

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, August 21, 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
David Scott, Township Supervisor

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
Simon Rubin, Insite Commercial
Dave Campbell, Township Planning Director
Steve Kiryakoza, Wyncliff HOA President
Courtney Mikola, Wyncliff HOA Representative

Item 1: Approval of Minutes

MOTION by Lublin, seconded by Averbuch, to approve the Regular Meeting Minutes of July 17, 2018 as presented.

MOTION CARRIED UNANIMOUSLY

Item 2: Public Comments

Supervisor Scott welcomed four members of the public, including three kids, and he inquired about their interest in today's meeting. The visitors were present as part of their Community Citizenship merit badge for Boy Scout Troop 326. Attending a Township meeting was part of their requirement, along with finding an issue presented that had two opinions, then deciding whether they agreed or disagreed with the decision.

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's Barrington development is well underway. Dave, you may have the latest?

Dave Campbell – I just talked to Jim Galbraith today. They think they've installed the sewer, and they've gotten past the point of the wetland area that was giving them so much trouble. He figures they've probably lost a year on their construction, but they are now to the drier part of the site so work will continue at a faster pace now. His tentative timeline is to get the underground work done this fall and into the winter. It looks like paving, along with going vertical on the clubhouse and their first units, will begin in the spring. They hope to start having people moving in by Spring 2020, and to be completely done by the end of 2021.

Director Stacey – Susan, have issues with motorcycles decreased?

Susan Averbuch – Yes.

- Parcel B1 – Aikens, Five & Main; we'll be updated on this shortly.
- Parcel B2 - Granger, First & Main; I have nothing new to report. I have talked with them but they have not set a timeline on Phase 2.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; we continue to get calls for gas stations. We've sent out information to 8 or 9 people in the last month; however, nothing had any traction.
- Parcels D&E - Pulte, Merrill Park; their development is going very well

Dave Campbell – They asked to make some minor amendments to their landscape plan, but it was inconsequential.

Randy Thomas – When driving through, there aren't many lots left to sell.

- Parcel F – The acreage in front of the Township Hall; The dental group continues to be interested. They are awaiting Bruce's project.
- Parcel G - Wyncliff; Nothing to report.
- Parcel I – BBI Holdings, Gilden Woods; They have made a lot of progress and the building went up fairly quickly. Simon, do you know when they were planning on opening?

Simon Rubin – September/October.

Director Stacey – You should be the first one signed up, right?

Simon Rubin – I'm enrolled.

- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; In the past we had interest by the swim school, but they have found another property within the Township. I've sent out info to the same 8 or 9 groups that we've sent Parcel C out to, just so that everyone is looking at all the options in the market.
- Parcel J2 - NorthPoint, Beyond Self Storage; It looks like they're ready to start putting the skin on.

Dave Campbell – I went by this morning and it looks like they have started putting the skin on the southeast corner of the building.

- Parcel K - The orphan piece across the street; Nothing to report.
- Parcel L - 1.8 acres on Haggerty Road; The swim school is no longer a prospect here. We do have another group looking at it. The property next door is also listed, and any time anyone looks at ours, they also look at the building next door.

Director Stacey – By having the two pieces available, we can certainly attract a larger tenant. They could build that out, clean up the dilapidated building and have something significant on that property.

- Parcel M&N - These are the two out-lots that are being retained by the DDA. We are at the point, where Bruce is in his site plan, that we need to define what those pieces are going to be in size, and start marketing efforts.

Item 4: Director's Report

Director Stacey reported the following to the Board:

- **Updates on Developers** - *(Covered by Randy)*
- **MTT Judgments** – We did have an MTT Judgment for Walmart in the amount of \$25,000. They were able to get their taxable value reduced in excess of a million dollars each year for 2016, 2017, and 2018 through the tax tribunal process. This obviously negatively affects the DDA tax capture, and it all goes back to the Escanaba lawsuit and the “Dark Store” dispute. David Scott could elaborate. We have our legal counsel for tax working on these.

David Smith – What is the Escanaba claim?

Supervisor Scott – The City of Escanaba essentially went after Menard's. Menard's built and they said it's worth nothing. They said, “No, it's not a million-dollar corporation.” They started a Michigan Tax Tribunal argument, went to court, and the court ruled that the Tax Tribunal did it wrong and sent it back. In the meantime, the theory or argument is that they picked on a tiny town in the UP that they thought wouldn't have the legal resources to fight them, and it would affect their taxable value throughout their entire corporation, location by location. They thought wrong. Escanaba sees that as substantial income. They're fighting it all the way, and every Township, Village and City in the State of Michigan is backing the City of Escanaba. We ourselves, Commerce Township, donated \$2000 to the legal battle. Wixom may support up to \$5000. Hopefully we will win the battle in the long run and keep the taxable value of that building as high as possible, and not let them escape the scrutiny. It's the big box theory across the State.

Director Stacey – And remember, we have all the big boxes in the DDA district, so the result will have an impact. If Escanaba loses that, it will not be a positive for our tax collection.

- **HOA Items**
 - **Dues** – All dues are current, and Wyncliff is on quarterly billings.
 - **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
 - Operating with no issues
 - **Landscaping - United Lawnscape, Brian Sparks**
 - Overall, site is in good shape.

- We sent out a request for quotes for removal of dead trees. We will replace trees north of the bridge. Anything south will be cut at the ground, and the reason for that is we're not sure of what Aikens and Galbraith will do at their sites. We have been able to secure a number of trees onsite at the old library that could potentially be moved to the PGA roundabout. This will keep costs down, and will save some very large and beautiful trees.

David Smith – What kind of trees?

Director Stacey – What's there, it's a couple pine trees.

David Smith – We've got no oaks around here?

Director Stacey – Oaks take forever to grow.

Supervisor Scott – Plus oak wilt is an issue.

Director Stacey – Certainly if we are buying trees to replace some of these, I'll take that into consideration.

Discussions continued regarding alternatives to pine trees.

- There was damage at the Pontiac Trail roundabout, as reported last month's meeting. That damage was in excess of \$4700. We found the responsible party and she has admitted guilt. She does not have car insurance. She was cited for drunk driving also. Through the court system, we are requesting restitution. I believe sentencing is next week, and I may need to show up as representative for that.

Discussions took place regarding the offender's ability to pay the judgment for damages, if granted. Director Stacey will work with the probation department.

- The Township pillar, which was damaged by United, will be repaired this weekend. The pillar is on a truck now for delivery, and the contractor is scheduled to start on Friday. United will reimburse us for the expense. In your packet is a bill in the amount of \$1800 for J. Wayne. It was an add-on. Typically, we don't ask for a check to be cut before services are performed; however, in this case I asked this to be done. We will hold the check until the project is complete. This allows us to pay a small vendor in a timely fashion, rather than waiting until next month. The pillar shipment was delayed a week, and the contractor was willing to reschedule very quickly so that was helpful. Just as important is that I can go back to United with the paid invoices to wrap this up and have it finished before next month's meeting.
- **Irrigation - Michigan Automatic Sprinkler, Mike Rennie**
 - The system is running.
 - We have had normal repairs.

- I received an email yesterday regarding a leak at the Library roundabout. I authorized the repairs.
- **Other**
 - **RCOC – Snow fence:** We meet tomorrow with the RCOC to discuss replacement of the snow fence.
 - Dave, did you want to provide an update?

Dave Campbell – They have a landscape plan in place for the porkchop island at the south approach, and the east approach. Again, this is to replace the snow fence. The idea is that it forces people to slow down as they enter the roundabout because it creates a visual barrier. Since it is going to be landscaping, it's going to need to be irrigated.

They're trying to figure out how to get irrigation to those porkchops. It doesn't currently exist. The options are either to poke a new hole into the water main, put in a new meter and establish a new irrigation system, or if possible, tie into the DDA system where it currently ends at the north side of the roundabout. Mark will be at the meeting tomorrow to address tying into the existing system. If they have to do a new system, they will need electricity to it, and then the question is, can they tie into the DDA's existing lighting system?

They also want to talk to the Township about who will maintain this landscaping in the long term. Mr. Scott will be present tomorrow also to address these concerns, along with the Township Attorney.

The hope is that the project can be accomplished this fall, but there are a lot of issues that have to be figured out before that can happen.

David Smith – What's their basic landscaping plan?

Supervisor Scott – Pine trees and burning bushes.

Dave Campbell – He's right actually, along with some spruce trees and other evergreens that are meant to be relatively drought tolerant once established.

Discussions continued regarding the landscaping options.

Vice Chairperson Lublin – Dave, are they going to create a walkway north to south, from Pontiac Trail to West Maple, on the east and west sides of the street?

Supervisor Scott – They, being MDOT and RCOC?

Vice Chairperson Lublin – From the bridge, will the walkway be from Pontiac Trail to West Maple, or only to Pontiac Trail?

Supervisor Scott – The walkway will not extend north of the Michigan Airline Trail at this time, but with the DDA project, there will be a crosswalk at Walnut Lake Road and Pontiac Trail.

Dave Campbell – In the conversations that I've had with the RCOC, there's no good way to get pedestrians around that roundabout – there's no safe way to do it. The only way you can do it is to create those crossings at a safe distance from the roundabout, one of them being at Pontiac Trail and Walnut Lake Road. There should be a traffic signal there when Mr. Aikens project comes online, and along with that, there will be pedestrian crossing signals.

Discussions continued regarding costs of the new traffic signal, which is a county project, funded by the developers in the area, including Mr. Aikens, and also partially supported by the credit union that's been approved on the south side. It's about a quarter of a million dollars to put a signal at that intersection.

Item 5: Attorney's Report

DDA Attorney, Thomas Rauch – As you've noticed from the bill, it's been considerably less work in the past month. We continue to work with Mark, in particular on the Aikens development, and some association matters.

My partner and colleague, Chris Martella, was here last month. He will be here again next month, due to a conflict that I have. I hope to be back to a normal schedule after that. Chris will be involved a lot more and will see the Aikens project through to fulfillment and closing.

Item 6: Engineer's Report

Matt Schwanitz, Giffels Webster – As Tom said, it's been very low activity. We've had a few inquiries for information, but that's about it.

Item 7: Planning Director's Report

Dave Campbell – The Planning Commission, at their August meeting, saw a concept plan for a project on the vacant 17 acres on the west side of Haggerty Road, between Maple and Crumb Road. This is next door to Mr. Lublin's property. It's for a senior independent living facility, Resort Lifestyle Communities. They have facilities elsewhere in the Midwest. I believe this is one of their first in Michigan, along with Northville. It would be about 130 independent living units. The average age is about 80+ years, mostly people who have lost their spouse. That would be a potential significant development within your DDA district. Assuming this goes forward, the Planning Commission would want to see pathways along their frontages on Maple, Haggerty and Crumb Roads to fill in gaps in the pathway system. It's a Special Land Use, so the Planning Commission will hold a public hearing. This will hopefully be on the September 17th agenda.

Brian Winkler – It's a very attractive building too.

Dave Campbell - The Beaumont property is going to be back on the market, Randy?

Randy Thomas – It's back on the market. There was groundwater contamination. Not that they couldn't build on there, but being a publicly traded company, they could never take title to any contaminated property whatsoever. They elected to cease the studies and turn over that material. Now we're going back to the folks who expressed interest before in the market. All were primarily residential in nature, whether it be multi-family, single-family or a mixed-use component.

Dave Campbell – For the benefit of the Scouts, this is the property on the north side of Maple, just west of M5, where Beaumont once planned and actually started to build a hospital, then decided not to, so now it's for sale.

I bring it up because the Planning Commission asked if they could have a joint meeting with the Township Board. We're probably overdue to do this anyway, but one of the things they want to talk about at that joint meeting is what would the Township Board and Planning Commission hope to see on such a large, high-profile property. We're trying to find a date to hold the joint

meeting, and I think Mr. Scott said we'd like to do it after the Township gets through approving their budget.

Director Stacey – Randy, is Beaumont still looking on this side of town for a location?

Randy Thomas – Yes.

Director Stacey – Have they considered coming back to that location?

Randy Thomas – We told them that they did have the best piece of property.

Discussions continued regarding the status of the Beaumont property, the origin of the groundwater contamination, which is estimated to be minimal according to the EPA standards, and the fact that the site is still buildable.

Dave Campbell – The pedestrian bridge over M5. You've probably seen that they have hand painted the stones, which I think look pretty good. We're still working with them on how they're going to do the fence over the actual span. They have to upgrade the fence so that it can take on the added weight and wind load of the decorative wave panels. We're looking at October for completion.

Director Stacey – The other day when I drove under it, the electricians were working on wiring it.

Dave, do you know when the credit union at Walnut Lake is looking at moving forward?

Dave Campbell – They are working with the Township Engineer right now on their engineering plans, but I would guess that's probably one that won't break ground until Spring 2019.

Jose Mirkin – Dave, you mentioned there was a penalty if the bridge was not finished by August 15th. Is MDOT going to tell them they have to pay?

Dave Campbell – They're figuring that out. It's a question of whether the delay was really something the contractor could have avoided, or whether it's a delay that couldn't have been foreseen. I'm not in a position to say whose fault it is, but obviously there is a delay. It will be between MDOT and the contractor.

Item 8: Committee Reports

- A. Finance Committee – Director Stacey – The budget was not ready for review this month due to unforeseen delays. It has been pushed to next month, and then we will go to Township Board that evening. In addition, between now and September 30th, we will be drawing on the advance that the Township agreed to in our 2018 budget, in the amount of \$500,000 that is left to pay for bills and interest coming due. It has already been approved in the budget, and by Township Board.

Treasurer Phillips – It will be drawn before September 30th.

- B. Public Relations Committee - Jose Mirkin -We are still trying to coordinate an art show in the Township Library. The date is undecided at this time, because we have to

agree with the DIA and the Library, but we are planning to do an art show in September or October, with all the reproductions that were in Commerce Township in different locations during the summer. We want to put those reproductions inside the Commerce Township Library, and listen to a DIA expert talk about the artists and their work.

- C. Marketing Committee – David Smith – I have nothing further to add, as usual. Randy and Dave have really done a good job of educating us all.

Item 9: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure
MOTION by Lublin, seconded by Winkler, to approve the Warrants and/or Carryovers, Add-ons and the Revenue & Expenditure Report. **MOTION CARRIED UNANIMOUSLY**

Item 10: Other Matters

Supervisor Scott shared the following with the Board Members:

- In support of the HOA, Commerce Township just took delivery of a brand new fire truck. That will replace a truck that was 25 years old. It was long overdue for replacement. If you're over at Station 4, stop in and take a look at it. We'll get some pictures on the website.
- A cute human interest story; approximately 30 years ago, firefighter Larry [Ortline], who is retired and lives north of Alpena, delivered a baby boy in this Township. That baby boy just started as a Commerce Township full-time firefighter this week. His dad was an on-call firefighter, so it was a natural progression. It was always his life dream. He gave up working as a Birmingham or Novi firefighter, and several other communities, to make sure he came here. His name is Kyle Caswell.
- We're very blessed. We received a \$2.2 million donation from the Ralph C. Wilson Jr. Foundation, to pave the Michigan Airline Trail, our Rails to Trails project, between Walled Lake, Wixom and Commerce. They threw in as part of this money, \$900,000 to take care of the missing mile between Wixom and Milford Township. Come spring, our bridge will be up and running, our pathway is still a viable pathway, but eventually by next year, it will be state-of-the-art, a Maserati of the pathways throughout our three communities.
- Our Fire Department, in November of 2016, when Clerk Creech, Treasurer Phillips and myself were newly elected into office, we had 8 paid on-call firefighters, and 17 full-timers. Terribly substandard and understaffed. Today, we're up to 21 paid on-call firefighters, 21 full-time firefighters, and we're waiting to see if we're going to get awarded a federal grant which will pay for 10 more full time firefighters. The federal grant would be on a progression for three years, and would pay their wages. That would get us up to a point where we'll have two firefighters on duty at each station, 24 hours a day, being able to serve the community at the level we should be.

Discussion took place regarding recent incidents, including a motorcycle crash, a serious rollover accident, other car accidents and a fire.

The next regularly scheduled DDA meeting is Tuesday, September 18, 2018 at 12:00pm.

Item 11: Closed Session

Director Stacey – I'm requesting that we go into Closed Session, as permitted by the Open Meetings Act, to discuss information exempt from disclosure under FOIA. We can take a roll call vote if someone would be willing to make a motion.

MOTION by Gotts, supported by Lublin, to enter into Closed Session, and hear the roll call vote.

ROLL CALL VOTE:

AYES: Gotts, Lublin, Averbuch, Winkler, Mirkin, Scott, Smith, Spelker, Hoy

NAYS: None

ABSENT: None

MOTION CARRIED UNANIMOUSLY

Director Stacey – For the public, we are going into Closed Session. Thank you for coming today. Afterwards, we will come back in and end the meeting, but I don't think that there will be any action taken. You're more than welcome to have a seat outside, as we need to clear the room.

Entered into Closed Session at 12:39pm.

Returned from Closed Session at 1:37pm.

MOTION by Mirkin, supported by Lublin, to adjourn the Closed Session and approve the Closed Session minutes.

MOTION CARRIED UNANIMOUSLY

Item 14: Adjournment

MOTION by Mirkin, seconded by Hoy, to adjourn the meeting at 1:38pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

08/14/2018 01:56 PM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
INVOICE ENTRY DATES 08/14/2018 - 08/14/2018
BOTH JOURNALIZED AND UNJOURNALIZED OPEN
BANK CODE: DDA
DDA WARRANT REPORT
AUGUST 21, 2018

Vendor Name	Invoice Date	Description	Amount	Check #
1. DEBORAH WATSON	08/14/2018	DDA ASSISTANT HOURS 7/12 - 8/14/18	837.50	
2. DETROIT EDISON	08/13/2018	2660 E. OAKLEY PARK	81.73	
	08/13/2018	3106 MARTIN PARKWAY	76.37	
	08/13/2018	2581 LIBRARY DR.	512.93	
	08/13/2018	2579 LIBRARY DR.	318.54	
		TOTAL	989.57	
3. GIFFELS-WEBSTER ENGINEERS	07/26/2018	PROFESSIONAL SERVICES THROUGH JULY 14, 2018	420.00	
4. KEMP, KLEIN, UMPHREY & ENDLEMAN, PC	08/06/2018	PROFESSIONAL SERVICES THROUGH JULY 31, 2018	1,967.30	
5. MARK STACEY	08/14/2018	DDA DIRECTOR	5,725.00	
6. OAKLAND COUNTY TREASURER	07/31/2018	DDA MTT CHARGES	25,501.39	
TOTAL - ALL VENDORS			35,440.76	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			35,440.76	

08/21/2018 07:52 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
INVOICE ENTRY DATES 08/21/2018 - 08/21/2018
BOTH JOURNALIZED AND UNJOURNALIZED OPEN
BANK CODE: DDA
DDA WARRANT REPORT - ADD ON
AUGUST 21, 2018

Vendor Name	Invoice Date	Description	Amount	Check #
1. J. WAYNE ENTERPRISES INC.	06/04/2018	REPAIR OF ENT;RY COLUMN AT THE TOWNSHIP OFFICE BUI	1,800.00	
TOTAL - ALL VENDORS			1,800.00	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			1,800.00	