

Final
CHARTER TOWNSHIP OF COMMERCE
DOWNTOWN DEVELOPMENT AUTHORITY
Tuesday, June 18, 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
Larry Gray, Township Supervisor
Robert Sackleh, Member
Jose Mirkin, Member
David Smith, Member
Tim Hoy, Member
Derek Tuck, Member

Absent: Brian Winkler, Member (excused)
Matt Schwanitz, Giffels-Webster, DDA Engineer
Lt. Wendy Reyes, OCSO Substation Commander

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
Jason Mayer, Giffels-Webster, Township Engineer
Randy Thomas, Insite Commercial (exited 12:42pm)
Spencer Schafer, Schafer Development

Vice Chairperson Matta – This meeting is a little bit sad for me, and I'm sure for everyone here with Jim's passing. I hope you all know there is going to be a service on July 12th. Deb sent the details around. He was a great man and a great friend to all of us, and we're going to miss him very much. Hopefully we'll all have some nice things to say on the 12th and celebrate his life.

Discussion continued regarding services for Jim Gotts at St. Patrick's Church, followed by a Celebration of Life at Steinway Piano with Tim Hoy.

Item 1: Approval of Minutes

MOTION by Mirkin, seconded by Hoy, to approve the DDA Regular Meeting Minutes of May 21, 2024, as presented. **MOTION CARRIED UNANIMOUSLY**

Item 2: Public Comments

Supervisor Gray – With the passing of Jim Gotts, I tried to find a new member for the DDA Board. From dealing with multiple contractors and developers throughout the Township, Spencer Schafer is who came to mind. Spencer works with his father. He's here to speak. I wanted him to introduce himself to you here today. Most of you know of him. The plan is to appoint him at the July Township Board meeting to fill the vacancy on the DDA Board.

Spencer Schafer – Good afternoon DDA members. My name is Spencer Schafer. I'm with Schafer Development. We are a local real estate company, actually family-run, based in the Farmington Hills area. We do a lot of residential, commercial and industrial developments. It's nice to see some friendly faces here. I know Randy Thomas and he knows my father very well. I know Dave and Jason and a lot of the other folks here at the Township. We've had the opportunity to work with them on a couple of developments that we've done.

We were the main developer behind the Midtown on Haggerty development, just south of the Home Depot, north of the Kroger shopping center. That retail has obviously been built now and all of those spaces are leased with the exception of one. We had approval for 187 apartments on the back portion of that property, but with everything going on with the economy, interest rates and construction costs, I've been talking about it in-depth with Dave and Paula in Planning, but we do have plans to introduce a retailer into the back portion of that development to get it completed. It's actually a big box retailer who is currently located within the Township. They would be looking to build a new store and relocate from that existing facility. We're trying to help them locate a couple of tenants so they can fill that space. In talking with Dave, that was a concern.

We do an array of real estate activities throughout the southeast Michigan area, and Indianapolis and Florida as well. I'm a young guy, normally the youngest guy in the room at 27, but my father has been in the business and I've had a great opportunity to learn from a lot of professionals within real estate, construction and planning. I would be honored to join the DDA if approved by the Board. Thank you for the opportunity. I'm more than happy to answer any questions you may have after the meeting.

Vice Chairperson Matta – Thank you, Spencer. We're excited about the project and what you're doing there.

Item 3: OCSO Update

No report in Lt. Reyes' absence.

Dave Campbell – Larry, do you know when they're having their Open House?

Supervisor Gray – That's going to be Saturday, July 20th, and I believe it's from 11am-3pm. It will be held here at the new Oakland County Sheriff's Substation.

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; The Continental deal did not close yesterday, and therefore we have not closed with Aikens. There were some last minute discussions and I called Aikens to find out details. I just talked with Jason regarding his discussion with the folks at Continental. It should be closing by the end of the day today.

Vice Chairperson Matta – They have until the 20th, correct?

Attorney Martella – Correct.

Discussion continued regarding the pending closings. Director Watson noted that Mayme D'Alessandro, Paralegal at Dawda Mann, had all of the DDA documents signed last week. Attorney Martella confirmed and added that the documents were delivered to the title company yesterday before 11am. Dave Campbell also delivered documents this morning to the title company.

Attorney Martella – I will keep you posted. If it is happening, they have to notify us for permission to close our portion of it.

Treasurer Phillips – And I'll be happy to send an email once funds are received.

Randy Thomas – As it relates to the retail portion of the Five & Main development, we've actually got a 50,000 square foot user who is very credit-worthy and entertainment oriented. Aikens is reworking the plan. It helps him out significantly if we're able to make the deal because, unlike the gourmet market which is an anchor, their credit isn't viewed in the marketplace as strongly as one of these national groups. We're at the very early stages. We represented the same group on an acquisition of some other sites. They came to us.

Dave Campbell – Is this instead of the gourmet market?

Randy Thomas – No, the market remains. This would be on the east side of the project.

Vice Chairperson Matta – Close to the residential?

Randy Thomas – Yes. (Randy approached the overhead and indicated the location on the map.)

Vice Chairperson Matta – Fairly high-profile.

Randy Thomas – Yes, I have an NDA signed right now.

Vice Chairperson Matta – I meant their view, their location would be pretty high-profile.

Randy Thomas – Yes. They are in the entertainment concept. They've made recent acquisitions in the market and that's in Crain's. When I can talk about it, we'll bring it back.

Director Watson – Randy, was there an ICSC last month, and did you or Bruce attend?

Randy Thomas – Bruce went to it. I was not able to attend. Bruce said it was very busy and the focus was on Commerce with the meetings. Overall in the report I got from others was that it was fairly well attended. In 2020 and 2021 they didn't have it. In 2022, it was poorly attended. In 2023, it was a little better. This year they had over 40,000 people. It's huge. From Bruce, he said it was very productive.

- Parcel B1, Phase II – Aikens, Five & Main; Nothing new to report.
- 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.
- Parcels M&N – These are the retail outlots that the DDA retains within the Five & Main development. We had another group that called today regarding Parcel M, which is by the entrance way into the Five & Main. They did not disclose the use. We are sending them all of the information. They said they are seriously looking in the market. They did meet with Aikens but he can't comment.

Item 5: Attorney's Report –
Vice Chairperson Matta – You have a full agenda.

Attorney Martella – Yes, I have a full agenda.

A. Closing on .44 Acre Parcel

Attorney Martella – We've already touched upon the beginning of this, which is the closing on the .44-acre. As Deb and I mentioned, our documents were delivered yesterday in preparation for closing. I have now been told by numerous people that it is happening today and it is ongoing as we speak. When I find out, I will send out an email that it is closed, and also when the wires go out we will let you know as quickly as possible.

Vice Chairperson Matta – Is this an in-person closing? Are they physically there, or did everyone sign and it's held in escrow?

Attorney Martella – As far as we were concerned, we signed everything early. It was a mail-away closing and documents were delivered with an escrow letter. Continental is not in Michigan, so my understanding was that everything was being mailed from Wisconsin and emailed to the title company. I was told that Dawn, Bruce's attorney, was delivering some documents yesterday, and then the modifications to the Master Deed, all of those originals; the new Master Deed for Five & Main, the modifications of our Master Deed, et cetera, I physically saw those original copies at the title company yesterday, fully executed and ready to go. They have already been pre-approved by Oakland County. The Register of Deeds already has them and they have been approved. We are just waiting for signatures to be released. At this point, we are just waiting on Bruce and Continental. I spoke to Continental's attorney a few times last week. If they could get a shovel in the ground late today, they would do it. They want to be mobilized immediately.

B. License Agreement

Attorney Martella – We have discussed a License Agreement over the last month or so. Continental is requesting usage of some acreage on Unit 14 to store dirt, for mobilization of equipment and to put a construction trailer on to advertise the project. We have discussed details. They need to be on our property rather than Bruce's property. We have no real objection to the concept of having staging on Unit 14. We went back and forth on a few things. I'll go over some highlights.

We have told them that the License Agreement would be good until October 29, 2025. That is when Bruce must exercise the option on Unit 14. We said the License Agreement is valid until that point, or when we sell the property. Those are always the conditions – if we sell the property, they have to be off. They came back and said, "Chris, we have a 2-year construction plan proposed. We're talking about having the development completed in July 2026. We really need more time." I understand their needs and I talked to Randy about the timeline. Their proposal to me was, after the 29th of October, 2025, that the License automatically extends until October 29, 2026, with the following conditions:

1. The property gets sold, they're off. The caveat to how much time we give them to get off is what changes. So, for the year between 2025 and 2026, again, if we sell the property, the License expires unless they negotiate with the buyers.
2. If they finish the project, of course, off they go.

3. During that time period, they requested 60 days from when money goes hard on a purchase agreement with a third party. For example, if Bruce does not exercise his option and we go under contract with ABC Co. When their due diligence period ends, Continental would have 60 days from then, when we provide them with notice, to move everything off the site, grade it level and return it to normal. They would need 60 days to vacate.

I talked with Randy about this and that 60-day time period is not going to impinge on any buyer. It won't hinder the sale. Most buyers won't mind having a little bit of time. I'm inclined to give them those 60 days.

Continental also agreed to post a \$175,000 removal bond, in the event that they do not vacate the property, so that we have immediate access to funds to start that process and take care of legal fees and the like. We worked some numbers on dirt removal. Their goal is actually not to have that much dirt onsite; they want to sell it or re-purpose it onsite.

In addition, they have been adamant about getting this project done. They are on a very strict timeline. Not only is their construction financing tied to getting vertical, but they have budgeted this for a 2-year project. They have sworn up and down to me, that is a promise, and they have disclosed some of the loan timelines to me as well, which correlate to a 2-year completion date in July 2026.

That is the proposal right now and that is the redline they sent back to me on the License Agreement. They also put something in there that they wanted it to be an irrevocable license, but we will not allow that. It will be revocable, otherwise it starts to look like a lease. I am happy to field questions from everybody. This was in your packet.

Director Watson – I did put it in the final full packet that was circulated this morning. That has the detailed site plan and it also has the bond which they have already secured.

Treasurer Phillips – We don't want it to be a lease. That is a recording nightmare.

Attorney Martella – Agreed, and that's why it's a License. We don't want them to have tenant rights. This is a temporary License.

Vice Chairperson Matta – But as soon as you start putting conditions in, they now have the right to question those conditions. I just envision a buyer saying, "Well, I'm going to condition my purchase agreement on them getting off this property." Isn't that a circular argument now? Personally, I think, it's a License Agreement. That means when we say, "Enough.", that's enough. I don't have a problem with 60 days' notice, but I don't want any conditions tied to it. It's just when we decide, then it's 60 days.

Director Watson – You don't want it tied to the due diligence with a buyer.

Vice Chairperson Matta – Right, why should I have to prove my offer or anything else to them?

David Smith – What is the hard line of when they have to be done?

Vice Chairperson Matta – October of 2026.

Director Watson – In the License Agreement, it gives them until October 2026, and they have firmly stated they want to be done in June of 2026. Therefore, they should be off the site sooner than October.

Vice Chairperson Matta – And what if, in October of 2025, Bruce buys it? Then it's his problem, right? I don't want to have an automatic condition like that. It's a License and we will give you 60 days' notice, and whenever that notice is, it is. What reason would I have to stop them? What would they be worried about?

Attorney Martella – Based upon my discussions with their counsel, 60 days is what they need for advance notice to move stuff. It sounds reasonable. I don't think they would be opposed to the concept of, after October 2025, if it's 60 days, period. If we tell them 60 days and you're off. We are not tying it to a deal.

David Smith – What exactly are they using this for?

Director Watson – They're going to stage a construction trailer there, and spoils.

David Smith – Spoils from the site?

Director Watson – Yes.

David Smith – They're not importing. I don't want to see topsoil sitting there and semis driving in and out.

Vice Chairperson Matta – We try to limit that. Here's my point; what if we say there's a breach of those covenants that they've set? We could be in a lawsuit and they could drag it out. If we have 60 days' notice, it's a License, that's the end of it and there's none of that. I don't have to engage in any of that.

Director Watson – Chris, can we simplify it that way?

Treasurer Phillips – Cut out the purchase and just say any time after October of 2025, upon 60 days' notice.

Attorney Martella – That's my proposal to go back to them with. I have no issue with simplifying it that way, after October 2025. Unless you're proposing that it's 60 days no matter what.

Vice Chairperson Matta – No, I will give them until October 2025. It's ours at least until then.

Attorney Martella – And again, with the sale part, their License ends.

Randy Thomas – In a practical sense, Bruce has got this property under control until October 2025. Even if we did a deal in October 2026, we're not closing. They should feel comfortable that the 60 days would be sufficient.

Director Watson – How long did the buyer want on J1 recently? They wanted 90 days, plus another 60 and they kept adding to it. It can drag out.

Vice Chairperson Matta – Except that they were going for Planning Commission and other approvals. These guys don't need that, they're just using the land, so 60 days is plenty to get the trucks in, pick up the pipe, sell the dirt and get it off. How big a section is it? I can't remember the acreage of the area they are licensing.

Dave Campbell brought up the site plan on the overhead.

David Smith – What is their route out of there?

Attorney Martella – It's going to be the east/west connection road out to Martin Parkway.

David Smith – You're going to have semis running through that roundabout.

Vice Chairperson Matta – They do have a 300 area for stockpiling topsoil. It's actually quite a big area.

David Smith – It's like 3 acres.

Director Watson – I did the math on how much soil they're actually going to be moving, based on the 2,700 feet at an average depth of 30 feet, with someone who actually does earth moving. If all of that soil was sitting on the site, it would be approximately \$350,000 to truck out half of it, and to move the other half. That's where we came up with \$175,000, because I don't think they would have even half of that soil on there at any given time. They also have the construction trailer.

Vice Chairperson Matta – With something of this size, a buyer would want to be able to inspect it or test it. I think 60 days is sufficient. Do we need a vote?

Attorney Martella – No. We already have approval to negotiate the License Agreement, if everyone is in agreement with the 60-day period, that is how we will negotiate it.

Vice Chairperson Matta – I just feel more comfortable, rather than committing the DDA to something that we're really not fully in control of.

Director Watson – Chris, this wasn't on the last agenda. I think we do need a motion.

Attorney Martella – Okay, let's do a motion for this one to include the following; to negotiate and enter into the License Agreement with Continental, based on the terms discussed.

David Smith – Based on notice of 60 days to terminate, and full restoration.

Vice Chairperson Matta – Yes, we have all of the conditions there that they need to abide by. This is really just the term and termination.

Attorney Martella – Correct, this is based on 60-day termination after October 29, 2025.

David Smith – There has to be a road in there so the Fire Department has access.

Vice Chairperson Matta – They're going to connect to Martin Parkway.

Attorney Martella – My understanding is as follows. You will see the dirt piles projected to be in this area. They will make the road connection here into the project, and that will be the main road that they will use to haul off dirt, to stage and everything else, pursuant to the drawings they have attached. It's a straight shot into the project and that will be the major east/west road that is also where the utilities are being installed.

David Smith – That’s where the sewer is going too, right?

Attorney Martella – Correct.

Director Watson – I think having the staging area makes it that much more accessible for the Fire Department.

David Smith – Jason, is he installing the sewer through there?

Jason Mayer – Yes, and I think that’s probably why they want the north side for staging because the sewer excavation is on the south side.

Attorney Martella – That was the question I posed to their counsel; are you using Bruce’s land? Why couldn’t you use the south side of the road? He said it would be really hard to use that because of where the sewer main is going in; they need to use the north side for staging which attaches directly to the project so it offers easier access. That’s all I needed to hear, I just needed somebody to tell me why.

MOTION by Smith, supported by Mirkin, to have counsel negotiate and enter into the License Agreement with Continental Properties, based on the terms as discussed, and permission for the Chairperson, or his designee, to execute the Agreement.

MOTION CARRIED UNANIMOUSLY

Attorney Martella – This License Agreement may need to be recorded. We will coordinate on the notarized signatures.

C. RCOC Drainage Easement

D. AT&T Easement

Attorney Martella – I can cover the easements together. The RCOC came back with changes which were overreaching and a little bit obnoxious. The DDA will, in no way, shape or form, indemnify the RCOC, full stop, end of story. The good news is, however, the project is well underway. Their timeline for this is now relatively short. They’re going to have it done by the end of this construction season. They’ve gotten all of their permits and approvals, and I’ve heard very positive things about it. My advice is to allow for further negotiation, with the Director, based on our previous discussions, and then have the Chairperson or his designee execute the RCOC Easement.

As for AT&T, their easement agreement is wonderfully basic, great and simple. The exhibit is in your package showing two or three down guy wires and encroaches on the DDA land by 1.5 feet. Bottom line; the soil conditions aren’t that great and they’re concerned that the tension on the pole will cause it to shift one way or the other. Therefore, they would like to put in more guy wires. I have no real objection. Again, with the indemnification and restoring the land that they disturb. They did not object, but their counsel had to review it. They are looking forward to finalizing. They also want to get their project done relatively quickly.

That brings me to the last thing. I recommend a resolution that covers both the RCOC and AT&T easements. I have drafted suggested language to allow for the further negotiation, and for execution and recording as necessary. Both will be recorded and will encumber the property. I’m happy to answer any questions.

David Smith – Is this going to hamper any road expansion? There's already a turn lane there, but do we have enough room if the road is moved? I'm not worried about RCOC as they would be part of any expansion, but AT&T could be kind of nasty. Left turns are always a problem when roads are improved.

Treasurer Phillips – Isn't there already a left turn lane and a passing lane, coming northbound?

Supervisor Gray – It's kind of a straight through and a passing lane. That's one of those intersections that doesn't have enough length. It's one we should be talking about tomorrow. It's one of the intersections that the Township is working on in reference to studying intersections for modifications that will improve safety. This is one of three in the Township where you can either turn left in a lane, or go straight through it. This includes this intersection at S. Commerce, Loon Lake Road and Benstein, and also Sleeth and Commerce. The RCOC talked to us a few years ago about this intersection and asked us if we want a roundabout there. At that time, we said we felt there were other intersections that needed improvement first.

David Smith – We should just have a caveat in the AT&T Easement regarding any potential future road expansion.

Supervisor Gray – So Chris, with the RCOC, how confident are you that you'll have it completed? I believe they want to start on July 10th.

Attorney Martella – I think we're very close, and they will be more responsive due to their timetable. I'm fairly confident we can get there.

Supervisor Gray – We have to keep in mind a couple things. A, that's a main thoroughfare to the schools so we need to make sure that's done before school starts. And B, they were kind enough to prevent us from having to move our water and sewer mains.

Discussion continued regarding working with the RCOC to finalize the easement.

Director Watson – I have the email from Jason Benedict, which indicates that the project will start on or after July 8th, and the project should be sufficiently complete and open to traffic on or before August 30th. They are cutting it kind of close to schools opening.

David Smith – Is that a complete shutdown?

Supervisor Gray – It's a complete shutdown.

Dave Campbell – The pipe is already sitting there, it's a 50-foot culvert on the side of the road. They're ready to go.

Attorney Martella – To go back to the AT&T issue. AT&T's down wire sits east of the right-of-way line on S. Commerce Road. There's already existing right-of-way that we have not touched that goes north/south. (Approached the overhead and identified the area.) They are asking for 8 feet east of this line. Even if they were to expand the road, we would have to deal with AT&T no matter what. That is something worth noting.

Vice Chairperson Matta – Okay, I'm glad you made that clear.

David Smith – They're using the statutory 33 feet?

Attorney Martella – The right-of-way line that they have is, I believe, 35 feet off the center of S. Commerce Road. However, they also have roughly 35 feet north of the intersection. If you extend the intersection out east, there's a section line there that they are asking to be 35 feet north of.

Discussion continued as the map was reviewed on the overhead referencing the AT&T work area. It's a swampy area which is why they're concerned about the stability of their poles.

MOTION by Smith, supported by Mirkin, to approve the Resolution as presented, to allow the further negotiation by the Director and Legal Counsel, and permission for the Chairperson, or his designee, to execute the Road Commission for Oakland County Drainage Easement Agreement, and the guy wire/down wire AT&T Easement Agreement.

MOTION CARRIED UNANIMOUSLY

Randy Thomas exited the meeting at 12:42pm.

E. DDA Bylaws

Attorney Martella – Annually, we review the Bylaws for the DDA. You will see the changes within your packet; grammatical edits and corrections we've made to clean them up. Nothing of major consequence there; however, during review, we noticed that the Bylaws never had the official job title of the Vice Chairperson. We have always used the title Vice Chairperson, and therefore, we have added language consistent with the role of the Vice Chairperson, which is to stand in the shoes of the Chairperson in the event that the Chairperson is unable to act in their duties. With that in mind, you will see the redlines in the document. If you have any questions, please let us know. We are asking for approval of the revised Bylaws. Within that approval, we are asking that the Bylaws do not take effect until the 21st of the month. This is due to the fact that in our closing packages for the .44-acre, we had to provide resolutions and secretarial certificates certifying the Bylaws. If we are to change them in the middle of a closing, we would have to redo documents, so I'm simply asking that you make these effective June 21st and not effective immediately.

MOTION by Hoy, supported by Mirkin, to approve the amendment to the DDA Bylaws, effective June 21st.

Discussion –

Matta – I have here Section 17 of the Bylaws, the addition to the Bylaws and renumbering after that. It is adding the Vice Chair definition; *The Vice Chairperson shall act in the capacity of the Chairperson in his/her absence. In the event that the office of the Chairperson becomes vacant, the Vice Chairperson shall succeed to the office of Chairperson for the unexpired term and the DDA shall select a successor to the office of Vice Chairperson for the unexpired term.* That makes sense.

MOTION CARRIED UNANIMOUSLY

F. DDA Chairperson & Vice Chairperson

Director Watson – We now have the roles of Chairperson and Vice Chairperson to be decided, as it relates to those Bylaws.

Attorney Martella – Yes, as of June 21st, those will be the official roles for Chairperson and Vice Chairperson.

Director Watson – So Chris, the Board can now discuss those roles at this time, correct?

Attorney Martella – Correct, now those roles can be discussed.

Vice Chairperson Matta – What you're saying is that I just got snookered into becoming the Chairperson.

Director Watson – Is that a legal term?

Vice Chairperson Matta – That is a legal term.

Attorney Martella – Hoodwinked, snookered.

Vice Chairperson Matta – Well, on the 21st it would be automatic, but as of today, it's not.

Attorney Martella – We can take nominations today and we can vote on it today to be effective on the 21st. This will have to be done by a roll call vote.

Discussion took place regarding nominations for the roles of DDA Chairperson and Vice Chairperson. David Smith volunteered for Vice Chair. Supervisor Gray made a nomination that David Smith become Vice Chair. Tim Hoy also volunteered for Vice Chair. David Smith declined, noting that Tim could be Vice Chair if he wanted the role. Tim Hoy indicated that he does not mind running meetings as necessary. Supervisor Gray revoked his nomination.

Vice Chairperson Matta – Let's get some discussion going. I'm newer than some, but I'm not senior to everybody here. The fact that I happen to have a law degree and practice law, if you find that beneficial and want me in this role, I'll be happy to do it. I've been happy to fill in for Jim in his absence. Jim is the reason I'm here in the first place, so I'm happy to take over for him if you feel I deserve that.

Tim Hoy – Yes, he does.

Vice Chairperson Matta – How about for Vice Chair? We have Tim and David. Anyone else interested in that role, because you get to talk when I'm not here, or whenever you want.

David Smith – I'll just stay in charge of marketing.

Supervisor Gray – I will nominate Tim Hoy as Vice Chair.

Jose Mirkin – I support him.

Vice Chairperson Matta – Tim has a lot of experience and has been here a long time. David has spent a long time on the Marketing Committee as well. I certainly support Tim as Vice Chair as well, and David in Marketing.

MOTION by Smith, supported by Sackleh, to approve the slate of candidates as nominated, with Steve Matta as DDA Chairperson, and Tim Hoy as DDA Vice Chairperson.

ROLL CALL VOTE

AYES: Smith, Sackleh, Gray, Matta, Hoy, Mirkin, Tuck

NAYS: None

ABSENT: Winkler

MOTION CARRIED UNANIMOUSLY

Item 6: Director's Report

Director Watson noted that everything was included in the report that was submitted in the Board's packet, which is included below. She noted that the License Agreement consumed a lot of time, along with closing matters.

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

- *5 & Main –*
 - *At the May Township Board meeting, the Trustees approved all three SAD requests related to the 5 & Main infrastructure, each for a 15-year term. The final Roll Resolution was also approved June 11th, at the Township Board meeting.*
 - *The requested extension, until June 20th, for the .44-acre parcel was approved at last month's DDA meeting. Costs associated with this transaction were covered by the buyer per the purchase agreement. Those invoices are paid and the account is current.*
 - *Continental's pre-construction meeting was held on June 11th. They are mobilizing to break ground ASAP.*
 - *We expect the closing on the .44-acre parcel to be completed this week. All DDA closing documents were executed last week, thanks to the efficiency of Mayme D'Alessandro and Attorney Martella.*
 - *Continental has requested to stage soil, equipment, etc. on Unit 14 during construction. Counsel has worked expeditiously on the License Agreement.*
- *Merrill Park – Nothing new to report.*
- *The Avalon of Commerce Twp. – Sandy and I inspected and cleaned the pathway in the Martin Parkway tunnel and around Avalon recently. We noticed a large dead tree just behind the Avalon building in the conservation easement. Rousseaux's crew is scheduling 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 – This corner parcel was recently brush hogged.*
- *Parcels M & N – Nothing new to report.*

II. *MTT Judgments* – As updates are available, reports are 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 have followed up and they are submitting payment.*
- C. **Tax Forms & Reports** – *Nothing new to report.*
- D. **Lighting/Electrical – Shaw Elec., Eric Peterson, Adam Dornton**
- *In May, Adam replaced all three light poles that were down.*
 - *We await court ordered reimbursement for \$10,648 for one damage 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 through the court; however, we have not seen any payments yet.*
- E. **Landscaping & Maintenance – United Lawnscape, Jose Medina; Bob Rousseaux's Excavating, Mark Rousseaux**
- *United has been working hard to maintain the site, with only a few issues arising that they have promptly addressed.*
 - *It has been a smooth transition with our new Client Manager, Jose Medina.*
 - *Rousseaux is addressing issues on the trails as they arise.*
 - *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. We notified the Building Department. Jay James paid them a visit and issued a warning. We are following up to see that it gets cleaned up.*
- F. **Irrigation – Michigan Automatic Sprinkler, Mike Rennie**
- *The system was opened and inspected on April 29th.*
 - *Routine repairs were completed and we've had no issues.*

IV. Other –

- *Attorney Martella is finalizing the drainage easement for the RCOC located on the DDA property at S. Commerce Road and Glengary (aka, the former HCMA property). EGLE completed its review of the RCOC culvert project, and it has been determined that the Township will not have to relocate utilities in that area. That is good news.*
- *Counsel had another easement request from AT&T which the DDA Board discussed at the May meeting. This easement is also located at the S. Commerce and Glengary property. This was being reviewed to see if it would cause any interference with a potential future boardwalk in that area. It was determined that it's only 16 square feet and should not cause any obstruction.*
- *The DDA Annual Report is being finalized for submission, and is due June 30th.*

Director Watson deferred to Attorney Martella for any closing updates, and to Supervisor Gray for an update from the Township Board.

Attorney Martella – Regarding the closing, we've had a tiny hiccup. The Oakland County engineer did not like how something was labeled on the Five & Main Master Deed. They found "Internal Private Road System" to be confusing and they would prefer "Cross-Access

Easement". They are revising for resubmittal. Kim Shierk who is counsel for all things association and condominium is on the case already. Jason, I forwarded that to you for review. I don't have an issue with it.

Director Watson – Does that delay the closing until tomorrow?

Attorney Martella – That's a maybe.

David Smith – Is this on the Master Deed?

Attorney Martella – Yes, it's on the B-docs so it has to be redone and reprinted, and probably sealed again. They may allow us to close. It's a recording issue.

Township Board Report

Supervisor Gray –

- We had a presentation from the Water Resource Commission in reference to our 2023 water and sewer actual budget. We also approved the 2025 sewer and water budget with WRC, and we will discuss the 2024 closing once that's complete.
- We appointed Jose Mirkin to another 4-year term on the DDA.
- We also approved the three SADs for Continental's Springs at Five & Main.
- The Township is planning to do some kind of Bicentennial celebration for Commerce Village next year. The tentative date is June 14th.

Director Watson – The only other item I would add is that we are working on writing a Resolution for Jim Gotts. Larry and I talked about taking that to the Township Board on July 9th, and presenting it to Patricia Gotts before the July 12th services for Jim. I will bring a copy to the DDA Board for review.

Item 7: Engineer's Report

Vice Chairperson Matta – Hey, we have an engineer today.

Jason Mayer – Obviously I'm not Matt, but he is available if you need any historic information. He's available to consult and anybody is free to contact him.

- I know we talked about the Springs at Five & Main. We had the pre-construction meeting. I know that's in Debbie's report. They have the permit from EGLE for the sanitary sewer, but we're waiting on the water permit.
- They are planning to start with their onsite utilities first.
- They will check on the dewatering and how much is going to be required while they're doing that. It may require a permit from EGLE for dewatering, which I don't think is an issue if they're doing those concurrently.
- The critical path I know that they mentioned is for them to get the roads paved before the asphalt plants close this season, which is around mid-November. That was their schedule. Dave may be able to provide more on when they want to have the buildings built.
- As far as LaFontaine Automotive Group; they have their sanitary permit issued. We're just waiting on the water permit from EGLE. EGLE is taking like 3 months for permits. So, I would expect the pre-con meeting for LAG to be within the next couple weeks.
- The Haggerty pump station; we will have to determine the timing on that, but we will have LAG and Springs working. I'm thinking it's something we bid out and award after those projects are wrapping up.

Director Watson – Is that all directional boring?

Jason Mayer – No, it's directional boring on the north side of LaFontaine and across the wetland.

David Smith – It's not deep there though.

Jason Mayer – No, it's not deep through the wetland. It's 10 feet max.

Item 8: Planning Director's Report

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

- As you can tell, a lot of us have been scrambling around trying to get the Five & Main project, and Continental's residential portion of the project, the Springs, to closing. Hopefully everything gets closed today, along with recording of the documents that go with it; the PUD agreement, the new condominium, the amendment to the existing condominium. Hopefully that will all fall into place in the next day or so.
- At the last Planning Commission meeting, a couple projects that are within the DDA district:
 - One is Lowe's. They got approval for their outdoor storage and display from the Planning Commission. We've been trying to wrangle in all of the materials that they have outside in their parking lot.
 - As I've mentioned to this Board before, Costco is looking to yet again relocate their new, expanded gas station. The Planning Commission had some thoughts for them and Costco is reworking their plan. They will be back before the Planning Commission, probably at the July meeting.
 - For the Taco Bell, next door to the Sonic, we are still trying to figure out an issue with their subdivision plat. We have to either move or relocate a plat line, which is easier said than done. We are going through that process.
 - As to LAG, they were successful in getting in touch with the right person at Walmart. The frontage road in front of Walmart will be extended into the LaFontaine dealership site. Walmart has a 6-foot high wall there, which will have to be taken down. LAG will work with Walmart to get rid of that wall and hopefully we will see some movement on the site here in the very near future.

Director Watson – Fantastic.

Vice Chairperson Matta – Thank you. We appreciate that.

Supervisor Gray – Dave, are they still looking to sell cars out of the old Dick Morris until they get that built?

Dave Campbell – They want to do that. The complication is that in the State of Michigan, the way they license dealerships, they have to be 9 miles or more away from one another. Feldman Hyundai in Lyon Township is 8.999 miles away from the Dick Morris site. So, it's still unclear whether Hyundai will be allowed to sell new vehicles out of the Dick Morris site. They wanted to have that up and running as a new car dealership for Hyundai and Genesis for about a year until the new site is built. Then they can move all the new car operations to that site, because that is a little bit more than 9 miles from Feldman. They might just have Dick Morris be a showroom and not actively selling cars.

Supervisor Gray – That doesn't affect the Genesis portion though, right?

Dave Campbell – I think because it's all Hyundai, they keep the 9 mile rule.

Item 9: Committee Reports

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

Treasurer Phillips – We need new authorized signers for the bank account.

Director Watson – I know we have you and Larry. Who else do we want to have as signers?

Treasurer Phillips – Historically, it has been the Treasurer, Supervisor and the Chairperson.

Discussion continued regarding signers for the two-signature account.

- B. Public Relations Committee – Jose Mirkin – As everybody knows, the K-12 Art Exhibition started 25 years ago. In 2013, we held it here at the Township Hall for the first time, with a partnership between Walled Lake Schools and the DDA. In 2017, we moved the Exhibition to the Commerce Township Library, the year they opened. This 2024 Exhibition was a success. Every day, we had between 300-400 people in attendance. May 22nd was the reception when the kids got awards from the teachers. The community and family members were invited and we had 1,367 people in attendance. The participation of parents, relatives and friends reinforces the recognition of the students and the value of their artwork. This is important for Commerce Township because this creates awareness of the value of art in the community. I received a card from the coordinator of the Art Exhibition, saying thank you for the generous support, and we hope to continue this great community partnership between the DDA and Walled Lake Schools. We will start working again in November or December for the 2025 Art Exhibition.
The other thing the Public Relations Committee is doing, as everybody knows, is pursuing the DIA's Inside/Out Program. We will fill out the forms so that hopefully we will be selected in 2025 to bring art to the Commerce Township residents again.

Vice Chairperson Matta – Wow, great job. That's an impressive amount of people going to that Library. Thank you, Jose.

- C. Marketing Committee – David Smith – I think we have covered just about everything possible. I have nothing to add.

Item 10: 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 11: Other Matters

Jose Mirkin inquired about Bruce Aikens' attendance at the recent Township Board meeting and wondered if he had later provided an update to the Trustees that evening. Supervisor Gray explained that Bruce was in attendance regarding the agenda item for Continental's SADs, however, he left the meeting early as there was a lengthy WRC report prior to the SAD requests being heard.

Vice Chairperson Matta asked when Bruce Aikens is due back before the DDA Board. Director Watson noted that he usually attends quarterly, however, following the May ICSC, he generally visits in June to give a report. She will follow-up with Randy and Bruce to schedule an update on an upcoming DDA agenda.

The next regularly scheduled DDA meeting is Tuesday, July 16, 2024, at 12:00pm.

Item 12: Adjournment

MOTION by Mirkin, seconded by Hoy, to adjourn the meeting at 1:10pm.

MOTION CARRIED UNANIMOUSLY



Melissa Creech
DDA Secretary

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

INVOICE ENTRY DATES 06/17/2024 - 06/17/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
DTE DETROIT EDISON			
07/05 2579	LIBRARY DDA	ACCT# 9100 077 1100 5	303.69
07/05 2581	LIBRARY DDA	ACCT# 9100 077 1086 6	739.39
07/05 2660	E OAKLEY DDA	ACCT# 9100 077 1065 0	95.46
07/05 3106	MARTIN DDA	ACCT# 9100 077 1076 7	120.87
Total For: DETROIT EDISON			<u>1,259.41</u>
Report Total:			<u>1,259.41</u>

INVOICE APPROVAL (BY INVOICE) FOR COMMERCE CHARTER TOWNSHIP

EXP CHECK RUN DATES 06/18/2024 - 06/18/2024

POSTED AND UNPOSTED OPEN AND PAID

BANK ACCOUNTS: DDA

Invoice Number	Bank Account	Description	Amount
WATSON DEBORAH WATSON MAY/JUNE 2024	DDA	DDA DIRECTOR 5-16-24 - 6-12-24	5,413.50
Total For: DEBORAH WATSON			<u>5,413.50</u>
SANDYB SANDY ALLARD MAY/JUNE 2024	DDA	DDA ASSISTANT 5-16-24 - 6-12-24	823.50
Total For: SANDY ALLARD			<u>823.50</u>
Report Total:			<u>6,237.00</u>