

**Official Proceedings  
Pontiac City Council  
183<sup>th</sup> Session of the Tenth Council**

**Call to order**

A Formal Meeting of the City Council of Pontiac, Michigan was called to order electronically on Thursday, August 6, 2020 at 12:00 p.m. by Council President Kermit Williams.

**Pledge of Allegiance**

**Roll Call**

Members Present: Carter, Miller, Pietila, Shramski, Taylor-Burks, Waterman and Williams.

Mayor Waterman was present.

Clerk announced a quorum.

**Amendments to and approval of the Agenda**

20-365      **Motion to add discussion about Census Concerts at City Hall as item #18.** Moved by Councilperson Miller and second by Councilperson Pietila.

Ayes: Miller, Pietila, Shramski, Taylor-Burks, Waterman, Williams and Carter

No: None

**Motion Carried**

**Motion to move items 4, 5, 7 & 8 above item 6.** Moved by Councilperson Waterman and second by Councilperson Pietila. Councilperson Waterman withdrew her motion and Councilperson Pietila withdrew her second.

20-366      **Motion to move items 4, 5, 7, & 8 before item 2.** Moved by Councilperson Williams and second by Councilperson Shramski.

Ayes: Shramski, Taylor-Burks, Waterman, Williams, Carter, Miller and Pietila

No: None

**Motion Carried**

20-367      **Motion to approve the amended Agenda.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Waterman, Williams, Carter, Miller, Pietila and Shramski

No: None

**Motion Carried**

**Approval of the Minutes**

20-368      **July 28, 2020 Minutes.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Ayes: Waterman, Williams, Carter, Miller, Pietila, Shramski and Taylor-Burks  
No: None  
**Motion Carried.**

**Ordinances**

**Finance Department**

20-369 **Adoption of an Emergency Ordinance to Amend Emergency Ordinance 2346 to extend \$400 Supplemental Payment for Health to General Employees Retirement System- GERS retirees until August 31, 2021.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

An ordinance to provide for a limited increase in pension payments for certain members of the General Employee Retirement System.

Whereas, the temporary increase to certain members of the GERS pension system is set to expire on August 31, 2020; and,

Whereas, the City Council desires that this temporary increase continues for at least one more year; and,

Whereas, such ordinance if approved will take effect from September 1, 2020 and expire on August 31, 2021, or when the CPREA health care litigation is resolved and health insurance will be provided to

retiree class, whichever comes first, and,

Whereas, the Pontiac City Council considers this an emergency.

The City of Pontiac ordains:

Section 1. Amendments.

The General Employee Retirement System ordinance shall be amended to read as follows: a. Section 17.6 shall be amended to add the following language: Temporary Pension Increase: "All persons who are receiving retirement benefits as of August 1, 2018 and who enter pay status through August 1, 2019, shall be entitled to receive an increase in their monthly allowance of four hundred dollars (\$400.00) per month beginning September 1, 2020 through August 31, 2021, or when the CPREA litigation is resolved and health insurance will be provided to the retiree class, whichever comes first."

Section 2. Severability.

If any section, 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 the Ordinance shall stand and be in full force and effect.

Section 3. 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 4. Publication.

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

Ayes: Williams, Pietila, Shramski and Taylor-Burks  
No: Carter  
Abstain: Miller and Waterman  
**Ordinance Passed.**

20-370      **Adoption of an Emergency Ordinance to Amend Emergency Ordinance 2369 to extend \$400 Supplemental Payment for Health to Police and Fire retirees until August 31, 2021.**  
Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

An ordinance to provide for a limited increase in pension payments for certain members of the Police and Fire Retirement System (PFRS).

The City of Pontiac ordains:

Section 1. Amendments.

The Code of Ordinances shall be amended to read as follows:

- a. Section 92-122.2 shall be amended to add the following language:

Temporary Pension Increase:

"All persons who retired before August 22, 1996, and who are receiving retirement benefits as of September 1, 2019 and who enter pay status through August 1, 2020 shall be entitled to receive an increase in their monthly allowance of four hundred dollars (\$400.00) per month beginning September 1, 2020 through August 31, 2021. Should the City of Pontiac, as the result of litigation or settlement thereto, will provide retiree health insurance to the group or a compensation that is understood as an alternative healthcare benefit, the monthly allowance of \$400 per month ends."

Section 2. Severability.

If any section, 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 the Ordinance shall stand and be in full force and effect.

Section 3. 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 4. Publication.

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

Section 5. Emergency Declaration and Effective Date.

This Ordinance is declared an emergency of health and safety to allow the pension recipients to collect the increase authorized in this Ordinance on the date identified in this Ordinance and shall be effective immediately upon adoption by the City Council.

Ayes: Pietila, Shramski, Taylor-Burks and Williams

No: Carter

Abstain: Miller and Waterman

**Ordinance Passed.**

**Economic Development**

20-371      **Adoption of an Ordinance to provide a service charge in lieu of taxes for a housing project for low income persons and families to be financed with a federally-aided Mortgage Loan pursuant to the provisions for the State Housing Development Authority Act of 1966 (1966 PA 340,**

as amended, MCL 125.1401, *et seq*, the "Act"), also known as the "Tax Exemption Ordinance for Carriage Place Apartments". Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

An Ordinance to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with a federally-aided Mortgage Loan pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*; the "Act").

THE CITY OF PONTIAC  
ORDAINS:

SECTION 1. This Ordinance shall be known and cited as the "Tax Exemption Ordinance-for Carriage Place Apartments."

SECTION 2. Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing project that is constructed with financing extended in reliance on such tax exemption.

The City acknowledges that the Sponsor: CARRIAGE PLACE LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP, a Michigan limited partnership, has offered, subject to receipt of an allocation under the LIHTC Program by the Michigan State Housing Development Authority, to own and operate a 234 unit housing project identified as *Carriage Place* on certain property located at 255 Carriage Circle Drive in the City (tax parcel number: 14-34-127-002) to serve low income persons and families, and that the Sponsor has offered to pay the City, on account of this housing project, an annual service charge for public services in lieu of all ad valorem property taxes.

SECTION 3. Definitions.

- A. "Authority" means the Michigan State Housing Development Authority.
- B. "Annual Shelter Rent" means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of Utilities (as hereafter defined).
- C. "LIHTC Program" means the Low Income Housing Tax Credit program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.
- D. "Low Income Persons and Families" means persons and families eligible to move into a housing project.
- E. "Mortgage Loan" means a loan that is Federally-Aided (as defined in Section 11 of the Act) or a loan or grant made or to be made by the Authority to the Sponsor for the construction,

rehabilitation, acquisition and/or permanent financing of a housing project, and secured by a mortgage on the housing project.

F. "Sponsor" means CARRIAGE PLACE LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP, a Michigan limited partnership, and any entity that receives or assumes a Mortgage Loan.

G. "Utilities" means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project.

SECTION 4. Class of Housing Projects.

It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for Low Income Persons and Families that are financed with a Mortgage Loan. It is further determined that *Carriage Place* is of this class.

SECTION 5. Establishment of Annual Service Charge.

The housing project identified as *Carriage Place* and the property on which will be located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation. The City acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the housing project for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to construct and operate the housing project, the City agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a Mortgage Loan, the annual service charge shall be equal to 6% of the Annual Shelter Rent actually collected by the housing project during each operating year.

SECTION 6. Contractual Effect of Ordinance.

Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 7. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

SECTION 8. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the City and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the current calendar year. The annual payment for each operating year shall be paid on or before July 1<sup>st</sup> of the operating year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq.).

SECTION 9. Duration.

This Ordinance shall remain in effect and shall not terminate so long as: (i) the Sponsor obtains a Mortgage Loan on or before June 30, 2021; (ii) a Mortgage Loan remains outstanding and unpaid; and (c) the housing project remains subject to income and rent restrictions under the LIHTC Program but in no case longer than 30 years from the date of the certificate of occupancy issued by the City for the housing project.

**SECTION 10. Severability.**

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

**SECTION 11. Inconsistent Ordinances.**

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

**Section 12. Effective Date.**

This Ordinance shall become effective on \_\_\_\_\_, 2020, as provided in the City Charter.

Ayes: Miller, Pietila, Shramski, Taylor-Burks, Waterman and Williams

No: Carter

**Ordinance Passed.**

**Resolution**

**20-372 Resolution to authorize Mayor to sign and execute Municipal Service Agreement for Carriage Circle Apartments, parcel # 14-34-127-002.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

WHEREAS, the Pontiac Housing Commission is investing nearly \$40,000,000 in a renovation of the Carriage Circle Apartment complex; and

WHEREAS, the City has agreed to a Payment In Lieu of Taxes agreement for Carriage Circle Apartments; and

WHEREAS, the City incurs substantial costs related to municipal services including but not limited to emergency services; and

WHEREAS, the Parties have agreed to a municipal services agreement in the amount of \$10,000 per year to defray those services;

NOW THEREFORE BE IT RESOLVED, that the City Council approves the Municipal Services Agreement and authorizes its execution by the Mayor.

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Ayes: Pietila, Shramski, Taylor-Burks, Waterman, Williams, and Miller

No: Carter

**Resolution Passed.**

**See attachment A for Municipal Services Agreement**

**Special Presentations**

Medical Marihuana Administration Report

Presentation Presenter: Matt Gibb, Special Counsel for Economic Development

Medical Marihuana Monthly Application Review Process Update from the Office of the City Clerk

Presentation Presenter: Garland Doyle, Interim City Clerk

August 6, 2020 Approved Minutes

**Recognition of Elected Officials**

Hon. Mattie Hatchett, Library Board and former Oakland County Commissioner

**Agenda Address**

None

**Communications from the Mayor**

Item 10 Forensic Audit Contract Negotiations Report; item 11 Executive Order: Pontiac Outdoor Dining Program Report; item 12 Update: Census Events and Statistical Response Report; item 13 Request for City Council Support – Letter of Apology to Detroit Regional Parking Authority Report and item 14 Phoenix Center Bid Update Report were received.

**Mayoral Monthly Reports**

Items 15 Personnel Monthly Staff Report, item 16 Monthly Check Register and item 17 City Credit Card Statement were received.

**Discussion (Agenda Add-On)**

Census Concert at City Hall. City Council President requested a breakdown of Census Grants and Donations

**Council President Williams requested a list of all Census grants and donations.**

**Public Comment**

One (1) individual submitted a public comment read by the City Clerk.

**Mayor, Clerk and Council Closing Comments**

Mayor Waterman, Interim City Clerk Doyle, Legislative Counsel Sharpe, Councilwoman Taylor-Burks, Councilwoman Pietila and Councilwoman Miller made closing comments.

**Adjournment**

Council President Kermit Williams adjourned the meeting at 2:46 p.m.

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GARLAND S DOYLE  
INTERIM CITY CLERK

**PAYMENT IN LIEU OF TAXES AND MUNICIPAL SERVICES AGREEMENT**

This PAYMENT IN LIEU OF TAXES AND MUNICIPAL SERVICES AGREEMENT ("Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2020 between the PONTIAC HOUSING COMMISSION, a public housing agency, whose address is 132 Franklin Boulevard, Pontiac, Michigan 48341 ("OWNER"), and the CITY OF PONTIAC, a Michigan municipal corporation, whose address is 47450 Woodward Avenue, Pontiac, Michigan 48342 (hereinafter referred to as the "CITY" and the OWNER and CITY may be collectively referred to as the "Parties").

**RECITALS:**

- A. OWNER intends to renovate and preserve a 234 unit multifamily housing project for low income persons, known as *Carriage Circle Apartments* to be financed in part, on or before June 30, 2021 by Low Income Housing Tax Credits ("LIHTC"), administered by the Michigan State Housing Development Authority ("MSHDA") on land legally described on the attached Exhibit "A" (the "PROJECT").
- B. The CITY has adopted a Payment in Lieu of Taxes Ordinance, effective \_\_\_\_\_, 2020, that exempts the PROJECT from property taxes in lieu of a service charge, commonly referred to as Payment in Lieu of Taxes ("PILOT"), a copy of which Ordinance is on the attached Exhibit "B."
- C. In consideration of the PILOT and this Agreement, OWNER has agreed to certain conditions and obligations and further agreed to pay to the CITY an annual municipal services fee to defray the CITY's costs of providing certain municipal services (as hereafter defined).
- D. The OWNER desires to assure that certain municipal services will be provided to the PROJECT during the term that the PILOT Ordinance for this PROJECT is in place, such municipal services to exclude normal water, sewer, and other utility charges as well as special assessment charges (which must be paid separately and at duly established rates) and similar charges and to include only:
  - 1. Emergency services, including police and ambulance (at normal published rates) and fire service specifically administered through the CITY;
  - 2. Other miscellaneous services as may, from time to time, be mutually agreed to for the benefit of the PROJECT;
  - 3. Said municipal services shall be provided in the customary way, in a competent and workmanlike manner, and in accordance with all laws, rules and regulations of the United States of America, State of Michigan, County of Oakland, and City of Pontiac or other applicable jurisdictions or bodies (all of the above are collectively referred to as "Municipal Services").
- E. The CITY and OWNER wish to set forth the understandings with respect to OWNER'S conditions and obligations, as well as, the imposition and payment of a municipal services fee to defray the cost of the CITY providing Municipal Services to the PROJECT.

## AGREEMENT

Now, therefore, for good and valuable consideration, the receipt of which is acknowledged by the parties, it is agreed as follows:

1. **Incorporation**. The above Recitals are incorporated by reference as an integral part of this Agreement.
2. **Municipal Services**. The CITY shall provide the Municipal Services to the PROJECT consistent with services then provided to similar multiple family residential housing developments within the CITY. The nature, extent and delivery of such services shall be in the final, sole and absolute discretion of the CITY. This Agreement shall not be construed to impose any additional obligations upon the CITY to provide such services than otherwise required by law
  - a. OWNER'S payment for Municipal Services provided by the CITY shall be computed as follows: the sum of Ten Thousand and 00/100 Dollars (\$10,000.00) will be paid concurrently with the first annual PILOT payment for the *Carriage Circle Apartments*. Each year thereafter, and for the duration the PILOT Program remains in existence for the Project, the annual payment from the OWNER to the CITY for the Municipal Services provided hereunder shall be increased annually (but not decreased) per the published annual increase Consumer Price Index for all products Midwest region.
  - b. If OWNER does not pay the CITY for the Municipal Charges by September 1<sup>st</sup> of the year in which it was due, such service charge shall be considered in arrears and the CITY is entitled to all rights and means to collect the arrearage, subject to the PILOT Ordinance, this Agreement, and applicable law.
3. **OWNER Conditions and Obligations**. As express conditions precedent to this Agreement, and as ongoing obligations, the OWNER agrees to the following during the term of this Agreement:

- a. *Contracted Trades*. For all construction activity on the site, during construction and as part of the Project's perpetual maintenance, OWNER shall use its best efforts to contract, hire and utilize contractors and sub-contractors having their principal place of business in Pontiac or individual trade laborers residing in the City.
- b. *Workforce Development*. OWNER shall use its best efforts to hire Pontiac residents for work and positions within the operations of the Project, both during construction and after.

For conditions 3(a) and 3(b), OWNER shall submit a report annually showing the sources of job postings, the number of Pontiac residents interviewed, and at least one local job services center or resource used to assist in screening for hire Pontiac residents. The report shall also include the total number of employees at the Project, and the total number of Pontiac residents employed.

- c. *Security Plan*. OWNER shall continue to provide staffed security and shall provide the City with the name and address of the Security Company and the

name and direct contact information (phone and email) of the Security Company's primary Manager. This information shall be updated at all times and notice of any changes provided to the City within thirty (30) days of any change.

d. *Management and Maintenance.* Day to Day management and maintenance of the Project is of significant importance and condition to the ongoing authority of this Agreement and the exemption granted herein. As such;

(i) The OWNER shall provide the City and the Building Official with the name and address of the Management Company and the name and direct contact information (phone and email) of the Management Company's primary Manager. This information shall be updated at all times and notice of any changes provided to the City within thirty (30) days of any change.

(ii) The City may inspect the Project periodically for ordinance, code or other lawful purposes. The OWNER shall promptly repair or correct any noticed violations as directed by the City's Building Official. In the event the Project receives three or more noticed violations for the same issue, this Agreement and the exemptions granted herein shall be subject to review as set forth in Sections 4 and 5 below.

(iii) The OWNER shall provide an annual report to the City setting forth, at a minimum:

1. Vacancy data and rate of retention and re-leasing;
2. Security incidents, including number of law enforcement call/reports;
3. Any improvements greater than \$10,000 to the Project, whether by permit or otherwise, that occur from and after the date of the Certificate of Occupancy or when all unit has been offered for lease, whichever is sooner.
4. A report showing that all security plans, equipment, and measures are in working order and that Management has been trained on the security plan, such report being a summary report of all quarterly reports.
5. If any violations of the housing code occur between report/reviews, the report may be required sooner at the discretion of the CITY.

4. **Notice of Non-Compliance.** If either Party determines there is noncompliance with this Agreement, said Party must provide the other Party written notice of such noncompliance, which shall specify in reasonable detail the grounds therefor and all facts demonstrating such noncompliance or failure, so the other Party may address the issues raised in the notice of noncompliance or failure on a point-by-point basis.

5. **Response to Notice of Noncompliance.** Within thirty (30) days of receipt of the notice of noncompliance, the Party receiving such notice shall respond in writing to the issue raised in the notice of noncompliance on a point-by-point basis. If the noticing Party agrees with and accepts the other Party's response, no further action shall be required. If the noticing Party does not agree with the response, then it shall provide to the other Party written notice of the commencement of the Meet and Confer/Mediation Process within thirty (30) days of the receipt of the response.
6. **Meet and Confer/Mediation Process.** Within thirty days (30) days of receipt of a meet and confer notice, the Parties shall initiate a Meet and Confer/Mediation Process pursuant to which the Parties shall meet and confer in good faith in order to determine a resolution acceptable to both Parties of the bases upon which either Party has determined that the other Party has not demonstrated good faith substantial compliance with the material terms of this Agreement.
7. **Hearing Before City Council to Determine Compliance.** If after the Meet and Confer/Mediation Process, there still remain outstanding noncompliance issues, the City Council shall conduct a noticed public hearing pursuant to determine the good faith substantial compliance by OWNER with the material terms of this Agreement. At least ten (10) days prior to such hearing, the Building Official shall provide to the City Council, OWNER, and to all other interested Persons requesting the same, copies of the City Council agenda report, agenda related materials and other information regarding OWNER's good faith substantial compliance with the material terms of this Agreement and the conclusions supporting a finding of non-compliance. The results and recommendations of the Meet and Confer/Mediation Process shall be presented to the City Council for review and consideration. At such hearing, OWNER and any other interested Person shall be entitled to submit evidence, orally or in writing, and address all the issues raised in the staff report on, or with respect or germane to, the issue of OWNER's good faith substantial compliance with the material terms of this Agreement.

If, after receipt of any written or oral response of OWNER, and/or results and recommendations from the Meet and Confer/Mediation Process that may have occurred, and after considering all of the evidence at such public hearing, or a further public hearing, the City Council finds and determines, on the basis of substantial evidence, that OWNER has not substantially complied in good faith with the material terms of this Agreement, the City Council shall specify to OWNER the respects in which OWNER has failed to comply, and shall also specify a reasonable time for OWNER to meet the terms of compliance that shall reasonably reflect the time necessary to adequately bring OWNER's performance into good faith substantial compliance with the material terms of this Agreement. If the areas of noncompliance specified by the City Council are not corrected within the time limits prescribed by the City Council hereunder, and the time for performance is not extended, the City Council may by subsequent noticed hearing terminate or modify this Agreement.
8. **Remedies.** Upon the occurrence of an Event of Default, each Party shall have the right, in addition to all other rights and remedies available under this Agreement, to (a) bring

any proceeding in the nature of specific performance, injunctive relief or mandamus, and/or (b) bring any action at law or in equity as may be permitted by Laws or this Agreement. Notwithstanding the foregoing, however, neither Party shall ever be liable to the other Party for any consequential or punitive damages on account of the occurrence of an Event of Default (including claims for lost profits, loss of opportunity, lost revenues, or similar consequential damage claims), and the Parties hereby waive and relinquish any claims for punitive damages on account of an Event of Default, which waiver and relinquishment the Parties acknowledge has been made after full and complete disclosure and advice regarding the consequences of such waiver and relinquishment by counsel to each Party.

In the event the City requires court action to enforce the above terms, the prevailing party shall be entitled recovery of all costs and fees incurred, at the discretion of the Court.

9. **Successors and Assigns; Recording.** This Agreement will be binding upon, and shall be assigned to, the successors and assigns of the OWNER and its related party affiliates; provided, that such successor or assign is an eligible counterparty to this Agreement and the obligations created hereunder will run with the Property and the Project. If OWNER sells, transfers, leases or assigns the Property all or substantially all its interest in the Project, then this Agreement will, thereafter, be assigned to and shall be binding on the purchaser, transferee or assignee; provided, that such party is an eligible counterparty to this Agreement.
10. **Notices.** All notices, consents, requests, or other communications provided for or permitted to be given hereunder by a Party must be in writing and will be deemed to have been properly given or served upon the personal delivery thereof, via nationally recognized overnight courier delivery service. Such notices shall be addressed or delivered to the Parties at their respective addresses shown below.

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To OWNER:

To the City:

Office of the Mayor  
47450 Woodward  
Pontiac, MI 48342

Delivery of the Payment In Lieu of Taxes to the City:

City of Pontiac  
Attn: Finance Division  
47450 Woodward  
Pontiac, MI 48342

Any such addresses for the giving of notices may be changed by either Party by giving written notice as provided above to the other Party. Notice given by counsel to a Party shall be effective as notice from such Party.

11. **Complete Agreement.** This Agreement sets forth the complete agreement of the Parties regarding the provision of Municipal Services from the CITY to the OWNER for the PROJECT. All prior understandings or agreements between the Parties, either written or oral, are merged into and replaced by this Agreement.
- a. The Parties warrant and represent that each understands that the Agreement is a legally binding contract; that each has read and understood this Agreement; that each intends to be bound by each provision of this Agreement; and that each has the authority to execute this Agreement.
  - b. This Agreement only applies to the PROJECT and to OWNER and its approved successors and assigns.
  - c. This Agreement, which has been negotiated by and between the Parties, shall be deemed drafted by each of the Parties and shall not be construed against any single party.
  - d. This Agreement may not be varied or modified in any manner, except in a subsequent writing executed by an authorized representative of both parties.
  - e. No breach of any provision of this Agreement can be waived unless in writing. The waiver of a breach of any provision of this Agreement shall not be deemed a waiver of the breach of any other provision.
  - f. If any provision of this Agreement shall be held invalid by operation of law or by any court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect, and may be independently enforced to the fullest extent permitted by law.
  - g. In the event of any breach of any provision of this Agreement resulting in litigation, the prevailing party shall be entitled to be reimbursed by the non-prevailing party for all of its actual attorney fees and costs incurred in such litigation, in addition to all other remedies available under this Agreement or at law.
  - h. The Parties agree that this Agreement shall be governed by the laws of the State of Michigan, without reference to Michigan's conflict of law principles.
  - i. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but which together shall constitute a single agreement. All signatures required under this Agreement need not appear in the same document. This Agreement may be executed by facsimile or .pdf signature, with original signatures to be thereafter delivered.

**SIGNATURES ON THE FOLLOWING PAGE**

This Agreement is executed as of the day and year first written above.

**OWNER:**

PONTIAC HOUSING COMMISSION, a public housing agency

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**CITY:**

CITY OF PONTIAC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF THE PROJECT**

Real estate situated in the City of Pontiac, Oakland County, Michigan described as follows:

Part of Lot 3 of ASSESSOR'S PLAT No 141 according to the plat thereof recorded in Liber 54A of Plats, Pages 99 and 99A of Oakland County Records, described as follows: Commencing at the Northeast corner of said Lot 3; thence South 87 degrees 47 minutes 10 seconds West 628.43 feet along the North line of said Lot 3; thence South 2 degrees 12 minutes 26 seconds East 230.00 feet to the point of beginning; thence South 2 degrees 12 minutes 26 seconds East 420.00 feet; thence North 87 degrees 47 minutes 10 seconds East 622.90 feet; thence North 1 degree 43 minutes 10 seconds West 270.01 feet along East line of Lot 3; thence South 87 degrees 47 minutes 10 seconds West 185.20 feet; thence North 2 degrees 12 minutes 26 seconds West 150.00 feet; thence South 87 degrees 47 minutes 10 seconds West 440.00 feet to the point of beginning.

Commonly known as: 255 Carriage Circle Drive  
Tax Parcel No. 14-34-127-002

**EXHIBIT "B"**  
**PILOT ORDINANCE**  
**(ATTACHED)**