

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, January 17, 2023
Commerce Township Hall
2009 Township Drive
Commerce Township, MI 48390

CALL TO ORDER: The Meeting was called to order by Vice Chairperson Matta at 12:00pm.

Downtown Development Authority:

Present: Debbie Watson, DDA Director
Steve Matta, Vice Chairperson
Larry Gray, Township Supervisor
Brian Winkler, Member
David Smith, Member
Susan Spelker, Member
Jose Mirkin, Member
Derek Tuck, Member
Tim Hoy, Member

Absent: James Gotts, Chairperson (excused)

Also Present: Molly Phillips, DDA Treasurer
Melissa Creech, DDA Secretary
Sandy Allard, DDA Assistant
Randy Thomas, Insite Commercial (exited at 12:47pm)
Chris Martella, DDA Attorney
Matt Schwanitz, Giffels-Webster, DDA Engineer
Dave Campbell, Township Planning Director
Lt. Wendy Reyes, OCSO Substation Commander
Bruce Aikens, Robert B. Aikens & Associates, LLC

Item 1: Approval of Minutes

MOTION by Spelker, seconded by Mirkin, to approve the DDA Regular Meeting Minutes of December 13, 2022, as presented. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

Ray Golota, 1595 Vanstone Dr., Commerce Township – Quite a few of my friends were asking about the LED sign on the northeast corner of M-5 and 14 Mile Road.

Supervisor Gray – The Township was approached by Outdoor One regarding a federal case that was overturned in Austin, Texas. That pretty much made our ordinance null and void. They came to us and were going to take us to court over it. We decided that rather than going through the case, we would settle outside of court. We allowed them to put up one sign. When it originally came to the Township, it was supposed to be a double-sided sign with larger screens on it. We settled on a one-sided sign with a smaller screen.

Dave Campbell – They wanted it taller too, didn't they?

Supervisor Gray – Yes, they wanted it taller as well. The ordinance was rewritten so there shouldn't be any more signs on M-5. That was something that we had to agree upon.

Ray Golota – So could a sign like that appear on the corner of Pontiac Trail and Haggerty?

Supervisor Gray – Not the way that the ordinance is written as of now.

Dave Campbell – Unless the Supreme Court changes the rules again.

Bruce Aikens – Is that similar to the mobile home parks, where you're required to have housing variety in the community?

Dave Campbell – It's more First Amendment, Freedom Speech issues.

Ray Golota – Thank you.

Item 3: Five & Main Quarterly Update

Vice Chairperson Matta welcomed Bruce Aikens to the meeting.

Bruce Aikens – Things are very upbeat. We've had some good meetings trying to come up with some ideas on how to create funding to help with infrastructure costs of the project. There have been some good ideas. We're actually bringing onboard a group that does public/private financing and partnerships so we'll have a professional eye on that as far as options. We're working in partnership to get the project positioned and the Township is doing great.

Vice Chairperson Matta – You're looking at grants and things for infrastructure?

Bruce Aikens – Yes, for example you could put in a mass transit stop, and then there could be funds for improving the sidewalks. So, any way that we can lower the costs, we're trying to find avenues to do that, and not create additional burdens or costs on the Township or the DDA. We still feel pretty confident that we're going to be able to break ground this year and start doing construction. That would involve redoing the Walmart drive, along with bringing sewer and water into the residential apartment site. We feel we're still on track to go vertical in the Spring of 2024 with the multi-family, and then to go vertical with retail either in the Fall of 2024, or Spring of 2025.

Vice Chairperson Matta – Have you gotten a partnership yet for the residential portion?

Bruce Aikens – We are a paragraph or two away from signing that, and Lautrec would be the partner, and we're still on schedule to break ground this Fall and go vertical next year.

Leasing-wise, we've made some moves on the lease plan. We had a tenant that was on an endcap with 12,000 square feet and it was expensive. So, we pushed that tenant inward and that creates three sides to the building. We can now put two tenants, each at 3,000 square feet, on the endcap, which makes it substantially less expensive. We had another anchor tenant that was at 12,000 square feet and reduced him to 8,000 square feet, again saving a substantial amount of money. A lot of tenants are downsizing in the marketplace. So, we're massaging the plan to try to get the people who will pay the most rent in the right spots, and people who are the named tenants that we need to drive the leasing in more reasonable locations that are less expensive.

We believe that we've got great momentum from a leasing perspective. It's really trying to get the economics to fall into place. It's a recession, but we think costing next Fall will be a better place than the present. A building that used to be built for \$200,000 is now \$500,000, so it's very tough from a construction cost perspective.

Vice Chairperson Matta – Are there signed leases?

Bruce Aikens – No, we don't have signed leases yet. We had eight tenants that we had committee-approved, leases out, LOI's negotiated and spaces set. All of them have to go back to the committees. We just had our first kickoff meeting for construction last Thursday with one of our main tenants. It's almost like we're starting over to some degree. Although the tenants have been here and they already have deals, their situations have changed over the few years since we worked on them before. A number of those deals will be going back to committee in the next 12 months.

Tim Hoy – Bruce, is the site plan still basically the same, or is it going to be a moving target?

Bruce Aikens – The site plan of the town is exactly the same. The residential is moving from the top to the land between Walmart and the top. So the town, park and drives have not changed since we first met. The residential is still at 300 units, but they're just being switched around so that they run off the Pontiac Trail and Walmart entrance. That drive will go directly into residential and it's just going to be done on its own more effectively. It's not as interconnected with the retail, which allows that project to proceed no matter what happens. We think a critical thing is to get a shovel in the ground to make the project real, and we think that will help our retail.

Jose Mirkin – Bruce, what is the time frame to see that?

Bruce Aikens – Again, going into the ground in the Fall of 2023 with utilities and roads, and going vertical in the Spring of 2024 with the multi-family, and then six months to a year, the commercial will follow.

Jose Mirkin – Okay.

Bruce Aikens – It's about 12 months to build out the shells, and then the tenants take anywhere from 120 to 160 days once they get their shell to build out their interior space and the storefronts. We feel good. I mean there are certainly a lot of headwinds out there. Our trip to New York in December was very fruitful. This product, as we've said before, has gotten better. Tenants want to be in an outdoor environment and in a place that is experiential, but more importantly, they want to be more conveniently located to their customers. They don't want to be in a place where you have to drive 25 minutes, get out of your car and walk in, which is basically a destination trip. They want to be conveniently located for the customer, and that's what this site is. From a leasing and sales perspective, the site has just gotten better. But again, we're starting over. It's frustrating, but COVID just stopped everything dead. We've had all these meetings before, and now I'm having another construction meeting with one of our main tenants, even though we went through the entire process 2.5 years ago.

Jose Mirkin – Is there anything that we can do as the DDA to speed up the process and accelerate the development, without spending a dime?

Bruce Aikens – We totally understand the economic reality that we all face sitting in this room, so we are not asking the DDA for any funds. We don't expect it. We're investing millions of dollars in the infrastructure, roads, et cetera. So, not really. It is really up to us. If we can find some money to help with the sewer lines and water, and assist in that way, along with the power

situation. We have to figure out the substation and the upgrade, which is supposedly \$1.5 million. There are substantial infrastructure costs that we are facing with this project. One of our thoughts is that there is a bank interested in the site. We suggested that the DDA sell Parcel A to the bank and utilize a portion of that land sale for infrastructure and the traffic light at Pontiac Trail. The DDA was not interested, so our thought is to flip that bank to the site where we had Chick-fil-A to proceed with that deal and utilize that money for construction.

Jose Mirkin – I'm sure that you understand how anxious we are to see something there. Commerce Township residents are asking, *When are you going to have a downtown?* We keep saying, *Tomorrow, six months ...* We are anxious to see something concrete.

Bruce Aikens – We're spending quite a bit of money every day on this project, so we are anxious too. Right now, it's costing us a lot of money for interest carrying. But I think that you should be confident in that the concept has gotten better. No one has trumped us. Our competition has gotten weaker. You most certainly should take some comfort in the fact that the idea is getting more traction. I can only do what I can do. If you look around the country, these are the only projects that are being built. They have to be multi-use, and they have to be outdoors, and tied to the population. I think Commerce is one of the best sites in the entire country.

David Smith – Cool, thank you.

Vice Chairperson Matta – Any other comments or questions for Bruce?

Bruce Aikens – Honestly, I really believe that we can get moving dirt in the fall, and we're working our asses off to try to make that happen.

Vice Chairperson Matta – Well, we'll circle ... how about September 15th for you?

Bruce Aikens – I'd say more like November 1st.

Vice Chairperson Matta – Well that's kind of getting toward Winter but all right, November 1st, we'll put it on the books.

Bruce Aikens – We have a lot of work. We do have to get Walmart to reapprove our road alignment, which would be a job. They did approve our original realignment which created Parcel A. It is going to be slightly different, so we will have to go back to them and we may need some help with that. Walmart could help to pay for part of the traffic signal. I know the DDA has been in contact with them in the past regarding participation in that. But we do have the right to move the Walmart drive within a certain area. I'm not sure if they can stop it.

Engineer Schwanitz – No, they're obliged to approve it as long as you follow the easement.

Tim Hoy – In light of what's happened over the last three years, I applaud you just for keeping it all together. It has been a tough market for businesses. When I say tough, I mean monumentally difficult, and it's not getting any better with supply chain issues and interest rate issues. It's tough, so I think we're all pretty understanding of that.

Bruce Aikens – I appreciate that. It has been brutal. It's been like a war to keep the Village of Rochester Hills alive and strong, and it's getting stronger, along with keeping this project

focused and keeping tenants coming here. I call '22 the year of "slow", and '23 is the year of "go". All of my leasing agents just laugh at me.

Susan Spelker – So when do we expect to see you again?

Bruce Aikens – I'm here. We go to Las Vegas on May 27th. We hope to have this group of tenants, the named tenants that we use for our leasing power, committee-approved, with leases out and being negotiated and done so that our story is intact and stronger.

Susan Spelker – So in three months do we expect a stronger story, or is there something concrete that we can look forward to?

Bruce Aikens – I think in three months, we will be in the Township redoing our PUD and moving forward, so hopefully you won't need to see me anymore, but I'm happy to come in and give you updates anytime you want.

Vice Chairperson Matta – So you'll bring pictures when you come next time?

Bruce Aikens – You have the pictures. I've had purchase agreements with different residential guys on my desk for four years, and I've been leery of committing to something that locks in the plan. All sorts of different scenarios occurred. So, not to jeopardize the project, I've really hesitated to make commitments to lock in things. In December, I kind of decided that it's time to go and sign an agreement. We're working through that so we can get it signed and proceed forward, but it's a risk. That site is so good that you just don't know how good you could make it, and it's a risk to start when things still aren't sure. We may end up asking why we did residential there when there's so much demand for retail, but we have to start, and we're going to. I'm committed to that and we hope to proceed forward on that basis. Now we're starting, we're locked in and we can't undo it.

Susan Spelker – At some point, you have to hold your nose and jump.

Bruce Aikens – I know and it scares the hell out of me, just because we have such optimistic ideas of what can happen here. It's something that's going to be here long-term and it's more important to be careful to make sure we get the right results. We're long-term owners and we're not in this to build it and flip it, so we're very careful. I apologize for that, but I hope you get the best result possible and we will be proud to use that town for many more years, as will our kids. Before we opened the Village of Rochester Hills, it was really hard to reflect on what it was. With the street and what it felt like – it wasn't a normal shopping center. When my father opened up the Village and we cut the ribbon, I walked down the street with my dad. He was looking around and there were people with all these bags, they were sitting on benches and watching people. It was just unbelievable, and he said, "If this place can become these people's town, this can really be a place where they make memories and first dates, and remember it as their town. That would be more valuable than the retailers that will come and go here over the years." So, we're trying to create that vibe. I love that story.

Vice Chairperson Matta – Well thank you very much for your time. We do appreciate it.

Bruce Aikens – Let's see what happens over the next month with the residential, and before going into the Planning Commission with all of this, we should sit down and get Lautrec in here

to go through what we're working on doing. That may be something that could happen in March. I will keep Randy apprised.

Vice Chairperson Matta – That would be great. Sounds good to us. Thank you very much.

Item 4: OCSO Update

Lt. Reyes – What I would like to think about with Bruce's plan is how we handle police security in that area once Five & Main is built. We just need to start mulling it over. I don't know how the DDA or Larry is involved in that, but I've seen a lot of bar activity and events in Pontiac, which I know is a different venue, but the problem is that when you have a really good place like this, if something bad happens, there are a lot of people who just won't come back. My opinion is, don't let something bad happen, or try to avoid it by having people scheduled to work down there. They can walk the beat, or drive through, but they're assigned to that location so that people feel safe when they come there. They see police and/or security, whatever that is going to look like. I think it's important, and to prevent something tragic from happening. Are they going to have bars down there?

Vice Chairperson Matta – Yes.

Lt. Reyes – So at 2:00am in Commerce Township, we can't have 3 people working.

Director Watson – You previously mentioned too that you wanted to see security cameras and the entire security system implemented from the ground up as they're building it. We will talk more about that and Dave Campbell and I will make sure that they have that planned. I think the monitoring of that footage and that activity via the cameras might help too.

Lt. Reyes – Yes.

Vice Chairperson Matta – I don't know if he's planning private security there or not, with someone going around in a car all the time, or drones, whatever. We should ask him. I agree with you.

Randy Thomas – He mentioned at one point maybe even adding a small substation.

Dave Campbell – I was going to ask about that. Does that make sense having one there when we will also have one right up the road?

Lt. Reyes – Certainly, it's more of the visual for citizens to see that the police are right there. They want to see that. When you have police walking a downtown beat, or being visible down there, it not only makes people feel safe, but it will deter crime.

I'm going to go over a few of the year-end stats for the Sheriff's Office:

- 25,144 total calls for service for Commerce Township in 2022
 - That sounds like a lot, but in reality we do a lot of medical and civil calls.
 - It's down from last year. The pandemic caused an increase.
- Assault and batteries are down.
- Home invasions are down.
- Retail frauds are down.
 - That ebbs and flows with the level of the security team at these locations.
 - That will be a big one at Five & Main.

- Some stores don't pursue cases below a certain dollar amount. However, I don't have a limit – it's crime and I'm for enforcing the law.
- 2,250 citations were issued in 2022. A lot of these were on Martin Parkway. We're trying to stop the crashes.
- 1,436 crashes, which is up about 300. Of course, the year before, people were staying home more.

Vice Chairperson Matta – 1,400, wow, that's multiple a day.

Treasurer Phillips – And how many light poles?

Lt. Reyes – Have we had many?

Director Watson – Lately we have not had any light pole incidents, knock on wood. We have been very blessed.

Lt. Reyes – Things are going well. When we do have serious issues, we are getting a pretty decent solvability rate. Again, I think the downtown needs to be a conversation about how that's going to look.

Discussion continued regarding the need to have security in place proactively at Five & Main for safety.

Dave Campbell – When you look at the crash stats, do you look at severity of the crashes? Do we have intersections in the Township where the crashes are more severe than others?

Lt. Reyes – I think the roundabouts increase the crashes in Commerce, but the key to that was to reduce the severity. We're not seeing fatalities at those intersections like you used to when you had a T-bone when someone would run a red light. I can look up some of those stats. I know Union Lake Road and Commerce is always a high crash intersection. Somebody requested the stats from the Township. I have a printout but it's not with me. They wanted to know fatalities, serious injuries, and then just property damage accidents. I have that broken down and I can bring that next time.

Tim Hoy – We seem to have a lot of accidents in front of my store at 15 Mile/Maple Road and M-5. They're serious ones, like eight trucks and the Fire Department.

David Smith – Are you talking at M-5 itself, or the intersection to the east?

Tim Hoy – Right on M-5 and Maple.

Dave Campbell – Do you get a sense of what people are doing that's causing it? Maybe a right turn and not appreciating how fast traffic is coming at them?

Tim Hoy – I think they are red light runners myself. There's a lot of that. I drive M-5 every single day, and there are people that jump that light. They speed up because there are two lights at the turn around. As soon as they see that, they go through that first yellow and then they speed up to get through the green while going 70, and then they can't stop it.

Engineer Schwanitz – Traffic lights on a 70mph road – that’s the bad mix.

Lt. Reyes – Yes, I mean when you’re going a certain speed, people don’t get that distance.

Vice Chairperson Matta – And you’ve got 45mph cutting across.

Discussion continued regarding the speeds travelled on M-5 and Maple.

Vice Chairperson Matta – Lt. Reyes, thank you so much for your time and service, and for your thoughts today. That was very informative.

Item 5: Insite Commercial Report

Randy Thomas provided an overview of the Insite report submitted in the DDA Board's packet.

- Parcels A&H – Shapiro’s Barrington development; Nothing new to report.
- Parcel B1, Phase I – Aikens, Five & Main;
 - Bruce gave his update today.
- Parcel B1, Phase II – Aikens, Five & Main;
 - We had a meeting last week with Bruce and his attorney. He came back to us with some concerns and suggestions.
 - Chris will get into the details on that here shortly.
- Parcel B2 – Avalon; Nothing new to report.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; Lafontaine Automotive Group (LAG):
 - I know that LAG has been getting paperwork to Dave for submission to start the process.
 - I think their first meeting is in February?

Dave Campbell – We anticipate that our public hearing for Lafontaine’s PUD will be at the Planning Commission meeting on February 6th. They have their PUD agreement pretty well finalized between their attorney and the Township Attorney. As Randy mentioned, they’re sending us all their materials for the PUD application. I think we have already sent the notice to the Oakland Press for the public hearing.

Randy Thomas – Long time coming.

- Parcels D&E – Pulte, Merrill Park; Nothing new to report.
- Parcel F – The 3.9 acres in front of the Township Hall; Nothing new to report during the last 30 days.
- Parcel G – Wyncliff; Nothing new to report.
- Parcel I – Gilden Woods; North of the Township Hall, Nothing new to report.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; With the holidays, inquiries were very light.
- Parcel J2 – Public Storage; Nothing new to report.
- Parcel K – The orphan piece; The Space Shop; Nothing new to report.
- Parcel L – 1.8 acres on Haggerty Road; Guidepost Montessori; Nothing new to report.
- Parcel M&N – These are the two out-lots that are being retained by the DDA within the Five & Main development. Nothing new to report.

Supervisor Gray initiated discussion regarding a proposal from Dort Federal Credit Union to develop within the DDA area. Randy Thomas noted that Bruce Aikens may be looking to take a deal with them, and would then put that money back into the infrastructure.

Jose Mirkin inquired about Five & Main delays with Randy Thomas. Jose is anxious to see groundbreaking. Randy explained that he maintains guarded optimism. Discussion continued regarding developmental differences in the marketplace with retail and residential, along with anticipation of the partnership between Bruce and the residential partner. Randy also discussed issues with construction costs.

>>Vice Chairperson Matta noted that Item 7 would be moved up on the agenda, with Item 6 to follow. There were no objections.

Item 7: Attorney's Report – Thirteenth Amendment

Attorney Martella – Last week, we had a meeting with Bruce Aikens and his attorney, and some Board members, to discuss the Thirteenth Amendment. The Board had given authority for us to present the proposed Thirteenth Amendment, having an extension until 2024, and a removal of right of first refusal. Bruce's attorney had expressed some concerns, and therefore we felt the meeting was appropriate to discuss the issues. Bruce came back with an ask of us, that instead of the extension until October 2024, it would be until October 2025, and he would give up the right of first refusal immediately.

There were some other proposals that were put forth, all of which had contingencies. We discussed those at that meeting, and in the Marketing Committee meeting earlier today. The other proposals had far too many contingencies and they were too confusing. They would have put us in a worse position than the first offer. Therefore, the ask of Bruce is that he has until 2025 to exercise his option to purchase. That is really the only change that is being requested from what was approved two months ago.

It was nice that he was here today to discuss his timeline as to when he thinks he will go horizontal and vertical. He is far more open about that now and I think he is committed to discussing that and the wheels seem to be in motion. As Randy mentioned, the request is for an additional year in time, but nothing is going to happen with the site until Bruce gets a shovel in the ground on Phase I. The consensus was that the additional year was not necessarily something we wanted to give into, but it does get rid of the right of first refusal. That has been a deal killer and an issue for us in the long-term value of the project, and the ability and flexibility of the DDA to bring in other investors and potentially do other things with the project. We don't have to worry about that cooling the market in the future.

Again, the ask is to modify the approval granted by the Board to give the extension until October 2025, and in exchange, the right of first refusal ends upon execution of the Thirteenth Amendment.

David Smith – We discussed this in Marketing and we think it's a positive move on our part. Do we have to make a motion?

Attorney Martella – Yes, we do.

MOTION by Smith, supported by Spelker, to accept the proposal to extend the Option to Purchase the Phase II property until October 31, 2025, and to modify the Thirteenth Amendment to the Purchase Agreement with Bruce Aikens accordingly, in exchange for termination of the Right of First Refusal, which is effective immediately.

MOTION CARRIED UNANIMOUSLY

David Smith – There are some other complications, but it all works together.

Attorney Martella – I will send the modification to Bruce’s attorney. We will circulate that for signatures.

Randy Thomas exited the meeting at 12:47pm.

>>Item 7 was moved up on the agenda, with Item 6 to follow.

Item 6: Director’s Report

Director Watson briefly reviewed highlights of the report included in the Board’s packet, which is included here in its entirety, along with updates.

I. Updates on Developments – Refer to the Insite Report for additional details.

- Aikens/Five & Main –Bruce provided an update today and Attorney Martella covered the Thirteenth Amendment.
- Merrill Park – Nothing new to report.
- The Avalon of Commerce Township – Nothing new to report.
- Shapiro/Barrington – Jim Galbraith continues to work with Engineer Schwanitz and Attorney Shierk on parcel/unit splits.
- Wyncliff – Nothing new to report.
- Public Storage – Nothing new to report.
- The Space Shop, Self-Storage – Nothing new to report.
- Parcel L, Higher Ground, Guidepost Montessori – We closed on the sale of the property on October 21, 2022, and construction is underway.
- Parcel C / Unit 3 – Lafontaine Automotive Group Dealership (LAG)
 - June ’22 – The PA was fully executed, and the deposit was received
 - July ’22 – Zoning & Master Deed amendments approved to allow a dealership
 - Aug ’22 – LAG & Planning began drafting the PUD agreement
 - Sept ’22 – Preliminary review of LAG’s PUD by the Planning Commission
 - Oct ’22 to Jan ’23 – LAG making revisions to their plans; only building Genesis on Parcel C, repurposing former Dick Morris property for the Hyundai dealership
 - Projections were for closing to take place in the first quarter of 2023, however, it appears that could move into the second quarter.
 - LAG has made additional deposits and their municipal approval period is extended through April 4, 2023. The following is an estimated timeline for 2023:
 - Feb 6th – PUD review by Planning Commission
 - Feb 14th – PUD review by Township Board
 - Mar 6th – Site Plan review by Planning Commission
 - Apr 4th – Municipal approval period ends
 - TBD – Closing date (required to take place 15 days from Apr 4th, by Apr 19th)

Director Watson – Dave, for LAG’s revised submission, will we be seeing their plans later this week, or next week?

Dave Campbell – We have their plans.

Director Watson – You do, okay. How did you like the revision?

Dave Campbell – It has the elements we wanted, particularly the Walmart connection and I think it has sufficient screening of their vehicle inventory. I think the DDA, and certainly the Township didn't want an unscreened view of a sea of vehicles, from Haggerty or from Pontiac Trail. They're also offering to either build or fund the pathway that would go between their site and the Walmart site, to get a pathway back to the existing trail within the Commerce Towne Place development area. Lafontaine has said they don't necessarily want to build it, but they will give the Township the money to build it when the time comes.

I think they've covered everything that we've discussed with them. They're showing the elevations. I think everybody is aware that they're only doing the Genesis dealership, and the Hyundai dealership will be at what used to be Dick Morris Chevrolet, so there will only be one building on Parcel C. I think it's their standard prototype for a Genesis dealer. It's meant to be a high-end brand, so the building is supposed to be modern and distinguished looking. I think they're in good shape for what the Planning Commission has to decide on the 6th.

Director Watson – Great.

Jose Mirkin – Are they planning to do some remodeling at the former Dick Morris?

Dave Campbell – We have not seen any plans yet for what they want to do with Dick Morris. They want to keep the whole building, or at least most of it, because it has the hydraulic lifts and other things that they want to repurpose. I have to imagine that they're going to put a new face on it. Hyundai would require that. I don't think the layout will change dramatically. We will do everything we can to get them to dress it up with new landscaping and make everything look a whole lot better.

Supervisor Gray – I haven't seen the pictures yet. Are they still going to keep all of the service down at Dick Morris, or are they servicing at the Genesis dealership too?

Dave Campbell – They do have some service bays at the Genesis dealership. My understanding is that it's a different kind of service because Genesis is very much committed to and are investing heavily in electric vehicles. The type of service they do on electric vehicles is very different than on traditional, gas-powered vehicles. There will be service bays. They are doing their best to push them toward the back so they won't be apparent to public view.

Supervisor Gray – Are they actually increasing the building size for Genesis?

Dave Campbell – I believe so because originally they had two buildings there. Now that the Hyundai building is being moved to Dick Morris, the Genesis building's footprint gets bigger.

Vice Chairperson Matta – They also had an outdoor area between the two buildings in their original plans. I'm assuming that's eliminated?

Dave Campbell – The gazebo area with seating?

Vice Chairperson Matta – Yes.

Dave Campbell – No, they still want to have those nice features. They want that corner of Pontiac Trail and Haggerty to be an entry point for the DDA and for the Township, and they want to put up a wall that says *Welcome to Commerce Township*, along with the flagpole and seating areas. Those things did not go away.

Vice Chairperson Matta – Okay, good.

Director Watson – Is it just me, or have they been great to work with as developers?

Dave Campbell – They’re taking their time, but they have been agreeable, especially through the PUD process. An example that I think you came up with, Deb, was that they can’t build the dealership and then within a year come to the Township and appeal their tax assessment. We put that right into the PUD agreement and they hesitated a bit, but they did agree to it.

Director Watson – Yes, they’ve been reasonable. So, on the timeline in my report, their municipal approval period ends April 4th, and by March 6th they could have their site plan review by the Planning Commission. I don’t want to count on this closing by March 15th, Molly, so we’re planning to do the cash advance request at the March Township Board meeting.

Treasurer Phillips – Right.

Director Watson – Okay, and I will be out of town next month. Should we get a motion here today for the cash advance request, or should I defer that to next month?

Treasurer Phillips – I think you can put it off. The debt payments are due on March 31st and April 1st, and I can move the money in a day.

Director Watson – Okay, great. That’s good to know. Thank you.

- Parcel F / Unit 7, in front of the Township Hall – Nothing new to report.
- Parcel J1, Haggerty & Oakley Park – Nothing new to report.

II. MTT Judgments – Nothing new to report.

III. Commerce Towne Place HOA Items –

- Budget** – The 2023 CTP budget was circulated early December. Dues remain unchanged. We await a few signatures for final approval of the budget.
- Dues** – 2023 dues will be billed once the budget is approved.
- Tax Forms & Reports** – Nothing new to report.
- Lighting/Electrical – Shaw Elec., Mark Feters, Adam Dornton**
 - The final light pole was installed in December and the system is fully functional.
 - Nothing else new to report at this time.
- Landscaping & Maintenance – United Lawnscape, Jim Parkinson; Bob Rousseaux’s Excavating, Mark Rousseaux**
 - We are reviewing quotes for 2023 services.
 - We will be reviewing potential grants in 2023 for tree planting, and we will be seeking a quote from a grant writer as directed by the Board.
- Irrigation – Michigan Automatic Sprinkler, Mike Rennie**
 - The irrigation system was winterized.
 - Nothing else to report at this time.

IV. Other –

- The holidays were very quiet.
- Nothing new to report.

Township Board Update

Supervisor Gray –

- The only thing that has been really pressing on the Township Board is the Horse Farm.
- Last month, we approved to buy Station Alerting Systems for the Fire Department, which will go into each fire station. We will have a new 360 speaker in each bay, and then a lighted-type system for notifications throughout the fire station rooms, and what kind of run it is and so-forth.
- We had a couple ordinance changes.
 - We changed one of our ordinances to include small winemaker. Mr. Long is looking to make some hard cider at his farm.
 - We amended the Commerce fee ordinances.
- Other than that, it was a pretty quick meeting.

Item 8: Engineer's Report

Engineer Schwanitz – It has been quiet over the last month and a half. We are finalizing Jim Galbraith's land division on his multi-family piece to take the hard corner of Pontiac Trail and M-5 and create a separate parcel. The pond is located on that piece of land. We've done the revision and he has vetted it. Kim Shierk has looked at it. There were some ingress/egress easements he alluded to, and we just received those today. We'll put those on the drawings. There should be one more pass and then he should be in good shape to record that.

Director Watson – Thank you.

Dave Campbell – Then the only buildable portion of that would be the pad on the Pontiac Trail side?

Engineer Schwanitz – Yes, that pond is both stormwater management and it's physically connected to other inland streams and drainage ways. It's a regulated wetland so he's not going to be able to fill that.

Vice Chairperson Matta – What's the point in carving it out like that? Is it just the taxes?

Engineer Schwanitz – Different ownership entity too. If he does a bank deal or whatever, it's not folded into this multi-family.

Director Watson – It's a very tiny piece, but he could get something on there.

Vice Chairperson Matta – He could get something on there.

Dave Campbell – He has also said it muddies it for him when he goes to refinance the project to have different tax I.D.'s in the mix.

Engineer Schwanitz – It's a slow go if he's actually selling the property as somebody would have to process the land division. Whereas now he can say, here's the parcel. It's pretty straightforward.

Vice Chairperson Matta – Right. Thank you, Matt.

Item 9: Planning Director’s Report

Dave Campbell, Township Planning Director, had provided his report in the Board’s packet.

- I was going to bring you up to date on Lafontaine, but I think we’ve had a couple cracks at it.
- I can answer any questions you may have.

Item 10: Committee Reports

- A. Finance Committee – Finance Chairperson, Susan Spelker – You heard, in a nebulous fashion, that whether or not we are going to need an advance is dependent upon the sale of property. That’s up in the air right now. If we don’t close, we’ll have to ask for it.

Vice Chairperson Matta – If we get the cash advance, then when we do close, do we pay it back?

Susan Spelker – No.

Treasurer Phillips – They’ve asked to do that in the past, only to turn around and give it back to us six months later when the next loan payment was due. So no, we’re not going to give it back. We will hang onto it for the October 1st payment.

Vice Chairperson Matta – Put it in the bank and earn some interest.

Treasurer Phillips – Exactly.

Dave Campbell – Deb, has Lafontaine defined what level of Township approval they need before they would be ready to close?

Director Watson – No, but I was under the assumption that once their PUD and site plan are approved for Parcel C, that they could close, regardless of what’s going on with Dick Morris. I know they’re going to try to keep those on the same timeline and trajectory. I still foresee that it could be possible to close by March 15th if they were approved at the March 6th Planning Commission.

Engineer Schwanitz – So no construction docs or permits?

Director Watson – That was my impression, but I’ll get clarification.

- B. Public Relations Committee – Public Relations Chairperson, Jose Mirkin – I was expecting a response from the Chairperson of Walled Lake Consolidated School District Visual Arts Educator. As I’ve said before in previous meetings, she said at the end of October 2022 that they would be meeting with the administration of the schools to make a decision about the Art Exhibition plan for 2023.

I didn’t hear anything in November. In December, I sent a letter but did not get a response. So, a week ago I sent a letter to Jennifer Todd inquiring about any decisions they might have made for 2023. I await an answer. At the present time, we don’t know if the K-12 Art Exhibition that we have done for the last

10-15 years is going to happen or not. Hopefully next month I will be able to report better news.

- C. Marketing Committee – Marketing Chairperson, David Smith – Good afternoon everybody. I love Randy’s phrase, *guarded optimism*. I have nothing more to report. Bruce provided his update.

Open discussions took place. David Smith discussed market changes, delays with Five & Main, potential tenants, the residential partnership, and anticipated groundbreaking. Vice Chairperson Matta agreed with Bruce’s earlier comment that the site and the concept is great. Discussion continued regarding the update on Five & Main, supply chain issues, cost perspectives, delays and challenges with Michigan utility companies, the necessary upgrades to the power station and related costs, and practical timelines for the project. In addition, communication needs to be established with Walmart regarding a few items, one of which is the traffic signal installation.

Item 11: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure
MOTION by Mirkin, seconded by Spelker, to approve the Warrants and/or Carryovers, Add-ons and the Revenue & Expenditure Report. **MOTION CARRIED UNANIMOUSLY**

Item 12: Other Matters

Ray Golota, 1595 Vanstone Dr., Commerce Township – Maybe I wasn’t privy to what Bruce said, but I believe he said there was going to be a Chick-fil-A at that location. I’m thinking to myself, if it will be a drive-through, and if you’ve ever been to the one on Novi Road at 96, I think there are four windows and at 10:00am, there has to be 100 cars in there. The question is, has everybody taken into consideration the flow of traffic?

Director Watson – Dave will do that.

Attorney Martella – That’s Dave, right there.

Dave Campbell – The difference is that the one in front of Twelve Oaks mall, that used to be a Denny’s. They kind of shoehorned the Chick-fil-A into a spot that was never intended to have a drive-through, let alone a Chick-fil-A.

Vice Chairperson Matta – They certainly didn’t anticipate that.

David Smith – It’s called stacking, and it didn’t have stacking ability.

Engineer Schwanitz – If you look at the new one at 12 Mile Road and Telegraph, they must have five queue lanes in there.

Attorney Martella – And they have people directing traffic in the parking lot.

Discussion continued regarding busy Chick-fil-A locations.

Vice Chairperson Matta – All this talk is making me hungry. Any other matters before we go eat?

Susan Spelker – I just wanted to mention that, with the passing of Dan Lublin, Deb, Jose and I did attend the service. It was a lovely service for a lovely man, and our presence was deeply appreciated by the family. I wanted to let everyone know that we were there and represented Dan's involvement with Commerce Township.

Director Watson – Yes, and it was amazing to see how many of Dan's family members got up to speak. He has a large family and they were all great speakers with beautiful stories.

Susan Spelker – He clearly had a very strong, positive and loving influence on everyone he touched, and his family mirrored that. It was a beautiful service and I'm glad we were there to do our part.

Vice Chairperson Matta – We appreciate you doing that. We miss Dan. He was a great guy for sure, and we will keep his family in our prayers.

Jose Mirkin – One more comment. Ray, your traffic concerns are the concerns of everybody. We talk often about the traffic in Commerce, and if somebody knows the issue very well, it's Larry Gray. Everybody complains about traffic on Haggerty and Maple, Haggerty and Pontiac Trail, et cetera. Traffic is a big issue.

David Smith – How do you get stuck with that issue?

Supervisor Gray – I answer the phone.

Jose Mirkin – We always look to Dave Campbell and ask, *Are we going to do traffic studies when we do the downtown?* I would imagine, yes.

Dave Campbell – For the Aikens' project?

Jose Mirkin – Yes, for everything.

Dave Campbell – There was a traffic study done for his project in 2017. That project is different than what he is describing today. Yes, that traffic study will have to be redone or significantly updated to reflect his changes.

Engineer Schwanitz – Regardless of what the Township does, the County is going to want a traffic study the minute he starts talking about a traffic signal at Walmart, at Walnut Lake Road.

The next regularly scheduled DDA meeting is Tuesday, February 21, 2023, at 12:00pm.

Item 13: Adjournment

MOTION by Spelker, seconded by Mirkin, to adjourn the meeting at 1:16pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

INVOICE ENTRY DATES 01/11/2023 - 01/11/2023
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: DDA
DDA WARRANT REPORT
JANUARY 17, 2023

Vendor Code	Vendor Name Invoice	Description	Amount
WATSON	DEBORAH WATSON DEC22/JAN23	DDA DIRECTOR 12/08/22 TO 01/07/23	3,153.50
TOTAL FOR: DEBORAH WATSON			3,153.50
KEMP	KEMP, KLEIN, UMPHREY & ENDLEMAN, PC 214961	PROFESSIONAL SERVICE THROUGH DECEMBER 2022	1,272.06
TOTAL FOR: KEMP, KLEIN, UMPHREY & ENDLEMAN, PC			1,272.06
SANDYB	SANDY ALLARD DECEMBER/JANUARY	DDA ASSISTANT 12-08-22 THROUGH 01-11-23	659.00
TOTAL FOR: SANDY ALLARD			659.00
TOTAL - ALL VENDORS			5,084.56

User: kmassey

INVOICE ENTRY DATES 12/14/2022 - 01/10/2023

DB: Commerce

BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID

BANK CODE: DDA

DDA CARRY OVER REPORT

JANUARY 17, 2023

Vendor Code	Vendor Name	Description	Amount
DTE	DETROIT EDISON		
	9100007710866	2581 LIBRARY DR	950.74
	9100007711005	2579 LIBRARY DR. - IRRIGATION	19.37
	91000710767	3106 MARTIN PARKWAY	156.97
	910007710650	2660 E OAKLEY PK	150.05
TOTAL FOR: DETROIT EDISON			1,277.13
TOTAL - ALL VENDORS			1,277.13