

**Final**  
**CHARTER TOWNSHIP OF COMMERCE**  
**DOWNTOWN DEVELOPMENT AUTHORITY**  
**Tuesday, January 16, 2018**  
**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  
Tim Hoy, Member  
Susan Averbuch, Member  
David Scott, Township Supervisor  
Susan Spelker, Member  
Brian Winkler, Member

**Absent:** David Smith, Member (excused)

**Also Present:** Melissa Creech, DDA Secretary  
Debbie Watson, DDA Assistant  
Thomas Rauch, DDA Attorney  
Molly Phillips, DDA Treasurer  
Matt Schwantz, Giffels-Webster Engineer  
Randy Thomas, Insite Commercial  
Dave Campbell, Township Planning Director  
Steve Kiryakoza, Wyncliff HOA President

**Item 1: Approval of Minutes**

**MOTION** by Spelker, seconded by Winkler, to approve the Regular Meeting Minutes of December 19, 2017 as presented. **MOTION CARRIED UNANIMOUSLY**

**Item 2: Public Comments**

Linda Hyaduck was present on behalf of Jim Runestad, State Representative for Michigan's 44<sup>th</sup> District.

Linda Hyaduck – Jim Runestad is running for the 15<sup>th</sup> District Senate Campaign. Mike Kowall, Senator, will not be available in the upcoming year, so Jim is running. He wanted me to attend today to get a feel for what's going on in Commerce Township, the business environment, and the types of things you're working on. He wanted me to let you know that he is available if there are any issues that you're concerned about that might need legislative attention that he can help with, or help you connect with other people.

He is currently a second term State Representative, and he's the head of the Judiciary Committee. He would have been here today, but he has to be in Lansing for those Committee meetings. I'm here on a fact-finding mission and to reach out to see if you need anything. As soon as his session is over, he would love to come in and talk to you personally at a future date.

Chairperson Gotts – Thank you very much. Any other public comments?

Steve Kiryakoza – I'd like to introduce myself. I'm Steve Kiryakoza, I'm a resident of Wyncliff and President of the HOA. I'm attending today on behalf of our residents.

### **Item 3: Insite Commercial Report**

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

- Parcels A&H - Jim Galbraith, Shapiro: They continue with the dewatering. They're taking a different approach in putting some deep wells in. They're reconfiguring the location of the sewer line. They abandoned the first one because the holes just kept filling up.

Matt Schwanitz – I'll clarify. They're not abandoning the pipe they've installed, but they're abandoning the route. They're taking a different route.

- Parcel B1 - Aikens project: We have started formal and regular meetings and calls in anticipation of the PUD formal submission to the Planning Department.

Dave Campbell – We have a scope developed for the traffic study, the intersections we are going to look at. Mr. Aikens wanted his traffic engineer to review the scope. The study will proceed once they get back to us.

- Aikens has hired PEA as their engineer. PEA is getting up to speed on all they need to do in advance of the submission.
- I stay close with Bruce on the leasing aspects. One of the major retailers is going to their real estate committee this week for final approval. The leases are out for the specialty market and one of the entertainment components.

Director Stacey – On January 9<sup>th</sup>, we had a meeting with approximately 13 individuals, engineers, attorneys, architects, who will be directly involved in getting Bruce's project through the Planning process. That led us to helping Bruce understand the work he has to get done to meet the Planning Department's timeline to get the project up and running in the fashion that he has asked for.

I think in a lot of ways, Bruce has to make some really important decisions and some things are being shifted around. Hopefully, he can get to the point where we can get him to the Planning Commission on his schedule so we can meet his deadline. We're doing everything we can as a team to be prepared for this, but it's in Bruce's hands. I wanted to thank Mr. Campbell who has taken a key role in spearheading this through Planning for the DDA, because it is a major project with a significant amount of work. We've got one shot to get this right and that's our goal. We want the best and coolest downtown.

Susan Averbuch – When are they planning to submit?

Dave Campbell – The tentative timeline is to have a public hearing for the sub-PUD at the Planning Commission's meeting on Monday, March 5<sup>th</sup>, which hopefully means they will have their complete submittal to us by the 1<sup>st</sup> of February to allow time for it to be sent out for review.

Director Stacey – That also has some latitude built in to meet Bruce’s ultimate goal for the Vegas convention in May.

Jose Mirkin – Mark, the lawyers, architects and planners; they are working for Bruce. They are not our team, it’s his team.

Director Stacey – You have both; we have our team working on it, and Bruce’s team. He is responsible for putting together his submission.

Jose Mirkin – This is not the first time that he’s developing a place like this. He has experience, his lawyers, planners and architects know what they’re doing.

Director Stacey – Correct, he’s done the one in Rochester. His team consists of well-respected professionals, but we also have the team on our side that reviews their work for what the Township requires. Plus, the DDA plays a role because we have ultimate control for the HOA requirements, so we want to see a quality development.

- Parcel B2 – Granger: I don’t know when they’re taking occupancy.

Director Stacey – They are almost done. They’re hanging pictures and putting up TVs. It’s taking longer than we’d hoped, but that building is pretty close. The entryway is installed. They’re there every day making progress.

Dave Campbell – The general contractor emailed me today to schedule my inspection to review the exterior, the parking lot and driveways. We can’t really look at the landscaping at this time of year. They’re looking for me to sign-off on the Planning end. The Building Department needs to get in there shortly thereafter to review interior work. They’re getting very close.

- Parcel C – The hard corner of Pontiac Trail and Haggerty Road: I continue to get numerous phone calls from parties interested in doing a gas station, which we know is not going to happen there. I also had a dialogue with someone looking at retail, but I don’t know where that party stands now.
- Parcels D&E - Pulte, Merrill park: They continue to dig and build.
- Parcel F – In front of the Township Hall: Nothing transpired during the last month.
- Parcel G - Wyncliff – They’re finishing out the last two homes.
- Parcel I – Last month, we did get a purchase agreement. It has been agreed to and executed. The deposit is in. Tom will be talking with their counsel over the myriad of nuances, easements, et cetera. that exist for the parcel as it’s fairly complicated. I believe the engineers reached out to Dave.

Dave Campbell – Yes, mostly he’s been talking to our Township Engineers, getting information on water, sewer, elevations, et cetera. Once they have that squared away, then they’re planning to submit their site plan within a week or so.

- Parcel J1 – This is the hard corner of Oakley Park and Haggerty; 2.3 acres: We are marketing this separately from the other pieces.
- Parcel J2 – Beyond Self Storage; Northpoint is well under way with vertical construction of laying out the self-storage facility.

- Parcel K – The orphan piece on the other side of Pontiac Trail: We have a meeting setup, for a week from tomorrow, with a group that's interested in looking at a potential development. I'll report back to the Board after that meeting.
- Parcel L - 1.8 acres on Haggerty: Nothing new to report.
- Parcel M&N – The outlots retained by the DDA in Bruce's development: Nothing new to report, other than that we have a general area of where these will be within the project area. We'll have activity here once Bruce commences construction.

#### **Item 4: Director's Report**

Director Stacey reported the following to the Board:

- **Updates on Developers** - *(Covered by Randy Thomas)*
- **MTT Judgments** – None.
- **HOA Items**
  - **D&O Insurance** – Effective now for 2018.
  - **HOA Budget** – We sent out the budget for approval to the CTPA members. We have received 3 signed, and we're in need of 2 additional before we can send out the HOA dues billings. We will follow-up to request the signatures.
  - **Dues** – Invoices will be sent out once the budget is approved.
  - **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
    - The lighting system is operational, although the drivers have not yet been replaced.
    - We are doing an audit on our parts and getting ready to place an order to restock.
    - No damages have occurred recently.
  - **Landscaping - United Lawnscape, Brian Sparks**
    - Done for the season.
    - The contract was renewed for 2018.
  - **Irrigation - Michigan Automatic Sprinkler, Mike Rennie**
    - Done for the season.

Chairperson Gotts – Mark, have we been able to get reimbursed for damages that occurred last year?

Director Stacey – Absolutely. Not only did we get the check for the damage caused by the garbage truck, but we also received a check from the insurance company for the last light pole that was run over, \$6300.

Chairperson Gotts – Thanks for staying on top of that.

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

DDA Attorney, Thomas Rauch – I have only one item. Last Thursday, I forwarded to the DDA Board a draft of a Memorandum of Understanding which resulted from our discussions with Beaumont. This has been discussed with the Board a number of times in the past. Beaumont is now selling the property and are currently negotiating the sales agreement. After discussing the prior commitments with the DDA, Beaumont and the Township for relocation of the Welch Road Fire Station, Beaumont has proposed this Memorandum of Understanding to memorialize their obligation to pay the DDA, when they sell the property, sums that evolved out of the fire

station site and the lack of construction of the meeting room in the Beaumont project, which has since been abandoned.

The final version is before you for action and, since it was drafted for a single signatory, a resolution should indicate that any one of the Officers; the Chairperson, Vice Chairperson, Secretary or Treasurer, may execute the document.

**MOTION** by Lublin, seconded by Mirkin, to approve the Memorandum of Understanding with William Beaumont Hospital, as explained by counsel, with the document to be executed by any one of the Officers; the Chairperson, Vice Chairperson, Secretary or Treasurer.

Discussion

Averbuch – This does not obligate Commerce Township or Beaumont to build any fire station at that location, correct?

Rauch – That’s correct.

Averbuch – My question then would be, is the Township planning to rebuild at the current location, or what are the plans for the location of the fire station?

Scott – It is certainly a goal for the Township to upgrade the last of the 4 fire stations, which was put aside because of this potentially being a Beaumont site. Whether or not it remains onsite, or it will be moved, is going to be a study we have to conduct. That is our busiest station with the M-5 corridor. Anything that gets it closer to Maple Road would be a benefit; keeping in mind, when our stations back each other up on calls, the Welch Road Station is the backup to go to Walled Lake Western. So, having an east/west route is a far more efficient route than where they are currently.

**MOTION CARRIED UNANIMOUSLY**

**Item 6: Engineer’s Report**

Matt Schwanitz, Giffels Webster, reported the following to the Board:

- It’s pretty straightforward. We’ve been assisting with informational requests and dialogue with Aikens on the acquisition.
- We will be doing the B-docs, the condo doc amendment, for Bruce’s first phase. Aikens will reimburse the DDA for that. Giffels will bill the DDA as we won’t be under direct contract with Aikens.

**Item 7: Planning Director’s Report**

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

- There's not much that hasn't already been touched upon.
- We've had a lot of conversations with the Aikens team.
- We've had early conversations with the Gilden Woods team on the daycare.
- The non-motorized bridge over M-5; the bridge contractor has mobilized. They have equipment onsite and the barrels went up yesterday.

Chairperson Gotts – Do you have an anticipated completion date?

Dave Campbell – I believe the contractor’s deadline is August 15<sup>th</sup>. If they don’t have it completed, they have to pay a penalty to MDOT for every day that they go over.

Director Stacey – It’s interesting they’re starting work this early, but they had a requirement to be onsite.

Dave Campbell – There is some tree clearing they need to do which needs to be completed by March.

### **Item 8: Committee Reports**

- A. Finance Committee – Director Stacey – First, as you know, we have a significant variable interest rate and it continues to go up. Every time you hear the Fed raising their rate, although it's not a direct correlation, it affects the rate that we pay. For the week of 12/1/17, our interest rate was at 1.25% on those bonds. They're re-priced each week, and for the week of 12/27/17, the rate was at 1.60%. As it goes up, our carrying costs go up. We have factored those into our budget, but we're seeing significantly higher rates at the moment. The Fed is talking about more increases to the interest rate, which will affect our variable costs. I wanted to make you aware of that. We will monitor it. We will go back to bond counsel and consultants when it is appropriate to look at potentially doing something, but right now I think we just have to pay these because it is still lower than if we were to lock it in.

Treasurer Phillips – Basically, from when the Martin Parkway variable rate bonds were issued until now, we have probably saved upwards of \$18 million in interest by having them at a variable rate, according to Tom Traciak and Mike Gormely. We are getting to the point where that is going to flip. As an example, when I started here, we were paying \$4800 a month for our variable portion of the interest rate, and we're looking at \$40,000 a month now. The savings will get eaten up fast, but there is a tipping point at which we have to try to refund them, and they are watching that.

- B. Public Relations Committee - Jose Mirkin – The Public Relations Committee received a letter from the DIA regarding the Inside Out Program. They have accepted our participation request for the 2018 Spring season, mid-April to mid-July. Yesterday, we took DIA representatives to different locations in Commerce for site selection. I will sit down with Dave Scott to see if the proposed sites are acceptable to have the DIA masterpiece reproductions.

The representatives from the DIA took pictures of the Richardson Community Center, which is beautiful compared to a few years ago, along with the Library, the Township Hall and other sites.

Today at 5:30, there is a meeting at the DIA. I will be representing the Public Relations Committee at the DIA Detroit, where they are going to determine which reproductions get allocated to each community.

The 2018 K-12 Art Exhibition with the Walled Lake Schools is going in the right direction. We have a meeting at the end of January. I will take advantage of this meeting at the DIA to request, one more time, the 32-foot interactive design trailer for the 2018 event.

Director Stacey – Is the intent to have the art fair at the Library again this year?

Jose Mirkin – Yes.

Director Stacey – And the trailer will also be at the Library?

Jose Mirkin – Yes, and Connie will determine the location for it.

Jose Mirkin and Supervisor Scott elaborated upon why the Library has been determined to be the best location for the art fair. It is spacious, and the Library hours and schedule are more accommodating to the public than at the Township Hall.

- C. Marketing Committee – Director Stacey – Although David Smith is not here today, with all of the updates, we are aware of what’s going on and we’re in good shape.

**Item 9: 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 10: Other Matters**

- Director Stacey initiated discussion with regard to scheduling for demolition of the old Library. Supervisor Scott explained that the building is currently being used for multi-jurisdictional police and fire training. The training exercises are very beneficial and involve rescue operations, repelling, forced entry, and other aggressive programs and simulated situations. It is anticipated that the building will be demolished at the end of March. The parking lot will remain as Bruce Aikens is expected to utilize that area for staging of construction equipment for the Five & Main project.
- Director Stacey informed the DDA Board that John Hindo had resigned from both the Township Board of Trustees, and from the Planning Commission.
- David Scott added that the new Trustee has been selected, George Webber. He was one of 18 applicants, and the Board was very pleased with the candidates. It was unanimous that George Webber rose to a very high level and we are happy with his appointment. George resides on Wolverine Lake in the Village. He is clearly an individual who considers himself a resident of Commerce Township. He will be an important addition to the Board.
- **The next regularly scheduled DDA meeting is Tuesday, February 20, 2018 at 12:00pm.**

**Item 11: Adjournment**

**MOTION** by Lublin, seconded by Mirkin, to adjourn at 12:39pm.

**MOTION CARRIED UNANIMOUSLY**



Melissa Creech  
DDA Secretary

User: JBUSHEY  
 DB: COMMERCE

EXP CHECK RUN DATES 01/16/2018 - 01/16/2018  
 BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID

BANK CODE: DDA  
 DDA WARRANT REPORT FOR BOARD APPROVAL

JANUARY 16, 2018

Vendor Code Date	Vendor Name Invoice	Description	Amount
ADKISON 12/31/2017	ADKISON, NEED & ALLEN 12312017 1M	PROFESSIONAL SERVICES FOR DEC, 2017	1,805.50
TOTAL FOR: ADKISON, NEED & ALLEN			1,805.50
GIFFELS 12/18/2017	GIFFELS-WEBSTER ENGINEERS 115431	REAL ESTATE DUE DILIGENCE ASSISTANCE	420.00
TOTAL FOR: GIFFELS-WEBSTER ENGINEERS			420.00
KEMP 01/04/2018	KEMP, KLEIN, UMPHREY & ENDLEMAN, PC 186684	PROFESSIONAL SERVICES THROUGH DEC 31, 2017	10,683.68
TOTAL FOR: KEMP, KLEIN, UMPHREY & ENDLEMAN, PC			10,683.68
TOTAL - ALL VENDORS			12,909.18
FUND TOTALS:			
Fund 499 - CAPITAL PROJECTS - DDA			12,909.18



01/16/2018 08:19 AM INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE  
 User: JBUSHEY  
 DB: COMMERCE  
 INVOICE ENTRY DATES 01/16/2018 - 01/16/2018  
 BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
 BANK CODE: DDA  
 DDA ADD-ON WARRANT REPORT FOR BOARD APPROVAL  
 JANUARY 16, 2018

Vendor Code	Vendor Name		Amount
Date	Invoice	Description	
WATSON	DEBORAH WATSON		
01/16/2018	2017 DEC/2018 JAN	DDA ASSISTANT HOURS 12/12/17 TO 1/15/18	628.75
TOTAL FOR: DEBORAH WATSON			628.75
STACEYMARK	MARK STACEY		
01/16/2018	1212-0115-2018	DDA DIRECTORS HOURSE 12/12/17 - 1/15/18	4,275.00
TOTAL FOR: MARK STACEY			4,275.00
TOTAL - ALL VENDORS			4,903.75
FUND TOTALS:			
Fund 499 - CAPITAL PROJECTS - DDA			4,903.75