	24,293	89,223	5,324	-	34,935	17,373	445,251
2036	31,335,524	270,134	21,553	25,852	94,947	5,665	-	37,176	18,488	473,815
2037	33,271,662	286,825	22,884	27,449	100,813	6,016	-	39,473	19,630	503,090
2038	35,256,204	303,933	24,249	29,086	106,826	6,374	-	41,828	20,801	533,097
2039	37,290,359	321,469	25,648	30,765	112,990	6,742	-	44,241	22,001	563,856
2040	39,375,368	339,443	27,082	32,485	119,307	7,119	-	46,715	23,231	595,382
2041	41,512,502	357,867	28,552	34,248	125,783	7,505	-	49,250	24,492	627,697
<b>Totals</b>		<b>4,337,526</b>	<b>346,070</b>	<b>415,103</b>	<b>1,524,595</b>	<b>90,970</b>	<b>-</b>	<b>596,938</b>	<b>296,857</b>	<b>7,608,059</b>

<sup>(1)</sup> 2016-2041 assume 2.5% growth/year

<sup>(2)</sup> FY 2016 4.0900 mills; 4.0400 mills thereafter

parking facilities from the tax increment revenues captured in the Development Area.

- The Authority may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan: The CIA anticipates using all of the captured tax increment revenues to pay the costs of the development of parking facilities.

b)

Estimated Tax Capture by Taxing Jurisdiction									
Fiscal Year Ending June 30									
Millage Rates		11.6883	0.9253	1.1	4.19	0.4561	0.59	1.5844	20.5341
	Captured Assessed Value (1)	City of Birmingham Operating	City of Birmingham Refuse	City of Birmingham Library	Oakland County	HCMA/County Parks and Rec	SMART	Community College	Total of Non-School Taxing Jurisdiction
Fiscal Year									
2014	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	\$1,097,457	\$12,827	\$1,015	\$1,207	\$4,598	\$501	\$647	\$1,739	\$22,535
2016	\$2,222,351	\$25,976	\$2,056	\$2,445	\$9,312	\$1,014	\$1,311	\$3,521	\$45,634
2017	\$3,375,368	\$39,452	\$3,123	\$3,713	\$14,143	\$1,540	\$1,991	\$5,348	\$69,310
2018	\$4,557,209	\$53,266	\$4,217	\$5,013	\$19,095	\$2,079	\$2,689	\$7,220	\$93,578
2019	\$5,768,597	\$67,425	\$5,938	\$6,345	\$24,170	\$2,631	\$3,403	\$9,140	\$118,453
2020	\$7,010,270	\$81,938	\$6,487	\$7,711	\$29,373	\$3,197	\$4,136	\$11,107	\$143,950
2021	\$8,282,984	\$96,814	\$7,664	\$9,111	\$34,706	\$3,778	\$4,887	\$13,124	\$170,084
2022	\$9,587,516	\$112,062	\$8,871	\$10,546	\$40,172	\$4,373	\$5,657	\$15,190	\$196,871
2023	\$10,924,661	\$127,691	\$10,109	\$12,017	\$45,774	\$4,983	\$6,446	\$17,309	\$224,328
2024	\$12,295,235	\$143,710	\$11,377	\$13,525	\$51,517	\$5,608	\$7,254	\$19,481	\$252,472
2025	\$13,700,074	\$160,131	\$12,677	\$15,070	\$57,403	\$6,249	\$8,083	\$21,706	\$281,319
2026	\$15,140,033	\$176,961	\$14,009	\$16,654	\$63,437	\$6,905	\$8,933	\$23,988	\$310,887
2027	\$16,615,991	\$194,213	\$15,375	\$18,278	\$69,621	\$7,579	\$9,803	\$26,326	\$341,194
2028	\$18,128,849	\$211,895	\$16,775	\$19,942	\$75,960	\$8,269	\$10,696	\$28,723	\$372,260
2029	\$19,679,527	\$230,020	\$18,209	\$21,647	\$82,457	\$8,976	\$11,611	\$31,180	\$404,101
2030	\$21,268,973	\$248,598	\$19,680	\$23,396	\$89,117	\$9,701	\$12,549	\$33,699	\$436,739
2031	\$22,898,155	\$267,641	\$21,188	\$25,188	\$95,943	\$10,444	\$13,510	\$36,280	\$470,193
2032	\$24,568,066	\$287,159	\$22,733	\$27,025	\$102,940	\$11,205	\$14,495	\$38,926	\$504,483
2033	\$26,279,725	\$307,165	\$24,317	\$28,908	\$110,112	\$11,986	\$15,505	\$41,638	\$539,631
2034	\$28,034,176	\$327,672	\$25,940	\$30,838	\$117,463	\$12,786	\$16,540	\$44,417	\$575,657
2035	\$29,832,488	\$348,691	\$27,604	\$32,816	\$124,998	\$13,607	\$17,601	\$47,267	\$612,583
2036	\$31,675,758	\$370,236	\$29,310	\$34,843	\$132,721	\$14,447	\$18,689	\$50,187	\$650,433
2037	\$33,565,109	\$392,319	\$31,058	\$36,922	\$140,638	\$15,309	\$19,803	\$53,181	\$689,229
2038	\$35,501,694	\$414,954	\$32,850	\$39,052	\$148,752	\$16,192	\$20,946	\$56,249	\$728,995
2039	\$37,486,694	\$438,156	\$34,686	\$41,235	\$157,069	\$17,098	\$22,117	\$59,394	\$769,756
2040	\$39,521,319	\$461,937	\$36,569	\$43,473	\$165,594	\$18,026	\$23,318	\$62,618	\$811,535
		\$5,598,909	\$443,236	\$526,920	\$2,007,087	\$218,480	\$282,621	\$758,957	\$9,836,209

(1) 2015 - 2040 assume 2.5% growth/year.



**Estimated Tax Capture by Taxing Jurisdiction**  
**Fiscal Year Ending June 30**  
**For the Fiscal Years FY 2015-2027**

Fiscal Year	Captured Value <sup>(1)</sup>	City of Birmingham			Oakland County		Huron-Clinton Metro Park Authority OPT OUT	Oakland Comm. Coll. 1.5707 @ 75%	SMART 0.9941	Total Mills 15.4787
		Operating Levy 11.1843 @ 75%	Refuse Levy .8687 @ 75%	Library Levy 1.4100 @ 75%	Operating @ 75% 4.0400 @ 75%	Parks & Rec .2392 @ 75%				
2015	-									
2016	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2018	1,355,989	11,374	883	1,434	4,109	243	-	1,597	1,348	20,988
2019	2,745,877	23,033	1,789	2,904	8,320	493	-	3,235	2,730	42,504
2020	4,170,513	34,983	2,717	4,410	12,637	748	-	4,913	4,146	64,554
2021	5,630,765	47,232	3,668	5,955	17,061	1,010	-	6,633	5,598	87,157
2022	7,127,523	59,787	4,644	7,537	21,596	1,279	-	8,396	7,085	110,324
2023	8,661,700	72,656	5,643	9,160	26,245	1,554	-	10,203	8,611	134,072
2024	10,234,231	85,847	6,668	10,823	31,010	1,836	-	12,056	10,174	158,414
2025	11,846,076	99,367	7,718	12,527	35,894	2,125	-	13,955	11,776	183,362
2026	13,498,217	113,226	8,794	14,274	40,900	2,422	-	15,901	13,419	208,936
2027	15,191,661	127,431	9,897	16,065	46,031	2,725	-	17,896	15,102	235,147
<b>Totals</b>		<u>674,936</u>	<u>52,421</u>	<u>85,089</u>	<u>243,803</u>	<u>14,435</u>	<u>-</u>	<u>94,785</u>	<u>79,989</u>	<u>1,245,458</u>

<sup>(1)</sup> 2018-2027 assume 2.5% growth/year

	<u>Amount</u>	<u>% of Funding</u>
City	812,446	65.3%
County	258,238	20.7%
HCMA	-	0.0%
Community College	94,785	7.6%
SMART	<u>79,989</u>	<u>6.4%</u>
<b>Total</b>	<b>1,245,458</b>	<b>100.0%</b>



Jana Ecker &lt;jecker@bhamgov.org&gt;

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**Re: Birmingham TIF**

1 message

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**Joe Valentine** <jvalentine@bhamgov.org>

Wed, Dec 14, 2016 at 3:53 PM

To: "Daddow, Robert J" &lt;daddowr@oakgov.com&gt;

Cc: "Shortley, Joellen" &lt;shortleyj@oakgov.com&gt;, "Gibb, Matthew A" &lt;gibbm@oakgov.com&gt;, "Poisson, Gerald D" &lt;poissong@oakgov.com&gt;, "Bertolini, Phillip R" &lt;bertolinip@oakgov.com&gt;, Tim Currier &lt;tcurrier@bhlaw.us.com&gt;, Stuart Sherman &lt;ssherman@bhamgov.org&gt;, Mark Nickita &lt;mnickita@bhamgov.org&gt;, Jana Ecker &lt;Jecker@bhamgov.org&gt;

Bob,

Thank you for your prompt attention to this issue and involving the appropriate individuals to get this matter resolved. As you may know, the City's last revision of the TIF agreement, via respective legal counsels, was on October 20th and we have only been told the matter was attempting to be scheduled for a meeting of the TIF Review Committee with the understanding it was being presented for approval based on negotiations to this point. There was no formal indication that the modification to the one sentence of concern that you have identified below was an outstanding item from the October 20th submission. If not for the rumblings from an outside third party that there was an "issue" with the latest version of the TIF agreement, your latest concerns on this one sentence would not have been made known to us. I only raise this as it is indicative of the challenges we encountered with the County over the prior two years in attempting to complete this process and further advance economic development within the County. With this said, however, I must acknowledge the efforts by Mr. Gibb who has been of great assistance in working to address earlier issues and advance these efforts over the past few months. It is not my intention to debate issues of the past two years, but only provide context to our concern and appreciation for your assistance in moving this plan forward.

What I would like to do next is review this response with our CIA and then reach out to you again based on your willingness to finalize the language. As we proceed in this direction, I would ask that you not schedule this item for your TIF Review Committee until we can effectuate a review of your response to our last submission. With the holidays shortly upon us, this may not occur until early 2017. I will plan to keep you advised so we can collaboratively achieve the desired outcomes for the City and the County.

Best Regards,  
Joe Valentine

On Tue, Dec 13, 2016 at 4:57 PM, Daddow, Robert J <daddowr@oakgov.com> wrote:

Joe – over the past few hours, my initial email has spurred some internal discussions with the notation of the below matter coming out. As we chatted, the counter-proposal provided (as noted below) was considered to be minor changes to the agreement. Frankly, I don't see it that way as they are quite a bit different. The below is a summary of the two changes -

In a nutshell, the County's last draft proposed:

"If at the end of 2026, the CIA has not constructed a parking structure, the CIA shall refund to County the total amount of County tax incremental revenue collected up to that point.....

The Birmingham CIA met and approved:

“If at the end of 2026, the CIA has not initiated the plan for a parking structure, at a minimum, security a written agreement for the project development, the CIA shall provide an update to the Count on the status of the project and be subject to a review of this Agreement. At such time, the County may elect to amend or terminate this agreement based on the status of the project...”

As I snipped from the earlier email, my concerns – which I believe are those of the Budget Task Force are summarized below:

- I relayed the principal concerns I am aware of in the discussions at the Budget Task Force – that being that Birmingham wants to capture roughly \$1.6 million in future County property tax revenues in the CIA district. I relayed my concerns during the discussion which are two-fold – 1) That I understood that the original plan was to secure a commitment from the County for up to 30 years of captured taxes for the construction of potentially 2 parking structures, but if after 10 years none is built, they would pay the County back the taxes captured and 2) I don't want to create a precedent with Birmingham that other local units would expect to be available to them.
- The concern with item number 1 should be obvious – that this becomes a long-term, interest-free loan of sorts with no immediate use of the funds captured. Given that the Board of Commissioners' policy caps the total amount of captured revenues for all TIFA-type projects, the sheltering of idle funds in Birmingham's CIA at the time when the cap is hit will only damage another city who approaches the County for use of captured funds but is denied – even as they may have a 'shovel ready' project. Worse, if it becomes known that the County is willing to allow for projects that have not been finalized and generally ready to go, other communities will want their share – causing 'me too' and hitting the cap even faster than it might otherwise occur.

The counter-proposal is not acceptable for the above discussions cited in the paragraphs above. If the City would like to accept the proposal offered by Ms. Shortley earlier (or truly minor changes to it), which represents the sentiment of the BTF, then I think we are all ears and a meeting is well in order to work out the final language. I am quite certain that an open collection of the County's property taxes for an undetermined final plan and timeframe won't be possible.

I await what you would like to do – but the County stands ready to meet should you so desire to discuss the above proposal and counter-proposal as drafted or if the use of the slightly modified County proposal noted above would truly be tweaked for minor changes. We await your decision. RJD

I believe it is necessary to have the mayor and the chair of the CIA at this meeting. Any confusion appears to happen once the dialogue gets to that body (just my opinion). Dan Hunter has been working with Rebecca in my office to set something up. I can check to see where that stands.

Matt

Sent from my iPhone

On Dec 13, 2016, at 3:41 PM, Daddow, Robert J <[daddowr@oakgov.com](mailto:daddowr@oakgov.com)> wrote:

Folks – I had a chat with Mr. V. after the City Manager’s luncheon today about the status of the Birmingham CIA and where it is heading. As related to me, Mr. V. received a commitment from Matt G. about two weeks ago to get a meeting together / help resolve this issue, but Mr. V. hasn’t heard anything since.

I’d like to get this resolved – up or down – sometime soon and it seems that in the discussions with various folks, the communications message from Mr. V’s vantage point has been unclear as to what needs to be done. It’s been my experience that shortening the communication path might be the best alternative – said differently, how about the respective parties get in the same room at the same time and resolve this matter.

As I understand it right now, there is a draft agreement but the terms of the agreement have yet to be finalized. In Mr. V’s analysis, the recent changes offered up were minimal and should have been acceptable. Getting in the same room will help sort this out.

I relayed the principal concerns I am aware of in the discussions at the Budget Task Force – that being that Birmingham wants to capture roughly \$1.6 million in future County property tax revenues in the CIA district. I relayed my concerns during the discussion which are two-fold – 1) That I understood that the original plan was to secure a commitment from the County for up to 30 years of captured taxes for the construction of potentially 2 parking structures, but if after 10 years none is built, they would pay the County back the taxes captured and 2) I don’t want to create a precedent with Birmingham that other local units would expect to be available to them.

The concern with item number 1 should be obvious – that this becomes a long-term, interest-free loan of sorts with no immediate use of the funds captured. Given that the Board of Commissioners’ policy caps the total amount of captured revenues for all TIFA-type projects, the sheltering of idle funds in Birmingham’s CIA at the time when the cap is hit will only damage another city who approaches the County for use of captured funds but is denied – even as they may have a ‘shovel ready’ project. Worse, if it becomes known that the County is willing to allow for projects that have not been finalized and generally ready to go, other communities will want their share – causing ‘me too’ and hitting the cap even faster than it might otherwise occur.

I’ll be the first to admit I haven’t read the agreement so I don’t know the details at this moment and have attended the BTF meetings but that is my summation of the status of where we are. Who is responsible to get this done – up or down – and can that meeting be called? I will endeavor to make the meeting. RJD

**From:** Joe Valentine [<mailto:jvalentine@bhamgov.org>]  
**Sent:** Tuesday, December 13, 2016 3:12 PM  
**To:** Daddow, Robert J  
**Subject:** Birmingham TIF

Bob,

Thanks for your time this afternoon at the Oakland County City Manager's Association meeting to talk a bit about Birmingham's TIF plan. In follow up to our conversation, I'd welcome the opportunity to meet with the appropriate representatives of the County's Budget Task Force to discuss any outstanding concerns or questions that may exist.

Please let me know what the best time would be for representatives on your end and we will work to accommodate your schedules.

I appreciate your time and assistance.

Best Regards,

--

**Joseph A. Valentine**

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