

**CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, June 18, 2019
Commerce Township Hall
2009 Township Drive
Commerce Township, MI 48390
12:00 PM**

CALL TO ORDER: The Meeting was called to order by Chairperson Gotts at 12:00PM.

Downtown Development Authority:

Present: Mark Stacey, DDA Director
James Gotts, Chairperson
Dan Lublin, Vice Chairperson
Jose Mirkin, Member
David Smith, Member
Susan Spelker, Member
Steve Matta, Member
Tim Hoy, Member

Absent: David Scott, Township Supervisor
Brian Winkler, Member (excused)
Thomas Rauch, DDA Attorney (excused)
Matt Schwanitz, Giffels-Webster Engineer (excused)
Molly Phillips, DDA Treasurer (excused)
Melissa Creech, DDA Secretary (excused)

Also Present: Debbie Watson, DDA Assistant
Chris Martella, DDA Attorney
Randy Thomas, Insite Commercial
Dave Campbell, Township Planning Director
Simon Rubin, Insite Commercial
Courtney Mikola, Wyncliff HOA Representative
Tom Ansara, Wyncliff HOA Representative

Item 1: Approval of Minutes

MOTION by Lublin, seconded by Mirkin, to approve the Regular Meeting Minutes of May 21, 2019 as presented.

MOTION CARRIED UNANIMOUSLY

Item 2: Public Comments

Ray Golotta, 1595 Vanstone Drive, Commerce Township – I have two questions. The general one that applies to the DDA area is regarding the new waste disposal company, GFL, starting the first of the year. I'm just curious; I couldn't find it anywhere. Are they going to have bins for trash and recycle?

Supervisor Scott – Yes, a 64-gallon recycle rolling bin with a lid, and a 95-gallon trash rolling bin with a lid.

Ray Golotta – The other thing I noticed when I was coming up M-5 is there is some work going on around the bridge.

Supervisor Scott – They're getting ready to put the wave panels on the bridge to get it finalized. The road closures that occur will only be between 9 and 5. They have to get the crane, lift or hoist to mount the panels.

In addition, the Township Parks and Recreation Committee wants to do a 5K to pique interest about the Michigan Airline Trail. We have put billboards in each of the libraries, Walled Lake, Wixom and Commerce, inquiring about what residents want to see; bird watching, hiking, races, et cetera. I put on there, "M-5K". People said that's great! We'll have a 5K over M-5. Staff at the Richardson Center called MDOT and inquired about a permit to use the M-5 trail.

Director Stacey – I think it could take up to 3 weeks for the wave panels to be installed.

Dave Campbell – I was actually just out there, that's why I'm just rolling in now. The plan is, they're going to do everything on the northbound side first. There will be wave panels on both the north and south sides of the bridge. Each side will take a couple of weeks. You'll see the brackets first that will attach the wave panels to the fencing. Once those are up, then they'll do the signage. Hopefully by mid-July, it will all be done.

Jose Mirkin – Right now, there are two cranes working and one lane is closed.

Dave Campbell – Correct. There's actually two groups working. One is the crew putting up the blue wave panels. The other is the electrician's crew. This worked out well because one job can piggyback off the other, using the lane closures for both contractors. The electricians are reprogramming the color change lights because they were not communicating with the control panel on the ground.

Item 3: 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; They've moved a lot of dirt and the pipes are going in there. Last time I talked to Jim, he stated that the weather conditions have obviously held him up quite a bit. Within the next 30 days, they're going to put in the foundation for the clubhouse, so we'll start to see some vertical development, which will be toward the west side of the site.
- Parcel B1 – Aikens, Five & Main; Bruce is making progress and getting prepared to close on the DDA portion, which is scheduled on or about July 31st. There's a lot of paperwork that needs to get done which legal will be working on.
 - We have a tentative agreement that Aikens has reached with the Township in extending the closing of the library parcel.
 - He's working on power issues with DTE.
 - He has applied for the curb cuts from the Road Commission.
 - As far as the gourmet market goes, we're down to finalizing exhibits. The lease is done and agreed to.
 - He wants to have that done by the July Michigan Idea Exchange, which is an ICSC event, a smaller component than what happens in New York and in Vegas. It's locally driven. He wants to use that as a platform to communicate.

Director Stacey – In theory, we will be going before the Planning Commission on July 8th for an updated set of condo docs, B-docs and other changes as required. We will go to the Township

Board on July 9th for approvals of all of those documents, plus the agreement that the Township has regarding the library property.

With those approvals, we will be coming back to this Board next month to authorize the closing. In addition, we do have to do another amendment to our purchase agreement. This will separate the library purchase from the purchase of the remaining property. Remember that those two were symbiotically tied together, but they didn't have to be. He has made an exceptionally good offer to the Township to get the development closed.

Dave Campbell – We were able to contact the regional manager for DTE, Mike Palchesco. I talked to Mike last week and told him that my Township Supervisor and I would like to have a conversation with them; a bigger picture of, *How does DTE plan to service our growing community, and in particular Aikens development that we have in the pipeline at Pontiac Trail and M-5?* They're happy to have that conversation with us. Apparently they did something like this in Orion Township recently. Mike will get back to us with some possible dates for that meeting and hopefully we'll get better information from them of what needs to happen to facilitate the Aikens project.

Randy Thomas –

- Parcel B2 - Granger, First & Main; Dave, anything new?

Dave Campbell – I don't think there's anything new since the last time we met. They brought some concepts to the Planning Commission for the next phase, and the Planning Commission provided plenty of feedback on architecture, building materials and design.

Randy Thomas –

- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; We get a lot of calls on this property. In the last month, 5 or 6 gas station inquiries. The last developer who was looking at this parcel has gone radio silence.
- Parcels D&E - Pulte, Merrill Park; I know the last lot is in the ground. Pulte turned it over to the homeowner's association.

Director Stacey – Last weekend, they put down their final course of asphalt. They've got a few things to finish up on the sidewalks, but they're almost done.

Dave Campbell – They emailed me today asking about the crosswalks. They're going to have concrete crosswalks at their two entrances with a stamped pattern in them. They were inquiring about whether we had a standard design. They're finishing up their punch-list items.

Randy Thomas – Yes, it was a very successful project for Pulte. They only had one slow period, but it wasn't the market or the product. Changes were made in the sales department which picked the velocity back up.

Dave Campbell – I'll jump in again. Because Merrill Park was so successful, Pulte is now looking at the property just north of that, the old driving range. There will be more to come on that. I've had conversations with Pulte and their engineer.

Director Stacey – That would be the driving range and the commercial buildings, right?

Dave Campbell – Yes, if they were to proceed with what they're thinking about doing, the existing office/light industrial building would come down and be replaced with a residential product.

Randy Thomas –

- Parcel F – The acreage in front of the Township Hall; I stay in touch with the dentist who has expressed interest. We haven't had a lot of other inquiries, but I would think when Bruce breaks ground on the development that will pick up too.
- Parcel G - Wynclyff; Nothing new on our end to report.
- Parcel I – BBI Holdings, Gilden Woods; North of the Township Hall

Dave Campbell – They did some grading and put down hydroseed. It looks like it's starting to come in a little bit. They cleaned up the site.

Director Stacey – Did they hydroseed?

Dave Campbell – I thought they did, but I will double check for you. They're working on it.

Randy Thomas –

- Parcel J2 - NorthPoint, Beyond Self Storage; Did they get their freight elevator?

Dave Campbell – Yes, they did.

Randy Thomas –

- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; Last month, we reported that we had a group that wants to do a commercial development on the hard corner. They would be an owner occupant of the building with their business and some ancillary retail. The concept plan was reviewed with Mark and Dave. The LOI was reviewed today by counsel, as well as the DDA Marketing Committee. There will be a recommendation on how to proceed.

Director Stacey – Dave, do you want to make a recommendation as to what we should be doing with the LOI? Should we be moving forward toward a purchase offer for next month?

David Smith – I think it would be wise to move ahead with that purchase agreement. I think it would be advantageous to the group, the Township and the DDA area.

Randy Thomas – Typically, the Marketing Committee will make a recommendation to the Board. We will take that LOI to counsel and work with Mark to get it into a final format to generate the purchase agreement. Once it's in its final form, we will bring it back to the DDA Board for a final vote, at which time hopefully I will have circulated to you both the site plan and some conceptuials with elevations so you can see what's being proposed.

David Smith – This is in compliance with what we have going on right now.

Randy Thomas – It will be retail-oriented.

Director Stacey – And there is the potential that we may get another LOI back.

Discussions continued regarding potential LOIs and offers. More information would follow at next month's meeting.

Randy Thomas –

- Parcel K - The orphan piece across the street; I did get an inquiry from a broker, as they were looking at the parcel next door which kind of fronts M-5. That is actually owned by MDOT.
- Parcel L - 1.8 acres on Haggerty Road; We had a landscape firm that called and I gave them Dave Campbell's contact information.
- Parcel M&N - These are the two out-lots that are being retained by the DDA. We are marketing them separately. We have had two inquiries already, relative to the one that is next to Walmart. I explained that I'm taking names and numbers right now.

Item 4: Director's Report

- **Updates on Developers** - *(Covered by Randy)*
- **MTT Judgments** – None
- **HOA Items** –
 - **Wyncliff** – The HOA representative has been changed to Tom Ansara. Thank you, Courtney, for all of your help over the years. We're going to miss you. Tom, you've got big shoes to fill.

Tom Ansara – 2680 Wyncliff Drive. I'm going to talk to Courtney. She has done a great job.

Director Stacey – And you and I can talk after the meeting today.

- **2019 HOA Budget** – As you know, the budget was approved.
- **Dues** – We have collected dues from everyone currently, except for Granger/First & Main. However, we have had more contact with them lately.
- **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
 - As you'll recall, 60-90 days ago we authorized ordering the lights for under the bridge. We then had a problem with the hooks to install it and ordered the tracks.
 - The tracks came in, but it has been so wet that the lighting contractor does not want to drive on the sidewalks to get under there to do the install. He's afraid he'll damage the concrete. As soon as it dries out, that project is ready to go.
- **Landscaping - United Lawnscape, Brian Sparks**
 - The site has been cleaned up and is looking a lot better.
 - The mulch has been done.
 - The Pontiac Trail roundabout was cleaned up from all the accidents. That was paid for by the insurance carrier.
 - We do have an additional \$7,000 for a tree that was damaged. I have not authorized replacement of the tree yet. We will see what happens with the roundabout. I'd hate to put in new trees and then ultimately have to tear them out.

- We have approximately 100 shrubs scheduled to be replaced in the Martin Parkway center median. Those should go in during the week of June 25th.
- **Irrigation - Michigan Automatic Sprinkler, Mike Rennie**
 - We have our irrigation system up and running.
 - We still have one mainline leak. They're still working on that, but it's functioning electronically.
 - They can put water on, but obviously we haven't needed it.
- **Other**
 - **2019 Outrun Hunger 5K** – Their 2019 race is scheduled for Saturday, November 9th. That was approved at the last Township Board meeting in terms of the contract. I'm assuming you're moving forward with that?

Supervisor Scott – Yes, they have filed all of the paperwork. They happened to come to the Township Hall to get a better read of what they could and couldn't use. In November when that run takes place, just days before will be an election cycle. This room is typically dedicated to the Clerk for everything that has to be served, and therefore they may or may not have use of this room. Kari Cotter asked for a reduction in fees. The Township Board made a decision to require her to pay the \$500 security deposit. They will cash it and then refund that money with a Township check. She wanted to just write the check but not have it cashed. And, instead of paying the \$2300 rental fee, they moved to reduce it to an \$800 fee. Their choice; if we're going to support a charity, I don't know why we don't give it to them for free, but they chose \$800. So that's all on schedule and ready to go.

Director Stacey – We will be working with the organization to define which trails will be available for the run. That will probably be mid-August before we can give her a final answer. Obviously, depending upon what Bruce is doing, it may impact which trails she can actually use, in addition to the Barrington development. We will take care of all the behind the scenes details as we always do, and have a wonderful fun run.

Courtney Mikola – I think a couple years ago, they used spray paint to mark the trails and it stuck around for a long time.

Director Stacey – Yes, we made them change it to the kind that washes off, a water-based product.

- **RCOC**
 - Roundabout – You authorized a study that we needed for our negotiations with the RCOC. That study has come in. We were able to use the draft copy to our benefit in our discussions.
 - In essence, we were looking for the ammunition to say we did all of our work and here's what it would have been like if we were still at a T-intersection. We put in the roundabout and Martin Parkway to make all these roads better.
 - What it showed was that if we hadn't done that, I think the comment was that it would have been L.A. traffic jams out here. Everything would have failed. You would have had so much backed up traffic, it would have been impossible.

- It gave us the strength to go back in and negotiate, because we already put in what is needed to facilitate the new development. We're not going to rebuild the roundabout, or put in an overpass, or anything along those lines.
- I think that has gone fairly well.

Dave Campbell – The RCOC has kind of said, “Okay, well from this point forward when we get complaints about that roundabout, we’re going to point to you guys and say, that’s what the Township wanted. We wanted them to make it bigger and have the developer make these improvements and they didn’t want to.”

I'm not saying I agree with their position, but they've essentially said, “You guys own it now.”

Director Stacey – And our position is, “You guys didn’t let us build it to the maximum initially.” We’ve got to live with it, and we have engineering data that says it will work. That’s where it’s at and we’re working with the RCOC to get Bruce his curb cuts.

Director Stacey explained that any changes made to the roundabout might make it function better for a couple of hours per day; however, it would not function better for the other 22 hours per day.

David Smith initiated discussions regarding making road improvements to the north. Supervisor Scott discussed his recent meeting with Dennis Kohler, the RCOC Managing Director, and his team. Dave Campbell was in attendance. The meeting addressed fixing the Union Lake corridor and connecting it to the Oakland International Airport. Local communities were in favor of the project, and would forego road projects in their townships. Because all of their citizens use this corridor, the following supervisors expressed support; Gary Wall, Waterford Township; Collin Walls, Springfield Township; Rick Hamill, Highland Township; and Rick Kowall, White Lake. Supervisor Scott further discussed details, including the feasibility study, contributions, phasing of the project and next steps to making the connection.

Item 5: Attorney’s Report

Attorney Martella – As discussed, the next 30 days before the next meeting will be very busy for us negotiating and finalizing everything with Bruce Aikens to close by the end of July, as well as negotiating and putting together a purchase agreement as Randy mentioned.

Courtney Mikola – With the changeover in the Wyncliff representative for the CTPA, is there paperwork that we have to complete?

Director Stacey – I have a signature and an authorization in an email for that, so internally it is taken care of. We will be putting Tom’s name on the state required forms and corporate communications.

Item 6: Engineer’s Report

In Matt Schwanitz’s absence, Director Stacey provided an update.

Director Stacey – Matt had a last-minute conflict and he apologized for not being here. He has been supporting us in working through the end of the Aikens project, with great ideas to help move and push the project forward. He has been instrumental.

Item 7: Planning Director's Report

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

- I think I've touched upon most of what I was going to say.
- As far as Mr. Aikens goes, procedurally we need to do another condominium amendment. It's the DDA doing the amendment because you're the current owner. Anytime you amend a condominium, it has to go to both the Planning Commission and the Township Board. The timeline is July 8th for the Planning Commission, July 9th for the Township Board, and get the condo unit amended so that the DDA can make it to closing by July 31st.
- In my report, I mentioned that the Planning Commission looked at the potential for a new drive-through car wash on the south side of Pontiac Trail, next door to where the Sonic drive-in is. There are two houses there which would be demolished, and the two lots would be combined and replaced with a drive-through car wash. A car wash in that location would be a Special Land Use, and any Special Land Use requires convincing the Planning Commission that there is an immediate and demonstrated need for the use. The Planning Commission relayed to the potential developer, on a conceptual level, that they felt that they would have a hard time being convinced of an immediate and demonstrated need in that location, as there are 4 or 5 other car washes in the nearby vicinity.

Item 8: Committee Reports

A. Finance Committee – Director Stacey

- We've got the year-end tax returns done for 2018. Everything has been filed.
- We are now working under the 2019 Act 57, the new DDA rules we are required to comply with. In theory, we have a majority of that work done. We have worked with legal counsel and Plante Moran. We do need to hold two informational meetings between now and the end of the year. They will be meetings scheduled before our DDA meeting.
- We're still working on what exactly that means and what we have to provide, but we are planning on keeping ourselves in compliance with Act 57.
- In your packet, you'll notice that there is now a Balance Sheet in addition to the Revenue & Expenditure report. The balance sheet shows the assets and liabilities. It does not show a net present value for future cash flows for the tax increment financing that we receive for the DDA area. So while that's true that it is a negative \$54 million for total fund balance, once you offset that with the tax revenues that we are generating, it is nowhere near that number. This is a new report that is available and we will keep you updated.

Courtney Mikola – With those revenues accounted for, when does the negative \$54 million get closer to a positive?

Director Stacey – It depends which point in time. In theory, the bonds will be paid off in 2034. We will probably owe the Township between \$30 and \$40 million at that point, and then we'll start paying the Township back. Once that's done, then we're in a positive situation. It's going to be a significantly drawn out payback period.

- #### **B. Public Relations Committee - Jose Mirkin – As everybody knows, at the end of May, May 20th to May 27th, the Annual K-12 Art Exhibit, coordinated by the Public**

Relations Committee and the Walled Lake School District, took place at our community library. As usual, it was great success, with more than 1200 people attending the reception, where parents, grandparents, friends and neighbors celebrated the student's accomplishments. Refreshments were served, and as I've said many times, everything was paid with a grant written by one of the art teachers, which means that no cost associated with this event came from the DDA budget.

Jose Mirkin also noted that he would be unable to attend the July 16th DDA Meeting.

C. Marketing Committee – David Smith –

- Randy summed it up. We have a couple of interesting offers on the table. I think those offers are characteristic with the aesthetics of the neighborhood. Randy does a good job of negotiating and I think it's in good hands. I think it's in good servitude to the Township to sit down and review these offers.
- It's good that we are looking at the possibility of improving the Union Lake corridor. By next year, I think you'll see an expedition of progress in the Township.

Item 9: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure MOTION by Lublin, seconded by Mirkin, to approve the Warrants and/or Carryovers, Add-ons and the Revenue & Expenditure Report. **MOTION CARRIED UNANIMOUSLY**

Item 10: Other Matters

Supervisor Scott addressed the following items:

- We're a growing community and very active. The Sheriff's Department has been very busy. There was a group of professional thieves that was followed from Troy. They were going through cars all over western Oakland County. A law enforcement group comprised of state, local and county officers successfully captured the group through random surveillance.
- You may recall a while back when I came into office, I pushed the Sheriff's Department to put a strain on illegal marijuana growers across Commerce Township. They were overwhelmed when they saw how much had actually been here. They worked aggressively to get a lion's share of that taken care of. At some point in time, the Sheriff's office said we're exhausted. Using my knowledge of the department, having worked there for 30 years, I convinced the board to contract with a narcotics enforcement team of 25 officers from all over the county, state, local, federal. They did two of the largest heroine raids in Michigan in the last six months. Realistically, going after the problem outside of our boundaries keeps it from coming to our town.

Supervisor Scott addressed other recent local matters involving the Sheriff's Department and the narcotics enforcement team.

Tim Hoy expressed his appreciation for the Sheriff's response and apprehension of a man who busted out the windows at his store, the Steinway Piano Shop. They also followed up with frequent patrols.

Tim invited the DDA members to visit his shop on Wednesday, June 19th at 7pm for an amazing jazz pianist concert.

Supervisor Scott also provided an update from the Fire Department side, and his efforts to increase staff to get two firefighters on duty 24 hours a day. The Fire Department has done a phenomenal job and continues to grow. There is also a high probability that the Township will receive a federal grant to pay for 8 firefighters. He discussed adjacent communities and mutual aid assistance requests. In conclusion, he discussed rebuilding of Fire Station #3 on Welch Road, which will now include a rescue unit.

Jose Mirkin discussed anchor tenants for the Aikens project, which have yet to be disclosed.

- **The next regularly scheduled DDA meeting is Tuesday, July 16, 2019 at 12:00pm.**

Item 11: Adjournment

MOTION by Mirkin, seconded by Lublin, to adjourn at 12:58pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

06/12/2019 10:11 AM

User: JBUSHEY

DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE

INVOICE ENTRY DATES 06/12/2019 - 06/12/2019

BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID

BANK CODE: DDA

DDA WARRANT REPORT

JUNE, 18, 2019

Vendor Name	Invoice Date	Description	Amount	Check #
1. DEBORAH WATSON	06/12/2019	ASSISTANT HOURS 5/15 - 6/12/19	975.00	
2. GIFFELS-WEBSTER ENGINEERS	05/15/2019	PROFESSIONAL SERVICES THROUGH MAY 4, 2019	429.00	
3. KEMP, KLEIN, UMPHREY & ENDLEMAN, PC	06/05/2019	PROFESSIONAL SERVICES THROUGH MAY 31, 2019	4,470.20	
4. MARK STACEY	06/12/2019	DDA DIRECTOR 5 -14-19 THROUGH 6-12-19	5,500.00	
5. OAKLAND COUNTY TREASURERS-	06/18/2019	TAX DELINQUENCY	245.69	
TOTAL - ALL VENDORS			11,619.89	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			11,619.89	

06/18/2019 08:19 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE

INVOICE ENTRY DATES 06/18/2019 - 06/18/2019

BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID

BANK CODE: DDA

DDA WARRANT REPORT - ADD ON'S

JUNE, 18, 2019

Vendor Name	Invoice Date	Description	Amount	Check #
1. DETROIT EDISON				
	06/13/2019	2660 OAKLEY PARK	85.71	
	06/13/2019	3106 MARTIN PARKWAY	74.46	
	06/13/2019	2581 LIBRARY DR	542.82	
	06/13/2019	2579 LIBRARY DR - IRRIGATION	19.61	
		TOTAL	722.60	
2. WILLIAMS, WILLIAMS, RATTNER&PLUNKET				
	06/01/2019	PROFESSIONAL SERVICES RENDERED THROUGH MAY 31, 201	81.25	
TOTAL - ALL VENDORS			803.85	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			803.85	