

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, May 21, 2024
Commerce Township Hall
2009 Township Drive
Commerce Township, MI 48390

CALL TO ORDER: The Meeting was called to order by Vice Chairperson Matta at 12:01pm.

Downtown Development Authority:

Present: Debbie Watson, DDA Director
Steve Matta, Vice Chairperson
Brian Winkler, Member
Robert Sackleh, Member
Jose Mirkin, Member
David Smith, Member
Tim Hoy, Member

Absent: Larry Gray, Township Supervisor (excused)
James Gotts, Chairperson (excused)
Derek Tuck, Member (excused)
Melissa Creech, DDA Secretary
Matt Schwanitz, Giffels-Webster, DDA Engineer

Also Present: Molly Phillips, DDA Treasurer
Sandy Allard, DDA Assistant
Dave Campbell, Township Planning Director
Chris Martella, Dawda Mann, DDA Attorney
Randy Thomas, Insite Commercial
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 April 16, 2024, as presented.

MOTION CARRIED UNANIMOUSLY

Item 2: Public Comments

Ray Golota, 1595 Vanstone, Commerce Township – I’m curious what’s going on behind Chipotle on Haggerty Road. There was a time when it was supposed to be apartments back there.

Dave Campbell – That is still the approved plan, although we are anticipating that plan is going to change. They’re being discreet about the changes. I know they were trying to get partner investors for the apartments and they were not getting the numbers they wanted.

Director Watson – What was the name of the development?

Dave Campbell – Midtown on Haggerty.

Director Watson – Thank you.

Item 3: OCSO Update

Lt. Reyes – I don't have a lot to report. I have my stats from last month. We keep stats and give them to the Township Board. We're up about 300 calls from April of 2023. That is a pretty significant increase in calls.

Vice Chairperson Matta – What are they mostly about?

Lt. Reyes – They're usually typical calls, but we did have a motorcycle accident the other night. A person turned left in front of him. He didn't have a helmet on. It was a fatal accident. Then we had a recent call that someone was breaking into the island on the lake. The homeowner took our deputies in the boat out to the island, and then someone else called on us saying that we commandeered someone's boat. Otherwise, there have been some domestic calls and the rest was not anything too significant.

Vice Chairperson Matta – Nothing that will change our ratings in the country.

Lt. Reyes – No, I don't think so.

Director Watson – So you have 300 more calls, but how much more staff do you have than a year ago?

Lt. Reyes – One sergeant more, but I'll tell you what a difference that makes in just our operations all together. We did put a traffic guy back into the traffic division. During COVID, it didn't make much sense when the Sheriff said, *Don't make any extra stops*, but now we have our traffic guy back. I don't know if you've noticed, but he has been putting the speed sign around and doing traffic enforcement in certain areas where residents have been complaining.

Treasurer Phillips – Can you give an update on our deputy who received an award?

Lt. Reyes – Yes. Actually, we have about 1,400 employees at the Sheriff's office. One of our Commerce Township deputies, Deputy Roehrig, was Officer of the Year. And, I don't know if you guys know Chuck Plein, the veterinarian in town; he is a reserve and he also got an award. If we have an injured animal in the middle of the night, we get the call and there's nobody around for that. We call him and he takes care of them.

Item 4: Insite Commercial Report

Randy Thomas provided an overview of the Insite report submitted in the DDA Board's packet.

- Parcel B1, Phase I – Aikens, Five & Main; Continental had applied for an SAD in the amount of \$1.6 million with the Township Board at their meeting last week, which was tentatively approved. That has now set everything in motion and Continental wants to close by June 12th. That will trigger a simultaneous closing on the DDA parcel for the .44-acres. We just found out about the timing last Friday so Chris and I will be communicating on the logistics. By next meeting, hopefully we will have closed with Bruce on that piece. Once he closes with the DDA, he will simultaneously close with Continental for their development.

Dave Campbell – And they will record the condominium as part of that sequence.

Vice Chairperson Matta – All those documents are done and waiting to be recorded, right?

Director Watson – Yes, along with the 7th Amendment.

Attorney Martella – Yes, the County has the documents and they're just waiting for us to tell them to record them.

Vice Chairperson Matta – The SAD is actually three SADs, right, totaling that amount?

Randy Thomas – Right, 15 year terms. On or around that June 12th date, we should see some silt fence out there and machines moving dirt.

- Parcel B1, Phase II – Aikens, Five & Main; Nothing really new on Phase II, other than the closing on the .44-acres.
- Parcel F – The 3.9 acres in front of the Township Hall; The most relevant inquiry we've had was for a childcare facility. I told them they would have a tall order because there are two of them here that were done not too long ago.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty; Nothing has really happened over the last month. We get a lot of gas station calls. I always turn them over to Dave after I tell them the reality.

Dave Campbell – I haven't had any calls in a while.

Randy Thomas –

- Parcels M&N – These are the retail outlots that the DDA retains within the Five & Main development.

Item 5: Attorney's Report –

Vice Chairperson Matta – We have three items for the Attorney's Report.

Attorney Martella – Yes, we have three items.

1) Extension Request .44-acre parcel

Attorney Martella – Randy already talked about the extension; the Third Amendment to the Purchase Agreement for the .44-acres. The proposal is to close on or before June 20th. Everyone is talking about June 12th, but we won't put that on the agreement in case they need a few more days to close. It will be a simultaneous closing with Continental. Logistically, Randy and I, and Dawn who is Bruce's attorney, will work it out. If all goes as planned, we will have closed on the .44-acres and Continental will be closed by mid-June. They are talking about putting shovels in the ground so that is some phenomenal news.

Vice Chairperson Matta – Do you need a vote from us?

Attorney Martella – I do.

MOTION by Smith, supported by Mirkin, to approve the Resolution as addressed by counsel and the Third Amendment to the Purchase Agreement, with Commerce Downtown II LLC, for the Commerce Township DDA's .44-acre parcel, to extend the closing until on or before the 20th of June, 2024.

MOTION CARRIED UNANIMOUSLY

Attorney Martella – I will send that around via DocuSign.

2) RCOC Drainage Easement

Attorney Martella – We have been talking back and forth with the RCOC regarding their easement request for the culvert. I sent them a marked up version of the easement with details and requests. They will be responsible for maintaining that easement. The revision is in front of the RCOC's counsel.

Vice Chairperson Matta – That's the Commerce and Glengary property.

Attorney Martella – Yes. We're going to talk about the same site again as AT&T's easement request is the same area. So we added language to the RCOC easement. I will see what comes back from their counsel.

Director Watson – And based on the language of our last motion, we can execute the RCOC easement next week if we decide to. We don't need to bring it back to the Board.

Attorney Martella – Correct. And part of the delay was that we were waiting on EGLE to determine whether or not the Township would have to move existing infrastructure. I'm happy to report that EGLE's notice of authorization states that will not be necessary.

Discussion continued regarding details of the RCOC culvert project.

3) AT&T Easement

Attorney Martella – AT&T is redoing some lines right in the same area. They approached us saying that they need to put in new anchors, down guys and guy lines to support an electrical pole. They are asking for an easement over an area that is 8'x2', or 16 square feet, at the intersection to allow for the down wires. They are offering the DDA \$500 for that easement, but again, it is on land that is not being utilized at the moment and it is duly adjacent to where the power lines exist already. The guy lines, because of the topography of the land, need to go further out so they are going outside of their existing easement area. Their easement had appropriate language in it, which I shared with RCOC in revising their document to include reference to indemnity and maintenance.

There is a copy of the proposed easement in your packet. I'm asking that you give both Deb and I the ability to continue to negotiate this, and we can sign it when deemed appropriate once we arrive at a mutually acceptable easement, or we can bring it back next month to review the final draft.

Vice Chairperson Matta – Does the \$500 they're offering cover legal fees?

Attorney Martella – Not really.

Vice Chairperson Matta – Maybe we want to increase that.

Attorney Martella – I would argue that you may want to see it increased. I will get the time invoiced for negotiating and we will leave that line blank.

Vice Chairperson Matta – Do we want to wait until next month, or entertain a motion now?

Jose Mirkin – I would say wait a month. It's no rush.

Attorney Martella – Okay, we can wait.

Dave Campbell – Is there an exhibit showing where they want the guy wires to go?

Attorney Martella – Yes, there is.

Dave Campbell – When you get a chance, if you could send it. We've had thoughts of maybe putting a pathway through there someday. I just don't want there to be wires in there.

Vice Chairperson Matta – All the more reason to table it then until you can look at it.

Director Watson – Yes, it would be a boardwalk through that wetland and that could interfere.

David Smith – It would be easier to jump across the road and use Wolverine's boardwalk.

Director Watson – This would come through from behind Barrington on Welch Road. The trail would cut through the HCMA property and come out on S. Commerce. Dave, was that ...

Dave Campbell – That was the idea. The whole HCMA corridor would be a boardwalk trail from S. Commerce to Welch, and then once you go through Barrington you could get up to Martin Parkway and the DDA area.

Discussion continued regarding challenges with the Township's existing boardwalk.

Item 6: DDA Annual Meeting

A. Election of Officers & Committee Appointments

Director Watson stated that she had spoken with each of the DDA Officers and Committee Chairs, and everyone would like to continue in their roles, unless anyone has objections or would like to see changes.

Tim Hoy provided an update on Chairperson Gotts' status. Vice Chairperson Matta noted that Jim would like to continue as Chairperson if he can. Matta hopes this is a temporary setback and that Jim can be there to put a shovel in the ground and take a picture. Director Watson added that Jim definitely wants to keep this project moving forward.

MOTION by Hoy, supported by Mirkin, to continue with the current officers, to have Jim Gotts serve as DDA Chairperson, Steve Matta serve as DDA Vice Chairperson, Molly Phillips serve as DDA Treasurer, and Melissa Creech serve as DDA Secretary, along with retaining the subcommittees in their current form, with Robert Sackleh as Chair of the Finance Committee, Jose Mirkin as Chair of the Public Relations Committee, and David Smith as Chair of the Marketing Committee.

MOTION CARRIED UNANIMOUSLY

B. Bylaws

Director Watson noted that some edits were made to the Bylaws; however, additional edits should be made as the role of Vice Chairperson is not defined within the current Bylaws. Counsel agreed and therefore, these will be further revised and carried over to the June agenda for consideration. Attorney Martella also discussed the annual survey with the Board members.

Item 7: Director's Report

Director Watson discussed highlights from the report submitted in the Board's packet, which is included here in its entirety, along with updates.

I. Updates on Developments – Please refer to the Insite Report and the Planning Director's Report for additional information.

- *Five & Main –*
 - *Regarding the sale of the .44-acre parcel, an extension was requested, and that was approved here today. Costs associated with this transaction were covered by the buyer per the purchase agreement. Those invoices are paid and the account is current.*
 - *The parties, Aikens, Continental and the Township, have been working on the SADs. At the May 14th Township Board meeting, all three SAD requests were approved for a 15-year term. The Roll Resolution is scheduled for the June 11th Township Board meeting. If all goes well, closing should take place thereafter in mid-June, and they hope to break ground in June.*
- *Merrill Park – Nothing new to report.*
- *The Avalon of Commerce Twp. – Sandy and I inspected trails in the area recently and noticed a large dead tree behind Avalon. It will be scheduled for removal.*
- *Barrington – Nothing new to report.*
- *Wyncliff – Nothing new to report.*
- *Public Storage – Nothing new to report.*
- *The Space Shop, Self-Storage – Nothing new to report.*
- *Higher Ground, Guidepost Montessori – Nothing new to report.*
- *Lafontaine Automotive Group Dealerships (LAG) – They are working on the former Dick Morris site. Genesis anticipates occupying that location until the new buildings are constructed at the corner of Pontiac Trail and Haggerty.*
- *Parcel F / Unit 7, in front of the Township Hall – Nothing new to report.*
- *Parcel J1, Haggerty & Oakley Park – Nothing new to report.*
- *Parcels M & N – Nothing new to report.*

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

III. Commerce Towne Place HOA Items –

- A. **Budget** – *Nothing new to report.*
- B. **Dues** – *All dues are current, with the exception of Wyncliff's second quarter invoice. We will follow up.*
- C. **Tax Forms & Reports** – *Nothing new to report.*
- D. **Lighting/Electrical – Shaw Elec., Eric Peterson, Adam Dornton**
 - *Last week, Adam replaced all three light poles that were down.*
 - *We still await court ordered reimbursement for \$10,648 for one claim. That accident occurred on December 13th. The Township Attorney informed us that the driver is now on probation and ordered to make monthly restitution payments.*
 - *March 25th was a hit and run at the Oakley Park roundabout.*
 - *The most recent incident was on April 8th at the Barrington roundabout. Payment of \$7763.64 was received May 6th for that insurance claim.*

E. Landscaping & Maintenance – United Lawnscape, Jose Medina; Bob Rousseaux’s Excavating, Mark Rousseaux

- *United started landscaping and maintenance work in April. Grass cutting, mulch, and cleanups have been underway.*
- *We have a new Client Manager, Jose Medina, as Angela Munroe moved on in her career. We are communicating to bring Jose up to speed on our site.*
- *New trees were planted at the Barrington roundabout.*
- *Deep root fertilization of the Parkway trees was performed.*
- *The Martin Parkway Adopt-A-Road cleanup took place on Saturday, April 20th. We actually had a few snow flurries that morning, but it was a great success with 9 volunteers. A big thank you to everyone who came out!!*
- *We had issues on the trailhead behind Walmart on May 20th. A contractor was dumping their concrete or asphalt wash out on our trail, which is a protected wetland area. Jay James paid them a visit and issued a warning.*

F. Irrigation – Michigan Automatic Sprinkler, Mike Rennie

- *The system was opened and inspected on April 29th.*
- *Routine repairs have been completed.*

IV. Other –

- *Counsel is finalizing the RCOC drainage easement for the DDA property on S. Commerce Road. EGLE completed its review of the culvert project, and it has been determined that the Township will not have to relocate utilities. That is good news.*
- *Counsel also had another easement request from AT&T which has been discussed.*
- *The Walled Lake Consolidated Schools K-12 Art Exhibit will be on display from May 18th through May 27th at the Commerce Township Library.*

Item 8: Engineer’s Report

Director Watson – Jason Mayer provided a quick update via email.

For Springs at Five & Main; the SAD was approved for water, sewer and capital charges for the 15-year term as requested. Closing is next month. The sanitary permit is at EGLE, and the water main permit is not even into the WRC yet. They are assuming that we will have the water main permit by the time the sewer is installed.

As for LAG – Mark Gall reviewed the plans and had some revisions. We are trying to get those updated on the permit applications. Mainly, he wanted another hydrant added.

Director Watson – Dave, did you have anything to add with regard to the permitting process?

Dave Campbell – No, I don't think I have anything to add. And maybe it's a technicality, but the three SADs are not formally approved yet. Per State statute, there are three resolutions the Township Board has to do. They did two of the three at their meeting last week. The final roll resolution is expected to be approved at the June Township Board meeting. It's probably something of a formality at that point, but that is when it will be finalized.

Director Watson and Treasurer Phillips discussed the action by the Board on the SAD requests and the 15-year term.

Item 9: Planning Director's Report

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

- I think we've covered Continental, Five & Main, Aikens and the SAD.
- Costco formally submitted plans for their new, enlarged gas station, which would include taking down the Ghost Taco building. Costco is also proposing to do several additions to the existing store. The Planning Commission will see that at their June meeting.

Vice Chairperson Matta – What is their timetable?

Dave Campbell – I don't know that we've discussed that with them. My guess is that they want to get it all teed up this season and maybe build it next season.

Discussion continued regarding Costco's proposed site changes.

Dave Campbell –

- The Planning Commission is working with Lowe's on their outdoor storage. They will return in June with a revision of the plan that was reviewed in May to address storage of sheds, lawn mowers, mulch, topsoil, etc. They have scaled back on their outdoor storage.
- You will see that LaFontaine is working on the old Dick Morris site. Genesis will use that as their temporary dealership for about a year until the new buildings are constructed at the corner of Haggerty and Pontiac Trail. At that point, the Dick Morris site will be a service center for Hyundai and Genesis, and also a pre-owned sales location.

Vice Chairperson Matta – When is LaFontaine going to break ground on the corner site?

Dave Campbell – They're hoping this year. They are also in the permitting process with the County and State. I would guess by mid-summer.

David Smith and Dave Campbell discussed sanitary sewer construction for the Five & Main site. For the Township's portion of the project, directional boring will be performed behind the LaFontaine site which should not impact their operations.

Jose Mirkin discussed the LaFontaine developments within the DDA with Dave Campbell regarding a possible public announcement.

Item 10: Committee Reports

- A. Finance Committee – Robert Sackleh – I have nothing to report unless Molly has something.

Treasurer Phillips – I passed out an updated sheet. These are all of the property revaluations that have come through that are in the DDA capture area.

- We had a veteran's exemption take out \$103,000 of taxable value in December.
- Avalon, or Lake (Commerce) LLC, petitioned and that change you see there of \$850,000 is actually retroactive to 2023. When they do that, they will have to recalibrate what their 2024 can be based on the maximum amount that they can increase each year. We will be waiting to hear about a change to their 2024 taxable value.
- Comerica Bank was an MTT judgment for both 2023 and 2024.
- I don't see anything on the ticket right now for Lowe's or Home Depot, but it is at about the 4-year mark where they should both be coming back.

Director Watson and Treasurer Phillips discussed previous reductions to Avalon's taxable value. David Smith inquired about depreciation. Treasurer Phillips explained that the petitioners have an expert witness come in, and specifically with senior living, they report 50% occupancy and show their ROI. That is the argument, that the property is not worth that much based on net revenue valuation, as opposed to market value. Vice Chairperson Matta noted that as development continues, that might change. Discussion continued regarding occupancy of local senior facilities.

Treasurer Phillips – I have one other item. At Advanced Institute, we get a legislative update from the MML and the Michigan Townships Association. Some people in the State House think it would be a good idea, as an incentive for people and companies to build EV charging stations, that they would not only exempt the personal property of the charging station, but the real property that it sat on. There are many gray areas that remain to be clarified.

- B. Public Relations Committee – Jose Mirkin – Last Friday, the art teachers of Walled Lake Schools put up the displays. This week, the K-12 Art Exhibition is open to the public. The reception is tomorrow from 4:30-7:30 and everybody in this room is personally invited. Winners will be announced tomorrow, and the DDA bought gift certificates as part of their awards. Refreshments are paid for by a grant.
Public Relations is also working to get the DIA Inside/Out program back in Commerce in 2025 or 2026.

- C. Marketing Committee – David Smith – Nothing new to report.

Discussion took place regarding the long-awaited groundbreaking at Five & Main which is anticipated to take place next month.

Item 11: 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 12: Other Matters

- Jose Mirkin thanked Dave Campbell and Larry Gray for the flags on the M-5 bridge.
- Brian Winkler noted that he will not be in attendance at the June DDA meeting.

The next regularly scheduled DDA meeting is Tuesday, June 18, 2024, at 12:00pm.

Item 13: Adjournment

MOTION by Mirkin, seconded by Sackleh, to adjourn the meeting at 1:00pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

EXP CHECK RUN DATES 04/30/2024 - 04/30/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
CITIZEN CITIZENS INSURANCE COMPANY			
GENERAL LIABILTY	DDA	GENERAL LIABILTY POLICY - DEB WATSON	<u>518.00</u>
Total For: CITIZENS INSURANCE COMPANY			<u>518.00</u>
Report Total:			<u>518.00</u>

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

EXP CHECK RUN DATES 05/21/2024 - 05/21/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
CITIZEN CITIZENS INSURANCE COMPANY			
DEB WATSON INSURANC DDA		CUSTOMER# 1523278918-001-000	1,916.00
Total For: CITIZENS INSURANCE COMPANY			<u>1,916.00</u>
DAWDA DAWDA MANN COUNSELORS AT LAW			
598205	DDA	PROFESSIONAL SERVICES THROUGH APRIL 30, 2024	169.50
598206	DDA	PROFESSIONAL SERVICES THROUGH APRIL 30, 2024	2,727.00
Total For: DAWDA MANN COUNSELORS AT LAW			<u>2,896.50</u>
WATSON DEBORAH WATSON			
APR/ MAY 2024	DDA	DDA DIRECTOR 4/11/24 - 5/15/24	4,806.00
Total For: DEBORAH WATSON			<u>4,806.00</u>
SANDYB SANDY ALLARD			
APRIL/MAY	DDA	DDA ASSISTANT 4-11-24 - 5-15-24	1,235.25
Total For: SANDY ALLARD			<u>1,235.25</u>
Report Total:			<u>10,853.75</u>

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

INVOICE ENTRY DATES 05/21/2024 - 05/21/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
ROUSSEAU BOB	ROUSSEAU'S EXCAVATING, INC.		
20547	DDA	PARCEL J1 BRUSH CLEANUP	700.00
Total For: BOB ROUSSEAU'S EXCAVATING, INC.			<u>700.00</u>
DTE DETROIT EDISON			
06/05 2579 LIBRARY	DDA	ACCT# 9100 077 110 5	102.81
06/05 2581 LIBRARY	DDA	ACCT#9100 077 1086 6	826.08
06/05 2660 OAKLEY	DDA	ACCT# 9100 077 1065 0	107.16
06/05 3106 MARTIN	DDA	ACCT# 9100 077 1076 7	132.85
Total For: DETROIT EDISON			<u>1,168.90</u>
Report Total:			<u>1,868.90</u>