

**CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY MEETING
Tuesday, November 18, 2003
2840 Fisher Avenue
Commerce Township, MI 48390
12:00 p.m.**

CALL TO ORDER:

Chairperson, Robert Shimmin, called the meeting to order at 12:40 p.m.

DETERMINATION OF QUORUM:

Present: Wynn Berry, Director
Robert Shimmin, Chairperson
Daniel Lublin, Member
Douglas Lanni, Member
James Gotts, Vice-Chairperson
Thomas Zoner, Member
Sandra Motz, Member
Frank Marotta, Member
Norman Levine, Member

Quorum of DDA Members determined

Absent: Robert H. Long, Member
Herbert Feinstein, Member
Paul Kirkwood, Member

Also Present: Sandra Abrams, DDA Secretary
Susan Gross, DDA Treasurer
Phillip Adkison, Township Attorney
Chris Michaels, Township Attorney
Thomas Rauch, DDA Attorney, Kemp Klein
Deb Kirkwood, DDA Administrative Assistant
Kathleen Pogarch, Assessing Director
Jeffrey Bowdell, Building-Zoning Director
Matthew Schwanitz, Giffels Webster
Loren Crandell, Giffels Webster
Robert McGee, Planning Commission
Jay James, Giffels Webster
Mark Stacey, Resident
Concetta Green, Citizens Council
Patricia Mayfield, Citizens Council
Randal Yankee, Spinal Column

APPROVAL OF MINUTES: Tuesday, October 21, 2003

MOTION by Zoner, second by Lublin to approve the minutes of October 21, 2003, as presented.

MOTION CARRIED UNANIMOUSLY

ITEM 1: Public Comments
None

ITEM 2: Consent Agenda
a. Treasurer's Report for October, 2003

MOTION by Zoner, second by Lublin to receive and file the Treasurer's Report.

MOTION CARRIED UNANIMOUSLY

b. Approval of the Warrants

MOTION by Zoner, second by Lublin to approve the warrants removing Invoice # 079846 (to be resubmitted next month), the add-on as presented, and two additional add-ons presented for payment to Dykema Gosset and Fuller Appraisal.

MOTION CARRIED UNANIMOUSLY

ITEM 3: Engineer's Update

Progress Report on Haggerty Road: Loren Crandell of Giffels Webster reported that preliminary Haggerty Road alignment plans were submitted to the Road Commission for Oakland County. The RCOC will be meeting with the traffic consultant on November 19, 2003. Mr. Crandell further reported that when all are in agreement on the alignment plans, final engineering plans can begin.

Traffic Studies: All traffic counts have been made and reports are being compiled.

Update on Sign Permit & Location: The Fourteen Mile and Haggerty locations for the Commerce Township Entryway Signs will be submitted to the Road Commission for Oakland County for permit approval if it is determined they will be located in the road right of way, if not located in the road right of way easements will be obtained.

Signs are not finished to date. Two signs are being made.

ITEM 4: Attorney Update

Compensation Report: Compensation contracts are not yet complete and will be submitted at the next meeting.

Bond Issues: The Bond Issue was sold on November 5, 2003. Proceeds have been received by the Township and the funds are available for use.

Condemnation Lawsuit: The condemnation lawsuit will be terminated reserving the right to proceed to refile if necessary.

Marotta Property:

MOTION by Lublin, second by Lanni to approve the abstention of Mr. Marrotta from the vote.

MOTION CARRIED UNANIMOUSLY

MOTION by Gotts, second by Lublin, to amend the terms of the Marotta Land Contract to change the interest rate to (0%) zero percent, starting November 5, 2003 until January 9, 2004, prior to which the land contract will be paid in full. Should full payment not be made January 9, 2004, interest rate would (effective November 5, 2003) revert back to the original interest rate of (8%) eight percent.

MOTION CARRIED UNANIMOUSLY

ITEM 5: Director's Update

Budget Revisions: Director addressed changes to the 2004 Budget requested by the Township Board as follows:

\$360,000 to be included in the Budget for payment of Land contract;
Increase in line item for Township Administration Fees from \$55,000 to \$57,200.

MOTION by Zoner, second by Gotts to approve the DDA 2004 Budget with the inclusion of the budget amendments requested by the Township Board of \$360,000 for payment of Land Contract and increase in Township Administration Fees to \$57,200.

MOTION CARRIED UNANIMOUSLY

Discussion relevant to the property proposed for sale to the Walled Lake School District.

Mr. Berry and Mr. Shimmin discussed the current status of the proposed sale of a portion of the El Dorado property to the Walled Lake School District. Currently there is an impasse regarding the price of the property, with the DDA offering the land to the School Board at the current appraised value of approximately \$6,930,000. The School Board was basing their offer generally on an earlier version of the appraisal, which was over \$1 million less. In addition, a number of additional requirements need to be considered in the sale, including the construction of a north south roadway in the area east of the property, as well as the need for an east west access road, utility and recreational path to be dedicated from the southerly portion of the property. Further, both the DDA and the School Board want to have a reverter, whereby on one hand the DDA could repurchase the property if the School Board did not utilize it for school purposes and on the other hand, the School board wants a reverter if the DDA or the township does not utilize the east west road or recreational path. In the event that the transaction goes forward and the DDA decides to operate the El Dorado Golf Course on an interim basis, the DDA would pay the School Board 40% of any net sums received from such operation. In the event that the School Board decides not to proceed, the DDA would update their appraisal of the property to determine its current value for sale to others.

MOTION by Zoner, second by Lublin to approve the abstention of Sandra Motz from the vote.

MOTION CARRIED UNANIMOUSLY

MOTION by Gotts, second by Lanni, to authorize continued negotiations with Walled Lake Schools for the sale of property at the amended appraisal price of \$6,930,000 as discussed and, in the event that the School Board decides not to proceed, to authorize an updated appraisal of said property.

MOTION CARRIED UNANIMOUSLY

Selection of Developers for Commercial Property:

Discussion of developers for Commercial Center

Mr. Shimmin and Mr. Berry discussed their intention to propose to the Board that it select the Taubman Company or an affiliate thereof as the preliminary preferred developer of a proposed shopping center on the portion of the HCMA and El Dorado properties located generally easterly of the proposed north south road to be constructed from Oakley Park on the north, to Pontiac Trail on the south. The exact area of the property being proposed for the shopping center, as well as the price and terms of such a sale, have yet to be determined and would be the subject of further discussion with the proposed purchaser, but it is desirable at this time to provide a preliminary designation of the proposed preferred developer, to give the developer the ability to commence negotiations with potential tenants and users of the center, as the preferred developer of the site. In addition, the DDA would consider retaining special counsel to work with the DDA attorney, the director and chairperson, to implement with the Taubman Company or an affiliate thereof for this development. It was further confirmed that, while this developer would be designated as the preliminary preferred developer of the shopping center, this designation was not an agreement to agree or any determination that the Taubman Company or an affiliate thereof would in fact be the final developer or purchaser of the property; since such a determination would be subject to numerous factors, including the area of the property being proposed for the shopping center, the price and terms of such a sale, together with municipal zoning, land use, building and infrastructure improvement approvals which the developer would be required to obtain, all of which would be the subject of a mutually agreeable development agreement for the project.

MOTION by Lublin, second by Gotts, to authorize negotiations with Taubman Company, and the retention of special council if appropriate, for the purpose of constructing a commercial development on portions of the HCMA and El Dorado properties. The proposed agreement to include but is not limited to: Commitment of anchor and other tenants as well as the area of the land, price, terms and scope of project.

MOTION CARRIED UNANIMOUSLY

Item 7: Executive Session
None

Item 8: Other Matters

Discussion:

Community Garden will be available for use next year.

Maintenance Issues related to El Dorado property:

Snow Plowing

Maintenance of Golf Course

Operation of the Golf Course and Driving Range

MOTION by Lanni, second by Lublin to authorize maintenance and other management agreements for the purpose of management, maintenance and operation of the El Dorado property.

MOTION CARRIED UNANIMOUSLY

MOTION by Zoner, second by Gotts to adjourn.

MOTION CARRIED UNANIMOUSLY

Meeting adjourned at 2:05 p.m.

Sandra S. Abrams, CMC
Clerk, Charter Township of Commerce
DDA Secretary