

**Final**  
**CHARTER TOWNSHIP OF COMMERCE**  
**DOWNTOWN DEVELOPMENT AUTHORITY**  
**Tuesday, August 20, 2024**  
**Commerce Township Hall**  
**2009 Township Drive**  
**Commerce Township, MI 48390**

**CALL TO ORDER:** The Meeting was called to order by Chairperson Matta at 12:00pm.

**Downtown Development Authority:**

**Present:** Debbie Watson, DDA Director  
Steve Matta, Chairperson  
Tim Hoy, Vice Chairperson  
Larry Gray, Township Supervisor  
Jose Mirkin, Member  
David Smith, Member  
Brian Winkler, Member  
Derek Tuck, Member  
Susan Spelker, Member

**Absent:** Spencer Schafer, Member (excused)

**Also Present:** Melissa Creech, DDA Secretary  
Molly Phillips, DDA Treasurer  
Sandy Allard, DDA Assistant  
Dave Campbell, Township Planning Director  
Chris Martella, Dawda Mann, DDA Attorney  
Randy Thomas, Insite Commercial (exited 12:38pm)  
Lt. Wendy Reyes, OCSO Substation Commander  
Sgt. Matt Leggat, Oakland County Sheriff

**Item 1: Approval of Minutes**

**MOTION** by Hoy, seconded by Spelker, to approve the DDA Meeting Minutes of July 16, 2024. **MOTION CARRIED UNANIMOUSLY**

**Item 2: Public Comments**

None.

**Item 3: OCSO Update**

Lt. Reyes – Not a whole lot to report today. Our traffic officer is working Martin Parkway. We're hoping to slow people down a little bit and stop the damage of property and trees.

David Smith – On a motorcycle.

Chairperson Matta – Yes, there have been a few accidents there, but I don't think anybody has been hurt in the last few.

Lt. Reyes – That's the good thing about roundabouts; although there are accidents, generally they are not fatal.

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

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

Randy Thomas –

- Parcel B1, Phase I – Aikens, Five & Main; Obviously you can see there's a lot of work going on. The site infrastructure is going in. They're working on the deep sewer right now. We were contacted by Continental. They're very happy with the process and how things have been handled within the Township. That's good feedback.
- Bruce was supposed to be here today, but he has a tenant meeting related to the project. We flew them previously and they are returning. Bruce rescheduled to the September 17<sup>th</sup> meeting, and he will be prepared to give an update to the Marketing Committee and the DDA Board.
- Parcel B1, Phase II – Aikens, Five & Main; Nothing new to report.
- Parcel F – The 3.9 acres in front of the Township Hall; Last month, we had a dentist who called me on and off. I think he is gauging to see what happens with the development before he starts to make a commitment. He was looking to do general office, and then relocate his practice onsite.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; We had a group interested in doing more self-storage. I told him that would probably be a challenge as there has been plenty of storage developed. I told him to talk to Dave.

Dave Campbell – I have not heard from any self-storage. Are we not hearing from Semma and his group anymore?

Randy Thomas – I am hearing from Semma on another matter.

Dave Campbell – Okay, no one has talked to me about self-storage.

Randy Thomas – I wasn't encouraging.

- Parcels M&N – These are the retail outlots that the DDA retains within the Five & Main development. We had inquiries for gas stations and car washes. I told them that the DDA owns the property, and they won't sell it for those uses as they are prohibited uses within the development.

Chairperson Matta – Nothing creative yet on Parcel J1.

Randy Thomas – No. Parcels M&N will probably get a little more active once Bruce breaks ground. He has to put in the entrance way and infrastructure for the outlot by Walmart before that can really be actively marketed. I am taking calls, but nothing really interesting in my opinion, other than the typical; gas stations, car washes and storage. Those are three top uses we hear about.

Chairperson Matta – It looks like LaFontaine is moving forward. They're out there with their trucks.

Randy Thomas – Yes, and I see that part of the wall was taken down between Walmart and the LaFontaine site. Dave probably can give a better update.

Dave Campbell – LaFontaine has two things going on. They have the corner of Pontiac Trail and Haggerty, where they are starting on their utility work. The wall between Walmart and their property has come down so that the frontage road can continue into the LaFontaine property. They have pretty much finished their work on what we are no longer going to call the Dick Morris property. They have put enough into it that we don't get to call it that anymore. What's interesting with that one, and they just finally said that I can state this publicly, is that a portion of that will be a new car dealership, Acura. Previously they thought it would just be sales of pre-owned vehicles, and a service center for Hyundai-Genesis, but they were contacted by Acura and now the showroom portion will be Acura of Commerce. I thought that was exciting to hear that it will be a new car brand rather than just pre-owned.

Chairperson Matta – And a high-end brand at that.

Dave Campbell – Yes. If you've seen that property, they have obviously dressed up the building, put in new landscaping and sidewalks. It looks a lot better than it did six months ago. LaFontaine is in regular contact with us getting everything lined up for the new dealership and for the construction on that property.

Chairperson Matta – Yes, it's exciting to see all of that stuff going on. Any questions for either Dave or Randy?

Director Watson – Randy, any update on Beaumont, or should we not call it Beaumont anymore? Should we call it Corewell?

Randy Thomas – There is an offer on the table. We have two other parties looking at it. It's hard to gauge what will happen because at the corporate level, things are in transition and there are no legacy people from Beaumont. They're trying to learn about the assets that they have.

Discussion continued regarding getting feedback from Corewell, along with Attorney Martella's recent communications with them. No one has approached the Planning Department with prospective developments for the site.

Supervisor Gray – Randy, do you think Bruce will attend the October 8<sup>th</sup> Township Board meeting?

Randy Thomas – I will make sure of that.

Supervisor Gray – I thought Continental was responsible for the entrance off Pontiac Trail.

Dave Campbell – As far as getting it signalized?

Supervisor Gray – Putting in the entrance so we can market our outlot.

Dave Campbell – I don't know what kind of a deal they have between them as far as getting it done, but it has to get done as part of what Continental is currently building.

Chairperson Matta – Right, it has to be done with Continental's project.

Dave Campbell – Yes.

Randy Thomas – Continental will be bringing the line down to Parcel M, which is the DDA retained property. They will be improving that entranceway and pulling the road up to the north, and to the west along Library Drive. Then, Aikens will be putting in the frontage road, and the other road that will go in between the frontage and the Library Road property. Aikens will take care of that, but Continental will be doing this piece.

**Item 5: Attorney's Report –**

Attorney Martella – Not a whole lot to report except to echo Corewell is still getting a grasp on their assets.

Our AT&T easement has come together. They agreed to fix the falling pole at the site after pictures were provided and much cajoling. They will provide an updated work order to include that pole. Once received, I will send them the easement. I will have the easement executed today and I will hold it in escrow until the revised work order arrives.

David Smith – What's going on with the crossing?

Attorney Martella – The crossing is the Road Commission.

Director Watson – They haven't started. I'm not sure why.

David Smith – They can't do it now. It's a full road closure and school is starting.

Supervisor Gray – I was just looking at my email. They're probably going to do that September 7<sup>th</sup>.

Discussion continued regarding the culvert project and planned road closure at S. Commerce and Glengary. Dave Campbell added that the RCOC said it would be a quick job to drop the culvert and pave over it.

**Item 6: Director's Report**

Director Watson noted that everything was included in the report submitted in the Board's packet, which is included below along with updates.

- *No Marketing Committee meeting on August 20th.*
- *Bruce Aikens has rescheduled his update to the DDA Board for September 17<sup>th</sup>.*

**I. Updates on Developments – Please refer to the Insite Report and the Planning Director's Report for additional information.**

- *Five & Main – Continental's construction is underway for the Springs at Five & Main.*
- *Merrill Park – Nothing new to report.*
- *The Avalon of Commerce Twp. – Nothing new to report.*
- *Barrington – Nothing new to report.*
- *Wyncliff – Nothing new to report.*
- *Public Storage – Nothing new to report.*
- *The Space Shop, Self-Storage – Nothing new to report.*
- *Higher Ground, Guidepost Montessori – Nothing new to report.*
- *Lafontaine Automotive Group Dealerships (LAG) – Pre-construction meeting minutes are in the packet. See Engineer's report.*
- *Parcel F / Unit 7, in front of the Township Hall – Nothing new to report.*

- *Parcel J1, Haggerty & Oakley Park – Nothing new to report.*
- *Parcels M & N – Nothing new to report.*

**II. MTT Judgments** – *As updates are available, reports are given at the DDA meeting.*

**III. Commerce Towne Place HOA Items** –

- A. **Budget** – *Nothing new to report.*
- B. **Dues** – *Dues are current, and quarterly dues invoices were sent out in July.*
- C. **Tax Forms & Reports** – *Nothing new to report.*
- D. **Lighting/Electrical** – **Shaw Elec., Eric Peterson, Adam Dornton**
- *Court ordered monthly restitution payments continue for one damage claim from December.*
  - *Light Pole #64 was taken down on July 19<sup>th</sup>. An insurance claim is in process.*
- E. **Landscaping & Maintenance** – **United Lawnscape, Jose Medina; Bob Rousseaux's Excavating, Mark Rousseaux**
- *United has been working hard to maintain the site, with only a few issues arising which they have promptly addressed.*
  - *Rousseaux's crew continues to perform maintenance tasks on the CTP trails, along with addressing tree issues.*
- F. **Irrigation** – **Michigan Automatic Sprinkler, Mike Rennie**
- *A mid-season inspection was conducted July 12<sup>th</sup>.*
  - *We needed the controller replaced, along with several other repairs.*
  - *The system is now fully functional again.*

**IV. Other** –

- *Attorney Martella has the AT&T easement finalized and ready to be executed. He has been awaiting a revised work order from them as they need to address issues at the site.*
- *On Tuesday, August 13<sup>th</sup>, the DDA was interviewed for an article in Hour Detroit. That story should appear in their November issue. Randy Thomas and Dave Campbell were on the zoom call with me for the interview.*
- *The Outrun Hunger team is gearing up for the 5K race on Saturday, November 9<sup>th</sup>. They are developing on an alternate route to avoid the construction zone at Five & Main.*

**Township Board Report**

Supervisor Gray –

- We had our quarterly discussion, and our regular Township Board meeting is tonight. We postponed it due to the election.
- At the quarterly discussion, we discussed off-premise liquor licensing. We have a couple of different gas stations that would like to buy liquor licenses and transfer them across the street. So, we're looking at the ordinance on that.
- We reviewed our fireworks ordinance, because right now we require them to have workers' comp on all employees.
- We hired three new full-time firefighters for our advanced life support.

David Smith – Paramedics.

Supervisor Gray – Yes. And I don't want to talk trash. I don't know if you guys know; we have a trash issue in Commerce.

Chairperson Matta – Is it just that they're behind a day?

Supervisor Gray – I get emails from customers who have not had their trash picked up in three weeks. It's a real headache.

Discussion continued regarding social media commentary on the trash issues, pickup days which are Tuesday through Friday, and the reasoning Priority Waste has provided for the delays. There were numerous fleet issues in the transition from GFL, and Priority said they had over 150 trucks that were not functional. Priority has different standards for their trucks than GFL did. Everybody probably has oil spots on their roads from the GFL trucks leaking. Priority feels that if a truck has any leaks at all, it's not a workable truck so they pulled those off the road too. They are slowly but surely getting everything fixed. Parts were missing to repair the trucks. GFL removed trackers. Priority purchased new trucks, and they have been getting the other trucks operational. In addition, GFL had single man trucks, and Priority had two-man trucks.

Chairperson Matta – Well, you didn't want to get into trash, but thank you for doing that.

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

Director Watson –

- If anyone has questions for Jason, I'll be happy to forward those onto him.
- He sent the email that was included in your packet. *Springs is under construction (they are working on the on-site water main), and LAG should be starting on utilities soon.*
- I apologize. The LAG pre-con minutes were supposed to be in the packet. I will circulate those this afternoon.

#### **Item 8: Planning Director's Report**

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

- The Building Department and the Fire Department had a meeting with Wieland Construction. They are the general contractor for Continental Properties who are building the apartments as part of the Five & Main projects. They were going through the schedule and one of the interesting things was that they hope to actually be putting vertical lumber up by October. They were explaining how their lumber package comes in as panels, so really they're just attaching panels to one another. So, hopefully by October, we will actually see lumber going up over there which always looks like progress.

David Smith – They're putting in footings right now.

Dave Campbell – Yes, they are.

- I know Spencer is not here, but he and his dad have a couple projects they're working on in Commerce Township. One is ongoing, Midtown on Haggerty, which is on the west side of Haggerty Road, north of 14 Mile. You've probably seen the three new retail buildings that are up and running there. What was supposed to be behind those was 187 luxury apartments. They are now rethinking that with Kroger, who wants to build a new store on that land and vacate their existing store at 14 and Haggerty. That site would be repurposed, and Planet Fitness has been suggested as a potential tenant for the existing

Kroger store. They brought a concept to the Planning Commission to get preliminary thoughts. The proposal is for a Kroger store with a Kroger gas station.

- The other project they are looking at is up the road from there; west side of Haggerty, north side of Crumb Road, which is the dead end road just south of Meijer. There is a vacant 5-acre piece of property just west of the Goodwill store that a few different groups have looked at through the years. The Schafer's are now looking at it and they want to do attached condos there, probably townhomes, similar to what Pulte is building across the street from Township Hall. They are looking at 30-something units. They brought that concept to the Planning Commission and got preliminary feedback. We will see where those go. Both of those projects are within your DDA district.
- We covered everything LaFontaine.

Vice Chairperson Hoy – Any more news on the Costco expansion and the gas station?

Dave Campbell – It's all approved and they are working through their engineering. They are going to build a bigger gas station south of the existing gas station. A portion of it will be on Costco property, but they are also buying the restaurant pad that is Ghost Taco. They will scrape that building and replace it with an enlarged fuel center. Where the existing fuel center is will be repurposed with parking. When complete, I think their parking count will be the same as it is now. As part of it, they're also doing a building expansion. They're expanding to the south side of the existing store, about 20,000 square feet on the south, and smaller expansions on the west and north sides.

Chairperson Matta – Are those approved too?

Dave Campbell – That's all approved. They'll probably start construction next spring.

Jose Mirkin – Dave, the restaurant is still open?

Dave Campbell – Yes, it is open for now, but assuming the sale with Costco goes through, it is not long for this world.

Jose Mirkin – Okay.

Chairperson Matta – Soon to be ghosted. Thank you, Dave.

David Smith – What about the apartments at Pontiac Trail and Welch?

Dave Campbell – On the southwest corner of Welch and Pontiac Trail; there's a house there now. I think it was adult foster care. The idea is that the house would go away and be replaced with a combination of commercial and office, but we're not sure yet. They have mentioned a residential component as well. They brought a concept to the Planning Commission a couple months ago and got some feedback. They want to get back in front of the Planning Commission in September with another concept. I have not seen the latest concept yet. The idea is retail, probably with a drive-through, maybe with offices above, maybe with residential above. They're still trying to figure out what the right mix might be.

Chairperson Matta – And there's progress on the fast food place next to Sonic?

Dave Campbell – That's approved to be a Taco Bell. I think Randy represented the seller of the properties. That has gotten a little muddy. There's a total of three properties, but one of the properties is within a platted subdivision, so we have to abandon that platted subdivision, which only consists of two properties. That is easier said than done.

David Smith – Only a circuit court judge can do that.

Randy Thomas – We've extended the purchaser's due diligence in order to do that.

Attorney Martella – Maybe you should condo it.

Dave Campbell – That's one of the things that has been discussed. In reality, there's a plat line that goes right through the middle of the Taco Bell building, which is messy.

Discussion continued regarding the issue with the plat line, the condo alternative, public roads and easements.

### **Item 9: DDA Budget**

#### **A. Cash Advance**

Director Watson – Molly and I worked together on budgeting and the cash advance. The report shows a shortfall of \$1.2 million, along with expenses for three months from October to December. The minimum cash advance required would be \$1.5 million, and that would be requested at next month's Township Board meeting.

Treasurer Phillips – That is \$100,000 less than what we originally budgeted to take this year. We had budgeted to take a total of \$3.2 million, and we will only be needing \$3.1 million.

**MOTION** by Spelker, supported by Hoy, to approve the Cash Advance request of \$1.5 million to be presented to the Township Board at their September meeting.

**MOTION CARRIED UNANIMOUSLY**

#### **B. 2024 Budget Amendment**

Director Watson – The proposed amendments are highlighted. The tax capture is a little higher than was originally estimated. The proceeds from the sale of property; Molly, could you explain the auditor's change on the accounting for the proceeds and property disposition costs, just to clarify.

Treasurer Phillips – Standard accounting for any business would have money going into your cash account and then you would have the gross sales account, less the costs of the sales, closing costs, commissions, et cetera, and then you would take the cost of the land. The auditors typically have us net the cost of the land with the proceeds, so that it only hits the balance sheet, which is odd. That's their modified accrual accounting.

Director Watson – And I think we implemented that on the 2023 budget also.

Treasurer Phillips – We did.

Director Watson – So, it started in '23. If we're ever looking at a 5-year budget, we're not comparing apples to apples.



Treasurer Phillips – You're not going to see the \$2.6 million that was paid for the property. Director Watson – Right. So then looking down at expenditures, there is a significant amendment on the insurance line. If you look back at previous years, in 2022 we show \$1982 was spent, and in 2023 it was only \$2723. Those years, the Township did pay the insurance bill in full, and the prepaid was never charged back to the DDA. So, we only had \$2500 budgeted this year, but our expenses are currently at \$16,000.

Treasurer Phillips – Well the prepaid was charged to the DDA, but it was put in as a prepaid. At the beginning of the next year, it never got reversed from prepaid into expense for the next year, and that happened two years in a row. So, there's \$5600 two years in a row that did not get expensed.

Director Watson – Right, and I anticipate another close to \$2000 before the end of the year, so that's a total of \$18,000 showing for 2024. The actual for next year is estimated at \$8500 as it should be, and as it should have been for those other years. That's really a correction and it's not cash.

Chairperson Matta – It's an accounting adjustment rather than actual cash.

Director Watson – Yes.

David Smith – What are we insuring?

Chairperson Matta – Liability, properties.

David Smith – Insurance has gone up across the board.

Chairperson Matta – Any other line items to point out?

Director Watson – No, I think that's it for '24 unless anyone has questions. We can do a motion on the 2024 Amendment, and then we can move onto '25.

**MOTION** by Spelker, supported by Hoy, to approve the 2024 DDA Budget Amendment as discussed.

**MOTION CARRIED UNANIMOUSLY**

### **C. 2025 Budget**

Director Watson – On 2025, I would first note that Phase II is supposed to close by October 31, 2025. We did not include that in our anticipated sales for the year. We don't want to count those chickens before they're hatched.

Chairperson Matta – I agree with you.

Director Watson – However, we are expecting to see the sale of Parcel J1, and we have that in the property sales under revenue. Randy, that's your goal next year is to make sure that gets sold.

Randy Thomas – To close in 2025.

Director Watson – Yes. It would be great to see both of those properties sold. I think that is the biggest change in revenues, and then of course the increase in the tax capture. Under expenditures, we have proposed a 4% increase to the Administrative Budget and a 3% increase on Legal, which was part of the original contract for legal services. And again, insurance is up to \$8500 there as we just discussed. Property Maintenance and Utilities includes the light poles along Martin Parkway, and it appears that DTE costs are going up, just comparing what we've spent so far as of July 31<sup>st</sup>. I'll keep an eye on that, but keep in mind, we are reimbursed up in revenues by the RCOC for a portion of those costs that we pay to light Martin Parkway. They actually pay for the area around Pontiac Trail and Martin Parkway.

Chairperson Matta – Is that net?

Treasurer Phillips – Reimbursements are in revenues.

Director Watson – Which also includes reimbursements from Bruce for legal and other expenses this year too.

So, the \$649,000 under Property Disposition Costs in 2025 would be the offset of Parcel J1, and we did enter the sale price under Proceeds from Sale of Property, but that would be amended to the auditor format, if and when it does sell. The only other change there was under Miscellaneous, which covers liability insurance for me as director and that has a 4% increase there also to account for inflation.

**MOTION** by Spelker, supported by Hoy, to approve the 2025 DDA Budget as presented.

**MOTION CARRIED UNANIMOUSLY**

#### **Item 10: Committee Reports**

- A. Finance Committee – Susan Spelker – I believe we have covered everything.
  
- B. Public Relations Committee – Jose Mirkin – Last time I talked about discovering a program through the DIA called Partners in Public Art, PIPA. I'm going to meet with Deb and Larry after this meeting so we can decide where we might want a mural done by the DIA, by a local artist, paid for by the DIA. I brought information to share with Deb and Larry, including the application form which states why we want art in Commerce Township. It is a 10-year commitment. It has to be outdoors. We have three public buildings; Township Hall, the Commerce Township Library and the Richardson Community Center. We would have to make a decision as to which one of the three would get a mural. For everybody's information, from the application, *PIPA is a collaboration between the DIA and Oakland County Art Institute Authority, and cities and townships throughout Oakland County to co-create community-driven, highly visible public murals that express the unique stories and interest of each community.* I can complete forms and apply for 2025. They also require a resolution from the Township showing community support.

Discussion took place regarding a potential resolution for a mural to go on the exterior of a public building or structure, or a freestanding frame, and the fact that any approval would need to come from the Township Board, along with the necessary 10-year commitment, costs and maintenance paid for by the DIA, approval of the art, size of a mural, potential locations, murals in other

communities, and Jose’s recent meetings with the Richardson Center and the Township Library.

- C. Marketing Committee – David Smith – I don’t have anything to add to what has already been covered.

**Item 11: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure**

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

**Item 12: Other Matters**

None.

**The next regularly scheduled DDA meeting is Tuesday, September 17, 2024, at 12:00pm.**

**Item 13: Adjournment**

**MOTION** by Spelker, seconded by Mirkin, to adjourn the meeting at 12:51pm.

**MOTION CARRIED UNANIMOUSLY**

  
Melissa Creech  
DDA Secretary

**INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP**

EXP CHECK RUN DATES 08/20/2024 - 08/20/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
<b>DAWDA DAWDA MANN COUNSELORS AT LAW</b>			
602548	DDA	PROFESSIONAL SERVICES THROUGH 7/31/24	408.50
602549	DDA	PROFESSIONAL SERVICES THROUGH 7/31/24	1,809.50
Total For: DAWDA MANN COUNSELORS AT LAW			<u>2,218.00</u>
<b>WATSON DEBORAH WATSON</b>			
JULY/AUGUST 2024	DDA	DDA DIRECTOR 7/11/24 - 8/14/24	4,428.00
Total For: DEBORAH WATSON			<u>4,428.00</u>
<b>DTE DETROIT EDISON</b>			
09/04 2579 LIBRARY	DDA	ACCT# 9100 077 1100 5	53.19
09/04 2581 LIBRARY	DDA	ACCT# 9100 077 1086 6	745.27
09/04 2660 E OAKLEY	DDA	ACCT# 9100 077 1065 0	101.75
09/04 3106 MARTIN	DDA	ACCT# 9100 077 1076 7	125.36
Total For: DETROIT EDISON			<u>1,025.57</u>
<b>SANDYB SANDY ALLARD</b>			
JULY/AUGUST 2024	DDA	DDA ASSISTANT 7/15/24-8/14/24	1,032.75
Total For: SANDY ALLARD			<u>1,032.75</u>
Report Total:			<u>8,704.32</u>