
BOARD MEMBERS PRESENT:

Gary Wall, Supervisor
Margaret Birch, Treasurer
Sue Camilleri, Clerk
Anthony Bartolotta, Trustee
Karen Joliat, Trustee
Art Frasca, Trustee
Steven Thomas, Trustee

OTHERS PRESENT:

Steven McCready
Crystal McCready

Russell Williams
Paula Moore

Donna Wall
Daryl Reppuhn

Supervisor Gary Wall called the meeting to order at 6:01 p.m. and asked for a moment of silence for the brave men and women that defend our Country and then Officer Hemmelspach left the building.

1. Approve Agenda

Moved by Bartolotta;

Seconded by Thomas, RESOLVED, to approve the October 30, 2018, Special Meeting Agenda as printed.

Motion carried unanimously.

2 New Business

2.1 Public Hearing Regarding Public Act 210 Submittal of Tax Exemption Certificate Applications for Summit Please Mall Properties.

Public hearing Opened at 6:04 PM.

Representatives of Applicant, Summit 327 LLC, made a PowerPoint presentation on the four parcels included in their request. The property totals 73.62 acres. The demolition and remediation costs will total approximately \$7.5 million; Environmental remediation will cost approximately \$362,000 and the new construction anticipated will total \$55 million. That comprises a total \$63 million dollar investment. Applicant is asking for the full 10 year tax exemption. This would exempt the new investment from local taxes, allowing investment in the property to rehabilitate and improve it. One million square feet of construction is anticipated and creation of roughly 2000 jobs,

Camilleri stated that the mall has been vacant and an albatross around the township's neck for nearly 10 years and a request for 10 years of tax relief seems a fair period of time.

Public Hearing Regarding Public Act 210 Submittal of Tax Exemption Certificate Applications for Summit Please Mall Properties Continued.

Applicant considers this project a partnership between Summit 327 LLC and the Township. Both partners want to see this project succeed. Bartolotta asked why the development would include a hotel? Mr. Liebovitz indicated that the development wasn't fully planned at this point and nothing is settled. Development often creates a need for a nearby hotel to support the the new businesses.

Frasca remembers a thriving mall when he moved to the township in 1986 and is happy to know that that property will be brought back to life.

Wall said a 10 year window is reasonable for a development of this scope. They should take the time needed to find the best fit for that property. Wall also fondly remembers the Mall in it's heyday.

Mr. Liebovitz said he has made a bet on this community. He believes in this community and anticipates good things for the future.

The public was asked if they had any comments and no one stepped forward.

Mr. Liebovitz added that his agenda is to move things forward quickly. Delay is not to his advantage, but he needs some time to get his ducks in order.

Bartolotta asked if the former Sears property was part of this application and Mr. Liebovitz indicated it was not.

Mr. Liebovitz stated he had additional expenses clearing the exceptions to the title on the green belt area along Telegraph.

Dovre stated reading the resolution was optional but the board must make a motion to adopt the resolution as presented if they choose to approve the 10 year request.

Moved by Joliat;

Seconded by Bartolotta, RESOLVED, to adopt the Resolution Approving Applications for Commercial Rehabilitation Exemption Certificates as presented. A roll call vote was taken.

Ayes: Wall, Camilleri, Birch, Bartolotta, Frasca, Joliat, and Thomas

Nays: None

Absent: None

Motion carried unanimously.

Public Hearing Regarding Public Act 210 Submittal of Tax Exemption Certificate Applications for Summit Place Mall Properties Continued.

Clerk Camilleri read the resolution.

**CHARTER TOWNSHIP OF WATERFORD
OAKLAND COUNTY, MICHIGAN**

**RESOLUTION APPROVING APPLICATIONS FOR
COMMERCIAL REHABILITATION EXEMPTION CERTIFICATES**

RECITALS:

A. The Commercial Rehabilitation Act, State of Michigan Public Act No. 210 of 2005 ("Act"), allows a local government such as the Township to establish a Commercial Rehabilitation District to encourage rehabilitation of qualified facilities in the District by property tax incentives for up to 10 years.

B. By a Resolution adopted June 10, 2013, the Township Board of Trustees established the Summit Place Commercial Rehabilitation District under the Act ("District").

C. As the owner and Applicant, Summit 327 LLC, has filed separate Applications for Commercial Rehabilitation Exemption Certificates with the Township Clerk, copies of which are **attached**, for the following four (4) parcels of property in the District as qualified facilities under the Act:

Tax Parcel No. 13-25-200-033, referred to as 327 N. Telegraph (approx. 70.98 acres)

Tax Parcel No. 13-25-200-004, referred to as 201 N. Telegraph (approx. .45 acres)

Tax Parcel No. 13-25-200-005, referred to as 205 N. Telegraph (approx. .52 acres)

Tax Parcel No. 13-25-200-013, referred to as 330 Summit Drive (approx. 1.67 acres)

D. The Township Clerk notified the Township Assessor of the Applications and had the **attached** Notice of Receipt and Public Hearing on Applications for Commercial Rehabilitation Exemption Certificates published in the Oakland Press newspaper on October 19, 2018, and mailed on October 18, 2018, to the legislative bodies and representatives of each ad valorem property taxing unit in the Township on the **attached** list.

E. After holding the noticed October 30, 2018, public hearing on the Applications, the Township Board of Trustees determined to adopt this Resolution.

IT IS THEREFORE RESOLVED THAT, being satisfied that for each of the Applications, Applicant has complied with the requirements in Section 8 of the Act, MCL 207.848(2), the Township Board of Trustees hereby approves each of the Applications for an exemption certificate to be issued for a period of ten (10) years through December 31, 2028, and authorizes and directs the Township Clerk to file copies of the Applications, this Resolution, and the June 10, 2013, Resolution that established the Summit Place Commercial Rehabilitation District with the State Tax Commission.

CERTIFICATION

I hereby certify that this Resolution was adopted by the Charter Township of Waterford Board of Trustees at a special meeting of the Board on October 30, 2018.

Charter Township of Waterford

Date

Sue Camilleri, Township Clerk

2.2 Consider Approval of First Amendment to Lease Agreement with T-Mobile Central, LLC, for Cass Lake Road Water Tower.

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement ("Amendment") is made and effective as of the date it has been fully signed and is by and between the Charter Township of Waterford, whose address is 5200 Civic Center Drive, Waterford, Michigan 48329 ("Landlord") and T-Mobile Central, LLC, whose mailing address is in Section 20 of this Amendment, and Resident Agent and registered office address is CSC-Lawyers Incorporating Service (Company), 601 Abbot Road, East Lansing, MI 48823 ("Tenant"), as the successor in interest to Omnipoint Communications Midwest Operations, LLC. The Landlord and Tenant are at times collectively referred to as the "Parties" or individually as the "Party."

Recitals:

A. This Amendment is of the Lease Agreement between Landlord and the original Tenant, Omnipoint Communications Midwest Operations, LLC, that commenced November 10, 1998, ("Lease"), for use of a portion of Landlord's real property located at 684 North Cass Lake Road, not 984 as recited in the Lease, ("Site") and a water tower structure on the Site ("Tower"), for an initial and three (3) renewal terms, each five (5) years in length and running through November 9, 2018.

B. The Parties have agreed to extend the potential term of the Lease by 25 years through the addition of five (5) more renewal terms of five (5) years each, to change and increase the Rent to be paid by Tenant during the extended term, and to the other changes in this Amendment.

C. The Lease consists of 27 numbered Sections. This Amendment modifies Sections 2, 3, 13(b), 20, 23, and 25. Sections not modified by this Amendment shall continue in effect and apply to the modified Sections.

IT IS THEREFORE AGREED that the following Sections of the Lease are amended as indicated, with all other Sections of the Lease being unchanged and remaining in effect and fully applicable to the Lease as modified by this Amendment.

2. Term of Lease. Sections 2(b) and 2(c) amended to read:

(b) Provided Tenant is not in default, the Term of this Lease shall be automatically extended for up to eight (8) additional and separate five (5) year terms ("Renewal Terms") unless Tenant gives Landlord written notice of intention to terminate at least six (6) months prior to the end of each current term, in which event this Lease shall expire at the end of that term.

(c) Absent termination as provided below, and provided Tenant is not in default, at the end of the eighth Renewal Term, this Lease shall automatically continue in effect on the same terms and conditions for one or more additional terms of one (1) year until terminated. Landlord or Tenant may terminate this Lease by written notice at least six (6) months prior to the end of the last Renewal Term or any one (1) year holdover term.

3. Rent and Lease Payments. Section 3(b) amended to add the following new second paragraph.

Notwithstanding the preceding paragraph, which shall not apply after the amount of the rent payment due November 10, 2017, is determined, the annual rent payment for the first year of the fourth Renewal Term that commences November 10, 2018, shall be \$ 31,000.00, with the annual rent for each year thereafter during all remaining Renewal Terms and any holdover terms, to be

Consider Approval of First Amendment to Lease Agreement with T-Mobile Central, LLC, for Cass Lake Road Water Tower.

the amount of the annual rent payment required for the immediately preceding year, increased by three percent (3%).

13. Termination; Default. Section 13(b) amended to add the following new second paragraph.

Provided that Tenant's financial obligations under Sections 3, 6, 10, and 27 are paid, upon three (3) months written notice to Landlord, Tenant may terminate this Lease due to technological, regulatory, or economic reasons, documentation of which shall accompany or be included in the written notice. Such a termination shall not require Landlord to return any portion of Rent to the Tenant.

20. Notices. Amended to delete the requirement to provide a Landlord copy to the Township Attorney and replace the Tenant Notification addresses with the following:

TENANT: T-Mobile USA, Inc.
Attn: Lease Compliance/DE0192C
12920 SE 38th Street
Bellevue, WA 98006

23. Lease Memorandum. Amended to add the following new second sentence.

This Section shall apply to and allows a Lease Memorandum to be requested, prepared and recorded by Tenant for each Amendment of this Lease.

25. Waiver. Amended to add the following new second sentence.

Any charges payable under this Lease, other than Rent and administrative late charges under Section 3, shall be billed by Landlord to Tenant within 12 months from the date the charges were incurred or due; otherwise the same shall be deemed time barred and be forever waived and released by Landlord.

Each of the Parties represents and warrants that it has the right, power, legal capacity, and authority to enter into and perform its respective obligations under the Lease, as modified by this Amendment.

[SIGNATURES ON NEXT PAGE]

T-MOBILE CENTRAL, LLC

By: _____
Name:
Its:

STATE OF
COUNTY OF

On this _____, 2018, before me personally appeared _____, the _____ of T-Mobile Central, LLC, who signed this First Amendment to Lease Agreement for and on behalf of T-Mobile Central, LLC.

Consider Approval of First Amendment to Lease Agreement with T-Mobile Central, LLC, for Cass Lake Road Water Tower.

Subscribed and sworn to before me this

Notary Public

My Commission Expires: _____

CHARTER TOWNSHIP OF WATERFORD

By: _____
Gary Wall, Supervisor

On this _____, 2018, before me personally appeared Gary Wall, the Supervisor of the Charter Township of Waterford, who signed this First Amendment to Lease Agreement for and on behalf of the Township.

Subscribed and sworn to before me this

Notary Public,

Acting in Oakland County, Michigan

My Commission Expires: _____

Moved by Birch;

Seconded by Thomas, RESOLVED, to approve the First Amendment to Lease Agreement with T-Mobile Central, LLC, for the 684 N Cass Lake Rd water tower site and authorize the Supervisor to sign it on behalf of the Township. A roll call vote was taken.

Ayes: Wall, Camilleri, Birch, Bartolotta, Frasca, Joliat, and Thomas

Nays: None

Absent: None

Motion carried unanimously.

Before going voting on Closed Session the Supervisor asked if there was any citizens wishing to bring business before the board. There were none.

7.3 Possible Closed Session To Discuss Confidential Township Attorney Opinion Correspondence Regarding Settlement/Litigation Status And Strategy Re: Lawrence M. Clarke, Inc. v Waterford Arbitration/Mediation (AAA # 01-18-0001-3583).

Moved by Joliat;

Seconded by Bartolotta, RESOLVED, to enter into closed session to discuss confidential Township Attorney opinion correspondence regarding settlement/litigation status and strategy re: Lawrence M. Clarke, Inc. v Waterford Arbitration/Mediation (AAA # 01-18-0001-3583). A roll call vote was taken.

Ayes: Wall, Camilleri, Birch, Bartolotta, Frasca, Joliat, and Thomas

Nays: None

Absent: None

Motion carried unanimously.

The Supervisor indicated that the Board may take action after returning from closed session.

The board entered into closed session at 6:46 p.m.

The Board returned from closed session at 7:00 pm.

The Supervisor asked for a Motion regarding the Arbitration case with Lawrence M. Clarke, Inc. that the settlement agreement to implement the Mediator's recommended settlement previously approved by the Board, not include a non-disparagement clause or language.

Moved by Camilleri;

Seconded by Joliat, RESOLVED, regarding the Arbitration case with Lawrence M. Clarke, Inc. that the settlement agreement to implement the Mediator's recommended settlement previously approved by the Board not include a non-disparagement clause or language. A roll call vote was taken.

Ayes: Wall, Camilleri, Birch, Bartolotta, Frasca, Joliat, and Thomas

Nays: None

Absent: None

ADJOURNMENT

Moved by Frasca;

Seconded by Thomas, RESOLVED, to adjourn the meeting at 7:12 p.m.

Motion carried unanimously.

Sue Camilleri, Clerk

Gary Wall, Supervisor



FORMER SUMMIT PLACE MALL REDEVELOPMENT

October 30, 2018

COMMERCIAL REHABILITATION ACT TAX ABATEMENT

Michigan Public Act 210 – to encourage the rehabilitation of commercial property by abating the property taxes generated from new investment for a period of up to 10 years.

COMMERCIAL REHABILITATION ACT TAX ABATEMENT

Step 1 – Establish the Commercial Rehabilitation District

Step 2 – Local & State approval of the Exemption Certificate

COMMERCIAL REHABILITATION ACT TAX ABATEMENT

Eligible Applicant:

Summit 327, LLC

Arie Leibovitz

PROPOSED REDEVELOPMENT

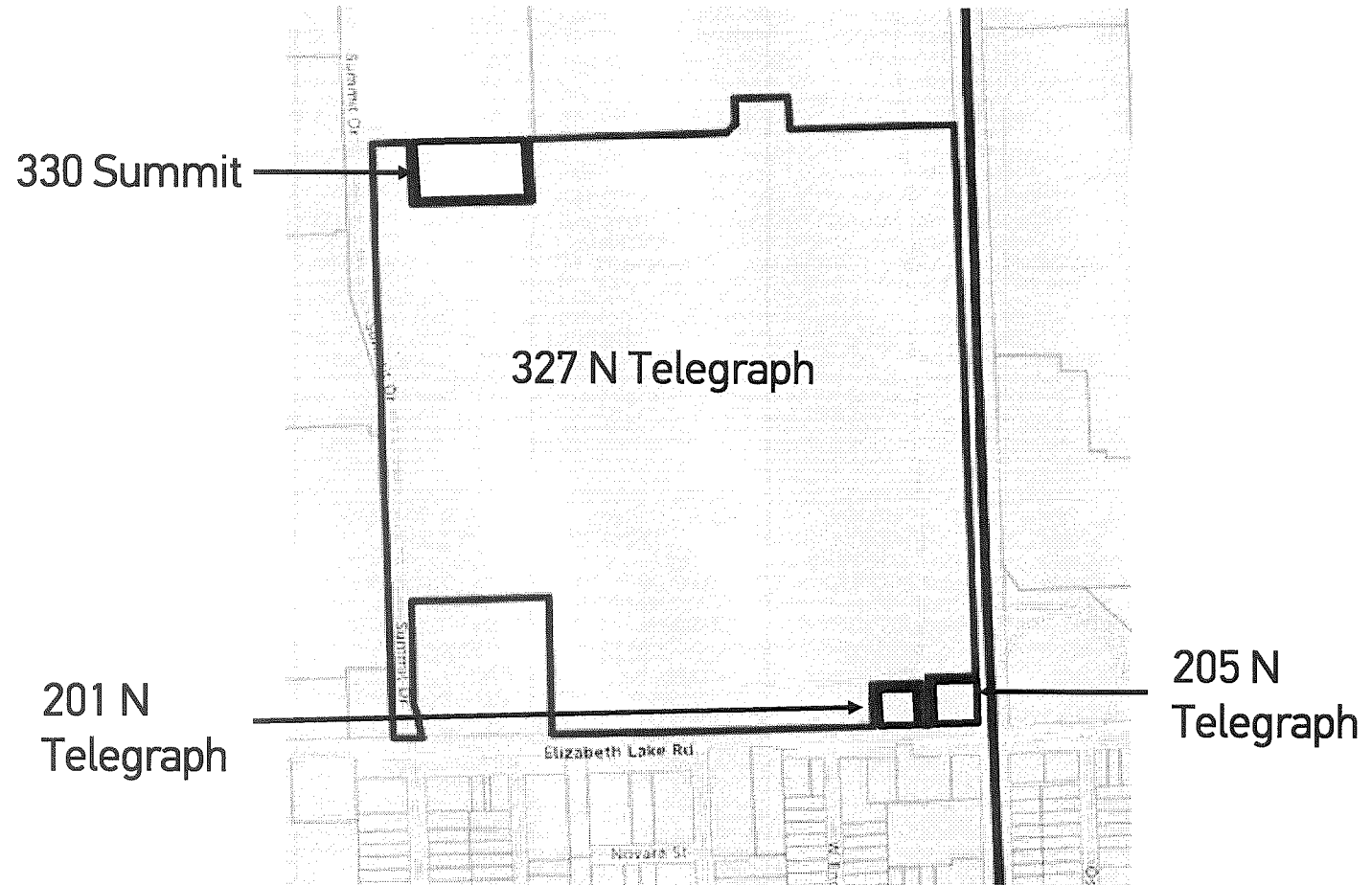
Demolish all existing buildings and site improvements and construct a one million square foot commercial business park with additional space along N Telegraph for restaurants and a hotel.

FORMER SUMMIT PLACE MALL

- 327 N Telegraph Road
- 71-acre site
- 1,300,000 square foot mall
- Known to contain asbestos and mold
- Adjacent properties:
 - 201 & 205 N Telegraph and 330 Summit Drive

REDEVELOPMENT AREA

Total:
4 parcels
73.62 acres













PROJECT INVESTMENT & OUTCOMES

- Removal of a long-vacant, blighted property
- Creation of 1,000,000sq.ft. of commercial space
- Creation of est. 2,000 new jobs
- Increase in property values and local taxes

PROJECT INVESTMENT & OUTCOMES

- Demolition & Abatement: \$7,500,000
- Environmental Remediation: \$362,000
- New Construction: \$55,138,000
- Total Investment: \$63,000,000

CRA TAX ABATEMENT APPLICATION

- 10-year PA210 CRA Tax Abatement
- Freeze the local property taxes (\$76,430/year)
- Estimated tax savings: \$490,000/year
- Allow developer to compete effectively with other communities



THANK YOU!

Kirstie Hardy & Bret Stuntz

Economic Development

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 **AKT**PEERLESS

Q&A