

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, January 15, 2019
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
Brian Winkler, Member
Tim Hoy, Member
David Scott, Township Supervisor

Absent: Susan Spelker, Member (excused)

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

Item 1: Approval of Minutes

MOTION by Mirkin, seconded by Lublin, to approve the Regular Meeting Minutes of December 11, 2018 with one correction as noted by Winkler on Page 4 of 8, Parcel I, change December 15th to **December 13th** for the Gilden Woods official grand opening.

MOTION CARRIED UNANIMOUSLY

Item 2: Public Comments

Director Stacey – Simon, did you have your little one?

Simon Rubin – Yes, December 6th.

Director Stacey – Congratulations! Boy or girl?

Simon Rubin – It's a boy, Brian.

Item 3: Insite Commercial Report

Randy Thomas provided an overview of the Insite report submitted in the DDA Board's packet. He noted that not much happened over the holidays.

- Parcels A&H – Shapiro’s Barrington development; I talked to Jim today. They’re working through getting final permits relative to the underground. They do have the pad balanced and set for the clubhouse and I believe two other buildings. They may be pouring foundations as early as February, and going vertical on the clubhouse as early as March. We are looking at a potential retail use fronting Martin Parkway. I’ll update everybody next month if it gets some traction.
- Parcel B1 – Aikens, Five & Main;
 - As everyone is aware, last month, the 8th Amendment was signed, giving Bruce until the end of July to close. He will be granted no more extensions.
 - He is progressing with tenants. With the market, we’re getting down to the last comments from the attorneys relative to the lease. He hopes to make an official announcement soon on the market, as well as on the theater. He knows he will need to do this in order to keep the momentum going on the balance of the leasing.
 - The New York ICSC went well for him. They had back-to-back meetings and there’s interest in the site. There are a lot of restaurants that want to be on the site. There will probably be some nationals in there, but he’s looking for unique, local chef-driven restaurants as well so he will have a mix. It will probably be the latter part of the project when he starts to announce those.
 - As last month’s Planning Commission meeting, his revised PUD to allow the hotel was approved. Then last week, likewise, the Township Board also approved both the PUD to allow for the hospitality component, which will be just north of the proposed market, as well as the 4th Amendment to allow for the creation of two units within the development.

Director Stacey – The condo documents were approved as changed at last month’s Township Board meeting. We have fulfilled the requirements for due diligence. We did not hear any concerns from the buyer. The property is in a position to close as soon as Bruce is ready.

Attorney Rauch – Yes, the 8th Amendment to the Purchase Agreement indicates a closing on or before July 31, 2019.

David Smith – We’ve cleared the title then?

Attorney Rauch – Counsel for the developer gave us title comments about two years ago. We deferred most everything until Bruce figured out what he was going to do with the property, which transpired over the past six months or so. He was able to get a survey showing what Phase 1 and Phase 2 would be. We received revised title objections and comments from the developer about 6 weeks ago. We responded, along with Phil Adkison on behalf of the Township for the Library parcel. Essentially, our response was that we did not disagree with their comments, and with the need to have the 4th Amendment to the Master Deed created to implement their concerns. We will comply with that when the Master Deed is amended, but it won’t be recorded until July. There are comments about signage, pathways and other details that need to be addressed by both the Township and the DDA. Due diligence is over, we’ve addressed title and survey matters, and now the job for both sides is to implement it.

Randy Thomas –

- Parcel B2 - Granger, First & Main; I have nothing to report, unless Dave has an update.

Dave Campbell – No. As I've said before, they check in every so often asking questions about the procedure for starting on their Phase 2, which includes an addition and some independent units to the east of the existing building, but there have only been inquiries and nothing formal at this point.

- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; There was not a whole lot of activity over the holidays. A developer who had been looking at the site decided to pass.
- Parcels D&E - Pulte, Merrill Park; They are down to their last lots. I think every site is either being built, or the foundation is in place. I believe they are close to finishing out on sales and I anticipate that later this year, they will turn it over to the HOA. They were very happy with the velocity in sales, especially after they changed their salesperson.
- Parcel F – The acreage in front of the Township Hall; I do stay in touch with the dental group that remains interested in the parcel. They are awaiting movement on the Aikens parcel.
- Parcel G - Wyncliff; Nothing to report.
- Parcel I – BBI Holdings, Gilden Woods; North of the Township Hall; They opened mid-December. The building looks good, but I have not been inside of the facilities.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; As with Parcel C, things were slow during the past month.
- Parcel J2 - NorthPoint, Beyond Self Storage; I saw the sign out there. Do they have their occupancy?

Dave Campbell – I was just asking the Building Department that question. I know they've called for final inspections, so they've got to be very close; however, to the best of my knowledge, they are not open yet.

Randy Thomas – Is it possible to get them to remove the silt fence that runs along the east side of the property? It's deceiving to the market, because people think Parcel J1 is smaller than it is.

Director Stacey – We've asked for that twice.

Dave Campbell – Anything for you guys.

Director Stacey – I spoke with Jay this morning. He was under the impression they are very close to receiving their Certificate of Occupancy, if they haven't already.

- Parcel K - The orphan piece across the street; I had a phone call yesterday on this piece; just more curiosity than anything else. They thought it was a much larger piece than it actually is. We only have half an acre there. Our best buyers are the property owners on either side.
- Parcel L - 1.8 acres on Haggerty Road; I get quite a few phone calls on this. It looks like there is a deal being signed on the building to the north. We always thought those two pieces could potentially be combined. We did have an assisted living group we met with last Friday morning. I'm not sure if we will see an offer.
- Parcel M&N - These are the two out-lots in the retail development that are being retained by the DDA. Once Bruce begins construction, we will be able to create the value on those parcels.

Item 4: Director's Report

- **Updates on Developers - (Covered by Randy)**
- **MTT Judgments – None**
- **HOA Items –**
 - **2019 HOA Budget & Dues** – I'd like to discuss a key issue with this Board and get direction from you. As you're aware, we provided the 2019 Budget to the CTPA. It was sent out under a consent action, meaning that we had to have 100% approval of the Association members.
 - Wyncliff has elected not to sign the consent action due to concerns. The best they have expressed it to me is that they think we are setting aside too much money and our financial position is too good.
 - By not signing the consent action, it leads us to having a board meeting of the Association members; the voting board for the CTPA. At that point, we do not need 100% approval for the budget. We need 51%.
 - Right now, 80% of the active members have already approved the consent action, so we would not expect that to change.
 - I'm not looking for an authorization. I wanted to bring you up-to-date on the situation and let you know that we will be contacting the CTPA board members for a board meeting, based on our schedule, to vote on the 2019 Budget as proposed. This will probably take another 60 days before the budget is passed.
 - We have not billed anyone for the 2019 HOA dues. Those invoices will be sent out once the budget is approved; however, we are in good financial shape to be able to weather this type of delay.

Discussion continued regarding the CTPA board meeting relative to Jim Galbraith's schedule.

Courtney Mikola – I'm the Wyncliff Representative on the CTPA board. We talked about this with our Wyncliff HOA for a long time. We've had a lot of discussions about this. They are going to provide me with specific talking points regarding the budget in preparation for the CTPA board meeting.

- **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
 - Chris is scheduling repair of the lights that are currently out. We probably have 8 or 10, and the majority are in the main roundabout area. This is typical maintenance and we do have those items in stock. I have asked him to try to do it when the ground is frozen, and there's not a lot of snow, so he doesn't tear up the landscaping.
 - In addition, he is working on lighting options for the tunnel under the bridge. We will get back to you on this, hopefully by the February 5th meeting.
- **Landscaping - United Lawnscape, Brian Sparks**
 - No issues.
 - Obviously we are in the dead of winter.
 - You may have noticed that there were approximately 10 trees cut down along Martin Parkway. I had the dangerous trees removed. That was approximately a \$3500 undertaking. They will be grinding the stumps.
 - We also have quotes coming in for replacement of the trees, for those areas located north of the bridge, as soon as weather permits.

- **Irrigation - Michigan Automatic Sprinkler, Mike Rennie –**
 - Obviously the irrigation systems is shut off this month.
- **Other**
 - **RCOC**
 - Dave, did we get anything in on the study yet for the roundabout at Five & Main?

Dave Campbell – They're still trying to collect the counts that they need to do their evaluation. The Township was doing its best to help them collect those counts. The Christmas season obviously impacted the traffic patterns, so that wasn't the best time to do the counts. Sometime in the very near future, we will be helping the RCOC do the counts. Part of the problem we were running into was finding a good place to do it where we were safe and out of the way. I want to get the RCOC involved because they can take one of their trucks with their flashers and pull right up onto the curb, as opposed to us in our private vehicles doing the same. It's kind of a distraction for people.

Director Stacey – So, we need those counts to be able to have the roundabout completed for the final analysis.

Dave Campbell – It has to do with how many vehicles are entering from any particular approach while there's already cars in the roundabout. It's a two-person process to count the cars.

Susan Averbuch – What ever happened to that Chicago study? It was many years ago.

Director Stacey – I remember that, but I think it's so out of date. We're trying to see exactly where we're at with the roundabout today, and how we can fix it to make it work a little better.

Dave Campbell – We're working with the company that did the original studies of the roundabout before it was built.

Director Stacey – Dave, do we have any update on the Walmart light issue? Did they walk away since their person contacted us?

Dave Campbell – No, they did not walk away. The person who I was in contact with of course got moved to a different department, so now it's a new person. He emailed me and stated he would get himself up to speed on this and then be in touch again. That was over the holidays. I will follow up.

David Smith – I'll try to look up some of the stuff I had on Walmart when they authorized putting that light in. That's when Walmart was built, in 1991 or '92, and they sent me to the RCOC to say they would pay for it. They wanted a light then.

Dave Campbell – What I'm told today by Walmart is that they were okay with paying for the light, but they didn't want to be responsible for 100% of the maintenance of the light, and that's what the RCOC was going to require.

Discussions continued regarding a traffic signal at Walmart, cost for installation, electricity, maintenance, the potential to hook into a nearby electrical line, and liability and insurance issues.

Director Stacey – I also wanted to make you aware that Brian Winkler was reappointed to the DDA Board for another 4 years.

Brian Winkler – I feel like a Marine.

David Smith – Another tour of duty.

Director Stacey – David Smith and Susan Averbuch will also be coming up for reappointment on May 31, 2019.

Item 5: Attorney's Report

Attorney Rauch – I have nothing in particular that needs to be discussed. As I explained in my response earlier to David's question, we're now looking toward closing on the Aikens project, even though it's months away. We will continue to look at that, but otherwise, things have been relatively quiet.

Item 6: Engineer's Report

Engineer Schwanitz – As Tom said, things have been relatively quiet. In December, there were a few odds and ends related to the land division with the B-docs for the condominium. Other than that, not much of anything.

Item 7: Planning Director's Report

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

- Most of my update was covered by Randy, in that the amendment to the Aikens Five & Main PUD received recommendation for approval from the Planning Commission, and approval from the Township Board. The most significant part of the amendment was the addition of the hotel. Assuming Mr. Aikens doesn't make any more major changes, he wouldn't have to go back to the Township Board for any additional approvals. He does have to go back to the Planning Commission with a fully developed site plan that's consistent with the more general development plan that the Township Board approved. Through all our conversations with Mr. Aikens, there are occasionally questions about parking, landscaping, architecture, etc. Those are the questions now that will be addressed as part of this more detailed PUD site plan.
- I just received a couple updates on Beyond Self-Storage. It sounds like the first floor of the building is on a temporary Certificate of Occupancy. They're waiting on the State's review/inspection of the elevator. Until the State signs off on the elevator, they can't give the whole building a C of O.

Dan Lublin asked for an update on the Beaumont property. Dave deferred to Randy Thomas. Randy Thomas indicated that there is a fair amount of interest in the site. Beaumont has elected to conduct further environmental studies on the contamination, which got into the groundwater and began seeping into other areas below the surface. This caused huge concerns for Pulte, being a publicly-traded company, and the disclosures they would have to do for any residential development. That is why Pulte backed out.

Beaumont hired a consultant about two weeks ago. They will be doing more borings to determine where the ground contamination went. They'll come up with a plan to mitigate the contamination. Five parties are awaiting the outcome, with potential uses ranging from residential to high-tech; primarily automotive, automotive headquarters, similar to the Oakland Tech Park. There is interest. It's a matter of understanding the depth and breadth of the exposure on the environmental contamination.

Discussion continued regarding the DEQ, Beaumont's Baseline Environmental Assessment, certain criteria levels for various uses and related mitigation.

Engineer Schwanitz noted that just in case some people are alarmed, generally, Pulte backed out more from a marketing standpoint, public relations and policy. Contaminated groundwater under a residential development is allowed as long as there's no human contact possible; it just has to be disclosed. From a DEQ standpoint, mitigation and public hazard, there is no issue unless there were individual wells in there, or excavation and people coming into contact with it. Randy also noted that grade level construction is being looked at.

David Scott and Randy Thomas also discussed the auto repair facility that is closed and is now for sale.

Susan Averbuch inquired about Williams International. Dave Campbell reported that he and Supervisor Scott met with them and they are transitioning into their new facility in Pontiac, which will take two to three years. They will need to decide whether to rent or sell the facility, or knock it down.

Item 8: Committee Reports

- A. Finance Committee – Director Stacey – The key issue is the bond refunding, as we have talked about in previous meetings. We are in the process of switching our variable rate bonds to a fixed rate.

Treasurer Phillips – The plan of attack right now is to have bond counsel and the financial advisor bring the proposed schedule of debt, including the proposed maximum interest rates and the principal payoff schedule, before the Township Board next Tuesday for approval. We've already looked at these for the most part, other than the rates have changed a little bit. If approved, the Board will authorize me to sign the resolutions and get the ball rolling. Then, the DDA Board will ratify the issue. They couldn't get the resolutions for the DDA Board to sign here today.

Director Stacey – Thank you. With that being said, I did send out a request to the DDA Board suggesting that you hold the date of February 5th for a DDA Board meeting. There was some discussion of doing a January special meeting, but by delaying it a week, we then take care of our February meeting. I would like a motion to move our February 2019 DDA Meeting to Tuesday, February 5th at noon. We will have Bowden Brown here, along with all of the documents in your hands before you will be voting on them, as they will go to the Township Board on January 22nd.

MOTION by Lublin, supported by Winkler, to move the DDA meeting from Tuesday, February 19, 2019, to Tuesday, February 5, 2019, at 12:00PM.

Extensive discussion took place regarding attendance for February 5th, scheduling conflicts, quorum requirements, the bond timeline, deadlines and resolutions.

The motion was amended by Lublin, supported by Winkler, to authorize moving the DDA meeting from Tuesday, February 19, 2019, to a date and time that falls **between February 4, 2019 and February 10, 2019.**

MOTION CARRIED UNANIMOUSLY

- B. Public Relations Committee - Jose Mirkin stated that everything is moving forward for the next K-12 Art Exhibition.
- C. Marketing Committee – David Smith stated that Randy Thomas had regaled the situation with the properties in his usual upscale report, and he had nothing to add.

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

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

MOTION CARRIED UNANIMOUSLY

Item 10: Other Matters

- **The next DDA meeting will be moved from Tuesday, February 19, 2019 at 12:00pm, to a date and time that falls between February 4th and February 10th, in order to address the bond issues.** Director Stacey will notify the Board Members after confirming everyone's schedules to ensure a quorum will be present.
- Supervisor Scott provided an update on the Michigan Airline Trail Council.
 - He stated that he would be appearing before the City of Walled Lake this evening as a representative of the Airline Trail Council to address issues with their lack of support and participation with the trail way. He explained that the Trail Council received a grant, along with donations for trail improvements, and the project will be going to bid for final construction. He elaborated on the issues with City of Walled Lake, including their misreporting of facts and misstatements regarding funds being wasted on the pedestrian bridge and amenities.
 - He clarified and corrected that no Walled Lake money was spent on the bridge. It was paid for by MDOT, and funds were specifically designated for that purpose. Any amenities on the bridge were paid for by Commerce Township; not by MDOT, Walled Lake or Wixom.
 - It was a serious disservice by the City Manager to misstate that money was wasted on the bridge and could have been used to restore The Depot, or other amenities on the Michigan Airline Trail, and that they intend to withdraw from the Trail Council. They have signed resolution to the City of Wixom that they will not leave them hanging, as an applicant on the Transportation Grant. They have \$420,000 in match grant funding that they are required to pay. All three communities have set aside funds for their portion of the trail way. If Walled Lake actually does withdraw, it will defeat the Trail Council's funding and work. He added that they will waste that much money in litigation if they back out of the Trail Council.
- Supervisor Scott also discussed a potential Veteran's Memorial, which was originally proposed in Wolverine Lake, but due to issues and delays, it may be relocated to another location in Commerce Township or Walled Lake. He suggested that it be a "Lakes Area Veteran's Memorial", and it could possibly be located at the Walled Lake Depot, which could be renovated as part of the project. He told them a caveat, that Walled Lake, Wixom and Commerce do not have funding to contribute to the proposal, so they would have to fund it themselves. The group agreed.

Item 13: Adjournment

MOTION by Mirkin, seconded by Lublin, to adjourn at 12:53pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

01/09/2019 09:47 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
INVOICE ENTRY DATES 01/09/2019 - 01/09/2019
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: DDA
DDA WARRANT REPORT
JANUARY 15, 2019

Vendor Name	Invoice Date	Description	Amount	Check #
1. ADKISON, NEED & ALLEN	12/31/2018	PROFESSIONAL SERVICES THROUGH DECEMBER 31, 2018	471.50	
2. DEBORAH WATSON	01/09/2019	ASSISTANT HOURS 12/11/18 TO 1/9/19	675.00	
3. KEMP, KLEIN, UMPHREY & ENDLEMAN, PC	01/04/2019	PROFESSIONAL SERVICES THROUGH DECEMBER 31, 2018	9,780.46	
4. MARK STACEY	01/09/2019	12/11/18 THROUGH 1/9/19 HOURS	3,625.00	
TOTAL - ALL VENDORS			14,551.96	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			14,551.96	

01/09/2019 09:51 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
EXP CHECK RUN DATES 12/12/2018 - 12/31/2018
BOTH JOURNALIZED AND UNJOURNALIZED PAID
BANK CODE: DDA
DDA CARRY-OVER REPORT
JANUARY 15, 2019

Vendor Name	Invoice Date	Description	Amount	Check #
1. DETROIT EDISON				
	12/13/2018	2660 E. OAKLEY PARK	138.62	2074
	12/13/2018	3106 MARTIN PARKWAY	112.59	2074
	12/13/2018	2581 LIBRARY DR.	818.22	2074
	12/12/2018	2579 LIBRARY DR.	17.14	2074
		TOTAL	<u>1,086.57</u>	
TOTAL - ALL VENDORS			1,086.57	
FUND TOTALS:				
Fund 499 - CAPITAL PROJECTS - DDA			1,086.57	