

FINAL
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, January 18, 2022
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: Debbie Watson, DDA Director
James Gotts, Chairperson
Larry Gray, Township Supervisor
David Smith, Member
Steve Matta, Member
Tim Hoy, Member
Jose Mirkin, Member
Brian Winkler, Member
Susan Spelker, Member
Elizabeth Bulat, Member

Absent: Molly Phillips, DDA Treasurer (excused)

Also Present: Melissa Creech, DDA Secretary
Thomas Rauch, DDA Attorney
Matt Schwanitz, Giffels-Webster, DDA Engineer
Randy Thomas, Insite Commercial
Dave Campbell, Township Planning Director
Lt. Wendy Reyes, OCSO Substation Commander
Bruce Aikens, Robert B. Aikens & Associates, LLC

Item 1: Welcome New DDA Board Member, Elizabeth Bulat

Chairperson Gotts welcomed Elizabeth Bulat. The DDA Board Members, Township staff and consultants each introduced themselves.

Item 2: Approval of Minutes

MOTION by Mirkin, seconded by Winkler, to approve the Regular Meeting Minutes of December 13, 2021 as presented. **MOTION CARRIED UNANIMOUSLY**

Item 3: Public Comments

Chairperson Gotts – Lt. Reyes, you have a speaking part if you'd like to comment on anything.

Lt. Reyes – Not really. I keep in communication with Debbie. We've had a couple light poles go down. It's unusual, the accidents have not been reported so we couldn't get the insurance information to her. I don't know how someone knocks down a pole and just drives away without anyone seeing it or calling.

Director Watson – Yes, I'm surprised.

Chairperson Gotts – On your agenda, you will note the Five & Main Quarterly Update. That would be presented by our developmental partner. We had a pre-meeting with him, and we expect he will be joining us again here shortly.

Item 5 was moved up on the agenda until Bruce Aikens could return to deliver his update for Item 4.

Item 5: Vice Chairperson Position

Chairperson Gotts – As you know, Dan Lublin has retired. We will entertain nominations for the Vice Chair.

Supervisor Gray – With Dan leaving and having the Vice Chair position open, I would like to nominate Steve Matta, if somebody would second that. It seems that everybody on the DDA has a role, whether it be marketing, financial, or public relations. I'd like to spread it out so everybody has different tasks. I think Steve would be a good Vice Chair.

David Smith – Were there other people?

Susan Spelker – I'd like to see this nomination go to a board member who has served more time on the board and has more of an investment.

Chairperson Gotts – I did have discussion with you, Susan, and also with Jose, and he has expressed great interest in the Vice Chair position. I think he has done an incredible job with what he has been doing.

David Smith – I think Susan is interested in the position too.

Susan Spelker – My choices go Tim, Jose, me. I don't think Tim is interested.

Tim Hoy – I'm happy to help anytime. I'm happy to run a meeting. I think maybe an attorney could possibly be a better choice in adding more to the organization.

Susan Spelker – I'd like to nominate Jose if he is still interested.

Gotts – Jose, would you accept?

Jose Mirkin – Yes, of course.

Chairperson Gotts – Is there support for nomination of Jose? Hearing none, we will revert back to affirmation of the Vice Chairperson nomination of Steve Matta.

MOTION by Gray, seconded by Hoy, to nominate Steve Matta for the Vice Chairperson position.

ROLL CALL VOTE

AYES: Gray, Hoy, Winkler, Mirkin, Bulat, Gotts, Smith, Spelker

NAYS: None

ABSTAIN: Matta

MOTION CARRIED

Discussion continued. David Smith agreed with Susan Spelker regarding seniority, and felt that Jose would be fine for any position on the Board. Chairperson Gotts stated that Steve had been in attendance at the marketing meetings for the past several months, so he understands what has been going on. In addition, he explained that much of the background work is done in committee meetings to expedite matters and create more efficient DDA meetings. Spelker suggested having a rotation of members attend the marketing meetings. Smith stated that he would work with Deb to set up a rotating schedule. Gotts offered to sit out to allow other members to join the meeting.

Item 4: Five & Main Quarterly Update

Chairperson Gotts welcomed Bruce Aikens.

Bruce Aikens – Since we last met, we did go to Las Vegas for the first real face-to-face ICSC convention since COVID started. It was good to be back at work, in a forum that we all understand and is very productive. It was one of our strongest conventions in quite a while. We had meetings with over 20 retailers. A number of them were on the plan, and some were not. They were all very positive discussions about continuing forward with deals we cut years ago, or getting them to the site for tours, and working to move deals forward in preparation for when we go to the next convention in May, which will also be in Vegas. The show went extremely well and we felt very positive about that. Obviously when we got back, omicron was beginning to rear its head. All of the retailers are basically shut down and travel is extremely limited for them. It has caused a delay in our plans, but we still think we're in a stronger position than we were before the pandemic because of our experience at the Village of Rochester Hills.

The tenants want to be outdoors, so our product type is what the tenants want to be in. There are still a lot of unknowns as far as what the exact mix is. I still believe in theaters and that they will be reinvented in some form. We're seeing very good results and theaters are starting to awaken to some degree to even discuss a new deal. We do not think the theater next to Costco will reopen.

Randy Thomas – Last time I talked to them, they did not have any immediate plans to do so.

Bruce Aikens – We feel extremely confident that as we get past this omicron wave, we're going to start getting back to work like we anticipated, with just a couple months' delay. I think the world will be a better place in May. Retailers were really wanting to talk about deals, and they don't have a lot of options. A lot of retailers have closed a lot of stores, so we think it's a much healthier environment out there. We're just anxious to get to work.

David Smith – You expressed a very positive interest in our development with high-end developers.

Bruce Aikens – We're working with some national companies that have the financial wherewithal to do a project like this. Insurance companies are still extremely difficult for ground-up projects. We are in discussions and we have one company coming tomorrow. We will fly them over on Thursday. They're capable of building both the residential and the retail. We have a number of groups we're very close to signing a deal with for the residential, if a larger company that could do both doesn't come into play in the next couple of months.

Jose Mirkin – Bruce, the anchors that you had before are still with you, correct?

Bruce Aikens – Yes. The players we've had all along are still in place and want to do the deal. We're talking about opening in 2024.

Rules changed and regional malls are struggling. Village of Rochester Hills is leasing better, to better tenants, at higher rents than we've had in years. It's incredible the success they're having there right now. We just think that will roll right over into Five & Main.

We certainly have been pushed back a little bit. There's other headwinds you hear about. It's a very difficult time to think about initiating construction; however, we are hopeful that by fall, we will be in a better place relative to supply chain and costs.

The good news is that everyone is still in place. We believe strongly that we can lease it, and we think we can lease it more effectively than before COVID. It's a matter of letting the world settle down and creating a new normal, which will allow us a better platform to build this.

Susan Spelker – When do you first see a shovel going in the ground?

Bruce Aikens – I still hope that we can get work going in the fall, but that is getting tough. We certainly will be in to redo the site plan in the next two or three months. We're going to choose a residential developer and come to the Board with a plan. Our plan was to do that in February. I think that will slide into April, but that's still our goal. That residential developer is ready to go. We've done infrastructure analysis and we've been working hard the last 6 months on sewer, storm water detention, electrical, along with how it all lays out and how the two projects work together. A ton of work has gone into this relative to costing from an infrastructure perspective, so we're ready to run.

Discussion continued regarding Village of Rochester Hills. Bruce Aikens stated he would return in three months, and again in June after the May ICSC.

Item 6: Insite Commercial Report

Randy Thomas gave a review of the report submitted in the Board's packet:

- Parcel B1, Phase II – Aikens, Five & Main; *Covered above.*
- Parcel B2 – Avalon; Nothing new to report.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; Over the weekend, we received a proposal for a development and use. I sent it over to Deb and Tom yesterday with some comments. We've got some work to do on our end before we can get it in front of the Board. We need to discuss the proposed use with Dave, and secondly would be the economics. We will take a look at the whole package and we're at the beginning stages of that. Hopefully by next meeting, we will be back in front of you with a purchase agreement.
- Parcels D&E – Merrill Park; Nothing new to report.
- Parcel F – The acreage in front of the Township Hall; Nothing really significant happened in the last 30 days.
- Parcel G – Wyncliff; Nothing new to report.
- Parcel I – Gilden Woods; North of Township Hall; Nothing new to report.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; Last week, we had a gas station group that is looking in the market again. They have looked at other sites. Based on past meetings with the Planning Commission, I've steered them over to that site. From some of the discussions, that use may be considered over there. I've only talked with them a couple times over the phone.
- Parcel J2 – Public Storage; Nothing new to report.

- Parcel K – The orphan piece across the street; Nothing new to report.
- Parcel L – 1.8 acres on Haggerty Road; At the last couple meetings, I updated you that we do have a purchase agreement from a childcare user. We are at the point where we got a counter back from the buyer yesterday that both Tom and I feel is satisfactory, subject to them submitting a revised Exhibit C, which is important because it gives a description of the proposed development. Once we have that in order, Tom, I don't know if we need another motion?

Attorney Rauch – The Board approved an LOI last month.

Director Watson – I was just going to mention that I rearranged our agenda so that Tom, your report follows Randy's. Randy if you want to conclude, then Tom can start.

Randy Thomas – Sure. The balance of the parcels, M & N, are the two out-lots in Bruce's development.

Chairperson Gotts – Any questions or discussions with Randy?

Elizabeth Bulat – I'm just curious, will this be similar to Gilden Woods?

Randy Thomas – The building will look different. It's going to be childcare. They're basically taking the Montessori program to a higher level.

Item 7: Attorney's Report

Attorney Rauch – The LOI was approved for the sale of Parcel L at the last meeting. Since then, we have negotiated with the developer a form of agreement that I sent to the Board members last Friday. Since then, we received a response to our final questions and concerns, including as Randy mentioned, a broader description of the project so that the agreement has a more specific and detailed description of what the development is going to be. The concept of this land use was for a product like the Goddard School product, which was a young child educational facility, as well as caring for preschoolers in daycare.

The developer gave us a quick description of an 11,000 square foot daycare center. I don't think that they were thinking about our concerns. Randy voiced them, and they're going to provide a more detailed description which will include their educational product, Higher Ground. It is based on a Montessori school environment, in addition to caring for young children.

I trust you've had a chance to review the agreement. It basically followed the prototype that we have utilized in the past, and had some negotiations that were not unexpected at all. The only substantial change they made to the agreement was related to the terms of a default, the economics remained the same.

So, the only change to the document you have will be a more thorough description on Exhibit C. I would recommend you have a motion to approve the form of the document, and the Chairperson or Vice Chairperson, and the Secretary can execute the document so we don't have to wait another month to get a final agreement before you.

MOTION by Smith, supported by Mirkin, to approve the form of the Purchase Agreement for Parcel L, as presented by counsel, contingent upon there being no major changes as discussed, and to move forward with execution of the document.

MOTION CARRIED UNANIMOUSLY

David Smith discussed the use determination needed for the childcare facility, and he conceded that the bike path be eliminated along the side of Parcel L.

Item 8: Director's Report

Director Watson provided an overview of the report included in the Board's packet.

I. Updates on Developers –

- Aikens/Five & Main – *Covered above.*
- Merrill Park – Pete Cantillon, our representative to CTPA and their HOA President, will be stepping down. I'll be looking to Liz for more information soon.

Elizabeth Bulat – I've had some initial conversations with the three new members. It's a good, fresh start. I think Pete did a wonderful job and he's taking a break.

Director Watson – He has been a pleasure to work with. I look forward to talking with the new board members soon.

On that note, in front of Merrill Park, Pete notified me last week that we had property damages. We had electrical damage and power was knocked out to the tunnel for the security cameras and lighting. That was already repaired and I'm working on restitution.

I met with Matt, Tom and Jim this morning to discuss measures we might implement to help prevent property damage going forward. It has happened so many times, so we're reviewing options to get notifications when utility contractors will be onsite digging. They did not follow protocol. If they had, they would have known private utilities exist.

Discussion took place regarding Miss Dig alerts, staking of electrical and irrigation, the permit process, as-builts, lack of attendance by franchise utilities at pre-con meetings, and subcontracting.

- The Avalon of Commerce Township – Nothing new to report.
- Shapiro/Barrington – Nothing new to report.
- Wyncliff – Nothing new to report.
- Public Storage – Nothing new to report.
- The Space Shop – Parcel K, Self-Storage; Construction continues.
- Parcel L, Murphy RE Services for Higher Ground Education Childcare – *Covered above.*

II. MTT Judgments – Nothing new to report.

III. Commerce Towne Place HOA Items –

- A. Budget** – The 2022 budget was approved via consent action by the Directors.
- B. Dues** – Invoices have been sent out for 2022 dues.
- C. Tax Forms & Reports** – Nothing new to report.
- D. Lighting – CJs, Chris Niestroy; Shaw Electric, Mark Feters, Adam Dornton**
 - As Lt. Reyes mentioned earlier, we have two more light poles down at M-5 and Pontiac Trail.
 - We have no accident reports, and therefore no insurance claims.

E. Landscaping – United Lawnscape, Jim Parkinson; Mark Rousseaux; Brian Servello

- Two turf damage claims are pending.
- Any recent damages will be scheduled for repair in the spring.

F. Irrigation – Michigan Automatic Sprinkler, Mike Rennie

- As-builts of our irrigation system are being finalized for our files.

G. Memorial Benches –

- Benches were delivered in late November and are in storage.
- They will be installed in the spring.

IV. Other – Sign Bandit – Nothing new to report.

Director Watson deferred to Supervisor Gray for an update from the January 11th Township Board meeting.

Township Board Update

Supervisor Gray – It was actually a very short meeting.

- We discussed COVID quarantine time for our employees. CDC guidelines came out with a 5-day quarantine. We decided that if you have been exposed or have COVID, you can be paid for 5 calendar days off. After that, it would be PTO time.
- We are looking for one or two members to join our Board of Review. We also have an opening on our Parks & Recreation Committee. If you know anyone who would be interested, please send them my way.
- We are having a kickoff meeting Thursday for 8585 PGA, for the Oakland County Sheriff's office.

David Smith – There was talk a long time ago of a Secretary of State. Have you pursued that?

Supervisor Gray – No, that never came to fruition.

Item 9: Engineer's Report

Matt Schwanitz, Giffels Webster – I've been helping Deb with the easement damages. Our municipal group, Jason Mayer, has been helping Bruce figure out his sewer connections. They're midstream in analyzing where, how much and how long in terms of sewer mains and timing. Jason has done some analysis for alternatives that they were thinking about.

Item 10: Planning Director's Report

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

- An update to the report that was in your packet; Larry and I have been in communication with Senator Runestad's office about Martin Parkway and the opportunities to realign it.
- We have a study that the RCOC and the Township did to see how much it would cost to make those improvements. Now that we have those rough numbers, we want to get some involvement at the County level and the State level in terms of identifying funding opportunities.
- We have a meeting coming up on the 27th with the RCOC. We are hoping to get our County Commissioner there, representatives from the County Executive's office, and

representatives from the State to discuss what some of those funding opportunities might be.

- The traffic situation out there is something of a regional problem and there needs to be a regional solution. It can't just be the Township's problem to solve.

Jose Mirkin – Dave, can you share the preliminary estimates for the job?

Dave Campbell – The numbers were run a couple years ago. To take Martin Road through the old Commerce Drive-in site, and line it up with Union Lake Road with a big, new roundabout there; that would be about \$29-\$30 million. To keep the existing road alignment, but put two new roundabouts, at Union Lake and Richardson, and then at Richardson and Martin; that would be closer to \$24 million. If we are going to expend those kinds of resources, I think the Township would want to see Martin Road realigned with Union Lake Road.

I think one argument the Township might make is; we have done our part by building Martin Parkway, a DDA project that the Township now owns. That was the Township contribution to this regional problem, and that's about as far as we can go at the Township level.

Discussion continued regarding grant funding, expansion of Union Lake Road, the bridge, and other phases of the project. Supervisor Gray indicated that as this is moving along, we are going from having one State representative to three in Commerce. That might help push this project forward.

Chairperson Gotts and Dave Campbell discussed the wave panels for the M-5 bridge. MDOT is now going back for another round of testing to ensure that the metallization will pass the adhesion test.

Item 11: Committee Reports

- A. Finance Committee – Susan Spelker – Last month, we had the informational meeting and we approved the P&L statement. At that time, we discussed how extremely conservative the estimates were, in the interest of fiscal responsibility. However, I'd like to point out that Parcel L is coming in over what we expected. We're in very good shape.
- B. Public Relations Committee – Jose Mirkin – I sent an email to the new Director of Community Relations for Walled Lake Schools, Dan Durkin. Julie Evola, who was our friend and partner, has retired. I also sent an email to six art teachers who, before the pandemic, acted as coordinators.

For Elizabeth's benefit, Jose extended his report. He discussed the formation of the partnership between Walled Lake Schools and the Township for the Annual K-12 Art Exhibition. It was first held in the Township Hall. About 80 parents attended to see the kids' artwork and awards were given. Dan Lublin, who just retired, is a business man in the community. He coordinated with businesses who donated money and that allowed for awards to be given to the artists.

The event started small, here in the Township Hall, and then the Exhibition was moved to the new Commerce Township Library when they opened. After two or three years of doing this annually, in 2018, there were about 1,000 parents in attendance at the event. Of course, before the pandemic, everything was okay; however, during 2020 and 2021, there were no events.

Jose is attempting now to make contact and initiate the meeting schedule with the schools for the anticipated 2022 event. He will include the new Library Director, Alyson Lobert, in the partnership. He hopes to have replies from Walled Lake Schools by the next DDA meeting.

Jose also discussed the Public Relations Committee partnership with the DIA. They bring high-quality reproductions of masterpieces from the DIA, and they are staged at the Township Hall, the Richardson Community Center and at the Library.

Unfortunately, all of Jose's contacts at the DIA quit their employment during the pandemic. He is attempting to make contact and create new relationships to renew this partnership.

David Smith – I've got to say to Jose, you've always amazed me when you took over this job. I think you've done an excellent job.

Jose Mirkin – Well, when you enjoy what you're doing ...

David Smith – You have truly been a benefit to the Township.

Susan Spelker – And, he doesn't spend any money.

- C. Marketing Committee – David Smith – Bruce is positive about what's happening. He has people who want to start the residential immediately. It's a surprise to all of us that the residential is on fire. He has more and more serious prospects. Financing has always been a problem, but I think with the way things are going, he's going to make some serious decisions. He has access to people who could step in and get it done.

Item 12: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure

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

Item 13: Other Matters

- Discussion took place regarding police reports, accidents, insurance claims, subrogation and deductibles.

Chairperson Gotts – The next regularly scheduled DDA meeting is Tuesday, February 15, 2022 at 12:00pm.

Item 14: Adjournment

MOTION by Spelker, seconded by Mirkin, to adjourn the meeting at 1:06pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

01/12/2022 08:34 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
EXP CHECK RUN DATES 01/18/2022 - 01/18/2022
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: DDA
DDA WARRANT REPORT
JANUARY 18, 2022

Vendor Name	Invoice Date	Description	Amount	Check #
1. COMMERCE TOWNE PLACE ASSOCIATION	01/10/2022	2022 CTPA DUES	13,394.70	
2. DEBORAH WATSON	01/12/2022	DDA DIRECTOR	3,975.00	
3. KEMP, KLEIN, UMPHREY & ENDELMAN, PC	01/06/2022	PROFESSIONAL SERVICES THROUGH DECEMBER 31, 2021	3,581.83	
TOTAL - ALL VENDORS			20,951.53	
FUND TOTALS:				
Fund 499 - DOWNTOWN DEVELOPMENT AUTHORITY			20,951.53	

01/12/2022 08:33 AM
User: JBUSHEY
DB: COMMERCE

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF COMMERCE
EXP CHECK RUN DATES 12/21/2021 - 01/10/2022
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: DDA
DDA CARRY-OVER WARRANT REPORT
JANUARY 18, 2022

Vendor Name	Invoice Date	Description	Amount	Check #
1. DETROIT EDISON				
	12/14/2021	2660 OAKLEY PARK	128.15	2259
	12/14/2021	3106 MARTIN PARKWAY	128.27	2259
	12/14/2021	2581 LIBRARY DR.	114.30	2259
	12/14/2021	2579 LIBRARY DR. - IRRIGATION	19.64	2259
		TOTAL	390.36	
TOTAL - ALL VENDORS			390.36	
FUND TOTALS:				
Fund 499 - DOWNTOWN DEVELOPMENT AUTHORITY			390.36	