

**Final**  
**CHARTER TOWNSHIP OF COMMERCE**  
**DOWNTOWN DEVELOPMENT AUTHORITY**  
**Tuesday, February 20, 2024**  
**Commerce Township Hall**  
**2009 Township Drive**  
**Commerce Township, MI 48390**

**CALL TO ORDER:** The Meeting was called to order by Chairperson Gotts at 12:04pm.

**Downtown Development Authority:**

**Present:** James Gotts, Chairperson  
Steve Matta, Vice Chairperson  
Larry Gray, Township Supervisor  
David Smith, Member  
Brian Winkler, Member  
Robert Sackleh, Member

**Absent:** Jose Mirkin, Member (excused)  
Debbie Watson, DDA Director  
Matt Schwanitz, Giffels-Webster, DDA Engineer  
Derek Tuck, Member (excused)  
Tim Hoy, Member (excused)

**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  
Randy Thomas, Insite Commercial  
Jason Mayer, Giffels-Webster, Township Engineer  
Lt. Wendy Reyes, OCSO Substation Commander

**Item 1: Approval of Minutes**

**MOTION** by Matta, seconded by Winkler, to approve the DDA Regular Meeting Minutes of January 16, 2024, as presented. **MOTION CARRIED UNANIMOUSLY**

**Item 2: Public Comments**

Ray Golota, 1595 Vanstone, Commerce Township, inquired about the installation of new gas pumps at Costco, and also the use of cones to control circulation.

Dave Campbell – That’s the first I’ve heard of a coning system. I know they coned off one driveway, off of Commerce Crossing Blvd. Are the attendants running around moving cones back and forth?

Supervisor Gray – No. Dave, what they’re doing is ... You have your two pumps and they’re putting a cone in the lane in between so you can’t pass through. Ray, that Costco gas station was one of the first ones built. That’s something I brought up when they came in. They wanted to do four pumps instead of two, but I said with what you have now, you can hardly get in and turn around. So, that drive through lane is actually going to be two feet wider I believe so you will be able to pull in and pull out. That’s why they blocked it off because it’s so tight. It’s an older design. The new one will have wider pass lanes with four pumps, unless they changed it.

Dave Campbell – They were going to build a new, bigger and better fuel center to the east of the existing one, but now they're looking at doing it to the south of the existing. Costco is talking to the landlord about buying a property, tearing down the restaurant, Ghost Taco, and putting the new fuel center there.

Discussion continued regarding plans for the new Costco gas station.

Ray Golota – The other question I have is regarding the assisted living center, Avalon, are they planning on expanding in the future?

Dave Campbell – The building that is there, that was always meant to be Phase I, which is the assisted living and memory care building. There is a grassy area just north of that which was going to be Phase II. That was going to be more independent living, but still be attached to the assisted living so they could share the cafeteria and other features. Phase III was going to be some truly independent living, with either duplexes or quadplexes toward the east. While they have talked through the years about going forward, it has never been formalized. The management and ownership over there have changed hands a couple times.

Sharkey Haddad, Resident of Merrill Park – I just came to learn about the future plans for the corner of Martin Parkway and Pontiac Trail.

David Smith – That's the million dollar question.

Supervisor Gray – Where we're at right now, they're waiting to close on acreage for 300 apartments which will be right next door to Walmart. Hopefully once that gets closed, we will start seeing dirt fly sometime this spring. The developer is looking to take the profits he receives from selling the property to start the infrastructure for the downtown area. The plan is to build along Pontiac Trail first, and then go into the downtown area. So hopefully we will see dirt fly this spring, with actual stores developing next year, in 2025.

Sharkey Haddad – So what is the challenge that's delaying this, because when we purchased our homes in Merrill Park, we were told that the plans had already been submitted to the Township and that we would see it happening within two years or so.

Supervisor Gray – I'm going to say covid and the developer that owns that property, but things are finally starting to move along on it. There have been a lot of challenges, but things are starting to move forward now.

Dave Campbell – In addition, financing, interest rates, materials costs, labor costs.

Sharkey Haddad – It hasn't stopped some other developers from developing for the past 5 to 6 years, pre-covid and post-covid. But, in your educated opinion, is this a reality or are we just dreaming?

Supervisor Gray – No, it's going to be a reality.

Dave Campbell – The deal he has with the apartment developers, that's a real deal. Everything we are seeing from them shows that they are pushing hard. They're going to break ground this spring. Larry is correct; he will take the revenue from that sale of the land he is selling to the

apartment developers and roll that into his project. So, I think it is as real as it has been in quite a while.

Sharkey Haddad – I don't plan to speak on behalf of everybody with 69 homes in Merrill Park, but I'll speak for myself. The building of the new apartments; it's the last thing in my way of interest to see happening around my home. I was really hoping to see more of the plaza development that was originally planned. I don't know how many apartments are there, but we will be getting extra traffic, and it seems like there's more interest in developing apartments which I can see from a developer's point-of-view. It's a money-maker guaranteed, considering the housing shortage we are facing in Michigan. But, why is that happening, and the cost of labor and materials is not stopping him, but it's stopping him from building the commercial?

Randy Thomas – I don't want to drag it out, but a lot of the construction you see going on are actually owner occupied when they're being built. That's what you're seeing right now, mostly in industrial. You're starting to see a little bit of retail come out of the ground that we have not seen in the past five years. It has been slow. Something like this is a massive project. You're looking at something that is going to be north of \$150 million to \$170 million. Construction costs, and just pure land development costs have tripled over the last five years. The market needs to catch up. Financing probably has a better window today than it did 90 days ago. When you throw all of that into the mix, things have not aligned. It's not an issue of getting tenants. The tenants are there. It's an issue of getting started, that's part of the reason why you see the apartments going on. Eventually, as Larry indicated, you will see the infrastructure going in and the retail will follow. You may see the pads along Pontiac Trail at the end of the year, but the retail is slated now to go into construction in 2025, with a 2026 opening.

Sharkey Haddad – My final comments, so you can go back to your agenda, is that did not stop the development in Southfield where the old Northland Mall was breaking ground and taking place.

Randy Thomas – That's primarily multi-family that's going in there. You'll see the same thing going on at the old Lakeside Mall.

### **Item 3: OCSO Update**

Lt. Reyes – Our Sheriff's Department is currently located across the parking lot. We are finally moved in. I didn't know if the Board wanted to schedule a time to take a tour of the building. If you'd like, we can set that up. Just let me know.

Chairperson Gotts – Perhaps next month. Hope you're enjoying your new facility. I know we totally appreciate the OCSO service and protection.

Lt. Reyes – I don't know if you saw this article. It's a few months old. It says that Commerce Township is the 38<sup>th</sup> safest community in the nation. That's good news for us.

Chairperson Gotts – Thank you.

### **Item 4: 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; Nothing new to report.
- Parcel B1, Phase I – Aikens, Five & Main;

- I'm flying a group after this meeting. They're here from New York. I know Bruce has been dealing with them for quite a while.
- Leasing activity is going well.
- Parcel B1, Phase II – Aikens, Five & Main;
  - Bruce is working toward the eventual closing with Continental, which would be in our Phase II, the .44-acre parcel.
  - I know they've run into some issues with construction costs.
  - I'll get an update from him on the status, probably in the next day or two.
- Parcel B2 – Avalon; Nothing new to report.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; Lafontaine Automotive Group (LAG) – Nothing new to report.
- Parcels D&E – Pulte, Merrill Park; Nothing new to report.
- Parcel F – The 3.9 acres in front of the Township Hall; I get inquiries. Nothing has really gotten any traction.
- Parcel G – Wyncliff; Nothing new to report.
- Parcel I – Gilden Woods; North of the Township Hall, Nothing new to report.
- Parcel J1 – 2.38 acres on the hard corner of Oakley and Haggerty;
  - I do have some news, which I just found out before walking into the meeting.
  - They came back and wanted to counter our terms. I told them that the best deal they could get was on the table. They will get it signed today.
  - We will be under contract, and we will send out the timeline.
- Parcel J2 – Public Storage; Nothing to report.
- Parcel K – The orphan piece; The Space Shop; Nothing to report.
- Parcel L – 1.8 acres on Haggerty Road; Guidepost Montessori; Nothing new to report.
- Parcel M&N – These are the retail outlots that the DDA has reserved. I'm starting to get phone calls.

Supervisor Gray – Parcels M & N are actually outlots A & B, correct?

Randy Thomas – Yes.

Supervisor Gray – For A, do we have the dimensions and how it will align, or are we going to hold off until The Springs begin development?

Randy Thomas – It's going to be in the spring that we extract that parcel and transfer it back to the DDA with a new legal description. We were just waiting until closing. At that point, once Bruce brings in the utilities, then that piece will be truly developable.

Supervisor Gray – So utilities going from the apartments will be part of that? Will they be running across there?

Attorney Martella – As they break ground on the apartments, he is bringing in utilities as part of his deal.

Supervisor Gray – Okay.

Attorney Martella – That's part of the whole plan, and then we will have a legal description.

Randy Thomas – It's being marketed.

**Item 5: Attorney's Report**

Attorney Martella – As Randy reported, the buyers are signing the PA for Parcel J-1 as presented to them. You will all get notified when that happens and Randy will send out a list of critical dates.

I spoke to the title company today about Bruce's project and the .44-acre parcel. They have seen copies of the documents we submitted and those are at Oakland County waiting for us to close. That has been temporarily approved subject to the final closing. I have not yet heard from Bruce's attorney about the closing timeline, but they are moving along.

**Item 6: Director's Report**

Chairperson Gotts – Our esteemed Director is on a much-needed respite from reality.

Although Director Watson was absent, she had submitted her written report in the Board's packet, which is also included here.

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

- *5 & Main – We await closing on the .44-acre parcel.*
- *Merrill Park – Nothing new to report.*
- *The Avalon of Commerce Twp – Nothing new to report.*
- *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 – Their website says they will be opening soon.*
- *Lafontaine Automotive Group Dealership (LAG) – Construction is expected to begin this Spring.*
- *Parcel F / Unit 7, in front of the Township Hall – Nothing new to report.*
- *Parcel J1, Haggerty & Oakley Park – The revised PA was sent to the buyer's counsel in January.*
- *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** – *The 2024 budget was approved, and consent actions were executed and final as of January 16<sup>th</sup>.*
- B. **Dues** – *The 2024 dues invoices were emailed January 16<sup>th</sup>, and checks have already begun to arrive.*
- C. **Tax Forms & Reports** – *The 2023 tax return has been completed and mailed.*
- D. **Lighting/Electrical – Shaw Elec., Eric Peterson, Adam Dornton**
  - *I followed up with DTE as I still await their estimate for potential acquisition of our lighting system as part of their Community Lighting Program. In one of our last conversations, they did mention that we might be required to keep insurance coverage on our policy for the light poles.*

- *Our lighting inventory is verified and sufficient, and I received updated pricing information on lighting parts.*
- *We have one light pole down from a recent accident. It will be reinstalled when weather and scheduling permits. Restitution was sought in the amount of \$10,647.70 for damages from that incident. The driver, who pled guilty, has not provided insurance coverage information; however, the claim was filed with the court through the prosecutor, so it may result in an order to pay.*

**E. Landscaping & Maintenance – United Lawnscape, Angela Munroe; Bob Rousseaux’s Excavating, Mark Rousseaux**

- *We had two additional insurance claims from late 2023 for landscape damages.*
  - *One was settled for \$3500 with the driver’s insurance company.*
  - *The other is pending with damages of \$12,400, but the driver fled the scene after taking down a very large tree in the Barrington roundabout. That claim has also been provided to the prosecutor.*
- *We will schedule turf and landscaping repairs in the spring, and hopefully replant additional trees in autumn. We are also considering deep root fertilization again this year to promote better tree health along the Parkway.*

**F. Irrigation – Michigan Automatic Sprinkler, Mike Rennie**

- *Nothing new to report.*

**IV. Other –**

- *Attorney Martella has communicated with counsel for Beaumont, now Corewell Health, regarding the Memorandum of Understanding that was recorded in 2018. This is to ensure that Corewell is aware of the obligation to the DDA when the land is sold, which we refer to as the “Beaumont Property”.*

**Township Board Report – Supervisor Gray**

- Our Township Board meeting was last Tuesday.
- We reappointed Rusty Rosman to the ZBA Board.
- We had Ajay Raman come in, who is one of our Oakland County Commissioners, to talk about our contract for dispatching fire services. Just so you know, we had a 30% increase. We are going from \$9,700 per month to almost \$15,000 per month in payments. We have some real big concerns on what they’re going to do with our police contract when it comes up. We’ve already started discussions with them and I had a meeting last week with the Sheriff’s Department and dispatchers, along with a couple County Board Commissioners.
- We approved redoing the pathway by the Richardson Center along Oakley Park Road and South Commerce.
- We did an amendment to the Michigan Airline Trail Council, because Walled Lake’s process of withdrawing from the Council is final.
- We are purchasing 19 picnic tables for the Parks; 13 are ADA compliant, and 6 will have wheelchair access on the ends.
- We purchased a whole bunch of equipment for our Maintenance Department to help ease their jobs. We purchased a self-propelled blower for them, along with a new trailer, a new grader for the dirt roads, and a leaf vac. They will also be getting a woodchipper.
- We approved an ADA compliant kayak launch at the old Union Lake boat launch.

- We also approved \$9,000 to get the plan going for the Library Pathway. We received a million dollar grant from the State last year. So, along Commerce Road, where the path cuts across and goes back behind Byers, we will extend the path down to South Commerce Road with a boardwalk there, having access to all four corners and a pathway going up into Byers.

### **Item 7: Engineer's Report**

Jason Mayer – I have an update on the plan reviews. Lafontaine Automotive Group, the engineering plans are approved for that. They're in for permits right now. Once the permits are approved, we will hold a pre-construction meeting within a couple months.

The Springs at Five & Main, we have been looking at their engineering. We have the sanitary line all the way out to Martin Parkway. That's in for a permit at the WRC. They're doing some revisions on the water main and grading. We did have their wetland permit approved as part of the Haggerty pump station abandonment, we we've got that under control. I would expect another three to four months before they have permits for water and sewer.

For the Haggerty pump station abandonment, we have all of the permits. We're just working on some revisions to the easement behind the Walmart property. In order to make it work with the wetlands permit, we had to move some things around.

David Smith discussed interaction with Walmart. Attorney Martella stated that Walmart is aware.

### **Item 8: Planning Director's Report**

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

- I think we have covered a lot.
- Costco was mentioned regarding potentially moving their fuel center.
- Jason talked about Lafontaine and where they are as far as getting their necessary water and sewer permits from the State to start on their project at the corner of Haggerty and Pontiac Trail. They are also putting in a lot of investment into the former Dick Morris property; they're putting in a new parking lot, a new face on the building, new landscaping and sidewalks to bring that property back to life. We look forward to that one.
- In addition to working with Jason's office on the water and sewer permitting, Continental Properties/Springs at Five & Main, they are working with the Building Department on their building permits because they do want to get going on construction of the residential component of Five & Main this year.
- We talked at the last meeting regarding a developer who wants to do a Taco Bell along the south side of Pontiac Trail, next door to the Sonic drive-in. There are two homes there that would be demolished and replaced with a drive-through Taco Bell. They are hoping to get on the Planning Commission agenda for the April meeting.

Supervisor Gray – Dave, will Taco Bell be part of the traffic light enhancement?

Dave Campbell – We're talking to the traffic engineer about that. There are pros and cons to the argument. We had the new credit union and Lafontaine contribute to that traffic signal because they directly benefit from it. Taco Bell would be up the road a little bit, so you might argue that they don't have a direct benefit. Taco Bell has a much heavier pass-by traffic component, whereas people are specifically driving to a dealership and a credit union for those uses.

Discussion continued regarding the proposed site for the Taco Bell, the traffic signal and conversations with the traffic engineer.

David Smith – Is Lafontaine using the Walmart access road?

Dave Campbell – Yes, which is why they're contributing to that new traffic signal on Pontiac Trail. That would be their point of access from Pontiac Trail.

Discussion continued regarding modifying the intersection, along with costs and installation of the traffic signal at Walnut Lake Road.

### **Item 9: Committee Reports**

#### **A. Finance Committee – Cash Advance**

Finance Chair, Robert Sackleh – We are making a cash advance request. I'll walk you through the schedule. The request is going to be \$1.6 million. As of February 7<sup>th</sup>, we had about \$1.5 million in the DDA bank account. We are expecting cash in-flows of about \$483,000 for our winter capture, which is based on about 98% of our 2023 total capture amount, less the money actually collected of \$1.3 million for 2023 tax revenue, and about a half million for the 2024 tax revenue season. That gets you to the \$483,000.

There's some interest, about 2 months worth at \$7,000, and a reimbursement for DTE of about \$1500 for the lights at M-5 and Pontiac Trail. That's an additional \$490,000, getting us to about \$2 million. However, we have outflows. Estimates based on the approved budget are 2 months worth of the Director's fees, Administrative Assistant fees, Attorney fees, along with property maintenance and utilities, and the principal payment against the refunding bond of \$2.3 million, and the interest on all three combined is about \$770,000. That's outflows of \$3.1 million and that gets to a shortfall position of about \$1.2 million as of April 1<sup>st</sup>.

We're also looking at April, May and June with another 3 months of the same thing, and fees to the Township of \$100,000, along with HOA fees of \$10,000, and a \$200,000 cushion in the bank account. If you net all of that out, the minimum cash advance required is \$1.5 million, and we are asking for \$1.6 for the advance. In July, more tax collections will be made, and this will bridge us over to that point.

Chairperson Gotts – Molly, do you have any comments?

Treasurer Phillips – No, he covered it.

Vice Chairperson Matta – When we close on the .44-acre parcel ...

Treasurer Phillips – We didn't put that in because we're not guaranteed that it will close in time for us to make the March 28<sup>th</sup> payment.

David Smith – And it's not exactly a huge windfall.

Chairperson Gotts – For the record, we can entertain a motion to accept the report.



**MOTION** by Matta, supported by Sackleh, to accept the report of the Finance Committee on the cash advance.

**MOTION CARRIED UNANIMOUSLY**

Chairperson Gotts – Thank you very much, Bob.

- B. Public Relations Committee – Chairperson Gotts – As we know, Jose is not in attendance and there is nothing to report.
- C. Marketing Committee – David Smith – Nothing new to report.

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

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

**MOTION CARRIED UNANIMOUSLY**

**Item 11: Other Matters**

Supervisor Gray – For those of you with kids or grandkids, Saturday, March 16<sup>th</sup> we will hold our first annual Easter Egg Hunt. It will be at the Silo Ranch on Wixom Road. You can go onto the Parks & Recreation website to register times for the kids to come in. We are doing it by age groups.

**The next regularly scheduled DDA meeting is Tuesday, March 19, 2024, at 12:00pm.**

**Item 12: Adjournment**

**MOTION** by Matta, seconded by Winkler, to adjourn the meeting at 12:40pm.

**MOTION CARRIED UNANIMOUSLY**



Melissa Creech  
DDA Secretary

**INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP**

EXP CHECK RUN DATES 02/20/2024 - 02/20/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
<b>COMM TOWNE COMMERCE TOWNE PLACE ASSOCIATION</b>			
2024 CTPA DUES	DDA	2024 CTPA DUES	10,018.80
Total For: COMMERCE TOWNE PLACE ASSOCIATION			<u>10,018.80</u>
<b>DAWDA DAWDA MANN COUNSELORS AT LAW</b>			
593433	DDA	PROFESSIONAL SERVICES THROUGH 1/31/24	810.00
593434	DDA	PROFESSIONAL SERVICES THROUGH 1/31/24	3,340.08
Total For: DAWDA MANN COUNSELORS AT LAW			<u>4,150.08</u>
<b>WATSON DEBORAH WATSON</b>			
JAN/FEB 2024	DDA	DDA DIRECTOR 01/11/24 - 02/14/24	2,916.00
Total For: DEBORAH WATSON			<u>2,916.00</u>
<b>DTE DETROIT EDISON</b>			
03/06 2579 LIBRARY	DDA	ACCT# 9100 077 1100 5	23.10
03/06 2581 LIBRARY	DDA	ACCT# 9100 077 1086 6	1,080.46
03/06 2660 E OAKLEY	DDA	ACCT# 9100077 1065 0	150.56
03/06 3106 MARTIN	DDA	ACCT# 9100 0477 1076 7	188.70
Total For: DETROIT EDISON			<u>1,442.82</u>
<b>SANDYB SANDY ALLARD</b>			
JAN/ FEB 2024	DDA	DDA ASSISTANT 01/11/24 - 02/14/24	1,019.25
Total For: SANDY ALLARD			<u>1,019.25</u>
Report Total:			<u>19,546.95</u>