

**CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY**

**Tuesday, April 21, 2015
Commerce Township Hall
2009 Township Drive
Commerce Township, MI 48390
12:00pm**

CALL TO ORDER:

The Meeting was called to order by Chairperson Gotts at 12:00pm.

Downtown Development Authority:

Present: James Gotts, Chairperson
Kathleen Jackson, Director
Dan Lublin, Vice Chairperson
Susan Spelker, Member
Brian Winkler, Member
Mark Stacey, Member
David Smith, Member
Tim Hoy, Member
Tom Zoner, Township Supervisor

Absent: Jose Mirkin, Member (excused)

Also Present: Thomas Rauch, DDA Attorney
Vanessa Magner, DDA Secretary
Matt Schwanitz, Giffels-Webster Engineer
Randy Thomas, Insite Commercial

Item 1: Approval of Minutes

MOTION by Spelker, seconded by Winkler, to approve the Regular Meeting Minutes of March 17, 2015 as written. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

- Susan Averbuch, 9005 Campbell Creek Drive, Commerce Township, thanked Brian Winkler and his wife, along with Jason Mayer, Township Engineer, and Larry Haber, for attending the Martin Parkway Adopt-a-Road last Saturday. The event was successful and the tradition continues.
- Vanessa Magner noted that the construction adjacent to the Township Hall was creating more litter due to the wind. Although unintentional, the debris from the site was being blown and scattered right out to Martin Parkway. Chairperson Gotts stated that it should be brought to their attention.

Item 3: Director's Report

Director Jackson shared the following with the Board:

- Testing has been performed on the irrigation system and it should be fully functional soon.
- The Community Breakfast is May 18th. Tickets can be purchased in advance at the Treasurer's office.
- Mark Stacey and I have met with representatives at the County to discuss the amended TIFA area. There is still a lot of work to be done to expand any capturable areas.
- The trees that were removed in error along Martin Parkway are being addressed. I am working with the attorneys and the insurance agent to ensure this matter is rectified.

- A letter was sent out to Haggerty Road businesses regarding the construction. The road was shut down yesterday and that will be a full closure until the expected date of October 1st.
- I have had a couple meetings with Grissim Metz Andriese for the wayfinding. All the developers that are currently owners or stakeholders have agreed upon this group for the project.

David Smith inquired about the expenditures for the wayfinding project. Kathleen Jackson replied that this will be under the HOA billing which would then be billed accordingly to purchasers at closing for their prorated shares.

Mark Stacey discussed the estimate on damages for the trees that were cut down in error. Director Jackson explained that this is being worked on. Replacement trees are being located, some of which were very large trees, and costs are also being reviewed for replanting and nursing as was initially done. Smith and Stacey discussed coverage of administrative and legal fees. Director Jackson stated that it would be the goal to try to recapture those additional fees. Chairperson Gotts stated that coverage would be sought for remediation of the problem, such as removing the stumps, but also to give compensation for like-kind in quality.

Item 4: Attorney's Report

DDA Attorney, Thomas Rauch, began by passing out a letter and a survey form, the purpose of which was to confirm that the DDA is in compliance with the State statute. The statute requires that a majority of the members of the Board of Directors have an interest in the property of some kind in the DDA district, and that the Board have a resident member, which it does. The form asks about ownership of property in the DDA area. He asked that the survey be filled out and returned to him within a week. He was providing the survey in advance as he would not be present at the May meeting; however, Pat Paruch would be in attendance.

Attorney Rauch discussed that with the Haggerty Road improvements, the Buckeye Pipeline obtained a license from the DDA to store their materials and stage their equipment on southwest corner of Haggerty and Oakley Park, along with the panhandle property that is adjacent to Haggerty Road. Burke Warrick, Representative for Buckeye Pipeline, is present to discuss the project. They are entitled to utilize the property until mid-August, but they are coming to the end of their work and will soon be turning the property back over to the DDA; however, Burke indicated that due to some County requirements, they will be on the site longer than originally anticipated.

Attorney Rauch clarified that the site Buckeye would stay on during May and June was the corner of Oakley Park and Haggerty, the larger of the two parcels. Burke confirmed and stated that they are primarily done with the smaller parcel, which was referred to as the panhandle or dogleg. The silt fencing there would need to stay up. Burke added that they also have some restoration to do after the road construction project is complete, down by Richardson Road at the 7-11 median. They will have a landscaper come through to deal with that, remove all the silt fencing once the project is done and seed that area as well.

Mark Stacey stated that the goal then would be to work with Dan's Excavating to get this done as quickly as possible so that they can use the property also. Burke agreed and added that he would need signatures on the release form. He believed that Dan's was looking to use the smaller area. Attorney Rauch added that this is the parcel that Buckeye would no longer be needing.

MOTION by Zoner, supported by Stacey, to approve a resolution to accept the report regarding the contractor licensing with the Buckeye Pipeline and possible license to Dan's Excavating for temporary work space on the DDA property located on the corner of Oakley Park and Haggerty

Roads, and the panhandle parcel located along Haggerty Road, and to direct Counsel and the DDA Director to implement a new license and/or changes to the contractor(s) use of these sites as necessary, as discussed herein, in relation to the developments on the Haggerty Rd projects.

MOTION CARRIED UNANIMOUSLY

Attorney Rauch described the amendment to the Aikens purchase agreement. Aikens has requested that instead of the DDA and developer going over all of these title items now, when he has still been unable to determine how he will be using which portions of the land, that this be postponed until 60 days prior to the end of the due diligence phase. Their due diligence extends through January 2016, and therefore the title inspection period would be extended until November 2015. This will be much more economical for all parties concerned. Chris Martella handled these negotiations and yesterday, he received a draft of the one-page amendment changing the date for title and survey matters to November 2, 2015.

MOTION by Smith, supported by Lublin, to approve the amendment to the Aikens purchase agreement to allow for the date for title and survey matters to be extended until November 2, 2015, which is 60 days prior to the end of the due diligence phase in January 2016.

MOTION CARRIED UNANIMOUSLY

Item 5: Engineer's Report

Matt Schwanitz, Giffels Webster, reported that GWE has been assisting Director Jackson and Attorney Rauch in transactions and due diligence questions. He gave a review of the monthly report received from McDowell on the water monitoring and samplings for HP2. As expected, water levels had risen since the first sampling was taken in the third week of January. Four samplings have been taken so far. In the last month, virtually all levels had gone up which is normal with snow melt. However, even the shallowest water elevation is about 10' below existing grade which is somewhat below what a basement elevation would be. There's only two or three of the nine soil borings that are in close proximity to a basement, and most are between 15 and 20' below grade.

Discussion ensued regarding the existing conditions. Matt stated that he expects there will be one more sampling to be analyzed in May, which would likely be at the highest levels with snow melts and spring rains. HP will look at their design and discuss the implications on their site development costs to determine whether it's a consideration.

Item 6: Committee Reports

A. Finance Committee - Mark Stacey shared the following with the Board:

- We met with Oakland County and discussed our concerns about the tax capture. The County laid out their position as to what they're accepting for DDAs and provided direction as to the next steps. Our advisor from Plante Moran, Joe Heffernan, also attended the meeting.
- We are going to look at what our options are to increase our capture area by trading a portion of the DDA land; however, it was made clear to us that the County would want some type of contract with a sunset provision on either a portion, or the whole district which obviously would be something that would not benefit Commerce Township. We will continue exploring the opportunity.
- In addition, because of the way the lines are laid out, it brings up some very interesting site plan issues for the future developments as to capturable areas.

Discussion continued regarding the deadlines, bringing back a potential proposal in a few months, the possibility that nothing will be done due to the sunset provision, legislature for DDAs, and how the Commerce Township DDA is unique versus the majority of DDAs.

B. Public Relations Committee - Director Jackson discussed the following:

- Jose went to the Township Board and he gave a very good presentation on the Public Relations Committee.
- The DIA partnership, the K-12 Art Fair and the Carnival were all well-received by the Township Board and the update was appreciated.
- Marketing Committee – David Smith deferred to Randy Thomas.

Item 7: Insite Commercial Report

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

Attorney Rauch answered questions for the Board regarding closing dates with developers, conditions within the agreements and other transaction related matters. David Smith inquired further about extensions and closing dates. Attorney Rauch would follow-up with additional information and updates.

Item 8: Approval of Warrants, Carry-overs and Add-ons

MOTION by Lublin, supported by Spelker, to approve the Warrants, Carry-overs and Add-ons.

Discussion -

David Smith discussed the DDA's percentage in the HOA with Kathleen Jackson.

MOTION CARRIED UNANIMOUSLY

Item 11: Other Matters

- Director Jackson noted that the May agenda will include a review of the DDA Committees. If anybody has a desire to sit on a different committee, or would like to join one of the committees, she asked that the information be sent to her to allow for people to be reassigned.
- Director Jackson stated that the RFP is out for the landscaping bids for the entire development and additional information should be available at the next meeting.
- The next regularly scheduled meeting of the DDA is Tuesday, May 19, 2015.

MOTION by Stacey, seconded by Winkler, to adjourn at 1:07pm.

MOTION CARRIED UNANIMOUSLY



Vanessa Magner, Clerk
DDA Secretary