

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, July 17, 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
David Smith, Member
Susan Averbuch, Member
Susan Spelker, Member
Brian Winkler, Member
Tim Hoy, Member

Also Present: David Scott, Township Supervisor
Melissa Creech, DDA Secretary
Debbie Watson, DDA Assistant
Chris Martella, DDA Attorney
Molly Phillips, DDA Treasurer
Matt Schwanitz, Giffels-Webster Engineer
Randy Thomas, Insite Commercial
Dave Campbell, Township Planning Director
Courtney Mikola, Wyncliff HOA Representative

Item 1: Approval of Minutes

MOTION by Lublin, seconded by Mirkin, to approve the Regular Meeting Minutes of June 19, 2018 as presented. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

None.

Item 3: Insite Commercial Report

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

- Parcels A&H – Shapiro has the vast majority of their land balancing done. They have the well points in.

Susan Averbuch received a memo from Jason Mayer regarding delays, indicating that it will be 4 to 6 weeks for the sewer line. Randy Thomas explained that the entire plan had to be reengineered. Director Stacey added that it is 4 to 6 weeks before the connection is made at the point of Campbell Creek. Matt Schwanitz agreed.

- Parcel B1 – Aikens;
 - Last week, we made significant progress with the high-end market. The timeline is 45 to 60 days for the final lease. Likewise with the theater component.

- At the local Michigan ICSC last Thursday, Bruce had the podium for about 10 minutes. He did not make any name announcements as he wants to get farther along in these leases before doing so. That will be forthcoming.
- Now that the library is down, he will be submitting sign proposals to announce Five & Main.
- He continues to work in a difficult retail environment. The good thing is that retail numbers have gotten better in the last five months. Amazon still has a significant impact on those retailers, and it's hard for companies to grow right now.

Director Stacey stated that Bruce Aikens is scheduled to attend the August DDA Meeting.

Ray Golota, 1595 Vanstone, Commerce Township, inquired about the Novi Asian Village development. He wondered if that would have any effect on Five & Main. Randy Thomas stated that it would not have any impact because it's a relatively small project in scope and size. Matt Schwanitz and Director Stacey agreed. Discussions continued regarding Aikens' sign package submission, potential sign locations and cleanup of the old library site since the demolition of the building.

- Parcel B2 - Granger, First & Main; I really have nothing new to report. I'm awaiting an update. They have engaged us in other projects. I know they opened up the one in Bloomfield at Square Lake and Woodward.
- Parcel C - The hard corner of Pontiac Trail and Haggerty Road; Every month, I get a handful of gas station calls. We had a restaurant; they expressed interest. I directed them to the northern portion, near Walmart. We do get a fair number of inquiries.
- Parcels D&E - Pulte, Merrill Park; From the air, I can tell you it looks fairly built out. I don't have the latest numbers, but they're well over three quarters now.

Director Stacey added that if you drive through Merrill Park, it looks like a real sub at this point. There's so much activity, and it will probably be built out by the end of the year. Randy Thomas agreed. Pulte is thinking that they will turn it over to the homeowner's association by the fourth quarter, or the first quarter of next year. It's fairly quick for 71 homes to go up.

- Parcel F - The acreage in front of the Township Hall; The dental group remains interested. They are awaiting Bruce's project.
- Parcel G - Wycliff; Nothing to report.
- Parcel I - BBI Holdings, Gilden Woods; The walls are up for the childcare facility. They will potentially open this fall.
- Parcel J1 - 2.38 acres on the hard corner of Oakley and Haggerty; The swim school is still interested, and likewise, they are interested in Parcel L as an alternative site.
- Parcel J2 - NorthPoint, Beyond Self Storage;

Director Stacey had a meeting with the construction manager for NorthPoint. The skin of the building will be put on starting July 30th. There was an issue on the site with a DDA fence that was removed. They have agreed to get that reinstalled. Randy Thomas noted that the silt fence, which is beyond the property line, needs to be removed.

- Parcel K - The orphan piece across the street; Nothing to report.
- Parcel L - 1.8 acres on Haggerty Road; This is the other piece that the swim school is looking at, and another daycare center is also looking at this site.

- Parcel M&N - These are the two out-lots that are being retained by the DDA. I will suggest that Matt start working on this, so we can have these pieces active.

Item 4: Director's Report

Director Stacey reported the following to the Board:

- **Updates on Developers** - *(Covered by Randy)*
- **MTT Judgments** - None
- **HOA Items**
 - **Dues** – All paid, and Wyncliff has paid their third quarter dues.
 - **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
 - The lighting is operational.
 - We've had no recent issues.
 - **Landscaping - United Lawnscape, Brian Sparks**
 - Grass is being cut on a regular basis.
 - There was an accident at the main roundabout, at Pontiac Trail and M5. The person drove straight through the landscaping, up and over the curb.
 - We do have a quote being generated from United for repairs.
 - The traffic accident was reported so we can seek reimbursement with a claim to the insurance company.

Susan Averbuch stated that there are so many bugs when she walks the trails, it's incredible. She inquired about spraying. Director Stacey replied that the trails are natural, without pesticides, and there's so much water around the area that it creates a perfect breeding ground.

Discussion continued regarding Roundup being sprayed on the trailways to keep the weeds down. Ms. Mikola noted that the west side trails needed grooming, between First & Main and Walmart. Director Stacey replied that some trail maintenance will be done in the fall. He also noted that the tree which fell on that area of the trails was removed on June 29th. That was an HOA cost of \$1750, and the price was high because they could not get heavy equipment back into the trailway and protected wetlands. They were only able to get a pickup truck in there.

- **Irrigation - Michigan Automatic Sprinkler, Mike Rennie**
 - The system is up and running.
 - Wyncliff's sod looks great.
 - Ours looks okay.
 - I need to get with Granger and Pulte to have them turn on their irrigation a little more often.
 - One of the negatives with having different systems is you get less consistency, but I think everybody's looks reasonably well.
 - Note, however, Granger's back pad is completely burned because there is no irrigation there. We will have to deal with that until Granger's Phase 2 building is put up.
- **Other** – DDA Annual Report and publication
 - The DDA Annual Report is in the packet, along with publication information.
 - Publishing is required by law, in a general newspaper, and the Clerk's office has determined that the Oakland Press price is \$820.01.
 - I need authorization from the Board to publish so we are in compliance.

MOTION by Spelker, supported by Lublin, to approve publishing the DDA Annual Report in the Oakland Press at \$820.01. **MOTION CARRIED UNANIMOUSLY**

Vice Chairperson Lublin and Director Stacey discussed the law requiring publication of the annual report and counsel's interpretation after the FOIA request last year.

Item 5: Attorney's Report

Director Stacey – I'd like to introduce our legal counsel, Chris Martella from Tom Rauch's office. Tom was unavailable today, so he sent Chris in his place. I've worked with Chris on a number of issues in the past.

Attorney Martella – We have nothing to report. We have submitted invoices as necessary. We did meet today with the Marketing Committee, and we continue working with Bruce Aikens on his project.

Tom wishes he could be here, and he will be back next month.

Item 6: Engineer's Report

Matt Schwanitz, Giffels Webster – Chris was so articulate, exactly what he said for our report too. We haven't had much, other than meetings. There were no information requests.

Item 7: Planning Director's Report

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

- A quick update on the roundabout and the replacement of the temporary snow fence:
 - The RCOC did come up with a preliminary landscape plan for the southerly and easterly medians.
 - They've sent that to their engineer to detail the design, and come up with a cost.
 - The RCOC hopes that the Township will share in that cost.
 - The Township inquired about using Tri-party funding to help pay for this, and they agreed that it would qualify. Normally a landscaping beautification project would not be eligible for Tri-party money, but because this is more of a traffic safety project, it can be paid for with those funds if the Township chooses.
 - If everything falls together, this is something that could get done in the fall.

Discussions continued regarding irrigation of the areas to be landscaped at the roundabout. Michigan Automatic Sprinkler quoted \$14,500, up to \$18,000, depending on the ability to locate and utilize the existing redundant sleeves.

Dave Campbell –

- The M5 Pedestrian Bridge is progressing.
- I talked to the engineer today who is overseeing the project on behalf of MDOT. It does look like August 15th will get pushed out a little bit as far as the contractor's deadline; hopefully only a matter of weeks. The big issue currently is with the wave panels going across the front. It's a matter of how those will attach to the fencing behind it to make sure the fencing can support the added weight and wind load of those panels. The contractor is still figuring out how to best design that.

Susan Averbuch discussed traffic count studies with Dave Campbell and Matt Schwanitz.

Director Stacey inquired about the Sidecar Slider Bar. Dave Campbell discussed the delays they have encountered with the State of Michigan Liquor Control Commission. Discussion continued

regarding escrowed liquor licenses in Oakland County. The Township's Ordinance may need review in this regard as it is quite a process to get a DDA liquor license through the State.

Item 8: Committee Reports

- A. Finance Committee – Director Stacey – We are working on the 2019 budget and projections for cost increases from vendors. I'm hoping to have that for your review by the August DDA meeting.

Obviously, the number one expense is interest and it will be driven by what decisions this Board makes on the bonds. Molly and I spoke this morning about the variable rate bonds. In about two weeks, we will call bond counsel to discuss options. We've been monitoring the rates. I want to caution you on one thing. Last month, there was a comment about saving money on the bonds. This issue will not save us any money this time. What it's going to do is lock in an interest rate and eliminate the risk of the rising interest rates. Last time, we were able to lower interest rates and save money. This time, we will be eliminating the risk of rising rates.

Jose Mirkin stated that a decision will need to be made by September. Director Stacey replied that we are shooting for that time frame, but there isn't a requirement. We can continue on with the variable rate bonds, but costs are going up every month. Jose Mirkin added that in September and December, the rates are going up. Director Stacey stated that there have been consistent raises throughout the entire year of 2018. Right now, the all-in costs are ballpark 2.9%. Fixed interest rates to tie these up are, at best, 3.88%. Vice Chairperson Lublin asked how long the rate is good for. Treasurer Phillips stated that the fixed rates change almost as often as the variable rates, but once the rate is fixed, it's good for the life of the bonds. Susan Spelker added that until the rate is locked in, it will continue to vary all the time.

Discussions continued regarding rate estimates and costs from PNC to fix the bonds, along with timing the fix before the variable rate exceeds the fixed rate to prevent losing money. We have saved \$18 million in interest over the last 8 years. The refunding process was addressed, along with additional scenarios, significant fluctuations in interest, and maturity dates. Director Stacey stated that this discussion will continue next month.

- B. Public Relations Committee - Jose Mirkin – As everybody knows, the DIA will soon be taking out the Masterpiece Reproductions to move them to another community. They have been in our community since April/May. In the meantime, the Public Relations Committee, in coordination with the DIA and the Commerce Township Library, we will try to get the reproductions put into the White Pine conference room in the Library, and invite an expert from the DIA to come in and talk about the artists. We will arrange this as soon as we have a date from Connie.
- C. Marketing Committee – David Smith – There's not much to report. You've said it all. I'd really like to see a little bit more action on Aikens part, but we will see what he has to say next month.

Jose Mirkin – Bruce will be at our next meeting?

Director Stacey – Yes.

Open discussions continued regarding the retail market, commercial developments and marketing the DDA property.

Item 9: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure

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

Discussion –

David Smith discussed irrigation matters, and the new Progressive building.

MOTION CARRIED UNANIMOUSLY

Item 10: Other Matters

- Susan Averbuch discussed Adopt-A-Road dates. The next event will be September 22nd or 30th and she will send out a notice.
- David Scott encouraged Ms. Averbuch to reach out to the schools, to the National Honor Society, to those students looking for community service hours. Ms. Averbuch noted that volunteers must be 16 years of age or older.
- **The next regularly scheduled DDA meeting is Tuesday, August 21, 2018 at 12:00pm.**

Item 11: Adjournment

MOTION by Lublin, seconded by Mirkin, to adjourn at 12:40pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

07/17/2018 08:06 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
INVOICE ENTRY DATES 07/17/2018 - 07/17/2018
BOTH JOURNALIZED AND UNJOURNALIZED OPEN
BANK CODE: DDA
DDA WARRANT ADD-ON REPORT
JULY 17, 2018

Vendor Name	Invoice Date	Description	Amount	Check #
1. DETROIT EDISON				
	07/13/2018	2660 E. OAKLEY PARK	77.99	
	07/13/2018	3106 MARTIN PARKWAY	78.36	
	07/13/2018	2581 LIBRARY DR.	497.95	
	07/13/2018	2579 LIBRARY DRIVE	306.22	
		TOTAL	960.52	
2. PLANTE & MORAN				
	07/09/2018	PROFESSIONAL SERVICES RENDERED THROUGH JUNE 30, 20	1,420.00	
TOTAL - ALL VENDORS			2,380.52	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			2,380.52	

07/11/2018 09:35 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
EXP CHECK RUN DATES 07/17/2018 - 07/17/2018
BOTH JOURNALIZED AND UNJOURNALIZED OPEN
BANK CODE: DDA
DDA WARRANT REPORT
JULY 17, 2018

Vendor Code	Vendor Name		Amount	Check #
Inv. Date	Invoice	Description		
WATSON	DEBORAH WATSON			
07/11/2018	2018 JUNE/JULY	DDA ASSISTANT HOURS 6/14 - 7/11/18	856.25	
TOTAL FOR: DEBORAH WATSON			<u>856.25</u>	
GIFFELS	GIFFELS-WEBSTER ENGINEERS			
06/29/2018	116755	PROFESSIONAL SERVICES THROUGH JUNE 16, 2018	140.00	
TOTAL FOR: GIFFELS-WEBSTER ENGINEERS			<u>140.00</u>	
KEMP	KEMP, KLEIN, UMPHREY & ENDLEMAN, PC			
07/06/2018	189407	PROFESSIONAL SERVICES THROUGH 6/30/18	3,378.40	
TOTAL FOR: KEMP, KLEIN, UMPHREY & ENDLEMAN, PC			<u>3,378.40</u>	
STACEYMARK	MARK STACEY			
07/11/2018	0614-0711-2018	DDA DIRECTORS HOURS 6/14 - 7/10/18	4,400.00	
TOTAL FOR: MARK STACEY			<u>4,400.00</u>	
TOTAL - ALL VENDORS			8,774.65	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			8,774.65	