

**CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY**

Tuesday, April 22, 2014

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 12:03 p.m.

Downtown Development Authority:

Present: Kathleen Jackson, Director
James Gotts, Chairperson
Dan Lublin, Vice Chairperson
Brian Winkler, Member
Mark Stacey, Member
Tim Hoy, Member
David Smith, Member
Jose Mirkin, Member
Thomas Zoner, Supervisor

Absent: Susan Spelker, Member

Also Present: Thomas Rauch, DDA Attorney
Vanessa Magner, DDA Secretary
Susan Gross, DDA Treasurer
Matt Schwanitz, Giffels-Webster Engineer
Randy Thomas – Insite Commercial
Terry Carroll – Community Development Director

Item 1: Approval of Minutes

MOTION by Lublin, second by Mirkin, to approve the Regular Meeting Minutes of March 18, 2014. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

Susan Averbuch, 9005 Campbell Creek, expressed her concerns regarding preserving and maintaining as many trees as possible.

Item 3: Director's Report –

Director Jackson gave an update that included: Director Jackson continues to meet with Township Attorney, DDA Attorney, and Giffels-Webster to amend the Master Deed regarding the pathways that are throughout the project area. Director Jackson will have the traffic study presented to the DDA at a special meeting that will be scheduled on May 6, 2014. The Community Breakfast will be held on Monday, May 19th, at Edgewood Country Club. The Township Board and Library Advisory Board will have a joint meeting tonight to discuss the future of the library. Due to an error in the Wynncliff Public Notice, it will be brought to the Planning Commission on May 5th. Director Jackson will be attending the National Planning Conference in Atlanta at the end of April.

Item 4: Attorney's Report

DDA Attorney, Thomas Rauch, informed the board he has been primarily working with potential developers and proposals with Insite Commercial and Director Jackson.

Item 5: Engineer's Report

Matt Schwanitz gave an update that he is working on the pathways throughout the DDA project area that include future maintenance. Schwanitz is also working with developers in assisting them regarding any concerns.

Director Jackson expressed gratitude to Matt Schwanitz for all of his hard work and explained he has done a great job working with the developers, planning department, and DDA.

Item 6: Committee Reports

A. Finance Committee – Stacey explained the committee has been working with Susan Gross on the Letter of Credit. The committee is also working with Plante Moran on future numbers for the DDA. They are expecting the projected numbers very shortly.

B. Public Relations Committee – Mirkin gave an update regarding the Rotary Carnival that will start on May 16-19. The Rotary donated 5 benches last year and they are planning on donating an additional 6 benches this year. The Walled Lake Consolidated School District will be holding their art exhibit on May 19-22 with their reception being held on May 21st. Several Gift certificates will be given out to the winners. The November 5K run is expected to return this year.

C. Marketing Committee – Smith stated the committee is reviewing proposals. Developers are continuing to show interest.

Item 7: Insite Commercial Report

Randy Thomas handed out an overview of the properties to the DDA board members.

Parcels A & H – This property is under contract with M. Shapiro Development, who is in due diligence period and have waived the vast majority of site due diligence with the exception of storm water retention on the western part of the property, which is currently under DEQ and engineer review. Waiting for traffic study and this will help determine if a road through to Welch Road is needed.

Parcel B – This developer has been granted confidentiality. Thomas in continuing to work with the developer for a retail use.

Parcel C - Pontiac Trail/Haggerty Road – Have received a final revised and negotiated Purchase Agreement from developer who has previously submitted site plans and elevations, Purchase Agreement has been reviewed by the Marketing Committee for potential recommendations to the DDA Board to accept or deny the offer.

Parcels D & E – The marketing committee has been presented a matrix comparing 4 separate Purchase Agreements that have been submitted from 4 very qualified local residential developers.

Parcel F- Currently marketing the site. Have had very few inquiries.

Parcel G – The Purchaser will be going to the Planning Commission on May 5th for site plan approval.

Parcel I – Have had a couple inquiries but no proposals.

Parcel J – S/W corner of Oakley Park and Haggerty – have had a limited number of inquiries from developers looking to do retail and/or a gas station. Currently no offers have been presented.

Parcel K – Thomas has had small dialogue with the neighboring property owner. Has not received any offers. The For Sale sign should be up on this property as requested by the DDA at the previous meeting.

Item 8: Letter of Credit Resolution

Susan Gross spoke on the letter of credit resolution and explained she has been working with Stern Brothers & Co. regarding this issue.

MOTION by Lublin, second by Smith, to approve the resolution approving extensions of letters of credit securing 2008 taxable adjustable rate Downtown Development refunding bonds and retention of alternate credit facility solicitation representative.

ROLL CALL VOTE:

AYES: SMITH, ZONER, GOTTS, MIRKIN, HOY, STACEY, WINKLER, LUBLIN

NAYES: NONE

ABSENT: SPELKER

MOTION CARRIED UNANIMOUSLY

Item 9: Purchase Agreement for Parcel “C”

Randy Thomas explained the purchase agreement that was received from Doraid Markus for Parcel C. The purchaser intends to develop a retail shopping center that will be split into 2 separate buildings with a common area in between for outdoor seating/restaurant space. Purchaser is also proposing a drive thru for a national, high end coffee retailer on one of the 2 retail buildings. Phase II is expected to be a 6,000 SF restaurant or other retail at a later time.

Stacey asked if the DDA is allowing drive thru, and could it be designed similar to the plaza at Maple and Orchard Lake.

The developer will not put in a regular fast food drive through. He is working with a very well know architect that has done a lot of downtown developments.

MOTION by Stacey, second by Lublin, to approve the Real Estate Sales Agreement with Doraid S. Markin and to direct the DDA Attorney and Broker to execute the agreement as submitted.

MOTION CARRIED UNANIMOUSLY

Item 10: Discussion regarding sale of Parcels “D” and “E”

No Action Taken – Item will be discussed at the May 6, 2014 Special DDA meeting.

Item 11: Approval of warrants and Finance Report

MOTION by Stacey, second by Mirkin, to approve the Warrants with add ons and Finance Report.

MOTION CARRIED UNANIMOUSLY

Item 13: Other Matters – Taken out of order

Stacey asked if the DDA has gone out for lawn maintenance quotes.

Director Jackson explained the quotes will be presented to the DDA at the special meeting on May 6, 2014.

Mirkin informed the DDA the Rotary Club is looking for volunteers for the carnival on May 16 – May 19.

Item 12: Closed Session

MOTION by Lublin, second by Smith, to go into Closed Session to discuss information the DDA has agreed to remain confidential.

ROLL CALL VOTE:

AYES: SMITH, ZONER, GOTTS, MIRKIN, HOY, STACEY, WINKLER, LUBLIN

NAYES: NONE

ABSENT: SPELKER

MOTION CARRIED UNANIMOUSLY

Enter into Closed Session: 1:35 p.m.

Return from Closed Session: 2:10 p.m.

MOTION by Zoner, second by Stacey, to adjourn from Closed Session, approve closed session minutes, and adjourn from regular meeting at 2:10 pm.

MOTION CARRIED UNANIMOUSLY



Vanessa Wagner, Clerk
DDA Secretary

COMMERCE TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY

OAKLAND COUNTY, MICHIGAN

**RESOLUTION APPROVING EXTENSIONS OF LETTERS OF CREDIT SECURING
2008 TAXABLE ADJUSTABLE RATE DOWNTOWN DEVELOPMENT REFUNDING
BONDS AND RETENTION OF ALTERNATE CREDIT FACILITY
SOLICITATION REPRESENTATIVE**

At a regular meeting of the Board of the Commerce Township Downtown Development Authority (the "Authority"), County of Oakland, State of Michigan, held in the Township Hall of the Charter Township of Commerce on Tuesday, April 22, 2014, at 12:00 noon, Michigan time, there were

Present: Stacey, Mirkin, Lublin, Winkler, Smith, Gotts, Zoner, Hoy

Absent: Spelker

The following preamble and resolution were offered by Lublin and seconded by Smith:

WHEREAS, the Charter Township of Commerce (the "Township") issued its 2008 Taxable Adjustable Rate Downtown Development Refunding Bonds (Limited Tax General Obligation) in the principal amount of \$35,295,000 (the "Bonds") to refund the Township's 2004 Taxable Adjustable Rate Downtown Development Bonds (Limited Tax General Obligation), which were issued to assist the Authority in financing improvements within the Authority's Development Area No. 1 pursuant to a development plan and tax increment financing plan approved by the Authority under Act 197, Public Acts of Michigan, 1975, as amended, and pursuant to the Trust Indenture dated as of July 1, 2008 (the "Indenture"), between the Township and U.S. Bank National Association, as Trustee;

WHEREAS, the Bonds are primarily payable from and secured by the Authority's tax increment revenues derived from Township, Oakland County and Oakland County Community College taxes levied on properties in Development Area No. 1, and are further secured by the limited tax general obligation pledge of the Township;

WHEREAS, RBS Citizens, National Association (the "Bank"), of which Charter One Bank is a division, issued an irrevocable direct pay letter of credit securing the payment of the principal of the Bonds and up to 45 days' interest on the Bonds (the "Bank Letter of Credit");

WHEREAS, the Federal Home Loan Bank of Boston ("FHLBB") issued a confirming letter of credit (the "FHLBB Confirming Letter of Credit") securing the Bonds in the same amounts as those secured by the Bank Letter of Credit;

WHEREAS, both the Bank Letter of Credit and the FHLBB Confirming Letter of Credit (collectively, the "Letters of Credit") are scheduled to expire on July 2, 2014, and the Bank has advised the Township and the Authority that the Letters of Credit will not be extended on a long-term basis, but that upon the Township's request the Letters of Credit may be extended for a period of three months, expiring on or about October 2, 2014 (the "Letter of Credit Extensions"),

with the same fees, terms and conditions as currently apply to the Letters of Credit, in order to provide the Township and the Authority with adequate time to secure an Alternate Credit Facility (as defined in the Indenture);

WHEREAS, the Authority has determined that it is in the best interests of the Township and the Authority to obtain the Letter of Credit Extensions as described above, and to retain Stern Brothers & Co., which currently serves as the Remarketing Agent with respect to the Bonds, as the Township's representative (the "Solicitation Representative") in soliciting Alternate Credit Facility proposals from eligible financial institutions, evaluating such proposals, negotiating the terms of such proposals, and recommending the proposal most advantageous to the Township and the Authority, subject to the final approvals of the Township and the Authority with respect to such recommendation; and,

WHEREAS, the Letter of Credit Extensions may require that the Township enter into amendments to existing agreements with the Bank and the FHLBB and execute other agreements, instruments and certificates as may be necessary to obtain the Letter of Credit Extensions.

NOW, THEREFORE, IT IS RESOLVED THAT:

1. Letter of Credit Extensions. The Authority hereby approves the Letter of Credit Extensions, and requests that the Township take all necessary and appropriate actions to secure the Letter of Credit Extensions prior to the expiration date of the Letters of Credit.

2. Engagement of Alternate Credit Facility Solicitation Representative. The Authority further approves the engagement of Stern Brothers & Co. as the Township's representative to solicit Alternate Credit Facility proposals and related services as described above, approves all prior actions taken by the Township Treasurer and other Township and Authority officers in connection with such engagement, and approves the Authority's payment of the Solicitation Representative's fee in the amount of \$8,500 (plus any extraordinary out-of-pocket expenses) upon the successful completion of the process of securing an Alternate Credit Facility.

3. Execution and Delivery of Required Documents. The Chairperson, Vice Chairperson, Secretary and Treasurer (each an "Authorized Officer"), or any one of them, are authorized and directed on behalf of the Authority to execute and deliver such agreements and to execute such instruments, certificates, documents and other papers, and to take such actions as may be necessary and appropriate, in connection with the matters set forth in the foregoing Resolution or as otherwise may be required to implement the terms and intent of this Resolution.

4. Conflicting Resolutions. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

A roll call vote on the foregoing resolution was taken, the result of which is as follows:

YES: Lublin, Smith, Stacey, Mirkin, Winkler, Gotts, Zoner, Hoy

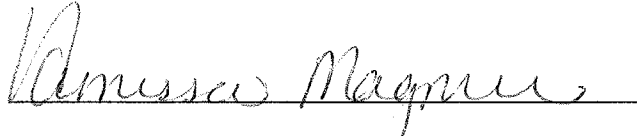
NO: None

ABSTAIN: None

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.

CERTIFICATION

I, the undersigned, the duly qualified and acting Secretary of the Commerce Township Downtown Development Authority, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Authority at a regular meeting held on April 22, 2014, the original of which is on file in my office, and that such meeting was conducted and public notice thereof was given pursuant to and in compliance with Act No. 267, Michigan Public Acts of 1976, as amended, and that minutes of such meeting were kept and are available as required by such Act.


Vanessa Magner, Secretary

Dated: April 22, 2014

BH01\1206042.2
ID\BVB - 040273/0999