

**CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY**

Tuesday, September 17, 2013

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 12:05 p.m.

Downtown Development Authority:

Present: Kathleen Jackson, DDA Director
Jim Gotts, Chairperson
Dan Lublin, Vice Chairperson
Brian Winkler, Member
Pat Dohany, Member
David Smith, Member
Mark Stacey, Member
Tim Hoy, Member
Jose Mirkin, Member

Absent: Thomas Zoner, Supervisor

Also Present: Matt Schwanitz – Giffels Webster Engineers
Thomas Rauch, DDA Attorney
Vanessa Magner, DDA Secretary
Susan Gross, DDA Treasurer
Randy Thomas – Insite Commercial

Item 1: Approval of Minutes

MOTION by Lublin, second by Smith, to approve the Regular Meeting Minutes of August 20, 2013 with correction. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

Susan Averbuch, 9005 Campbell Creek, would like to see the tree replacement between Martin Parkway and the development area completed to provide buffering of noise and lights.

Director Jackson stated tree replacement is covered in the condominium documents.

Item 3: Director's Report

Update of Activities:

The Rotary Club is not going to be able to do the carnival in 2014 due to the lack of man power. Kroger on Union Lake Road is set to open on November 3rd. Planning Commission met last night to begin the discussion of the master plan. Specifically, with respect to multiple family in the future land use map. No new businesses this month. There has been discussion with a brewery/tasting room. Marriot Town Suites has received approvals. Speedway on Union Lake Road will be completed this year. Kroger on Haggerty and Pontiac Trail located in West Bloomfield will be closing on November 2nd.

Item 4: Attorney's Report

DDA Attorney, Thomas Rauch, stated his update consists of working with the developers.

Item 5: Engineer's Report

Matt Schwanitz was present and informed the board he has been assisting Randy Thomas with developers.

Item 6: Committee Reports

- A. Finance Committee – Stacey stated the finance committee will give an update under Item 8 – Proposed 2014 Budget
- B. Public Relations Committee – The Optimist Club will be hosting their run on the Martin Parkway pathways on September 22nd. The Grace Church will host Outrun Hunger on the pathways on November 2nd.
- C. Marketing Committee – Smith stated Randy Thomas will give the update.

Item 7: Insite Commercial Report

Randy Thomas with Insite Commercial gave an update that included the Shapiro Development soil borings for Phase 1 has been completed and they are moving forward on Phase 2. Applied for the permit with the Road Commission for the connector between Martin and Welch Road and should hear back in the next 2-3 weeks. Shapiro Development requested a meeting with the DEQ to discuss draining into the existing wetlands on the 20 acres west of the development. The meeting is scheduled for September 26th, the developer is requesting a 180 day extension to work with the DEQ on this issue. It will bring the deadline to the end of March.

MOTION by Stacey, second by Lublin, to approve the resolution to extend the inspection period to address and resolve drainage issues which require the approval of the Michigan DEQ, for an additional 180 days from the date of expiration of the current inspection period.

MOTION CARRIED UNANIMOUSLY

The developer Ed Rose has submitted an offer on Parcel E and D for a mixed use development. This offer will now be going to the marketing committee.

The bus tour was successful and work is moving forward with this developer.

Hunter Pastor Homes has completed their soil borings, and working on the legal description and easement agreement.

Randy stated that he has received a written offer for a retail development and 6,000 square feet of restaurant on Parcel C. Received a site plan but waiting on elevations.

There is interest from a Cleveland group for a banquet facility group.

Item 8: Proposed 2014 Budget

Stacey gave an overview of the 2014 proposed budget; this is a very conservative budget. They have also predicted no land sales in 2014. The DDA will be asking the Township for 2.7 million dollars in this proposed budget. The line item "Property Disposition" includes engineering fees. The tax tribunal is included with the captured taxes.

MOTION by Mirkin, second by Lublin, to recommend approval of the 2014 Proposed DDA Budget to the Township Board of Trustees.

MOTION CARRIED UNANIMOUSLY

Item 9: Reimbursement Memorandum

Director Jackson explained the Township Board approved the reimbursement memorandum in the amount of 1.8 million dollars at their September 10, 2013 meeting. Jackson would like a motion from the DDA also approving the reimbursement memorandum.

MOTION by Smith, second by Lublin, to approve the advance from the Township in the amount of 1,800,000.00 that was approved at the September 10, 2013 Township Board of Trustees meeting.
MOTION CARRIED UNANIMOUSLY

ITEM 10: Insite Contract Renewal

Director Jackson explained the consulting agreement with Insite will expire on January 10, 2014. Jackson is recommending renewal of the contract for an additional 24 months.

MOTION by Smith, second by Lublin, to renew the contract with Randall Thomas for an additional 24 months.
MOTION CARRIED UNANIMOUSLY

Item 11: Approval of Warrants and Finance Report

MOTION by Lublin, second by Mirkin, to approve the Warrants, add on's and Finance Report.
MOTION CARRIED UNANIMOUSLY

Item 12: Other Matters

Stacey mentioned the sprinkler system has costs in total \$171,000 and it has never worked properly. He asked if the sprinkler system needs to be winterized.

Jackson mentioned the system needs to be repaired and then blown out. She did receive an estimate from 2 different companies and recommends Michigan Automatic Sprinkler in the amount of \$3,000.00.

MOTION by Stacey, second by Dohany, to authorize Kathleen Jackson to execute an agreement with Michigan Automatic Sprinkler in the amount of \$3,000.00 to repair the sprinkler system.
MOTION CARRIED UNANIMOUSLY

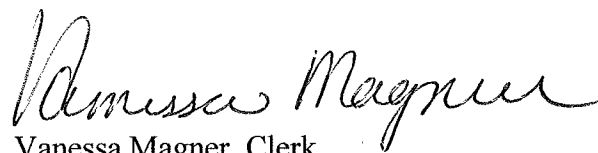
Stacey mentioned there is a bill due for the company who installed the system and recommends holding payment until system is fully repaired.

Tim Hoy asked if the contractor was informed of the problem so he was able to fix it.

Stacey said the contractor was informed and they haven't had the system working correctly in the past 4 years.

MOTION by Stacey, second by Dohany, to delay payment until sprinkler system is working correctly and bring back to the DDA board at the time for further discussion.
MOTION CARRIED UNANIMOUSLY

MOTION by Lublin, second by Smith to adjourn at 1:05 p.m.
MOTION CARRIED UNANIMOUSLY


Vanessa Magner, Clerk
DDA Secretary

COMMERCE TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY
2009 Township Drive
Commerce Township, Michigan 48390

RESOLUTION

At a regular meeting of the Board of Directors of the Commerce Township Downtown Development Authority, County of Oakland, Michigan, held on August 17, 2013, in the Commerce Township Hall at 12:00 Noon.

PRESENT: Jim Gotts, Tim Hoy, Brian Winkler, Jose Mirkin, Daniel Lublin, David Smith, Mark Stacey and Patrick Dohaney

ABSENT: Tom Zoner

The following preamble and resolutions were offered by Stacey; and supported by Mirkin:

WHEREAS, The Commerce Township Downtown Development Authority (“DDA”) has, under the Fifth Amended Development Plan and Fifth Amended Tax Increment Financing Plan for Development Area No 1 dated August 2, 2006, constructed Martin Parkway from Oakley Park Road to Pontiac Trail on the DDA’s land in the Township, totaling approximately 350 acres and located in Sections 24 and 25 (the “Property”), including roundabouts and other roadway infrastructure, open space and storm water management and related improvements, to prepare the major portion of the Property for development and sale (collectively the “Project”).

WHEREAS, to provide for the orderly development of the Project and such portions of the Property, the DDA entered into a Planned Unit Development Agreement with the Township dated February 12, 2013, which Planned Unit Development Agreement was recorded on April 18, 2013, at Liber 45682, Page 631 (the “PUD Agreement”); and

WHEREAS, in connection with the Project and as contemplated by the PUD Agreement, the DDA platted the majority of the Property as a five (5) unit site condominium, the COMMERCE TOWNE PLACE CONDOMINIUM, the Master Deed of which was dated April 16, 2013 and recorded on May 2, 2013 at Liber 45740, Page 630, Oakland County Records and being Oakland County Condominium Subdivision Plan No. 2043 (the “Master Deed”, the “Condominium” and individually each unit thereof a “Unit” and collectively the “Units”); and

WHEREAS, the Condominium Units are intended to be sold, in whole or in part, to developers which will develop and construct on their Unit (or portion of a Unit) a development project in accordance with the Master Deed, PUD Agreement, Township zoning and all other ordinances and other applicable laws, rules and regulations of public bodies having jurisdiction on such developer’s project;

WHEREAS, on June 26, 2013 the DDA contracted to sell Unit 5 of the Condominium to Shapiro Development Company, LLC, [represented by James Galbraith] (the “Property” the Developer” and the “Agreement” respectively); and

WHEREAS, the Agreement contains a 90 day Inspection Period for the Developer to examine the Property, which is scheduled to expire next Monday, September 23, 2013; and

WHEREAS, the Developer has requested that the DDA agree to extend the Inspection Period to address and resolve drainage issues which impact the Property which require the approval of the Michigan DEQ, for an additional 180 days from the date of expiration of the current Inspection Period under the Agreement.

NOW, THEREFORE, BE IT RESOLVED that the DDA Board authorizes the Chairperson and Secretary of the DDA, or in their absence any one of the Chairperson, Vice Chairperson, Secretary, Treasurer or DDA Director, to execute an amendment to the Agreement reflecting the foregoing, the form of such amendment to be satisfactory to the Chairperson and Secretary of the DDA as to substance and to the DDA Attorney as to form, together with any and all other documents that are required to implement the intents and purposes hereof and as otherwise envisioned by the amended Agreement, these Resolutions and the Resolutions adopted June 25, 2013.

MOTION by Mark Stacey

SECOND by Daniel Lublin

ACTION ON THE MOTION – Unanimous Approval

August 17, 2013

743808v2

COMMERCE TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY
2009 Township Drive
Commerce Township, Michigan 48390

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MOTION by Mark Stacey

SECOND by Daniel Lublin

ACTION ON THE MOTION – Unanimous Approval

September 17, 2013

743808v2