

**CHARTER TOWNSHIP OF COMMERCE  
DOWNTOWN DEVELOPMENT AUTHORITY**

**Tuesday, June 20, 2017  
Commerce Township Hall  
2009 Township Drive  
Commerce Township, MI 48390  
12:00 p.m.**

**CALL TO ORDER:**

The Meeting was called to order by Chairperson Gotts at 12:00 p.m.

**Downtown Development Authority:**

**Present:** Mark Stacey, DDA Director  
James Gotts, Chairperson  
Dan Lublin, Vice Chairperson  
Brian Winkler, Member  
Jose Mirkin, Member  
David Smith, Member  
Susan Averbuch, Member  
Tim Hoy, Member  
David Scott, Township Supervisor  
Susan Spelker, Member (arrived at 12:09pm)

**Absent:** Melissa Creech, DDA Secretary (excused)  
Dave Campbell, Township Planning Director (excused)

**Also Present:** Debbie Watson, DDA Assistant  
Thomas Rauch, DDA Attorney  
Molly Phillips, DDA Treasurer  
Matt Schwanitz, Giffels-Webster Engineer  
Randy Thomas, Insite Commercial  
Courtney Martin, Representative for Wyncliff HOA

**Item 1: Approval of Minutes**

**MOTION** by Lublin, seconded by Hoy, to approve the Regular Meeting Minutes of May 16, 2017 as presented. **MOTION CARRIED UNANIMOUSLY**

**Item 2: Public Comments**

Courtney Martin, Wyncliff HOA Board - Is there any update on the fencing at the Pontiac Trail roundabout? I know the last update was that it was helping with traffic. To you have an implementation plan for something that's a little easier on the eyes?

Director Stacey - Yes, we have a meeting set up with Tom Blust next Wednesday with a number of people from the Township. We will have more information for you at the next meeting.

Courtney Martin - Our HOA had a question regarding any future plans for the south yard area directly behind this building.

Director Stacey - I think the yard area is going to stay open space.

Supervisor Scott - Yes, it's open space. We had a discussion regarding salvaging trees, such as at the library, and transplanting some of those over here in an attempt to reforest, especially adjacent to the stand of pines, because those pines are failing.

Courtney Martin - Dave, earlier this year I think you talked about some recommendations to Oakland County for traffic improvements. Is there any update on that? I know you spoke about the Newton extension and improvements at Union Lake and Richardson.

Supervisor Scott - We continue to interact with Dennis Kolar from the RCOC. Ms. Phillips would confirm that we went through the list of tax properties where we might have a first bite at the apple if you will; we're attempting to obtain ownership of some of the properties along the Union Lake corridor, whether it be a tri-party agreement, contribution or use in the future of expansion.

### **Item 3: Bruce Aikens Presentation**

Bruce Aikens provided an update to the DDA Board. He explained the process and timeline for the project. They have been considering names for the development, and *Points North* is being considered. He wants the project to become a reality and he will soon be able to go public with additional information for the project plans and the architecture.

Obviously there was concern regarding news of the demise of brick and mortar retail, however, they were pleasantly surprised at the recent visit to the ICSC in Vegas. There was significant interest in this lifestyle oriented, open-air center which will include a mix of entertainment, restaurants, exercise, beauty, boutiques and more, with less retail and less nationals. He will soon be working with the architects to bring the project to life.

Susan Averbuch asked if Bruce would be adding residential to the development. Bruce Aikens replied, not in the first phase, but possibly the second.

Bruce added that this is what the shopping centers of the future will look like. They've done a good job in creating the right product and they couldn't be happier with the plan, the great site, the mix and the response from tenants. He thinks there should be a residential component on the northern side, and a boutique hotel is also being considered. The deals are progressing, and although they've been difficult with retailers, they're getting done. They will be in a position to start going through the Planning process this year.

Director Stacey stated that Bruce spent about an hour with the Marketing Committee in the meeting this morning, disclosing the tenants. The percentages of LOI's and signed contracts has significantly increased since the last discussion. Most of the names are recognizable and they are leaders in their field.

Chairperson Gotts expressed appreciation for Bruce Aikens' efforts, and those of staff. He knows it's been a slow process. Discussions continued as Bruce reviewed the history of retail developments, indoor malls such as Twelve Oaks, and comparisons were made to more current developments, such as Village of Rochester Hills, which is highly successful. He addressed the types of tenants they are seeking in further detail, the negotiations underway and the commitment needed from tenants. The goal is to open in 2019 and that requires a lot of work.

Director Stacey stated that Bruce added two people to his marketing team. Bruce confirmed, discussed the new members of his team, their experience, qualifications and new marketing strategies to acquire unique tenants. He elaborated on additional distinctive details and goals for the lifestyle center.

### **Item 4: Insite Commercial Report**

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

- Parcels A&H - I had an opportunity to meet with Jim Galbraith last week. They continue working on horizontal work, the underground and land balancing. They're starting on the deep sewer and that will be done in 500 foot increments, going down 40 feet. They've got an elaborate plan. They're not pumping the water into the system, but instead they're going into the existing storm system. You won't see anything going vertical on that until sometime next year.
- Parcel B1 - Aikens property - Bruce did a good job of explaining where he's at and we have a good sense of timing that he will probably be going in for site plan approval in the third quarter, and potentially breaking ground in less than a year.
- Parcel B2 - Granger - Mark, you probably know more on their status.

Director Stacey - As you've seen, the fence came down. They're making significant headway although they're a little behind schedule. The building is coming together nicely. They're moving out the big piles of dirt, and by this time next month, I think they'll have made a huge improvement on the outside. Last time we spoke, they thought they were 60 to 90 days from opening.

- Parcel C - Corner of Pontiac Trail and Haggerty Road - I get random phone calls, and most recently I had a meeting Friday morning with a gentleman looking to do retail pods up front, one with a drive-through and a restaurant pad.
- Parcels D&E - Pulte - I drove through the sub yesterday. They have quite a few lots sold. I have requested the latest sales figures from the representative and that will be included in the next update report.

Director Stacey added that Pulte has opened Phase 2 for sales and they're making progress.

- Parcel F, John Wheeler - John is working to finalize his deal with the surgical group tenant. They have a meeting this Thursday, and I anticipate I will have a phone call Friday morning with them. I should know the direction we are going by then. He is the developer of the building and he will be leasing it to the surgery care center.

Dan Lublin inquired about the notes in the Insite Report for Parcel F, which included reference to a restaurant. Randy explained that the language there is standard for all potential uses for the site.

Director Stacey reviewed an email from John Wheeler's potential tenant, which stated that the *partnership remains excited about the location and they feel it is the right move*. Director Stacey added that there are many factors they have to consider prior to committing, however, they have been told that the property is still being actively marketed. It is not being held.

- Parcel G - Wyncliff, Hunter Pasteur
- Parcel I - This is a little over 4 acres, but it's 2.9 usable after the highway easement. Since the report was distributed, an offer was received late yesterday. The proposed use is a child daycare center in the front, and a flex-tech building in the back of the property. We reviewed the Letter of Intent with the Marketing Committee this morning, and Tom and I will be drafting the counter back to the parties. That will come back to this Board.

Susan Averbuch asked if this was the site for the storage facility. Director Stacey replied that is a different piece of property.

David Smith asked what a flex-tech building is. Randy Thomas explained that these names are used interchangeably. He provided an example, the Northern Equities building, and this could be office, research, light manufacturing, et cetera.

- Parcel J - This site is where we have the western portion for the indoor storage facility. I received an update yesterday and they continue working with Jim Butler, Engineer, PEA. He has done a lot of work in the project area. They should be ready to submit soon, and then fire off their architectural drawings shortly thereafter. They did provide a proposed site plan.

Director Stacey stated that after the last meeting, this purchase agreement was signed, and the \$50,000 escrow was received. They are moving forward. Randy added that they are a very responsive group.

- Parcel J, continued - We still have the eastern portion of the property. Oddly enough I had a daycare center look at the piece, but haven't heard back from them. We've had a couple other inquiries recently.

Dan Lublin asked what the east portion is priced at. Randy replied \$900,000.

- Parcel K - Nothing new to report.
- Parcel L - On Haggerty Road, 1.8 acres; Nothing new to report.
- Parcel M&N - These are the two out lots that the DDA has retained in Bruce's development.

#### **Item 5: Director's Report**

Director Stacey discussed the following with the DDA Board:

- **FOIA Request** - We completed the FOIA request last month. It resulted in 1500+ pages of information for the for 5-year period requested. The person requesting it did make the payment for that immediately and it has been released. No other response has been received from them.
- **Updates on Developers -**
  - Aikens - Commercial Project - This hit a milestone and \$75,000 was released to the DDA from escrow.
  - Pulte - Merrill Park - *Covered.*
  - Granger - First & Main - *Covered.*
  - Shapiro - Barrington - *Covered.*
  - Wheeler / Medical Facility - *Covered.*
  - NorthPoint Self-Storage - Their deposit of \$50,000 has been put into escrow.
- **MTT Judgments** - (*See Item 9., Finance Committee Report*)
- **HOA Items**
  - **Dues** - All 2017 dues are current
  - **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
    - The lighting system is fully functional.
    - We've had no recent issues.
  - **Irrigation - Michigan Automatic Sprinkler, Mike Rennie**
    - We have Michigan Automatic onsite today.
    - In the process of installing the sidewalks, obviously there was some disruption to different portions of the irrigation system. We have some heads to be adjusted and lines to be moved. That is being put back together.

- Those will be costs that will be incurred through the sidewalk project, which you will see came in under budget. There were no overages, but restoration is underway.
- **Landscaping - United Lawnscape, Jim Parkinson**
  - The crew has been onsite and they're keeping up with work as best they can, considering we had the cement contractors working. They were cutting around them.
  - We've also had the irrigation people working on the sprinklers, so it's been a challenge to coordinate.
  - We have requested a service date for the east side trails cleanup. We were contacted by a resident who was concerned about the quality of the trails there. We did not maintain those last year and we discouraged people from using them during construction, but it's time to clean them up. We authorized in the HOA budget, 20 hours worth of work.

### **Item 6: Attorney's Report**

DDA Attorney, Thomas Rauch, stated that they've spent a lot of time on the NorthPoint project as mentioned, which moved extremely fast. They're under contract and work continues on due diligence matters.

### Signing Authorization for DDA Director

In addition, as noted on the agenda, the general authority resolution for the DDA needs updating. This relates to how official documents are signed by the DDA, and more importantly, how the Director and Officers of the DDA have the ability to make necessary commitments to manage the day-to-day affairs and operation of the DDA. An email was forwarded last week to all board members which included copies of prior resolutions from 2008 and 2013, both of which came about as they were needed to address issues which were necessary at that time.

The DDA statute and by-laws provide specifically for the Chairperson of the DDA, together with the Secretary, to sign major documents, except as may be approved by the DDA Board. In the past when the Chairperson and Secretary were not both available, these resolutions permitted that any one of the Officers could sign, including the Vice Chairperson, Secretary and/or Treasurer. In the statute and under the by-laws, the DDA Director is the Chief Executive Officer of the authority, but there is no guidance from the statute on what the Director, as CEO, has for signing authority. We addressed this issues with the 2008 and 2013 resolutions, and have now updated the current resolution to restate the signing authority and also provide for the Director to continue to operate the day-to-day affairs of the authority. Attorney Rauch explained that a number of instances arose recently where the Director was called upon to sign documents, and he elaborated on a couple of those matters.

**MOTION** by Lublin, supported by Mirkin, to approve the resolution as presented by counsel, which includes the signing authorization for the DDA Director as discussed herein.

**MOTION CARRIED UNANIMOUSLY**

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

Matt Schwantz, Giffels Webster, reported that they have been working on a few information requests for the sidewalks. The contractor did an outstanding job and barely touched the contingency budget. They performed well and receive four stars. They blasted through the project.

Dan Lublin asked if Giffels is in control of the sidewalk project for the community. Matt replied that they have been inspecting, and they let the bid, receiving at least 10 bids in the process.

Those contractors were reviewed, not only for lowest pricing, but for best ability. Dan noted that the document indicates "Payment #1". Debbie Watson noted that Jason Mayer's email in the packet explained this further. Director Stacey agreed, the only amount remaining is the \$2,000 retainage. Matt added that the original budget was \$238,000, and with the exception of the pending sprinkler repairs, they're just under \$180,000. They didn't go into the contingency fees. Dan inquired about responsibility for maintenance of the sidewalks. Director Stacey responded that the HOA will take over control and maintenance of the sidewalks upon completion. Matt added that this is a common area, and all common elements are maintained by the HOA. Attorney Rauch added that the DDA still pays their pro-rata share because it still owns property, but the association is responsible for the common areas.

### **Item 8: Planner's Report**

Although Dave Campbell was absent, Director Stacey had a few comments. One thing he pointed out was that at last month's Planning Commission Meeting, there was a conceptual proposal for a piece of property in the DDA, located directly south of the United Artist's Theater. This was a conceptual for 300 high-end rental units, at \$2 per square foot, that would offer concierge service, parking underneath, inside covered parking, and more amenities. Although multiples/apartments have had a bad name here, the Commission seemed open to the idea and had a positive response when they saw the level of services that would be provided, the quality of the building and the price points. Discussion continued regarding pricing for the units in this development, comparisons to other similar local developments and the exact location.

Director Stacey also stated that the DDA will be working with Dave Campbell soon on Bruce Aikens' project.

Brian Winkler referred to the first page of Dave's Planning Report, to the Comfort Care development proposal. The Planning Commission held a special meeting last night to review this request. The action was to recommend to the Township Board that a Third Consent Judgment be executed in order to allow the project to proceed, subject to caveats, including one that required the petitioner to return to the Planning Commission with the architectural for the project. This site is the northern most 12 acres of the 24-acre site at Decker and 14 Mile.

Jose Mirkin praised Dave Campbell's good sense of humor in his reports. Under the comments regarding the billboard, it says, *How many smart people does it take to decide where to move the billboard?* 10.

### **Item 9: Committee Reports**

- A. Finance Committee – Director Stacey stated the Revenue & Expenditure report was included. Plante Moran is working on the year-end statement and the required forms to be filed with the State by June 30th.

David Smith asked if the DDA is still in bond refinancing. Treasurer Phillips replied that this will not be done right now. They're still looking at refunding part of the 2008 refunding bonds, and leaving part as variable rate; but the interest rates haven't gone up enough for it to be beneficial, so it will be postponed.

Treasurer Phillips noted to Director Stacey that an MTT change was received. Williams International filed for their manufacturing personal property exemption and the personal property went from \$12.8 million in taxable value, to \$1.1 million, which is a \$42,000 hit on the winter tax bill.

- B. Public Relations Committee - Jose Mirkin stated that the K-12 Art Exhibition in May at the new Library was a huge success with 1,100+ attending. There was so much enthusiasm about the event and location that the 2018 Art Exhibition will be held at the Library again. The next meeting with the Walled Lake Schools Art Teachers will be in October/November 2017 to begin planning for next year, and DIA participation is also planned. Framed art for the winners of the exhibition will be placed in the Township at the Supervisors direction. There are also communications with the DIA to have masterpiece reproductions at the Library in August, along with representatives visiting to provide lectures on the displays.

Discussions continued regarding the success of the Art Exhibition, the excitement about the location, and the amenities of the new Commerce Township Library. Jose Mirkin added that one of the art teachers had secured a grant for refreshments, and therefore there were no costs.

Dan Lublin discussed the Library building fund with Treasurer Phillips. Supervisor Scott added that the Library and the Richardson Center will both have generators to allow the facilities to accommodate the public better during power outages. He also discussed increased participation at the new Library.

- C. Marketing Committee – David Smith discussed his surprise at the proposal for the childcare facility and flex office. He also addressed the timeline for the Aikens project, and he noted that a lot of deals are being completed. It's very exciting, and there will be a lot of entertainment in the project, along with high-end stores. He thinks that toward the end of the summer, some of the tenant names will be released, which will generate a lot more excitement. He also addressed branding, the development name, and planning for the project.

Discussions continued regarding the Aikens project, the timeline, the planning process, the future of the town center, the mix of tenants, the anticipated draw from other local communities to the project, and the need to study and review traffic flow patterns.

**Item 10: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure**

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

**Item 11: Other Matters**

- Brian Winkler stated that he will not be in attendance at the August DDA meeting.
- **The next regularly scheduled DDA meeting is Tuesday, July 18, 2017 at 12:00pm.**

**Item 12: Adjournment**

**MOTION** by Spelker, seconded by Lublin, to adjourn at 1:10pm.

**MOTION CARRIED UNANIMOUSLY**



Melissa Creech  
DDA Secretary

Vendor Code	Vendor Name	Inv. Date	Invoice	Description	Amount
WATSON	DEBORAH WATSON	06/14/2017	2017 MAY/JUNE	DDA ASSISTANT HOURS 5/11 - 6/14/17	1,245.00
TOTAL FOR: DEBORAH WATSON					<u>1,245.00</u>
GIFFELS	GIFFELS-WEBSTER ENGINEERS	05/31/2017	113903	DDA PATHWAYS	5,000.00
05/31/2017	11398			PROFESSIONAL SERVICES THROUGH MAY 20, 2017 CAKLEY/	1,540.00
TOTAL FOR: GIFFELS-WEBSTER ENGINEERS					<u>6,540.00</u>
KEMP	KEMP, KLEIN, UMPHREY & ENDLEMAN, PC	06/05/2017	183548	PROFESSIONAL SERVICES THROUGH MAY 31, 2017	15,096.30
TOTAL FOR: KEMP, KLEIN, UMPHREY & ENDLEMAN, PC					<u>15,096.30</u>
STACEYMARK	MARK STACEY	06/14/2017	0511-0614-2017	DIRECTOR HOURS 5/11 - 6/14/17	5,125.00
TOTAL FOR: MARK STACEY					<u>5,125.00</u>
MICHAUTOSP	MICHIGAN AUTOMATIC SPRINKLER	06/08/2017	85510	MARKED MAIN LINE FOR SIDEWALK	280.00
TOTAL FOR: MICHIGAN AUTOMATIC SPRINKLER					<u>280.00</u>
OAK TREAS	OAKLAND COUNTY TREASURER	05/31/2017	12000 31-MAY-17	MTT BASE ADJUSTMENTS	538.86
TOTAL FOR: OAKLAND COUNTY TREASURER					<u>538.86</u>
POWERPLUS	POWER PLUS ENGINEERING, INC.	05/25/2017	56565	LOCATE UNDERGROUND LINE MARTIN PKWY & LIBRARY DR.	612.50
TOTAL FOR: POWER PLUS ENGINEERING, INC.					<u>612.50</u>
TOTAL - ALL VENDORS					29,437.66
FUND TOTALS:					
Fund 499 - CAPITAL PROJECTS - DDA					29,437.66



06/14/2017 10:33 AM INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE  
 User: JBUSHEY EXP CHECK RUN DATES 05/17/2017 - 06/19/2017  
 DB: COMMERCE BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
 BANK CODE: DDA  
 DDA CARRY OVER REPORT FOR BOARD APPROVAL  
 JUNE 20, 2017

Vendor Code	Vendor Name			
Inv. Date	Invoice	Description		Amount
DTE	DETROIT EDISON			
05/15/2017	910007710650	6/6/ 2660 OAKLEY PARK		90.91
05/15/2017	910007710767	6/6/ 3106 MARTIN PARKWAY		78.87
05/15/2017	910007710866	6/6/ 2581 LIBRARY DR.		565.53
05/15/2017	910007711005	6/6/ 2579 LIBRARY DR.		56.96
TOTAL FOR: DETROIT EDISON				792.27
TOTAL - ALL VENDORS				792.27
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA				792.27

User: JBUSHEY  
DB: COMMERCE

INVOICE ENTRY DATES 06/20/2017 - 06/20/2017  
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
BANK CODE: DDA  
DDA ADD-ON WARRANT REPORT FOR BOARD APPROVAL  
JUNE 20, 2017

Vendor Code	Vendor Name		
Inv. Date	Invoice	Description	Amount
MATTIOLI	MATTIOLI CEMENT COMPANY LLC		
06/16/2017	PYMT NO. 1	DDA PATHWAYS PAYMENT NO. 1	136,853.02
TOTAL FOR: MATTIOLI CEMENT COMPANY LLC			<u>136,853.02</u>
TOTAL - ALL VENDORS			136,853.02
FUND TOTALS:			
Fund 499 - CAPITAL PROJECTS - DDA			136,853.02