

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, April 16, 2024
Commerce Township Hall
2009 Township Drive
Commerce Township, MI 48390

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

Downtown Development Authority:

Present: Debbie Watson, DDA Director
James Gotts, Chairperson
Steve Matta, Vice Chairperson
Larry Gray, Township Supervisor
Brian Winkler, Member
Robert Sackleh, Member
Jose Mirkin, Member
Derek Tuck, Member
David Smith, Member

Absent: Tim Hoy, Member (excused)
Matt Schwanitz, Giffels-Webster, DDA Engineer

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
Lt. Wendy Reyes, OCSO Substation Commander

Item 1: Approval of Minutes

MOTION by Mirkin, seconded by Tuck, to approve the DDA Regular Meeting Minutes of March 19, 2024, as presented. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

Ray Golota, 1595 Vanstone, Commerce Township – I missed the last DDA meeting, but I went to the Planning meeting a week ago yesterday. I wish I was at the meeting you had last month because you talked about the Five & Main project and the setback with Bruce Aikens.

Director Watson – Did you read the minutes?

Ray Golota – I did. At the Planning meeting I had to laugh at myself when Dave was talking about it.

Dave Campbell – What did I say?

Ray Golota – Well, you were talking about the sewer and water over there, and I smiled to myself. It's like, oh my God, this thing has been going on for years and years, and all of a sudden, this big thing pops up and now it might fall on the burden of the Township, et cetera. It's just very interesting.

Director Watson – Yes, and they're still working through it. We will keep you posted.

Ray Golota – I hope I'm alive to see it.

Director Watson – Me too. Thank you, Ray. It's always good to see you.

Item 3: OCSO Report

Chairperson Gotts – With no other public comments, we will entertain the OCSO Substation Commander, in a beautiful new uniform.

Lt. Reyes – Yes, this is what it's going to look like when they all get outfitted. It will probably take a year and a half to get everybody switched over. These are a lot nicer. I got the report to you for the recent crash that took out the light pole.

Director Watson – Yes, thank you. The Fire Marshal, Mark Gall, stopped in today because he happened to be onsite right after that accident. He was coming out of Barrington. I guess that driver drove through a sign, then our light pole, and then another sign. She then pulled over in Avalon to pry the signs off of her car and then continued driving. They just had to follow the trail of antifreeze.

Lt. Reyes – Great detective work.

Director Watson – Yes. And I heard that your HIDTA contract was renewed recently.

Lt Reyes – Yes.

Director Watson – Thank you.

Item 4: DDA Informational Meeting

A. 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 spoke with Jim Butler, Civil Engineer on the project. They're working through some potential ideas and solutions for the sewer main. I don't know all of the details on it, but I know he has been talking with Jason. Dave, if you're part of those, maybe you can give the latest.

Dave Campbell – They have sticker shock is how I'll put it with the cost for mostly the sewer, but also the water main, just the underground infrastructure in general.

Randy Thomas – They meaning Continental?

Dave Campbell – Both Continental and Aikens. They have their own deal with how they're going to split up the costs amongst the two of them for that infrastructure, because those pipes have to get all the way across the property and out to Martin Parkway. They have been working with Jason Mayer, Township Engineer, on value engineering, trying to find ways to bring down the cost of that pipe. One of the things that they've asked the Township, and one

of the things we're going to discuss is, could they do a special assessment district (SAD) for the underground infrastructure. That is an idea the Township will consider. It involves a lot of input from Molly as the Treasurer, from the Township Board, and from the Township Attorney. We're all having a conversation today amongst all of us to try to figure some of that out.

Continental needs some answers from the Township regarding interest rates, the term of the SAD and some of the administrative costs that go along with it so they can include those numbers in their spreadsheets and figure out if the SAD is what this project needs to make it viable. That's what we're working on now. If it's determined that it could work, there's a process for SAD's. It has to go to the Township Board at least twice for the required approvals.

Director Watson – The only thing I had to add to that, from Jason Mayer's email this morning regarding engineering, was that they have looked at keeping the Haggerty pump station in service. That could save them \$600,000; however, the pump station would need maintenance of \$250,000 to \$500,000 to keep it going, plus it doesn't sound like there is a lot of confidence in the force main along Haggerty and Pontiac Trail. It's 25 years old and it needs to be evaluated to see if any work would be required on that.

Dave Campbell – The same logic that made us say years ago that we would someday abandon that pump station, that logic still applies. We looked at whether there was any logic to not abandoning, but at least from Continental, they're saying the money that would save them by allowing them to bring their sewer pipe up a few feet is \$600,000 and that's not enough to get them over the hump. There are a lot of things that a lot of people have to look at to try to keep this moving.

Director Watson – Thank you, Dave.

Randy Thomas –

- Parcel B1, Phase II – Aikens, Five & Main; The .44-acre parcel is under contract; the extension was signed and he deposited \$10,000 with the title company. I think everything is predicated moving forward if there is a solution on the sewer and the water loop.
- Parcel B2 – Avalon; Nothing new to report.
- Parcel C – The hard corner of Pontiac Trail and Haggerty Road; LaFontaine Automotive Group (LAG) – Dave, have you heard anything from LAG?

Dave Campbell – We had a Zoom call with LAG last week. They're working as we speak on the Dick Morris property. The one bit of news we got from them was that Genesis is going to move into the Dick Morris property when it's ready. They'll be there on a temporary basis for about a year until their new dealership is built at the corner of Pontiac Trail and Haggerty. They hope to occupy the Dick Morris site by maybe late summer of this year.

Director Watson – Didn't they have an issue with the radius and the distance to another dealership?

Supervisor Gray – That was Hyundai.

Dave Campbell – Yes. Genesis really wants to get into this market, and that's why they're willing to take up a temporary spot for a year before their permanent spot is ready. And

you're right, it was specifically the Hyundai brand that was a few feet too close to the dealership in Lyon Township.

Director Watson – So that's going to be a nice new building then if they're gearing it up for Genesis.

Dave Campbell – Yes, all the new glass and new face they're putting on the Dick Morris building is supposed to match the new Genesis building that they're building down the street.

Randy Thomas –

- Parcels D&E – Pulte, Merrill Park; Nothing new to report.
- Parcel F – The 3.9 acres in front of the Township Hall; It has been fairly quiet.
- 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 get regular inquiries on the parcel. There were a lot of curiosity calls in the last month.
- 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.
- Parcels M&N – These are the retail outlots that the DDA retains within the Five & Main development.

Jose Mirkin discussed the Five & Main development with Randy Thomas. Dave Campbell added that a meeting is being scheduled this Thursday with Bruce Aikens and his Engineer to meet with Township staff members and consultants.

B. Asset & Liability Report

Bob Sackleh – As to the Asset & Liability report and the debt service, this is in line with the advance that we requested. As of March 31st, there were some principal payments and partial interest payments on the debt service. There will be additional payments by September 30th to stay in line with what we had requested for the advance a couple months ago. Without getting too involved with the numbers, overall the idea is that after the September 30th payments, the debt will be down to about \$40 million from \$46 million.

Director Watson – Thank you.

C. Q&A

David Smith discussed infrastructure costs and the Five & Main project.

Item 5: Attorney's Report – RCOC Drainage Easement Request

Attorney Martella provided an update on the Easement request. The RCOC originally proposed a Highway Easement. After he inquired further, they provided a template for a Drainage Easement instead, which is more in line with their scope of work; however, the document is still too broad. He will continue to work with the RCOC on the proper language. He also confirmed that today is the last date for public comment to EGLE regarding the project.

Attorney Martella – I need to get approval from the Board to further negotiate and then enter into and execute this Drainage Easement with RCOC. This will be limited to the area defined in the documents, where there is both a temporary construction easement and a permanent access easement. The blue area in this diagram shows that there will be some riprap, trees removed and some stow away area. That is typical and that will be maintained. The temporary construction easement also shows removal of some trees as well just to get down to the area. There is a change in elevation.

Bear in mind, we did extend an olive branch to RCOC. There is a very specific time period that they have where they can remove trees. I was informed that it had to be done before the bats come in to nest. I had a conversation with Deb and we confirmed, so we authorized them with temporary access to remove trees last month. We let them know they were limited to the easement area.

Discussion continued regarding the RCOC project, temporary access, the requested easement, and the EGLE process and timeline.

Chairperson Gotts – Chris, should we be entertaining a motion to execute this document, subject to modification by counsel?

Attorney Martella – I'm entertaining a motion to further negotiate this drainage easement. Then, upon negotiation and approval by counsel, it will be executed.

David Smith inquired about the easement negotiations and speculated on details of the culvert project. Director Watson explained that the document is not yet complete. It's a template that needs additional language. Vice Chairperson Matta agreed as the easement does not have any specifics and it is not an executable document.

Discussion also took place with Dave Campbell and Supervisor Gray regarding the Township's infrastructure on the west side of S. Commerce Road. The Township remains hopeful that it will not have to dig up and move that sewer main.

Attorney Martella and Vice Chairperson Matta elaborated on the necessary specifics that need to be clarified in the drainage easement, including; existing infrastructure, the temporary construction easement details, the permanent easement details, the exhibits which included the diagram and the legal description, who is responsible for costs, restoration, et cetera.

Chairperson Gotts – For the record, counselor, should we note that we decline the opportunity to sign this agreement?

Attorney Martella – As drafted, yes.

Chairperson Gotts – And pending further negotiations, as approved by counsel, and recommended at the DDA Board.

Discussion continued regarding negotiations.

MOTION by Matta, supported by Mirkin, to allow counsel to negotiate the RCOC Drainage Easement so that the DDA is protected in the manner described here today. It is noted that the DDA will not be executing the current document as presented today.

Discussion –

David Smith objected to the DDA declining to sign the agreement as presented. Director Watson reiterated that the current document lacks all of the details that were just itemized.

AYES: Matta, Mirkin, Tuck, Gotts, Gray, Sackleh, Winkler

NAYS: Smith

ABSENT: Hoy

MOTION CARRIED

David Smith – Do we have to wait 30 more days for this to come before us again?

Vice Chairperson Matta – No. We just authorized him to negotiate it per the parameters we've discussed today.

Attorney Martella – And if we get to a negotiated version, we can circulate it to all members for review.

Jose Mirkin – We do need much more information versus this open window.

Item 6: Director's Report

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

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

- *5 & Main – Regarding the sale of the .44-acre parcel, a 60-day extension was granted at the March DDA meeting. The 2nd Amendment was executed and the deposit has been received. Bruce and Continental continue to explore value engineering methods and other potential alternatives to save on project costs.*
- *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 – Nothing new to report.*
- *LaFontaine Automotive Group Dealerships (LAG) – They have received engineering approval for their dealerships at Pontiac Trail and Haggerty. They have submitted plans to the Township to obtain permits. They are also beginning work at the former Dick Morris site.*
- *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. Second quarter invoices were sent to the subdivisions.*
- C. **Tax Forms & Reports** – *Nothing new to report.*
- D. **Lighting/Electrical** – **Shaw Elec., Eric Peterson, Adam Dornton**
- *We currently have three light poles down that need to be replaced.*
 - *We await court ordered reimbursement for \$10,648 for one claim. That accident occurred December 13th.*
 - *March 25th was a hit and run at the Oakley Park roundabout.*
 - *The most recent incident was on April 8th at the Barrington roundabout. We are working on filing an insurance claim.*
 - *Shaw completed electrical panel maintenance recently. They will schedule repairs and reinstallations when weather and soil conditions permit.*
- E. **Landscaping & Maintenance** – **United Lawnscape, Angela Munroe; Bob Rousseaux's Excavating, Mark Rousseaux**
- *Trail maintenance and flooding issues have recently been addressed.*
 - *Rousseaux's crew cleaned up branches, large debris and car parts last week along Martin Parkway.*
 - *We met with United on April 3rd for a kickoff meeting. Grass cutting, mulching, rut repairs and other projects will begin soon.*
 - *Deep root fertilization of the Parkway trees will also take place soon.*
 - *We are working with Rousseaux and United to plant trees and shrubs in the Barrington roundabout. It's in dire need of landscaping, especially since the accident late last year that took out a very large evergreen.*
 - *The Martin Parkway Adopt-A-Road cleanup is scheduled for Saturday, April 20th from 9am-11am.*
- F. **Irrigation** – **Michigan Automatic Sprinkler, Mike Rennie**
- *We renewed our contract.*
 - *The system opening is scheduled at the end of April.*

IV. Other –

- *Counsel continues to correspond with the RCOC regarding the S. Commerce Road drainage easement agreement.*

Township Board Report – Supervisor Gray

Supervisor Gray – Our Township Board meeting was last Tuesday.

- *We had Dr. Bernia come in to discuss the Walled Lake School Bond. It's a permanent bond with the election coming up on May 7th. They're looking to take the millage rate down from 4.13% to 4.05%, but expanding the debt out for another 30 years, and there's really no control on that. Make sure you read up on that millage before you vote.*
- *We reappointed Tim Hoy to the DDA, along with a couple other folks to the Parks & Recreation Committee, and the Library Advisory Board.*

- We approved our dispatch service agreement with Oakland County, which the Board is really not happy with. The County raised our fire dispatch agreement 30%, so we went from \$9,700 a month to almost \$14,000 a month. Back in 2009, it was \$3,200, and now we're up to \$14,000. A lot of that had to do with the increase in calls that we've had, which is up about 1,000 calls per year. They're also starting to add in this indirect cost feature, but they haven't been able to explain to us exactly what that is. We have some concerns moving forward with patrol services. The contract is going to be expiring at the end of this year. If they do the same sort of thing, we will be looking at a million dollar increase for our Sheriff agreement.
- We accepted the State Code for Noxious Weeds. This allows our Ordinance Department to handle fines for grass and weeds in a timely fashion.
- We made a couple of job description changes for folks here at the Township.

Discussion took place regarding billing and fees for grass cutting.

Item 7: Engineer's Report

Director Watson – Jason Mayer provided his update and Dave and I covered that earlier. I'm just waiting on the final verdict on the soil borings that PEA did on the site. They will keep us posted.

Supervisor Gray and Dave Campbell discussed the soil boring depths in relation to the potential for Aikens and Continental to use the native soil to backfill the trench for the sewer. Everything has to compact a certain way per the County. They were trying to save money by not having to import new material, and also on the cost of trucking out the old material.

Open discussions continued regarding project infrastructure costs and the potential for a special assessment district.

Item 8: Planning Director's Report

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

- We've talked about Five & Main and LaFontaine.
- In the peripheral of Commerce Towne Place, the Planning Commission approved the Taco Bell next door to Sonic along Pontiac Trail.
- We've talked with Costco and they might be at our June Planning Commission.
- We continue to get tire kickers on the former United Artist Theater, Regal Entertainment. One is a group out of Ohio that wants to do apartments there. That is a big piece of the Township puzzle that will be talked about in the foreseeable future.
- We are always talking about the Beaumont Property, and the Williams International Property. We're trying to get something going with the Oakland County Economic Development folks to see if they have any great ideas about how we can make something happen on those properties.

Jose Mirkin – Williams International is available?

Dave Campbell – They are slowly moving out, from their Commerce Township campus to their new facility in Pontiac. They also have places in Utah and Mexico where they are moving stuff.

Item 9: Committee Reports

- A. Finance Committee – Robert Sackleh – I covered debt service earlier.
- B. Public Relations Committee – Jose Mirkin – The art teachers of Walled Lake Schools have already started their selection of the art pieces that will be exhibited during the Annual K-12 Art Exhibition that will take place in our community Library. They will set up the display on Friday, May 17th. The event will run from May 20th to the 27th, with take down scheduled for May 28th. This is a coordinated effort between the DDA and the Walled Lake Schools. We started this partnership in 2013, and we moved the Exhibition from the Township Hall to the Library when it opened in 2017. Last year, more than 1,400 residents, parents, grandparents, friends, educators, school authorities and students, attended this annual event. It is interesting to note that the Library has become the place where residents come together to see the artwork and the talent of our kids, and the Library is helping to create a sense of community engagement and support for the Art Exhibition that we have every year. This year, we will not have the DIA Inside/Out Program in Commerce Township. Michigan has 1,240 Townships, 276 cities, and 1,700 municipalities. We had the program here last year. There are other municipalities in Michigan who have never had the chance of having the reproductions in their communities. We will have to wait two or three years before we see the program again.
- C. Marketing Committee – David Smith – Nothing new to report. I am disappointed to see that Chase is going into the Meijer parking lot. We always had hopes of seeing a financial institution on the commercial parcel next to Barrington.

Discussion took place regarding financial institutions in the area.

Item 10: Approval of Warrants and/or Carryovers, Add-ons, Revenue & Expenditure
MOTION by Mirkin, seconded by Matta, to approve the Warrants and/or Carryovers, Add-ons and the Revenue & Expenditure Report. **MOTION CARRIED UNANIMOUSLY**

Item 11: Other Matters

- Winkler noted that he might not be able to attend the May DDA meeting.
- Mirkin asked about the American flags on the M-5 pedestrian bridge. Dave Campbell stated that the Fire Department is targeting the first Saturday in May to put them back up. He added that the M-5K takes place on May 18th.
- Ray Golota discussed the EV market with Dave Campbell in relation to LaFontaine's developments.

The next regularly scheduled DDA meeting is Tuesday, May 21, 2024, at 12:00pm.

Item 12: Adjournment

MOTION by Gray, seconded by Smith, to adjourn the meeting at 1:11pm.
MOTION CARRIED UNANIMOUSLY


Melissa Creech
DDA Secretary

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

EXP CHECK RUN DATES 04/16/2024 - 04/16/2024
 POSTED AND UNPOSTED OPEN AND PAID
 BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
DAWDA DAWDA MANN COUNSELORS AT LAW			
596694	DDA	PROFESSIONAL SERVICES THROUGH 3/31/24	1,375.00
596695	DDA	PROFESSIONAL SERVICES THROUGH 3/31/24	4,288.00
Total For: DAWDA MANN COUNSELORS AT LAW			<u>5,663.00</u>
WATSON DEBORAH WATSON			
MARCH/APRIL 2024	DDA	DDA DIRECTOR 3/14/24 - 04/10/24	4,968.00
Total For: DEBORAH WATSON			<u>4,968.00</u>
SANDYB SANDY ALLARD			
MARCH/APRIL 2024	DDA	DDA ASSISTANT 3/14/24 - 4/10/24	1,019.25
Total For: SANDY ALLARD			<u>1,019.25</u>
USBANK US BANK			
SERIES 2019 BOND	DDA	AGENT FEES BOND SERIES 2019	500.00
Total For: US BANK			<u>500.00</u>
Report Total:			<u>12,150.25</u>

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

INVOICE ENTRY DATES 04/15/2024 - 04/15/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
DTE DETROIT EDISON			
05/06 2579	LIBRARY DDA	ACCT# 9100 077 1100 5	22.72
05/06 2581	LIBRARY DDA	ACCT# 9100 077 1086 6	865.53
05/06 2660	E OAKLEY DDA	ACCT# 9100 077 1065 0	114.20
05/06 3106	MARTIN P DDA	ACCT# 9100 077 1076 7	133.71
Total For: DETROIT EDISON			<u>1,136.16</u>
Report Total:			<u>1,136.16</u>