

PONTIAC CITY COUNCIL STUDY SESSION January 5, 2017 6:00 p.m. 165th Session of the 9th Council

It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."

Call to order

Roll Call

Authorization for excused absences for councilmembers

Public Comment

Public Hearing

1. To Remove from the Boundaries of the Tax Increment Authority Parcels, 14-29-428-002, 14-29-284-007 and 14-29-284-008.

Closed Session

2. Resolution for Closed Session

AGENDA ITEMS FOR CITY COUNCIL CONSIDERATION

- 3. Request for approval of a resolution concurring with the provisions of a Brownfield Redevelopment Authority for the village of Bloomfield Project.
- 4. Request for approval of the Hold Harmless Agreement.
- 5. Request for ratification of 2016 Development Agreement between City of Pontiac and Bloomfield Village Owner, LLC Regarding Village at Bloomfield Park.
- 6. Request for approval of the first reading of An Ordinance to amend various sections of Chapter 22, Article VII of the City of Pontiac Code or Ordinances.
- 7. Request for approval of the first reading of An Ordinance to amend various sections of Article 22, Section 22-3 of the City of Pontiac Code Or Ordinances.
- 8. Request for approval of the first reading of An Ordinance to amend Chapter 86, Article VI. Section 86-223 of the City of Pontiac Code or Ordinances.
- 9. Request for approval of the first reading of An Ordinance to amend various sections of Chapter 22, Article VI of the City of Pontiac Code or Ordinances.
- 10. Request for Public Hearing of Release of Interest in Property
- 11. Request for Public Hearing of the Sale of Vacant Land Parcel 14-28-380-035.
- 12. Request for Public Hearing of the Sale of Vacant Land Parcel 14-29-130-011.

Adjournment

City of Pontiac

Pontiac City Council

Whereas, Section 8 (e), MCL 15.268, permits a public body "[to] consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have detrimental financial effect on the litigation or settlement position of the public body": and,

Whereas section 8 (h) to consider material exempt from discussion or disclosure by state or federal statute.

Whereas, the Pontiac City Council believes that an open meeting would have a detrimental financial effect on the litigating or settlement position of the City:

Therefore, Be It Resolved that the Pontiac City Council recesses into closed session for the purpose of consulting in reference to a legal opinion and pending litigation Ottawa Towers Vs. The City of Pontiac.

GIARMARCO, MULLINS & HORTON, P.C.

MEMORANDUM

| TO: | Pontiac City Council |
|-------|--|
| FROM: | J. Travis Mihelick |
| DATE: | January 3, 2017 |
| RE: | Bloomfield Village Brownfield Plan Documents |

Honorable Council:

As part of the Bloomfield Village Brownfield Plan proposal that is before Council, Council President requested that I put together a brief summary of the three documents that have been presented to Council. The three documents are as follows:

- 1. <u>Brownfield Resolution</u>: The Oakland County Brownfield Redevelopment Authority has supplied a proposed resolution for the City Council to adopt to concur with the Brownfield Plan adopted by the County BRA. The proposed resolution was modified by adding the italicized paragraph, which would make the City's concurrence with the Brownfield Plan conditional on Bloomfield Township agreeing to forego any payment from the City of property taxes captured under the Brownfield Plan, unless that payment is offset or reimbursed to the City by the Developer. This is addressed further in the Hold Harmless Agreement. This is the operative document necessary to complete the Brownfield.
- 2. <u>Hold Harmless Agreement:</u> This Agreement between the City and the Developer is designed to guarantee the Developer (or the Developer's successor in interest) will reimburse the City for any portion of the property taxes to be captured under the Brownfield Plan that the City may be required to pay to Bloomfield Township. It is unsettled whether the Township is entitled to receive any of the increase in captured taxes, but this Agreement ensures that the City will be made whole if it is ultimately determined that the City must pay the Township. The term of this Agreement corresponds to the term of the Brownfield Plan.
- 3. <u>Development Agreement:</u> This 2017 Development Agreement between the City and the Developer is intended to supplement the previous development agreement entered into among the City, Township and the original Bloomfield Park developer. This Agreement is between the City and the new Developer and sets forth various the commitments the Developer is willing to make to induce the City's support for the project and the Brownfield Plan. These commitments include giving preference to City residents and businesses for construction jobs, paying up to \$50,000 towards Gateway signage, and paying a public safety fee (starting at \$150, and increasing 3% each year) for every public safety response to the new development in excess of 200 within any calendar year. The term of this Agreement also corresponds to the term of the Brownfield Plan, and is binding on the Developer's successors.

If you have any questions regarding the documents, please do not hesitate to let me know.

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF PONTIAC

RESOLUTION CONCURRING WITH THE PROVISIONS OF A BROWNFIELD PLAN ADOPTED BY THE OAKLAND COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY FOR THE VILLAGE OF BLOOMFIELD PROJECT

RECITATIONS:

WHEREAS, the Oakland County Board of Commissioners, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), have established a Brownfield Redevelopment Authority and Board (OCBRA) to facilitate the clean up and redevelopment of Brownfields within Oakland County's communities; and

WHEREAS, the Village of Bloomfield project, in the City of Pontiac is a Brownfield under state statute; and

WHEREAS, a Brownfield clean up and redevelopment plan (the "Plan") has been prepared to help redevelop the site in order to restore the environmental and economic viability of it which the OCBRA has reviewed and approved; and

WHEREAS, pursuant to OCBRA by-laws, a local committee has been appointed, participated in discussions regarding the proposed plan and project, reviewed the plan, and recommends its approval; and

WHEREAS, the OCBRA, pursuant to and in accordance with Section 13 of the Act, shall consider recommending that the Oakland County Board of Commissioners approve the Brownfield Plan to be carried out within the City of Pontiac, relating to the redevelopment of Village of Bloomfield (the "Property"); and

WHEREAS, the City has reviewed the Plan, and have been provided a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Sections 13(13) of the Act; and

NOW THEREFORE BE IT RESOLVED THAT, the City of Pontiac hereby concurs with the provisions of the Plan including approval of the Plan by the Oakland County Board of Commissioners and implementation of the Plan by the Oakland County Brownfield Redevelopment Authority.

BE IT FURTHER RESOLVED THAT, the City's concurrence with the Plan is conditional and will be effective if, and only if, Bloomfield Township agrees to forego any share or payment from the City of Pontiac of property taxes to be captured under the Plan, as otherwise called for in that certain Agreement for Conditional Transfer of Property (a/k/a the

Act 425 Agreement), as the same may be amended, unless such share or payment is offset or reimbursed to the City by other means satisfactory to the City.

BE IT FURTHER RESOLVED THAT, all resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

AYES: NAYS: ABSTENTIONS: ABSENT:

CERTIFICATION

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Council of the City of Pontiac at a meeting duly called and held on the _____ day of December, 2016.

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CITY OF PONTIAC

By: _____, Clerk

HOLD HARMLESS AGREEMENT

This Agreement, dated and effective on ______, is entered into between the City of Pontiac (the "City"), of 47450 Woodward Avenue, Pontiac, MI 48342, and Bloomfield Village Owner, LLC (the "Developer"), a Delaware limited liability company with an address at One Town Square, Suite 1600, Southfield, Michigan 48076.

Whereas, a land development project known as Bloomfield Park, to be located on land ("Project Land", as described in attached Exhibit A) straddling the municipal boundaries of and located in both the City and the Charter Township of Bloomfield (the "Township") has sat dormant and incomplete since 2008 with partially completed, and weathered structures still standing on the property; and

Whereas, after foreclosure and lengthy litigation, Bloomfield Village Investors Holdings LLC, the sole member of the Developer (i) purchased the rights and interests of the mortgagee holding mortgages and other security interests encumbering the Project Land and various rights pertaining thereto, (ii) foreclosed on the mortgages and other security interests, and (iii) transferred title to the Project Land and related rights to the Developer; and

Whereas, Developer has applied for and received approval from the Oakland County Brownfield Redevelopment Authority of an Amended Brownfield Plan to facilitate redevelopment of the project site and financing of environmental remediation of the site, including demolition of obsolete structures located thereon; and

Whereas, the Amended Brownfield Plan proposes to capture property taxes corresponding to the increased taxable value of the Village At Bloomfield Project's real and personal property and to reimburse Developer up to Sixty Million Dollars (\$60,000,000) over thirty (30) years for eligible activities; and

Whereas, the City has been requested to pass a resolution concurring with the provisions of the Amended Brownfield Plan adopted by the Oakland County Brownfield Redevelopment Authority; and

Whereas, the project site is subject to a Development Agreement, dated November 27, 2002, and an Agreement for Conditional Transfer of Property ("Act 425 Agreement"), dated November 27, 2002, which, among other things, govern the sharing of tax collections between the City and the Township concerning the project site; and

Whereas, at the time of this Agreement it is unsettled whether the Township may claim entitlement under the Act 425 Agreement to payment from the City for any portion of the property taxes that would be captured under the Amended Brownfield Plan; and

Whereas, it is of paramount concern to the City that its concurrence in the Amended Brownfield Plan not cause or result in the City being obligated to pay over to the Township any taxes, or equivalent amounts, corresponding to the taxes to be captured under the Amended Brownfield Plan; and

Whereas, the Developer acknowledges that its entry into this Agreement to hold the City harmless from any such possible payment obligation to the Township is of major importance to the City and is a material inducement for the City to concur with the Amended Brownfield Plan.

THEREFORE, the City and Developer agree:

- 1. In the event, following final approval and implementation of the Amended Brownfield Plan, it is held by a court of competent jurisdiction or it is otherwise legally determined or claimed that the City is responsible under Sections 3.1A, 3.1C and 3.1D of the Act 425 Agreement to pay to the Township any taxes, or an equivalent amount, corresponding to taxes captured for the Project Land under the Brownfield Plan (the "City Tax Obligation"), Developer shall reimburse the City for all amounts paid by the City to the Township with respect to such City Tax Obligation due to any increase in value caused by the development of the Project Land and/or defend and hold the City harmless from any such payment obligation. In the event the City or Developer desire to contest the right of the Township to receive payment from the City under Sections 3.1A, 3.1C and 3.1D of the Act 425 Agreement, they shall jointly, in the name of the City, pursue such action and cooperate in such efforts without impacting the indemnification provided in the preceding sentence.
 - 2. The parties' rights and obligations under this Agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto and shall run with the land; provided, however (i) the obligations of the Developer under this Agreement shall not be binding on any successor owner or user of any portion of the Project Land; and (ii) in the event the Developer assigns its right to reimbursement corresponding to the increased taxable value of the Village At Bloomfield Project's real and personal property as provided in any reimbursement agreement or other document entered into in connection with the Brownfield Plan, such assignee shall be required to assume the Developer's obligations under this Agreement, whereupon the Developer shall be automatically released from any liability or responsibility under this Agreement assumed by such assignee.
- 3. The parties' rights and obligations under this Agreement shall survive and shall not merge into any future agreement or amended agreement including, but not limited to, the Brownfield Plan and any associated reimbursement agreement, amended Development Agreement, or amended Act 425 Agreement unless the parties rights and obligations under this Agreement are expressly and specifically modified, terminated or superseded in such later Agreement.
- 4. The term of this Agreement shall correspond to the term of the Brownfield Plan and associated reimbursement agreement, or, if shorter, the period that it is determined the City is responsible for paying to the Township any portion of captured taxes for the Project Land. This Agreement may be amended only in writing signed and dated by the parties hereto.

[Signatures on Following Page]

Signature Page to Hold Harmless Agreement between the City of Pontiac and Bloomfield Village Owner, LLC

| CITY OF PONTIAC | BLOOMFIELD VILLAGE OWNER, LLC |
|--|---|
| By: Dr. Deirdre Waterman, Mayor | By: Its: |
| STATE OF MICHIGAN COUNTY OF OAKLAND | |
| The foregoing Hold Harmless Agreement was Dr. Deirdre Waterman, the Mayor, of the City of | acknowledged before me on, 2017, by of Pontiac., on behalf of the City. |
| Subscribed and sworn to before me | |
| on, 2017. | |
| , Notary Public Oakland County, Michigan My Commission Expires: | |
| STATE OF MICHIGAN COUNTY OF OAKLAND | |
| The foregoing Hold Harmless Agreement was, the | s acknowledged before me on, 2017, by, of Bloomfield Village Owner, LLC, on behalf of the |
| Subscribed and sworn to before me | |
| on, 2017. | |
| , Notary Public | |
| Oakland County, Michigan My Commission Expires: | |

2017 DEVELOPMENT AGREEMENT BETWEEN CITY OF PONTIAC AND BLOOMFIELD VILLAGE OWNER, LLC REGARDING VILLAGE AT BLOOMFIELD PROJECT

This Development Agreement ("Agreement") is executed and is effective on ______, 2017, between the CITY OF PONTIAC ("City"), a Michigan municipal corporation, and BLOOMFIELD VILLAGE OWNER, LLC ("Developer"), a Delaware limited liability company.

WHEREAS, a land development project known as Bloomfield Park, straddling the municipal boundaries of and located in both the City and the Charter Township of Bloomfield (the "Township"), has sat dormant and incomplete since 2008 with partially completed, and weathered structures still standing on the property; and

WHEREAS, after foreclosure and lengthy litigation, Bloomfield Village Investors Holdings LLC, the sole member of the Developer (i) purchased the rights and interests of the mortgagee holding mortgages and other security interests encumbering the Bloomfield Park land and various rights pertaining thereto, (ii) foreclosed on the mortgages and other security interests, and (iii) transferred title to the Bloomfield Park land and related rights to the Developer; and

WHEREAS, the Developer intends to redevelop the site as a mixed-use project, to be known as the Village at Bloomfield Project (the "New Development"), which may include residential, dining, grocery, retail, entertainment, and healthcare components; and

WHEREAS, Developer has applied for and received approval from the Oakland County Brownfield Redevelopment Authority of an Amended Brownfield Plan to facilitate redevelopment of the project site and financing of environmental remediation of the site, including demolition of obsolete structures located thereon; and

WHEREAS, the Brownfield Plan proposes to capture property taxes corresponding to the increased taxable value of the Village At Bloomfield Project's real and personal property and to reimburse Developer up to Sixty Million Dollars (\$60,000,000) over thirty (30) years for eligible activities; and

WHEREAS, the City has been requested to pass a resolution concurring with the provisions of the Brownfield Plan adopted by the Oakland County Brownfield Redevelopment Authority; and

WHEREAS, the project site is already subject to a Development Agreement, among the City, Township, and the previous owners of the Bloomfield Park land, dated November 27, 2002 (as the same may be amended, the "Joint Development Agreement"), and an Agreement for Conditional Transfer of Property between the City and Township, dated November 27, 2002 (as the same may be amended, the "Act 425 Agreement"); and

WHEREAS, the City and Developer intend, through this Agreement, to supplement the Joint Development Agreement as between the City and Developer only, by setting forth and agreeing to herein additional promises and commitments between the City and Developer; and

WHEREAS, the City's Mayor and City Council have determined that this Agreement is appropriate for the proposed development of the New Development, is consistent with the public health, safety and welfare of the City's residents and businesses, and will result in positive impacts and benefits for the City and its residents and businesses; and

WHEREAS, the City and Developer are concurrently entering into a Hold Harmless Agreement (which is incorporated herein by reference and made a part hereof) concerning responsibility for payment, if any is determined to be owed, to the Township by the City under Sections 3.1A, 3.1C and 3.1D of the Act 425 Agreement of any portion of taxes to be captured under the Brownfield Plan; and

WHEREAS, the Developer acknowledges that its entry into this Agreement is of major importance to the City and is a material inducement for the City to proceed with various approvals and authorizations for the New Development.

THEREFORE, the City and Developer agree as follows in consideration for the mutual promises and consideration given and received by them:

1. <u>No Preemption.</u> Unless otherwise expressly provided herein, this Agreement shall not be deemed to waive, preempt, supersede, or render ineffective any applicable municipal or governmental laws, ordinances, codes, regulations or processes, including but not limited to zoning, brownfield and economic incentives, taxes, assessments or fees, and Developer shall be subject to all review and approval processes required under the City's ordinances, regulations and rules; provided, however, the foregoing is not intended to modify any such agreements contained in the Joint Development Agreement or Act 425 Agreement.

2. <u>Construction Jobs.</u>

In connection with the initial development and construction of each component of (a) the New Development, Developer shall implement, or require its general or prime contractor(s) to implement, a local hiring policy which provides (i) a preference for such general or prime contractor(s) to hire Pontiac Based Businesses (as defined below) as subcontractors and suppliers for jobs relating to the development and construction of the New Development, and (ii) a preference for such general or prime contractor(s), and, to the extent possible, their subcontractors and suppliers, to hire City residents to perform jobs relating to the development and construction of the New Development. Further, the Developer may retain Pontiac Based Businesses to provide architectural, engineering, environmental and other professional and consulting firms services relating to the development and construction of the New Development. For purposes of this Agreement, a "Pontiac Based Business" shall mean a business that is either (y) headquartered in the City, or (z) has an office, store or other facility within the City. Developer shall require its general or prime contractors to advertise available on-site jobs in local media and electronically on a City-sponsored website and social media, if such resources exist. In addition, Developer shall consult with and provide written notice to at least two local hiring organizations, which may include non-profit organizations involved in referring eligible applicants for job opportunities. Developer shall require its general or prime contractors to consider in good faith all applications submitted by City residents and businesses and maintain a preference for hiring City residents and businesses that are qualified to perform the on-site jobs

relating to the initial development and construction of each component of the New Development. Developer shall, in its agreements with its general or prime contractors, include a requirement for this local hiring policy, and, in connection therewith, Developer will introduce such contractors to, and encourage such contractors to participate in, the "Community Ventures" program offered by the Michigan Economic Development Corporation. For avoidance of doubt, the foregoing terms and requirements shall not apply to the initial development and construction of components of the New Development performed by or on behalf of other owners or users thereof (or their general or prime contractors), although the Developer will notify such owners and users of this local hiring policy and encourage them to comply therewith.

(b) In the event Pontiac Based Businesses and City residents do not receive, in the aggregate, payments totaling at least Two Million One Hundred Thousand Dollars (\$2,100,000.00) for jobs relating to the development and construction of the New Development (computed before deductions for taxes, other governmental payments, offsets and similar items) during the period ending when the development and construction of each phase and component of the New Development is complete, the Developer will donate to job training and/or work force programs designated by the City, an amount equal to fifty percent (50%) of the difference between Two Million One Hundred Thousand Dollars (\$2,100,000.00) and the total sum actually paid to Pontiac Based Businesses and City residents for jobs relating to the development and construction of the New Development.

3. <u>Gateway Signage</u>. The Developer, together with the City, shall design a gateway entrance sign (the "Sign") to be installed at a location determined by the City and reasonably approved by the Developer. If the designated location is not situated within the boundaries of the New Development owned by Developer, the Developer will work with the City to obtain any easements necessary to install, maintain, repair and replace the Sign. Further, the design, installation, and use of the Sign shall be subject to the approval of the Joint Development Council, and meet the requirements of the Town Center District Zoning Ordinance. The Developer will pay the cost to design, make and install the Sign, in an aggregate amount not to exceed Fifty Thousand Dollars (\$50,000.00). The City will be responsible for maintaining, repairing and replacing the Sign, at its sole expense.

4. <u>Permanent Jobs.</u> The City acknowledges the Developer has limited control to influence or affect the hiring practices of the ultimate users and tenants of the New Development. But, Developer agrees to in good faith, use commercially reasonable efforts to encourage the ultimate users and tenants of the New Development to advertise, reach out, recruit, and consider for hire, City residents for full or part time employment opportunities, and to afford those residents a fair opportunity to apply and compete for such jobs.

5. <u>Public Safety.</u> In the event the New Development, within any calendar year, generates or necessitates more than 200 public safety (i.e., police, fire and EMS) responses, , Developer shall be responsible for paying the City \$150.00 (which amount shall increase annually by 3% starting on January 1, 2018) per public safety response over 200. The City shall invoice the Developer after the close of each calendar year for any such public safety response overage.

6. <u>City Support</u>. The City shall support, and cause its representative on the Joint Development Council to approve the Developer's preliminary site plan for the New Development as set forth on Exhibit A attached hereto and made a part hereof, as the same may be modified to accommodate any reasonable requests acceptable to Developer made by proposed users or other members of the Joint Development Council, or in response to market conditions. Further, the City will support the Developer's request to the State of Michigan to allow the Developer to capture tax increment revenue attributable to school millages.

7. <u>Term.</u> The term of this Agreement shall correspond to the term of the Brownfield Plan and associated reimbursement agreement.

8. <u>Binding Effect.</u> This Agreement may be recorded at the Register of Deeds and shall inure to the benefit of and shall be binding upon the parties hereto and their successors and assigns, and shall run with the land; provided, however (i) the obligations of the Developer under this Agreement shall not be binding on any successor owner or user of any portion of the property located within the New Development unless such owner or user receives any assignment of, and assumes, the development rights of the Developer with respect to the New Development; and (ii) at such time as one or more property owners' associations, condominium associations, or successor owners or users, take over the maintenance, repair and/or administration of the New Development, or any portion thereof, and, in connection therewith, agrees to perform some or all of the obligations of the Developer under this Agreement, the Developer shall be automatically released from any liability or responsibility under this Agreement assumed or taken over by such property owners' association(s), condominium association(s) and/or successor owners or users.

[Signatures on Following Page]

Signature Page to 2017 Development Agreement between the City of Pontiac and Bloomfield Village Owner, LLC Regarding Village at Bloomfield Project

CITY OF PONTIAC

BLOOMFIELD VILLAGE OWNER, LLC

 By:
 By:

 Dr. Deirdre Waterman, Mayor
 Its:

STATE OF MICHIGAN

COUNTY OF OAKLAND

The foregoing Hold Harmless Agreement was acknowledged before me on ______, 2017, by Dr. Deirdre Waterman, the Mayor, of the City of Pontiac., on behalf of the City.

Subscribed and sworn to before me

on_____, 2017.

, Notary Public Oakland County, Michigan My Commission Expires:

STATE OF MICHIGAN COUNTY OF OAKLAND

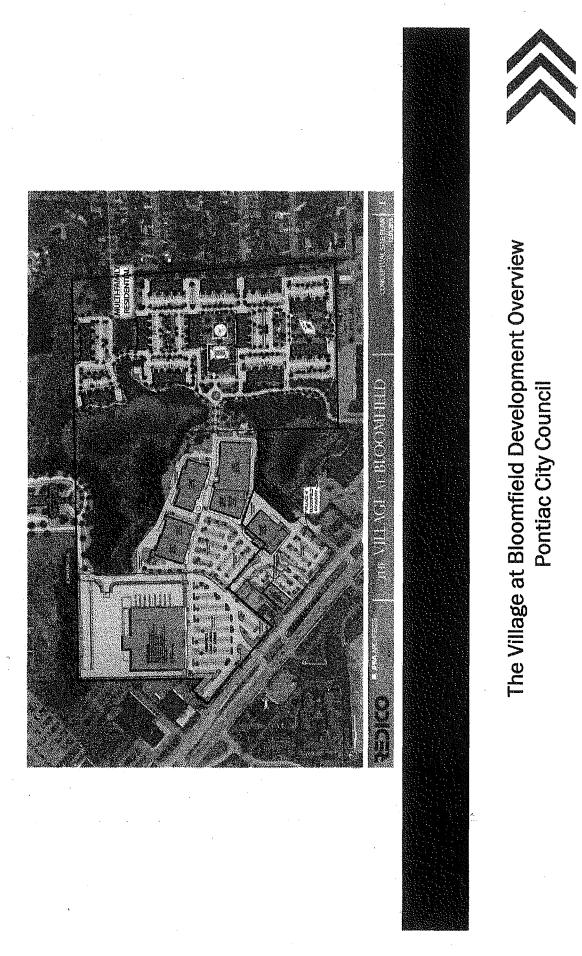
The foregoing Hold Harmless Agreement was acknowledged before me on , 2017, by _____, the _____, of Bloomfield Village Owner, LLC, on behalf of the company.

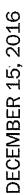
Subscribed and sworn to before me

on _____, 2017.

, Notary Public

Oakland County, Michigan My Commission Expires: _____





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Agenda

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MOENDA

- Site History
- Development Plan
- Status of Uses
- Entitlements
- Financial Projections
- City of Pontiac Benefits
- Incentives
- Schedule Milestones

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Site History

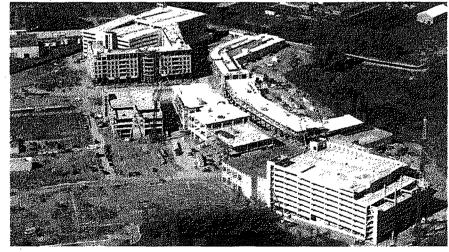
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THE VILLAGE AT BLOOMFIELD

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- 1992 Local Developer Craig Schubiner Begins Assembling Land for the Future Bloomfield Park
- 1999 Schubiner Unveils His Original Vision for Bloomfield Park
- 2001 Schubiner Turns to Pontiac After \$2B Plan is Rejected by Bloomfield Township.
 Pontiac Voters Approve Annexation of Approx. 95% of Bloomfield Park Property
- 2002 Pontiac and Bloomfield Township Settle Disputes w/Development and Revenue-Sharing Arrangements
- 2006 Schubiner Hands Over Most Development Duties to National Firms Coventry Real Estate Advisors and DDR. Ground Broken for Bloomfield Park's \$350M First Phase
- 2008 Construction Stops Following the Investment of Nearly \$250M





Site History

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- 2013 Mortgage Holder Wells Fargo Reaches Tentative Deal to Sell Foreclosure Rights to Grand/Sakwa Development – Deal Eventually Unravels
- October 2014 REDICO w/National Investment Partner PCCP Acquires Foreclosure Rights
- January 2015 REDICO Forecloses on Property
- June 2015 REDICO Obtains Title to Property Rebrands Project 'The Village at Bloomfield'
- September 2016 REDICO Formally Submits Proposed Development Plan to City of Pontiac, Bloomfield Township & Joint Development Council
- January 2017 Demolition

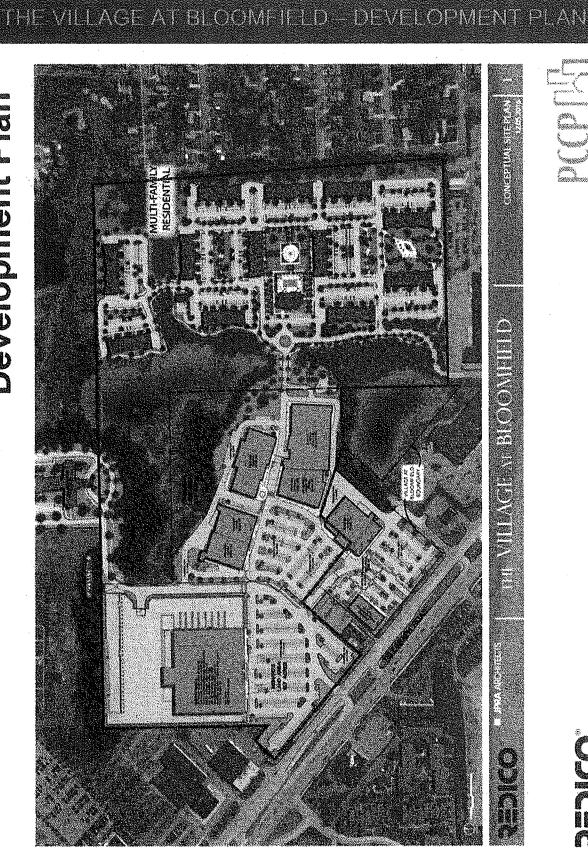
SEDICO

- April 2017 Construction Commencement
- 2018 Various Components of Project to Open



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Development Plan



Status of Uses

Retail

- Home Improvement Retailer
 - * Executed Land Sale Agreement for 15.7 Acres
 - Anticipate Closing on Sale in January 2017
 - Construction Commencement Spring/Summer 2017
 - Opening 2nd Half of 2018
- Soft Goods Retailers Executed Letters of Intent w/Major National Retailer for Two Stores Totaling 47,000 Square Feet
- Grocer In Discussions w/Three Specialty Grocers for 20,000 to 30,000 SF
- Fitness Negotiating LOI w/Major National Fitness Club for 30,000 SF Facility
- Theater
 - Negotiating Lease w/Major National Theater Developer/Operator for Luxury 40,000 SF 10-Screen Multi-Plex
- Office
 - Negotiating LOI w/Michigan-Based Manufacturer for 23,000 SF Headquarters and R&D Facility
 - REDICO Considering Headquarters Relocation of Affiliate Company



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Status of Uses

Multi-Family

- Engaged Friedman Integrated Real Estate Solutions to Market Opportunity Nationally
- Received Three Responsive LOIs
- Executed Land Sale Agreement w/Locally Based National Developer/Owner/Operator
- Proposing Multi-Phase Development of 400 450 Market Rate Units
- Anticipate Construction Commencement in 2017 w/First Phase Delivered to Market in 2018
- Seniors Housing
 - REDICO Affiliate American House Contemplating Seniors Housing Development
 - Anticipate Construction Commencement in Late 2017 w/Delivery in Late 2018

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Entitlements

Entitlements

- Oversight of Project (w/Exception of the 'Thumb Parcel') Rests w/Joint Development Council As
 Supported by Pontiac City Council and Bloomfield Township Board of Trustees
- Joint Development Council
 - Honorable Mayor Deirdre Waterman City of Pontiac
 - Supervisor Leo Savoie Bloomfield Township
 - Dennis Cowan President & CEO Plunkett Cooney
- Master Plan Formal Submittal Made 9/15/16 and Amended 12/7/16 w/Requested Amendments to Development Agreement
 - Residential Unit Size Allow Market Appropriate Range of Sizes from 700 SF to 1,300 SF
 - Allow for 'Limited-Service' Hotel Concepts
 - Allow for a Minimum Building Height of 24' for a Limited Number of Structures (Current Minimum is 30')
 - Increase Development and Building Signage Allowances to Project-Appropriate Levels
- The Preliminary Master Plan Was Accepted for Filing by the JDC on 9/21/16
- Anticipate Development Agreement Amendments Approval in December 2016
- Site Plan Approvals Will be Sought for Each Component Individually 1st Half 2017



JOV HILA HALL

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Financial Projections

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Projected Investment

- Commercial/Retail \$80M \$100M
- Multi-Family \$45M \$60M
- * Seniors \$15M \$20M

Total Projected Investment - \$140M - \$180M

Equity Investment - \$42M - \$54M

Commercial/Retail Return Projections

| · | Target | Projected |
|--|-----------------|---------------|
| Yield-On-Cost | 10% | 9.7% |
| Internal-Rate-Of-Return Equity Multiple | 20 - 25% >2x | 16.7% 1.9x |

Factors Resulting in Lower than Target Returns

- Execution Time
- Increase in Construction Costs
- Rental Rates Slow to Rebound
- Lower than Projected Land Sales



City of Pontiac Benefits

Direct Financial (Reviewed w/City of Pontiac Finance Director)

| | Immediate Inflow | vs Annual Inflows | Annual Outflows |
|--------------------------------------|--------------------|-------------------------------|------------------|
| 3 Mils to Bloomfield Twp | NA | | \$0 ¹ |
| Public Safety | NA | | \$150,000 |
| Additional DPW (Roads, Lights, etc.) |) NA | | \$150,000 |
| City Income Tax | | | |
| Construction Activity | \$312,000 | | |
| New Businesses | | \$100,000 | |
| New Employees | | \$149,400 | |
| New Residents | | \$194,400 | |
| Other Income: Fees & Permits | \$151,740 | | |
| Revenue Sharing | | \$33,696 | \$38,800 |
| Total: | \$463,740 | \$443,800 | \$338,800 |
| Annual Positive Impact: | \$10 | 05,000 | |
| Net Present Value Over 30 | Years: \$2, | 500,000 | |
| Notes: (1) REDICO to Hold City of Po | ontiac Harmless fr | om Any 3 Mil Obligation to Bl | oomfield TWP |



REPAIRS AND A DAMAGE AND A DAMAGE



City of Pontiac Benefits

Economic & Tangible/Intangible Benefits

- 555 Direct Full-Time Equivalent Construction Jobs (1,248 FTE Secondary and Induced)
- * \$93.5M in Labor Income from Construction (Includes Secondary and Induced)
- 830 Permanent FTE Jobs (1,144 FTE Secondary and Induced)
- \$53.8M in Permanent Labor Income (Includes Secondary and Induced)
- REDICO Working w/City of Pontiac to Ensure Local Involvement (Development Agreement)
- Removes Taint & Eyesore of Huge Blighted Failed Project
- * First Mixed-Use Project of Its Kind in Pontiac w/Unified Master-Development Design Character
- Market Currently Underserved by Specialty Grocers, Entertainment (Theater), Restaurants
- First New Large Market Rate Multi-Family Development in Decades
- Affordable High-Quality Residential Opportunity for Seniors
- New Office/Research & Development Opportunity
- Development Supporting New Substation Installation by DTE Providing 4x the Capacity Required by The Village at Bloomfield
- Enhances Appeal of Southwest Pontiac as a Commercial Center
- Interest of Large Out-of-State Institutional Investor

SEDICO



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GENERATING STORAGE

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BILOOMERID – INCENTIVES

Tax-Increment Financing (TIF)

- Amended Existing Brownfield Plan Supported for Adoption by Oakland County Brownfield Authority Board on 9/15/16
- Projecting \$50M in Eligible Expenses for Reimbursement (Prior Incurred & Future)
 - Demolition
 - Site Preparation
 - Infrastructure

SEDICO

- Environmental Activities/Remediation
- Parking Structures
- Tax Increment Captured for Up to 35 Years
- Net Present Value of TIF Projected to be ~\$20M at 9% Discount Factor
- Concurrent Resolution by City of Pontiac and RTAB Pending
- Final Adoption would be by Oakland County Board of Commissioners Following Concurrence by City of Pontiac and RTAB
- MEDC Support of School Tax Capture



PCCP

Schedule Milestones

- October 2014 Purchased Foreclosure Rights
- June 2015 Acquired Title to Property
- July 2015 August 2016 Marketed Opportunity to Users and Secured Anchor Retail Tenant and Multi-Family Developer
- September 2016 Submitted Proposed Development Plan to City of Pontiac, Bloomfield Township and Joint Development Council
- October 2016 Oakland County Brownfield Redevelopment Authority Support of Amended Brownfield Plan
- December 2016 Amendments to Development Agreement Approved/City of Pontiac and RTAB Resolution Supporting Brownfield Plan
- January 2017 OCBRA Adoption of Brownfield Plan
- January 2017 Commence Demolition
- March 2017 Commence Site Infrastructure
- June Commence Vertical Construction
- Summer/Fall 2018 Retail Occupancy
- Winter 2018/2019 Phase I Multi-Family & Seniors Occupancy



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February 24, 2015

MEMORANDUM

| TO: | Mr. Nathan Anderson Edward Rose Building Enterprises |
|-------|---|
| FROM: | Brian Smith Maxfield Research Inc. |
| RE: | Updated Initial Market Assessment for Market Rate General Occupancy Rental Housing in Bloomfield Township, Michigan |

Introduction/Purpose and Scope of Research

This memorandum provides an initial market assessment of the <u>potential demand for market</u> rate general occupancy rental housing for the Subject Site located near the border of Pontiac and Bloomfield Township. The Subject Site is the location of the failed 80-acre Bloomfield Park development at South Telegraph Road and Rostel Road. The Site is currently vacant land on the eastern portion of the proposed Village at Bloomfield Park.

The methodology used to calculate demand in this memorandum is proprietary to Maxfield Research but is consistent with methodologies used by analysts throughout the housing industry. It is important to note that demand estimates and conclusions contained herein are preliminary and are intended only to broadly assess the depth of the general occupancy rental housing markets for the Subject Site and to determine whether additional rental housing products can be supported. A more thorough investigation in a *Full Feasibility Study* would reveal more specific factors that might impact demand and appropriate market positioning.

This memorandum begins by delineating the primary draw area ("Primary Market Area") for general occupancy rental housing for the Subject Site, providing an overview of the demographic and economic characteristics. It then inventories existing and pending general occupancy rental developments that would be competitive with the proposed development. Based on these factors, Maxfield Research Inc. calculates demand for general occupancy rental housing in the draw area and estimates the proportion of overall demand that the proposed project would capture. The memorandum concludes with preliminary findings and conclusions from our analysis.

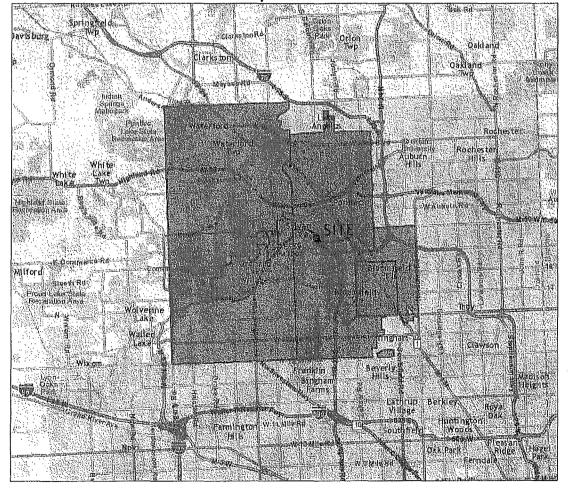
> 612-338-0012 (fax) 612-904-7979 1221 Nicollet Mail, Suite 218, Minneapolis, MN 55403 www.maxfieldresearch.com

| Mr. Nathan Anderson | February 24, 2015 |
|----------------------------------|-------------------|
| Edward Rose Building Enterprises | Page 2 |

Primary Market Area Definition

Maxfield Research Inc. determined the draw area or Primary Market Area ("PMA") for general occupancy rental housing for the Subject Site and the surrounding area based on geographic and man-made barriers, commuting and community orientation patterns, and our experience in housing feasibility.

The Primary Market Area includes the Cities of Pontiac, Bloomfield Hills, Keego Harbor, Orchard Lake Village, Sylvan Lake along with the Townships of Bloomfield, Waterford, and West Bloom-field. In 2010, the City of Pontiac accounted for 24% of the population in the PMA.



Primary Market Area

| Mr. Nathan Anderson | February 24, 2015 | |
|----------------------------------|-------------------|--|
| Edward Rose Building Enterprises | Page 3 | |

A portion of the demand for housing products on the subject site will come from outside the defined PMA. Households that would relocate include those that are working but not living in the area; those who will move to the area because of product that meets their needs and those working just outside of the PMA who will find the location and product type attractive. These groups are estimated to account for about 25% of the total demand in the PMA.

Population, Household Growth Trends

Table 1 presents population and household growth trends and projections for the PMA from 2000 to 2019. Historical information for 2000 and 2010 is supplied by the U.S. Census Bureau, while estimates for 2014 and projections for 2019 for the PMA and the City of Pontiac were supplied by ESRI, a nationally recognized demographic services firm.

 As of 2010, the PMA contained a population of 247,916 and a household base of 96,801. This compares to the City of Pontiac with a population of 59,515 and 22,220 households. The average household size in the PMA is 2.56, 2.68 in the City of Pontiac and 2.49 in Pontiac County. The PMA accounted for 21% of Oakland County's population in 2010.

| Estimate 2014 | Forecast 2019 | 2000 to 2 No. | Change 2010 Pct. | e 2010 to 2 | 2019 |
|------------------|-------------------|------------------|------------------------|----------------|------|
| 2014 | 2019 | No. | Pct. | | |
| | 10000 | | | No. | Pct. |
| | | | | | |
| 247,338 | 255,595 | -10,136 | -3.9 | 7,679 | 3,1 |
| 59,359 | 60,397 | -6,822 | -10.3 | 882 | 1.5 |
| 1,212,137 | 1,243,533 | 8,206 | 0.7 | 41,171 | 3.4 |
| | | | | | |
| 97,328 | 99,315 | -1,353 | -1.4 | 2,514 | 2,6 |
| 22,380 | 22,891 | -2,014 | -8.3 | 671 | 3.0 |
| 7 | 505,024 | 12,583 | 2.7 | 21,326 | 4.4 |
| | 22,380 491,028 | | | | |

- Between 2000 and 2010, the PMA experienced population and household declines of 4% and 1%, respectively. This compares to a population decline of 10% for the City of Pontiac and an increase of less than 1% for Oakland County. These growth trends indicate a generally fully developed area and that future growth will be generated through redevelopment.
- Between 2010 and 2019, the PMA is projected to add 7,679 people (3%) and over 2,500 households (3%). During this time, population and households in the City of Pontiac are expected to increase 1.5% and 3% respectively.

Population Age Distribution

Table 2 shows the age distribution of the population from 2000 to 2019. Data for 2000 and 2010 is from the U.S. Census, and data for 2014 and 2019. This information is useful in determining the target market for a new rental development.

| | | POF | PULATION A | BLE 2 GE DISTRIBL IARKET ARE to 2019 | | . • | | | |
|------------|---------|---------|------------|---|----------|-------|----------------|------|--|
| | 2000 | 2010 | 2014 | 2019 | 2000 - 2 | Chan | ge 2010 - 2 | 019 | |
| Age Cohort | No. | No. | No. | No, | No. | | No. | Pct. | |
| 17 & under | 66,983 | 59,530 | 56,065 | 55,829 | 2,277 | 20.0 | 1,494 | 10. | |
| 18-24 | 18,587 | 19,403 | 20,872 | 19,123 | 1,208 | •36.1 | 414 | . 9. | |
| 25-34 | 34,975 | 26,261 | 26,797 | 28,283 | 264 | 3.9 | 1,282 | 18, | |
| 35-44 | 42,523 | 32,935 | 29,978 | 29,503 | 965 | 13.7 | 5 | , O | |
| 45-54 | 38,668 | 39,576 | 36,564 | 34,324 | 2,009 | 32,4 | 487 | 5. | |
| 55-64 | 24,767 | 33,461 | 35,904 | 37,282 | 2,497 | 59.0 | . 936 | .13 | |
| 65-74 | 17,313 | 19,267 | 23,253 | 27,490 | 1,175 | 42.8 | 1,242 | 31. | |
| 75+ | 14,213 | 17,483 | 17,912. | 19;759 | 853 | 38.6 | 358 | 11 | |
| Total | 258,029 | 247,916 | 247,345 | 251,593 | -10,113 | -3.9 | 3,677 | 1 | |

- As of 2010, it is estimated that people between the ages of 25 and 54 comprised 48% of the population while people under the age of 17 comprised 24%. Although most households composed of parents with children are less likely to rent traditional apartment style housing, they may consider larger rental townhomes.
- Younger adult households and seniors are the most likely age groups to live in rental housing. As of 2010, 18% of the population is estimated to be between ages 18 and 34 and 15% of the population is estimated to be age 65 or older.
- People between the ages of 25 and 34 are a primary target market for rental housing. This age cohort is projected to add about 1,280 people by 2019, totaling almost 26,797 people (18%).
- Overall, growth in most age cohorts will create demand for more rental housing in the PMA through 2015.

Household Income

Income data is important when considering the ability of households to pay different rent levels. Table 3 presents data on household incomes by age of householder in the PMA in 2014 and 2019. The data is provided by ESRI.

| | арына — Сойский Арадиан — Сойский арадаа Параман — Сойский Арадиан — Сойский Арад | | TABLI NCOME BY A PRIMARY MA Number of H 2014 & | AGE OF HOUS RKET AREA ouseholds) | EHOLDER | | | |
|-----------------------------|--|-----------|--|--|--------------|----------|------------------|-------------|
| | | | | Age | of Household | er | o lawoonio na sa | aba ana ang |
| | Total | Under 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65 -74 | 75+ |
| | | | 201 | 4 | | | | |
| Less than \$15,000 | 11,341 | 905 | 1,484 | 1,456 | 1,843 | 2,513 | 1,479 | 1,661 |
| \$15,000 to \$24,999 | 9,486 | 544 | 1,096 | 1,092 | 1,312 | 1,587 | 1,711 | 2,144 |
| \$25,000 to \$34,999 | 8,027 | 377 | 1,069 | 1,241 | 1,393 | 1,209 | 1,246 | 1,492 |
| \$35,000 to \$49,999 | 11,850 | 352 | 1,595 | 1,926 | 2,108 | 1,975 | 1,867 | 2,027 |
| \$50,000 to \$74,999 | 17,175 | 373 | 2,367 | 2,989 | 3,308 | 3,322 | 2,508 | 2,308 |
| \$75,000 to \$99,999 | 11,250 | 143 | 1,529 | 2,261 | 2,358 | 2,509 | 1,683 | 767 |
| \$100,000 to \$149,999 | 10;357 | 49 | - 1,007 | 1,685 | 2,969 | 2,489 | 1,437 | 721 |
| \$150,000 to \$199,999 | 6,843 | 20 | 469 | 1,312 | 1,925 | 1,985 | . 839 | 293 |
| \$200,000+ | 10,998 | 10 | 370 | 1,527 | 2,984 | 3,595 | 1,762 | 750 |
| Total | 97,327 | 2,773 | 10,986 | 15,489 | 20,200 | 21,184 | 14,532 | 12,163 |
| Median income | \$59,261 | \$22,346 | \$51,720 | \$64,752 | \$76,110 | \$74,853 | \$57,446 | \$39,608 |
| | | | 201 | 9 | | | | |
| Less than \$15,000 | 10,588 | 844 | 1,408 | 1,196 | 1,521 | 2,269 | 1,579 | 1,771 |
| \$15,000 to \$24,999 | 6,918 | 363 | 876 | 729 | 852 | 1,094 | 1,302 | 1,702 |
| \$25,000 to \$34,999 | 6,746 | 322 | 949 | 927 | 1,029 | 1,030 | 1,145 | 1,344 |
| \$35,000 to \$49,999 | 10,988 | 345 | 1,507 | 1,591 | 1,567 | 1,792 | 1,937 | 2,149 |
| \$50,000 to \$74,999 | 16,820 | 414 | 2,439 | 2,629 | 2,869 | 3,082 | 2,836 | 2,551 |
| \$75,000 to \$99,999 | 13,015 | 164 | 1,843 | 2,412 | 2,465 | 2,817 | 2,257 | 1,057 |
| \$100,000 to \$149,999 | 13,004 | 72 | 1,301 | 2,041 | 3,226 | 3,132 | 2,136 | 1,096 |
| \$150,000 to \$199,999 | 7,919 | 24 | 621 | 1,461 | 1,956 | 2,258 | 1,194 | 405 |
| \$200,000+ | 13,319 | 11 | 505 | 1,889 | 3,067 | 4,165 | 2,523 | 1,159 |
| Total | 99,317 | 2,559 | 11,449 | 14,875 | 18,652 | 21,639 | 16,909 | 13,234 |
| Median Income | \$70,217 | \$26,764 | \$57,652 | \$77,852 | \$87,370 | \$87,076 | \$70,898 | \$46,827 |
| | | | Change - 201 | 4 to 2019 | | | | |
| Less than \$15,000 | -753 | -61 | -76 | -260 | -322 | -244 | 100 | 110 |
| \$15,000 to \$24,999 | -2,568 | -181 | -220 | -363 | -460 | -493 | -409 | -442 |
| \$25,000 to \$34,999 | -1,281 | -55 | -120 | -314 | -364 | -179 | -101 | -148 |
| \$35,000 to \$49,999 | -862 | -7 | -88 | -335 | -441 | -183 | 70 | 122 |
| \$50,000 to \$74,999 | -355 | 41 | 72 | -360 | -439 | -240 | 328 | 243 |
| \$75,000 to \$99,999 | 1,765 | 21 | 314 | 151 | 107 | 308 | 574 | 290 |
| \$100,000 to \$149,999 | 2,647 | 23 | 294 | 356 | 257 | 643 | 699 | 375 |
| \$150,000 to \$199,999 | 1,076 | 4 | 152 | 149 | 31 | 273 | 355 | 112 |
| \$200,000+ | 2,321 | 1 | 135 | 362 | 83 | 570 | 761 | 409 |
| Total | 1,990 | -214 | 463 | -614 | -1,548 | 455 | 2,377 | 1,071 |
| Median Income | \$10,956 | \$4,418 | \$5,932 | \$13,100 | \$11,260 | \$12,223 | \$13,452 | \$7,219 |
| Sources: U.S. Census; ESRI; | Maxfleld Rese | arch Inc. | | | | | | |

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- In 2014, the PMA median annual income is estimated to be \$59,261, and every age cohort between the ages of 25 and 74 has a median income over \$50,000. The lowest median income is among households under age 25, which has a median income of \$22,346. By 2019, the median income is projected to increase to \$70,217 annually, for all households.
- Rent is generally considered affordable if it does not exceed 30% of a household's monthly income. An average rent of \$850 would require an annual income of \$34,000. As of 2014, 67% of all households have annual incomes over \$34,000. An average rent of \$1,000 would require an annual income of \$40,000. As of 2014, 66% of households have incomes of at least \$40,000.
- Among the targeted group of 25 to 34 year olds, 68% have a monthly household income of at least \$34,000 or greater, while 62% have incomes of \$40,000 or more.

Household Tenure

Table 4 shows the percentage of owner and renter households by age group in the PMA in 2000 and 2010 according to the U.S. Census. Household tenure by age is important in understanding households' preferences to rent or own their housing. Factors that contribute to these proportions include mortgage interest rates, age of the household, and lifestyle considerations, among others. There was a trend toward owned housing as mortgage interest rates were very low and money assistance was plentiful in the early and mid 2000s. As the housing market downturn impacted the local market however, rental units became more popular due to difficulties in obtaining mortgages and overall buyer uncertainty.

- Households under the age of 35 are among the most likely to rent their housing. In 2000, 78% of households age 15 to 24 and 43% of households age 25 to 34 rented their housing. Households over age 75 also are likely to rent; however, a portion of older renter households often live in age-restricted senior apartments that may have services and do not necessarily compete with market rate general occupancy rental housing.
- The Great Recession had a significant impact on the housing market in the PMA, between 2000 and 2010, homeownership rates in the PMA decreased in all but the senior age categories, which recorded increases.
- In 2010, the PMA had a household rental rate of 27.5%.

Mr. Nathan Anderson Edward Rose Building Enterprises

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| | | | **** | | | PRIM | TABLE ISEHOLD ARY MAR 2000 & 2 | TENURE | | | | | | | | |
|--------------------|-------------|---------|-------------|-----------|-------------|-------|---|---------|---------|-------|--------|-------|---------|-------|----------------------|-------|
| | 725306 | 164,897 | | 1318 (MA) | | | AG | E OF HO | USEHOLI |)6R | | | 9.80t-6 | | in the second second | 油啤食 |
| | 15-24 | | 15-24 25-34 | | 35-44 | | 45-54 | | 55-64 | | 65-74 | | 75-84 | | . 85+ | |
| | Own | Rent | Own | Rent | Own | Rent | Own | Rent | Own | Rent | Own | Rent | Own | Rent | Own | Rent |
| and the Secretary | | | | | | | 2000 | | | | | | | | | |
| No. of Households | 737 | 2,639 | 8,997 | 6,853 | 16,965 | 5,443 | 18,147 | 3,683 | 12,960 | 1,832 | 9,513 | 1,312 | 5,851 | 1,301 | 1,178 | 746 |
| Homeownership Rate | 21.8% 56. | | 56,8% 75.7% | | 83.1% 87.6% | | 6% | 87.9% | | 81.8% | | 61,2% | | | | |
| | | | | | | | 2010 | | | | | | | | | |
| No, of Households | 532 | 2,365 | 5,313 | 5,654 | 11,380 | 5,660 | 16,788 | 5,176 | 16,370 | 3,478 | 10,453 | 1,664 | 6,933 | 1,306 | 2,443 | 1,286 |
| Homeownership Rate | 18 | .4% | 48 | 4% | | 8% | | 4% | | 5% | 85 | 3% | | .1% | 65 | 5% |

Employment Trends

Since employment growth generally fuels household growth, employment trends are a reliable indicator of housing demand. Although some households choose to live far from their place of work because housing is often less expensive in smaller towns, households typically prefer to live near work for convenience.

Table 5 presents resident employment data from 2000 through 2014 for the PMA (data is only available for the City of Pontiac, Bloomfield Township, Waterford Township, and West Bloomfield Township). <u>Resident employment</u> data is calculated as an annual average and reveals the workforce and *number of employed people living in each jurisdiction*. It is important to note that not all of these individuals necessarily work in the jurisdiction in which they are recorded. The data is from the US Department of Labor, Bureau of Labor Statistics.

- The labor force in the PMA declined by over 13,100 people from 2000 to 2014 to a total of 116,812 workers.
- Changes in employment rates can significantly influence population levels. Between 2000 and 2014, the labor force decreased by 10% (13,140 people) in the PMA. The Great Recession took a toll on the local economy with a decline in the labor force and employment contracting by nearly 18,862 positions over the period since the recession began.
- Although total employment increased through much of the decade, growth in the labor force outpaced job gains pushing up unemployment levels. The unemployment rate increased from 4.0% in 2000 to 10.2% in 2014. The unemployment rate reached its apex in 2009 at 20.3%. The annual unemployment rate in the PMA over the period has been very high and has remained higher than both Oakland County's and the statewide unemployment rate in each year.

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- The unemployment rate in the PMA dropped steadily from 20.3% in 2009 to its current rate
 of 10.2% in 2014 indicating a recovery in the local economy. This should bode well for rental housing as some of those who "doubled up" to save on expenses may look to "uncouple"
 as their economic outlook becomes more optimistic. Additional jobs may also attract new
 residents to the area, some of which may seek rental housing, if only on a temporary basis.
- Major employers in the City of Pontiac include General Motors, St. Joseph Mercy Oakland, County of Oakland, HP Enterprise Services, United States Postal Service, and the Pontiac Osteopathic Hospital which combine for nearly 14,500 employees.

| TABLE 5 RESIDENT EMPLOYMENT | | | | | | | |
|--------------------------------|----------------|------------|--------------------|-----------------------------|---|---|--|
| PRIMARY MARKET AREA* | | | | | | | |
| | 2000-2014 | | | | | | |
| Year | Labor Force | Employment | Unemployment | Unemployment Rate (Pct.) | Oakland County Unemployment Rate (Pct.) | Michigan Unemployment Rate (Pct.) | |
| 2014 | 116,812 | 106,045 | 10,767 | 10.2% | 7.5% | 7.8% | |
| 2013 | 117,809 | 105,235 | 12,574 | 11.9% | 8.2% | 8.8% | |
| 2012 | 116,388 | 102,727 | 13,661 | 13.3% | 8.9% | 9.1% | |
| 2011 | 116,053 | 100,587 | 15,466 | 15.4% | 10.1% | 10.4% | |
| 2010 | 118,234 | 99,027 | 19,207 | 19.4% | 12.4% | 12.7% | |
| 2009 | 120,508 | 100,208 | .20,300 | 20.3% | 12.9% | 13.6% | |
| 2008 | 119,637 | 108,425 | 11,212 | 10.3% | 7.0% | 8.3% | |
| 2007 | 121,629 | 111,751 | 9,878 | 8.8% | 6.1% | 7.1% | |
| 2006 | 122,552 | 113,112 | 9,440 | 8.3% | 5.7% | 6.7% | |
| 2005 | 123,713 | 114,240 | 8,473 | 7,4% | 5.7% | 6.8% | |
| 2004 | 124,300 | 114,922 | 9,378 | 8.2% | 5.6% | 7.0% | |
| 2003 | 125,115 | 115,846 | 8,269 | 7.1% | 5.5% | 7.1% | |
| 2002 | 126,537 | 117,663 | 8,874 | 7.5% | 5.2% | 6.1% | |
| 2001 | 128,645 | 121,110 | 7,535 | 6,2% | 4.4% | 5.2% | |
| 2000 | 129,952 | 124,907 | 5,045 | 4.0% | 2.9% | 3.7% | |
| Change 2000 | 0-2014* | | | | | | |
| Number | -13,140 | -18,862 | 5,722 | | | | |
| Percent | -10.1 | -15,1 | 88.2 | **** | | · · · · | |
| | | | Bloomfield Townshi | | - | | |

Employment and Wages

Table 8 shows information on the employment and wage situation in Oakland County. The data is sourced from the U.S. Department of Labor: Bureau of Labor Statistics. The Quarterly Census

of Employment and Wages information is 2nd quarter data for 2014, the most recent data available.

- The average weekly wage for all industries is \$1,048. Information Services establishments have the highest average weekly wage in the County at \$1,426.
- The average monthly employment concentrations are highest in the following industries: Professional and Business Services; Trade, Transportation, and Utilities; and Education and Health Services. The Professional and Business Services sector and the Trade, Transportation, and Utilities sector provide 28% and 18% of the employment in the county, respectively. Health and Educational Services provide 16% of the jobs while the Leisure and Hospitality industry supplies 10% of the employment.

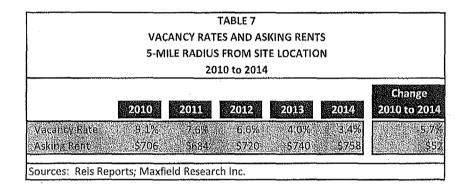
| TABLE 8 | | | | |
|---|-----------------------|-------------------|--|--|
| QUARTERLY CENSUS OF EMPLO | | E\$ | | |
| OAKLAND COUI | | | | |
| 2014 (2nd QT | R) | | | |
| · . | PMA | PMA | | |
| | Average | Average Weekly | | |
| Industry Title | Employment. | | | |
| Total, All Industries | 682,998 | | | |
| Natural Resources and Mining | 941 | , | | |
| Construction | 21,326 | | | |
| Manufacturing | 61,449 | | | |
| Trade, Transportation, and Utilities | 121,799 | \$970 | | |
| Information | 15,978 | \$1,420 | | |
| Financial Activities | 48,624 | \$1,386 | | |
| Professional and Business Services | 181,921 | \$1,250 | | |
| Education and Health Services | 108,235 | \$88: | | |
| Leisure and Hospitality | 63,815 | \$354 | | |
| Other Services | 21,422 | \$624 | | |
| Public Administration* | 13,972 | \$957 | | |
| Unclassified | 1,888 | \$872 | | |
| * Data for Public Adminisration was only ava for 2013, | ilable for the annual | average | | |

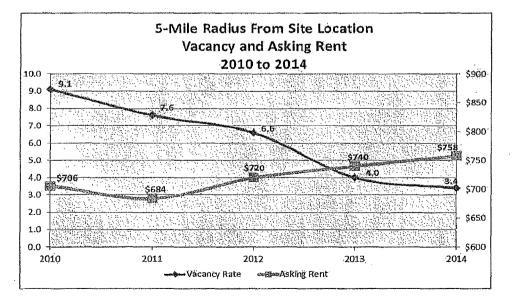
Competitive Rental Market Overview

Rental Market Trends

Table 7 shows the vacancy rates and asking rents for the past five years for projects within in a five-mile radius from the subject Site. Table 8 shows inventory levels, vacancy rates, average square feet, and asking rents for the 4th Quarter of 2014 for the Pontiac/Waterford submarket as defined by Reis Reports, the data source for information presented in the tables.

- Projects within the five-mile radius experienced a vacancy rate calculated at 3.4% in 2014.
 There has been a steady decline in vacancy rates since 2010 when the rate was 9.1%.
- Due to the older age of many of the existing properties, asking rents are fairly affordable at \$758 per month in 2014. However, asking rents have risen by roughly 7% over the period.





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- Market equilibrium is considered to be a 5% vacancy rate for general occupancy rental housing. Thus, according to current estimates, pent up demand will be a component of market support for new general occupancy market rate housing in the PMA.
- As Table 8 shows, less than 1% of the existing inventory in the Pontiac/Waterford submarket was built in 2009 or after and only 11% from 2000 to 2009. A large number of units was built before 1980 with 40% built between 1970 and 1979.
- The asking rents increase as the age of the existing inventory decreases. Units built before
 1980 have asking rents of less than \$800 per month whereas those built from 2000 to 2009
 have asking rents of nearly \$1,400. Overall, the average asking rent for the existing inventory in the Pontiac/Waterford submarket was \$931 as of the 4th Quarter of 2014.

| CHARACTERISTICS OF EXISTING INVENTORY | | | | | |
|---------------------------------------|-------------------|-----------------|------------------|--|--|
| PON | TIAC/WATERFORD SU | | | | |
| 11.9 ¹⁹ , | 4th Quarter 201 | .4 | | | |
| | Pct. Inventory | Vacancy Rate | Asking Rent | | |
| Year Built | | | | | |
| Before 1970 | 14% | 1.9% | \$756 | | |
| 1970-1979 | 40% | 1.9% | \$761 | | |
| 1980-1989 | 22% | 3.4% | \$1,050 | | |
| 1990-1999 | 14% | 4.2% | \$1,053 | | |
| 2000-2009 | 11% | 5.1% | \$1,392 | | |
| After 2009 | 0% | 2.2% | \$907 | | |
| Total Inventory | 100% | 2.9% | \$931 | | |
| | Asking Rent | Avg, SF | Avg. Rent PSF | | |
| Unit Types | | | | | |
| Studio/Efficiency | \$629 | 560 | \$1.12 | | |
| One Bedroom | \$765 | 761 | \$1.01 | | |
| Two Bedroom | \$993 | 1,063 | \$0.93 | | |
| Three Bedroom | \$1,291 | 1,462 | \$0.88 | | |

• It appears as if there is a correlation between vacancy rates and asking rents based on the newer rental properties. The highest vacancy rate was among developments built between 2000 and 2009 (5.1%) which also had the highest average asking rents in the submarket while the lowest vacancy rate was among developments built before 1980 (1.9%) which have the lowest asking rents. The inventory of existing developments located in the PMA is

the best indication of the performance of competitive projects and is presented in a following section of this analysis.

 The asking rents increase from an average of \$629 for studio units to \$1,291 for three bedroom units. Calculated as an average of asking rent per square foot, studio units have the highest rent per square foot at \$1.12 while three-bedroom units have the lowest rent per square foot at \$0.88.

Selected Market Rate Rental Developments

Maxfield Research Inc. compiled a competitive market inventory of existing market rate general occupancy rental developments located within a 10-Mile radius from the subject Site on Table 9. Due to lack of newer rental developments, we expanded the radius to ten miles from five miles and generally included properties built from 1999 to present. One competitive property is located across Telegraph Road from the Subject Site was built in 1983. Only one development was built in the past five years and will be the most competitive property. Although older properties may compete based on location and affordability, they will be less competitive due to their lack of updated unit features and common area amenities. Overall, we evaluate the ability to compete effectively in the marketplace based on its location, positioning, and finishing relative to existing competitive properties.

- The competitive inventory includes six market rate developments with a combined total of 1,742 general occupancy market rate units.
- The newest development opened in 2012 in Pontiac within 2.5 miles of the Site and has a total of 46 units and an occupancy rate of 97.0%. The remaining five apartments were opened from 1983 to 2003 and all six apartment properties had a combined occupancy rate of 97.0%. Occupancy rates of 95% are considered the market equilibrium.
- The minimum square footage shown for one-bedroom units at the competitive properties ranges from a low of 556 square feet at Lafayette Lofts to a high of 910 square feet. Monthly rents for competitive units begin at \$760 for a one-bedroom unit. The rent per square foot for the smallest one-bedroom unit is \$1.07.
- In-unit amenities in the surveyed properties generally include air conditioning, built-in microwave, dishwasher, walk-in closets, and in-unit washer/dryer units. Most of the competitive properties in the PMA provide additional common area features such as community rooms and fitness facilities.

Mr. Nathan Anderson Edward Rose Building Enterprises

February 24, 2015 Page 13

| | · CC | | LE RADI | TABLE 9 RKET RATE R US FROM SI ebruary 201 | | | | |
|---|------------------------|--------------|-------------|---|-------------------|-----------------------|-------------------------------|-----------------------------|
| Durtant M. H. Maria | Distance | Occp. | | Occupancy | | Description | A state of the post | |
| Project Name/Location Lafayette Lofts | from Site 2.2 Miles | Date 2012 | Units 46 | Rate 97.8% | Type 1BR | Min. Size 556 | Avg. Monthly Rent \$760 | Avg. Kent/sq. rt. \$1.07 |
| 151 Lafayette Street Pontlac, MI | 2.2 WITES | 2012 | 40 | 97,8% | 2BR | 900 | \$1,125 | \$1.07 |
| Notes: | Dishwashe | r, Wash | er/Dryer | ; Internet, Cl | ubhòus | se, parking g | arage. | |
| Regents Park of Troy 2751 Malcom Circle <i>Troy</i> | 7.0 Miles | 2001 | 299 | 99.0% | 1BR 2BR 3BR | 875 1,160 1,700 | \$1,633 \$1,718 \$2,595 | \$1.57 \$1.34 \$1.24 |
| Notes: | Dishwashe Clubhouse | • | | Hookup, In | ternet, I | Fireplace, Bu | siness Center, Pool He | alth Club, |
| Cedarbrooke | 4.9 Miles | 2001 | 584 | 92.8% | 1BR | 900 | \$858 | \$0.93 |
| 200 Lake Village Trali Aubum Hills | | | | | 2BR 3BR | 1,100 1,532 | \$950 \$1,280 | \$0.78 \$0.84 |
| Notes: | Dishwashe | r Wash | er/Dnier | Hookun Fir | enlace | Parkina Gau | age, Tennis Court, Po | ol Shared |
| Lake Village of Rochester Hills | 5.2 Miles | 2000 | 192 | 97.9% | 1BR | 910 | \$970 | \$1.07 |
| 2450 Norfolk Drive Rochester Hills | | | | | 2BR | 1,230 | \$1,150 | \$0,93 |
| Notes: | Dishwashe | r, Wash | er/Dryer | Hookup, Fir | eplace, | Garage, Ten | nis Court, Pool , Shar | ed Laundry. |
| Legends Fox Creek | 8.1 Miles | | 339 | 96.3% | 1BR | 775 | \$805 | \$1.04 |
| 4855 Fox Creek Clarkston | | | | • | 2BR | 993 | \$1,026 | \$1.03 |
| Notes; | Dishwwasl | her, Was | her/Dry | er Hookup, t | Busines | s Center, Poc | ol, Health Club, Clubha | ouse. |
| Bloomfield Place | <1.0 Mile | 1983 | 282 | 97,2% | 1BR | 750 | \$859 | \$1,15 |
| 1610-1681 Bloomfield Place Dr. <i>Bloomfield Hills</i> | | | | | 2BR | 850 | \$974 | \$1.15 |
| Notes: | Dishwashe | r, Fitnes | s Center, | , Outdoor Pa | ol, Sha | ired Laundry | , Grill/Picnic Area | |
| Sources: REIS; Maxfield Researc | n Inc. | | | | | | | <u></u> |

Mr. Nathan Anderson

Edward Rose Building Enterprises

February 24, 2015

Page 15

| PRIMA | TABLE 10 IAND FOR RENTAL HOU ARY MARKET AREA 2014 to 2019 | SING | | | |
|--|--|--------------|---------------------------------------|--|---------------|
| | | • | Number of Households | | |
| | Under 25 | Age 25 to 34 | Age 35 to 44 | Age 45 to 64 | Age 65 & Over |
| Demand From Household Growth | | | | | |
| Projected Growth of Income Qualifed (\$40,000 in 2014/\$45K in 2019) Household Base | 85 | 909 | 437 | 1,181 | 4,2 |
| (times) Proportion Estimated to Be Renting Their Housing ¹ | x 87.9% | 53.1% | | 21.7% | 16. |
| (equals) Demand For Rental Housing, 2010 - 2015 | = 75 | 483 | 153 | 256 | 6 |
| Demand From Existing Households | | | | | |
| Estiamted number of renter households in 2014 ¹ | 2,919 | 6,266 | 5,807 | - 9,256 | 3,8 |
| (times) Estimated % Turnover between 2014 & 2019 ² | x 93.5% | 81.4% | 66.8% | 55.1% | 43. |
| (equals) Total Existing Households Projected to Turnover | = 2,729 | 5,101 | 3,879 | 5,100 | 1,6 |
| (times) Percent of Households Income Qualified (\$40,000+ in 2014) | x 29.9% | 51.9% | 71.4% | 72.9% | 58. |
| (equals) Total Number of Income-Qualified Households | = 816 | 3,157 | 2,770 | 3,718 | . 9 |
| (times) Estimated % Desiring New General Occupancy Rental Housing | x 5% | 15% | 15% | 10% | 1 |
| (equals) Demand From Existing Households | = 41 | 474 | 415 | 372 | |
| | Karaka balan baraka barawa | | | nthan a reason a read to the reason of the | |
| Total Demand From Household Growth and Existing Households | 116 | 956 | 568 | 628 | 7 |
| | \ | | | ' | |
| | | | Ŷ | • | |
| Market Area Demand for Market Rate General Occupancy Rental Housing | | - | 424 | | |
| (plus) Demand from Outside the Primary Market Area (25%) | | | 08 | | |
| (equals) Total Demand for Market Rate Rental Housing | | 3, | 232 | | |
| (minus) Competitive Units Pending/Planned in Market Area* | | - | 0 | | |
| (equals) Remaining Demand Potential for Market Rate Rental Housing | | ***** | 232 | | |
| | | | | | |
| (times) Percent Capturable on the Subject Site | | x 15% - | 20% | | |
| (equals) Total Demand Capturable on the Subject Site | | = 485 - | 646 | | |
| , | | | | | |
| ¹ Based on 2013 American Community Survey 5-year estimates | | | | | |
| ² Based on Turnover from 2013 American Community Survey of households moving 2005 or la | ter. | | | | |
| *Pending/proposed competitive units at 95% occupancy. | | | · · · · · · · · · · · · · · · · · · · | | |
| Source: Maxfield Research Inc. | | | | 2 | - |

MAXFIELD RESEARCH INC.

Rental Housing Preliminary Conclusions

Our preliminary assessment demonstrates sufficient demand for between 485 and 646 units of market rate rental housing on the subject Site based on our analysis of competitive properties and the general rental market in the PMA.

It is important to note that this initial market assessment is intended only to broadly assess the depth of the market for market rate rental housing and to estimate whether a project could be supported in the PMA. This preliminary analysis does not incorporate a full feasibility analysis, which would provide greater insight into the overall demand potential in the PMA and the ability of the subject Site to capture demand.

Recommended Development Concept

Based on our initial assessment of market rate rental housing in the PMA, including the occupancy rates and overall performance of comparable properties and new product, we find sufficient market support for additional market rate general occupancy rental units in the PMA.

We understand the project would be located north of South Telegraph Road on the border of Pontiac and Bloomfield Township. The proposed area should be very attractive to a variety of prospective renters.

Table 11 presents the preliminary recommended unit mix, sizes, monthly rents for new market rate general-occupancy rental housing on the Subject Site.

| TABLE 11 PRELIMINARY UNIT SIZE/MIX/RENT RECOMMENDATIONS SITE ON ROSTEL ROAD, BLOOMFIELD TOWNSHIP, MI February 2015 | | | | | |
|---|-----------------|------------------------|-----------------------|----------------------------|--|
| Unit Type | % of Total | Averäge Square Feet | Average Rent Range | Average Rent Per Sq. FL | |
| 1BR | 40% | 650 - 750 | \$900 - \$1,150 | \$1.38 - \$1.53 | |
| 2BR | 50% | 950 - 1,150 | \$1,250 - \$1,350 | \$1.17 - \$1.32 | |
| 2BR+Den/3BR | 10% | 1,100 - 1,350 | \$1,400 - \$1,500 | \$1.11 - \$1.27 | |
| Totals/Avg | 100% | 943 | | | |
| Note: Pricing in 2015 dollars and can be trended upward by 2% prior to occupancy. | | | | | |
| Source: Maxfiel | d Research Inc. | | | | |

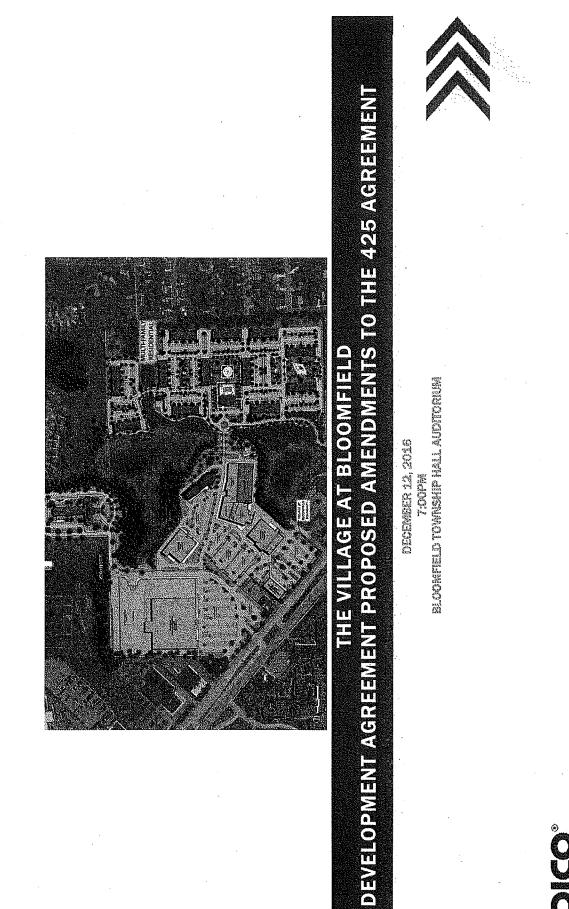
MAXFIELD RESEARCH INC.

| Mr. Nathan Anderson | February 24, 2015 |
|----------------------------------|-------------------|
| Edward Rose Building Enterprises | Page 17 |

Considering that the target market for an apartment development within the site area will likely be young to mid-aged professionals, with some empty-nesters and seniors, we anticipate that demand for units with three or more bedrooms will be limited. This location however is likely to attract smaller families in addition to other market segments. As such, we recommend that the project consist of one-bedroom and two-bedroom units with a small number of twobedroom plus den units or three-bedroom units. Units that have a den or extra space often popular with older adults, seniors, and those that frequently work from home as the den will generally be used as a home office or guest room.

The proposed project should have rents similar to other new upper-end projects in the PMA. The building's rents should reflect the added value for its location and in-unit features and building amenities that support a higher rent structure.

We recommend the landlord provide professional management, grounds/common area maintenance, and refuse removal. The tenant should be responsible for heat, water/sewer, electricity and the following optional fees: telephone, cable or satellite television, Internet, and underground garage parking.



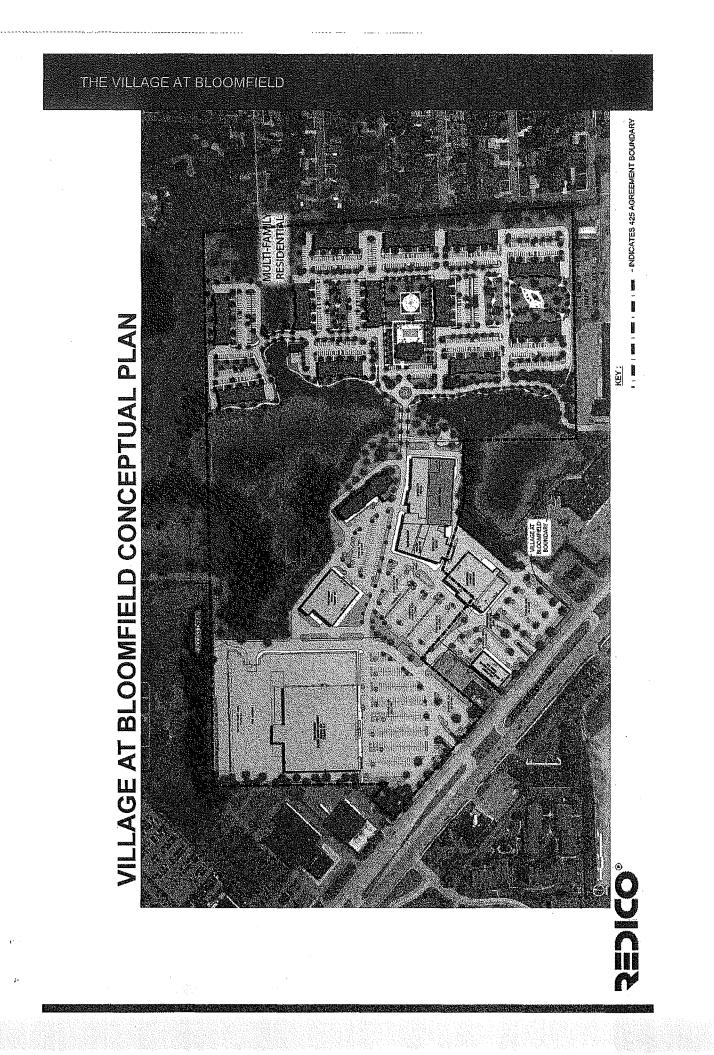
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PROPOSED AMENDMENTS TO THE 425 AGREEMENT

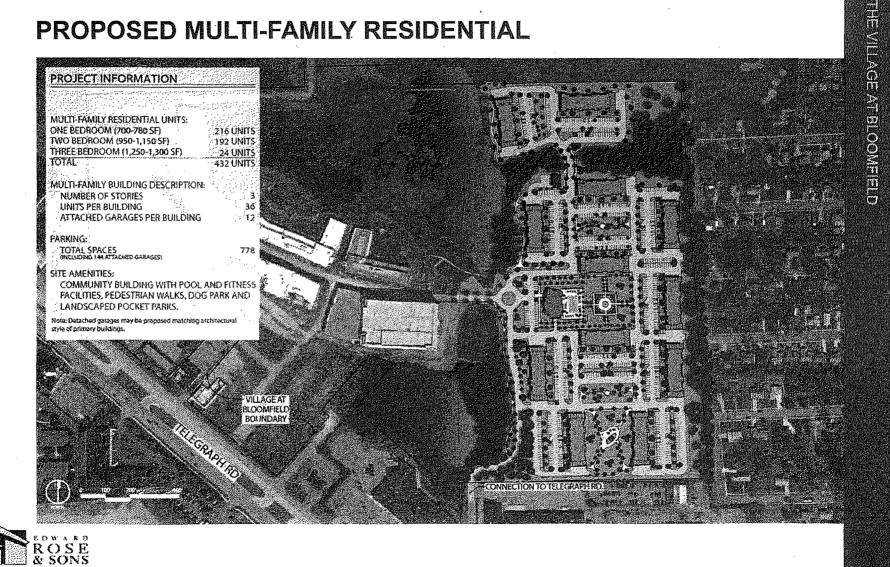
- Hotel 425 agreement requires a full service hotel
 - Developer is requesting that a limited-service hotel be allowed
- Minimum Residential Dwelling Unit Size 425 agreement requires 1,100
 Square Feet minimum
 - Developer is requesting a minimum unit size requirement of 700 square feet.
 Multi-Family Residential Units: 216 One Bedroom Units (700-780 S.F.) 192 Two Bedroom Units (950-1,150 S.F.) 24 Three Bedroom Units (1,250-1,300 S.F.) 432 Total Units

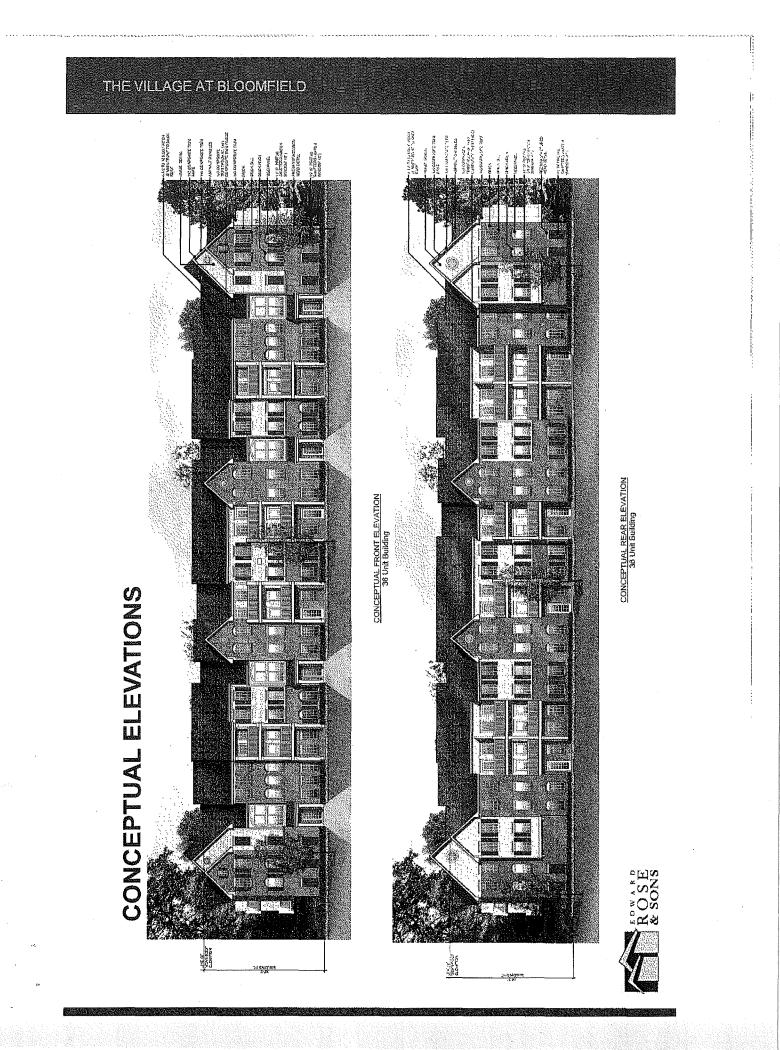
- Minimum Building Height 425 agreement requires 30 feet minimum
 - Developer is proposing a minimum 24 foot building height except for the clubhouse, maintenance building, detached garages and any other ancillary structures in the residential development area.
- Signage
 - Developer is requesting a number of amendments to the signage standards





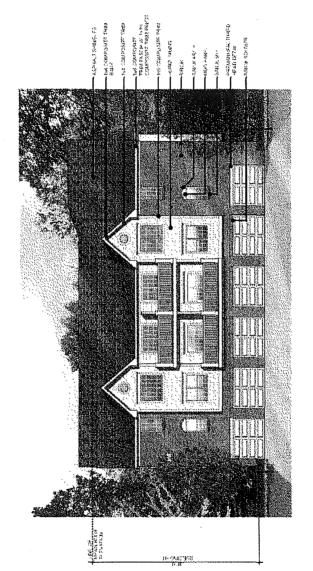
PROPOSED MULTI-FAMILY RESIDENTIAL





THE VILLAGE AT BLOOMFIELD

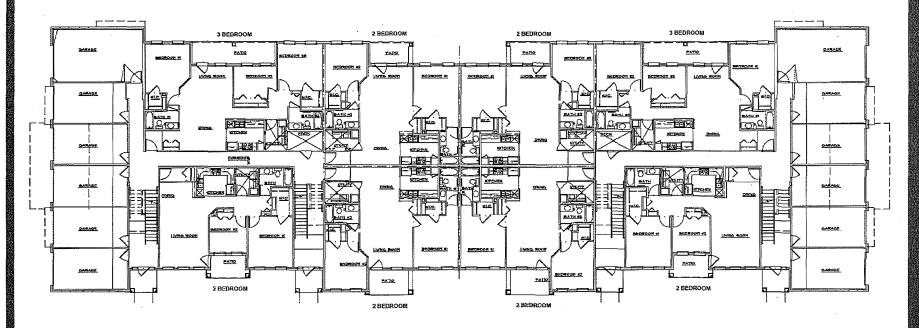
CONCEPTUAL ELEVATIONS



CONCEPTUAL SIDE ELEVATION 36 Unit Building



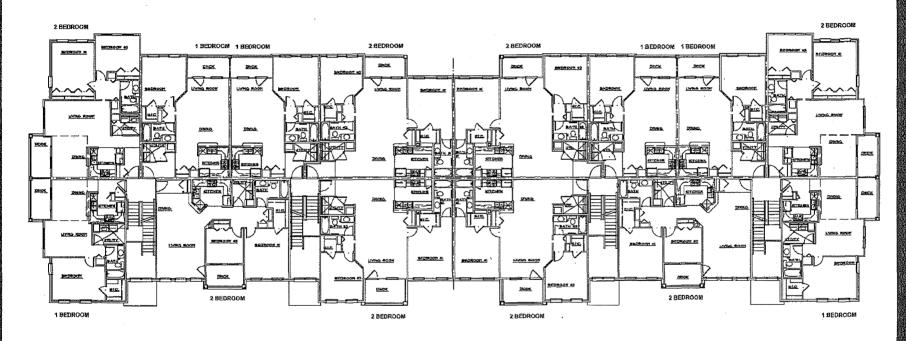
CONCEPTUAL FLOOR PLAN



CONCEPTUAL FIRST FLOOR PLAN 36 UNITS THE VILLAGE AT BLOOMFIELD



CONCEPTUAL FLOOR PLAN

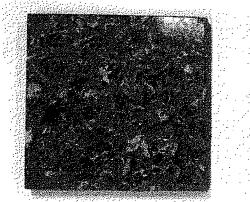


SECOND & THIRD FLOOR PLAN 36 UNITS

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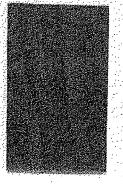


CONCEPTUAL FLOOR PLAN

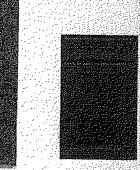


Granite Countertops (or stone equivalent)

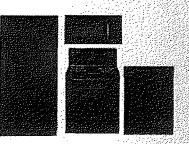
Corpet: Living room, bedrooms



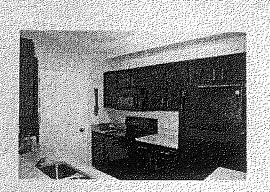
Wood Siyle Vinyl Plank Flooring: Kitchen, bathroom, entry



Kilchen Cabinets: Wood linish



Black Appliances Each unit will include on in-unit washer, dryer, distrivasher, range, microwave and refrigerator.

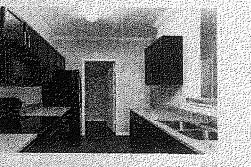


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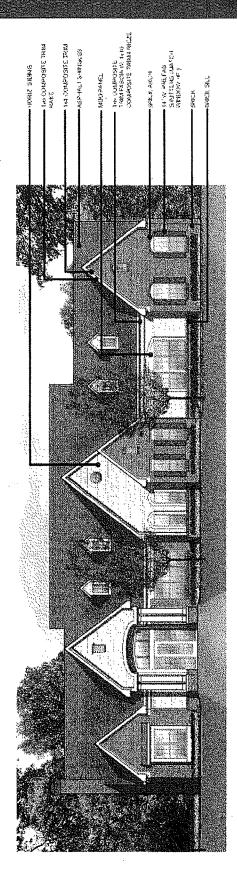
Klichen Character Photos

Note: Materials are illustrative to demonstrate, level of linkhes. Colors are subject to change.



PROPOSED INTERIOR FINISHES Village at Bloomfield – Proposed Multi-Family Residential Component

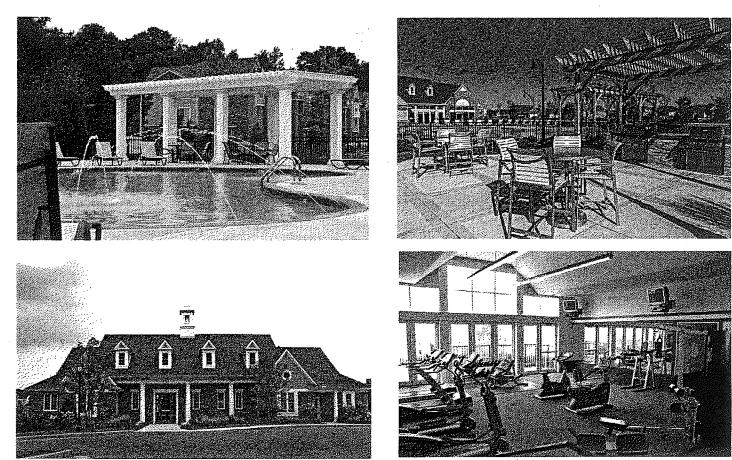
CONCEPTUAL ELEVATION



CONCEPTUAL COMMUNITY BUILDING ELEVATION



CHARACTER PHOTOS

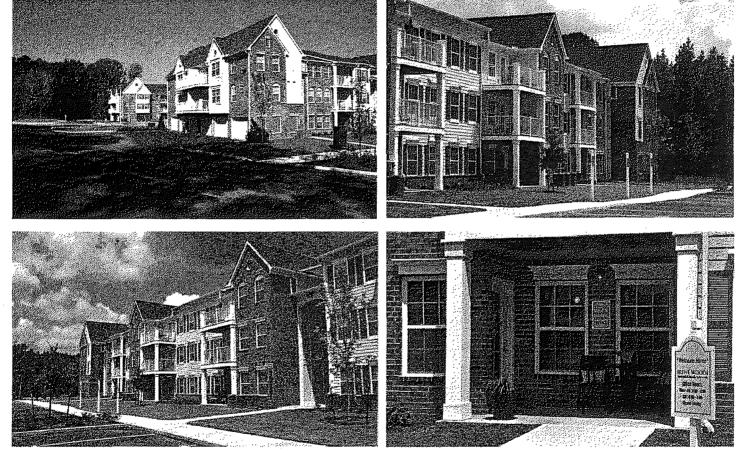


THE VILLAGE AT BLOOMFIELD



CHARACTER PHOTOS OF CLUBHOUSE, POOL, SUNDECK, FITNESS CENTER, AND GRILLING AREA

CHARACTER PHOTOS

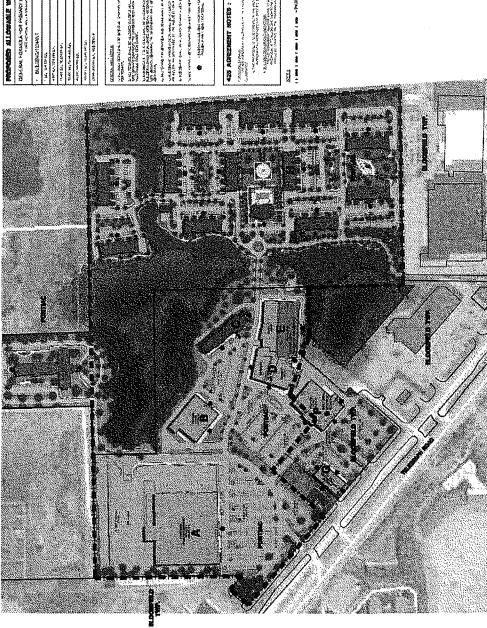


THE VILLAGE AT BLOOMFIELD

CHARACTER PHOTOS OF PROPOSED THREE STORY MULTI-FAMILY BUILDINGS Irene Woods Mixed-use Development - Collierville, TN (Memphis) Excellent Occupancy - 99%



SIGNAGE PLAN – BUILDING SIGNAGE



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BUILDING SIGNAGE

PROPOSED ALLOWABLE WALL SIGNAGE :

GENERAL FORMULA FOR PRIMARY BUILDING SIGN : 6% FACADE AREA * (SEE GENERAL WALL & GROUND SIGN NOTES FOR LIMITATIONS)

| BUILDING/TENANT | ALLOWABLE SIGN AREA | |
|-------------------------------------|---|--|
| 1 S.F. YO 4,000 S.F. | minimum 35 S.F. | |
| 4,004 S.F. TO 3,399 S.F. | NOT TO EXCEED SO S.F. | |
| 10.060 S.F. TO 29.000 S.F. | NOT TO EXCEED 125 S.F. | |
| 20,001 S.F. 70 45,000 S.F. | NOT TO EXCEED 150 S.F. | |
| 46.001 100.000 S.F. | NOT TO EXCEED 700 S.F. | |
| 100,401 S.F. TO 200,000 S.F. | NOT TO EXCEED 300 S.F. | |
| over 200,000 s.F./ Ouldans 'A' | NOT TO EXCEED 300 S.F. | |

THE VILLAGE

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GENERAL WALL NOTES;

1.) ALL WALL SIGNS SHALL BE INDIVIDUAL CHANNEL LETTERS OR SIMILAR, INTERNALLY ILLUMINATED, COLORS WILL VARY PER YENANT.

2.) ALL TENANTS SHALL BE ALLOWED WILLTPLE WALL SIGNS TO BE LOCATED ON THE FRONTAGES INDICATED ON THE SITE SIGNAGE DIAGRAM, THE COMBINED SIGN AREA SHALL NOT EXCEED THE TOTAL AREA ALLOWED BY THE ALL OWABLE WALL SIGN CHART.

3.78U/LDINGS B. C. D. F. G & H SNALL BE ALLOWED ONE (1) "PRIMARY WALL SIGN @ 6% OF FACADE AREA. THESE BUILDINGS SHALL BE ALLOWED ADDITIONAL SECONDARY WALL SIGNS LOCATED ON THE FRONTAGE INDICATED ON THE SITE SIGNAGE DIAGRAM, THE SECONDARY WALL SIGN AREA FOR EACH SIGN SHALL NOT EXCEED 50% OF THE PRIMARY SIGN AREA.

4.) MULTI FAMILY RESIDENTIAL BLALDINGS SHALL BE ALLOWED WALL SIGNS NOT TO EXCEED 72 S.F. PER BUILDING

5.) BUILDING 'E' (PARKING DECK) SHALL BE ALLOWED TO HAVE A WALL SIGN MOUNTED 100 FEET HIGH WITH AN AREA OF 200 S.F. ON THE SOUTH SIDE OF THE BUILDING FOR A TENANT IN EITHER BUILDING 'D' OR 'E.

6,3 SULDING IP SHALL BE ALLDIVED TO HAVE A SIGN ON THE SOUTH WALL OF THE ANCHOR TENANT MOUNTED 10" HIGH,

7.) SEE OVERALL SITE DIAGRAM THIS SHEET FOR SIGN LOCATIONS :

- INDICATES BUILDING FRONTAGE FOR **1** POSSIBLE WALL SIGN LOCATIONS.

425 AGREEMENT NOTES :

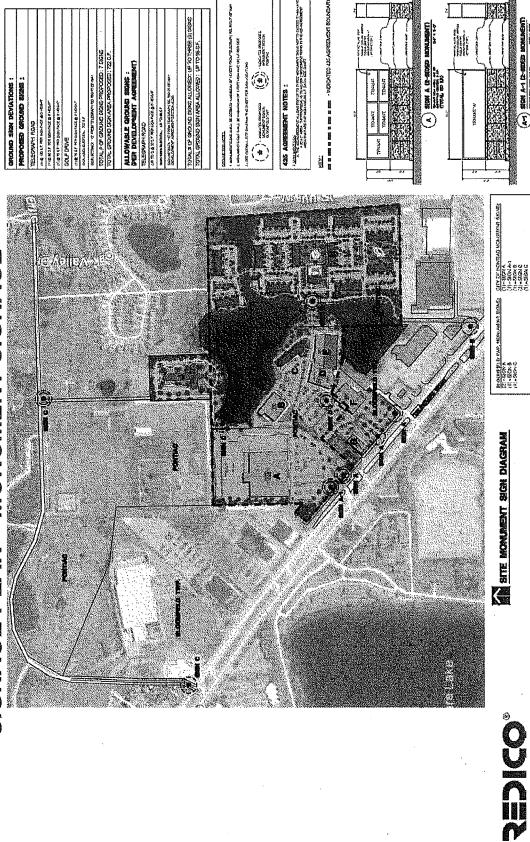
1, <u>BUILDING SIGNAGE:</u> THE 425 AGENEMY ALLOWS 5% OF THE FACADE AREA TO BE SIGN AREA NOT TO EXCEED 120 S.F. AND NON-ILLUMINATED.

A. THE PROPOSAL IS TO ALLOW 6% OF THE FACADE AREA TO BE SIGN AREA WITH ILLUMINATION ALSO WITH INCREMENTAL INCREASES FOR SPECIFIC GUILDING SIZES -SEE CHART.

B. SUB DING SIGN HEIGHT ALLINS THE 425 AGREEMENT ALLOWS SIGNS TO BE NO HIGHER THAN 71-0" HIGH AND NOT TO EXCEED 120 S.F. THE PROPOSAL IS TO ALLOW ONE SIGN TO BE A MAXIMUM OF 100" HIGH AND 200 S.F. THIS PROPOSED SIGN WOULD BE LOCATED ON THE PARKING DECK - "BUILDING D" SOUTH (TELEGRAPH ROAD) ELEVATION,

SEDICO®

SIGNAGE PLAN – MONUMENT SIGNAGE



CON.

A SIDN A CR-SIDED MORTHEAT

MONUMENT SIGNAGE

GROUND SIGN DEVIATIONS :

PROPOSED GROUND SIGNS :

TELEGRAPH ROAD

(4) & 120 S.P. PER DIGN FACE & 6' HEIGHT (3) & 10 S.F. PER DIGN FACE & 6' HEIGHT

IS & S.F. PER SIGN FACE & S'HEIGHT

GOLF DRIVE

11 @ 76 D.F PER GIGN FACE @ F MEIGHT

SIGN AREA SUBTOTAL : 722 S.F.

SIGN DETBACK : 15 FROM TELEGRAPH 80, RIGHT-OF-WAY

TOTAL # OF GROUND SIGNS PROPOSED : 7 SIGNS

TOTAL GROUND SIGN AREA PROPOSED : 722 S.F.

ALLOWABLE GROUND SIGNS : (PER DEVELOPMENT AGREEMENT)

TELEGRAPH ROAD

(UP TO T) @ 32 S.F. PER SIGN FACE @ 5' HEIGHT

SIGN AREA SUBFOTAL. OF TO 96 S.F

SIGN SETSACK : 15' FROM TELEGHAPH RO. RIGHT-OF-WAY (DEVELOPMENT ASREEMENT SECTION & G6)

TOTAL # OF GROUND SIGNS ALLOWED : UP TO THREE (3) SIGNS TOTAL GROUND SIGN AREA ALLOWED : UP TO 96 S.F.

GROUND SIGN NOTES:

3. Monument signs shall be seteack a rinimum of 15 feet from telegraph RD. Right-of-way.

2. <u>Monument eigh</u>: A. The 432 agreevent allows for up to targe monument signs not to exceed 5 high and

A 32 S.F. AREA. THE PROPOSAL ID TO ALLOW 2 NONUMENT SIGNS IN THE 125 A GREEVENT AREA THAT ARE SHIT HIGH AND GLIG.F. EACH-SEE CHART

2 MONUVENT GIONS SHALL BE A VAXIMUM OF E FEET HIGH AND 120 S.F. PER SIDE.

2.) See overall site diagram this sneet for sign locations

425 AGREEMENT NOTES :



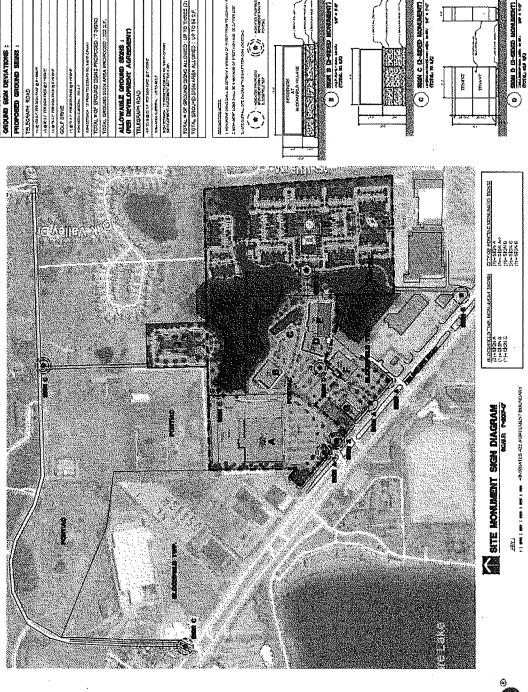


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SIGNAGE PLAN – MONUMENT SIGNAGE



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Construction (C)

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MONUMENT SIGNAGE

GROUND SIGN DEVIATIONS : **PROPOSED GROUND SIGNS :** TELEGRAPH ROAD (4) @ 120 S.F. PER SIGN FACE @ & HEIGHT (1) @ 50 S.F. PER SIGN FACE @ 6" HEIGHT (1) @ 76 S.F. PER DIGN FACE @ 3" HEIGHT GOLF DRIVE (1) & 76 S.F. PER SIGN FACE @ J"HEIGHT SIGN AREA SUBTOTAL : 122 S.F. SIGN-SETBACK : 15 FROM TELEGRAPH RD. RIGHT-OF-WAY TOTAL # OF GROUND SIGNS PROPOSED : 7 SIGNS TOTAL GROUND SIGN AREA PROPOSED : 722 S.F. ALLOWABLE GROUND SIGNS : (PER DEVELOPMENT AGREEMENT) TELEGRAPH ROAD UP TO 3) @ 32 D.F. PER SIGN FACE @ 5' HEIGHT SIGN AREA SUBTOTAL: UP TO 95 S.F. Sign Setback : 15 from telegraph rd. Right-of-Way (Development agreement section 4,34) TOTAL # OF GROUND SIGNS ALLOWED : UP TO THREE (3) SIGNS TOTAL GROUND SIGN AREA ALLOWED : UP TO 96 S.F.

GROUND SIGN NOTES:

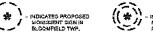
1. MOMUMENT SIGNS SHALL BE SETBACK A MINIKUM OF 15 FEET FROM TELEGRAPH RD. RIGHT-OF-WAY. 2. MONUMENT GIONS SHALL BE A MAXIMUM OF 5 FEET HIGH AND 123 C.F. PER SIDE.

2 JAONUMENT SIGN: A. THE 425 AGREEVENT ALLOWS FOR UP TO THREE MONUMENT SIGNS NOT TO EXCEED 5" HIGH AND

A 32 S.F. AREA. THE PROPOSAL IS TO ALLOW 2 WONUMENT SKING IN THE 425 AURGEMENT AREA THAT ARE C-U HIGH AND 50 S.F. EACH- SEE SHART

3.) SEE OVERALL SITE DIAGRAM THIS SHEET FOR SIGN LOCATIONS :

425 AGREEMENT NOTES :



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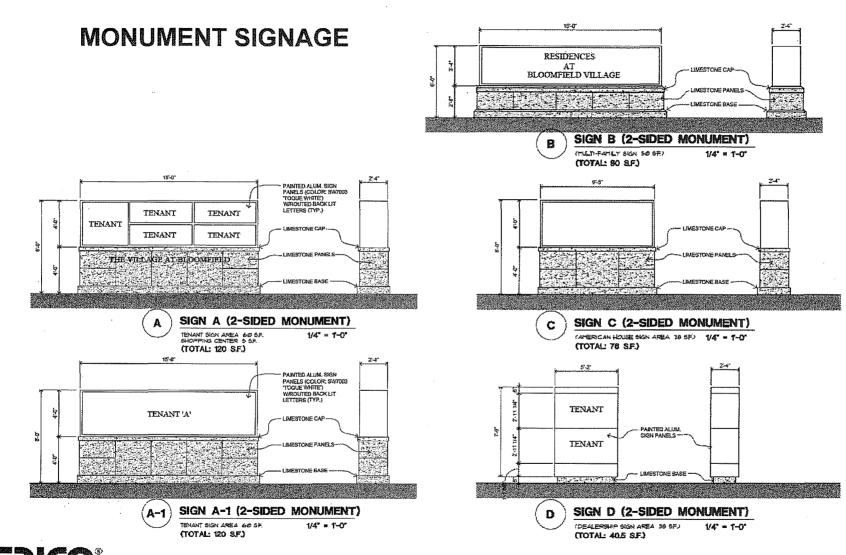
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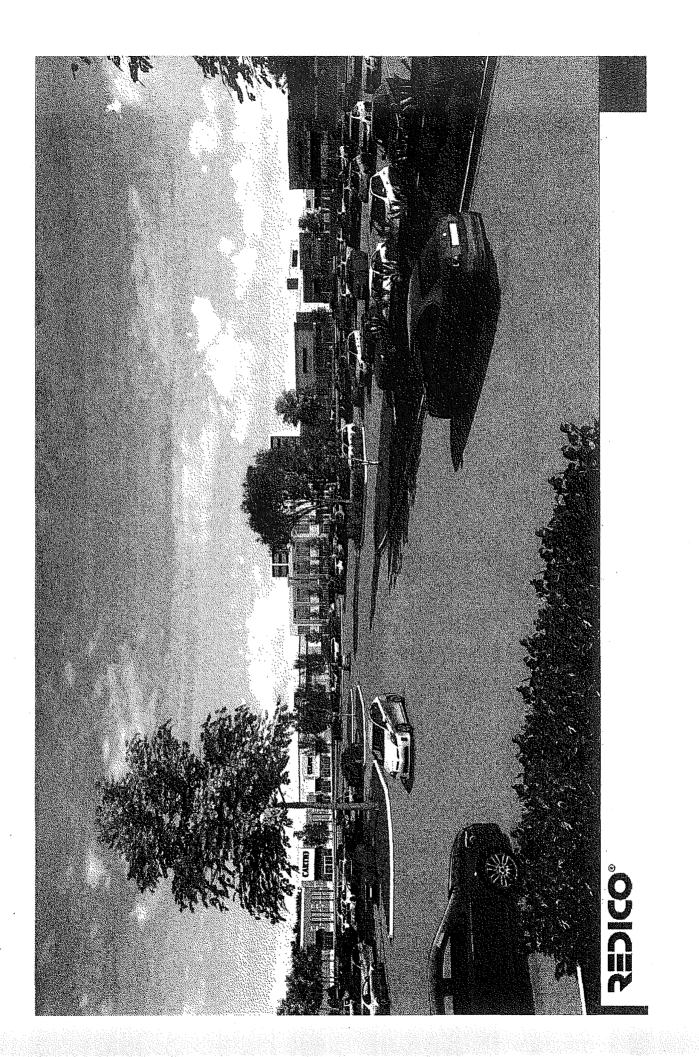
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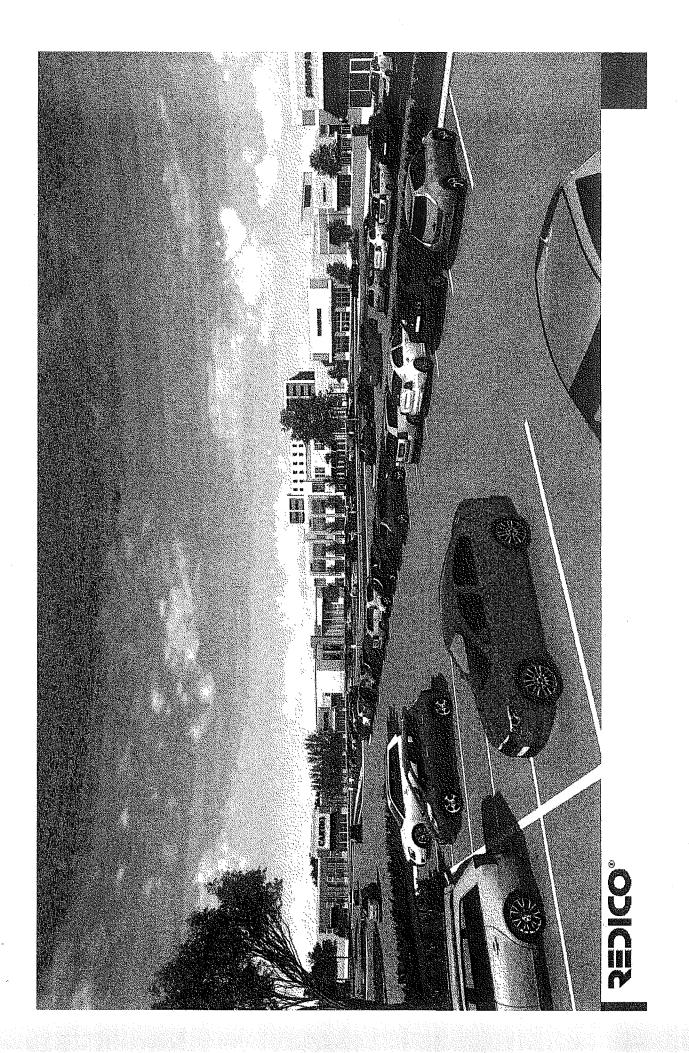


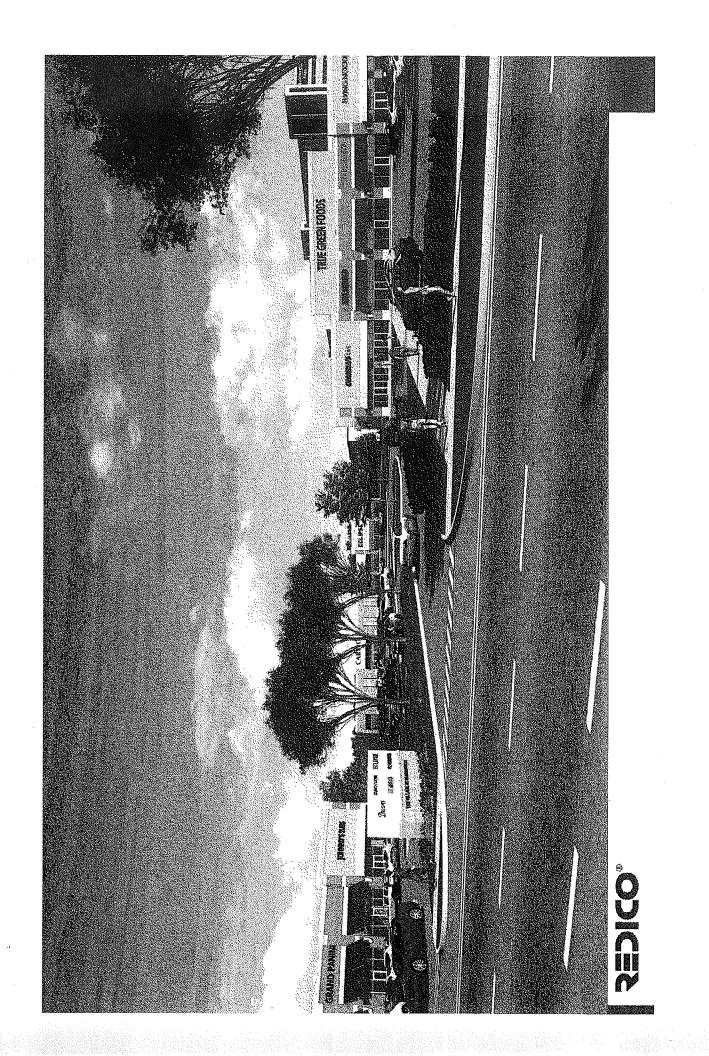
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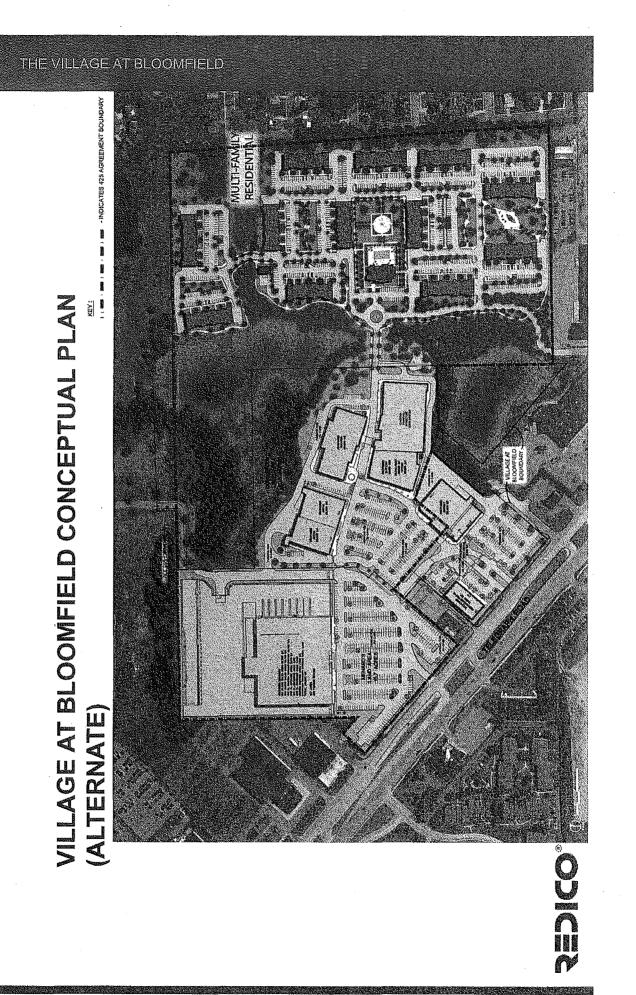
THE VILLAGE AT BLOOMFIELD

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DEVELOPMENT AGREEMENT 425

Agreement made November 27, 2002, between the City of Pontiac, a Michigan home rule city ("City"), the Charter Township of Bloomfield ("Township"), and Harbor Telegraph-2103 L.L.C., Bloomfield Acres Acquisition Company L.L.C., Harbor Telegraph-1881 L.L.C., Harbor Telegraph-1899 L.L.C. and Harbor Vogue Plaza L.L.C. (herein collectively "Harbor").

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Recitations:

 Harbor owns land described on Exhibit A hereto (the "Land"). Harbor represents that there are no other individuals, legal entities or lending institutions which have an interest in the Land and whose consent is required for the entry of this Davelopment Agreement.

2. The Land is the subject of an agreement between the City and the Township made pursuant to 1984 PA 425 (the "Act 425 Agreement"), attached as Exhibit B hereto.

3. The Land is a subject of several suits pending in Oakland County Circuit Court and the Michigan Supreme Court listed on Exhibit C hereto (the "Litigation").

4. Development and use of the Land is subject to the Town Center District Zoning Ordinance adopted by the City, except where this Agreement provides otherwise, (the "Zoning Ordinance"), which is attached hereto as Exhibit D and shall not be amended during the term of the Act 425 Agreement, except by mutual agreement of the City and the Township. 5. The Act 425 Agreement and this Agreement are part of a sellement of the Litigation, and their purpose is to implement such settlement.

6. Notwithstanding the provisions of the Zoning Ordinance the parties have agreed that the development and use of the Land will be governed by the provisions of this Agreement. Any conflict between the terms of the Zoning Ordinance and this Agreement will be resolved in favor of the terms of this Agreement.

AGREEMENT

In consideration of the premises, the parties agree as follows:

1. The development and use of the Land shall be limited as set forth below.

Uses on the Land shall be such uses as are permitted in both the Zoning
 Ordinance and this Agreement, and shall be limited to:

a. No more than 1100 residential units, up to a total of 2.2 million square feet of leasable residential space (the area within the walls of the residential units), subject to paragraph 2(c) below, which would allow a combined maximum of 1234 residential units, each with a minimum square footage of 1100 square feet, up to a combined maximum of 2.468 million square feet of leasable residential space.

b. No more than 2 million gross square feet of non-residential space, including office, commercial, a hotel, health slubs, theaters and other non-residential uses. Tennis courts (but not to exceed 16 in number whose location shall be limited to the health club and one structure or building adjacent thereto or across a street therefrom) shall not be included in the area limitation, but shall nevertheless be subject to the Tiers B and C height limitations for

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health clubs. Tennis courts shall be fully enclosed within buildings and not within air supported domes or domes of any kind.

c. All or part of the first floor of any of the residential and office buildings erected pursuant to subsections a and b above may be used for retail commercial uses and service uses listed in the Zoning Ordinance.

d. Casinos and similar gaming facilities, adult uses, and telecommunication towers, as defined in this Agreement, shall not be permitted.

e. Residential units may be substituted for non-residential space under paragraph 2b above, up to not more than 134,000 square feet of non-residential space, at a ratio of one residential unit to 1,000 square feet of non-residential space.

f. No more than 1 single hotel may be located within the development which may be located in either Tier B or C.

3. No building shall be less than thirty (30) feet in height. Building heights shall be limited as follows:

a. <u>Ther A.</u> For the first 350 feet from the right of way at Telegraph Road, height shall not exceed three stories and shall not exceed 46 feet, exclusive of rooftop utility equipment, which shall be no higher than six feet, visually screened, and set back at least 20 feet from the Telegraph Road side of the building. All buildings shall be set back a minimum of 40 feet from the Telegraph Road property line (right-of-way).

b. <u>Tier B.</u> Between 350 feet and 500 feet from the right-of-way at Telegraph Road, height shall not exceed:

1. 5 stories and shall not exceed 71 feet if devoted primarily to non residential uses;

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- 2. 6 stories and shall not exceed 84 feet if devoted to primarily residential use;
- 3. 4 stories and shall not exceed 84 feet for a health club;
- 4. 6 stories and shall not exceed 84 feet for a single hetel only;
- 5. Rooftop utility equipment, no higher than 6 feet, visually screened, set back at least 20 feet from Telegraph side of building.
- c. <u>Tier C.</u> 500 feet or more from Telegraph Road, height shall not exceed:
 - 1. 7 stories and shall not exceed 97 feet if devoted primarily to non residential uses;
 - 2. 8 stories and shall not exceed 110 feet if devoted primarily to residential uses;
 - 3. 8 stories and a habitable attic including architectural features such as gable, mansard or sloped roof with not less than a 12/12 pitch enclosing all rooftop utility equipment, shall not exceed 123 feet to the roof peak if devoted primarily to residential uses;
 - 4. 8 stories and shall not exceed 110 feet for a single hotel only;
 - 5. 4 stories and shall not exceed 90 feet for a health club;
 - 6. Rooftop utility equipment, except with respect to buildings constructed pursuant to Tier C, subparagraph 3 above, no higher than 6 feet, visually screened, set back at least 20 feet from Telegraph side of building.
- d. Antennas, telecommunication antennas, and rooftop peaks and other

architectural features are permitted, but in no event shall they exceed a maximum height of 6 feet over the maximum allowable height for all buildings, other than those buildings permitted pursuant to Tier C, subparagraph 3 (habitable attic).

.d.

e. In Tiers B and C, with the exception of the buildings mentioned in Tier C, subparagraph 3, parapet screening shall be permitted. The parapet screening may extend in a straight line parallel to or as an extension of the outer walls of a building if it contains decorative elements. If it does not contain decorative elements, it shall be sloped. The parapet screening shall be non-usable and exclusively for screening. If sloped, it shall be at an angle so as to screen all rooftop utility equipment. In no event shall the parapet exceed a maximum height of 6 feet at the top of the slope. A parapet shall not extend to a point higher than 6 feet over the maximum height allowable for such building.

f. If a building straddles 2 or more Tiers, the entire building must comply with the height restrictions of the more restrictive Tier.

4. Parking shall be required and regulated as follows:

a. As provided for such uses in the Zoning Ordinance.

b. Bearing in mind the internelationship of uses contemplated for the Land, the Joint Development Council established pursuant to the Act 425 Agreement may reduce the parking requirements, on a showing that there is a lesser need for parking because of generally accepted shared parking principles or on a showing based on the nature of the uses or based on experience after development of any portion of the Land.

5. Building lot coverage, including parking structures, shall not exceed 36 acres, and building lot coverage exclusive of parking structures shall not exceed 29 acres.

6. The area shown on Exhibit E hereto, which is adjacent to the Land, together with its associated drainage facilities, may be utilized to provide storm drainage for the Land.

7. Additional provisions which shall govern the use of this land include:

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a. Definitions: For purposes of this Agreement, the following definitions shall be controlling:

1. Adult Use includes the following;

a. Adult Arcade, defined as a place to which the public is permitted or invited to view motion pictures, video or laser disc pictures or other products of image-producing devices where the images displayed are distinguished or characterized by the depicting or describing of "specified sexual activities" or "specified anatomical areas".

b. Adult book store, adult novelty store or adult video store, defined as a commercial establishment which, as one of its principal purposes, offers for sale or rental for any form of consideration reading materials, photographs, films, motion pictures, video cassettes or video reproductions, slides or other visual representations characterized by the depiction or description of "specified sexual activities" or "specified anatomical areas"; or instruments, devices or paraphernalia which are designed for use in connection with "specified sexual activities".

c. Adult cabaret or establishment, defined as a night club, bar, restaurant, salon, barber shop or similar commercial establishment which regularly. features: persons who appear in a state of nudity or semi-nudity; live performances which are characterized by the exposure of "specified anatomical areas" or by "specified sexual activities"; or, films, motion pictures, videos cassettes, slides or other photographic reproductions which are characterized by the depiction or description of "specified sexual activities" or "specified anatomical areas".

d. Adult motion picture theater, defined as a commercial establishment whose primary purpose and activity is the exhibition, for any form of consideration, films, motion pictures, video cassettes, slides, or similar photographic reproductions which are characterized by the depiction or description of "specified sexual activities" or "specified anatomical areas".

e. Adult theater, defined as a theater, concert hall, anditorium, or similar commercial establishment which regularly features persons who appear in a state of nudity or semi-nudity, or live performances which are characterized by the exposure of "specified anatomical areas" or by "specified sexual activities". For purposes of this definition, the following additional terms apply:

1. Nudity or a state of nudity means the showing of the human male or female genitals, pubic area, vulva, anus, anal cleft or cleavage with less than a fully opaque covering, the showing of the female breast with less than a fully opaque covering of any part of the nipple, or a showing of the covered male genitals in a discernibly turgid state.

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2. Semi-nude or semi-nude condition means the showing of the female breast below a horizontal line across the top of the areola at its highest point or the showing of the male or female buttocks. This definition shall include the entire lower portion of the human female breast, but shall not include any portion of the cleavage of the human female breast, exhibited by a dress, blouse, skirt, leotard, bathing suit or other wearing apparel provided the areola is not exposed in whole or in part.

3. Specified anatomical areas means: the human male genitals in a discernibly turgid state, even if completely or opaquely covered; or less than completely and opaquely covered human genitals, public region, buttocks or a female breast below a point immediately above the top of the areala.

4. Specified sexual activities means any of the following: the fondling or other crotic touching of human genitals, public region, buttocks, anus, or female broasts; sex acts, normal or perverted, actual or simulated, including intercourse, oral copulation, masturbation or sodomy; or excretory functions as part of or in connection with any of the activities previously mentioned in this definition.

2. Cosino. A room or rooms in which any legal or illegal gambling game is carried on. For purposes of this definition, "gambling game" shall mean any game of chance, banking or percentage game played with cards, dice or any mechanical device or machine for money, property or any token or other representative of value.

3. Habitable attic. A finished space between the ceiling joists of the top story and the roof rafters which has a stairway or other permanent means of access and egress and in which the ceiling area is at a height of no less than 7 feet 6 inches above the floor.

4. Hotel. A facility offering translent lodging accommodations to the general public, which shall provide additional services, including restaurants, meeting rooms, recreational facilities, and may also provide other customary accessory uses.

5. Telecommunication Towers. Wireless communication facilities, including all structures and accessory facilities relating to the use of the radio frequency spectrum for the purpose of transmitting or receiving radio signals. This may include, but shall not be limited to, radio towers, television towers, tolephone devices and exchanges, microwave relay facilities, telephone transmission equipment building and private and commercial mobile radio service facilities. Not included within this definition are: citizen band radio facilities; short wave receiving facilities; radio and television broadcast reception facilities; federally licensed amateur (nam) radio facility; satellite disbes; and governmental facilities which are subject to state and federal law or regulations which preempt municipal regulatory authority.

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6. Telecommunication Antennas. A device to provide wireless communication that is affixed to buildings and structures that is visually unobtrusive and does not exceed the specified height limitations for each Tier by more than 6 feet, and not exceed the height of the rooftop utility equipment.

b. Landscaping on the Land shall be as required in the Zoning Ordinance except as follows:

1. For every twenty (20) feet along Telegraph Road, within the forty (40) foot setback greenbelt from Telegraph Road, one (1) tree shall be required to be planted within a minimum ten (10) foot landscape buffer strip parallel to the street, taking into consideration the location of any roads or access drives. The ten (10) foot landscape buffer strip along Telegraph Road shall be accented by provisions of shrubbery and annual and/or perennial flowers and shall be irrigated underground.

2. When required, evergreen trees shall be at least eight (8) to ten (10) feet in height and deciduous trees shall be at least three (3) inch caliper at the time of planting, provided, however, ornamental deciduous trees shall be at least one and three-quarter (1-%) inch caliper at the time of their planting.

c. Lighting within the Land shall comply with the following requirements:

1. In all areas used for outdoor recreational activities, outdoor lighting shall be approved as part of Site Plan Review. Among other considerations, such review shall be conducted to ensure that such lighting does not unreasonably impact upon surrounding uses.

2. No ground mounted exterior lighting shall be permitted to illuminate. exterior building walls above the first three (3) stories or forty-six (46) fest whichever is less. Exterior building illumination shall be approved as part of Site Plan Review. Among other considerations, such review shall be conducted to ensure that such lighting does not unreasonably impact upon surrounding uses.

3. All fice standing exterior lighting and any supporting standards or bases shall not exceed a height of twenty (20) feel for property fronting Telegraph Road and for any building façade that faces Telegraph Road in Tier A. Exterior wall light fixtures may exceed the height of twenty (20) feet for property fronting Telegraph Road and for any building façade that faces Telegraph Road in Tier A when:

- the light source is completely shielded to only allow illumination of the building wall; and
- b. said lighting does not exceed a height of three (3) stories or fortysix (46) feet, whichever is less.

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4. Lighting poles and standards on parking structure roofs are permitted at a height not to exceed twolve (12) feet when setback at least twenty (20) feet from the sides of the building and whose lights shall be shielded in a manner so as to illuminate only the roof parking area.

5. Any lighting provided for strict compliance with FAA requirements is exempt from this section.

d. Signage for all development within the Land shall comply with the following requirements:

I. Any sign directed toward off-site adjacent residential uses shall utilize backlit illumination or lighting directed at the signage face only.

2. Wall signs placed on any building shall not exceed the height of the building, and in no case shall wall signs be located above four (4) stories or at a height greater than fifty-eight (58) feet, whichever is less, except for signs that identify the name of the hotel or an office building and are designed as an integral part of the architectural design of the building. Building identification signage shall not be illuminated except for a movie theater, marquee sign, or a hotel sign located no higher than five (5) stories or at a height not greater than seventy-one (71) feet, whichever is less.

3. Wall, ground and temporary signs for buildings having Telegraph Road frontage shall be subject to Site Plan Review unless otherwise noted and shall comply as follows:

a. Wall signs shall not exceed six (6) persent of the total area of the street side façade, including the area of all fenestration, and in no instance shall the wall sign exceed one hundred twenty (120) square feet in area for purposes of calculating total wall sign area.

b, Ground signs, including temporary ground signs, shall be setback at least twenty-five (25) feet from the Telegraph Road right-of-way except for entrance signs referred to in paragraph 7.d.4 hereof. Ground signs shall not exceed five (5) ft. in height above the ground. The surface area of any permissible ground signs shall not exceed thirty-two (32) square feet per side, or sixty-four (64) square feet total per sign.

c. One (1) temporary sign advertising a building under construction having frontage on Telegraph Road may be created for the period of construction and shall not exceed thirty two (32) square feet of total sign area. Such sign shall be created on the building or lot where such construction is being carried on and shall advertise only the development name, architect, engineers, developer, owner, contractor, subcontractor or builder. No advertisement of any products may be included. Such signs shall not require site plan review.

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d. One (1) sign advertising the rental, sale or lease of development property, including individual tenant space(s) or buildings having sixteen (16) square feet of total sign area shall be allowed. Such signs shall be setback twenty-five (25) feet along the Telegraph Road frontage and removed within fourteen (14) days of the sale, rental, or lease. Such signs shall not require Site Plan Review.

c. Temporary interior business signs placed in the window of buildings having Telegraph Road frontage may not exceed ten (10) percent of the total window area of the front facade and shall not be displayed for more than fourteen (14) days. Such signs shall not require Site Plan Review.

f. Election or Political Campaign Signs amouncing the candidates seeking public political office or political issue, and other data pertinent thereto, shall be confined to private property and be installed not more than thirty (30) calendar days prior to the election and shall be removed within three (3) business days after the date of the election. Signs shall not exceed four (4) square feet in area, per face with a maximum of two (2) faces, and five (5) ft. in height above the ground with no illumination. Such signs shall be set back at least fifteen (15) feet from the Telegraph Road right-of-way. Such signs shall not require Site Plan Review. Only one such sign shall be permitted per lot.

4. Not more than one (1) ground sign may be erected for identification of the development at each entrance drive, but not to exceed three signs. Such signs shall be setback at least fifteen (15) feet from the Telegraph Road street right-of-way, and the height and area of such signs shall be governed by paragraph 7.d, subparagraph 3.b. hereof.

e. Site Plan Review Application Process is governed by Section 7.118 of the Zoning Ordinance except:

1. Review shall be by the Joint Development Council, instead of the Planning Commission.

2. Six copies of any application shall be filed with the City Clerk, and 3 copies with the Township Clerk along with the site plan review fee established by resolutions of the Township Board and the City Commission. The current site plan review fee schedule in the City of Pontiac is attached as Exhibit F. The Township shall adopt an identical fee schedule by Board resolution and said review fee shall at all times represent normal in-house administrative costs and expenses. This review fee, but not the schedule, may be amended from time-to-time to cover increases in in-house administration costs and expenses but such fees shall not include reimbursement for any costs other than such in-house administrative costs and expenses. The City Clerk will forthwith deliver 3 copies to the Joint Development Council.

3. Applications will be reviewed for compliance with this Development Agreement and Pontiac's Town Center District requirements.

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4. The Joint Development Council will schedule a public hearing, to be held in no less than 30 days and within 45 days of filing of the application, at a time and place to be designated by the Joint Development Council.

5. Each Clerk shall mail due notice of hearing to all property owners within 300 feet of the development property within such Clerk's respective jurisdiction. The respective Clerk's office shall keep an affidavit of mailing labels.

6. Each Clerk shall provide copies of any currespondence and of any reports and recommendations from the respective jurisdiction and its staff and consultants to the Joint Development Council and the applicant no later than the time of the public hearing.

7. The Joint Development Council will deliver to the City and Township copies of the Final Site Plan with signatures of the members of the Joint Development Council thereon, duly noting all conditions of approval, if any, and all variances granted, if any.

8. The Joint Development Council shall review site plans and proposed uses for all developments proposed for the Land. In addition to the site plan and application, the Joint Development Council may require the applicant to provide additional information to assure an adequate analysis of all existing and proposed site features, conditions and impacts. Any use which is permitted in the Zoning Ordinance, as limited by this Agreement, and any site plan which meets the standards contained in this Agreement and in the Zoning Ordinance shall be approved.

9. The Joint Development Council shall have authority to grant variances from the Zoning Ordinance pursuant to the standards set forth in Section 5 of the City and Village Zoning Act, MCL 125.585 (practical difficulties for non-use variances and unnecessary hardship for use variances) and the procedures therein set forth, except that any decision granting a variance shall be unanimous. There shall be no variances granted from the terms of this Agreement.

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10. All references to the City Planning Commission in the Zoning Ordinance shall mean the Joint Development Council established pursuant to this Agreement and the 425 Agreement.

11. This Agreement shall inure to the benefit of and shall be binding upon the parties and their heirs, successors and assigns.

12. This Agreement constitutes the entire agreement between the parties hereto and, together with the Act 425 Agreement, constitutes the entire agreement between the City and the Township. It may not be amended or terminated except in a writing signed by all the parties hereto.

13. After the termination of the 425 Agreement for any reason, Sections 8, 9 and 10 of this Agreement shall terminate upon the establishment of jurisdiction in either the City or the Township, as provided for in the 425 Agreement, and upon such termination, the authority of the Joint Development Council shall devolve to the agencies of the surviving municipality reaponsible for site plan and other land use approvals and variances; provided, however, that such municipality may grant variances from the Zoning Ordinance as provided by law after the Act 425 Agreement expires but the remainder of the terms of this Agreement shall remain in effect. In the event of conflict between this Agreement and the applicable Zoning Ordinance, the provisions of this Agreement shall control. Development pursuant to this Agreement, including uses and structures, shall be deemed to be lawfully conforming.

14. The Oskland County Circuit Court shall have jurisdiction for the purpose of enforcing and effectuating the terms of this Agreement except as may be provided in the

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Agreement for Conditional Transfer of Property between the Township of Bloomfield and Pontiac.

15. This Agreement shall be recorded with the Oakland County Register of Deeds and shall run with the land.

THIS 27 TH SIGNED AND SEALED THIS 27 DAY OF NOVEMBER, 2002, IN THE PRESENCE OF:

CAUTION: READ BEFORE SIGNING.

WITNESS:

HARBOR TELEGRAPH-21071.L.C.

Craig Schubiner, Managing Member

WITNESS:

BLOOMFHELD ACRES ACQUISITION COMPANY LLLC.

Craig Schubiner, Managing Member

WITNESS:

HARBOR/TELEGRAPH-1881-EL.C.

Craig Schubiner, Managing Member

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HARBOR TELEGRAPH-1899, E.D.C.

Craig Schubiner, Managing Member

HARBOR VOGUE PLAZA LIK

Craig Schubiner, Managing Member

CHARTER TOWNSHIP OF BLOOMETELD David Payne, Supervisor

Dan/Devine, Jr., Treasurer

CITY OF PONTIAC Mayor Wy Rol Vivian Spann, Clerk

-14-

STATE OF MICHIGAN)

OAKLAND COUNTY)

On this $2 \gamma^{1/4}$ day of November 2002 before me personally appeared Craig Schubiner. Managing Member, to me known to be the person described in and who executed the foregoing Development Agreement, on behalf of Harbor Telegraph-2103 L.L.C., Bloomfield Acres Acquisition Company, L.L.C., Harbor Telegraph-1881, L.L.C., Harbor Telegraph-1899, L.L.C and Harbor Vogue Plaza, L.L.C., and acknowledged that he executed the same as his free act and deed with full authority to act on behalf of the hereinabove mentioned entities.

Notary Public, Oakland County CHERVL C. HANSEN My commission expires: Natary Puble, Macanin Gaunty, Mi My Commission Expires 09/29/2013

SS.

85.

STATE OF MICHIGAN)

OAKLAND COUNTY)

On this 27^{H} day of November 2002 before me personally appeared David Payne, Supervisor of the Charter Township of Bloomfield and Dan Devine, Jr., Treasurer, of the Charter Township of Bloomfield, to me known to be the persons described in and who executed the foregoing Development Agreement, and acknowledged that they executed the same as their free act and deed with full authority pursuant to Township Board Resolution.

Notary Public, Oakland County My commission expires: <u>CHERYL G. HANSEN</u> Notary Public, Meconic Journy, M My Commission Expires 09/29/2003

58.

STATE OF MICHIGAN)

OAKLAND COUNTY)

On this 77 day of November 2002 before me personally appeared Willie Payne, Mayor of the City of Pontiac, and Vivian Spann, Clerk of the City of Pontiac, to me known to be the persons described in and who executed the foregoing Development Agreement and acknowledged that they executed the same as their free act and deed with full authority pursuant to City Commission Resolution.

-15-

Notary Public, Oakland County My commission expires:

REECCA L. PARA Notesy Antes, Catenal Canady, M By Canoolados Espises New. C, 2004

Drafted by and when recorded return to:

William P. Hampton, Esq. P.O. Box 3040 Farmington Hills, MI 48334-3040 (248) 851-9500

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TEXT AMENDMENTS SECTION 7.112, 7.113, 7.114, 7.115, 7.116, 7.117 AND 7.118 Adopted December 27, 2001 by City Council Resolution #01-730

ARTICLE VII. SCHEDULE OF REGULATIONS

DIVISION 20. TO TOWN CENTER DISTRICT (as rece

(as recommended 12/05/01)

1

Sec. 7.112, Intent.

This district is designed to promote a mix of uses within a dense development of land of an exceptional aesthetic quality that encourages the congregation of people, creating new and innovative interdependent residential, office, shopping, and entertainment environments that compliment each other and gain economic advantage from a close proximity and well organized relationship to each other.

A prime characteristic of this district is a core of intense pedestrian activity. Most persons entering the district will come by automobile and typically will park once to carry out several errands. This essential interdependence of activities is given preference in the regulations and the future planning of the district over those types of activities where the customer normally does business as a single purpose trip and desires to park his automobile immediately adjacent to the establishment.

Uses or activities that tend to be incompatible with the intent of this district (drive-thru restaurants for example) shall be appropriately restricted if not prohibited altogether.

Exterior building materials, signage, lighting, landscaping, and other features of the project, shall be designed to provide an environment of high quality and complementary building and site design. The provisions that follow place special emphasis upon regulations, design standards, and improvements that tend to reduce the large-scale visual impact of buildings, to encourage tasteful, imaginative design for individual buildings, and to create a complex of buildings compatible with each other and neighboring residential areas in terms of design, scale and use. To unify the building sites and their architecture, landscaping and other site amendies as a design element will play a key role in creating and conveying a user-friendly environment, as well as to ensure compatibility of neighboring uses.

Sec. 7.113. Permitted Principal Uses.

The following uses are permissible when conducted within fully enclosed buildings, unless otherwise specifically provided:

- Offices for: lawyers, realtors, architects, engineers, accountants or tax consultants, and similar professional businesses; executive, administrative, professional, non-profit organizations; judicial, law enforcement or governmental agencies; banks or credit unions; commercial and civic organizations; public or private utilities; news media, sales; and similar functions or occupations.
- Research, design, development, and testing facilities for technological, scientific and business establishments, contained solely within completely enclosed buildings.
- 3. Medical and dental offices, including outpatient clinics, medical laboratories, but not including veterinarian establishments.
- Hotels, auditoriums, theaters, display halls, art galleries, cultural centers, health or exercise clubs, courts, libraries, museums, or similar places of assembly.
- 5. Data processing, computer programming, software development, and archival services.
- 6. Miscellaneous business services such as consumer credit reporting agencies, mailing lists and slenographic service, business management and consulting services, lithographic, blueprinting and other document reproduction services etc.
- Commercial, business and/or technical schools and other training facilities located completely within an enclosed building.
- 8. Banks, credit unions and similar financial services, excluding those with drive-up services (See below Section 7.115).
- Studios for radio or television broadcasting, musicians, dancing instruction, photography and artists, including artisan fabrication, such as wood, glass or metal working, model making, rug weaving, lapidary work, and cabinet making, using only handheld and/or table mounted manual and electric tools.
- 10. Personal service establishments, such as, but not limited to, repair shops (watches, radio, television, shoe, etc.), tailor shops, beauty parlors, barber shops, interior decorators, and photographers.
- Any retail business whose principal activity is the sale of new merchandise in an enclosed building, excepting uses such as the following, which tend to detract from or interfere with a high intensity of pedestrian activity: fircarm sales, automobile sales, trailer coach sales, motorcycles sales, gasoline service, stations, and other retail businesses which require a workshop for assembly, fabrication or repair for a successful operation. However, sales of packaged alcoholic beverages is prohibited unless otherwise permitted pursuant to Sections 7.115 and 14.3 of this Zoning Ordinance.

- 12. Retail dry cleaning establishments or pickup stations, provided that odorless cleaning fluid is used, all dry cleaning is limited to that material and clothing picked up over the counter of such premises.
- 13. Restaurants, tea rooms, cafes, and other establishments serving lood or beverages, including those with accessory outdoor seating, excepting those with drive-in or drive-thru facilities.
- 14. Multiple-Family dwellings, either as the exclusive occupant of a building or as a mixed use with a permitted non-residential use.
- 15. Day care facilities.
- 16. Police and/or Fire stations.
- 17. Outdoor parks, playgrounds, skating rinks, tennis courts and passive recreation areas primarily for use of those residing, working or patronizing the businesses located within, this district. Outdoor , concerts, broadcasts, plays or other outdoor entertainments are subject to Special Exception Permit, pursuant to Sections 7.115 and 14.3 of the Zoning Ordinance.
- 18. Indoor recreational facilities, places of amusement, entertainment, or recreation, such as dance halls, commercial or private clubs, discotheques, cabarets, bars, tavems, billiard or pool halls, bowling alley, or rental halls for meeting, banquets or social occasions, or similar infloor recreational uses shall not be located within 300 feet of a lot or site-condominium unit upon which a detached singlefamily residence is located.

Sec. 7.114. Permitted Accessory Buildings, Landscaping, Lighting, Parking, Signs, Structures, Uses, and Utilities.

BUILDINGS

1. Multi-slory off-street parking structures, provided their exterior appearance is generally obscured by other building areas from single-family dwellings and principal pedestrian/assembly areas and provided any exterior wall, of said parking structure, located within 300' of and visible from a lot or site condominium unit upon which a detached single-family dwelling exists, shall be solid and/or otherwise improved, to the satisfaction of the Planning Commission, so as to prevent spillover of light and noise generated from within said parking structure from being observed from said residential, property.

LANDSCAPING (also see Article IX of this ordinance)

- Property not utilized for buildings, structures, parking lots, decks, patios or other improved outdoor seating areas and/or improved
 - roadways, driveways or walkways, and no less than 14% of the aggregate area, in addition to any landscape buffer required below at paragraph 4, within the overall development located within this district shall be landscaped with living trees, shrubs, flowers, grass

and/or ground cover. Wetland areas may be retained in their natural condition. All plant materials shall have access to a source of water for irrigation and shall be maintained in a healthy condition.

3. Pursuant to Section 9.2.5, all permissible outside storage areas, loading and unloading areas or service areas shall be visually screened from view from public right-of-ways or adjoining properties by a stone or masonry wall (to match exterior material of the related building) of at least a 6' height or a 20' wide landscape buffer providing 1 tree and 1 shruh for every 5' of the lineal dimension of said buffer, with at least one-ball of the required trees being an evergreen variety.

4. Within the required setback from any property line adjacent to or separated by a street, right-of-way or similar easement for vehicular travel, from a lot or site condominium unit upon which a detached single-family residential dwelling exists, the following buffer shall be installed:

> (a) A 4" high berm (excepting approved passage-ways for pedestrian movement) landscaped with 1 free and 1 shrub being provided for every 5' of the lineal dimension of said buffer, with at least one-half of the required trees being an evergreen variety; OR

(b) if a interior roadway/driveway is located between the on-site buildings located nearest to the neighboring residential properties and the effected property line, then: a continuous (exhepting approved passage-ways for pedestrian movement) 6' high stone or masonry wall to match exterior material of the nearest building), setback 5' to 10' from said interior roadway/drive on that side nearest the neighboring residential property, with 1 tree and 1 shrub, being predominantly provided between said wall and the effected property line, for every 10' of the lineal dimension of said buffer, with at least one-half of the required brees being an evergreen variety; may be substituted for the landscaped .: berm described above at "(a)".

 Except as provided above, for every 50 along all streets, rights-ofway or similar easements for vehicular travel, one [1] or more tree(s), shall be provided, accented by provision of annual and/or perennial flowers.

- 7. Evergieen trees shall be at least a 5 height at the time of their planting. Large decideous trees shall be at least a 2" caliper at the time of their planting. Ornamental deciduous trees shall be at least a 1 %" caliper at the time of their planting.
- 8. The Planning Commission may modify or waive the minimum landscapping, buffering or wall requirements, when it determines that such a modification will serve the same intent and provide more effective circulation and traffic movement, or will enable a more reasonable and desirable building setting and site design.

LIGHTING

- Lighting shall provide for the safe and efficient illumination of a site in order to mainitain vehicle and pedestrian safety, site security, and accentuate architectural details. However, awnings shall not be internally lit.
- 10. Distinctive luminaries and decorative supportive structures may be employed along public streets given contribution to the Department of Public Utilities of replacement parts equal to or greater than 10% of the total luminaries and 5% of the total supportive structures installed.

PARKING

11. Since the intent of this district is to promote dense development of land of an exceptional aesthetic quality, off-street parking shall be primarily provided within multi-level parking structures (see above paragraph #1, under accessory "BUILDINGS"). Surface off-street parking shall not exceed 10% of the required (see Article X of the Zoning Ordinance) and actual parking provided for any building, and shall not be permitted within 25' of all State or County rightsof-way, or other rights-of-way classified as a Freeway, Trunkline or Major Arterial, by the 2010 Comprehensive Plan or within 10' of any other street, right-of-way or similar easement for vehicular travel. Given a conclusive shared parking analysis, the aggregate number of required off-street parking spaces, shared between a number of different uses, may be reduced by the Planning Commission in the Site Plan Review process.

SIGNS (also see Article XVIII of this ordinance)

- 12. All signs shall be designed so as to be integral and compatible with the architecture and landscaping companents of the development, and are subject to Site Plan Review pursuant to Section 5.11 of the Zoning Ordinance. All signs, if illuminated, shall be illuminated in a manner that is not intermittent, nor causing a hazard to others.
- 13. Non-accessory signs and/or Billboards are strictly prohibited.
- 14. Ground signs shall only be permitted pursuant to specific approval by the Planning Commission during Sile Plan Review, and shall be setback at least 25' from the intersection of streets, alleyways or similar

eascments for vehicular travel, and at least 10' from the intersection of a driveway with a street, alleyway or similar easement for vehicular travel (a) No ground sign shall be located within one hundred (100)

- leet of another ground sign located within this district unless said signs are separated from one another by an improved street or similar easement for vehicular travel.
- (b) All ground signs shall be no taller than six (6) feet above grade.
- (c) The surface area of any permissible ground signs shall not exceed lifty (50) square feet per side, or One Hundred (100) square feet total.

15. The aggregate surface area of all signs on any given building wall shall not exceed an area equivalent to a vertical dimension of 30" multiplied

- by 1/2 the lineal dimension of said wall.
 - (a) Ground floor tenants having a separate entrance from upper floor tenants may each have one (1) wall sign along each street upon which the business has frontage.
 - (b) A projecting sign, having a horizontal dimension of no more than four feet (4') and a surface area (one side) of no more than eight [8] square feet. may be permitted by the Planning Commission, in place of an otherwise permitted wall sign based upon the following considerations:

i) The size, shape and topography of the property;
 ii) The relationship of the sign to neighboring properties and signs;
 and

iii) The relationship to and visibility from the public street where the property is located.

- 16. One temporary sign, which identifies:
 - a. the architects, engineers, contractors, developer, owner and other individuals or firms involved with building construction, and tenants, but not including any advertisement of any product: and/or
 - the character of the building enterprises or the purposes for which the building is intended;

may be located at each intersection of roadways providing access to the District with a State or County right-of-way, or other right-of-way classified by the 2010 Comprehensive Plan as a Frieway, Trunkline, or Major Arterial; during the period of said building construction. Such temporary signs shall be removed.

Each such temporary sign shall not exceed 150 square feet in surface, area and shall be setback at least 25 from the intersection of streets, alleyways or similar easements for vehicular travel, and at least 10⁴ from the intersection of a driveway with a street, alleyway or similar easement for vehicular travel.

- 17. Temporary continuous accessory signage regarding:
 - a. the architects, engineers, contractors, developer, owner and other individuals or firms involved with building construction, and tenants, but not including any advertisement of any product; and/or
 - b. the character of the building enterprises or the purposes for which the building is intended; and/or
 - c. space availability, construction schedule, etc. relative to the adjacent building(s) under construction;

shall be permitted on all required barricades designed to protect the public during the construction period. Said signage shall not exceed a twenty-five feet (25') height, and shall be removed prior to occupancy of the related building(s).

- 18. All signs advertising the sale, rental or lease of space shall be located on the premises so advertised, and be no larger than fifty (50) square feet in area. Such signs shall be removed within fourteen (14) days of the sale, rental or lease.
- 19. Election/Political Campaign Signs announcing the candidates seeking public political office or political issue, and other data pertinent thereto, shall be confined to private property and be installed not more than thirty (30) calendar days prior to the election and shall be removed within fourteen (14) calendar days after the election.

All such ground signs shall be setback at least 25' from the intersection of streets, alleyways or similar easements for vehicular travel, and at least 10' from the intersection of a driveway with a street, alleyway or similar easement for vehicular travel.

STRUCTURES (other than buildings)

20. Ornamental metal fencing, or briek walled enclosures, of up to an 8' height. However, location of said fencing or walled enclosures shall not be within 10' of any property line, right-of-way or similar easement unless specifically approved fluring Site Plan Review by the Planning Commission.

21. Transformers, electrical or mechanical equipment and other similar permitted incidental equipment shall be mounted on the interior of a building wherever possible. Exterior location of such structures or equipment that may be visible from any street, rightof-way or similar easement for vehicular travel, or residential use, or district within which a residential dwelling is a permitted use, shall be setback at least 25' from all streets, rights-of-way or similar easement for vehicular travel and at least 15' from any other property line, and shall be screened with either plantings or a durable non-combustible enclosure which are unified and

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harmonious with the overall architectural theme, and meet utility provider standards for location and maintenance.

- 22. Communication antennas, wireless telecommunication antennas and similar incidental non-accessory antennas may be mounted within or upon existing buildings or structures, as provided for above. However, free-standing structure(s) supporting communication antennas, whether accessory or non-accessory, require Special Exception Permit, porsuant to Section 7.115 of the
- Zoning Ordinance. 23. Loading docks and refuse collection facilities should be located within the envelope of the building they serve. Otherwise, leading docks and/or refuse collection enclosures shall be incorporated into the overall design of the building and the landscaping so that the visual and acoustic impacts of these functions are fully contained and out of view from adjacent properties and public streets. Wherever possible, said loading docks and refuse collection enclosures shall be located on that side of the building opposite of, or as far removed as possible from, all neighboring residential uses and districts within which detached single-family residential dwellings are permitted. All screening shall be comparable in style and quality to the principal materials of the building and landscape and otherwise comply with Section 9.2.5 of this ordinance. Outdoor storage, excepting that referenced above, shall be strictly prohibited.

ACCESSORY USES

- 24. An outdoor cafe service operated by an establishment that sells food and/or beverages for immediate consumption, located within the adjacent building may be permitted, subject to the following conditions:
 - a. An outdoor cafe shall be located directly in front of or adjacent to the principal establishment. An outdoor-cafe that extends beyond the building frontage of the principal establishment shall require the permission of those business owners who operate within the adjacent building frontage.
 - b. If an outdoor cafe is located along a public or private sidewalk, or pedestrian pathway, a minimum of five (5) feet of unobstructed, pedestrian access along said sidewalk or path shall be maintained.
 - An outdoor cafe shall be allowed only during normal operating hours of the principal establishment.
 - d. The exterior of the premises shall be kept clean, orderly and maintained or the permit may be revoked. All food preparation shall be conducted inside of the principal establishment.

- e. The City shall not be held liable or responsible for any type of damage, their or personal injury, which may occur as a result of a sidewalk cafe operation.
- C All outdoor cafes shall comply with applicable laws and regulations of the City, County, and the State.
- 25. Interior storage, lounge, waiting room, laundry or similar use when ancillary to and within the same building as a Permitted Principal Use or a use permitted by Special Exception Permit, and occupying no more than 30% of the total useable floor area of the building.
- 26. Characteristically quiet and non-odiferous outdoor entertainments or open air business uses, such as art or book fairs, book readings, skating finks (without outdoor musical broadcasts) flower vendors, portrait painters, and similar activities when on private property located at least 300' from a lot or site-condominium unit upon which a detached single-family residence is located, and when developed in planned relationship
- within the Town Center District, subject to Site Plan Review.
 27. Home occupations as provided at Section 7.3 (14) of the Zoning Ordinance.
- 28. Any use customarily incidental to the permitted use.
- UTILITIES
 - 29. All exterior on-site utilities, and communication devices, including but not limited to drainage systems, sewers, gas lines, water lines, and electrical, telephone, and communications wires and equipment, shall be installed and maintained underground whenever possible.
 - 30. On-site underground utilities, and communication devices, shall be designed and installed to minimize disruption of off-site utilities, communication devices, paving, and landscape during construction and maintenance.

Sec. 7.115. Uses requiring Planning Commission Special Exception Permit (see Section 14.3).

- Public utility buildings, telephone exchange buildings; electric transformer stations and substations; gas regulator stations with service yards, but without storage yards as required to provide necessary services to the businesses and residents in the district.
- 2. Wireless telecommunication or similar facilities requiring free-
- standing structure(s) supporting communication antennas. Such, facilities shall be setback a distance equal to their height from all lots or site-condominium units upon which a detached single-family residential dwelling is located.
- 3. Interim Parking, as defined at Section 10.9.1 and 10.9.3 of the Zoning Ordinance, on surface lots.

- Facilities incorporating drive-up services, including restaurants, banks, pharmacies, dry cleaners and other retail and service operations.
- 5. Sales of packaged alcoholic beverages,
- 6. Antique dealers.
- 7. Retail slores or services, not otherwise permitted and conclusively found to be compatible with the intent of this District.
- 8. Open all business uses as either a principal or incidental use, other than those otherwise permitted above, when developed in a planned relationship within the Fown Center District, and subject to Site Plan Review.
- 9. Outdoor entertainments, within areas designated for such use on an approved Site Plan, as either a principal or incidental use, other than those otherwise permitted above, including musical broadcasts or concerts, theatrical presentations, carnivals, dances or similar activities. Such outdoor entertainments shall not be located within 500 feet of a lot or site-condominium unit upon which a detached single-family residence is located.

Sec. 7.116. Architectural and Development regulations/standards Materials

Exterior materials shall be predominantly low maintenance face brick or stons, with ornamenial metal accents. Pitched roofs shall have a metal surface or decking complimentary to the architectural detail of the building. No more than 10% of the exterior finish may be Dryvit, E.I.F.S. or similar material.

Building Facades

Building facades shall incorporate windows, arcades, recesses, balconies, projections, comice work, decorative finish or similar features providing architectural interest and/or detail along appropriately substantial portions of their length. Blank walls shall not face a public plaza, street, sidewalk, right-of-way or similar easement for vehicular or pedestrian travel. Glass curtain walls and spandrel-glass strip windows shall not be used above the ground floor as the predominant style of fenestration for buildings in this district. This requirement shall not serve to restrict the use of atrium, lobby or greenhouse-type accent features used as embellishments to the principal building,

Storefronts shall be individually designed for each retail shop, and shall be integrally designed with the upper floors to be compatible with the overall. façade character. Buildings with multiple storefronts shall be unified through the use of architecturally compatible materials, colors, details, awrings, signage and lighting fixtures. Ground floor retail, service and restaurant uses shall have large pane display windows, however, such windows shall not exceed seventy-five (75) percent of the total ground level facade area.

Roof soffits shall be elaborated with decorative supporting brackets or other details.

Primary building entrances shall be recessed, or framed by a sheltering element such as an awning, arcade or portico in order to provide shelter from the summer sun and winter weather, or otherwise clearly defined.

Special architectural features, such as bay windows, decorative roofs, colonnades or other covered walkways, trellises, canoples, fabric swnings and entry features may project into a required setback, provided that they are not less than eight (8) feet above any public or private walloway. Building setbacks shall be improved with seating, landscaping, pavers, tables, decorative lighting, water features and/or artworks. No such improvements shall encroach into a right-of-way or similar easement(s) for vehicular travel unless specifically authorized by a license agreement with the City and/or other entities favored by said casement(s).

Building Roofs

There shall be variations in roof lines to reduce the massive scale of the structure and add visual interest.

Parapets shall enclose flat roofs at least 42 inches high, or higher if required to conceal mechanical equipment. In instances where flat roof areas can be viewed from above, care should be taken that all roof vents; roof-mounted mechanical equipment. pipes, etc., are grouped together and painted to match roof color to reduce their appearance. Location of such mechanical equipment shall be as far removed from all neighboring residential uses as is possible.

Pedestrian Pathways and Sidewalks

Pedestrian pathway and sidewalk systems shall provide safe, all-weather, efficient, and aesthetically pleasing means of pedestrian movement between adjacent districts, as well as on-site tirculation and shall be an integral part of the overall site design concept. Sidewalks are hypically required along all roadways, and elsewhere as determined necessary by the Planning Commission. Pedesirian pathway connections to parking areas, buildings, other amenities and between on-site and perimeter, pedestrian systems shall be planned and installed wherever feasible. All. paths and sidewalks shall be a minimum of five (5) feet in width, and paved pursuant to the City's design standards. Sidewalks may be and excluded from public rights-of-way where a permanent easement abutting said rights-of-way, of a dimension as determined by the City Engineering Division to be necessary to accommodate at least a 5' wide sidewalk, is ان ويسويت بيد ام مراسا على قدما ال ويومانو ما ما م provided for public pedestrian use, in a form acceptable to the City Law Department that obligates the property owner to improve and maintain in perpetuity such easement pursuant to City standards, including all

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necessary repair and show removal. Auto entrances to parking areas shall be located to minimize pedestrian/auto conflicts.

Street Design

Streets, or similar easements for vehicular travel, shall comply with the requirements of the City Engineering Division and all Design Standards provided by Sections 106-126 through 106-132 of City Code. Typically, streets, or similar easements for vehicular travel which intersect with a State or County rights-of-way, or other rights-of-way classified by the 2010 Comprehensive Plan as a Freeway, Trunkline or Major Arterial, shall be considered Collector Streets with respect to said design standards. However, the City Planning Commission, subsequent to their consideration of the recommendations of the City's Engineering Division and Traffic Safety Committee, may modify said standards, pursuant to Section 106-4 of City Code.

Sec. 7.117. Area, height, bulk and placement regulations.

- The minimum gross area required for application of the provisions of this Town Center District shall be 25 acres and subject to coordinated ownership or control.
- All buildings and off-street parking areas shall be setback from rights-of-way or similar casements for vehicular travel or pedestrian movement at least:
 - a) 15' from any State or County rights-of-way, or Freeway, Trunkline or Major Arterial as designated by the City's 2010 Comprehensive Plan;
 - b) 25' from any property line adjacent to or separated by a street, right-of-way or similar easement, for vehicular travel, from a lot or site condominium unit upon which a detached single-family residential dwelling exists; and
 - c) within any and all given block(s), the equivalent of 20% of the building street frontage shall be setback 30° OR 25% shall be setback 24° OR 50% shall be setback 12' OR 100% shall be setback 6' to provide opportunities for landscape enhancement, seating or passive recreation areas to be incorporated within the streetscape.
- 3. All interior roadways shall be setback at least 25 from any properly line adjacent to or separated by a street, right-of-way or similar easement for vehicular travel, from a lot or site condominium unit upon which a detached single-family residential dwelling exists.

4. No visual obstruction shall be permitted between 30" and 8' above grade, in a manner that would interfere with traffic visibility:
a) Within twenty-five fect (25') of the intersection of all streets.

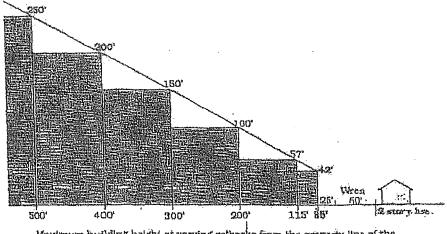
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rights-of-way or similar easement(s) for vehicular travel; or b) Within ten feet 10' of the intersections of a driveway with a street

or alleyway, or similar easement for vehicular travel.

However, where volumes and/or speed of traffic are exceptionally low, and after consideration of a recommendation of the City's Traffic Safety Committee, the Planning Commission may reduce the required clear vision dimension specified in above paragraph "a" from twenty-five feet (25) to no less than ten feet (10).

5. No building shall be less than 30' in height. Furthermore, all structures and buildings, or portion(s) thereof, shall be setback a distance equal to or greater than 2 times their height, from all lots or sile-condominium units upon which a detached single-family residence is located (see illustration below).



Maximum building height at varying setbacks from the property line of the nearest lot with an existing single-family relidence.

Building height is also subject to the requirements of the Federal-Aviation Administration (FAA).

6. The distance between buildings, and portions (see above illustration of acceptable building step back) or attachments thereto, shall not be less than twenty (20) leet; and wherever the average height of two buildings exceeds forty feet (40') the minimum separation between said buildings shall be increased by one (1) additional foot for every five feet (5') said average height exceeds forty feet (40').

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7. The required minimum useable floor area per dwelling unit shall be as follows:

| Two or more Bedroom Dwelling Unit | sq.ft. |
|--|--------|
| One Bedroom (Including Efficiency) Dwelling Unit 800 | sq.fL |

Sec. 7.118. Planning Commission Site Plan Review; approval or rejection, commencement and completion of construction.

1. Preliminary Site Plan – As a preliminary step toward Site Plan approval regarding contiguous property under common ownership or control located within the Town Center (TC) District, an applicant may present to the Planning Commission. a Preliminary Site Plan within which the applicant specifically identifies certain aspects of said Preliminary Site Plan for which the applicant is seeking the Planning Commission's approval. The applicant shall follow the Site Plan Review requirements provided at Sections 5.11 through 5.13 of the Zoning Ordinance, with respect to all aspects of said Preliminary Site Plan for which the applicant is seeking approval, while providing less detail with respect to the other aspects of the proposed development than would be necessary for Site Plan approval.

The Planning Computation shall review the Preliminary Site Plan to determine whether it meets the intent of the TC District and whether the applicant's specified aspects of the Preliminary Site Plan satisfy the applicable standards and requirements of the City's Zoning Ordinance, Subdivision Ordinance, Woodlands Preservation Ordinance or other applicable provisions of City Code. The Planning Commission may then approve, approve with conditions or reject the proposed Preliminary Site Plan expressing in writing and/or drawings as to the findings of fact and the reason for the decision, with a statement of any conditions or limitations to which an approval is subject. Those aspects so approved by the Planning Commission may be unaltered in subsequent Site Plans duly submitted by the applicant within five (5) years (unless said period has been duly extended) of the Planning Commission's approval of said Preliminary Site Plan, as necessary to proceed with the proposed development. An extension for a specified period may be granted by the City Planning Commission upon good cause shown if such request is made to the City Planning Commission at the time of application or [afterwards.

2. Site Plan Review - The Planning Commission shall review and approve, approve with conditions, or reject the proposed Site Plans of all proposed development, pursuant to Section 5.11 and in accordance with all applicable standards and requirements of the City's Zoning Ordinance, Subdivision Ordinance, Woodlands Preservation Ordinance, and other applicable provisions of City Code. A Site Plan that complies with the

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specifically approved aspects of a Preliminary Site Plan, which has been approved by the Planning Commission within the past five years (unless said period has been duly extended), and with all other applicable standards and requirements of City's Zoning Ordinance, Subdivision Ordinance, Woodlands Preservation Ordinance and other applicable provisions of City Code, which are not in conflict with said specifically approved aspects of said Preliminary Site Plan, shall be approved.

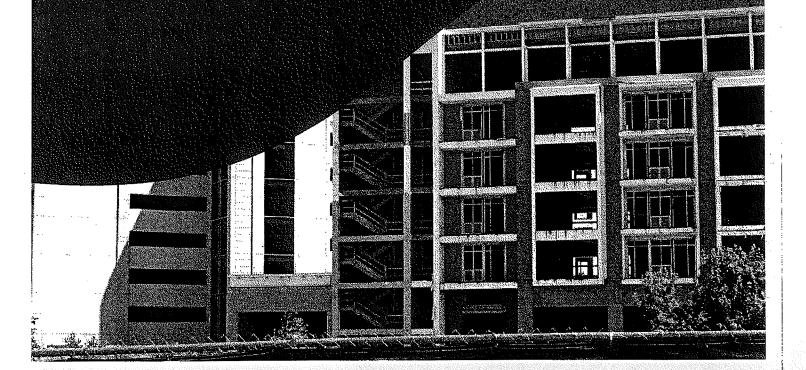
Where a Sile Plan proposes phased construction over a period of several years, a phasing plan shall be included with said Site Plan that identifies the extent of each phase as well as its estimated date of commercement. Each successive phase may rely upon the previous phase(s), but not upon future phases, for necessary infrastructure, off-street parking or other improvements necessary to comply with the City's development regulations and to ensure protection of the health, safety and welfare of the residents and businesses therein, as well as the general public. To ensure completion of required improvements, the City is authorized to impose performance guarantees or require a cash or surely hond or irrevocable letter of credit acceptable to the City in an amount determined to be sufficient to complete the improvements provided for in a given Site Plan. Construction shall be commenced within one (1) year following Site Plan approval by the Planning Commission and phases of said development shall proceed substantially in conformance with the schedule set forth by the applicant as a representation during Site Plan Review. If construction is not commenced within such time, or if phases of said development do not proceed substantially as approved, the Site Plan shall expire and be null and void. However, an extension for a specified period. may be granted by the City Planning Commission upon good cause shown. Moreover, in the event approval of the Site Plan has expired, the City Planning Commission shall require a new application and appropriate fee that shall be reviewed in light of an approved Preliminary Site Plan and then existing and applicable ordinance provisions.



Candor. Insight. Results.

Bloomfield Development Impact Assessment

Prepared for Sloomlield Village Owner, LLC



Background

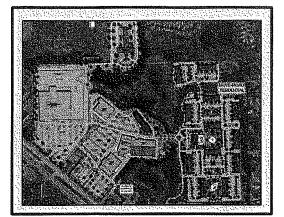
Bloomfield Park was planned by developer Craig Schubiner as a \$500 million upscale retail and housing project. Bloomfield Park has sat dormant on the edge between Bloomfield Township and Pontiac, Michigan since 2008. Half-finished buildings and parking garages are still standing on the property, after the construction came to a halt and the property went into foreclosure. After a long litigation process of the original project's owners, investors, and creditors was settled, Bloomfield Village Owner, LLC (BVO), based in Southfield, Michigan, purchased the foreclosure rights to Bloomfield Park from Wells Fargo Bank NA in 2014. BVO is currently in the process of receiving approvals for a revised concept from the applicable public agencies.

Project details as proposed and provided to Baker Tilly show BVO's mixed-use plan includes residential, dining, grocery, entertainment, and healthcare components with more than 116,000 S.F. of retail space, in addition to a large anchor home improvement retail tenancy, and additional office, restaurant, hospitality and entertainment components. The site plan also includes a proposal for 452 units of multifamily rental residential housing and 100 units of independent living senior housing. The site plan has components that will be owned and operated by separate parties. For the purpose of this report, the entire site and its proposed uses have been analyzed as a whole, regardless of future ownership and operating structures.

Baker Tilly, LLP has been contracted by Bloomfield Village Owner, LLC ("BVO") to provide an independent third-party analysis on the site proposal to evaluate the likely impacts to local employment, tax revenue, and economic outputs of the various components of the Project. All data used in the report is based upon sources received from BVO or publicly available industry indexes. Please see Appendix I for a detailed overview of IMPLAN, the industry analysis program used for this analysis.

Additionally, Baker Tilly, LLP has been contracted to provide an opinion as to the overall condition and potential functional obsolescence of existing buildings located within the Bloomfield Park master planned mixed-use site located in Pontiac, Michigan, per Michigan Act 381 Combined Brownfield and Work Plan standards.

Village at Bloomfield Concept Plan



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|---|--|
| Tenant | Base Info |
| Retail | 116,480 SF |
| Retail - Home | |
| Improvement | 236,640 SF |
| Grocery/Market | 28,400 SF |
| Restaurant | 22,189 SF |
| Office | 7,031 SF |
| Senior Housing | 100 units |
| Residential | 452 units |
| Hotel | 100 guest rooms |
| | The parts waite |

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Construction Impacts

Construction on the Project is to be undertaken through multiple developers and at staggered but coordinated points in time. For the purposes of this analysis, community benefit and economic development impacts from construction have been derived for the entire site from market analysis and internal documents provided by BVO, even as some components analyzed will be owned and constructed by third parties. Timeframes anticipated for construction, costs and other attributes were derived from the data provided by the documents received.

Jobs

Based upon information provided to Baker Tilly from BVO, using the proposed site design available, it is estimated that during construction, the Bloomfield Development is anticipated to create 555 direct FTE construction jobs, with an additional 692 jobs anticipated through secondary indirect and induced sources, for a total construction employment impact of 1,248 FTE jobs.¹

Wages

Wages from the jobs created by the Project may bring valuable spending power to the community. It is estimated that more than \$52.6 million in direct construction wages would be realized by the Project. Accounting for secondary employment, an additional \$40.8 million in wages are estimated from construction activities, creating a total of more than \$93.5 million in labor income from construction.

Economic Output: "Gross Local Product"

Accounting for material and equipment supply purchases, it is estimated that Bloomfield Development will incur more than \$1131.6 million in direct construction output, based upon hard costs, and will incur an additional \$101.7 million in secondary output, for a total impact of \$233.35 million in gross local product during construction. Tax impacts on construction purchases are accounted for later in this report.



Bloomfield Park Site Panorama

¹ A FTE job is based on 1,820 hours of employment, per annum.

Site Operational Impacts

Community benefit and economic development impacts from BVO's proposal can be measured through projected operations and can be observed through catalytic community output derived from sales and gross margins, employment levels, and labor income.

The Project site is expected to have multiple uses spread out across the "Village" campus. Given industry standards vary by use and size, and for the number of employees required to staff the anticipated varied-use spaces. The likely wages and output and estimates have been evaluated separately to arrive at anticipated community impacts from the Project as a whole.

Jobs

Based upon the information provided by BVO, it is estimated that combined across commercial and residential uses, 830 direct FTE jobs will be created by the Project, with 314 additional jobs created from indirect and induced employment sources, for a total impact to Bloomfield and Pontiac's community of 1,144 FTE jobs.

Wages

Wages from these jobs are estimated to create more than \$29.5 million from the Project's direct employment, and an additional \$24.29 million in wages from secondary employment sources, for a total of \$53.8 million annually in labor income to the local economy.

| Project Compone | int | FTE Jobs | Labor Income | Output |
|-------------------------|-----------------|-------------|------------------------------|-------------------------------|
| Residential | Direct | 28 89 | \$883,320 \$5,657,765 | \$5,479,906 \$7,122,514 |
| Senior Housing | Direct | 15 | \$534,184 | \$1,023,455 |
| | Total Direct | 21 80 | \$863,837 \$4,525,474 | \$1,880,447 \$8,141,398 |
| Home Improvement Retail | Total Direct | 125 383 | \$7.468,016 \$14,151,972 | \$15,857,219 \$25,439,232 |
| Retail | Total | 510 | \$22,359,859 | 546,951,478 |
| Restaurant | Direct Total | 203 264 | \$4,691,800 \$8,616,935 | \$13,313,400 \$23,611,123 |
| Office | Direct | 7 14 | \$668,964 \$1,077,777 | \$2,109,300 \$3,161,360 |
| Hotel | Direct | 63 | \$1,933,248 | \$7,261,317 |
| | Total Direct | 400 51 | \$4,346,053 \$2,152,785 | \$13,303,612 \$3,723,131 |
| Grocery/Market | Total | 74 | \$3,451,497 | \$7,130,391 |
| Full Development Site | Direct Tutal | 830 1144 | \$29,541,747 \$53,840,892 | \$66,491,139 \$119,028,144 |

Economic Output: "Gross Local Product"

The Project's tenants are estimated to directly create more than \$66.49 million in economic output, with another \$52.5 million created through secondary sources, for a total annual output effect of more than \$119 million to the local economy.

Tax Impact Projections

Taxes to the Bloomfield Project site can be evaluated for both periods of construction and operations across purchases and sales, payroll, property taxes, room taxes, and corporate income tax. Current mill rates of Pontiac, MI from their winter 2015 and summer 2016 tax statements have been utilized to project future taxes from the Project.²

For operations, the project's total development cost (TDC), including land, real property and Personal Property & Equipment (PP&E) has been estimated at \$145.6 million across all uses. Closing costs and fees are not included as part of TDC. The Project's site development market value for Real Property was assumed at 95% of TDC, or \$121.6 million, while market value for PP&E was discounted to 60%, or \$4.39 million. Land costs were not discounted, and its Market Value is estimated at \$10.3 million. The Assessed Value for Real Property, Land and PP&E is assumed at 50% of the Market Value. Overall, the Estimated Assessment Values for Land and Real Property improvements are \$65.97 million, with \$2.198 million estimated for PP&E Assessment Value.

² A total millage rate of 0.055530 was utilized for Real Property and Land, while a millage rate of 0.003530 was utilized for PP&E, broken out across the following tax descriptions: County Operating, OIS Allocated, OIS Voted, OCC Voted, State Education, School Operating, City Operating, Oper TWP PA425, CAP IMP, Sanitation, Library, Senior Services, School OPER FC, Pontiac Schools, Messa Judgment, Sinking Fund, Admin Fee, County PKS & REC, HCMA, OCPTA, Zoo Authority, Art Institute, Admin Fee.

Construction Taxes

Bloomfield Village Owner, LLC projects that, pending a timely start to construction, the project site will be placed in service or land will be sold to third parties by the end of October, 2017. BVO is currently paying taxes on the subject properties. The last tax bills for the Project site received were the 2016 Summer Tax Statements, payable effective through July 31, 2016.

Between now and October, 2017, additional winter and summer tax statements are anticipated to be received for the subject parcels. It is therefore expected that the project site parcels will contribute a total of \$225,940 in property taxes during construction, with \$81,500 in property taxes payable to Bloomfield Township and \$144,430 payable to the City of Pontiac, assuming current taxation and mill rates.

| Estimated Construction Tax Ir (Assuming Oct. 2017 placed in serv | |
|---|----------------------|
| Property Taxes - Bloomfield Winter 2016 | \$23,484 |
| Property Taxes - Bloomfield Summer 2017 | \$58,017 |
| Property Taxes - Pontiac Winter 2016 | \$4,664 |
| Property Taxes - Pontiac Summer 2017 | \$139,775 |
| Total Property Taxes | \$225,940 |
| Direct MI Payroll Tax | \$2,238,864 |
| Indirect & Induced MI Payroll Tax | \$1,736,682 |
| Total MI Payroll Tax (4.25%) | \$3,975 <i>,</i> 546 |
| Direct Local Income Tax (1%) | \$526,792 |
| Indirect & Induced Local Income Tax (1%) | \$408,631 |
| Total Local Income Tax (1%) | \$935,423 |
| Direct Sales & Use Tax | \$7,897,697 |
| Indirect & Induced Sales & Use Tax | \$6,103,349 |
| Total Sales & Use Tax (6%) | \$14,001,047 |
| TOTAL CONSTRUCTION TAXES | \$19,137,955 |
| Direct Taxes | \$10,889,293 |
| Indirect & Induced Taxes | \$8,248,662 |

Key Construction Tax Findings:

- Overall, the project is estimated to collect more than \$19.1 million in taxes, with more than \$10.8 million from direct construction sources.
- The project is estimated to bring more than \$225,900 in total property taxes during construction.
- Total Payroll taxes for the State of Michigan from construction wages are estimated at more than \$3.67 million, assuming a 4.25% tax rate. The potentially applicable City resident 1% income tax is not computed as it is not possible to predict with any reliability the number of construction workers who would be drawn from this labor pool. Therefore, to the extent that new workers are drawn to the community as residents or current workers see a significant rise in income this estimate could be seen as conservative, bearing in mind that these are temporary positions. (Please note that these are State and not Federal tax estimates).
- Total Local Payroll taxes from construction wages are estimated at more than \$935,000, with more than 526,000 from direct employment sources.
- Total Sales & Use tax off of construction activities is estimated at more than \$14 million, assuming a 6% tax rate.

Annual Operational Taxes

Once the Project is fully constructed, annual taxes can be estimated across the Project's uses:

- Overall, the project is estimated to collect more than \$17.6 million in taxes annually, more than \$13.4 million of which are from direct sources. Estimates of income taxes derived for the City of Pontiac are not a part of the analysis as the corporate structure of the tenant base is not known, and only C Corps would pay this tax. Hence these projections may be conservative.
- The project is estimated to create more than \$7.33 million in total property taxes annually across all uses and owners.
- More than \$496,800 in local income taxes from wages of retail and commercial operations are estimated to be earned from the Project's tenant businesses, and \$306,900 from the Project's apartment residents.

| Estimated Annual Property & Operati | ons Tax Impacts |
|---|-----------------|
| Property Taxes ~ Real & Land | \$7,326,740 |
| Property Taxes - PP&E | \$7,759 |
| Total Property Taxes | \$7,334,500 |
| Room Tax - Oakland Co. (1.5%) | \$34,369 |
| Convention & Visitor Fee (2%) | \$45,826 |
| Sales Tax (6%) | \$139,539 |
| Total Hotel Taxes | \$219,734 |
| Direct MI Payroll Tax | \$1,255,524 |
| Indirect & Induced MI Payroll Tax | \$855,943 |
| Total MI Payroll Tax (4.25%) | \$2,111,467 |
| Total Residential Local Income Tax | \$306,900 |
| Direct Commercial Local Income Tax | \$295,417 |
| Indirect & Induced Commercial Local Tax | \$201,398 |
| Total Local Income Tax (1%) | \$803,716 |
| Direct Sales & Use Tax | \$3,989,468 |
| Indirect & Induced S/U Tax | \$3,152,220 |
| Total Sales & Use Tax (6%) | \$7,141,689 |
| Annual Operational Taxes | \$ 17,611,106 |
| Direct Taxes | \$ 13,401,544 |
| Indirect & Induced Taxes | \$ 4,209,561 |

- The Project's 100-room hotel is estimated to provide more than \$34,300 in local room taxes to Oakland County annually, and more than \$45,800 to the Detroit Metro Convention and Visitor's Bureau.³
- Payroll taxes for the State of Michigan from the employment generated from the Project once placed in service is estimated at more than \$2.1 million annually, with more than \$1.25 million from direct employment sources. Similar to the construction worker payroll taxes, no attempt to apply the city income tax has been made, hence this number may be considered conservative as it is likely that a portion of the workers will

| | Total Development | Est. Stablized Assessed | Est. Annual Property |
|----------------------------|----------------------|----------------------------|-------------------------|
| | Cost | Value | Taxes |
| Home Improvement Retail | \$19,062,588 | \$9,054,729 | \$1,005,618 |
| Retail & Office | \$23,388,118 | \$11,109,356 | \$1,233,805 |
| Multi-Family Residential | \$57,578,288 | \$27,349,687 | \$3,037,456 |
| Senior Housing | \$15,396,142 | \$7,313,167 | \$812,200 |
| Hotel | \$12,575,000 | \$5,973,125 | \$663,375 |
| Land (88 Acres) | \$10,341,900 | \$5,170,947 | \$574,285 |
| Total Land & Real Property | \$138,342,036 | \$65,971,011 | \$7,326,740 |
| Total PP&E for All Uses | \$7,327,188.50 | \$2,198,157 | \$7,759 |
| | \$145,669,225 | \$69,798,695 | |

migrate to the community making for a base of new incomes from which the city would derive new taxable resident income base.

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³ Average Daily Room Rate was assumed at \$93, with 67.5% occupancy.

• Direct Sales and Use taxes across site operations is estimated at more than \$7.1 million annually, with more than \$4.3 million from direct site sources.

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Tax Impact from Renters

The Project is proposing 552 units of rental housing as a component of the site. Of this 100 units are proposed for service enriched elderly housing which is anticipated to be fully absorbed by renters directly from within Pontiac based on age of the housing stock and availability of renters within this age cohort. Reviewing the available housing stock in Pontiac, Michigan, it is apparent that very little newly built housing is available. Out of more than 27,600 housing units, only some 2,300 units were built since the year 2000, (8.2% of all available housing), with more than 79% of the housing built prior to 1980, and more than 20% built prior to 1939.⁴ Out of more than 23,200 occupied housing units, more than 12,900, or 55.6% are renter-occupied. The mean household income in Pontiac is \$37,719 – with current poverty statistics at 33.4% and a renter burden rate of 52% (i.e. the percentage of renters paying in excess of 30% of income for rent).

Average monthly rent for an apartment in Pontiac is \$730, while average rents in Oakland County are approximately \$940. Within Oakland County, there are roughly 50,000 individuals currently living within the county that could presumably afford the likely rents on the project. Assuming a 30% income benchmark for rent-to-income levels, \$62,500 per annum is required for household income to support the Project's anticipated base rent. Of the overall renter base only 123 currently rent at the proposed average rent for the market rate structure planned on the Bloomfield Village site.

The Project will have to attract tenancy exterior to the immediate community. The bulk of rents within the City of Pontiac run from \$500-\$999, with 28.8% of the City's rental units occupying rents of \$500-\$749, 28.8% of rents from \$750 to \$999, and 17.8% of rents from \$1000 to \$1499 – with an overall median rent of \$730. Within the City of Pontiac, only 1% of the total rent paying subset pay rents in excess of \$1,500 per month – the Project has an anticipated average rent of \$1,546 (inclusive of utilities – which is not common to the area where 87% of renters pay utilities separate from rent).

Making an assumption that the current renters in Pontiac who rent at rates from \$1500 and up would choose to move into units which are at minimum 6 years to 16 years of age newer, the project would absorb 123 renters at most from within Pontiac. This indicates that the primary market base reflected by the developer for this portion of the site, which was Oakland County is more likely to hold true than not. This would mean absorbing 359 renters from outside of the current renter base at minimum into the city. The area has a population base with roughly 214,376 with incomes at or over this level. The relative age of the housing stock in Oakland is similar to that of Pontiac, though the percentage of stock dating prior to 1939 is lower. Extrapolating from the percentage of renters to home-owners reduce the potential pool, provides a base of 65,337 potential renters or a projected capture rate of 198,6:1 for the 359 units requiring absorption.

Furthermore, preliminary estimates for potential added income tax value from the new residents based on spreading the units across income bands using the mid-point of the income band from the ACS and

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⁴ American Community Survey, 2014 data.

the percentage of persons paying rent in the band to weight absorption (excluding any whose payments were \$2,000 or more [based on the "or more" statement as this income could not be adjusted for] can be made.) Assuming the existing income distribution across households for Oakland County in relation to the likely tenancy of the Project, the net gross income of new tenancy is projected at \$30.69 million, with an estimated \$1.3 million in annual Michigan state tax income produced by the rental residents, assuming an income tax rate of 4.25%. Furthermore, the project is estimated to increase local income taxes by \$306,900, benefiting the City of Pontiac, assuming a local income tax rate on residents of 1%.⁵ The relative split to Pontiac of this additional tax base is not reflected in the tax base analysis discussion noted prior. In addition, the ripple effect of the attraction of the added gross income base to the community has not been calculated into the overall gross economic output of the project as a whole. It is therefore important to consider the additional value anticipated to be achieved upon attraction of this new projected resident base. (It should be further noted that the 1% resident tax is anticipated to sunset in 2022 subject to legislative change).

Functional Obsolescence Review

Baker Tilly has been contracted to provide an opinion as to the overall condition and potential functional obsolescence of existing buildings located within the Bloomfield Park master planned mixed-use site located in Pontiac, Michigan.

Scope of Memorandum:

The scope of work completed for BVO's request for information included the following:

- A review of the "Brownfield Redevelopment Plan" approved by the Pontiac Brownfield Redevelopment Authority provided by AKT Peerless Environmental Services.
- A review of the prior "*Property Assessment for Determination of Eligible Property Status*" provided by AKT Peerless Environmental Services.
- Review of Phase 1 Condition Assessment Report of Bloomfield Park Dated September 26, 2014 by DNCE, Inc., and updated August 16, 2016.
- A review of photographs provided by BVO highlighting the current condition of the partially constructed buildings
- A review of the "Act 381 Guidance for Brownfield Plans, Work Plans and Combined Plans" produced by the Michigan Department of Environmental Quality and the Michigan Economic Development Corporation
- Reliance on statements made by BVO relating to the history of the site and redevelopment as well as the current condition of the partially constructed buildings and overall site
- Review of projected parking requirements for the proposed BVO site both surface and covered as
 prepared by the developer by building use and the anticipated operating costs of covered parking by
 Square Footage

⁵ For the purposes of refining the assumptions the income in the band ranges are placed at mid-point with the married filing jointly deduction taken, Using this at the base assumption the calculation would drive an alternate tax value of \$1,630,612.

- Review of the offering memorandum reflecting the overall parking currently on-site
- No site visit was completed by Baker Tilly as part of the scope of this project

Legislative Review & Existing Site Uses

Per Michigan's *Brownfield Redevelopment Financing Act, 1996 PA 381*, as amended, Brownfields are defined as properties that are contaminated, blighted, functionally obsolete, and can include historic properties. Regardless of their classification, all brownfield properties face economic impediments to reuse and redevelopment. Act 381 authorizes and permits the use of school and local tax increment financing to help reduce the burden of Brownfield related costs when redeveloping affected properties. To be considered eligible, property must qualify as either a facility, functionally obsolete, blighted or historic and have Brownfield activity costs associated with it.

The definition given in Michigan's *Brownfield Redevelopment Financing Act, 1996 PA 381*, and in the *"Brownfield Redevelopment Plan"* for the term functionally obsolete includes the following,

"a property that is unable to be used adequately to perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or super adequacies in design or other similar factors that affect the property itself or the property's relationship with other surrounding property."

Further under Act 381 it is noted that a property meets the qualifications to be termed as "blighted" if it meets any of the following criteria:

- (i) Has been declared a public nuisance in accordance with a local housing, building plumbing fire or other related code or ordinance
- (ii) Is an attractive nuisance to children because of physical condition, use or occupancy
- (iii) Is a fire hazard or is otherwise dangerous to the safety of persons or property
- (iv) Has had the utilities, plumbing, heating or sewerage permanently disconnected, destroyed, removed or rendered ineffective so that the property is unfit for its intended use
- (v) Is tax reverted property by a local unit of government...

It should be noted that the original determination of functional obsolescence for the Project site was based on building composition which has since changed for a portion of the site developed in 2007-2008. In 2003 and subsequently under the 2004 amendment, the site contained a subset of residential and commercial property as well as a demolished drive-in theater. These properties were found to be functionally obsolete based on substantially deteriorated conditions (dilapidated roofing, walls and other construction support systems), the presence of a deteriorated parking lot and functionally obsolete substructure for the prior drive-in and properties in which the basic building support systems were no longer functional (heating, water and electricity). This is a significantly simplified presentation of the findings from that report.

The 2014 study reviews the unfinished plans to revitalize the site based on the unfinished structures located on the site. The assessment appears to provide similar data which would lead to a corresponding conclusion of functional obsolescence with the current structures and likely supports evidence of blight.

The assessment reviews the elements that are in place, notably, elements reflecting primary building systems such as water, sewer, heating, air and electric are not discussed. Virtually every building is noted as having issues with water incursion. Buildings A, B and C are noted as having constant water leakage and ponding causing concern with structural integrity of bearing soils with heaving observed on site. These properties also exhibited concern with damage to the roofing systems.

Building D had similar foundation issues caused by water leakage and ponding. These concerns extend past the foundation and impacted both the precast plank floor and the loadbearing concrete masonry walls (CMUs). In the parking area of this structure ponding in the elevator pits and issues with components of the foundation caused by water were also observed.

The Building E report reflects extensive ponding and silt build-up. It is specifically stated that the deck is incomplete and no drawings are available. DCNE specifically notes in their report that without a complete set of recast shop drawings, erection drawings or fabricated members that this deck cannot be saved.

Building F repeats the foundation concern findings found in A-D, adding a concern that the interior pad may not have sufficient frost depth. This building also reflects issues with loadbearing CMUs. Building G has only a partially erected steel frame. The report reflects that all roof membrane and insulation should be replaced based on saturation. The report reflects that the foundation could not be adequately assessed.

Building G was demolished in December 2015 as it posed a safety hazard to the site maintenance crew.

Building J again reflects similar foundation concerns as noted in A-D, added to this is notable steel frame corrosion, issues with the precast plank floor system, issues with the cantilevered deck balconies (cracking and corrosion of the steel deck plate) and concerns with the loadbearing CMUs. In addition, while access to the high roof was not available, observation of the low roof indicated that all roofing needed replacement. The 2016 report reflects emergency shoring is required in order to prevent major structural failure.

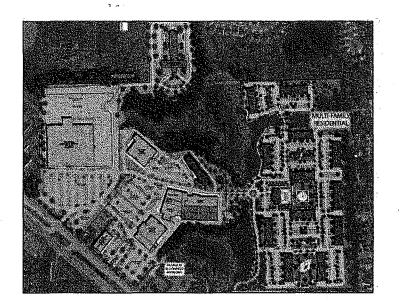
The final building is referenced as BP-CIN. It has partially erected foundations and reinforcing CMUs which are in poor condition. The report reflects that the area surrounding this is "saturated and swampy" and based on this building. BP-CIN was demolished in August 2016 so that the site could be maintained.

Photographs provided of the site provide evidence of the deterioration noted by DCNE and additionally reflect graffiti on the buildings, evidencing that the property has become an attractive nuisance to

children due to its physical condition and likely due to its lack of occupation. Further, based on the DCNE report it appears relatively clear that the properties have had the utilities, plumbing, heating and sewerage rendered ineffective for their intended use and that the property is unfit at this time.

While Baker Tilly has not completed a site visit, based on the definition of functional obsolescence and based on our review and understanding of the above mentioned sources of data, it is our opinion the subject redevelopment site continues to be functionally obsolete and could likely be deemed as blighted for the intended proposed uses by BVO.

Baker Tilly reviewed the overall site plan and the existing structures relative to the adequacy or super adequacy of the parking structures. Building E is not feasible to complete, given that it is only 25% complete with no detailed drawings to rely on based on the DCNE report, this parking deck was not considered in the estimation of parking relative to the parking currently "on-site". Buildings D and J remain as the parking decks under consideration for review in this context. BVO has planned uses which require parking for retail, office, hospitality and residential spaces. All of the residential parking is planned as surface parking, adjacent to the properties. These surface lots will be under the control of the ownership and management of the residential developers who will maintain, light and secure the parking areas. It is anticipated that there will be 880 residential parking spaces created for the site. One bedroom units and elderly units are projected with a parking slot per unit; 2 bedroom units with two stalls and 3 bedroom units with 3 spaces.



There will be 5 free standing facilities, 4 of which are anticipated to utilize surface parking without reliance on deck parking. All of the planned surface parking is contiguous to the retailers and as noted in discussion with BVO meets the plans and specifications of the anticipated tenancy. The parking requirements per 1,000 square feet (SF) may vary by the tenant; however an average of 5.0 spaces per 1,000 SF is assumed. The total additional surface parking is projected at 1,010 stalls. The 100 room

hotel is the only anticipated commercial use not calculated based on square footage. This use is calculated based on the number of rooms with anticipated occupancy at 1.2 spaces per room allotted. These are also the only use that is spread between surface and deck parking with 27 spaces of surface parking immediately adjacent and the remaining spaces in Deck D.

The developer plans to maintain the parking in Deck D. Based on the report it appears that this deck is in the best location relative to the planned uses and perhaps the best condition as well. As planned the deck has capacity for 1,058 parking slots. It is anticipated that the hotel will utilize 93 of these spaces and that 400 of the spaces will be used by office and retail tenancy in the Building D. The remaining spaces are "surplus". Baker Tilly reviewed the projections and based on its assumptions derived a non-material variation on the parking estimate leaving 546 surplus spaces in the parking deck.

The parking deck reflected as Building J holds 1,563 additional spaces. These spaces currently have no known attributable use as adequate parking is designed for each proposed tenant that is contiguous with the buildings they will occupy. Costs required to repair structural damages and complete this Deck are projected at \$21.5 million. This cost includes the added cost associated to the failing beam which threatens a partial collapse of the second floor at this time. The estimated annual cost for maintaining this deck is \$240,000 per annum (exclusive of tax) with an escalator of 3% - based on extrapolation of the costs to operate the parking at Deck D. This building is currently earmarked for demolition given super adequacy of parking at the site and the projected costs to maintain parking which exceeds the anticipated needs by over 1550 stalls.

As several of the areas highlighted in the study were not yet redeveloped, we concur with the conclusions of the 2004 study "Brownfield Redevelopment Plan" in consideration of the added data provided on current property conditions noted in the 2014 DCNE report "*Property Assessment for Determination of Eligible Property Status*" (and subsequent 2016 update), as well as, the photos submitted by BVO of the property's current condition, that the property can be classified as functionally obsolete real estate. Further, based on a review of the existing parking structures relative to planned uses, it appears that the retainage of Deck J would recreate a situation of super adequacy relative to parking on site ranging from over 1,550 to 2,000 stalls allowing for roughly 100 stalls to be "carried" for potential overflow usage above and beyond the current anticipated needs.

Conclusion

Bloomfield Township and the City of Pontiac are anticipated to gain meaningful tax revenue, jobs, and economic impact from the mixed-use Project BVO is proposing. This site, located on the east side of Telegraph Road north of Square Lake Road, has been generating limited tax revenues as a vacant site with half-built structures and is now projected to drive over \$13.2 million annually in direct taxes in addition to significant employment once the Project is placed into service.

Appendix I – About IMPLAN

IMPLAN is economic modeling software that creates a model of the local economy and estimates the impact of a change in local spending on output, employment, and wages. Using development data provided by the Developer and the identified area of impact, we quantified the economic impacts for NMTC development using IMPLAN. Purchases for final use (final demand) drive the IMPLAN input-output, model.

Analysis definitions

- <u>Direct Impacts</u>: Direct impacts are those impacts occurring in the impacted sector and related industries as a direct result of the activity generated by the project. This includes output, income, and employment generated from direct investments in the project.
- Indirect Impacts: Indirect impacts are those created based on the local expenditures generated from the changes in inter-industry purchases (supplier to supplier) as they respond to the demands of the directly affected industries. This includes output, income, and employment effects arising from local spending for goods and services.
- Induced Impacts: Induced impacts are estimated based on the increase in local incomes attributable to the project. This includes output, income, and employment effects on all local industries caused by the expenditures of household income generated by the direct and indirect impacts.
- <u>Output:</u> Output estimates represent the estimated increase in total production for all industries in the region supported by the project - a measure of overall economic activity. Output can also be thought of as the increase in the value of total sales as "Gross Local Product".
- Employment: Employment estimates represent the estimated total jobs created and supported by the project, on both a temporary and ongoing basis.
- >

Important assumptions

- Construction impacts of the project arise from the activity of building the project, and occur only while the project is being built. When the project is complete, these construction impacts end.
- > Ongoing impacts such as the impact of the operations of the built facility are presumed to be "ongoing" and are described on an annual basis.
- >

Data sources

Data used for IMPLAN software analysis includes the market area determined by Bridge House. Data sources include North American Industrial Classification System (NAICS) codes; Regional Economic Information System Sectoring (REIS); Bureau of Labor Statistics Sectoring; Bureau of Economic Analysis Input-Output Sectoring; and, County Business Patterns; BLS CEW (Covered Employment and Wages program).

The description of IMPLAN Methodology was adapted from the IMPLAN Version 2 User's Manual, 3rd edition, 2007.

Appendix II – Key Parties

About the impact consultants: Baker Tilly Virchow Krause, LLP



Baker Tilly is the 12th largest CPA and business consulting firm in BAKER TILLY the country, according to the 2014 Accounting Today's "Top 100." In addition to being a CPA and consulting firm, we have affiliated

entities that allow us to uniquely serve our client base of developers, project owners, contractors, and community development entities. Since 2001, the Baker Tilly practice has provided a variety of tax credit and development services to project developers, including the preparation of pre-development and post-development community impact assessments.

About the Client: Bloomfield Village Owner, LLC/REDICO



Bloomfield Village Owner, LLC's managing member is REDICO® (Real Estate Development and Investment Company), headquartered in Southfield, Michigan, is a national real estate development, investment, construction and property management leader. Their

expertise offers a diverse portfolio of capabilities including: real estate development, investment, asset management, property management, capital partnering, design, construction, leasing, full-spectrum property and facility services, advisory services in the office, retail,

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DEVELOPMENT AGREEMENT

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Agreement made November 27, 2002, between the City of Pontiac, a Michigan home rule city ("City"), the Charter Township of Bloomfield ("Township"), and Harbor Telegraph-2103 L.L.C., Bloomfield Acres Acquisition Company L.L.C., Harbor Telegraph-1881 L.L.C., Harbor Telegraph-1899 L.L.C. and Harbor Vogue Plaza L.L.C. (herein collectively "Harbor").

Recitations:

 Harbor owns land described on Exhibit A hereto (the "Land"). Harbor represents that there are no other individuals, legal entities or lending institutions which have an interest in the Land and whose consent is required for the entry of this Development Agreement.

2. The Land is the subject of an agreement between the City and the Township made pursuant to 1984 PA 425 (the "Act 425 Agreement"), attached as Exhibit B hereto.

3. The Land is a subject of several suits pending in Oakland County Circuit Court and the Michigan Supreme Court listed on Exhibit Chereto (the "Litigation").

4. Development and use of the Land is subject to the Town Center District Zoning Ordinance adopted by the City, except where this Agreement provides otherwise, (the "Zoning" Ordinance"), which is attached hereto as Exhibit D and shall not be amended during the term of the Act 425 Agreement, except by mutual agreement of the City and the Township. 5. The Act 425 Agreement and this Agreement are part of a settlement of the Litigation, and their purpose is to implement such settlement.

6. Notwithstanding the provisions of the Zoning Ordinance the parties have agreed that the development and use of the Land will be governed by the provisions of this Agreement. Any conflict between the terms of the Zoning Ordinance and this Agreement will be resolved in favor of the terms of this Agreement.

AGREEMENT

In consideration of the premises, the parties agree as follows:

1. The development and use of the Land shall be limited as set forth below.

2. Uses on the Land shall be such uses as are permitted in both the Zoning Ordinance and this Agreement, and shall be limited to:

a. No more than 1100 residential units, up to a total of 2.2 million square feet of leasable residential space (the area within the walls of the residential units), subject to paragraph 2(e) below, which would allow a combined maximum of 1234 residential units, each with a minimum square footage of 1100 square feet, up to a combined maximum of 2.468 million square feet of leasable residential space.

b. No more than 2 million gross square feet of non-residential space, including office, commercial, a hotel, health clubs, theaters and other non-residential uses. Tennis courts (but not to exceed 16 in number whose location shall be limited to the health club and one structure or building adjacent thereto or across a street therefrom) shall not be included in the area limitation, but shall nevertheless be subject to the Tiers B and Cheight limitations for

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health clubs. Tennis courts shall be fully inclosed within buildings and not within air supported domes or domes of any kind.

c. All or part of the first floor of any of the residential and office buildings erected pursuant to subsections a and b above may be used for retail commercial uses and service uses listed in the Zoning Ordinance.

d. Casinos and similar gaming facilities, adult uses, and telecommunication towers, as defined in this Agreement, shall not be permitted.

e. Residential units may be substituted for non-residential space under paragraph 2b above, up to not more than 134,000 square feet of non-residential space, at a ratio of one residential unit to 1,000 square feet of non-residential space.

f. No more than I single hotel may be located within the development which may be located in either Tier B or C.

 No building shall be less than thirty (30) fest in height. Building heights shall be limited as follows:

a. <u>Tier A.</u> For the first 350 feet from the right of way at Telegraph Road, height shall not exceed three stories and shall not exceed 46 feet, exclusive of moftop utility equipment, which shall be no higher than six feet, visually screened, and set back at least 20 feet from the Telegraph Road side of the building. All buildings shall be set back a minimum of 40 feet from the Telegraph Road property line (right-of-way).

b. <u>Ther B.</u> Between 350 feet and 500 feet from the right-of-way at Telegraph Road, height shall not exceed:

1. 5 stories and shall not exceed 71 feet if devoted primarily to non residential uses;

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- 6 stories and shall not exceed 84 feet if devoted to primarily residential use;
- 3. 4 stories and shall not exceed 84 feet for a health club;
- 6 stories and shall not exceed 84 feet for a single hotel only;
- 5. Rooffop utility equipment, no higher than 6 feet, visually screened, set back at least 20 feet from Telegraph side of building,

o. <u>Tier C.</u> 500 feet or more from Telegraph Road, height shall not exceed:

- 1. 7 stories and shall not exceed 97 feet if devoted primarily to non residential uses;
- 2. 8 stories and shall not exceed 110 feet if devoted primarily to residential uses;

3. 8 stories and a habitable attic including architectural features such as gable, mansard or sloped roof with not less than a 12/12 pitch enclosing all rooftop utility equipment, shall not exceed 123 feet to the roof peak if devoted primarily to residential uses;

- 4. 8 stories and shall not exceed 110 feet for a single hotel only;
- 5. 4 stories and shall not exceed 90 feet for a health club;
- Rooftop utility equipment, except with respect to buildings constructed pursuant to Tier C, subparagraph 3 above, no higher than 6 feet, visually screened, set back at least 20 feet from Telegraph side of building.

d. Antennas, telecommunication antennas, and rooftop peaks and other architectural features are permitted, but in no event shall they exceed a maximum height of 6 feet over the maximum allowable height for all buildings, other than those buildings permitted pursuant to Tier C, subparagraph 3 (habitable attic).

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e. In Tiers B and C, with the exception of the buildings mentioned in Tier C, subparagraph 3, parapet screening shall be permitted. The parapet screening may extend in a straight line parallel to or as an extension of the outer walls of a building if it contains decorative elements. If it does not contain decorative elements, it shall be sloped. The parapet screening shall be non-usable and exclusively for screening. If sloped, it shall be at an angle so as to screen all rooftop utility equipment. In no event shall the parapet exceed a maximum height of 6 feet at the top of the slope. A parapet shall not extend to a point higher than 6 feet over the maximum height allowable for such building.

f. If a building straddles 2 or more Tiers, the entire building must comply with the height restrictions of the more restrictive Tier.

4. Parking shall be required and regulated as follows:

a. As provided for such uses in the Zoning Ordinance.

b. Bearing in mind the interrelationship of uses contemplated for the Land, the Joint Development Council established pursuant to the Act 425 Agreement may reduce the parking requirements, on a showing that there is a lesser need for parking because of generally accepted shared parking principles or on a showing based on the nature of the uses or based on experience after development of any portion of the Land.

5. Building lot coverage, including parking structures, shall not exceed 36 acres, and building lot coverage exclusive of parking structures shall not exceed 29 acres.

6. The area shown on Exhibit E hereto, which is adjacent to the Land, together with its associated drainage facilities, may be utilized to provide storm drainage for the Land.

7. Additional provisions which shall govern the use of this land include:

-5-

a. Definitions: For purposes of this Agreement, the following definitions shall be controlling:

1. Adult Use includes the following;

a. Adult Arcade, defined as a place to which the public is permitted or invited to view motion pictures, video or laser disc pictures or other products of image-producing devices where the images displayed are distinguished or characterized by the depicting or describing of "specified sexual activities" or "specified anatomical areas".

b. Adult book store, adult noyelty store or adult video store, defined as a commercial establishment which, as one of its principal purposes, offers for sale or rental for any form of consideration reading materials, photographs, films, motion pictures, video cassettes or video reproductions, alides or other visual representations characterized by the depiction or description of "apecified sexual activities" or "specified anatomical areas"; or instruments, devices or paraphernalia which are designed for use in connection with "specified sexual activities".

c. Adult cabaret or establishment, defined as a night club, bar, restaurant, salon, barber shop or similar commercial establishment which regularly. features: persons who appear in a state of nudity or semi-nudity; live performances which are characterized by the exposure of "specified anatomical areas" or by "specified sexual activities"; or, films, motion pictures, videos cassettes, slides or other photographic reproductions which are characterized by the deplotion or description of "specified sexual activities" or "specified anatomical areas".

d. Adult motion picture theater, defined as a commercial establishment whose primary purpose and activity is the exhibition, for any form of consideration, films, motion pictures, video cassettes, slides, or similar photographic reproductions which are characterized by the depiction or description of "specified sexual activities" or "specified anatomical areas".

e. Adult theater, defined as a theater, concert hall, auditorium, or similar commercial establishment which regularly features persons who appear in a state of nudity or semi-nudity, or live performances which are characterized by the exposure of "specified anatomical areas" or by "specified sexual activities". For purposes of this definition, the following additional terms apply:

I. Nudity or a state of nudity means the showing of the human male or female genitals, public area, vulva, anus, anal cleft or cleavage with less than a fully opaque covering, the showing of the female breast with less than a fully opaque covering of any part of the nipple, or a showing of the covered male genitals in a discernibly turgid state.

-6-

2. Semi-node or semi-nude condition means the showing of the female breast below a horizontal line across the top of the areola at its highest point or the showing of the male or female buttocks. This definition shall include the entire lower portion of the human female breast, but shall not include any portion of the cleavage of the human female breast, exhibited by a dreast, blouse, skirt, leotard, bathing suit or other wearing apparel provided the areola is not exposed in whole or in part.

3. Specified anatomical areas means: the human male genitals in a discernibly turgid state, even if completely or opaquely covered; or less than completely and opaquely covered human genitals, public region, buttocks or a female breast below a point immediately above the top of the areola.

4. Specified sexual activities means any of the following: the fondling or other erotic touching of human ganitals, public region, buttocks, anus, or female breasts; sex acts, normal or perverted, actual or simulated, including intercourse, oral copulation, masturbation or sedomy; or excretory functions as part of or in connection with any of the activities previously mentioned in this definition.

2. Casino. A room or rooms in which any legal or illegal gambling game is carried on. For purposes of this definition, "gambling game" shall mean any game of chance, banking or percentage game played with cards, dice or any mechanical device or machine for money, property or any token or other representative of value.

3. Habitable attic. A finished space between the ceiling joists of the top story and the roof rafters which has a stahway or other permanent means of access and egress and in which the ceiling area is at a height of no less than 7 feet 6 inches above the floor.

4. Hotel. A facility offering transient lodging accommodations to the general public, which shall provide additional services, including restaurants, meeting rooms, recreational facilities, and may also provide other customary accessory uses.

5. Telecommunication Towars. Wireless communication facilities, including all structures and accessory facilities relating to the use of the radio frequency spectrum for the purpose of transmitting or receiving radio signals. This may include, but shall not be limited to, radio towers, television towers, telephone devices and exchanges, microwave relay facilities, telephone transmission equipment building and private and commercial mobile radio service facilities. Not included within this definition are: citizen band radio facilities; short wave receiving facilities; radio and television broadcast reception facilities; federally licensed amateur (hani) radio facility; satellite dishes; and governmental facilities which are subject to state and federal law or regulations which present municipal regulatory authority.

-7-

6. Telecommunication Antennas. A device to provide wireless communication that is affixed to buildings and structures that is visually unobtrustive and does not exceed the specified height limitations for each Tier by more than 6 feet, and not exceed the height of the rooftop utility equipment.

b. Laudscaping on the Land shall be as required in the Zoning Ordinance except as follows:

For every twenty (20) fact along Telegraph Road, within the forty (40) foot setback greenbelt from Telegraph Road, one (1) tree shall be required to be planted within a minimum ten (10) foot landscape buffer strip parallel to the street, taking into consideration the location of any roads or access drives. The ten (10) foot landscape buffer strip along Telegraph Road shall be accented by provisions of shrubbery and annual and/or perennial flowers and shall be irrigated underground.

2. When required, everyment trees shall be at least eight (8) to ten (10) feet in height and deciduous trees shall be at least three (3) inch caliper at the time of planting, provided, however, omamental deciduous trees shall be at least one and three-quarter (1-%) inch caliper at the time of their planting.

c. Lighting within the Land shall comply with the following requirements:

1. In all areas used for outdoor recreational activities, outdoor lighting shall be approved as part of Site Plan Review. Among other considerations, such review shall be conducted to ensure that such lighting does not unreasonably impact upon surrounding uses.

2. No ground mounted exterior lighting shall be permitted to illuminate exterior building walls above the first three (3) stories or forty-six (46) feet whichever is less. Exterior building illumination shall be approved as part of Site Plan Review. Among other considerations, such review shall be conducted to ensure that such lighting does not unreasonably impact upon surrounding uses.

3. All free standing exterior lighting and any supporting standards or bases shall not exceed a height of twenty (20) feet for property fronting Telegraph Road and for any building façade that faces Telegraph Road in Tier A. Exterior wall light fixtures may exceed the height of twenty (20) feet for property fronting Telegraph Road and for any building façade that faces Telegraph Road in Tier A when:

- a. the light source is completely shielded to only allow illumination of the building wall; and
- b. said lighting does not exceed a height of three (3) stories or fortysix (46) feet, whichever is less.

-8-

4: Lighting poles and standards on parking structure roofs are permitted at a height not to exceed twelve (12) feet when setback at least twenty (20) feet from the sides of the building and whose lights shall be shielded in a manner so as to illuminate only the roof parking area.

5. Any lighting provided for strict compliance with FAA requirements is exempt from this section.

d. Signage for all development within the Land shall comply with the following requirements:

1. Any sign directed toward off-site adjacent residential uses shall utilize backlit illumination or lighting directed at the signage face only.

2. Wall signs placed on any building shall not exceed the height of the building, and in no case shall wall signs be located above four (4) stories or at a height greater than fifty-eight (58) feet, whichever is less, except for signs that identify the name of the hotel or an office building and are designed as an integral part of the architectural design of the building. Building identification signage shall not be illuminated except for a movie theater, marquee sign, or a hotel sign located no higher than five (5) stories or at a height not greater than seventy-one (71) feet, whichever is less.

3. Wall, ground and temporary signs for buildings having Telegraph Road frontage shall be subject to Site Plan Review unless otherwise noted and shall comply as follows:

a. Wall signs shall not exceed six (6) percent of the total area of the street side fecade, including the area of all fenestration, and in no instance shall the wall sign exceed one hundred twenty (120) square feet in area for purposes of calculating total wall sign area.

b. Ground signs, including temporary ground signs, shall be solvable at least twenty-five (25) feet from the Telegraph Road right-of-way except for entrance signs referred to in paragraph 7.d.4 hereof. Ground signs shall not exceed five (5) ft. in height above the ground. The surface area of any permissible ground signs shall not exceed thirty-two (32) square feet per side, or sixty-four (64) square feet total per sign.

c. One (1) temporary sign advertising a building under construction having frontage on Telegraph Road may be erected for the period of construction and shall not exceed thirty two (32) square feet of total sign area. Such sign shall be crected on the building or lot where such construction is being carried on and shall advertise only the development name, architect, engineers, developer, owner, contractor, subcontractor or builder. No advertisement of any products may be included. Such signs shall not require site plan review.

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d. One (1) sign advertising the rental, sale or lease of development property, including individual tenant space(s) or buildings having sixteen (16) square feet of total sign area shall be allowed. Such signs shall be setback twenty-five (25) feet along the Telegraph Road frontage and removed within fourteen (14) days of the sale, rental, or lease. Such signs shall not require Site Plan Review.

e. Temporary interior business signs placed in the window of buildings having Telegraph Road frontage may not exceed ten (10) percent of the total window area of the front facade and shall not be displayed for more than fourteen (14) days. Such signs shall not require Site Plan Review.

f. Election or Political Campaign Signs announcing the candidates seeking public political office or political issue, and other data pertinent thereto, shall be confined to private property and be installed not more than thirty (30) calendar days prior to the election and shall be removed within three (3) business days after the date of the election. Signs shall not exceed four (4) square feet in area, per face with a maximum of two (2) faces, and five (5) ft. in height above the ground with no illumination. Such signs shall be set back at least fifteen (15) feet from the Telegraph Road right-of-way. Such signs shall not require Site Plan Review. Only one such sign shall be permitted per lot.

4. Not more than one (1) ground sign may be erected for identification of the development at each entrance drive, but not to exceed three signs. Such signs shall be setback at least fifteen (15) feet from the Telegraph Road street right-of-way, and the height and area of such signs shall be governed by paragraph 7.d, subparagraph 3.b. hereof.

e. Site Plan Review Application Process is governed by Section 7.118 of the Zoning Ordinance except:

1. Review shall be by the Joint Development Council, instead of the Planning Commission.

2. Six copies of any application shall be filed with the City Clerk, and 3 copies with the Township Clerk along with the site plan review fee established by resolutions of the Township Board and the City Commission. The current site plan review fee schedule in the City of Pontiac is attached as Exhibit F. The Township shall adopt an identical fee schedule by Board resolution and said review fee shall at all times represent normal in-house administrative costs and expenses. This review fee, but not the schedule, may be amended from time-to-time to cover increases in in-house administration costs and expenses but such fees shall not include reimbursement for any costs other than such in-house administrative costs and expenses. The City Clerk will forthwith deliver 3 copies to the Joint Development Council.

3. Applications will be reviewed for compliance with this Development Agreement and Pontiac's Town Center District requirements.

4. The Joint Development Council will schedule a public hearing, to be held in no less than 30 days and within 45 days of filing of the application, at a time and place to be designated by the Joint Development Council.

5. Each Clerk shall mail due notice of hearing to all property owners within 300 feet of the development property within such Clerk's respective jurisdiction. The respective Clerk's office shall keep an affidavit of mailing labels.

6. Each Clerk shall provide copies of any correspondence and of any reports and recommendations from the respective jurisdiction and its staff and consultants to the Joint Development Council and the applicant no later than the time of the public hearing.

7. The Joint Development Council will deliver to the City and Township copies of the Final Site Plan with signatures of the members of the Joint Development Council thereon, duly noting all conditions of approval, if any, and all variances granted, if any.

8. The Joint Development Council shall review site plans and proposed uses for all developments proposed for the Land. In addition to the site plan and application, the Joint Development Council may require the applicant to provide additional information to assure an adequate analysis of all existing and proposed site features, conditions and impacts. Any use which is permitted in the Zoning Ordinance, as limited by this Agreement, and any site plan which meets the standards contained in this Agreement and in the Zoning Ordinance shall be approved.

9. The Joint Development Council shall have authority to grant variances from the Zoning Ordinance pursuant to the standards set forth in Section 5 of the City and Village Zoning Act, MCL 125.585 (practical difficulties for non-use variances and unnecessary hardship for use variances) and the procedures therein set forth, except that any decision granting a variance shall be unanimous. There shall be no variances granted from the terms of this Agreement.

10. All references to the City Planning Commission in the Zoning Ordinance shall mean the Joint Development Council established pursuant to this Agreement and the 425 Agreement.

11. This Agreement shall inure to the benefit of and shall be binding upon the parties and their heirs, successors and assigns.

12. This Agreement constitutes the entire agreement between the parties hereto and, together with the Act 425 Agreement, constitutes the entire agreement between the City and the Township. It may not be amended or terminated except in a writing signed by all the parties hereto.

13. After the termination of the 425 Agreement for any reason, Sections 8, 9 and 10 of this Agreement shall terminate upon the establishment of jurisdiction in either the City or the Township, as provided for in the 425 Agreement, and upon such termination, the authority of the Joint Development Council shall devolve to the agencies of the surviving municipality responsible for site plan and other land use approvals and variances; provided however, that such municipality may grant variances from the Zoning Ordinance as provided by law after the Act 425 Agreement expires but the remainder of the terms of this Agreement shall remain in affect. In the event of conflict between this Agreement and the applicable Zoning Ordinance, the provisions of this Agreement shall control. Development pursuant to this Agreement, including uses and structures, shall be deemed to be lawfully conforming.

14. The Oakland County Circuit Court shall have jurisdiction for the purpose of enforcing and effectuating the terms of this Agreement except as may be provided in the Agreement for Conditional Transfer of Property between the Township of Bloomfield and Pontiac.

15. This Agreement shall be recorded with the Oakland County Register of Deeds and shall run with the land.

THIS 27 TH SIGNED AND SEALED THIS 27 DAY OF NOVEMBER, 2002, IN THE PRESENCE OF:

CAUTION: READ BEFORE SIGNING.

WITNESS:

HARBOR TELEGRAPH-2107 L.L.C.

Craig Schubiner, Managing Member

WITNESS:

WITNESS:

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BLOOMFDELD ACRES ACQUISITION COMPANY LL.C.

Craig Schubiner, Managing Member

HARBOR/TELEGRAPH-1881/LL.C.

Craig Schubiner, Managing Member

-13-

WITNESS:

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WITNESS:

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WITNESS:

WITNESS:

HARBOR TELEGRAPH-1899 LCC.

Craig Schubiner, Managing Member

HARBOR VOGUE PLAZA L.I.C

Graig Schubiner, Managing Member

CHARTER TOWNSHIP OF BLOOMFIELD David-Peyoto, Supervisor

Dan Devine, Jr., Treasurer

CITY OF PONTIAC vlayor man Viviau Spann, Clerk

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STATE OF MICHIGAN

OAKLAND COUNTY)

On this $2 \cap \mathcal{N}^{\dagger}$ day of November 2002 before me personally appeared Craig Schubingr. Managing Member, to me known to be the person described in and who executed the foregoing Development Agreement, on behalf of Harbor Telegraph-2103 L.L.C., Bloomfield Acres Acquisition Company, L.L.C., Harbor Telegraph-1881, L.L.C., Harbor Telegraph-1899, L.L.C and Harbor Vogue Plaza, L.L.C., and acknowledged that he executed the same as his free act and deed with full authority to, act on behalf of the hereinabove mentioned entities.

Notary Public, Oakland Count My comparison expires: Nelary Public, Macomo Gouniy, Mi My Commission Expires 09/29/2003

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55.

STATE OF MICHIGAN)

OAKLAND COUNTY)

On this 27^{11} day of November 2002 before me personally appeared David Payne, Supervisor of the Charter Township of Bloomfield and Dan Devine, Jr., Treasurer, of the Charter Township of Bloomfield, to me known to be the persons described in and who executed the foregoing Development Agreement, and acknowledged that they executed the same as their free act and deed with full/authority pursuant to Township Board Resolution.

Notary Public, Oakland County CHERVL C. HANSEN My commission expires: Nouny Public, Machine Douniy, Kil My Commission Expires 09/29/2008

99.

STATE OF MICHIGAN)

OAKLAND COUNTY

On this 27¹¹ day of November 2002 before me personally appeared Willie Payne, Mayor of the City of Pontiac, and Vivian Spann, Clerk of the City of Pontiac, to me known to be the persons described in and who executed the foregoing Development Agreement and acknowledged that they executed the same as their free act and deed with full authority pursuant to City Commission Resolution

-15-

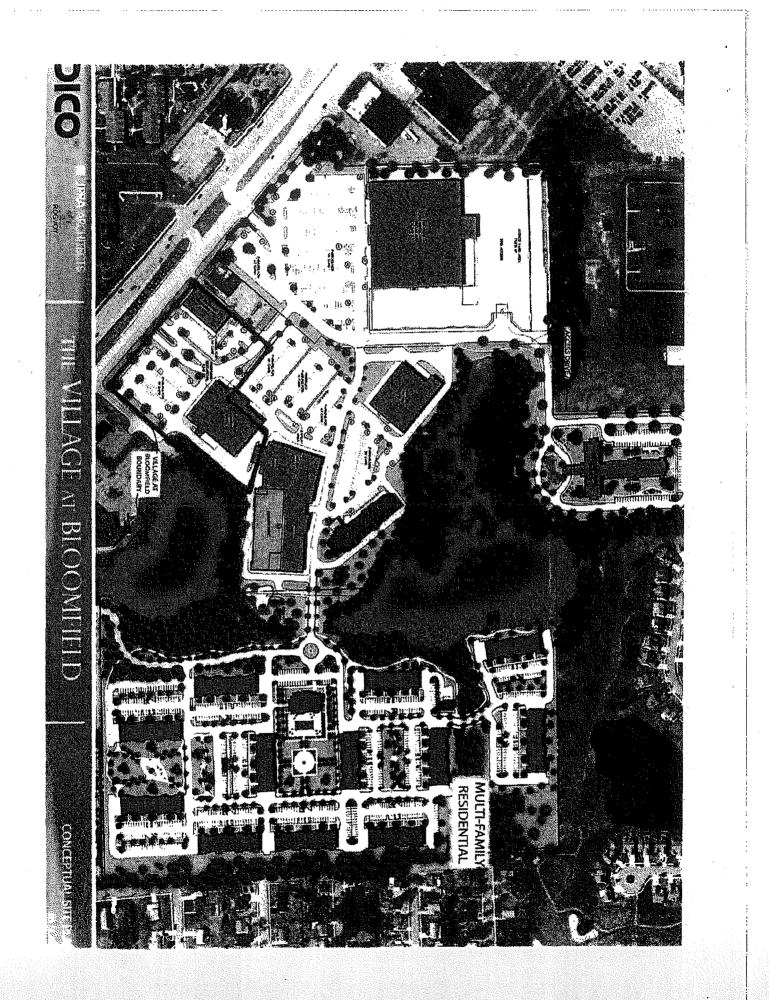
Notary Public, Oakland County My commission expires:

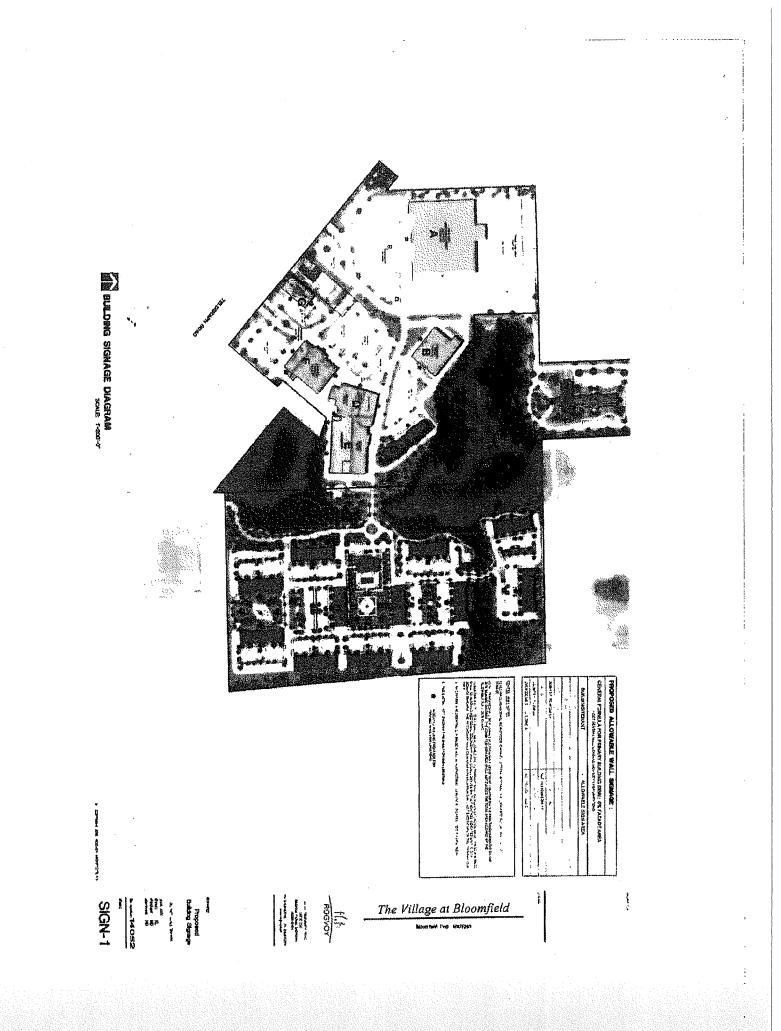
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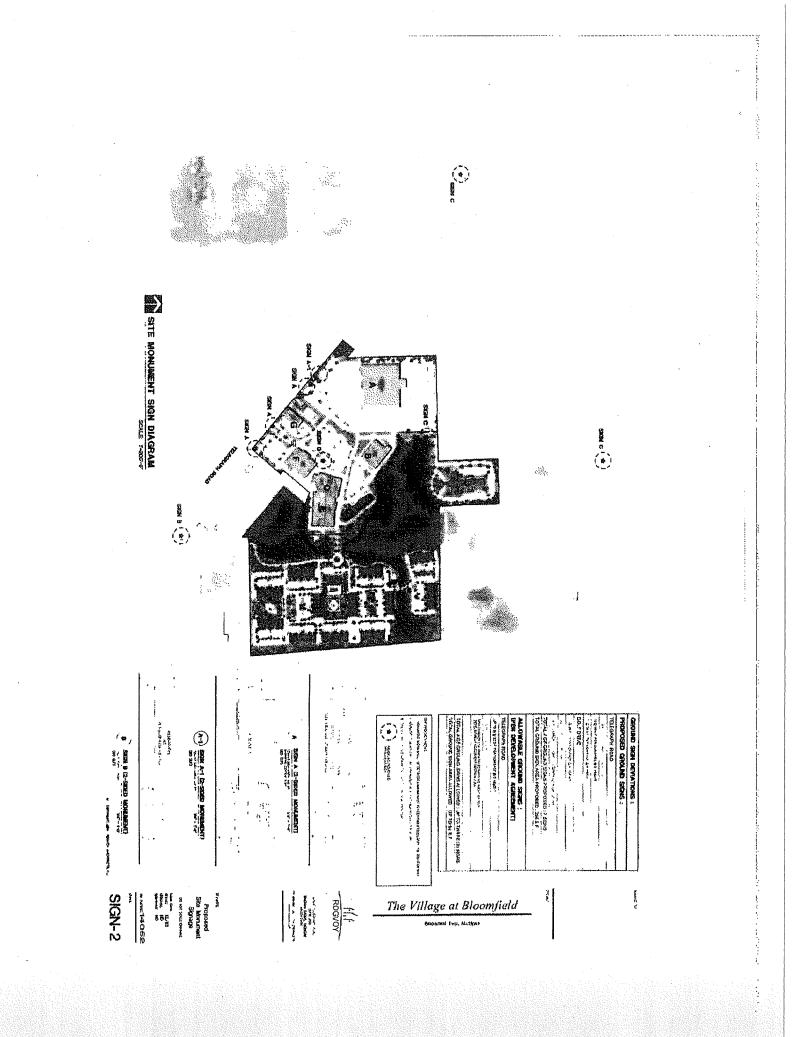
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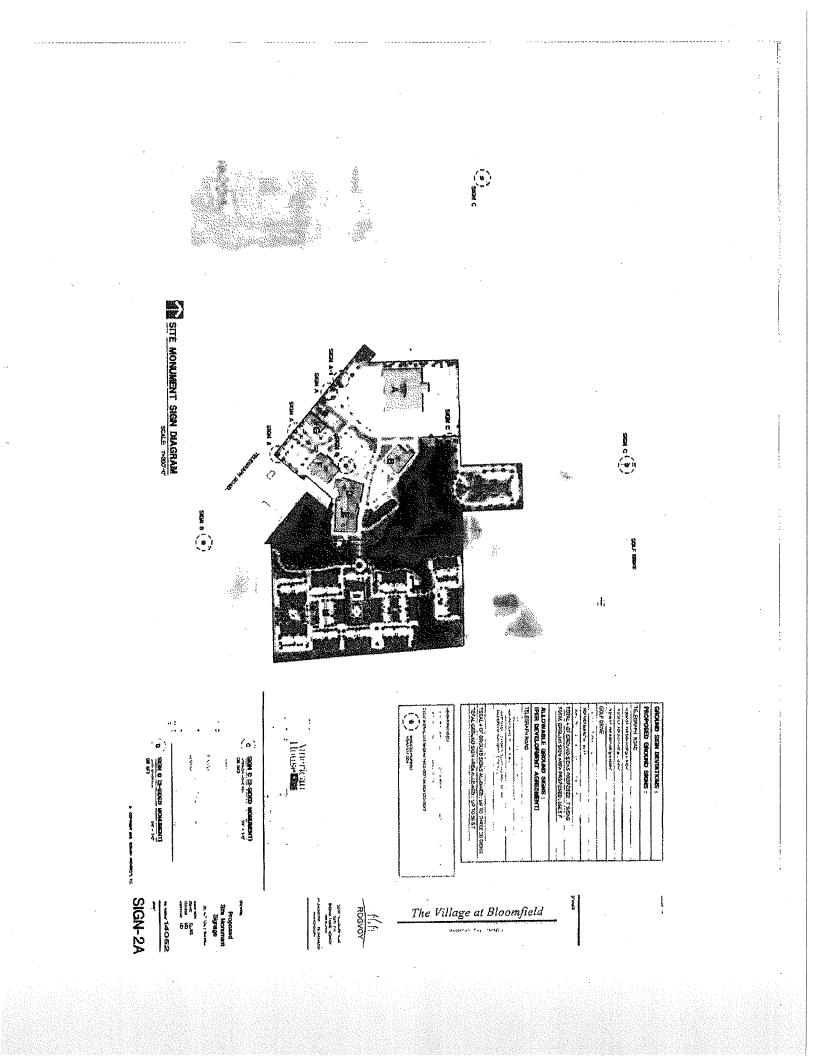
William P. Hampton, Esq. P.O. Box 3040 Farmington Hills, MI 48334-3040 (248) 851-9500

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The Village at Bloomfield Uses 06-13-16

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| Use | Use Subcategory | Municipality | Zoning | Units | Square Footage | Acres | Notas |
|-------------|---|----------------------------|----------|-------|----------------|-------|---|
| Residential | Apartments / Multifamily | Pontiac | TC | 432 | 422,280 | 32.5 | Multiple buildings |
| Residential | Assisted Living | Pontlac | TC | 100 | 110,000 | 5.2 | |
| Retail | Speciality Retail (Automotive Dealer & Service) | Pontiac | TC | | 34,270 | 10.8 | Building D |
| Retail | General | Pontiac | TC | | 14,090 | | Building D |
| Commercial | Office / Retail / General Commercial | Pontiac | TC | | 29,976 | | Building D |
| Retail | General | Pontiac | TC | | 32,000 | | May include theater |
| Retail | Home Improvement | Pontiac | TC | | 236,640 | 15.7 | |
| Hospitality | Limited Service Hotel | Pontiac | τc | 120 | 80,000 | 3.0 | |
| Vacant | Regulated wetland / pond | Pontiac | TC | | • | 12.5 | |
| Vacant | Regulated wetland / pond | Bloomfield Township | R-P | | • | 3.2 | |
| Retail | General | Bloomfield Township | B-3, B-4 | | 20,876 | 5.1 | |
| Retail | Market grocery | Bloomfield Township | B-3, B-4 | | 28,400 | | Note that +/- 5,000 sf may be situated in Pontiac |
| | • | | | | 1,008,532 | 88.0 | |

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| 5 | | * | OC BoC | Approval of Brownfield P | lan Oda | ıys | Wed 10/26/16 | Wed 10/26/16 | | | • | 19/26 | | | |
| 6 | | * | Amend | Development Agreement | : 5៣ | 200 | Fri 6/10/16 | Thu 10/27/16 | | | (International Internation | £ | | | |
| 7 | | <u>بنا</u> ۲ | | Amended DA | 0 da | shz | 7hu 10/27/16 | Thu 10/27/15 | | | 1 | 10/27 | | | |
| 8 | | ł. | Master | Plan Approval | 3 m | ons | Fri 10/28/16 | Thu 1/19/17 | | | . 1 | | | | |
| 9 | | * | | h Land Sales | C da | зyş | Thu 1/19/17 | Thu 1/19/17 | | | | 1/19 | | | |
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| 13 | | ÷ | Infrastr | ucture Construction | . б т | ons | fri 2/17/17 | Thu 8/3/17 | | | | <u> Herrowski</u> | | | : |
| 14 | | 19.7 19.7 | Retail/Off | ice | 316 | days | Thu 11/3/16 | Thu 1/18/18 | | | • | | | inde and a second s | |
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| 33 | | 塘门 | Openir | | | laγs | Wed 10/10/18 | | | | | | | | • 10/10 |
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Bloomfield Township Board of Trustees

Meeting at Township Hall

Monday, September 12, 2016-7:00 P.M.

PLEDGE OF ALLEGIANCE

- 1. Approve Board Minutes of August 22, 2016
- 2. Michigan Patriot Week Resolution Presented by Judge Michael Warren
- <u>PUBLIC HEARING</u> Rezoning and Final Site Plan for a New Parking Lot for Evola Music, Vacant Parcel at Bloomfield Place Drive and Telegraph Road – Presented by Patti Voelker, Planning, Building & Ordinance Director
- 4. Consider Approval of Public Safety Answering Point Agreement Presented by Meg Fouss, Dispatch Supervisor
- 5. Attorney's Report
- 6. Cursory Review of the Village at Bloomfield Master Plan Proposal Presented by Patti Voelker, Planning, Building & Ordinance Director
- 7. Consider Acceptance of Petition for Special Assessment District (S.A.D.) 416 Sanitary Sewer Extension on Larkwood Court Presented by Olivia Olsztyn-Budry, Township Engineer
- 8. Consider Refunding UTGO Series 2007 Township Campus Bonds and LTGO 2008 A Water Bonds and 2008 B Sewer Bonds Presented by Supervisor Savoie
- Consider Approval of the December 1, 2016 Millage Rate for the Bloomfield Village Police and Volunteer Fire Services for the Fiscal Year April 1, 2016 to March 31, 2017 – Presented by Supervisor Savoie
- 10. Approve Payroll and Vouchers for 09/12/2016
- 11. Public Comment
- 12. Adjourn to Closed Session to Discuss Attorney/Client Opinion Regarding the Defined Benefit Plan

Included in Packet:

• Oakland County Resolution – Tri-Party Road Improvement Program FY 2016 Appropriation – Replacement of Culvert Crossing at Overbrook Rd.

4200 Telegraph Road Bloomfield Hills MI 48302 www.bloomfieldtwp.org

Bloomfield Township Board of Trustees Meeting

September 12, 2016 Page 7

WHEREAS, Oakland County provides 9-1-1 service supporting PSAPs within the County pursuant to the Emergency 9-1-1 Service Enabling Act, Public Act 32 of 1986, MCL 484.1101, et seq., as amended; and

WHEREAS, due to changes in technology, upgrades to the County's 9-1-1 system are being made to allow digital information so that voice, photos, videos, and text messages may flow seamlessly from the public, through the 9-1-1 network, and on to emergency responders identified as Next Generation 911 (NG911); and

WHEREAS, as part of the implementation of the NG911 upgrades, all PSAPs participating in the County 9-1-1 Plan will need to upgrade call processing equipment to equipment that is common among the County PSAPs and compatible with the NG911 upgrades; and

WHEREAS, the County has proposed a Public Safety Answering Point Agreement between Oakland County and each PSAP outlining obligations of the parties for the upgrade to NG911.

NOW, THEREFORE, BE IT RESOLVED, that the Township Board for the Charter Township of Bloomfield hereby approves the Public Safety Answering Point Agreement between Oakland County and the Charter Township of Bloomfield, and authorizes the execution of the Agreement on behalf of the Township by the Township Supervisor and Township Clerk.

AYES: Barnett, Buckley, Devine, Kepes, Roncelli, Savoie NAYS: None

RESOLUTION DECLARED ADOPTED.

I, JANET M. RONCELLI, TOWNSHIP CLERK of the Charter Township of Bloomfield, County of Oakland, Michigan, do hereby certify the foregoing is a true and correct copy of a resolution adopted by the Board at their regular meeting held on the 12th day of September 2016, the original of which is in my office.

> JANET M. RONCELLI, MMC TOWNSHIP CLERK

/ ITEM #5 Attorney's Report

Attorney Hampton provided an update on the consent judgment for the Village at Bloomfield and a Motion to Dismiss the *Artzberger* case involving the Sacred Heart property.

Bloomfield Township Board of Trustees Meeting

September 12, 2016 Page 8

ITEM #6 Cursory Review of the Village at Bloomfield Master Plan Proposal

Patti Voelker, Planning, Building & Ordinance Director, made the presentation. Pursuant to the 425 Agreement of 2002, plans for development of the subject property will be reviewed and approved by the Joint Development Council which is made up of a representative from the City of Pontiac (Mayor Deirdre Waterman), a neutral representative (Dennis Cowan), and the Bloomfield Township's representative is Supervisor Leo Savoie.

As with the previous Bloomfield Park development proposal, the Township has established a policy to forward the Master Plan (Site Plan Concept) and the subsequent site plans to the Planning Commission and Township Board for input to be provided to the Joint Development Council through the Township's representative.

REDICO has submitted the Village at Bloomfield Master Plan (Site Plan Concept) that lays out the commercial and multiple family residential components of the development and identifies potential buildings and likely uses for each building. The development and use of the property is subject to the City of Pontiac's Town Center District Zoning Ordinance, except where the 425 Agreement may otherwise specify. The residential and non-residential uses are considered permitted uses in the Town Center District.

The master plan shows a potential for 432 residential dwelling units, or 422,280 square feet of multiple family residential apartments along with 510,522 square feet of commercial uses comprised of retail, restaurant, hotel and other non-residential uses. The two southerly buildings closest to Telegraph Road are located within the portion of the project area that falls within Bloomfield Township on property zoned B-3 General Business and RP Research Park. This will require a separate site plan application to the Planning Commission and Township Board for approval. The proposed senior living facility building at the northerly boundary also falls outside the Joint Development Council project area and is under the City of Pontiac's jurisdiction.

It was reported that most of the existing structures currently on site will likely be removed except for one building that could be adapted and reused to meet the development plan. As leasing commitments are still underway, the developer provided a land use chart noting the potential buildings and uses proposed for the Village at Bloomfield.

As presented, the proposed master plan addresses the general terms of the 425 Agreement for the overall plan. Based on the information presented to the Joint Development Council to-date, the Developer will be seeking consideration from the Joint Development Council to amend the Development Agreement to address such issues as: reducing the 1,100 square foot minimum residential unit size for the proposed

Bloomfield Township Board of Trustees Meeting

September 12, 2016 Page 9

multiple family units; allowing the potential of a second hotel and a limited service hotel (i.e., without a restaurant); allowing less than a minimum 30 ft. building height; and allowing additional signage.

Tim McCafferty, Senior Project Manager, REDICO, addressed the Board regarding the proposal.

Treasurer Devine addressed McCafferty with questions regarding the development proposal. He also noted that a Brownfield Authority meeting was being held at Oakland County regarding tax abatement for this property.

Attorney Hampton replied that if a Brownfield was approved by Oakland County, it would only apply to the City of Pontiac. The Township negotiated an agreement with Pontiac to receive 3 mills in property taxes and will resist any effort to circumvent the agreement if a Brownfield is adopted.

The following people addressed the Board regarding this Item:

- Alice Wachol, 1782 Maplewood Ave.
- Linda Ulrey, 1236 Hidden Lake Dr.
- Marcia Robovitsky, 7449 Deep Run
- David Thomas, 2945 W. Hickory Grove Rd.

Supervisor Savoie stated that no proposed changes have been presented to the Joint Development Council (JDC). No changes will be agreed to until they are brought before the Board of Trustees at a public meeting and are decided collectively by the Board. The developer has had discussions, but a proposal hasn't been presented.

ITEM #7 Consider Acceptance of Petition for Special Assessment District (S.A.D.) 416 Sanitary Sewer Extension on Larkwood Court

Olivia Olsztyn-Budry, Township Engineer, made the presentation. A request was received from John Allen, property owner of 3590 Larkwood Court, to prepare an official petition to create a special assessment district to extend public sanitary sewer along Larkwood Court. The petition is to serve two properties, 3570 Larkwood Court and 3590 Larkwood Court, with no access to public sanitary sewer.

The Township Assessor reviewed the petition and confirmed on August 25, 2016, the sufficiency of the petition to satisfy the requirements of Public Act 188 of 1954. The proposed special assessment district consists of two (2) properties with an estimated assessment of \$64,600 per site.

Marcia Robovitsky, 7449 Deep Run, addressed the Board regarding this item.

Draft - 9-7-16

CHARTER TOWNSHIP OF BLOOMFIELD PLANNING COMMISSION MEETING

Wednesday, September 7, 2016 (Excerpt)

Bloomfield Township Hall

IV. Cursory Review

A. Village at Bloomfield Master Plan Proposal

Ms. Voelker presented the conceptual master plan for the Village at Bloomfield prepared by Redico, the new owners of the property located on the northeasterly side of Telegraph Road and north of Square Lake Road (formerly known as Bloomfield Park). Ms. Voelker stated the owners are subject to the conditions of a 425 Agreement approved in 2002 between Bloomfield Township and the City of Pontiac with oversite by Oakland County. Approximately 78 acres are within the 425 Agreement area with 5 acres within Bloomfield Township boundary. The 425 Agreement is överseen by the Joint Development Council (JDC) and is made up of Bloomfield Township Supervisor, Leo Savoie, Pontiac Mayor, Deirdre Waterman and Dennis Cowan.

The conceptual master plan which has been presented to the JDC incorporates a mix of land uses to include multiple family residential units, a variety of commercial uses to possibly include retail, a hotel, a grocer, and restaurants. Ms. Voelker stated the majority of the site will be reviewed under the City of Pontiac's Town Center Ordinance. The plan also identifies a senior housing facility to be located just outside of the 425 area to the north.

Tim McCafferty, Senior Project Manager for Redico, reviewed the proposal and expected time frame for development of the project.

Mr. Selfk asked what the height of the tallest building would be, not including the parking deck that is to remain.

Mr. McCafferty stated the Town Center Ordinance was designed for the previous. development meant to be denser and taller. It therefore prescribes higher buildings than are being considered with the new development. The concept plan showing the hotel located toward the interior of the property may be 7 stories, and the out lot buildings closer to Telegraph Road may be 24 feet.

Mr. Barnett asked what the proposed uses would be within the Bloomfield Township boundary.

CHARTER TOWNSHIP OF BLOOMFIELD PLANNING COMMISSION September 7, 2016 DRAFT Page 2 of 2

Mr. McCafferty stated the uses within Bloomfield Township would likely be a combination of small to mid-box retailers and possibly a grocer.

Mr. Petinga asked about the style of hotel being proposed.

Mr. Dale Watchowksi, President and CEO of Redico, stated the hotel would be marketed towards the business traveler.

Mr. Petinga asked what the priority was for Redico for this project and complimented their work on the project to date.

Mr. McCafferty stated it was of high importance for Redico and considers it a great project for the area.

Mr. Selik stated he was pleased that Redico purchased the property.

Dr. Petinga opened the floor for public comment.

Marcia Robovitsky, 7449 Deep Run, spoke regarding the Village at Bloomfield Conceptual Master Plan.

Leo Savoie, Bloomfield Township Supervisor, spoke regarding the Village at Bloomfield Conceptual Master Plan being presented to the JDC.

Per the Michigan Township Association Record Retention General Schedule #25, audio recordings of Board minutes may be destroyed one day after the date that the meeting minutes are approved by the public body (MCL 15.269).

Respectfully submitted, Patricia Voelker, Director Planning, Building, and Ordinance

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September 15, 2016

Mr. Dennis Cowan Chair, Bloomfield Joint Development Council 38505 Woodward Ave., Suite 2000 Bloomfield Hills, MI 48304

Ms. Patti Voelker Planning, Building and Ordinance Director Bloomfield Township Building Division P.O. Box 489 4200 Telegraph Rd. Bloomfield Township, MI 48303-0489

Mr. James Sabo City Planner City of Pontiac 47450 Woodward Ave Pontiac, MI 48342

Dear Dennis, Patti and James:

REDICO on behalf of Bloomfield Village Owner, LLC (BVO) is seeking formal Joint Development. Council approval of the attached preliminary site plan for The Village at Bloomfield. The site area specifically under the jurisdiction of Bloomfield Township is outlined in heavy black.

REDICO believes that the following amendments to the Joint Development Agreement dated November 27, 2002 will be required to allow for the implementation of the site plan as submitted:

- Joint Development Agreement Section 2.a establishes minimum residential dwelling unit sizes of 1,100 square feet. BVO proposes a minimum standard of 650 square feet per residential unit and an affirmation that minimum sizes for residential units do not apply to senior housing facilities with services.
- 2. Although multiple hotel uses are not indicated on the preliminary site plan, BVO requests that Joint Development Agreement Section 2.f be revised to allow for the construction of more than one hotel. Additionally, the amendment to this section should clarify whether a hotel is defined by providing some or all of the various on-site services described therein. If the Agreement is interpreted as narrowly defining hotel to exclude "limited-service" concepts, BVO is requesting that it be amended accordingly.

ONE TOWNE SQUARE | SUITE 1600 | SOUTHFIELD | MICHIGAN | 48076 | 1 248 827 1700 | 1 248 827 1717 WWW.REDICO.COM

- 3. Joint Development Agreement Section 3 sets a minimum 30 foot height requirement. BVO is requesting that this requirement be waived.
- 4. Section 7.c.3 limits free standing lights to a 20 foot height. BVO is requesting an amendment to allow for 30 foot free standing lights.
- 5. With respect to the signage standards outlined in the Joint Development Agreement:
 - a. Section 7.d.2 restricts wall signs to the lesser of four stories or 58 feet. BVO requests an amendment allowing one wall sign for the Building D parking structure be made available to a single user located in or proximate to Building D. This wall sign would be located at a height of up to ten stories/100 feet in height and up to 200 square feet in sign area. Additionally, Section 7.c.2 restricts the illumination of exterior building walls to three stories or 46 feet and BVO requests that this restriction be waived in this instance.
 - b. Section 7.d.3.a limits wall signs to 6% of façade area, not to exceed 120 square feet. BVO request an amendment that permits wall signs up to 600 square feet if less than or equal to 6% of façade area. Additionally, BVO requests an amendment permitting wall signs on each façade that faces Telegraph Road or is internal to the commercial development.
 - c. Section 7.d.3.b limits ground signs to 5 feet in height, 32 square feet per side. BVO requests an amendment allowing one ground sign at each of three commercial entrance drives (labeled "A" in the attached Building Signage Plan) each up to 8 feet high with 60 square feet of sign area per side. These signs may be internally illuminated and may consist of painted aluminum panels that are partitioned for various commercial tenants.

| Land Use | Municipality | GLA (sf) | Surface Parking | Deck Parking | Total Parking | Parking Ratio (per 1,000 sf) |
|--|-----------------------------|----------|--------------------|-----------------|------------------|------------------------------------|
| Home Improvement Retail | Pontiac | 236,640 | 454 | 0 | 454 | 1.9 |
| Retall Building | Pontlac | 32,000 | 143 | 0 | 143 | 4.5 |
| Luxury Auto Dealer | Pontiac | 24,000 | 91 | 210 | 301 | 12.5 |
| Building D Retail | Pontiac | 24,000 | 62 | 130 | 192 | 8.0 |
| Building D Office / Commercial | Pontiac | 30,000 | 0 | 180 | 180 | 6.0 |
| Retail / Theater Building | Bloomfield Twp / Pontiac | 28,400 | 101 | 126 | 227 | 8.0 |
| Hotel | Pontiac | - | 15 | 105 | 120 | N/A |
| Retail Building | Bloomfield Twp | 8,316 | 67 | 0 | 67 | 8.1 |
| Retail Building | Bloomfield Twp | 12,560 | 102 | 0 | 102 | 8.1 |
| Surplus Deck Spaces | Pontiac | <u></u> | 0 | 307 | 307 | N/A |
| And the second | | 395,916 | 1,035 | 1,058 | 2,093 | 5.3 |

If in your review you identify any other amendments to the Joint Development Agreement that may be required for the uses contemplated in this plan, your guidance in this regard would be greatly appreciated. Please feel free to give me a call should you have any questions or concerns.

Sincerely,

Kymmeth

Kenneth G. Till Senior Vice President Development

Atchs: (4)

cc: James Nearon

SECREST SWARDLE

2600 Troy Center Drive P.O. Box 5025 Troy, MI 48007-5025 Tel: 248-851-9500 Fax: 248-251-1831 www.secrestwardle.com

October 17, 2016

JENNIFER C. HILL Direct: 248-539-2838 jhill@secrestwardle.com

Wayne Domine, Engineering and Environmental Director Charter Township of Bloomfield 4200 Telegraph Road P.O. Box 489 Bloomfield, MI 48303

Re: Vacation of Southeasterly Portion of Hood Road Our File No. 5284 BLT

Dear Mr. Domine:

Enclosed please find a resolution vacating the southeasterly portion of Hood Road and relevant documents for placement on the October 26, 2016 agenda.

On July 8, 1999, the Road Commission of Oakland County abandoned this portion, and Village of Bloomfield has requested that the Township vacate it as well. Bloomfield Village Owner, LLC, a developer of Village of Bloomfield, filed a suit against the Township as required by the statutes simply seeking the vacation of these roads, and in addition, the statutes require that in order to vest said title in the owners, the Township must pass a resolution vacating same.

The case law and statutes are clear that if the road is abandoned in a plat, title to the land attaches to the abutting property owners. In order to vacate the road, the Township simply needs to determine that the vacation is necessary for the health, welfare, comfort, and safety of the people of the Township to discontinue the existing street. MCL 560.257. This is set forth in the attached resolution.

Once the resolution is passed, please let me know if you would like me to send the resolution for recording with the Register of Deeds or to the State as required by the statute. Wayne Domine October 17, 2016 Page 2 of 2

As always, if you have any questions or concerns regarding anything contained herein, please do not hesitate to contact me.

Very truly yours,

Jennifer C. Hill

Jennifer C. Hill

JCH: tmj

cc:

Leo Savoie, Township Supervisor Jan Roncelli, Clerk Wayne Domine, PE Olivia Olstyn-Budry, PE William P. Hampton, Esq

3772827_1

CHARTER TOWNSHIP OF BLOOMFIELD

RESOLUTION

VACATION OF SOUTHEASTERLY PORTION OF HOOD ROAD

WHEREAS, pursuant to the provisions of the Land Division Act, more specifically, MCL 560, Sections 253, 256 and 257, this Township Board does hereby declare and determine that there is presently no need for the land dedicated to the use of the public described as a southeasterly portion of Hood Road and below described as follows:

Part of a 60.00 foot wide public roadway, presently known and originally platted as Hood Road located in "Bloomfield Acres", a subdivision of part of the SW ¼ of the NW ¼ of Section 5, T2N, R10E, Bloomfield Township, Oakland County, Michigan, according to the plat thereof, as recorded in Liber 41 of Plats, page 49, Oakland County Records, being more particularly described as beginning at the most Southerly corner of Lot 32 of said subdivision; thence S.39°45'30"W, 60.00 feet to a point on the NE line of Lot 35; thence N.50°14'30"W., 443.09 feet to the most Northerly corner of Lot 39; thence N. 39°45'30"E., 60.00 feet to a point on the SW line of Lot 28; thence S. 50°14'30"E., 443.09 feet to the most Southerly corner of said Lot 32 and point of beginning. (See Exhibit A)

WHEREAS, the Board of the County Road Commissioners for the County of Oakland, a public body, adopted a Resolution on July 8, 1999 determining and declaring that it was in the best interest of the public to absolutely abandon and discontinue the use of this portion of Hood Road, a 60 foot wide platted, public road, as provided by MCL 224.18; and

WHEREAS, the Board of County Road Commissioners of the County of Oakland, Michigan has abandoned said portion of Hood Road; and

WHEREAS, the Township Board has jurisdiction in the instant case to vacate the Road in question as the Road has been dedicated for public use and no parts of such Road is within 25 meters of a lake or the general course of a stream; and



July 5, 2016

P.O. Box 5025 Troy, M1 48007-5025 Tel: 248-851-9500 Fax: 248-538-1223 www.sccrcstwatdle.com

2600 Troy Center Drive

This correspondence is subject to the attorney/client privilege and is exempt from disclosure under the Freedom of Information Act

William P, Hampton Direct: 248-539- 2826 whampton@secrestwardle.com

Patricia Voelker Planning, Building & Ordinance Director Charter Township of Bloomfield 4200 Telegraph Road P.O. Box 489 Bloomfield Township, MI 48303-0489

Re: Variances, Amendments and Clarifications - Village of Bloomfield

Dear Patti:

I have now had the opportunity to review your June 29, 2016 draft concerning the above-captioned matter.

In reviewing your draft, I have also reviewed the following documents:

- 1. Development Agreement dated November 27, 2002;
- 2. Act 425 Agreement;
- 3. Pontiac Town Center District Zoning Ordinance;
- 4. Bloomfield Township Zoning Ordinance;
- 5. Development Agreement dated April 17, 2008.

First of all, inasmuch as the memorandum dated June 11, 2016 from the developer requests various variances, it is important to take into consideration Paragraph 9 of the November 27, 2002 Development Agreement which reads as follows:

9. The Joint Development Council shall have authority to grant variances from the Zoning Ordinance pursuant to the standards set forth in Section 5 of the City and-Village Zoning Act, MCL – 125.585 (Practical Difficulties for Non-Use Variances and Unnecessary Hardship for Use Variances) and the procedures therein set forth, except that any decision granting a variance shall be unanimous. There shall be no variances granted from the terms of this Agreement. (emphasis supplied).

COUNSELORS AT LAW

Ms. Patricia Voelker July 5, 2016 Page Two

In addition, it is my understanding that the Pontiac Town Center ordinance has been amended since November 27, 2002, when it was incorporated as Exhibit D to the November 27, 2002 Development Agreement. While I have not examined any amendments since that date to the Town Center ordinance, it is my opinion that any such amendments occurring after November 27, 2002 would not be applicable to the subject proposed development.

After reviewing all of the aforesaid documents, I have reviewed your June 29, 2016 draft as it relates to residential unit size restrictions, use restrictions, architectural design restrictions, lighting-signage, parking, together with other issues primarily relating to the Emanuel Baptist Church of Pontiac.

I am in complete agreement that you have properly addressed the June 11, 2016 master plan submission.

The major hurdle, of course, is that the developer with respect to residential unit size restrictions is requesting a waiver and in the case of the one hotel which is permitted, the developer is requesting a revision to the Development Agreement to allow for the construction of more than one hotel, just to name a few of the issues.

Consequently, to the extent that the June 11, 2016 master plan submission varies in various ways to the Development Agreement, an amendment to the Development Agreement would be required inasmuch as Paragraph 9 is quite precise in stating that there shall be no variances granted from the terms of the Development Agreement.

Please advise if I can be of further assistance with respect to these issues.

Very truly yours,

WILLIAM P, HAMPTON

WPH/jh cc: Leo Savoie, Supervisor 3638697_1



Bloomfield Township

Memorandum

To: Leo Savoie, Township Supervisor
From: Patti Voelker, Director of Planning, Building and Ordinance
Subject: Cursory Review – Village at Bloomfield Master Plan Proposal
Date: September 8, 2016

Background Information

Pursuant to the 425 Agreement of 2002, plans for development for the subject property will be reviewed and approved by the Joint Development Council which is made up of a representative from City of Pontiac (Mayor Deirdre Waterman), a neutral representative (Dennis Cowan), and the Bloomfield Township's representative is Supervisor Leo Savole.

As with the previous Bloomfield Park development proposal, the Township has established a policy to forward the Master Plan (site plan concept) and the subsequent site plans to the Planning Commission and Township Board for input to be provided to the Joint Development Council through our representative.

Master Plan, Land Use and Zoning

REDICO has submitted the Village at Bloomfield Master Plan (Site Plan Concept) that lays out the commercial and multiple family residential components of the development and identifies potential buildings and likely uses for each building. The development and use of the property is subject to the City of Pontiac's Town Center District Zoning Ordinance, except where the 425 Agreement may otherwise specify. The residential and nonresidential uses are considered permitted uses in the Town Center District.

The master plan shows a potential for 432 residential dwelling units, or 422,280 sf of multiple family residential apartments along with 510,522 sf of commercial uses comprised of a retail, restaurants, hotel, and other non-residential uses. The two southerly buildings (49,276 sf) closest to Telegraph Road are located within the portion of the project area that falls within Bloomfield Township on property zoned B-3 General Business and RP Research Park. This will require a separate site plan application to the Planning Commission and Township Board for approval. The senior living facility building at the northerly boundary also falls outside the Joint Development Council project area and is under the City of Pontiac's jurisdiction.

It was reported that most of the existing structures currently on site will most likely be removed except for one building that could be adapted and reused to meet their development plan. As leasing commitments are still underway, the developer has provided a land use chart noting the potential buildings and uses proposed for the Village at Bloomfield.

As presented, the proposed master plan addresses the general terms of the 425 Agreement for the overall plan. Based on the information presented to the Joint Development Council to-date, the Developer will be seeking consideration from the Joint Development Council to amend the Development Agreement to address such issues as: reducing the 1,100 sf minimum residential unit size for the proposed multiple family Cursory Review - Village of Bloomfield Master Plan Proposal September 8, 2016

units; allowing the potential of a second hotel and to allow a limited service hotel (i.e., without a restaurant); allowing less than a minimum 30 ft. building height; and allowing additional signage.

Planning Commission Comments

At their September 7, 2016 meeting, the Planning Commission had an opportunity to review the master plan information with representatives from Redico and offered comments as noted in the attached minutes.

Township Board Consideration

It is recommended that the Township Board review the proposed master plan information for the Village at Bloomfield and determine what comments may be provided to the Township's Joint Development Council representative.

Bloomfield Township Board of Trustees



Study Session Meeting at Township Hall Auditorium

Monday, November 14, 2016 - 2:00 P.M.

AGENDA

1. Proposed Amendments to the Development Agreement for Village at Bloomfield

2. Public Comment

4200 Telegraph Road Bloomfield Hills MI 48302 www.bloomfieldtwp.org



Bloomfield Township

<u>Memorandum</u>

To: Leo Savoie, Township Supervisor

From: Patti Voelker, Director of Planning, Building and Ordinance

Subject: Study Session: Proposed Amendments to the Development Agreement for Village at Bloomfield

Date: October 26, 2016

The Village at Bloomfield master plan shows a potential for 432 residential dwelling units, or 422,280 sf of multiple family residential apartments along with 510,522 sf of commercial uses comprised of a retail, restaurants, hotel, and other commercial uses. The development and use of the property is subject to the City of Pontiac's Town Center District Zoning Ordinance, except where the 425 Development Agreement may otherwise specify. The portion that falls within Bloomfield Township will be subject to the B-3 General Business District and local site plan review.

Proposed Amendments to the Development Agreement

The memorandum dated September 15, 2016 identifies the proposed uses that meet the general uses specified in the Agreement or the Town Center Ordinance as applicable. The Joint Development Council will be asked to consider a proposed luxury auto dealer, located within Building D with the vehicle storage to be enclosed in the renovated parking structure (Building E), as a special exception use requiring approval by the Joint Development Council. The Town Center ordinance permits retail businesses whose principal activity is the sale of new merchandise in an enclosed building. Outdoor service and sale establishments are noted as possible distractions or interference with the high intensity of pedestrian activity designed for the District. The developer proposes to conduct all sales within an enclosed building and store vehicle merchandise within the parking structure. The Special exception approval allows retail stores or services that are not otherwise permitted to be approved if conclusively found to be compatible with the intent of the District per Sec. 7.115.7 of the Town Center Ordinance.

In a subsequent memorandum dated October 10, 2016, further information was provided to address the proposed amendments. We offer the following review and comments:

- 1. Section 2 a. establishes a minimum dwelling unit size of 1,100 sf.
 - a. Proposed preliminary square footage for three rental apartment dwelling unit sizes and suggested monthly rental rates are:
 - i. 216 One bedroom units at 700 to 780 sf for \$830-\$900/mo.
 - ii. 192 two bedroom units at 950 to 1,150 sf for \$1,075-\$1,230/mo.
 - iii. 24 three bedroom units at 1,250 to 1,300 sf for \$1,315 \$1,365/mo.

1

b. The Town Center Ordinance (Section 7.117.11) requires the minimum usable floor area per dwelling unit to be 1,000 sf for a two or more bedrooms unit and 800 sf. for a one bedroom dwelling unit.

Study Session: Proposed Amendments to the Development Agreement for Village at Bloomfield October 26, 2016

- 2. Section 2.f. allows the construction of 1 hotel.
 - a. Redico has withdrawn their request for a second hotel.
- 3. Section 7.a.4. notes the definition of Hotel that requires additional services including restaurants, meeting rooms, recreational facilities, and other customary accessory uses.
 - a. A limited-service hotel is proposed with customary services and amenities excluding an attached restaurant.
- 4. Section 3 establishes a minimum building height of 30 ft. for all buildings within the Development Agreement project area.
 - a. The proposed smaller retail Building G shown on the master plan nearest to Telegraph Road falls within Bloomfield Township and is subject to the maximum building height of 32 ft. A proposed building height of less than 30 ft. would comply.
 - b. A majority of proposed Building F falls within Bloomfield Township and is subject to the maximum building height of 32 ft. The portion of Building F that falls outside the Township boundaries would be subject to the 30 ft. minimum height.
 - c. The Town Center Ordinance (Section 7.117.9) requires that no building will be less than 30 ft. in height.
 - d. The multiple family residential component of the Village at Bloomfield would also be subject to a minimum 30 ft. building height which would limit the option of a lower profile building design.
- 5. Section 7.c.3 allows a maximum height for light poles to be 20 ft.
 - a. The developer is seeking a maximum 30 ft. light pole to reduce the number of light fixtures necessary to cover the same area with 20 ft. high light poles.
 - b. The Town Centre Ordinance does not stipulate a light pole height.
 - c. The B-3 District requires a maximum of 20 ft. light poles.
- 6. Section 7.d.2 specifies that wall signs shall be no higher than four stories or 58 ft.
 - a. The developer proposes signage toward the top of the existing parking deck (Building E) to be at a sufficient height to be visible above the buildings fronting on Telegraph Road.
- 7. Section 7.c.2. specifies that exterior illumination of building walls shall be limited to 3 stories or 46 ft.
 - a. The developer is seeking approval to illuminate the proposed deck sign noted above.
 - b. In 2007, the Township ZBA granted a Cinema rooftop sign located in the B-3 District not to exceed 71 ft. (correlating with the Tier B maximum height).
 - c. In 2008, the Township ZBA granted a revised Cinema rooftop sign located in the B-3 District at an overall height of 56 ft. with illumination of the sign shielded from Telegraph Road.
- Section 7.d.3.a. allows wall signs to be 6% of the façade area or no greater than 120 sf.

 The developer is seeing approval for a walls signs to meet the 6% of the façade area and to waive the maximum sign size of 120 sf. Multiple wall signs are also requested per tenant upon not exceeding the overall 6% sign area.
- Section 7.d.3.a. allows a wall sign for only those buildings facing Telegraph Road

 The developer is seeking the option to allow multiple signs for business that
 do not directly face Telegraph Road.

Study Session: Proposed Amendments to the Development Agreement for Village at Bloomfield October 26, 2016

10.Section 7.d.3.b. allows a ground sign at each of the 3 entrances to be no greater than 5 ft. in height and 32 sf.

- a. There are four proposed ground signs for the commercial entrance drives that are shown to be 8 ft. in height by 15 ft. in length for a total of 120 sf.
- b. There are two residential monument ground signs to be 6 ft. in height by 15 ft. in length for a total of 90 sf.
- c. There are three proposed ground signs for the senior living development (American House) to be 8 ft. in height by 9.5 ft. in length for a total of 76 sf.
- d. The one proposed ground sign for the specialty retail in Building D is 7.5 ft. in height by 5 ft. in length for a total of 37.5 sf to be placed within the interior of the development near the tenant space.
- e. The Town Center Ordinance allows a ground sign not to exceed 6 ft. in height, and the sign area limited to 50 sf per sign face.
- f. The Township Sign Ordinance limits ground signs to a maximum height of 5 ft. and 32 sf. per sign face.

It should be noted that the signs located outside the boundaries of the 425 Agreement will require separate application and review by the respective municipalities as stipulated by their adopted ordinances.

Bloomfield Township or City of Pontiac Site Plan Review

Most of Building F and all of Building G are shown within Bloomfield Township on property zoned B-3 General Business. Development on this portion will require a separate site plan application to the Planning Commission and Township Board for approval. The senior living facility building shown north of the development boundary also falls outside the Joint Development Council project area and will require site plan approval from the City of Pontiac.

Township Board Consideration

It is recommended that the Township Board discuss the specific Amendment requests to the Development Agreement for the proposed Village at Bloomfield and provide comments to the Township's Joint Development Council representative.

Bloomfield Township Board of Trustees Study Session

PRESENT: Barnett, Buckley, Devine, Kepes, Roncelli, Savoie ABSENT: Khederian

ALSO PRESENT: Attorney Mark Roberts, Secrest Wardle

Patti Voelker, Planning, Building & Ordinance Director Kenneth Till, Senior Vice President of Development, REDICO Tim McCafferty, Vice President of Construction, REDICO

PROPOSED AMENDMENTS TO THE DEVELOPMENT AGREEMENT FOR VILLAGE AT BLOOMFIELD

Kenneth Till, Senior Vice President of Development, REDICO, and Tim McCafferty, Vice President of Construction, REDICO, provided a project update, reviewed the development schedule and presented the proposed uses for the Village at Bloomfield site, which include retail, theater, hotel, boutique automobile dealership, multi-family, and seniors housing uses.

The following proposed amendments to the Development Agreement were presented to the Board for discussion:

- Minimum Building Height of 30 Feet
 - o Developer is requesting that this minimum height requirement be waived
- Free Standing Light Maximum Height of 20 Feet
 - o Developer is requesting an increase in free standing height to 30 feet
- Hotel
 - o Developer is requesting that a limited-service hotel be allowed
- Minimum Residential Dwelling Unit Size of 1,100 Square Feet
 - Developer is requesting a minimum residential dwelling unit size of 650 square feet
- Signage
 - o Developer is requesting a number of amendments to the signage standards

Supervisor Savoie stated that when he was appointed to the Joint Development Council (JDC) he agreed to seek Board approval before any major decisions were made regarding the Village at Bloomfield property. Any changes presented to the JDC must be approved unanimously by its members. The specific uses of the buildings are reviewed under the site plan process by the JDC, Bloomfield Township, or City of Pontiac depending on where the building sits on the property.

Bloomfield Township Board of Trustees Study Session November 14, 2016 Page 2

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The following people addressed the Board during Public Comment:

- Alice Wachol, 1782 Maplewood Ave.
- Marcia Robovitsky, 7449 Deep Run

REDICO agreed to present a formal request for amendments to the Development Agreement to the Board of Trustees.

Meeting adjourned at 3:48 p.m.

Per the Michigan Township Association Record Retention General Schedule #25, audio recordings of Board minutes may be destroyed one day after the date that the meeting minutes are approved by the public body (MCL 15.269).

Janet M. Roncelli, Bloomfield Township Clerk

Leo Savoie, Bloomfield Township Supervisor

nv



Bloomfield Township Board of Trustees

Meeting at Township Hall

<u>Monday, December 12, 2016 – 7:00 P.M.</u>

PLEDGE OF ALLEGIANCE

- 1. Public Comment
- 2. Approve Board Minutes of November 28, 2016
- 3. Consider Approval of Reappointments to the Board of Review Presented by Darrin Kraatz, Assessor Consider Approval of Resolution 2016
- 4. Consider Approval of the Medical Marihuana Operation and Oversight Grant Resolution Presented by Captain Scott McCanham
- 5. Summary of 2016 DPW Events and Consider Approval of Recommended Dates for 2017 Events (Clean Sweep, E-Waste/Paper Shredding/Medication Disposal, Household Hazardous Waste Days)-Presented by Katie Fotherby, Public Works Manager
- 6. Consider Approval of Tree City USA Application and Proclamation Presented by Charles Markus, Program Coordinator
- PUBLIC HEARING Lot Split Request, 350 W. Big Beaver Rd. and 325 Manor Rd. Presented by Patti Voelker, Planning, Building & Ordinance Director, & David Simonelli, President of Bloomfield Manor Homeowners Association.
- 8. Consider Approval of Amendments to the Development Agreement for Village at Bloomfield Presented by REDICO
- Consider Approval of Reappointments and Appointments to the Planning Commission, Zoning Board of Appeals (ZBA), Construction Code Board of Appeals, International Property Maintenance Code Board of Appeals, and the Electrical Examining and Appeals Board – Presented by Patti Voelker, Planning, Building & Ordinance Director
- Consider Approval of JPMorgan Chase Bank as the Depository for 2017 Tax Collections Resolution

 Presented by Treasurer Kepes
- 11. Consider Approval of Public Act 152 Exemption Resolution Presented by Supervisor Savoie
- 12. Consider Approval of Election Commission Resolution Presented by Clerk Roncelli.
- 13. Consider Approval of Board of Trustees 2017 Meeting Schedule Presented by Clerk Roncelli
- 14. Amendment to Bloomfield Township Refunding Bonds, LTGO Series A & B Presented by Treasurer Brian Kepes
- 15. Approve Payroll and Vouchers for 12/12/2016
- 16. Adjourn to Closed Session to Discuss Attorney/Client Opinion Regarding Negotiations with the 48th District Court
- 17. Consider Approval of Adoption of 48th District Court Lease- Presented by Attorney Hampton

4200 Telegraph Road Bloomfield Hills MI 48302 www.bloomfieldtwp.org

GIARMARCO, MULLINS & HORTON, P.C. ATTORNEYS AND COUNSELORS AT LAW

MEMORANDUM

| TO: | Jane Bais-DiSessa Sherikia Hawkins |
|-------|---------------------------------------|
| FROM: | Travis Mihelick |
| DATE: | December 21, 2016 |
| RE: | Ordinance Amendments |

Jane,

I have provided you with four ordinance amendments, as recommended by Building Department and as presented to the Community Development Subcommittee. Each of the amendments contain the original text of the current ordinances, with my changes either struck out or added in bold and italics.

For each of the ordinance amendments, it should be placed on the agenda for a first reading for Council. At the time of the first reading, Council should also pass a resolution setting a second reading, a public hearing, and providing for the publication of each ordinance amendment in a paper of general circulation. The Clerk likely has a standard resolution that has been used for this purpose in the past. If one needs to be drafted, I can do so.

I will be prepared to present each of the ordinances, as amended, to Council when they are placed on the Agenda for the first reading. If you have any further questions, please do not hesitate to let me know.



City of Pontiac Resolution

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Resolved, that the Pontiac City Council will consider an Ordinance to amend various sections of Chapter 22, Article VII of the City of Pontiac Code or Ordinances during the City Council Meeting on Thursday, January 12, 2017 at 6:00 p.m. in the City Council Chambers.

Ordinance No. xxxx

An ordinance to amend various sections of Chapter 22, Article VIII of the City of Pontiac Code of Ordinances.

The City of Pontiac ordains:

Section 1. Amendments.

Article VIII, Section 22-922 and Section 22-925 shall be amended to read as follows:

22-922 Securing Open Property.

Property subject to this article that is left open and/or accessible shall be subject to entry by the city in order to ensure that the property has not become an attractive nuisance and to ensure that the property is locked and/or secured.

(a) Securing Building from Trespass Required. Every vacant and/or unoccupied building in the city shall be made and maintained secure from trespass by the person responsible therefor.

(b) The owner, *person responsible*, possessory lender, or lender of property which is found open or unsecured and subject to this article shall be responsible for all city costs associated with securing the property if the owner, *person responsible*, lender, or possessory lender of property cannot be contacted or does not secure the property within forty-eight (48) hours of city observation. If the owner, *person responsible*, possessory lender, or lender has failed to secure a property and it has been secured by the city, the city and/or its contracted agent may enter or reenter the structure upon the authorization of the Building Official to conduct necessary inspections to assure compliance with the requirements of this code and to determine if there are emergency or hazardous health and safety conditions in existence.

(c) In situations where the city determines that the building needs to be immediately secured in order to prevent unauthorized entry into the building, the city may immediately secure the building and the owner, *person responsible*, possessory lender, or lender of the property shall be responsible for all city costs associated with securing the property.

(d) Method of Securing Building. A vacant or unoccupied building may be made and maintained secure from trespass through the utilization of locked doors and locked windows installed as part of the building; provided, that should either such locked windows or locked doors of the unoccupied building be broken from any cause, then the unoccupied building shall be secured from trespass by the installation and maintenance of material applied to the openings which would otherwise provide accessibility to trespass in the unoccupied building, which, as a minimum, should be durable, weather resistant, substantially impervious to removal through the application of outside force, and treated, covered or painted so as to prevent deterioration of the material through exposure to the weather and other elements of nature. The method of securing building must conform to City of Pontiac Board Up Specifications promulgated in writing by the Building Official.

(e) Installation of Materials. The finished material referred to in section 22-922(d) shall be installed in accordance with the City of Pontiac Board Up Specifications promulgated by the Building Official in writing, and maintained in such manner and shall be of such design, finish, color, and composition so as not to reflect natural or artificial light source glare into the field of vision of travelers upon the public thoroughfare, whether such travelers be pedestrians or operators of motorized or self-propelled vehicles, and in addition, such material and the installation and maintenance thereof shall in no way interfere with, jeopardize, hamper, or be distracting to the attention of users of the public thoroughfare, whether they be operators of motorized or self-propelled vehicles or pedestrians traveling thereon, nor shall such material or the installation or maintenance thereof create any impairment to the visibility of traffic regulation and control signs and devices.

(f) Any owner, person responsible, possessory lender, or lender of property found guilty of violating this section, shall be guilty of a misdemeanor punishable by a fine of up to \$500, or a maximum of 90 days in jail, or both.

22-925 Penalty for violation.

(a) *Except as provided in Section 22-922 above*, violations of this provision are municipal civil infractions, subjecting persons found responsible for violations to the fines in subsection (b) plus costs, and to the sanctions, remedies and procedures as set forth in this code, with the provision that each day is a separate offense specifically applicable to all violations of this article.

(b) The fine for a first offense to file the required affidavit, failure to maintain the affidavit with current and accurate information, or for failure to file for an annual inspection shall be \$250. Fines for all other violations or occurrences shall be \$500 per each occurrence.

Section 2. Severability.

If any section, clause, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

Section 3. Saving Clause.

A prosecution which is pending on the effective date of this ordinance and which arose from a violation of an ordinance repealed by this ordinance, or a prosecution which is started within one (1) year after the effective date of this ordinance arising from a violation of an ordinance repealed by this ordinance and which was committed prior to the effective date of this ordinance, shall be tried and determined exactly as if the ordinance had not been repealed.

Section 4. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 5. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Section 6. Effective Date.

This Ordinance shall be effective ten days after date of adoption by the City Council.



City of Pontiac Resolution

Resolved, that the Pontiac City Council will consider an Ordinance to amend various sections of Chapter 22, Article I, Section 22-3 of the City of Pontiac Code or Ordinances during the City Council Meeting on Thursday, January 12, 2017 at 6:00 p.m. in the City Council Chambers.

Ordinance No. xxxx

An ordinance to amend various sections of Chapter 22, Article I, Section 22-3 of the City of Pontiac Code of Ordinances.

The City of Pontiac ordains:

Section 1. Amendments.

Article I, Section 22-3 shall be amended to read as follows:

22-3 Penalties for violation.

(a) Violation of any provisions of this article herein adopted shall be deemed to be a municipal civil infraction, punishable by a fine of not less than \$100.00 or more than \$500.00, plus any costs, damages, expenses, or other sanctions. This article is further subject to the repeat offense provision, section $\underline{86-501}(2)$ of this Code. Further, each day on which any violation of this article continues constitutes a separate offense and shall be subject to penalties or sanctions as a separate offense. In addition to any other remedies available at law, the city may bring in the local district court an injunction or other process against a person or company to restrain, prevent, or abate any violation of this article.

(b) Notwithstanding the above, any violation of Unsafe Structures and Equiptment Section of the International Property Manintenance Code, currently Section 108, shall be considered a misdemeanor, punishable by a fine of up to \$500, or a maximum of 90 days in jail, or both.

Section 2. Severability.

If any section, clause, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

Section 3. Saving Clause.

A prosecution which is pending on the effective date of this ordinance and which arose from a violation of an ordinance repealed by this ordinance, or a prosecution which is started within one (1) year after the effective date of this ordinance arising from a violation of an ordinance repealed by this ordinance and which was committed prior to the effective date of this ordinance, shall be tried and determined exactly as if the ordinance had not been repealed.

Section 4. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 5. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Section 6. Effective Date.

This Ordinance shall be effective ten days after date of adoption by the City Council.



City of Pontiac Resolution

Resolved, that the Pontiac City Council will consider an Ordinance to amend Chapter 86, Article VI, Section 86-223 of the City of Pontiac Code or Ordinances during the City Council Meeting on Thursday, January 12, 2017 at 6:00 p.m. in the City Council Chambers.

Ordinance No. xxxx

An ordinance to amend Chapter 86, Article VI, Section 86-223 of the City of Pontiac Code of Ordinances.

The City of Pontiac ordains:

Section 1. Amendments.

Article VI, Section 86-223 shall be amended to read as follows:

86-223 Dumping or removing material onto or from public or private property; penalty.

(a) Earth or other materials shall not be dumped, placed on or removed from any premises unless the express, written permission of the owner of such land is obtained and exhibited on request of the enforcing officer by the operator of the vehicle used for loading, transporting or dumping such material. Such permission shall be subject to zoning regulations and to the requirement that no nuisance shall be created.

(b) The provisions of this section shall apply to any vehicle owner <u>or individual</u> who causes or permits <u>his vehicle to</u> <u>any dumping</u> in violation of this section. In any proceeding arising from violation of the provisions of this section, it shall be a rebuttable presumption that the <u>individual or</u> owner of the vehicle is that corporation, partnership or individual in whose name the vehicle is registered, or to whom the license plates are issued, or whose name appears on the body of the vehicle, and that the owner of the vehicle was the person who caused or permitted the vehicle to dump in violation of this section.

(c) The police department, *the Building Department, and/or the Department of Public Works* shall investigate the complaint of any witness to an allegedly unauthorized dump upon being provided *the identity or description of the individual or the* name on the vehicle or the license plate number of the vehicle.

(d) Any *individual or* vehicle owner convicted for violation of this section shall be punished by a fine of not less than \$300.00 and not exceeding \$500.00 or by imprisonment for a period not exceeding 90 days, or by both such fine and imprisonment, in the discretion of the court, and/or community service may be ordered at the discretion of the court.

Section 2. Severability.

If any section, clause, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

Section 3. Saving Clause.

A prosecution which is pending on the effective date of this ordinance and which arose from a violation of an ordinance repealed by this ordinance, or a prosecution which is started within one (1) year after the effective date of this ordinance arising from a violation of an ordinance repealed by this ordinance and which was committed prior to the effective date of this ordinance, shall be tried and determined exactly as if the ordinance had not been repealed.

Section 4. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 5. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Section 6. Effective Date.

This Ordinance shall be effective ten days after date of adoption by the City Council.



City of Pontiac Resolution

Resolved, that the Pontiac City Council will consider an Ordinance to amend various sections of Chapter 22, Article VI, of the City of Pontiac Code or Ordinances during the City Council Meeting on Thursday, January 12, 2017 at 6:00 p.m. in the City Council Chambers.

Ordinance No. xxxx

An ordinance to amend various sections of Chapter 22, Article VI of the City of Pontiac Code of Ordinances.

The City of Pontiac ordains:

Section 1. Amendments.

The following various sections of Chapter 22, Article VI, shall be amended to read as follows:

22-417 Certificate of compliance.

When any dwelling or dwelling unit shall be caused to be vacated through condemnation, damage by fire or other causes, or rehabilitation, or in case of conversion of the number of units contained in a building, a certificate of compliance shall be first obtained prior to occupancy. The certificate shall contain the approval of the building inspector. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

22-453 Penalty for violation of article.

<u>Unless otherwise stated therein</u>, violations of any provisions of this article herein adopted shall be deemed a municipal civil infraction, punishable by a fine of not less than \$100.00, plus any costs, damages, expenses, and other sanctions. This article is further subject to the repeat offender provisions of this Code. This provision states that increased civil fines may be imposed for repeated violations by a person of any requirement or provision of this article. As used in this article, "repeat offense" means a second (or any subsequent) municipal civil infraction violation of the same requirement or provision (i) committed by a person and (ii) for which the person admits responsibility or is determined to be responsible. The increased fine for a repeat offense under this article shall be as follows:

(1) The fine for any offense which is a first repeat offense shall be no less than \$300.00, plus costs.

(2) The fine for any offense which is a second repeat offense or any subsequent repeat offense shall be no less than \$500.00, plus costs.

Further, each day on which any violation of this article continues constitutes a separate offense and shall be subject to penalties or sanctions as a separate offense. In addition to any other remedies available at law, city may bring in the local district court an injunction or other process against a person or company to restrain, prevent, or abate any violation of this article.

22-577 Compliance with exterior property areas standards.

No person shall occupy as owner-occupant, or let to another for occupancy, any dwelling unit for the purpose of living in such dwellings or premises which do not comply with the requirements of sections 22-578 through 22-582. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

22-583 Compliance with exterior of structures requirements.

No person shall occupy as owner-occupant, or let to another for occupancy, any dwelling or multifamily dwelling, or dwelling unit, roominghouse, or rooming unit or portion thereof for the purpose of living in such structure which does not comply with the requirements of sections 22-584 through 22-601. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

22-602 Compliance with interior structure requirements.

No person shall occupy as owner-occupant, or let another for occupancy, any dwelling, multifamily dwelling, dwelling unit, roominghouse, rooming unit, or portion thereof, for the purpose of living in such dwelling, which does not comply with the requirements of sections 22-603 through 22-614. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

22-647 Compliance with installation and maintenance requirements.

No person shall occupy as owner-occupant, or let to another for occupancy, any dwelling, multifamily dwelling, dwelling unit, roominghouse, or rooming unit for the purpose of living, sleeping, cooking or eating therein that which does not comply with the requirements of sections 22-648 through 22-653. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

22-654 Compliance with occupancy requirements.

No person shall occupy or let to another for occupancy any dwelling unit for the purpose of living in such unit that which does not comply with the requirements of sections 22-655 through 22-672. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid*

<u>certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days</u> <u>imprisonment, or both.</u>

22-662 Compliance with light and ventilation requirements.

No person shall occupy as owner-occupant, or let to another for occupancy, any dwelling, multifamily dwelling, dwelling unit, roominghouse, or rooming unit for the purpose of living in such unit which does not comply with the requirements of sections 22-663 through 22-669. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

22-669 Minimum fire safety requirements; compliance.

No person shall occupy as owner-occupant, or let to another for occupancy, any dwelling, multifamily dwelling, dwelling unit, roominghouse, rooming unit, lodginghouse, or lodging unit which does not comply with the applicable provisions of the fire prevention sections of the building code and the additional requirements for safety from fire set out in sections 22-670, 22-671 and 22-672. *Failure of the property owner, occupyer, operator, or other responsible person to obtain a valid certificate of compliance shall be a misdemeanor, punishable by a fine of up to \$500, or 90 days imprisonment, or both.*

Section 2. Severability.

If any section, clause, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

Section 3. Saving Clause.

A prosecution which is pending on the effective date of this ordinance and which arose from a violation of an ordinance repealed by this ordinance, or a prosecution which is started within one (1) year after the effective date of this ordinance arising from a violation of an ordinance repealed by this ordinance and which was committed prior to the effective date of this ordinance, shall be tried and determined exactly as if the ordinance had not been repealed.

Section 4. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 5. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Section 6. Effective Date.

This Ordinance shall be effective ten days after date of adoption by the City Council.



DEPARTMENT OF COMMUNITY DEVELOPMENT

MEMORANDUM

| TO: | Honorable City Council |
|-----|------------------------|
|-----|------------------------|

- FR: Garland Doyle, M.P.A., CNP Deputy Director, Community Development Department
- THRU: Jane Bais DiSessa Deputy Mayor

DA: January 3, 2017

RE: Rescheduling of Public Hearing for Release of Interest in Property

On December 1, 2016, the following request was presented to your honorable body. The item was referred to your Real Estate Committee and a public hearing was set for December 15, 2016. In accordance with your actions, there was a City Council Real Estate Committee meeting held on December 7, 2016 where the request to release the interest in the property was discussed. On December 15, 2016 the City Council deferred the public hearing for a later date. We are requesting that the public hearing be scheduled for January 12, 2017.

The Salvation Army (TSA) is the process of selling its property commonly known as 118 W. Lawrence. In addition to the West Lawrence Parcel, TSA owns and operates a facility at 112 West Pike. In 1990, the Economic Development Corporation of the City of Pontiac (EDC) conveyed a parcel of land to TSA on the south side of the street across from the West Lawrence Parcel ("the Parking Lot Parcel").

The Quit Claim Deed from the EDC to TSA contains a provision whereby the Parking Lot Parcel will revert to EDC in the event TSA moves from its present site on West Lawrence. TSA is unwilling to sell the West Lawrence Parcel if the reversionary interest remains in force, as this will effectively eliminate parking that is essential for the use of the West Pike Parcel.

The proposed sale of the West Lawrence Parcel will benefit the City by returning this valuable commercial site to the City's tax rolls.

What TSA is proposing is that the City releases its reversionary interest in the Parking Lot Parcel and in turn, TSA will grant the City a reversionary interest in the Parking Lot Parcel should TSA sell the West Pike Parcel. This will essentially maintain the status quo for both the City and TSA.

Since this is an exchange of the City's interest in real property, per section 3.113 of the charter a public hearing is needed. We are requesting that you honorable body adopt the following resolution.

Resolved that the Pontiac City Council schedules a public hearing on granting and releasing an interest in parcel 14-29-453-033 commonly known as 112 W. Pike and the W Lawrence Parking Lot.



DEPARTMENT OF COMMUNITY DEVELOPMENT

MEMORANDUM

TO: Honorable City Council

- FR: Garland Doyle, M.P.A., CNP Deputy Director, Community Development Department
- THRU: Jane Bais DiSessa Deputy Mayor

DA: November 29, 2016

RE: Public Hearing for Release of Interest in Property

The Salvation Army (TSA) is the process of selling its property commonly known as 118 W. Lawrence. In addition to the West Lawrence Parcel, TSA owns and operates a facility at 112 West Pike. In 1990, the Economic Development Corporation of the City of Pontiac (EDC) conveyed a parcel of land to TSA on the south side of the street across from the West Lawrence Parcel ("the Parking Lot Parcel").

The Quit Claim Deed from the EDC to TSA contains a provision whereby the Parking Lot Parcel will revert to EDC in the event TSA moves from its present site on West Lawrence. TSA is unwilling to sell the West Lawrence Parcel if the reversionary interest remains in force, as this will effectively eliminate parking that is essential for the use of the West Pike Parcel.

The proposed sale of the West Lawrence Parcel will benefit the City by returning this valuable commercial site to the City's tax rolls.

What TSA is proposing is that the City release its reversionary interest in the Parking Lot Parcel and in turn, TSA will grant the City a reversionary interest in the Parking Lot Parcel should TSA sell the West Pike Parcel. This will essentially maintain the status quo for both the City and TSA.

Since this is an exchange of the City's interest in real property, per section 3.113 of the charter a public hearing is needed. We are requesting that you honorable body adopt the following resolution.

Resolved that the Pontiac City Council schedules a public hearing on granting and releasing an interest in parcel 14-29-453-033 commonly known as 112 W. Pike and the W Lawrence Parking Lot.

KOTZ SANGSTER

ATTORNEYS AND COUNSELORS AT LAW

400 RENAISSANCE CENTER SUITE 3400 DETROIT, MICHIGAN 48243-1618 (313) 259-8800 Mahn (313) 259-1451 Fax WWW.KOTSANGSTER.COM David M. Barbour (313) 259-8780 Direct dbarbour@kotssangster.com

September 30, 2016

CITY OF PONTIAC ATTN: MR. GARLAND DOYLE, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR Community Dovelopment Department 47450 Woodward Avenue Pontiac, MI 48342

Re: <u>THE SALVATION ARMY</u> Proposed Sale of 118 West Lawrence Street Request for Release of Interest in Property

Dear Mr. Doyle:

This office represents The Salvation Army ("TSA"). Pursuant to our communications with your office beginning on August 10, 2016, we informed you that TSA was in the process of selling its property commonly known as 118 West Lawrence Street ("West Lawrence Parcel"). In addition to the West Lawrence Parcel, TSA owns and operates a facility at 112 West Pike ("West Pike Parcel"). In 1990, The Economic Development Corporation of the City of Pontiae ("EDC") conveyed a parcel of land to TSA on the south side of the street across from the West Lawrence Parcel (the "Parking Lot Parcel"). To this day the Parking Lot Parcel provides essential parking for the TSA facilities in the neighborhood including in particular the West Pike Parcel.

The Quit Claim Deed from the EDC to TSA contains a provision whereby the Parking Lot Parcel will revert to EDC in the event TSA moves from its present site on West Lawrence. TSA is unwilling to sell the West Lawrence Parcel if the roversionary interest remains in force, as this will effectively eliminate parking that is essential for the use and enjoyment of the West Pike Parcel.

The proposed sale of the West Lawrence Parcel will benefit not only TSA, but also the City by returning this valuable commercial site to the City's tax rolls.

What TSA is proposing is that the City release its reversionary interest in the Parking Lot Parcel and in turn, TSA will grant the City a reversionary interest in the Parking Lot Parcel should TSA sell the West Pike Parcel. This will essentially maintain the status quo for both the City and TSA. At the same time, both parties will enjoy the economic benefits associated with the sale of the West Lawrence Parcel.

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KOTZ SANGSTER WYSOCIA P.C.

5. 2 cm.)

September 30, 2016 Page 2 of 2

In order to memorialize an agreement reached between the City and TSA in this regard, we propose two documents be prepared and recorded with the Oakland County Register of Deeds. The documents are a Release of Interest in Property by the City and an Agreement Granting Interest in Property that will, essentially convey to the City a reversionary interest in the Parking Lot Parcel in the event of the sale of the West Pike Parcel. Drafts of these two proposed documents are included with this letter.

We are happy to meet with you and any other City officials to answer your questions and address concerns. As TSA has a sale pending with regard to the West Lawrence Parcel, time is of the essence.

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Please contact mo at your carliest opportunity to discuss this matter.

Sincerely,

\$392.3177

KOTZ SANGSTER WYSOCKI P.C.

DAVID M. BARBOUR

DMB/jh Enclosure Via Federal Express & Email

ec: Client (via Email)

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6 T. JUSEPH

AGREEMENT GRANTING INTEREST IN PROPERTY

This Agreement Granting Interest in Property (the "Agreement") by and between The Salvation Army, an Illinois corporation whose address is 5550 Prairie Stone Parkway, Hoffman Estates, Illinois 60192 ("Grantor") and the City of Pontiac, a Michigan municipal corporation whose address is 47450 Woodward Avenue, Pontiac, Michigan 48342 ("Grantee"), made effective as of the date of the last signature on this Agreement (the "Effective Date").

RECITALS

- A. The Economic Development Corporation of the City of Pontiac (the "EDC") conveyed to Grantor title to a certain parcel of real property located at or about West Lawrence Street in the City of Pontiac, Oakland County, Michigan, more fully described on the attached Exhibit "A" (the "Parking Lot Parcel") by Quit Claim Deed dated June 19, 1990, recorded in Liber 11442, Page 391, Oakland County records on June 28, 1990 and rerecorded in Liber 11519, Page 820, Oakland County Records on August 20, 1990 (the "Conveyance").
- B. The Conveyance contained a reversionary interest in the Parking Lot Parcel which the Grantee, as successor in interest to EDC, at the request of Grantor, has subsequently released, terminated and cancelled.
- C. In consideration for the release of reversionary interest in the Parking Lot Parcel by Grantee, Granter has agreed to grant to Grantee a similar interest in the Parking Lot Parcel upon the terms and conditions more particularly set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual promises herein set forth, the parties hereby agree as follows:

 <u>Grant A Reversionary Interest</u>. Grantor hereby grants to Grantee a reversionary interest in the Parking Lot Parcel, whereby all right, title and interest in the Parking Lot Parcel will revert to Grantee upon the sale by Grantor of its fee simple interest in a certain parcel of real property located in the City of Pontiac, Oakland County, Michigan, described as:

Lot 49, except the Westerly 30 feet, also all of Lots 50, 51, 52 and 53, Assessor's Plat No. 112, according to the plat thereof as recorded in Liber 53 of Plats, page 7, Oakland County Records;

and Lot 21, Assessor's Plat No. 113, according to the plat thereof as recorded in Liber 53 of Plats, page 8, Oakland County Records.

Commonly known as: 112 West Pike Street Part of Parcol No.: 14-29-453-033

- <u>Recording</u>. The parties agree to cause this Agreement to be recorded with the Oakland County Register of Deeds to give record notice of the interest of Grantee in the Parking Lot Parcel.
- 3. <u>Contingency</u>. This Agreement is contingent upon final approval and execution by the Board of Trustees of The Sulvation Army, Territorial Headquarters, Hoffman Estates, Illinois.
- 4. <u>Authority</u>. Grantor and Grantee each represent and warrant to the other that (a) it has full power and authority to enter into this Agreement and to perform and carry out all obligations, covenants and provisions hereof; and (b) this Agreement constitutes the legal valid and binding obligations of said party in accordance with the terms hereof and has been duly authorized by all necessary boards, directors, shareholders, partners, managers, members, executive and/or committee action as the case may be of each party.

IN WITNESS WHEREOF Grantor and Grantee have caused this Agreement to be executed as of the day and year below their respective signatures.

GRANTOR:

THE SALVATION ARMY, an Illinois corporation

Dated:

COUNTY OF

By: Its:

STATE OF MICHIGAN

)55.

On this _____ day of _____, 2016, before me, a Notary Public within and for said

county, personally appeared _______ to me known to be the same person described in and who executed the foregoing instrument, and who acknowledged to me that he executed the same as his free and voluntary act and deed.

| \$ 14 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ | , Notary Public |
|--|------------------|
| | County, Michigan |
| Acting in | County |
| My commission expires: | |

GRANTEE:

CITY OF PONTIAC, A Michigan municipal corporation

Dated:

By: Its:

STATE OF MICHIGAN **)**SS.)

COUNTY OF

On this ______ day of ______, 2016, before me, a Notary Public within and for sai county, personally appeared _______ to m known to be the same person described in and who executed the foregoing instrument, and who , 2016, before me, a Notary Public within and for said to me acknowledged to me that he executed the same as his free and voluntary act and deed.

| | , Notary Public |
|------------------------|------------------|
| | County, Michigan |
| Acting in | County |
| My commission expires: | |

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Instrument drafted by and when recorded return to:

David M. Barbour, Esq. Kotz Sangster Wysocki P.C. 400 Renaissance Center, Ste. 3400 Detroit, MI 48243

EXHIBIT "A"

Lot 47, except the Southerly part measured 22.76 feet along the West lot line and 33.95 feet along the East lot line, also all of Lot 48, also the Westerly 30 feet of Lot 49, Assessor's Plat No. 112, according to the plat thereof as recorded in Liber 53 of Plats, page 7, Oakland County Records.

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RELEASE OF INTEREST IN PROPERTY

The City of Pontiao, a Michigan municipal corporation, as successor in interest to The Economic Development Corporation of the City of Pontiac, a public body corporate organized pursuant to Michigan P. A. 338 of 1974, as amended and dissolved by Resolution of its Board of Directors held on April 10, 2012, and approved by Order Number S-179 of Louis H. Schimmel, Emergency Manager of the City of Pontiae, dated April 16, 2012, hereby RELEASES, TERMINATES AND CANCELS any and all reversionary interest in the following premises situated in the City of Pontiac, Oakland County, Michigan, described as follows:

Lot 47, except the Southerly part measured 22.76 feet along the West lot line and 32.95 feet along the East lot line, also all of Lot 48, also the Westerly 30 feet of Lot 49, ASSESSOR'S PLAT NO. 112, according to the plat thereof as recorded in liber 53, page 7 of Plats, Oakland County Records.

as reserved to it in that certain Quit Claim Deed dated June 19, 1990 and recorded in Liber 11442, Page 391, Oakland County Records on June 28, 1990 and re-recorded in Liber 11519, Page 820 Oakland County Records on August 20, 1999.

Commonly known as: West Lawrence Street Parking Lot Part of Tax ID No: 14-29-453-033

> CITY OF PONTIAC, A Michigan municipal corporation

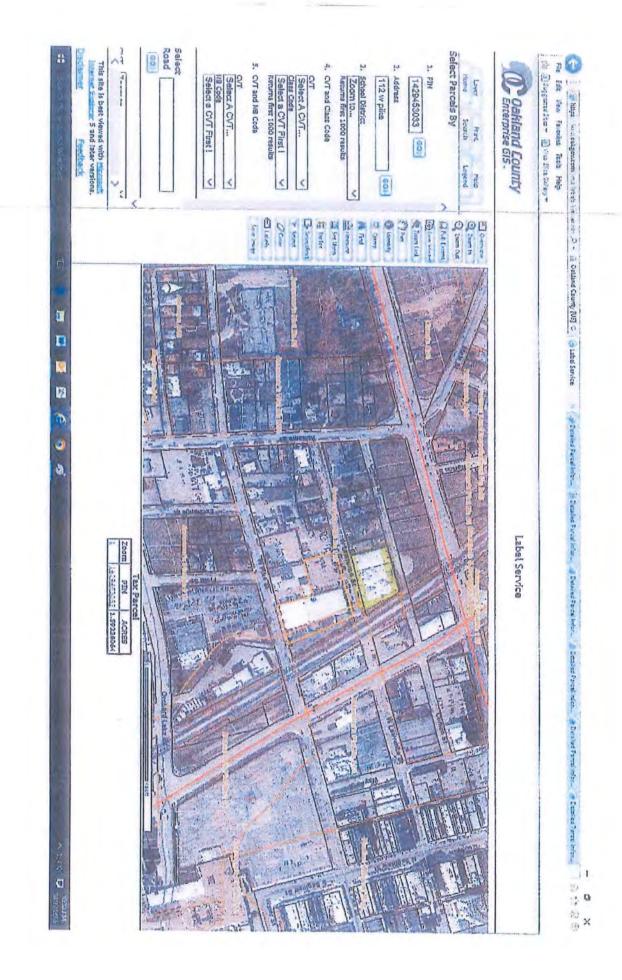
| Dated: | By: Its: |
|-----------------------------|---|
| STATE OF MICHIGAN) | |
| COUNTY OF) | |
| county, personally appeared | , 2016, before me, a Notary Public within and for said |
| | and who executed the foregoing instrument, and who same as his free and voluntary act and deed. |

| | , Notary Public |
|------------------------|------------------|
| | County, Michigan |
| Acting in | County |
| My commission expires: | |

Instrument drafted by and when recorded return to:

David M. Barbour, Esq. Kotz Sangster Wysocki P.C. 400 Remaissance Center, Ste. 3400 Detroit, MI 48243

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DEPARTMENT OF COMMUNITY DEVELOPMENT

Memorandum

To: Honorable City Council

From: Garland S. Doyle, M.P.A., CNP, Deputy Director, Community Development Department

Thru: Jane Bais-DiSessa, Deputy Mayor

Date: January 3, 2017

Re: Sale of Vacant Land Parcel 14-28-380-035

The City has received an offer from Community Housing Network to purchase a vacant lot for \$500.00. Parcel #14-28-380-035 is 0.060 acres of land located on S. Paddock. The proposed sale was discussed at the City Council Real Estate Committee on December 7, 2016.

In accordance with Chapter 3.1113 of the City Charter, we are requesting that your Honorable Body schedule a public hearing on the offer to purchase vacant land.

Subsequently, City Council may consider Community Housing Network's offer to purchase parcel #14-28-380-035.

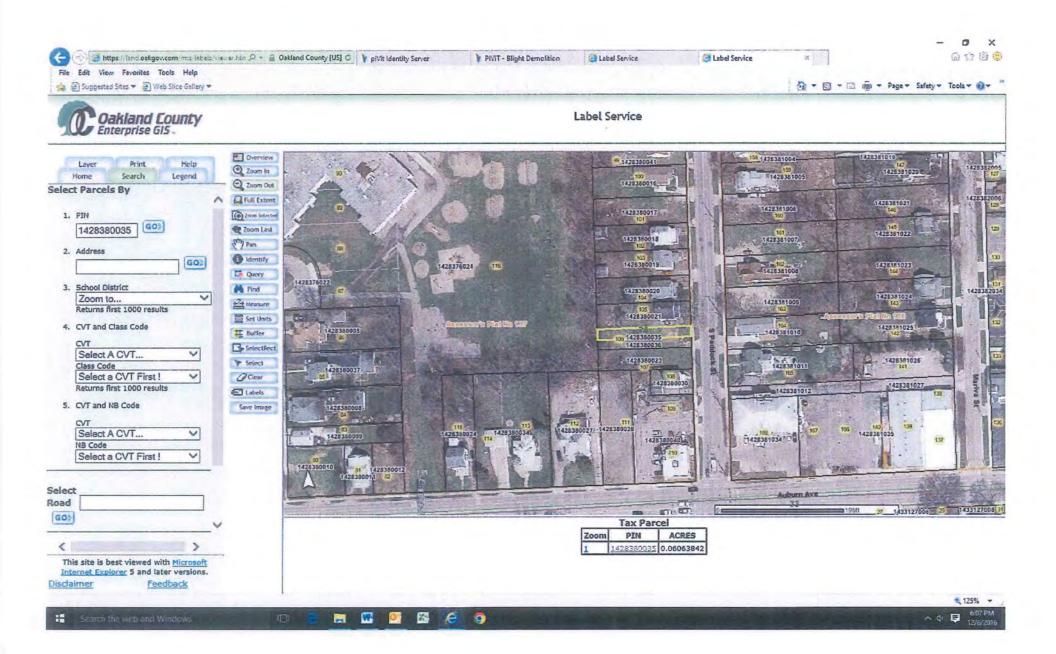
Since this Agreement will have a benefit to the City, I am recommending that the City Council pass the following two resolutions:

Resolved, that the Pontiac City Council schedules a public hearing on the offer to purchase vacant lots on [insert date].

At a subsequent City Council meeting:

City Council accepts the offer from Community Housing Network for \$500.00 to purchase parcel #14-28-380-035.

Be it further resolved that the Pontiac City Council authorizes the Mayor and Clerk to execute the sell.





DEPARTMENT OF COMMUNITY DEVELOPMENT

Memorandum

To: Honorable City Council

From: Garland S. Doyle, M.P.A., CNP, Deputy Director, Community Development Department

Thru: Jane Bais-DiSessa, Deputy Mayor

Date: January 3, 2017

Re: Sale of Vacant Land Parcel 14-29-130-011

The City has received an offer from David Wolf, Wolf Homes, Inc. to purchase a vacant lot for \$150.00. Parcel #14-29-130-011 is 0.10 acres of land located on Pinegrove. The proposed sale was discussed at the City Council Real Estate Committee on December 7, 2016.

In accordance with Chapter 3.1113 of the City Charter, we are requesting that your Honorable Body schedule a public hearing on the offer to purchase vacant land.

Subsequently, City Council may consider Wolf Homes, Inc. offer to purchase parcel #14-29-130-011.

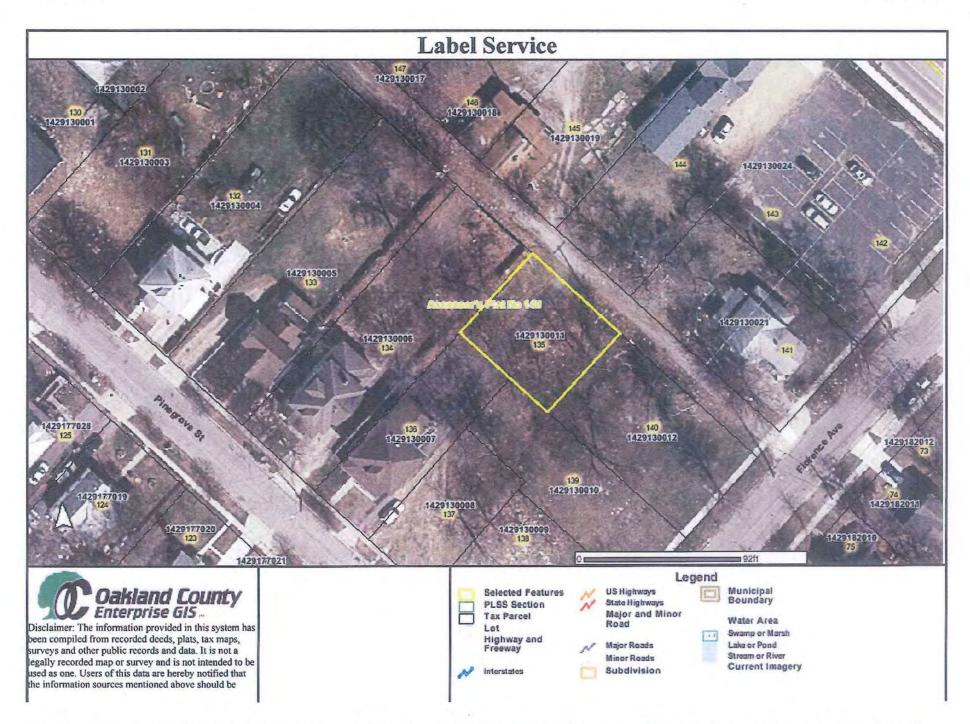
Since this Agreement will have a benefit to the City, I am recommending that the City Council pass the following two resolutions:

Resolved, that the Pontiac City Council schedules a public hearing on the offer to purchase vacant lots on [insert date].

At a subsequent City Council meeting:

City Council accepts the offer from Wolf Homes, Inc. for \$150.00 to purchase parcel #14-29-130-011.

Be it further resolved that the Pontiac City Council authorizes the Mayor and Clerk to execute the sell.



https://land.oakgov.com/servlet/com.esri.esrimap.Esrimap?ServiceName=municipalBoundary&ClientVersion=4.0&Form=True... 12/6/2016