

**CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, October 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 12:02PM.

Downtown Development Authority:

Present: Mark Stacey, DDA Director
James Gotts, Chairperson
Dan Lublin, Vice Chairperson
David Smith, Member
Susan Spelker, Member
Brian Winkler, Member
Steve Matta, Member
David Scott, Township Supervisor
Jose Mirkin, Member

Absent: Tim Hoy, Member (excused)

Also Present: Thomas Rauch, DDA Attorney
Debbie Watson, DDA Assistant
Melissa Creech, DDA Secretary
Molly Phillips, DDA Treasurer
Matt Schwanitz, Giffels-Webster Engineer
Dave Campbell, Township Planning Director
Lieutenant Wendy Reyes, OCSO Substation Commander
Randy Thomas, Insite Commercial
Simon Rubin, Insite Commercial

Item 1: Approval of Minutes

MOTION by Lublin, seconded by Mirkin, to approve the Regular Meeting Minutes of September 17, 2019 as presented. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

None.

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; If you’ve driven by, there's a lot of activity going on. They’re getting ready with stone and the roads will be poured shortly. There's 8 pads that have been poured. They’ll be going vertical soon. They’re building these the way they did at Shearwater with panels, so the buildings will go up fairly quickly. He thinks they will be opening sometime in Summer 2020.
- Parcel B1 – Aikens, Five & Main; We are working on it. I’ll let Tom give more detail on it regarding the closing scheduled for the end of the month.
- Parcel B2 – Granger, First & Main; No new update.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; As you’ll recall, we did receive an offer on the property. Since then the developer, who owns other assets

in the area, has asked us to sit on the offer. We have not responded, and he will let us know his intentions going forward. I do continue to get gas station inquiries on a weekly basis.

- Parcels D&E – Pulte, Merrill Park; Nothing new to update. It looks like they're just wrapping up on the final homes and landscaping.
- Parcel F – The acreage in front of the Township Hall; We had one inquiry from a Henry Ford medical group. We still have the dental group. They stay in touch with me. They are awaiting movement on the Aikens parcel.
- Parcel G – Wyncliff; Nothing new to report.
- Parcel I – BBI Holdings, Gilden Woods; North of the Township Hall, Nothing new to report.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; As you'll recall, Aqua Tots was interested in this parcel. He called me again three weeks ago and they may be coming back.
- Parcel J2 – NorthPoint, Beyond Self Storage; Nothing new to report.
- Parcel K – The orphan piece across the street; Nothing to report lately.
- Parcel L – 1.8 acres on Haggerty Road; We had a childcare group that was interested. I gave them information. I asked them, what's the depth of the market and why are you looking at Commerce Township? He said we have an underserved area and they believe there's a demand.
- Parcel M&N – These are the two out-lots that are being retained by the DDA within the Aikens development.

ITEM 4: Director's Report

- **Updates on Developers** - *(Covered by Randy's report)*
- **MTT Judgments** – None.
- **HOA Items** –
 - **HOA Budget** –
 - The 2019 Budget was approved.
 - We will be sending out the 2020 HOA Budget on November 1st, based upon Bruce's closing. We have recalculated percentages. It makes sense to process this once he takes possession of the parcel.
 - **Dues** – 4th Quarter invoices have been sent out to Merrill Park and Wyncliff.
 - **Lighting - CJs Lighting, Chris Niestroy, Shaw Electric, Keith Greene**
 - The rope lighting in the tunnel is complete. It looks absolutely stunning. If any of you have time at night, take a walk down there. It has a great glow. It does not look as nice as Mr. Campbell's bridge, but it looks great. We have now turned over everything to Commerce Towne Place, as that was the last piece of the puzzle that we had retained.
 - As you'll remember, there was an issue with the electrical service to the tunnel lighting. The total bill to repair that was \$14,076. We went back to AT&T and they have kicked the ball over to their subcontractor, which we are pursuing. The subcontractor did stake the ground before they dug. We're not sure ultimately what will happen with this claim.
 - **Landscaping - United Lawnscape, Brian Sparks**
 - United is finishing up for the season.
 - We had a tree cleaned up that was down.

- We have a turf restoration issue that we're working on, which is in the middle of the Parkway. The contractor is aware of it.
- The phragmites treatment is in process. He will get the project done before the first heavy freeze.
- **Irrigation - Michigan Automatic Sprinkler, Mike Rennie**
 - They are working on our system, and we've had a number of issues at the end of the season.
 - We thought we had a controller issue, but it might be a 2-wire issue with the buried lines. They're working to fix it and we have to get the system up and running so that we can close it down for the season.
- **Other**
 - We have not had any additional issues with graffiti. Hopefully that will cease and desist now that we have caught the vandal.
 - At last month's meeting, I talked with you about Merrill Park's holiday lighting.
 - I'll pass around a couple photos. It looks absolutely stunning.
 - They found out it was significantly less expensive to have that done this time of year, rather than waiting until November or December. He won't run it this early.
 - There were two issues to be addressed in this regard:
 - One, they asked what time frame they can run the lights. There are no requirements or restrictions by the Township, nor in the condo association documents.
 - Two, I spoke with Jim Galbraith concerning financial participation by the CTPA in holiday lighting. Jim does want to see the entire project lit up and he is interested in a sense of community. Merrill Park said that they spent \$3,000 on lights plus about \$1,000 for install. Certainly at the last meeting, we talked about CTPA contributing toward that cost for Merrill Park. I was thinking along the lines of \$1,000 from CTPA to Merrill Park.
 - Wynclyff may want to do something too, and I think theirs would be \$500 because it's a proportionate share.

Discussions took place regarding the date range for illuminating the holiday lighting at Merrill Park, along with power for the lighting which was being provided by Merrill Park's electrical service for their front lighting system. The consensus was to allow illumination between November 1st through February 1st. The DDA Board members were in agreement with the amount(s) as presented by Director Stacey.

Discussions also took place regarding the M-5 Pedestrian bridge, the multi-color lighting and programming color themes.

Item 5: Attorney's Report

Attorney Rauch – My report will blend into Item 6, Aikens' Closing.

Item 6: Aikens' Closing

Attorney Rauch – There are two concurrent items which are action items for the DDA Board. The first is the Amendment to the Master Deed to create the parcels, 13 and 14, out of Unit 9, which we've contracted to sell to Bruce Aikens' entity. Phase I is Unit 13. In order for us to create the unit, we have to amend the master deed. The master deed then gets presented to the

Register of Deeds. They have to approve it, but we don't want them to record it until we actually close. With all the dates and the timing, we need to get the Amendment to the Master Deed to the Register of Deeds promptly. Therefore, I'd like you to entertain a motion approving the Fourth Amendment to the Master Deed, which I forwarded to you last week.

The second item is picking up on that, the contract with Aikens requires that he close by October 31st on Phase I. We are working toward that and anticipate that we will be signing our final closing documents early in the week, October 28th and 29th, and having it funded on the 30th. We have not received the full commitment for the date by the purchaser. I've been working with his attorney on a daily basis, Dawn Faxon Singer. At the moment, she is continuing to attempt to work with Walmart to obtain the confirmations that she and Bruce have requested from them, because the adjacent property has mutual easements that burden and benefit each property. We are available to help, however that's their issue with Walmart. We are hoping to get that resolved by the closing date, and we're not proposing to change the closing date. So the other concurrent issue is a Resolution to approve, as Seller, the DDA Sale of Unit 13 to the buyer. I drafted a form of Resolution that you could entertain to permit that to happen, which I also emailed to you last week.

MOTION by Lublin, supported by Mirkin, to approve the Fourth Amendment to the Master Deed as proposed by counsel.

Discussion –

Smith – Why don't we record the entire Exhibit B?

Rauch – Ask the Engineer, but Exhibit B is the physical plan for any condominium. Our Exhibit B is a relatively long document; 170 pages or something. When they amend the master deed, the procedure that is commonplace and accepted is that only those pages that are changed are filed with the amendment.

Smith – It's a standard fee now, or it was \$15 and \$2 per page. Now, it's \$30 and you can record the Bible if you want. The match lines refer to other pages that were not recorded, so it's an incomplete document. I'd rather see the entire document recorded.

Schwanitz – I suspect it's for title companies so that they can see what specifically was amended at each point in time.

Smith – That's covered on Page 1.

MOTION CARRIED UNANIMOUSLY

MOTION by Lublin, supported by Mirkin, to approve the Resolution for the sale of Unit 13 of the Condominium to Purchaser pursuant to the Agreement, for development of Phase I of the Project.

Discussion –

Smith – Are we putting ourselves in disparity with the remaining property?

Gotts – In what regard?

Smith – Now we're creating a piece that is contingent upon the viability of the first phase.

Thomas – So the question is, if Bruce buys and does not develop, or Phase I fails, and he does not buy Phase II, do we have a viable piece of property? The answer is yes. There's a lot of value that has been created in there. The question is, what does get developed and how does that impact the balance of the property? Certainly what Bruce is proposing is going to have a positive benefit. Depending on what gets put in there, it could have different impacts.

Smith – Thank you.

MOTION CARRIED UNANIMOUSLY

Attorney Rauch – That's all I have. Hopefully next month, we'll report to you that Phase I closed.

Director Stacey – I will certainly send out an email to everyone.

Treasurer Phillips – Could it have confetti or something?

Director Stacey – I'm sure Deb can handle that.

Item 7: Engineer's Report

Matt Schwanitz – Nothing new, other than assisting Deb, along with some inquiries related to franchise utilities and a few easement requests. No major projects at this time.

Item 8: Planning Director's Report

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

- A couple projects that are coming up on the Planning Commission's agenda within the DDA would be, Pulte wants to build 103 townhomes on the property across the street from here, where the driving range once operated. The existing office building that's there now would be demolished as part of this project. They would have to get the property rezoned, so the public hearing with the Planning Commission is scheduled for November 7th. Mr. Winkler and the Planning Commission already saw their conceptual plans and I think they were generally in favor of what they saw. Mr. Scott and I have a meeting with Pulte at 1:00pm today as part of the rezoning process.
- We had a pre-construction meeting last week with the group that's doing the Rolling Hills project at Crumb Road and Haggerty Road, the 300-unit independent living facility. As we speak, they are probably working hard over there. They got held up a little by Buckeye Pipeline. As you could imagine, they're pretty particular about what you do over and around their high-pressure gas mains.
- Across the street from that project, on the north side of Crumb Road, is a vacant parcel where a group wants to build 100 apartments. They are working with the Planning Commission. They are also going to have a public hearing at the November meeting.
- Randy mentioned Barrington. I talked with Mr. Galbraith today about a number of things. He mentioned that he would have loved to have the paving done on that project weeks ago, but his contractor has a big job over at Metro Airport and that apparently took priority over this job. They're hoping that we'll actually see pavement being laid on that project by the end of next week.
- Bay Pointe Golf Course is not within your DDA, but it's right next to it. There's a group looking to do a residential development there. They continue to do their due diligence, looking at the soils and floodplains, and trying to work around a lot of challenges on that property.
- We already discussed the lighting on the M-5 bridge. I think we've got that figured out. Check it out at night when it's illuminated, with the wave panels and the letters. I think it turned out pretty great.

Item 9: Committee Reports

- A. Finance Committee – Mark Stacey – Items 10 and 11 are year-end budget adjustments, and the DDA Budget final approval. I will defer discussion until those agenda items.

Dan Lublin inquired about how much is owed in bonds with Treasurer Phillips. It is estimated at \$69 million. Discussion continued regarding the bond refunding and acceleration of the principal payback schedule.

- B. Public Relations Committee - Jose Mirkin had nothing new to report this month.

- C. Marketing Committee – David Smith – I really don't have anything to add. Randy was eloquent as always. On a personal note though, Lt. Reyes, I would like to personally thank you. We had a Harley charity ride on Sunday. Your officers blocked a lot of roads for us and they were spot on, they were right there when we needed them. You are definitely an asset to the success of the project. Thank you.

Item 10: 2019 Year-End Budget Adjustments Amendment

Director Stacey – At the last meeting, you approved a 2019 Year-End Budget Amendment. After that meeting, I took that to the Township Board for their approval. The morning of the Township Board meeting, Molly and I discussed lowering the amount of proceeds from Township advances from \$4.5 million to \$4 million. I felt I had authority since we were asking for less money. They approved the budget amendment, so I'm bringing it back to you for your re-approval with the change.

MOTION by Mirkin, supported by Lublin, to approve the 2019 Year-End Budget Adjustment Amendment as presented. **MOTION CARRIED UNANIMOUSLY**

Item 11: 2020 DDA Budget – Final Approval

Director Stacey – You authorized the 2020 Budget at the last meeting. It has been approved by the Township Board. This is the same budget you approved last month, but now we need final approval.

David Smith – Are you basing this on the Aikens' sale?

Director Stacey – Absolutely, and I told the Township Board that if it doesn't happen, I'll be back to them in November.

MOTION by Lublin, supported by Mirkin, to approve the 2020 DDA Budget as presented. **MOTION CARRIED UNANIMOUSLY**

Item 12: 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 13: 2020 DDA Meeting Schedule

Director Stacey – Susan Spelker looked this over.

Susan Spelker – I did look at the schedule and the only issue I saw was the meeting in March is on St. Patrick's Day.

Winkler – Did we want to designate a couple of these meetings as informational meetings in advance?

Director Stacey – I had thought about that, but I'm not sure when I want to do them yet. I'll definitely spread them out further apart, probably one at the start of the summer and one toward the end of the year, but we'll figure that out next year. Our next meeting in November will be an informational meeting again.

MOTION by Spelker, supported by Lublin, to approve the 2020 DDA Meeting Schedule as presented. **MOTION CARRIED UNANIMOUSLY**

Item 14: Other Matters

- **The next regularly scheduled DDA meeting is Tuesday, November 19, 2019 at 12:00pm, at which time a DDA Informational Meeting will also be held**
- Supervisor Scott – The Commerce Township Board members are now landlords and owners of 8585 PGA Drive. The Board approved the purchase of the building. The tenants have been made aware that this will be the home of the new Sheriff's Department substation, and potentially an advanced life support ambulance bay, and I'm having conversations with Jocelyn Benson from Secretary of State to have an office placed in that building as well.

Discussions took place regarding the campus, DDA developments, the time frame for the tenant's leases in the building, and details of the building purchase.

Lieutenant Reyes – OCSO Update

- Intersections without signals, we're #1 still at M-5 and Pontiac Trail. So far this year, 69 accidents. Depending on winter, we're on target to be a little bit under last year.
- The better news, for intersections with signals, the highest one is #12, Commerce Road and Union Lake Road. Then we're #26 at Pontiac Trail and Beck Road.
- Also, just on some of the updates for criminals being caught.
 - We caught the vacuum cleaner thief. He's been stealing all over town. He committed retail fraud in Novi, retail fraud in 2013 in Royal Oak, and also in Madison Heights. He's currently on probation for additional retail fraud out of the 6th Circuit. We got him for an incident at Target where he walked out with a vacuum cleaner, and there are two other reports for pending retail fraud charges.
 - Another follow-up, if you guys remember the Costco armed robbery jewelry thief. He was convicted and sentenced to 13.5 to 20 years in prison for armed robbery. That was the one with the hatchet. His partner was also found guilty and we're waiting on his sentencing next week.

Item 15: Adjournment

MOTION by Mirkin, seconded by Winkler, to adjourn at 12:46pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

Vendor Name	Invoice Date	Description	Amount
1. CJ SIGNS & LIGHTING, LLC	09/25/2019	ROPE LIGHTING ON BRIDGE BALANCE OWED	2,900.00
2. DEBORAH WATSON	10/09/2019	DDA ASSISTANT HOURS 9/12 - 10/9/19	1,175.00
3. GIFFELS-WEBSTER ENGINEERS	09/30/2019	PROFESSIONAL SERVICES THROUGH SEPTEMBER 21, 2019	858.00
4. KEMP, KLEIN, UMPHREY & ENDLEMAN, PC	10/08/2019	PROFESSIONAL SERVICES THROUGH SEPTEMBER 30, 2019	7,848.60
5. MARK STACEY	10/09/2019	DDA DIRECTOR 9/12 - 10/9/19	5,150.00
TOTAL - ALL VENDORS			17,931.60
FUND TOTALS:			
Fund 499 - CAPITAL PROJECTS - DDA			17,931.60

INVOICE ENTRY DATES 10/15/2019 - 10/15/2019
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID

BANK CODE: DDA
DDA WARRANT REPORT - ADD ON'S
OCTOBER 15, 2019

Vendor Name	Invoice Date	Description	Amount
1. DETROIT EDISON			
	10/12/2019	2660 OAKLEY PARK	103.70
	10/12/2019	MARTIN PARKWAY	107.19
	10/12/2019	2581 LIBARY DR.	655.76
	10/12/2019	2579 LIBRARY DR.	92.11
		TOTAL	958.76
TOTAL - ALL VENDORS			958.76
FUND TOTALS:			
Fund 499 - CAPITAL PROJECTS - DDA			958.76