

**Final**  
**CHARTER TOWNSHIP OF COMMERCE**  
**DOWNTOWN DEVELOPMENT AUTHORITY**  
**Tuesday, March 19, 2024**  
**Commerce Township Hall**  
**2009 Township Drive**  
**Commerce Township, MI 48390**

**CALL TO ORDER:** The Meeting was called to order by Chairperson Gotts at 12:02pm.

**Downtown Development Authority:**

**Present:** Debbie Watson, DDA Director (*arrived 12:01pm*)  
James Gotts, Chairperson  
Steve Matta, Vice Chairperson  
Larry Gray, Township Supervisor  
Brian Winkler, Member  
Robert Sackleh, Member  
Jose Mirkin, Member  
Derek Tuck, Member  
Tim Hoy, Member (*arrived 12:05pm*)  
David Smith, Member (*arrived 12:05pm*)

**Absent:** Matt Schwanitz, Giffels-Webster, DDA Engineer

**Also Present:** Molly Phillips, DDA Treasurer  
Melissa Creech, DDA Secretary  
Sandy Allard, DDA Assistant  
Dave Campbell, Township Planning Director  
Chris Martella, Dawda Mann, DDA Attorney  
Randy Thomas, Insite Commercial  
Lt. Wendy Reyes, OCSO Substation Commander  
Bruce Aikens, Robert B. Aikens

*Director Watson apologized for running late after the tour of the substation.*

**Item 1: Approval of Minutes**

**MOTION** by Matta, seconded by Mirkin, to approve the DDA Regular Meeting Minutes of February 20, 2024, as presented. **MOTION CARRIED UNANIMOUSLY**

**Item 2: Public Comments**

None.

**Item 3: OCSO Report**

*Deferred until after Item 4.*

**Item 4: Five & Main – Closing Extension Request – .44-Acre Parcel**

Director Watson welcomed Bruce Aikens, who was present to address the request.

Bruce Aikens – Continental has extended their option with us for 60 days. We're not going to buy that piece of property unless Continental moves forward with their project, so we have requested to extend the .44-acres for the same time.

Director Watson – Okay, and how are things going for you otherwise, as you’re working through the engineering issues?

Bruce Aikens – Continental is coming into an engineering meeting tomorrow with the Township. It’s not easy. They are being challenged. Basically, we were at \$2.6 million for the infrastructure that we’ve agreed to do, and that number is now at \$3.8 million. The invert situation on the sewer that we’re having to build is causing quite a bit of consternation. It’s because of the depth. Haggerty Road is lower, so the sewer has to go lower where we pick it up. We’re having to run a 30-foot deep trench for 2,700 feet at a premium cost of \$1.2 million. When we originally set out on this adventure, we clearly said, *“We’ll do this, but there can’t be anything extraordinary.”* Because the grade is coming from the pump station, we’re picking it up at 30 feet, so we’re having to dig a 30-foot deep ditch for 2,700 feet, and it’s costing a million dollar premium.

Director Watson – So it sounds like the engineers have their work cut out for them at tomorrow’s meeting with Continental.

Bruce Aikens – The deal may blow up. We’ve told you that these deals have to meet certain thresholds and they have to meet certain returns to be financed and built. Continental is a very substantial company who is very qualified, and they’re being greatly challenged because of the extraordinary costs that are a burden being put upon the project. We’ve gotten no help. We’ve explained and you’re going to see the result.

Director Watson – Again, I think they have their work cut out for them tomorrow, so let’s hope that something good does come out of that engineering meeting. We’ll see if they can’t figure out something.

Bruce Aikens – I hope so. It’s definitely going to be sent back to us. It’s quite discouraging.

Director Watson – So that’s a shared burden-

Bruce Aikens – I’m having to pay \$250,000 for .44 acres that’s in the middle of nowhere, that no one is ever going to pay a penny for if we don’t pull this together. This is just another extraordinary cost being put upon these projects. This is not how these projects get built across the country. I’ve told you over and over, and we’ve heard you – we’ve heard that there’s no money and you’re broke. There’s no way to help. But, you’re adding costs in a place where you can help. I don’t know what to tell all of you.

Director Watson – Are there any comments or questions for Bruce with his request?

David Smith – Your request is for an extension ...

Director Watson – For an additional 60 days to close. Currently, closing would have taken place by March 25<sup>th</sup>. We would be extending that to May 24<sup>th</sup>, correct Chris?

Attorney Martella – Yes, May 24<sup>th</sup>.

David Smith – I don’t see a problem with that.

Director Watson – Chris, do you have any comments before we go to any action on the request?

Attorney Martella – A few things. One, I hope tomorrow’s engineering meeting goes well. This .44 acres, the cost is actually just the per-acre cost that Unit 14 was. So, whether you bought Unit 14 or you buy it in pieces, it’s the same price. It’s proportional.

Bruce Aikens – It’s the same price ... if Five & Main was built, that’s the price we are willing to pay in the future. The thing is, you’ve got to help. If there's opportunities to help make things happen, then you should take them, instead of making us incur additional costs which is going to blow up these projects. It’s .44-acres on the other side of a road that’s totally orphaned and really is of no use. You want \$250,000 and it’s blowing up the project.

Attorney Martella – I think the Board hears you and your request is that we extend it out 60 days to match the closing deadline of Continental. A motion would be made to approve the amendment. There is a draft amendment memorializing this, and the email sent out last week laid out the terms of an additional \$10,000 and the 60-day extension to match the closing time frame of Continental.

Vice Chairperson Matta –Continental is paying \$10,000 and it’s just coming through to us, applicable to the purchase price at closing, right?

Attorney Martella – Actually, I don't know what agreement Continental has with Bruce. That’s to Bruce.

Vice Chairperson Matta – Is that true?

Bruce Aikens – Yes.

Attorney Martella – Okay, there you go. It’s a pass through.

Bruce Aikens – When Continental asked us for an extension, we just gave it to them because we want to keep working on this.

David Smith – I’ll follow through with a motion with the terms as stated by our counsel.

**MOTION** by Smith, supported by Mirkin, that the DDA Board approves the Second Amendment to the .44-Acre Purchase Agreement for the Closing Extension Request, by Commerce Downtown II, LLC (Bruce Aikens, Five & Main), for a 60-day extension to close on the .44-Acre Parcel, until May 24, 2024. **MOTION CARRIED UNANIMOUSLY**

David Smith – Thank you, Bruce.

Bruce Aikens – All right, guys. We’ll see what we can do.

Director Watson – Thank you, Bruce.

Attorney Martella – Bruce, before you go, did you want to talk about what’s going on with Dort Credit Union, to tell the Board that there is some movement there? It sounds like there's something positive that you might want to inform them of.

Bruce Aikens – Dort wants to move forward. Again, if Continental does not move forward, Dort could connect to the sewer on Pontiac Trail, just like Continental could. We've got to get them water and electrical. There's electricity there. Dort could move forward.

Director Watson – And the access road.

Attorney Martella – For the benefit of the Board, I don't know if everyone knows; if you want to show where Dort was thinking of going and what the plan is.

Bruce Aikens approached the map and indicated the parcel that Dort is interested in, located just west of the DDA's Parcel M along the Pontiac Trail road frontage.

Bruce Aikens – We also have a deal teed up with a #1 hotel group in Michigan for the Library parcel. Again, paying \$1.8 million for a piece of dirt. There's a deal there that could potentially happen, which is not dependent upon the commercial going forward. If Continental doesn't go forward, we won't be able to put in the infrastructure necessary to make that happen. A lot is riding here.

The Board thanked Bruce Aikens.

**>>Chairperson Gotts returned to Item 3.**

### **Item 3: OCSO Report**

Lt. Reyes shared the following with the Board:

- She thanked everyone who visited the OCSO substation this morning for a tour of the new facilities.
- She discussed a recent school closure due to a threat. The suspects were tracked through social media and apprehended. The two students had no intention of hurting people. They were attempting to avoid attending school. They will face the consequences of their actions.
- We have a deputy in SONIC and they were surveilling a B&E suspect. They followed him to a location in Commerce, and then witnessed him dumping something in a dumpster. They lost track of him and he left town shortly after. However, the detectives followed up and did a great job. They were able to obtain warrants, and when he returned to town, SONIC was waiting for him at the airport to arrest him. He was also responsible for another B&E in Commerce. He is a felon with priors, so he will be getting enhanced sentencing on this charge.

Chairperson Gotts – Do you want to remind everybody about the coins?

Lt. Reyes – We are selling \$20 challenge coins, and we will donate the proceeds to the Autism Awareness Group. We will have the coins available for at least a month or two.

Director Watson – Thank you.

Chairperson Gotts – Thank you, Lieutenant. I'm sure everybody was totally impressed by your new command center. It was much needed.

Lt. Reyes – It's excellent.

### **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; *The status update was covered by Bruce.*
- Parcel B1, Phase II – Aikens, Five & Main; *The 60-day extension was granted..*

Discussion took place regarding Five & Main project costs and the engineering meeting scheduled for Wednesday, March 20<sup>th</sup>. Randy Thomas elaborated that although material costs have stopped rising, a lot of the high costs are labor-related. David Smith agreed and added that property insurance costs have also increased significantly as a result. Discussion continued regarding development, risks and financing.

- Parcel B2 – Avalon; Nothing new to report. I got a phone call from Avalon two or three months ago. I haven’t heard back. I’ll try again to follow-up.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; Lafontaine Automotive Group (LAG) – Nothing new to report.
- Parcels D&E – Pulte, Merrill Park; Nothing new to report.
- Parcel F – The 3.9 acres in front of the Township Hall; I get inquiries. Last month, there was a group looking for land to do medical. I gave them a lot of information, but they haven’t returned any calls.
- 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;
  - As you remember, we had a Letter of Intent, and a Purchase Agreement in negotiation between the DDA and the buyer.
  - That agreement was terminated due to buyer timelines and performance.
  - I did get an email from the same broker that he has interest from another group.
- Parcel J2 – Public Storage; Nothing to report.
- Parcel K – The orphan piece; The Space Shop; Nothing to report.
- Parcel L – 1.8 acres on Haggerty Road; Guidepost Montessori; Nothing new to report.
- Parcels M&N – These are the retail outlots that the DDA retains.

Tim Hoy discussed property values of Parcels M & N with Randy Thomas.

Director Watson inquired about the status of the Beaumont property with Randy Thomas and Attorney Martella. Discussion took place regarding their merger with Corewell.

### **Item 6: Attorney’s Report**

Attorney Martella – You’ve already heard the extension request by Bruce Aikens. In addition, Dort contacted the Township, and their counsel contacted me. The deal is contingent upon Continental and it’s preliminary.

Discussion took place regarding Dort’s prior interest in Parcel C and their current proposal.

Attorney Martella – As Randy stated, the J1 Purchase Agreement was terminated. If we get another official offer, we will review it and bring it to the Board.

### **RCOC Easement Request**

Attorney Martella – The RCOC has approached the DDA regarding their repair of the culvert that is at Glengary and S. Commerce Road. It’s wetlands there and it’s clearly necessary for

storm water management. They have asked for easements under the road. One, they need a permanent easement where they will repair and restore, and two, they want a temporary construction easement for the area around it where they will bring in their trucks to stage, et cetera. The easement request was included in the packet for your review, and it is shown along the east side of S. Commerce.

Discussion took place regarding the location of the culvert. The Township has utilities in that area, on the west side of S. Commerce, and the RCOC is working with EGLE to determine if moving those utilities can be avoided to prevent incurring those costs, as moving the sewer would be an expensive endeavor. A final determination on that matter cannot be made until after the RCOC gets through a 60-day review with EGLE.

Vice Chairperson Matta – Why do they need a 35x40 rectangle there for a permanent highway easement? I'm not understanding why that's something different than the temporary easement.

David Smith – It's probably a box culvert.

Dave Campbell – Yes, it's where the water outlets under S. Commerce Road.

Vice Chairperson Matta – So there's going to be something there materially, okay.

David Smith – That's a massive drain through there. We put in a huge double culvert system for the subdivision to the northeast.

Dave Campbell – At some point, they're going to need to get down there to do maintenance and repairs.

Vice Chairperson Matta – They're calling it a highway easement and maybe I didn't understand the terminology.

David Smith – Martin Parkway is also a highway easement.

Discussion continued regarding types of easements, road drainage, the potential need for the Township to relocate infrastructure, the 60-day EGLE review timeline, and road closures for culvert repairs. Supervisor Gray added that there is an ultimate future goal to make a pathway connection to a boardwalk between Welch Road and S. Commerce.

No action was taken. Attorney Martella would follow-up and bring the item back to the Board in April.

### **Item 7: Director's Report**

Director Watson discussed issues with flooding on the CTP trails. She gave a brief review of the report submitted in the Board's packet, which is included here in its entirety.

#### **I. Updates on Developments – Please refer to the Insite Report and the Planning Director's Report for additional information.**

- *5 & Main –*
  - *Regarding closing on the sale of the .44-acre parcel, a 60-day extension has been requested.*

- *Continental is currently exploring value engineering methods. Their engineering plans are at the County and State getting respective permitting for municipal water and sanitary sewer, and the Building Department is looking at their construction plans.*
- *Merrill Park – Nothing new to report.*
- *The Avalon of Commerce Twp. – Nothing new to report.*
- *Barrington – Nothing new to report.*
- *Wyncliff – Nothing new to report.*
- *Public Storage – Nothing new to report.*
- *The Space Shop, Self-Storage – Nothing new to report.*
- *Higher Ground, Guidepost Montessori – They have officially opened.*
- *Lafontaine Automotive Group Dealerships (LAG) – They have received engineering approval for their dealerships at Pontiac Trail and Haggerty. They have submitted plans to the Township to obtain permits. They are also beginning work at the former Dick Morris site.*
- *Parcel F / Unit 7, in front of the Township Hall – Nothing new to report.*
- *Parcel J1, Haggerty & Oakley Park – The PA has been terminated due to buyer timeline and performance.*
- *Parcels M & N – Nothing new to report.*

**II. MTT Judgments** – *As updates are available, a report will be given at the DDA meeting.*

**III. Commerce Towne Place HOA Items –**

- A. **Budget** – *Nothing new to report.*
- B. **Dues** – *2024 dues invoices were emailed in January. We have received several payments, and still await a few. We followed up this week with those that remain outstanding.*
- C. **Tax Forms & Reports** – *The 2023 tax return has been completed and mailed.*
- D. **Lighting/Electrical – Shaw Elec., Eric Peterson, Adam Dornton**
  - *Despite follow-ups with DTE since our October meeting, I continue to wait for an estimate for potential acquisition of our lighting system as part of their Community Lighting Program. I'm curious if the lengthy quote process is any indication of how their service and response time might be in the future.*
  - *Our lighting inventory is verified and sufficient.*
  - *Shaw is scheduling maintenance and any necessary repairs.*
- E. **Landscaping & Maintenance – United Lawnscape, Angela Munroe; Bob Rousseaux's Excavating, Mark Rousseaux**
  - *Nothing new to report on accidents and insurance claims.*
  - *We will be scheduling turf and landscaping repairs soon, along with deep root fertilization for the Parkway trees.*
  - *Rousseaux has been maintaining the trails and monitoring issues.*
- F. **Irrigation – Michigan Automatic Sprinkler, Mike Rennie**
  - *We renewed our contract.*
  - *2024 dates have been scheduled for system opening, mid-season inspection, and closing.*

**IV. Other – None.**

**Township Board Report – Supervisor Gray**  
Nothing new to report.

**Item 8: Engineer's Report**

Director Watson – I spoke with Jason Mayer this morning. He reported that Lafontaine has their permit submitted, and Continental also has sanitary permits submitted. He is just waiting on Continental's final submittal of engineering plans for water, storm and grading. He will be at the meeting tomorrow with Continental to discuss value engineering alternatives.

**Item 9: Planning Director's Report**

Dave Campbell, Township Planning Director, shared the following with the Board members:

- We've talked about Continental and their engineering meeting tomorrow where they will look at the sanitary sewer system and see if anyone has any brilliant ideas for cost savings.
- On our April 8<sup>th</sup> Planning Commission agenda, there are two projects in the DDA district.
  - One is a proposed new Chase bank branch, on the west side of Haggerty Road, just south of the Meijer gas station. They would tear up the surplus parking and replace it with a new bank branch.
  - Two is the proposed Taco Bell, next door to Sonic, on the south side of Pontiac Trail.
- Lafontaine continues to plug away at building their new dealership, and also repurposing the old Dick Morris Chevrolet.

**Item 10: Committee Reports**

- A. Finance Committee – Robert Sackleh – Nothing to report.
- B. Public Relations Committee – Jose Mirkin – The art teachers of Walled Lake Schools have started meeting to prepare for the Annual K-12 Art Exhibition. It usually happens at the end of May. They've had a couple of meetings, but unfortunately, I was out of town. Next meeting, I will have the exact dates for the Art Exhibition in our community library.
- C. Marketing Committee – David Smith – Nothing new to report.

**Item 11: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure**

**MOTION** by Mirkin, seconded by Hoy, to approve the Warrants and/or Carryovers, Add-ons and the Revenue & Expenditure Report. **MOTION CARRIED UNANIMOUSLY**

**Item 12: Other Matters**

None.

**The next regularly scheduled DDA meeting is Tuesday, April 16, 2024, at 12:00pm.**

**Item 13: Adjournment**

**MOTION** by Hoy, seconded by Mirkin, to adjourn the meeting at 12:55pm. **MOTION CARRIED UNANIMOUSLY**

Melissa Creech  
DDA Secretary



INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

EXP CHECK RUN DATES 03/19/2024 - 03/19/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
WATSON DEBORAH WATSON FEB/MAR 2024	DDA	DDA DIRECTOR 02/15/24 - 03/13/24	2,700.00
Total For: DEBORAH WATSON			<u>2,700.00</u>
SANDYB SANDY ALLARD FEB/MARCH	DDA	DDA ASSISTANT 2/15/24 - 3/13/24	573.75
Total For: SANDY ALLARD			<u>573.75</u>
Report Total:			<u>3,273.75</u>

**INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP**

INVOICE ENTRY DATES 03/18/2024 - 03/18/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
<b>DAWDA DAWDA MANN COUNSELORS AT LAW</b>			
594926	DDA	PROFESSIONAL SERVICES THROUGH 2/29/24	802.00
594927	DDA	PROFESSIONAL SERVICES THROUGH 2/29/24	1,453.50
Total For: DAWDA MANN COUNSELORS AT LAW			<u>2,255.50</u>
<b>DTE DETROIT EDISON</b>			
04/04 2579 LIBRARY	DDA	ACCT# 9100 077 1100 5	22.55
04/04 2581 LIBRARY	DDA	ACCT# 9100 077 1086 6	917.48
04/04 2660 E OAKLEY	DDA	ACCT# 9100 077 1065 0	126.56
04/04 3106 MARTIN P	DDA	ACCT# 9100 077 1076 7	137.44
Total For: DETROIT EDISON			<u>1,204.03</u>
<b>OAK TREAS OAKLAND COUNTY TREASURER</b>			
FEB 2024	DDA	BOND FOR TAX COLLECTIONS	276.80
Total For: OAKLAND COUNTY TREASURER			<u>276.80</u>
Report Total:			<u>3,736.33</u>