

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, April 18, 2023
Commerce Township Hall
2009 Township Drive
Commerce Township, MI 48390

CALL TO ORDER: The Meeting was called to order by Chairperson Gotts at 12:02pm.

Downtown Development Authority:

Present: Debbie Watson, DDA Director
James Gotts, Chairperson
Larry Gray, Township Supervisor
Brian Winkler, Member
Tim Hoy, Member
Jose Mirkin, Member
David Smith, Member
Derek Tuck, Member

Absent: Steve Matta, Vice Chairperson (excused)
Susan Spelker, Member (excused)
Randy Thomas, Insite Commercial

Also Present: Molly Phillips, DDA Treasurer
Melissa Creech, DDA Secretary
Sandy Allard, DDA Assistant
Dave Campbell, Township Planning Director
Chris Martella, Dawda Mann, DDA Attorney
Matt Schwanitz, Giffels-Webster, DDA Engineer
Lt. Wendy Reyes, OCSO Substation Commander

Item 1: Approval of Minutes

MOTION by Mirkin, seconded by Hoy, to approve the DDA Regular Meeting Minutes of March 21, 2023, as presented. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

Ray Golota, 1595 Vanstone Drive, Commerce Township – I’ve struggled for the last two months trying to come up with something, and I can’t. You guys are doing a great job.

Chairperson Gotts – Thank you very much for the endorsement.

Item 3: OCSO Update

Lt. Reyes discussed a fatal car accident that occurred recently in Walled Lake. There were numerous posts on social media regarding this matter. Oakland County Accident Investigators conducted a thorough investigation of the incident and the detailed case file is now complete and in the hands of the prosecutor. Extensive evidence was compiled, and it will take quite some time for the prosecutor’s office to review the file before pressing charges. Several people have been working diligently.

Lt. Reyes discussed the rebuilding project for the new substation at 2019 Township Drive (formerly 8585 PGA). The Township has not yet signed the agreement with the contractor as the attorneys are reviewing the contract. She also discussed the 7-month completion timeline with

Supervisor Gray. Lt. Reyes added that the contractor is the same one that did the South Lyon substation and that looks very nice. They did a great job over there.

Chairperson Gotts – Lieutenant, regarding the accident, the suspect is not in custody. Has he been charged in absentia?

Lt. Reyes – No. That's what we're waiting on. The paperwork has been submitted to the prosecutor, and we're waiting for the prosecutor to write the warrant, or warrants. Once they write a warrant, we can move forward with court proceedings. There is due process.

Dave Campbell – How old are they?

Lt. Reyes – I believe it's 16 and 20.

Jose Mirkin – Was the driver under the influence?

Lt. Reyes – Not to my knowledge.

David Smith – But justice is being served.

Lt. Reyes – Yes.

Chairperson Gotts – Thank you, Lieutenant.

Item 4: DDA Informational Meeting

A. Insite Commercial Report

Although Randy Thomas was not in attendance, the Insite Commercial Report was included in the Board's agenda packet.

Director Watson – I spoke with Randy this morning and received a brief comment regarding the Five & Main project. He did say that there have been some changes, and he will have more of an update for us in about 10 days regarding the residential partnership. It would be prudent if we wait until next month to discuss this matter further with this group. I would only add that we do anticipate seeing Bruce Aikens here again in person in June or July before the DDA Board. I know that Bruce will be gone next month to the ICSC in Las Vegas, and therefore he will have more to update on the retail side following that event. With Lafontaine, we are looking to close on that by the deadline of June 19th. Everything else is included in Randy's report. If anyone has any questions for Randy, he is available by phone, and I will keep you posted as we receive updates.

B. Asset & Liability Report

Although Finance Chairperson, Susan Spelker, was not in attendance, a summary financial statement was provided in the Board's packet, and Treasurer Phillips provided commentary.

Treasurer Phillips – If you look at the advance from the Township between last year and this year, it's up \$4 million, and that's the advance taken at the end of last year, and then the money taken in March to make the April 2023 payments. We don't have all of the cash for the December tax collections disbursed yet because we're waiting to balance with Oakland County, but we will get a little bit more in for that and that should take us through as far as

operating costs until we start collecting July tax payments. When LAG closes in June, we will have the funds to cover the debt payments that are due October 1st. Other than that, there's nothing unusual in the DDA financials, but I'm happy to answer any questions.

Director Watson – The only thing I wanted to point out on that was that when Molly and I recently met to go over the debt guarantee, to be provided to Plante Moran, I learned that the County's transit millage has resulted in additional tax capture for the DDA. Something good came out of that as a benefit to the DDA. Do you happen to know how much that capture is?

Treasurer Phillips – It's about 10%. We were slated to do \$2.34 million from the Township into the transit, and the DDA got \$242,000 of that.

Director Watson – So that just goes to our bond debt, or do we need to anything special with that funding?

Treasurer Phillips – It's just DDA capture.

Director Watson – Okay, thank you.

C. Q & A

None.

Item 5: Director's Report –

Director Watson briefly reviewed highlights of the report included in the Board's packet, which is included here in its entirety, along with updates.

I. Updates on Developments – Refer to the Insite Report for additional information.

- Aikens/Five & Main –
 - Bruce Aikens and Luke Bonner continue to coordinate with the Township real estate work group to review economic development opportunities.
 - Updates will follow from Randy at the next meeting regarding the residential partnership for the project.
 - The ICSC is scheduled for May 21-23 in Las Vegas.
 - We anticipate Bruce will visit the DDA Board in person in June or July with updates on the retail portion of the development after attending the ICSC event.
- Merrill Park – Nothing new to report.
- The Avalon of Commerce Township – Effective April 1st, Life Care Services became the new management firm of Avalon, replacing Grace Management. Amanda Germain continues to serve as Executive Director, and staff will remain the same. Although the name of Avalon remains the same, a new sign will be required as their previous one had Grace Management named on it. They currently have a temporary vinyl sign covering their monument. I discussed this with Jay James.
- Shapiro/Barrington – Jim Galbraith is finalizing parcel/unit splits and will soon bring in the amendments to the Master Deed and the B-docs for approvals.

Director Watson inquired with Engineer Schwanitz on the replat progress. Engineer Schwanitz reported that the documents are in Jim's hands and there are a few housekeeping items related to replicating easements on the B-docs for ingress/egress between Barrington and the small

commercial parcel. Giffels has completed everything with the exception of the easements. Dave Campbell added that Jim is not in a huge hurry to finalize those amendments.

- Wyncliff – Nothing new to report.
- Public Storage – Nothing new to report.
- The Space Shop, Self-Storage – Nothing new to report.
- Parcel L, Higher Ground, Guidepost Montessori – Thanks to Chris Martella and Mayme D'Alessandro, the deed has finally been recorded with Oakland County.
- Parcel C / Unit 3 – Lafontaine Automotive Group Dealership (LAG)
 - *June '22 – The PA was fully executed, and the deposit was received*
 - *July '22 – Zoning & Master Deed amendments approved to allow a dealership*
 - *Aug '22 – LAG & Planning began drafting the PUD agreement*
 - *Sept '22 – Preliminary review of LAG's PUD by the Planning Commission*
 - *Oct '22 – LAG making revisions to their plans to only build Genesis on Parcel C, and repurpose the former Dick Morris property for the Hyundai dealership*
 - *Jan '23 – LAG informed us that they were reverting back to Plan A to build both dealerships on Parcel C and they revised the PUD & plan accordingly. LAG made additional deposits and their municipal approval period was extended to April 4th.*
 - Updates & tentative timeline going forward for LAG in 2023:
 - *Mar 6th – The PUD was recommended for approval by the PC, with suggestions for a few architectural modifications.*
 - *Mar 14th – The PUD was approved by the Township Board.*
 - *Mar 21st – Lafontaine visited the DDA meeting and their extension was approved through June 4th. The agreement was executed and their additional deposit has been received.*
 - *May 1st – Final Site Plan review by the Planning Commission.*
 - *June 4th – Municipal approval period ends.*
 - *TBD – Closing required 15 days after the municipal approval period ends; we are projecting closing by June 19th.*

Treasurer Phillips – We're not going to get into the perpetual extensions with them?

Director Watson – I don't believe so. I don't have any hint of that yet. It has only been a year. I did look back as some of the properties that we've sold. Including Lafontaine once it's closed, that's about \$20 million we've sold over the past 10 years in properties, and the timelines on most of those were at least a year if not more. I think a lot of that has to do with the complications of Commerce Towne Place Association, the Master Deed and the details that go along with it. It takes their attorneys longer to review these things. I know LAG is doing more soil borings and working on their BEA, as was discussed in last month's meeting. I feel confident they are progressing.

- Parcel F / Unit 7, in front of the Township Hall – Nothing new to report.
- Parcel J1, Haggerty & Oakley Park – Nothing new to report.

II. MTT Judgments – As updates are available, a report will be distributed at the DDA meeting.

III. Commerce Towne Place HOA Items –

- A. **Budget** – The 2023 CTP budget was approved. We have no outstanding claims or reimbursement invoices at this time for damages, staking of utilities or other expenses.
- B. **Dues** – All dues payments are current. Quarterly dues invoices for the subdivisions have been sent.
- C. **Tax Forms & Reports** – The 2022 tax return was filed.
- D. **Lighting/Electrical – Shaw Elec., Mark Feters, Adam Dornton, Eric Peterson**
 - The system is fully functional.
 - I'm working with Shaw to make the transition as their staff is taking over maintenance and management of our light poles, in addition to the underground electrical that they have maintained for us for several years now.
 - An alternative management plan for the lighting system will be reviewed, which would be through DTE. Costs and options will be compared to determine future feasibility, along with pros and cons. This was suggested by Supervisor Gray, and by a developer.

David Smith felt there would be issues with response times if the system were managed by DTE. Supervisor Gray noted that he was on a webinar recently and DTE has created a whole new division to take care of street lighting and parking lot lights. It would be a monthly fee and they would manage maintenance and repairs. Director Watson noted that a developer had also recommended these DTE services. Derek Tuck added that the work would probably not be done by DTE; it would be subcontracted to Motor City Electric. Director Watson agreed, and she is familiar with the subcontractors.

- E. **Landscaping & Maintenance – United Lawnscape, Angela Munroe; Bob Rousseaux's Excavating, Mark Rousseaux**
 - United Lawnscape will soon begin spring cleanup, mulching, grass cutting, and possibly some plantings along Martin Parkway. Mulch will be significantly reduced and aeration of tree beds will be performed to promote tree health.
 - March 21-22, Mark Rousseaux and his team completed a cleanup of Martin Parkway and the CTP trails, removing debris, branches and fallen trees due to recent storms.
 - Mark arranged for deep root fertilization with Doug's Tree Service for Martin Parkway trees, and that has been completed this month. Additionally, we will review and assess tree health and the possibility of removing additional trees as necessary. We will also establish a tree planting plan for this fall, and long-term management.
 - I inquired with Leah about consulting on potential grant opportunities, especially for tree planting. I await her correspondence and will provide updates when available.

Discussion took place regarding plantings and trees in the Martin Parkway median and in the roundabouts, along with issues of traffic accidents. David Smith inquired about blocking the view of traffic in the roundabouts. The County's fence at the Pontiac Trail roundabout was also discussed.

F. Irrigation – Michigan Automatic Sprinkler, Mike Rennie

- The irrigation system was opened and tested on Wednesday, April 5th.
- Repairs were scheduled, estimated at up to \$5,000, and have since been completed.

Director Watson discussed concerns with the cold temperatures and having the irrigation open. Engineer Schwanitz responded that there shouldn't be any issues with freezing.

IV. Other –

- The County recently issued a new TIF policy. We reviewed the policy and corresponded with counsel and the County. It was confirmed that the revised policy only applies to new TIF plans, and existing TIF authorities looking to expand.
- Jason Mayer has been so kind as to set up the Adopt-A-Road for Martin Parkway on Saturday, April 29th from 9-11am. If anyone is interested in participating, you can contact me, or if you have Jason's email, you can contact him.
- I know that the Township has retained a new firm to redo our website. We will be looking at doing updates on our webpage in the near future too. One thing I commonly saw on a lot of other DDA web pages were photos of the Board members and short bios. I'll communicate with each of you individually to see if you're comfortable with that. In addition, I'd like to add a presentation of our history, our present situation and the future as we see it. I'll work with Sandy, our new web company, and also with Ben as he will still be overseeing the website too.
- I'll defer to Larry for an update from the Township Board meeting.

Township Board Update

Supervisor Gray shared the following:

- We had a couple public hearings for the sewer on Lagoon and paving for Whitlow Court.
- We had five board appointments, and two of those were Steve Matta and David Smith. They are now online until May 31, 2027.
- We awarded contracts for both of the public hearings mentioned, and also for a water study through a company called USF, which is going to be studying our water and sewer lines.
- We had a whole bunch of introductions for new ordinances. The main ones are rental ordinances for rental homes, and also for short-term rentals. No action was taken on those and we will be discussing them further next month.
- We approved an ordinance change for The Cove at Benstein Crossing, which is where the silo is on Benstein Road. They will be putting in nine duplexes for a total of 18 units in there.
- We talked about Township property sales that we have going on. We have seven parcels. We accepted one bid.
- We are moving forward with an Employee Assistance Program for all Township employees.
- We talked about a generator for the Library.
- For those of you who know Janet Bushey, she surprised us last week; she is retiring on June 22nd. She has been here since 1996. We will move forward with Katelyn Massey, her assistant, to take on the position on a trial basis.

Director Watson – Wow, Janet will be dearly missed. Thank you, Larry. I have one question for Dave before I end my report. I'm just curious where we stand with Beaumont. I know there was a

developer who had the property under contract, and I think they left with some ideas after the conceptual review with the Planning Commission. I wondered where they are today if you know.

Dave Campbell – I don't know other than I have a meeting scheduled with that prospective developer on April 26th, where hopefully I will learn a lot more.

Discussion continued regarding the future of the Beaumont property.

Item 6: Attorney's Report

Attorney Martella – Debbie took most of my thunder.

Director Watson – Sorry.

Attorney Martella – The NVS deed was recorded after two phone calls and a visit to Oakland County for a sit-down. I talked to the head of document review and recording and I made our case. I was told the issue was because it was a municipality selling the deed under an exemption for transfer tax, because municipalities don't pay transfer tax, and we put that in the deed, and we also put zero and exempt on the property transfer affidavit, and the RETTVA, but instead of exempt, they prefer to have the actual statutory sections filled in on those blanks.

Treasurer Phillips – Oh, for the State and the County.

Attorney Martella – Yes, instead of saying exempt, or zero, or nonapplicable.

Treasurer Phillips – They've made us do that on the properties we've sold recently and they didn't used to.

Attorney Martella – The funny part is, that would have been fine if when they rejected it, they had just said, "Hey," ...

Treasurer Phillips – "You need the MCL numbers on here."

Attorney Martella – Yes, just put the MCL numbers in. The title company would have been fine with that. So to have them say that you can't use a RETTVA with a tax exempt transfer deed was the most absurd thing we'd ever heard. I think someone realized what was being said and when it got to their boss, he said, *Just save face, do this and record it*. It was very odd, but it's done. I did speak to LAG's attorney on Friday about the timelines, understanding that we need advance time to make sure that we get Board approval and the resolution completed for signatures. She noncommittally assured me that we will be closing as expected in June. So next month, I will be back here with a resolution for the Board's approval.

Director Watson – Dave, are you getting the same impression from LAG? Are they going to have everything to you?

Dave Campbell – They have submitted their PUD site plan and we have distributed it to all of Matt's friends at Giffels Webster for engineering and landscape reviews, and we're doing the planning review. We're going to have it on the Planning Commission agenda for May 1st. As of right now, I don't see any reason why the Planning Commission won't be prepared to take action.

Director Watson – Great, thank you both.

Attorney Martella – That’s all I have to report on those matters.

Chairperson Gotts – Thank you, Chris.

Item 7: Engineer’s Report

Engineer Schwanitz – We’ve haven’t had that much going on. We’ve had a couple of meetings with Bruce and his representative, Luke Bonner, and actually Jason on behalf of the Township, who corrected some numbers for them in relation to what the Township will be building and paying for on the sewer. So Bruce has that data and he seems to be engaging his own engineer more. They seem to be tooling up and getting ready to get into the hard design of the project.

Director Watson – And the sewer plan was better than he understood it to be.

Engineer Schwanitz – Yes, and I think it’s great that Luke Bonner is involved. They are also talking about cranking it up with Edison on the switch gear and transformer issues. Hopefully he’ll get Edison to start using the clock instead of the calendar.

Director Watson – Thank you.

Chairperson Gotts – Thank you, Matt.

Item 8: Planning Director’s Report

Dave Campbell, Township Planning Director, had provided his report in the Board’s packet.

- We’ve already talked about Lafontaine and their timeline.
- Other projects within the bigger DDA district that are in our pipeline:
 - Costco is looking to replace and expand their existing gas station. They are looking to move the gas station further east within their existing parking lot and add to the number of pumps. They’re also reorienting it which we hope helps with the traffic flow. Right now, when people line up for the gas pumps, sometimes they spill out into the public road which is obviously a problem. That will be on our May 1st Planning Commission agenda.
 - My boss is having me chase Home Depot around with respect to their outdoor storage. They have taken a lot of liberties with mulch, rental equipment, et cetera. They need to do a better job containing that.
 - Speaking of DTE and properties like Aikens and Beaumont; I know Larry is trying to get some answers from DTE regarding some of our other big, developable properties. If and when the day comes that somebody wants to develop Beaumont, are they going to be in the same boat as somebody like Aikens where DTE tells them they don’t have the capacity to service what is proposed? We’re trying to get a better idea from them of what the grid looks like on a macro level.
 - Lastly, between Larry, Chris and I, we are all trying to come at Walmart from different angles to get them to give us answers regarding the lack of a traffic signal at Pontiac Trail and Walnut Lake Road. That’s a signal that would be shared with the Five & Main project, and also with the traffic on the south side of Pontiac Trail coming up Walnut Lake. Walmart is tough to get through to on this topic. We’ve been trying for years.

Chairperson Gotts – Thank you David.

Item 9: Committee Reports

A. Finance Committee – *Finance was covered under Item #4 with the Asset & Liability Report.*

B. Public Relations Committee – Public Relations Chairperson, Jose Mirkin – As I said before, we will have the first in-person K-12 Art Exhibition in the community Library. I want to remind you that the reception will take place on May 24th. We don't have the time yet, but please save the date to go to the public library and enjoy art. As you already know, because we have done this successfully for many years, the last time we had an in-person event, we had between 800 to 1,000 people in attendance.

Jose circulated a poster promoting the Art Exhibition to be posted at the Township Hall. He will also ask local businesses to help promote the event. David Smith suggested taking a photo of the poster and circulating it via email.

Jose Mirkin – Also in May, we will have the DIA bringing masterpiece reproductions here to the Township Hall, and also to the Library, the Richardson Center and some businesses in the area. So besides building real estate, we are trying to build community.

Chairperson Gotts – Thank you, Jose.

C. Marketing Committee – Marketing Chairperson, David Smith – Thank you for stealing my thunder, Deb. I have nothing to add that has not already been covered.

Discussion took place regarding contacting Walmart.

Item 10: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure

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

Item 11: Other Matters

Director Watson noted that the May DDA meeting is the annual meeting which includes the election of officers and a review of the bylaws. In addition, the Board will see the Lafontaine resolution.

The next regularly scheduled DDA meeting is Tuesday, May 16, 2023, at 12:00pm.

Item 13: Adjournment

MOTION by Smith, seconded by Mirkin, to adjourn the meeting at 12:45pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

EXP CHECK RUN DATES 04/18/2023 - 04/18/2023
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: DDA
DDA WARRANT REPORT
APRIL 18, 2023

Vendor Code	Vendor Name	Description	Amount
DAWDA	DAWDA MANN COUNSELORS AT LAW		
	576900	PROFESSIONAL SERVICES THROUGH MARCH 31 2023	4,944.63
TOTAL FOR: DAWDA MANN COUNSELORS AT LAW			4,944.63
WATSON	DEBORAH WATSON		
	MAR/APR 2023	DDA DIRECTOR 03-16-23 TO 04-12-23	3,900.00
TOTAL FOR: DEBORAH WATSON			3,900.00
GIFFELS	GIFFELS-WEBSTER ENGINEERS		
	128516	COMMERCE TWP DDA GENERAL ENGINEERING	465.00
TOTAL FOR: GIFFELS-WEBSTER ENGINEERS			465.00
KEMP	KEMP, KLEIN, UMPHREY & ENDLEMAN, PC		
	216626	PROFESSIONAL SERVICES THROUGH 3-31-2023	267.80
TOTAL FOR: KEMP, KLEIN, UMPHREY & ENDLEMAN, PC			267.80
SANDYB	SANDY ALLARD		
	JAN/APR	DDA ASSISTANT 01-12-23 THROUGH 4-12-23	910.00
TOTAL FOR: SANDY ALLARD			910.00
USBANK	US BANK		
	6864130	DDA REFUNDING BONDS, SERIES 2019	500.00
TOTAL FOR: US BANK			500.00
TOTAL - ALL VENDORS			10,987.43

INVOICE ENTRY DATES 04/18/2023 - 04/18/2023
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: DDA
DDA WARRANT ADD-ON REPORT
APRIL 18, 2023

Vendor Code	Vendor Name	Description	Amount
CITIZEN	CITIZENS INSURANCE COMPANY		
	STATEMENT 4/3/23	GENERAL LIABILITY POLICY 4/28/23 - 4/2/24	518.00
TOTAL FOR: CITIZENS INSURANCE COMPANY			518.00
DTE	DETROIT EDISON		
	910007710650	2660 E OAKLEY PARK	114.01
	910007710767	3106 MARTIN PARKWAY	127.94
	910007711005	2579 LIBRARY IRRIGATION	35.18
TOTAL FOR: DETROIT EDISON			277.13
TOTAL - ALL VENDORS			795.13