

AUBURN HILLS MEETING SCHEDULE

248-370-9402 | WWW.AUBURNHILLS.ORG

SEPTEMBER 2024

DAY	TITLE	TIME	LOCATION
9	City Council Meeting	7:00 PM	Council Chamber 1827 N. Squirrel Road
9	Library Board	7:00 PM	Auburn Hills Public Library 3400 Seyburn Drive
10	Tax Increment Finance Authority Informational Meeting	4:00 PM	Administrative Conference Room 1827 N. Squirrel Road
11	Pension Board/Retiree HealthCare	3:00 PM	Administrative Conference Room 1827 N. Squirrel Road
11	Planning Commission	6:30 PM	Public Safety Building 1899 N. Squirrel Road
12	Election Commission	5:30 PM	Administrative Conference Room 1827 N. Squirrel Road
12	Zoning Board of Appeals	7:00 PM	CANCELED
16	Downtown Development Authority	5:15 PM	Administrative Conference Room 1827 N. Squirrel Road
17	Brownfield Redevelopment Authority	6:00 PM	Administrative Conference Room 1827 N. Squirrel Road
23	City Council Workshop	5:30 PM	Administrative Conference Room 1827 N. Squirrel Road
23	City Council Meeting	7:00 PM	Council Chamber 1827 N. Squirrel Road
30	Election Commission / Public Accuracy Test	3:00 PM	Council Chamber 1827 N. Squirrel Road

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City Clerk's Office at 248.370.9402 48 hours prior to the meeting. Staff will be pleased to make the necessary arrangements. PLEASE BE ADVISED, DUE TO A LACK OF AGENDA ITEMS, SOME MEETINGS MAY BE CANCELED.



AUBURN HILLS MEETING SCHEDULE

248-370-9402 | WWW.AUBURNHILLS.ORG

OCTOBER 2024

DAY	TITLE	TIME	LOCATION
7	City Council Workshop	5:30 PM	Administrative Conference Room 1827 N. Squirrel Road
7	City Council Meeting	7:00 PM	Council Chamber 1827 N. Squirrel Road
8	Tax Increment Finance Authority	4:00 PM	Administrative Conference Room 1827 N. Squirrel Road
9	Planning Commission	7:00 PM	Council Chamber 1827 N. Squirrel Road
10	Zoning Board of Appeals	3:30 PM 7:00 PM	Council Chamber 1827 N. Squirrel Road
14	Library Board	7:00 PM	Auburn Hills Public Library 3400 Seyburn Drive
15	Brownfield Redevelopment Authority	6:00 PM	Administrative Conference Room 1827 N. Squirrel Road
21	City Council Meeting	7:00 PM	Council Chamber 1827 N. Squirrel Road

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City Clerk's Office at 248.370.9402 48 hours prior to the meeting. Staff will be pleased to make the necessary arrangements. PLEASE BE ADVISED, DUE TO A LACK OF AGENDA ITEMS, SOME MEETINGS MAY BE CANCELED.



CITY OF AUBURN HILLS MONDAY, SEPTEMBER 9, 2024

Regular City Council Meeting ◆ 7:00 PM

Council Chamber, 1827 N. Squirrel Road, Auburn Hills MI 248-370-9402 ♦ www.auburnhills.org

- 1. MEETING CALLED TO ORDER
- 2. PLEDGE OF ALLEGIANCE
- 3. ROLL CALL OF COUNCIL
- 4. APPROVAL OF MINUTES
 - 4a. City Council Regular Meeting Minutes, August 26, 2024.
- 5. APPOINTMENTS AND PRESENTATIONS
 - 5a. Appointment to the Board of Review Ms. Ruth Sadler
 - 5b. Appointment to the Brownfield Redevelopment Authority Mr. Richard Schindler
- 6. PUBLIC COMMENT
- 7. CONSENT AGENDA

All items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

- 7a. Board and Commission Minutes
 - 7a1. Tax Increment Finance Authority, August 13, 2024
 - 7a2. Downtown Development Authority, August 19, 2024
 - 7a3. Brownfield Redevelopment Authority, August 20, 2024
 - 7a4. Public Safety Advisory Committee, August 27, 2024
- 7b. Motion Approval to Purchase In-Building Radio Speakers
- 7c. Motion Approval to Purchase Property/Evidence Lockers

8. UNFINISHED BUSINESS

8a. Motion – To extend the Revised PUD Step Two - Site Plan and Tree Removal Permit Approval / The Avant at Five Points

9. NEW BUSINESS

- 9a. Motion Public Hearing and request to approve request for four (4) year IFEC for Penske Vehicle Services Inc.
- 9b. Motion Move to Award a Contract for Shimmons Road Water Main Relocation
- 9c. Motion To award the 2024 Fieldstone Golf Club cart path paving and drainage improvements to Titan Pavement
- 10. COMMENTS AND MOTIONS FROM COUNCIL
- 11. CITY ATTORNEY REPORT
- 12. CITY MANAGER REPORT
- 13. ADJOURNMENT



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: SEPTEMBER 9, 2024

AGENDA ITEM NO 4A

CITY COUNCIL



CITY OF AUBURN HILLS

REGULAR CITY COUNCIL MEETING DRAFT Minutes

AUGUST 26, 2024

CALL TO ORDER & Mayor Marzolf at 7:00 PM.

PLEDGE OF ALLEGIANCE:

LOCATION: Council Chamber, 1827 N. Squirrel Road, Auburn Hills MI

ROLL CALL: Present: Council Members Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, and

Verbeke Absent: None

Also Present: City Manager Tanghe, Assistant City Manager Skopek, City Attorney Beckerleg, City Clerk Pierce, Chief of Police Gagnon, Fire Chief Massingill, Asst to Dir./Construction Coord. Lang, DPW Director Baldante, Mgr of Municipal Properties Wisser,

Assistant to the Manager Hagge, Engineer Driesenga

14 Guests

4. APPROVAL OF MINUTES

4a. City Council Workshop Minutes, August 12, 2024.

Moved by Knight, Seconded by Ferguson.

RESOLVED: To approve the City Council Workshop Minutes of August 12, 2024.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.124 Motion Carried (7 - 0)

4b. City Council Regular Meeting Minutes, August 12, 2024.

Moved by Knight, Seconded by Fletcher.

RESOLVED: To approve the City Council Regular Meeting Minutes of August 12, 2024.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.125 Motion Carried (7 - 0)

5. APPOINTMENTS AND PRESENTATIONS

5a. Proclamation in recognition of the service of Bob Kittle.

Recognition was given to Mr. Bob Kittle for over twenty years of service to the City of Auburn Hills.

6. PUBLIC COMMENT

Mr. David Dubay of 312 S. Squirrel Rd. shared his concerns with people driving fast near his home.

Ms. Patty Ormsbee of 2108 Allerton Rd. shared her concerns with the trash removal. Mr. Tanghe addressed this concern and stated that DPW is working very hard with the municipal representative of Priority Waste to have things working more efficiently.

Mr. Doug Mains, Attorney representing the cannabis industry, addressed the cities cannabis ordinance.

7. CONSENT AGENDA

7a. Motion – To approve the correction of funding for the 2025 TIF District B Road Program Design.

RESOLVED: To approve the correction of funding for the 2025 TIF District B Road Program from the local roads fund.

7b. Motion – To award a contract for the River Woods Park boardwalk wood replacement.

RESOLVED: To approve a contract with Vesta Homes to replace the wood decking and railing at the River Woods Park boardwalk for \$59,500 and to amend the 2024 Parks budget in the amount of \$24,500.

Moved by Verbeke, Seconded by Ferguson.

RESOLVED: To approve the Consent Agenda.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.126 Motion Carried (7 - 0)

8. UNFINISHED BUSINESS

9. NEW BUSINESS

<u>9a.</u> Public Hearing/Motion – To adopt a resolution vacating a portion of Shimmons Road right-of-way.

Attorney Beckerleg conveyed that this is step two of the 2024 Local Road Improvement Program. This resolution will vacate this portion of Shimmons Road.

Mayor Marzolf opened the Public Hearing at 7:25 PM.

Tom O'Connor of 3395 Shimmons Road questioned who will be owing the new pieces of property.

It was clarified that those that are adjacent to the right of way will receive the land.

Hearing no further comment, the Mayor closed the Public Hearing at 7:28 PM.

Moved by Fletcher, Seconded by Ferguson.

RESOLVED: To adopt a Resolution vacating a portion of the Shimmons Road right-of-way attached as Exhibit A. (Attachment A)

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.127

Motion Carried (7 - 0)

9b. Public Hearing / Motion – To adopt an ordinance to amend Section 70-361. - Parking offenses; fines, of Article VII – Stopping, Standing, and Parking of Chapter 70- Traffic and Vehicles, of the Auburn Hills City Code on second reading.

Mr. Lang presented the amendment to implement the restrictions to the downtown parking. Staff has advised the public of these new restrictions via social media, emails and mailings. The Police Department will allow for a 30-day educational period before enforcement begins.

Mayor Marzolf opened the Public Hearing at 7:30 PM.

Hearing no comment, the Mayor closed the Public Hearing at 7:31 PM.

Moved by Knight, Seconded by Fletcher.

RESOLVED: To adopt an ordinance to amend Section 70-361. - Parking offenses; fines, of Article VII – Stopping, Standing, and Parking of Chapter 70- Traffic and Vehicles, of the Auburn Hills City Code on Second Reading. The ordinance shall be known as Ordinance No. 24-941. (Attachment B)

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.128 Motion Carried (7 - 0)

9c. Motion – To award the Construction Contract for the 2024 M-24 (Lapeer Road) Improvements.

Mr. Baldante presented the need for road improvements near the new GM facility that is being constructed on M-24. These improvements are being made due to the increased truck traffic that will take place. The funding will mostly come from the Transportation Economic Development Fund grant that was received. A budget amendment is needed in the amount of \$2,093,156.00 to the major roads fund. The budget amendment is for 2024 budget year with the project starting this year with completion in 2025.

Moved by Verbeke, Seconded by Knight.

RESOLVED: To award the construction contract to Florence Cement Company, Construction Engineering/ Observation and Contract Administration Services to OHM Advisors, and Material Testing Services to G2 Consulting for the 2024 M-24 Improvements in the amount of \$2,093,156. Also, to amend the City's 2024 budget as indicated in the staff recommendation section of the memo. Our approval of this bid award and our participation therein is subject to the City receiving a fully executed copy of the road improvements contract by Schostak/PAH Real Estate LLC.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.129 Motion Carried (7 - 0)

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. Knight sought clarification to the bill that was received by the new trash company and sought an update to the Public Square project. Mr. Tanghe commented that all concerns with the trash company will need to be addressed with DPW and shared that there were some utility conflicts that are holding up the progress on the Public Square.

Mr. McDaniel extended gratitude to those that are working on the road project near the Oakland Christian School. He thanked them for the safety getting the children to school.

Ms. Verbeke questioned the truck fire on I-75. Chief Massingill and Chief Gagnon commented it was a flatbed truck fire and the Police Department controlled the traffic in the area.

Dr. Fletcher questioned the Shimmons/Dexter Roads project and was under the impression this project was to be completed by the time school began. Mr. Baldante commented that the delays are due to labor and other big projects that are taking place. The expectation is that this project will be done by the end of September. She also commented on the trash pick up and shared that the past two weeks have been better.

Mr. Ferguson commented on the trash concerns and that while it has been difficult, they seem to be correcting the concerns. He also commented on the Avondale Schools robotic team.

Mr. Hawkins shared that he received a positive call from the Hunt Club subdivision and that the road project people have been accommodating to the residents as they have traveled in and out of the subdivision.

Mayor Marzolf commented that with the end of the summer he would like to see how the summer programs have gone.

11. CITY ATTORNEY REPORT

12. CITY MANAGER REPORT

Mr. Tanghe shared that the internal process for budget is complete, and several things have been moved around. Fund balance looks good.

13. CLOSED SESSION

13a. Motion – To meet in closed session to discuss labor negotiations pursuant to MCL 15.268(1)(c) of the Open Meetings Act.

Moved by Verbeke, Seconded by Ferguson.

RESOLVED: To meet in closed session to discuss labor negotiations pursuant to MCL 15.268(1)(c) of the Open Meetings Act.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.130

Motion Carried (7 - 0)

The meeting recessed to Closed Session at 7:51 PM.

The meeting reconvened in Open Session at 8:33 PM.

Moved by Verbeke, Seconded by Fletcher.

RESOLVED: To authorize the Mayor, City Manager, and City Clerk to execute the collective bargaining agreement by and between the City of Auburn Hills and the POLC/Detective Unit for the period of 1/1/2025 through 12/31/2027, as presented.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.131

Motion Carried (7 - 0)

14. ADJOURNMENT

Moved by Knight, Seconded by Ferguson.

RESOLVED: To adjourn the meeting.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 24.08.132 Motion Carried (7 - 0)

The meeting was adjourned at 8:34 PM.

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Brain W. Marzolf, Mayor	 Laura M. Pierce, City Clerk

ATTACHMENT A

CITY OF AUBURN HILLS

RESOLUTION VACATING PART OF SHIMMONS ROAD

At a meeting of the Auburn Hills City Council held on the 26 th day of August, 2024, at the City Hall at 1827 North Squirrel Road, Auburn Hills, Michigan 48326.						
It was moved by and seconded by;						
WHEREAS, Section 62-14 of the Auburn Hills Code of Ordinances, as amended, provides that whenever the City Council shall deem it advisable, it may vacate any road or street, or any part thereof, and that it shall hold a public hearing of for the purpose of hearing objections thereto; and						
WHEREAS, the City Council has on August 26, 2024, considered and held a public hearing on the proposed vacation of a portion of Shimmons Road located in the City of Auburn Hills, Michigan, which portion of Shimmons Road is described herein and is presently owned by the City of Auburn Hills; and						
WHEREAS, the City Council has jurisdiction in the instant case to vacate the portion of the road in question, as such road has been used for public use, and no part of such road is within 25 meters of a lake or the general course of stream; and						
WHEREAS, no facts were disclosed to the City Council which would present a material question as to whether the aforementioned portion of Shimmons Road which is sought to be vacated is necessary for the promotion or protection of the public health, safety and general welfare.						
NOW, THEREFORE, IT IS HEREBY RESOLVED by the Auburn Hills City Council that:						
1. The portion of Shimmons Road which is legally described on Exhibit A, which is attached hereto and incorporated herein by reference, shall be, and is hereby, vacated.						
2. The above-described vacation is granted subject to the reservation by the City of an easement for public utility purposes, including the reservation of a water main easement.						
3. Within 30 days after the City Council's approval of this Resolution, the City Clerk shall record a certified copy of this Resolution with the Oakland County Register of Deeds and						

shall file a copy of this Resolution with the office of the Michigan State Treasurer.

4.

shall be removed from the street plan map.

The vacation of the above-described portion of Shimmons Road shall be effective

on the date this Resolution is recorded with the Oakland County Register of Deeds, and, upon the vacation of said portion of Shimmons Road becoming effective, said portion of Shimmons Road

AYES: NAYES:	
ABSTENTIONS:	
ABBIENTIONS.	
STATE OF MICHIGAN)	
COUNTY OF OAKLAND)	
COUNTY OF OAKLAND)	
I Laura Pierce, the duly qualit	fied and acting City Clerk of the City of Auburn Hills,
	certify that the foregoing is a true and complete copy of a
Resolution adopted by the City Counci on the 26 th day of August, 2024, the ori	l of the City of Auburn Hills at a duly called meeting held iginal of which is on file in my office.
IN WITNESS WHEREOF, I ha	eve hereunto affixed my official signature this day of
	LAURA PIERCE
	City Clerk

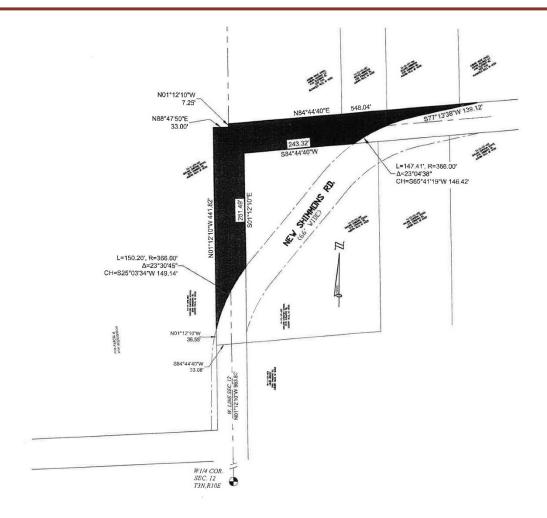
EXHIBIT A

VACATED PART OF SHIMMONS ROAD

A parcel of land being a part of the NW 1/4 of Section 12, Town 3 North, Range 10 East, City of Auburn Hills, Oakland County, Michigan, more particularly described as follows:

Commencing at the West 1/4 corner of said Section 12; thence N 01°12'10" W 963.82 feet along the West line of said Section 12; thence S 84°44'40" W 33.08 feet; thence N 01°12'10" W 36.55 feet to the Point of Beginning; thence continuing N 01°12'10" W 441.82 feet; thence N 88°47'50" E 33.00 feet; thence N 01°12'10" W 7.25 feet; thence N 84°44'40" E 548.04 feet; thence S 77°13'38" W 139.12 feet; thence 147.41 feet along a curve to the left, radius 366.00 feet, delta 23°04'38", chord bears S 65°41'19" W 146.42 feet; thence S 84°44'40" W 243.32 feet; thence S 01°12'10" E 251.49 feet; thence 150.20 feet along a curve to the left, radius 366.00 feet, delta 23°30'45", chord bears S 25°03'34" W 149.14 feet to the Point of Beginning. Subject to all easements and restrictions of record, if any.

Contains 46,521 square feet or 1.068 acres.



ATTACHMENT B

CITY OF AUBURN HILLS ORDINANCE NO. 24-941

AN ORDINANCE TO AMEND SECTION 70-361. - PARKING OFFENSES; FINES, OF ARTICLE VII. - STOPPING, STANDING, AND PARKING OF CHAPTER 70 - TRAFFIC AND VEHICLES OF THE AUBURN HILLS CITY CODE, AS AMENDED, TO ALLOW THE RESTRICTION AND REGULATION OF ON-STREET PARKING IN DOWNTOWN AUBURN HILLS.

THE CITY OF AUBURN HILLS ORDAINS:

SECTION 1.

Section 70-361. - Parking offenses; fines, of Article VII – Stopping, Standing, and Parking of Chapter 70-Traffic and Vehicles, of the Auburn Hills City Code, as amended, is hereby amended to add Subsections 26-28 and to read as follows:

- (26) Parking a vehicle in an on-street parking space shall be prohibited for a period longer than two hours between the hours of 8:00 a.m. and 6:00 p.m. along the street locations listed below:
 - a. Auburn Road between Churchill Road and Oakmont Street.
 - b. North Squirrel Road between Auburn Road and Parkways Boulevard.

To regulate and prohibit the practice of shuffling cars from one on-street parking space to the next (i.e., changing a vehicle's parked position from one time-limited space to another time-limited space), which shall be deemed to be one continuous period as designated by related signs.

- (27) Parking a vehicle in an on-street parking space shall be prohibited between 3:00 a.m. and 6:00 a.m. along the street locations listed below:
 - a. Auburn Road between Churchill Road and Oakmont Street.
 - b. North Squirrel Road between Auburn Road and Parkways Boulevard.
- (28) Parking a vehicle in an on-street parking space shall be prohibited, except for loading/unloading only, in the spaces on Parkways Boulevard between North Squirrel Road and Auburn Road.

SECTION 2. Repealer.

All ordinances, or parts of ordinances, in conflict with this ordinance are repealed only to the extent necessary to give this ordinance full force and effect

SECTION 3. 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 4. Savings.

All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this Ordinance takes effect are saved and may be consummated according to the law when they were commenced.

SECTION 5. Effective Date.

The provisions of this Ordinance are hereby ordered to take effect upon publication in the manner

prescribed by the Charter	•	ls.	incation in the manner
Hills at a meeting thereof	duly called and held on	been adopted by the City Counci the day of the Charter of the City of Auburn	, 2024, and ordered to
AYES: NAYES: ABSENT: ABSTENTIONS:			
STATE OF MICHIGAN COUNTY OF OAKLAND)) ss.)		
do hereby certify that the	foregoing is a true and c	of the City of Auburn Hills, Oakloomplete copy of Ordinance No. 2	24-941 adopted by the
		Laura M. Pierce City Clerk	

AGENDA ITEM NO 5A

ASSESSING

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; William Griffin, Assessor

Submitted: September 3, 2024

Subject: Motion – To confirm the appointment of Ruth Sadler

INTRODUCTION AND HISTORY

Please consider confirming the following appointment to fulfill a five-year term to replace Darlene MacMillan.

Name	Board	Past Experience on the Board	Service Years on the Board	Term Ending
Ruth Sadler	Board of Review	None	None	12/31/2028

STAFF RECOMMENDATION

Ruth has serviced on the election committee and enjoys pickleball. She was an office manager. She has bookkeeping and communication skills. She came highly recommended by Darlene MacMillan. She would be a great asset to the Board of Review.

MOTION

Move to confirm the appointment of Ruth Sadler to the Board of Review for a term ending 12/31/2028.



CITY OF AUBURN HILLS CITY CLERK'S OFFICE

1827 N. Squirrel Rd., Auburn Hills MI 48326 Phone: 248.370.9402 Fax: 248.364.6719 CityClerk@auburnhills.org www.auburnhills.org/cityboards

APPLICATION FOR APPOINTMENT TO BOARDS AND COMMISSIONS

NAME:	SADLER	RUTH	A			
(Please Print)	(Last)	(First)	(Middle Initial))		
		WILLIAMSBU		AUBURN	HILLS (Phone)	248-770- 9876
EMAIL ADDR	RESS: Sadler,	ruth.a@gm	rail, com			
	_	RN HILLS? 12 YEAR				
DO YOU WO	RK IN AUBURN HILLS? R	ETIRED LENGTH OF TI	ME EMPLOYED IN AUE	BURN HILLS:		e de la companya de l
If you work i	n Auburn Hills, please list t	ne name and address of the	business:			
	And the second section of the section o	*	-	<u> </u>		manufacture.
(Business Name))	(Number/Street)		***************************************	(Phone)	
PLEASE LIST V	WHICH BOARD/COMMISSIO	N YOU ARE INTERESTED IN: _	BOARD (OF RE	VIEN)
	ALTIES/EXPERIENCE/EDUCA ional sheet if necessary)	TION DO YOU BRING TO THIS	BOARD/COMMISSION	:		
Bo	DOKKESPER			·		
Co	OMMUNICATI	ons				
(3)	FFICE MGR.					

LIST ANY CIVIC/COMMUNITY ACTIVITIES THAT ARE YOU INVOLVED IN: (Attach additional sheet if necessary)

ELECTION INSP PICKLEBALL

Please return this form to the City Clerk's Office at the above address for processing. This information will be provided to the City Council, on a public agenda, for the use in making appointment to the various Boards and Commissions at the City Council Meeting.

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

(Signature) (Date)

AGENDA ITEM NO 5B

COMMUNITY DEVELOPMENT

To: City Council

From: Brian W. Marzolf, Mayor; Stephanie Carroll, Economic Development Manager

Submitted: September 3, 2024

Subject: Motion – To confirm the appointment of Richard L. Schindler

INTRODUCTION AND HISTORY

Please consider confirming the following appointment.

Name	Board	Term Ending Date
Richard L. Schindler	Brownfield Redevelopment Authority	12/31/2025

STAFF RECOMMENDATION

Mr. Schindler is being appointed to finish out the term of Mr. Douglas. A satisfactory background check was completed. It is recommended that Mr. Schindler be appointed to the Brownfield Redevelopment Authority for a term ending December 31, 2025.

MOTION

Move to confirm the appointment of Richard L. Schindler to the Brownfield Redevelopment Authority for a term ending December 31, 2025.



CITY OF AUBURN HILLS CITY CLERK'S OFFICE

1827 N. Squirrel Rd., Auburn Hills MI 48326 Phone: 248.370.9402 Fax: 248.364.6719 CityClerk@auburnhills.org www.auburnhills.org/cityboards

APPLICATION FOR APPOINTMENT TO BOARDS AND COMMISSIONS

NAME: 50	chindler	Kichard		
(Please Print)	(Last)	(First)	(Middle Initial)	.
HOME ADDRESS:	495	S. Grey	Rd 48326	734-241-5876
	(Number/Street)	.	(City/Zip)	(Phone)
EMAIL ADDRESS:	rschind	110 gm	ail. com	
HOW LONG HAVE Y	OU LIVED IN AUBURN	HILLS? <u>5 year</u> s	ARE YOU A U.S. CITIZEN:	yes
DO YOU WORK IN A	UBURN HILLS? V	LENGTH OF TIM	1E EMPLOYED IN AUBURN HIL	LS:
If you work in Aubur	n Hills, please list the r	name and address of the l	ousiness:	
	Ret	red		
(Business Name)		(Number/Street)		(Phone)
PLEASE LIST WHICH E	30ARD/COMMISSION Y	OU ARE INTERESTED IN:		
		N DO YOU BRING TO THIS E	BOARD/COMMISSION:	
(Attach additional sh	eet if necessary)	130	(,)(t) T	and Complete formands
		AT ARE YOU INVOLVED IN:		
(Attach additional sh	eet if necessary)			
			ress for processing. This infor ment to the various Boards ar	
I HEREBY CERTIFY TH KNOWLEDGE. 4	HAT THE INFORMATION	CONTAINED IN THIS APPLI	CATION IS TRUE AND ACCURAT	TE TO THE BEST OF MY
1.	11 23		.	N . 11
(I)/	VVVX	R.	whal I. In	hindles
TV			(Signature)	(Date)

AGENDA ITEM NO 7A1

TAX INCREMENT FINANCE AUTHORITY

"Not Yet Approved"

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

August 13, 2024

CALL TO ORDER: Chairman Kneffel called the meeting to order at 4:10 PM.

ROLL CALL: Present: Kneffel, Goodhall, Gudmundsen, Fletcher, Barash, Moniz, Waltenspiel

Absent: Eldredge

Also Present: Brandon Skopek, Assistant City Manager & TIFA Executive Director; Tom Tanghe,

City Manager; Ryan Gagnon, Chief of Police; Jason Hefner, Manager of Fleet and

Roads; Andrew Hagge, Assistant to the City Manager

Guests: None

LOCATION: Fieldstone Golf Club, 1984 Taylor Road, Auburn Hills, MI 48326

PERSONS WISHING TO BE HEARD

None.

APPROVAL OF MINUTES

A. TIFA Regular Meeting Minutes – July 9, 2024

There was no discussion on the approval of the minutes.

Moved by Mr. Goodhall to approve the TIFA Regular Meeting Minutes from July 9, 2024, as presented. Seconded by Mr. Barash

Yes: Kneffel, Goodhall, Fletcher, Gudmundsen, Moniz, Barash, Waltenspiel

No: None

Motion Carried

CONSENT AGENDA

A. FY 2024 Adopted Budget and YTD Summary - July 31, 2024

RESOLVED: To receive and file the financial report for the period ending July 31, 2024.

Moved by Mr. Goodhall to Approve the Consent Agenda.

Seconded by Mr. Moniz

Yes: Kneffel, Goodhall, Fletcher, Gudmundsen, Moniz, Barash, Waltenspiel

No: None

UNFINISHED BUSINESS

None.

NEW BUSINESS

A. Engineering Scope of Design Services for Butler Road Improvements

Mr. Hefner presented the agenda item regarding the engineering scope of design services for Butler Road improvements. Mr. Hefner provided detailed information to the Board regarding the design process for the reconstruction of Butler Road. He added additional context about the previous work that had been done on Butler Road in 2019 and why the current surface of Butler Road prevents city staff from patching the current potholes. Ultimately, city staff decided that the best action to take is to reconstruct the roadway, adding new storm sewer and base material. The Board asked clarifying questions regarding emergency access, whether this was a temporary or permanent fix to the road, and the cost of the attempts to address Butler Road in 2019. All questions were answered satisfactorily.

Moved by Mr. Moniz to approve the design contract for the Butler Road Improvements to OHM Advisors in the not-to-exceed amount of \$135,000, geotechnical services to G2 Consulting at the estimated cost of \$10,000, and transfer of \$72,500 in funds from TIF-D to LOCAL STREETS to cover the design costs. Furthermore, authorize a budget amendment increasing appropriations in the 2024 TIF-D budget by \$72,500 and the 2024 TIF-D budget by \$72,500 in support of this project. Total costs shall not exceed \$145,000. Seconded by Dr. Fletcher

Yes: Kneffel, Goodhall, Fletcher, Gudmundsen, Moniz, Barash, Waltenspiel

No: None

Motion carried

B. Department of Public Works Staffing Support

Mr. Skopek presented the agenda item regarding the permanent part-time, public works employee that would be dedicated to the Municipal Campus. Mr. Skopek explained to the Board that the staff at the Department of Public Works are stretched thin and that it has become increasingly difficult to keep up with maintenance demands, especially at the city's Municipal Campus. Additionally, Mr. Skopek explained that while this employee would have the full support of the Department of Public Works, the costs associated with the position would come from the TIF-D budget. The Board asked clarifying questions regarding the hourly pay of the position and their ability to assist with winter operations. All questions were answered satisfactorily.

Moved by Dr. Fletcher to authorize funding to support staffing costs for a permanent part-time Maintenance Technician assigned to the City's Municipal Campus. Furthermore, approve a budget amendment to increase the 2024 TIF District D budget by \$9,000 in support of these staffing costs and authorize staff to include staffing costs for this position in the 2025 TIF-D budget.

Seconded by Mr. Barash

Yes: Kneffel, Goodhall, Fletcher, Gudmundsen, Moniz, Barash, Waltenspiel

No: None

CORRESPONDENCE & PRESENTATIONS

A) 2025 – 2029 Budget Presentation

Mr. Skopek presented the TIFA budget to the Board, which forecasts both revenues and expenditures from 2025 through 2029 in all three TIF districts. Additionally, Mr. Skopek highlighted the major capital expenses and projects that occurred in 2024 and those that are scheduled in 2025. Mr. Skopek detailed each type of revenue and each type of expense that make up the budget for TIF Districts A, B, and D.

Police Chief Gagnon was in attendance to provide background and justification for TIF-B to budget for four police officers that will be assigned to patrol the TIF-B district. The Board asked about the expiration of the TIFA districts, which will occur at the end of 2031.

Finally, Mr. Skopek noted to the Board that a motion is not required after the presentation of the budget. A formal motion to adopt the budget will be in front of the TIFA Board during the September meeting.

EXECUTIVE DIRECTOR REPORT

Mr. Skopek updated the Board on the traffic order control and the anti-shuffling ordinance that will soon take effect in the city's downtown. Like other lots in the downtown, parking along Auburn Road will soon be limited to two-hour maximum parking. Additionally, the city has written an anti-shuffling ordinance to prevent an individual from parking along Auburn Road in the downtown for approx. two hours, then moving their vehicle to a different parking spot along Auburn Road in an attempt to restart the two-hour time limit.

The Board asked questions about the messaging and notification process to the residents and merchants of the downtown. Mr. Skopek explained that there will be a 30-day period where the city does not write any citations for violations, but instead will use that time to warn individuals and get the word out about the new ordinance. Additionally, Mr. Skopek explained that Economic Development Manager, Stephanie Carroll, would notify the residents and merchants regarding the new ordinances impacting downtown parking.

BOARD MEMBER COMMENTS

None.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is scheduled for Tuesday, September 10, 2024, at 4:00 p.m. in the Administrative Conference Room in City Hall at 1827 N. Squirrel Road, Auburn Hills, Michigan 48326.

ADJOURNMENT

Moved by Mr. Waltenspiel to adjourn the TIFA Board meeting. Seconded by Mr. Moniz

Yes: Kneffel, Goodhall, Fletcher, Gudmundsen, Moniz, Barash, Waltenspiel

No: None

Motion Carried

The TIFA Board of Directors meeting adjourned at 5:45 p.m.

Steve Goodhall Andrew Hagge

Secretary of the Board Assistant to the City Manager

AGENDA ITEM NO 7A2

DOWNTOWN DEVELOPMENT AUTHORITY

"Not Yet Approved"

CITY OF AUBURN HILLS DOWNTOWN DEVELOPMENT AUTHORITY MEETING

August 19, 2024

LOCATION: Auburn Hills City Hall – Administrative Conference Room

CALL TO ORDER: Chairman Young called the meeting to order at 5:30 p.m.

ROLL CALL: Present: Young, Mayor Marzolf, Jernigan, Casey, Gaton, Wayne, Bachan, and Wise

Absent: None

Also Present: Stephanie Carroll, Economic Development Manager; Eveonne Roberts, Downtown

Engagement Specialist

Guests: None

PERSONS WISHING TO BE HEARD

None.

APPROVAL OF MINUTES

A. Regular Meeting Minutes - May 15, 2024

Moved by Ms. Jernigan to approve the DDA Regular Meeting Minutes from May 15, 2024. Seconded by Mr. Wayne

Motion carried

FINANCIAL REPORT

A. FY 2024 Adopted Budget and YTD Summary – July 31, 2024.

Ms. Carroll reviewed the financial report for the period ending July 31, 2024. She noted that approximately 74% of the budgeted property tax revenue has been received for the DDA.

Moved by Ms. Casey receive and file the financial report for period ending July 31, 2024. Seconded by Ms. Wise.

Motion carried

CORRESPONDENCE AND PRESENTATIONS

A. 2025-2029 Budget Presentation

Ms. Carroll reviewed the memo dated August 19, 2024. She outlined the budget numbers for 2025 and informed the Board that the DDA will begin funding Summerfest, Paddlepalooza, and the Fishing Derby in 2025. She also noted that \$100,000.00 was added for exterior improvements to the DEN, which will be used as an ancillary space to the Public Square.

Board members made several suggestions regarding what budget dollars could be used for, including marketing and events, within the next fiscal year. Ms. Carroll noted all suggestions and would investigate them moving forward. She reminded the board that budget amendments can be made should the board want to include a new project or event.

Moved by Ms. Jernigan to approve the Downtown Development Authority's 2025 Budget as presented. Furthermore, I recommend to the City Council that these budgets be included in the City's overall budget documents. Seconded by Ms. Wise.

Yes: Jernigan, Bachan, Marzolf, Wayne, Wise, Gaton, Casey, and Young

No: None

Motion Carried

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

Chairman Young needed to leave the meeting and turned the meeting over to Vice Chair Jernigan.

BOARD MEMBER COMMENTS

Mayor Marzolf requested comments from the Board regarding the City's Summerfest event, given that this event's budget will be within the DDA Board's purview next year. Several Board members made comments and suggestions. Ms. Carroll explained that these suggestions can be taken to the event's planning committee, which will remain in place regardless of the DDA Board's funding involvement.

Ms. Jernigan invited the Board to the Auburn Hills Chamber of Commerce event, the Taste of Auburn Hills, which will take place on October 17, 2024, from 5:00 p.m. to 7:30 p.m. at ABB in Auburn Hills.

EXECUTIVE DIRECTOR UPDATE

Ms. Carroll let the Board know she's working on planning a fall training/retreat for November. Look for a meeting notice. The next regularly scheduled DDA meeting is September 16. She noted that planning for fall events is well underway.

Ms. Roberts gave a brief update on the DDA Board-sponsored event SeptemBEERfest. She explained that all volunteer slots had been filled and that tickets were on sale. She reminded the Board that the event will be held on Friday, September 20, 2024, from 6:00 p.m. to 10:00 p.m.

ADJOURNMENT

Moved by Ms. Casey to adjourn the DDA Board meeting. Seconded by Ms. Gaton

Yes: Jernigan, Bachan, Marzolf, Wayne, Wise, Gaton, and Casey

No: None

Motion carried

The DDA Board of Directors meeting adjourned at 6:38 p.m.

Respectfully submitted, Eveonne Roberts Downtown Engagement Specialist

AGENDA ITEM NO 7A3

AUBURN HILLS BROWNFIELD REDEVELOPMENT AUTHORITY

"Not Yet Approved"

CITY OF AUBURN HILLS BROWNFIELD REDEVELOPMENT AUTHORITY MEETING August 20, 2024

CALL TO ORDER: Mr. Slocum called the meeting to order at 6:09 p.m.

ROLL CALL: Present: Knight, Hopper, Schaar and Slocum

Absent: None

Also Present: Stephanie Carroll, Economic Development Manager

Guests: Jenn Gelletly, AKT Peerless

LOCATION: Auburn Hills City Hall, Administrative Conference Room-1827 North Squirrel Road, Auburn Hills, MI 48326

PERSONS WISHING TO BE HEARD

Ms. Gelletly introduced herself to the board and talked about her brownfield experience with AKT. She thanked the board for making her feel welcome and mentioned that Megan Napier would resume her role at the next meeting.

APPROVAL OF MINUTES

Item 3a. Brownfield Redevelopment Authority Regular Meeting Minutes – May 16, 2024.

Moved by Mr. Schaar to approve the May 16, 2024, minutes as presented. Seconded by Mr. Knight.

Yes: Knight, Hopper, Slocum and Schaar

No: None

Motion Carried

FINANCIAL REPORT

Item 4a. FY 2024 Adopted Budget and YTD Summary -July 31, 2024.

Ms. Carroll presented the financial report ending July 31, 2024. She stated that 72% of the budgeted tax increment revenue has been received, and the AHBRA has spent approximately 30% of its budget for FY2024.

Moved by Mr. Knight to receive and file the Brownfield Redevelopment Authority financial report for the period ending July 31, 2023.

Seconded by Mr. Schaar.

Yes: Knight, Hopper, Slocum and Schaar

No: None

Motion Carried

CORRESPONDENCE AND PRESENTATIONS

Ms. Carroll presented the 2025-2029 budget and outlined the current projects and budget for 2025, including the Galloway Creek evaluation, Clinton River testing, and 3681 Joslyn. She noted that 3180 does not have funding past 2025 since the city will not retain site ownership after this budget cycle. It was also pointed out that we continue to budget for the I-75 Partners (Dutton) payments, which expire in 2032. The loan and interest payment for 3250 Auburn (The Jordan) continue and will be paid off in 2030. Ms. Carroll pointed out that the board can pay off the loan earlier without penalty. Ms. Carroll noted that the Board's work continues to demonstrate their commitment to environmental sustainability and showcases how formerly underutilized sites can be transformed into valuable community assets.

Moved by Mr. Knight to approve the 2025 Proposed Brownfield Budget as presented. Furthermore, the City Council should recommend including this budget for adoption in the city's overall budget documents. Seconded by Mr. Schaar.

Yes: Knight, Hopper, Slocum and Schaar

No: None

Motion Carried

Ms. Gelletly reviewed the second quarter sampling report for the six (6) sample locations along the Clinton River corridor. Samples are from locations along the Clinton River, both upstream and downstream from 2041 Auburn Road (Kayak Point). This third round of sampling did not indicate anything concerning at this time. The next round of testing for both water bodies will occur in September.

Ms. Gelletly reviewed the second quarter results for the Galloway Creek sampling. Samples were taken from the four (4) locations in May 2024. The results have been consistent with past sampling events, with few Residential Clean Up Criteria exceedances. The remainder of the sediments were below detection limits, and the surface water also remained below the detection limits. The testing has remained consistent with previous quarters. The next round of testing will take place in September.

Ms. Gelletly reported that AKT is working closely with EGLE on the final report, and all indications are that we are moving to closure for the 3180 Auburn Road site. AKT indicated that EGLE viewed the cleanup of this site favorably and didn't expect any delays with the closure approval.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

DIRECTOR UPDATES

Based on Mr. Knight's question at the last meeting regarding testing for e-coli in the Clinton River, Ms. Carroll reported that Mr. Innes, Public Utilities Crew Leader, is currently conducting testing based on the information and procedures provided by Mr. Keenan before he left. She also reminded the board that the next meeting will occur on September 17 at 6:00 p.m.

BOARD MEMBER COMMENTS

None

ADJOURNMENT

There being no objections, the Brownfield Redevelopment Authority Board of Directors meeting adjourned at 7:10 p.m.

Stephanie Carroll Executive Director

AGENDA ITEM NO 7A4

PUBLIC SAFETY ADVISORY COMMITTEE

"Not yet approved"

CITY OF AUBURN HILLS

PUBLIC SAFETY ADVISORY **COMMISSION MEETING**

August 27th, 2024

CALL TO ORDER: Chairman Moniz called the meeting to order at 5:00 p.m.

Mr. Jay Boelter, Present **ROLL CALL:**

> Mr. Donearl Johnson. Present Ms. Gail Cartwright, Present Mr. Eugene Hawkins, Present

Mr. Ron Moniz. Present

Also, Present: Chief Ryan Gagnon, Police Department

Deputy Chief McGraw, Police Department Lt. Michelle Hesse, Police Department Chief Adam Massingill, Fire Department

Assistant Chief Trevin Robinson, Fire Department

Clerk Tom Tinari, Police Department

And two guests

LOCATION: Public Safety Community Room.

APPROVAL OF MINUTES Johnson motioned to approve the minutes from May

28th, 2024

Supported by Boelter.

VOTE: Yes: All

No: None

Motion carried (5-0)

ADDITIONS TO THE AGENDA:

None

COMMUNICATIONS (PERSONS WISHING TO BE HEARD)

Discussion on having the dates of PSAC meetings on the hard copy Calander the city gives out each year. Although it's on the digital calendar, it would be beneficial to have it on the printed version going further for 2025 and so on.

Discussion on changing the "Yield" sign to "Stop" sign at Slocum and Nichols as this could help slow the traffic flow in a populated residential area.

Discussion on pedestrian safety with using buck slips and billboards to bring more awareness to pedestrian traffic. Social media was also an avenue of getting the information out.

UNFINISHED BUSINESS

None

NEW BUSINESS

- a. Police Department In-Building Radio Speakers Purchase.
 - I. There are areas inside the Public Safety building and Police garage where radio coverage is not sufficient for reception on portable radios.
 - II. The instillation of 57 celling mounted speakers, 26 volume knobs, amplifiers, etc.
 - III. \$42,000 was budgeted in 2024 for this project.
 - IV. Division 27 out of Sandusky, MI was picked out of the three bidders for a total cost of \$27,914.81.

Discussion ensued about the differences between bidders, warranty, location of speakers and difference in FD's version.

Motion – Johnson move to recommend to City Council to award the bid for the Police Department In-Building Speaker Project to Division 27 of Sandusky, MI for the amount not to exceed \$27,914.81.

Supported by BOELTER.

VOTE: Yes: All No: None

Motion carried (5-0)

a. Police Department Evidence Locker Purchase

Page 3

I. The Police Department currently has an evidence locker system inside the secure detention area. This requires officers to bring contraband and weapons

inside our weapons-free secure detention area for evidence processing.

II. In addition to the above procedure, the Property Clerk must retrieve the evidence from the lockers and then transport the items to the basement, where the

permanent evidence room is located.

III. The plan moving forward is to redesign the area outside of the property evidence room to become the new location for officers to process evidence. This

location and procedure will be the safest way to ensure no weapons or contraband

enter the secure detention area.

IV. On June 12, 2024, an invitation to bid was placed on BidNet Direct for the contract to supply the Police Department with new evidence lockers. The closing

of the bid was on July 15th, 2024, at 9:00 a.m. at the City Clerk's Office. Two (2)

vendors responded with sealed bids.

V. There was \$65,000 budgeted for this project in 2024. This includes the lockers

and the remodel constructions costs.

VI. Shelving & Rack Systems bid of \$28,583.57 was picked.

Discussion ensued about what the cost increase from the first time this was looked at, DPW delay which slowed this process from last years completion, evidence procedures and

accreditation compliance.

Motion CARTWRIGHT Move to recommend to City Council the purchase new evidence lockers from Shelving + Rack Systems for the amount not to exceed \$28,583.57 for the property evidence

lockers.

Supported by Boelter.

VOTE: Yes: All

No: None

Motion carried (5-0)

REPORTS FROM THE DEPARTMENTS

a. **Police Department Report.** Police Chief Ryan Gagnon presented the Police Departments Monthly Reports.

Discussion with questions and answers ensued regarding CORE, Ice Cream with a Cop, NNO success.

a. Fire Department Report. Fire Chief Adam Massingill presented the Fire Departments Monthly Reports.

Discussion with questions and answers about staffing, budget money surplus going to the general fund over the years and not able to get that money back in the future when there's shortcomings, remodeling, closure of station 2 due to staffing.

Motion BOELTER motioned to adjourn the meeting.

Supported by Hawkins.

VOTE: Yes: All

No: None

Motion carried (5-0)

ADJOURNMENT 6:43 p.m.

Respectfully Submitted, Tom Tinari Police Department Clerk

AGENDA ITEM NO 7B
POLICE DEPARTMENT

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; Ryan Gagnon, Chief of Police

Submitted: September 3, 2024

Subject: Motion – Approval to Purchase In-Building Radio Speakers

INTRODUCTION AND HISTORY

The Police Department started using Motorola P25 radios through the MPSCS / Oakland County P25 radio system last year. Due to the location and construction materials used, there are areas inside the Public Safety building and Police garage where radio coverage is not sufficient for reception on portable radios. While inside these buildings, staff members must carry their radios to monitor ongoing calls for service.

The 2024 approved Police Budget includes \$42,000 to install speakers throughout the Public Safety Building and Police garage that will broadcast radio traffic from the primary Police talk group. In addition, there are selected locations where wall-mounted control knobs are desired that will provide the ability to turn off or adjust the volume levels for the speaker(s) inside the room or building area. The audio feed will be supplied to the vendor-installed system from a radio provided by Auburn Hills PD that utilizes an external antenna with improved reception.

A request for bids (RFB) was placed on BidNet Direct on June 20, 2024, for the purchase and installation of fifty-seven (57) ceiling-mounted speakers, twenty-six (26) volume knobs, and amplifier(s). All the companies submitting bids for this project attended a required pre-bid meeting. During this meeting, they were provided a detailed explanation of the project requirements and expectations and were given an opportunity to inspect the areas where speakers and volume knobs were specified. The closing of the RFB was July 22, 2024, at 10:00 a.m. at the City of Auburn Hills City Clerk's office. Three bids were received.

The chart below depicts the bids provided by the three bidders:

Company	Location	Speakers	Volume Knobs	Amplifier(s)	Wiring and Other Hardware	Installation	TOTAL
Allcomm, Inc.	Sterling Heights, MI	\$4,890.03	\$850.72	\$1,533.21	\$745.17	\$10,920.00	\$18,939.13
Division 27	Sandusky, MI	\$7,173.44	\$1,133,44	\$1,356.60	\$2,556.51	\$15,694.30	\$27,914.81
Conti LLC	Sterling Heights, MI	\$3,604.33	\$642.72	\$3,033.07	\$4,112.81	\$29,090.37	\$40,483.30

A comprehensive review was conducted of the three received bids. During this review, it was determined that the lowest bid (from Allcomm, Inc.) did not meet all the bid specifications, as it included potential additional installation

costs that were not included in the required bid tabulation. As a result, it is not possible to determine the total cost of the bid for this project.

The bid received from Division 27 meets all the required bid specifications, and we recommend it because of the following features and value-added benefits:

- 2' x 2' drop tile speakers that fit into the existing ceiling tile grid
- 15-watt horn loudspeakers for areas without ceiling tiles (garage, firing range, etc.)
- Crown CDI 1000 series rack-mounted audio amplifier
- Quam QC101 surface-mounted volume knobs with 10 volume settings
- 36-month full coverage warranty that extends beyond the included manufacturer's warranties
- Multiple references from commercial, public school & healthcare clients
- Detailed engineering drawings
- Project risk assessment
- Experienced team of employees with the ability to meet required CJIS background requirements

This proposal was presented to the Public Safety Advisory Committee on August 27, 2024, and they recommend approval.

STAFF RECOMMENDATION

Staff recommends the bid be awarded to Division 27 for the purchase and installation of in-building radio speakers, volume control knobs, and amplifiers for the Public Safety Building and Police garage for the amount not to exceed \$27,914.81.

MOTION

Move to approve the purchase and installation of in-building radio speakers and accessories to Division 27 of Sandusky, MI, for the amount not to exceed \$27,914.81.

I CONCUR:

THOMAS A. TANGHE, CITY MANAGER

Thomas A. Taughe

AGENDA ITEM NO 7C POLICE DEPARTMENT

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; Ryan Gagnon, Chief of Police

Submitted: September 3, 2024

Subject: Motion – Approval to Purchase Property/Evidence Lockers

INTRODUCTION AND HISTORY

The Police Department currently has an evidence locker system inside the secure detention area. This requires officers to bring contraband and weapons inside our weapons-free secure detention area for evidence processing. In addition to the aforementioned procedure, the Property Clerk must retrieve the evidence from the lockers and then transport the items to the basement, where the permanent evidence room is located.

The plan moving forward is to redesign the area outside of the property evidence room to become the new location for officers to process evidence. This location and procedure will be the safest way to ensure no weapons or contraband enter the secure detention area. In addition, this will also allow the property to be immediately accessible by the Property Clerk. The plan is to purchase new evidence lockers and install them in the adjoining wall to the newly designed evidence processing room. The new lockers will include updated security measures ensuring only one side can be open at a time, eliminating the possibility of items passing through unintentionally. As well as a refrigeration unit used for biological evidence.

On June 12, 2024, an invitation to bid was placed on BidNet Direct for the contract to supply the Police Department with new evidence lockers. The closing of the bid was on July 15th, 2024, at 9:00 a.m. at the City Clerk's Office. Two (2) vendors responded with sealed bids. They are:

Vendor	Location	Total
Shelving + Rack Systems	Walled Lake, MI	\$28,583.57
The Casper Corporation	Farmington Hills, MI	\$38,508.17

There was \$65,000 budgeted for this project in the 2024 Police Department budget. That amount is for the cost of the lockers and the remodel construction costs. The vendor selection for the construction portion of the project will be administered by the Department of Public Works.

This proposal was presented to the Public Safety Advisory Committee on August 27, 2024, and they recommend approval.

STAFF RECOMMENDATION

Staff recommends to the City Council the purchase of new evidence lockers from Shelving + Rack Systems for the amount not to exceed \$28,583.57.

MOTION

Move to approve the purchase of evidence lockers from Shelving + Rack Systems for the amount not to exceed \$28,583.57 for the property evidence room.

I CONCUR:

Thomas A. Tanghe
THOMAS A. TANGHE, CITY MANAGER

MEETING DATE: SEPTEMBER 9, 2024

AGENDA ITEM NO 8A

COMMUNITY DEVELOPMENT

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; Steven J. Cohen, AICP, Director of Community

Development

Submitted: September 4, 2024

Subject: The Avant at Five Points

Motion - To extend the Revised PUD Step Two - Site Plan and Tree Removal Permit

Approval

INTRODUCTION AND HISTORY

This is a request from OYK Engineering and Construction (OYK) to extend the revised PUD Step Two—Site Plan and Tree Removal Permit for The Avant at Five Points, which is set to expire as of the date of this meeting due to non-compliance with the City Council's extension previously granted on May 20, 2024. OYK has further requested the removal of the previously agreed-upon deadlines for each phase of construction. The 2.66-acre site is located at 3355 Five Points Drive and is zoned B-2, General Business district.

It is noted that OYK did comply with Items 3A. and 3B. listed in Avant at Five Points First Amendment to the PUD Development Agreement (shown below) but will <u>fail</u> to meet the agreed-upon construction deadline, listed in Item 3C., of September 9, 2024, to begin vertical construction of the first floor of the building.

3. Completion Date.

- A. The Developer shall sign this First Amendment to PUD Development Agreement and return said First Amendment to PUD Development Agreement to the City by <u>June 7, 2024</u>. If the Developer fails to sign and return the First Amendment to PUD Development Agreement to the City by <u>June 7, 2024</u>, then the Developer will voluntarily terminate the Planned Unit Development approval.
- B. If the Developer meets the completion deadline for Item A, but fails to begin pouring the foundations of the building by June 25, 2024, in accordance with the City-approved Building Permit, then the Developer will voluntarily terminate the Planned Unit Development approval. The Developer shall obtain Building Permit approval from the Building Official and pay the Building Permit and Building Plan review fees totaling \$149,672 to the City before the commencement of this work.
- C. If the Developer meets the completion deadline for Item B, but fails to begin the vertical construction of the first floor in accordance with the City-approved Building Permit by <u>September 9, 2024</u>, then the Developer will voluntarily terminate the Planned Unit Development approval.
- D. If the Developer meets the completion deadline for Item C, but fails to completely erect and enclose the entire building (including roof, windows, and doors) in accordance with the City-approved Building Permit by <u>March 1, 2025</u>, then the Developer will voluntarily terminate the Planned Unit Development approval.
- E. The Developer shall complete all site improvements and landscaping per the approved Site Plan by October 15, 2025.
- F. The Developer shall complete the development and obtain a final Certificate of Occupancy Permit from the City by December 30, 2025.
- G. If the Planned Unit Development approval is terminated, then the Developer shall, at its own cost, remove all incomplete structures and foundations from the Subject Property and restore the Subject Property as directed by staff in accordance with City Ordinances. If the Developer fails to restore the Subject Property as directed, then the City Manager and/or his designee shall be authorized to take any reasonable action to enforce the City Council's order, including but not limited to legal action, invoicing the Developer for work performed by the City that the Developer fails to complete and to place a lien against the Subject Property if the Developer does not pay such costs incurred by the City.

INTRODUCTION AND HISTORY (cont.)



Photo of the site taken on May 20, 2024The date the project's PUD extension was granted



Photo of the site taken on September 3, 2024
3 months, 14 days (106 days) after the project's PUD extension was granted on May 20, 2024

INTRODUCTION AND HISTORY (cont.)

As background, OYK originally received approval from the City Council on <u>November 18, 2019</u>, to construct a three-story, 61-unit, low-rise multi-family residential development.



Bird's eye view of the proposed building from Five Points Drive

On <u>March 20, 2023</u>, OYK received revised approval from the City Council to amend its site plan to increase the number of housing units from 61 to 68 (35 one-bedroom and 33 two-bedroom units), make minor alterations to the building façade, and amend the parking lot design. A condition of the City Council's approval of the revised project required the development, including all site improvements, to be complete by <u>July 1, 2024</u>.

On <u>May 20, 2024</u>, the City Council granted OYK's request for an extension to December 30, 2025, with several critical construction deadlines to move the project forward. OYK had indicated that the primary reason for its delay in building construction had been its need to resolve its original contractor's improper installation of the project's underground stormwater detention system.

Now, three and a half months after the City Council approved the project's PUD extension, OYK will miss an agreed-upon deadline to start vertical construction of the building by <u>September 9, 2024</u>. In their extension request to the City, OYK indicated that the "project has faced several challenges that have significantly impacted our timeline. Unpredictable weather conditions, delays in scheduling essential deliveries, complexities in underground construction, and the delay in obtaining the foundation permit from the city have all contributed to setbacks beyond our control."

Records show that the City issued the project's Building Permit on May 23, 2024, six business days after OYK's architect submitted revised construction plans to the City and three days after the City Council granted the PUD extension. OYK did not pull the permit and pay fees until June 5, 2024. City footing inspections began on June 11, 2024, but OYK requests for inspections slowed down by the end of that month. Only one inspection was requested after July 2, 2024, on August 21, 2024. A construction project of this type would typically request daily foundation inspections, with intermittent breaks for rain or other weather-related delays. In our judgment, the lack of progress on the building's basement foundations can be attributed to the lack of resources and construction crews dedicated to completing the work. OYK's assertion that the City delayed the project's construction is an unequivocally incorrect statement without merit. Furthermore, the City has cut weeds on the property three times due to noncompliance with the City ordinance since the May 20, 2024 extension.

STAFF RECOMMENDATION

Staff does not support the open-ended construction time frame requested by OYK but recommends a three-month extension of the PUD approval (OPTION A) based on the completion dates listed in the recommended action. The deadlines proposed in the recommended action provide a reasonable completion period for the development, provided OYK mobilizes sufficient construction crews and resources for the task.

RECOMMENDED ACTION

Option A is provided based on the staff's recommendation.

OPTION A

Move to extend the Revised PUD Step Two – Site Plan and Tree Removal Permit approval for The Avant at Five Points from July 1, 2024 to December 30, 2025 March 30, 2026, subject to the following conditions:

- The City Attorney shall update the First Amendment to the Development Agreement by revising the conditions of this extension approval. If OYK fails to sign and return the updated agreement to the City by noon on September 23, 2024, then the applicant will voluntarily terminate the Planned Unit Development approval.
- 2. If OYK meets the completion deadline for Item #1 but fails to begin the vertical construction of the first floor in accordance with the City-approved Building Permit by September 9, 2024 December 9, 2024, then the applicant will voluntarily terminate the Planned Unit Development approval.
- If OYK meets the completion deadline for Item #2 but fails to completely erect and enclose the entire building (including roof, windows, and doors) in accordance with the City-approved Building Permit by March 1, 2025 June 1, 2025, then OYK will voluntarily terminate the Planned Unit Development approval.
- 4. OYK shall complete all site improvements and landscaping per the approved Site Plan by October 15, 2025 November 15, 2025.
- 5. OYK shall complete the development and obtain a final Certificate of Occupancy Permit from the City by December 30, 2025 March 30, 2026.
- 6. If the Planned Unit Development approval is terminated, then OYK shall, at its own cost, remove all incomplete structures and foundations from the site and restore the site as directed by staff in accordance with City Ordinances. If OYK fails to restore the site as directed, then the City Manager and/or his designee shall be authorized to take any reasonable action to enforce the City Council's order, including but not limited to legal action, invoicing the applicant for work performed by the City that the OYK fails to complete and to place a lien against the property if the OYK does not pay such costs incurred by the City.

OPTION B (provided if the City Council does not wish to approve the extension of the PUD approval).

Move to deny the request to extend the Revised PUD Step Two – Site Plan and Tree Removal Permit approval for The Avant at Five Points. OYK shall, at its own cost, remove all incomplete structures and foundations from the site and restore the site as directed by staff in accordance with City Ordinances by November 8, 2024. If OYK fails to restore the site as directed, then the City Manager and/or his designee shall be authorized to take any reasonable action to enforce the City Council's order, including but not limited to legal action, invoicing the applicant for work performed by the City that OYK fails to complete and to place a lien against the property if the OYK does not pay such costs incurred by the City.

I CONCUR:

THOMAS A. TANGHE, CITY MANAGER

Thomas A. Taughe

AVANT AT FIVE POINTS FIRST AMENDMENT TO PUD DEVELOPMENT AGREEMENT

This First Amendment to PUD Development Agreement ("Amendment") dated June 4th, 2024 by and between the City of Auburn Hills, a Michigan municipal corporation ("City") and OYK Engineering and Construction, a Michigan corporation ("Developer") is entered into to confirm certain rights and obligations relating to the development and use of an approximately 2.66-acre parcel of property located in the City of Auburn Hills, Michigan, and more particularly described on the attached Exhibit A hereto (the "Property" and/or the "Subject Property").

BACKGROUND

- A. The Developer is the owner of the approximately 2.66-acre parcel of property located north of University Drive between and on Joswick Road and Five Points Drive in Auburn Hills, Michigan, as legally described and depicted on Exhibit A which is attached hereto and incorporated herein by reference.
- B. Pursuant to Section 1830 of the Auburn Hills Zoning Ordinance, the Developer applied for approval of the Site Plan on file with the Auburn Hills Community Development Department (the "Site Plan") which is part of the PUD process for the apartment development being known as Avant at Five Points ("Avant at Five Points") and on November 18, 2019 the Auburn Hills City Council approved combined PUD Step One Qualification and PUD Step Two Site Plan Approval ("Site Plan and PUD Approval"), for the Avant at Five Points, subject to several conditions including, but not limited to, the condition that the Developer and the City enter into a Development Agreement. The Developer and the City did enter into such a Development Agreement on January 20, 2020.
- C. Due to the 2020 COVID 19 Pandemic and the economic shutdown appurtenant to that global event and other unrelated delays, the Developer was unable to timely develop the site pursuant to the original Development Agreement.
- D. In 2023, the Developer applied to the City for approval to revise the PUD Step Two Site Plan and Tree Removal Permit previously approved by the City Council on November 18, 2019. The revised development will consist of 35 one-bedroom and 33 two-bedroom units ranging from 475 square feet to 1,060 square feet in size, with the general appearance and function of the proposed building remains the same as previously approved by the City Council.
- E. The Planning Commission met to consider the application to revise the PUD Step Two Site Plan on March 8, 2023.
- F. On March 20, 2023, the City Council met to consider the application to revise the PUD Step Two Site Plan and Tree Removal Permit. The Council considered tree coverage, drainage concerns, and concerns about inspections and the quality of the construction and the City Council on March 20, 2023 approved the revised PUD Step Two Site Plan and Tree Removal Permit subject to the conditions of the Administrative Review Team outlined in this Development Agreement Amendment.
- G. It is the purpose of this Amendment to confirm the rights and obligations of the Developer and the City with respect to the development and use of the Subject Property.

NOW, THEREFORE, for good and valuable consideration given, the receipt of which is hereby acknowledged by the parties, it is agreed as follows:

1. Amended Site Plan. The Developer shall develop the Project in accordance with the Revised PUD Step Two Site Plan and Tree Removal Permit approved by the City Council on March 20, 2023. The final development shall consist of 35 one-bedroom units and 33 two-bedroom units for a total of 68 units contained in a three-story building. The three-story building shall adhere to the façade, dimensions, setbacks, height requirements, and all other dimensional and other

requirements as shown in the approved Revised Site Plan on file with the Auburn Hills Community Development Department.

2. **Sufficient Parking Spaces.** The Developer shall, at its own cost, provide for an additional 17 parking spaces in the outdoor parking lot for a total of 100 outdoor parking spaces in addition to the 70 underground parking spaces located in the garage.

3. Completion Date.

- A. The Developer shall sign this First Amendment to PUD Development Agreement and return said First Amendment to PUD Development Agreement to the City by <u>June 7, 2024</u>. If the Developer fails to sign and return the First Amendment to PUD Development Agreement to the City by <u>June 7, 2024</u>, then the Developer will voluntarily terminate the Planned Unit Development approval.
- B. If the Developer meets the completion deadline for Item A, but fails to begin pouring the foundations of the building by June 25, 2024, in accordance with the City-approved Building Permit, then the Developer will voluntarily terminate the Planned Unit Development approval. The Developer shall obtain Building Permit approval from the Building Official and pay the Building Permit and Building Plan review fees totaling \$149,672 to the City before the commencement of this work.
- C. If the Developer meets the completion deadline for Item B, but fails to begin the vertical construction of the first floor in accordance with the City-approved Building Permit by September 9, 2024, then the Developer will voluntarily terminate the Planned Unit Development approval.
- D. If the Developer meets the completion deadline for Item C, but fails to completely erect and enclose the entire building (including roof, windows, and doors) in accordance with the City-approved Building Permit by March 1, 2025, then the Developer will voluntarily terminate the Planned Unit Development approval.
- E. The Developer shall complete all site improvements and landscaping per the approved Site Plan by October 15, 2025.
- F. The Developer shall complete the development and obtain a final Certificate of Occupancy Permit from the City by December 30, 2025.
- G. If the Planned Unit Development approval is terminated, then the Developer shall, at its own cost, remove all incomplete structures and foundations from the Subject Property and restore the Subject Property as directed by staff in accordance with City Ordinances. If the Developer fails to restore the Subject Property as directed, then the City Manager and/or his designee shall be authorized to take any reasonable action to enforce the City Council's order, including but not limited to legal action, invoicing the Developer for work performed by the City that the Developer fails to complete and to place a lien against the Subject Property if the Developer does not pay such costs incurred by the City.
- 4. **Trees.** Twenty-one additional trees shall be planted at the Developer's own expense for a total of eighty-six replacement trees. The Development shall plant eighty-six replacement trees as shown in the updated site and landscape plan.
- Incorporation. Except as specifically amended in this First Amendment to PUD Development Agreement, Revised PUD
 Step Two Site Plan and Tree Removal Permit, all other terms, conditions, and requirements of the Development Agreement
 remain in full force and effect.

THIS FIRST AMENDMENT TO PUD DEVELOPMENT AGREEMENT is executed by the respective parties on the date specified with the notarization with their names.

OYK Engineering and Construction, a Michigan corporation

- in the state of the state of

Its:

CHRISTIE NAZAL
Notary Public, State of Michigan
County of Macomb
My Commission Expires 02-15-2029
Acting in the County of Oakland

STATE OF MICHIGAN)	My Commission Expires 02-15-2029 Acting in the County of <u>Oakland</u>				
COUNTY OF OAKLAND)ss)	Acting in the County of				
		efore me this 4th day of June, 2024, by Fred Hadid, the action, a Michigan corporation, on behalf of said corporation.				
		Notary Public Macomb County, Michigan My Commission Expires: 2-15-2029 Acting in Oakland County				
CITY OF AUDURN HILLS, a Michigan prunicipal corporation By: Brian Marzolf, Mayor By: Laura Pierce, City Clerk						
STATE OF MICHIGAN))ss					
COUNTY OF OAKLAND)					
The foregoing instru and Laura Pierce, as City Cler	ment was acknowledged b	pefore me this 25 day of 100 day, 2024, by Brian Marzolf, as Mayor, Auburn Hills, a Michigan municipal corporation, on behalf of the corporation.				
A	KRISTINE M. KLASSEN Notary Public, State of Michig County of Oakland My Commission Expires Nov. 24, 20 acting in the County of	County, Michigan				

Drafted by and when recorded return to:

Derk W. Beckerleg 2600 Troy Center Drive P.O. Box 5025 Troy, MI 48007-5025

9100283



September 3, 2024

Steven J. Cohen

Director of Community Development

1827 N. Squirrel Road, Auburn Hills, MI 48326

Dear Mr. Cohen.

I am writing on behalf of OYK to address the current status of our project at Five Points and to formally request an extension of the September 9, 2024, deadline outlined in Item 3C of our agreement.

As you are aware, this project has faced several challenges that have significantly impacted our timeline. Unpredictable weather conditions, delays in scheduling essential deliveries, complexities in underground construction, and the delay in obtaining the foundation permit from the city have all contributed to setbacks beyond our control. These unforeseen difficulties have made it clear that the original deadlines for each phase of construction do not align with the practical realities of managing a project of this scale.

Given these circumstances, we respectfully request the removal of the conditions tied to the deadlines for each phase of construction. We believe that as long as the project continues to show consistent construction progress, this should be sufficient to meet our obligations. Our commitment to completing this project remains continuous, and we have attached an updated construction schedule that reflects our adjusted timeline and efforts to move forward efficiently.

In addition to this request, OYK would like to extend an invitation to you, the Mayor, and all City Council members to visit the job site. This visit would provide an opportunity to witness firsthand the significant progress we have made, despite the challenges encountered. It would also help address any concerns regarding the site conditions, particularly the mischaracterization of wetland and groundwater issues. As mentioned previously, the stormwater in the surrounding neighborhood was not properly managed, and we believe we have successfully resolved this major issue for the neighboring community. We are confident that such a visit will provide a more clear understanding of the work being done and the high standards we are maintaining.

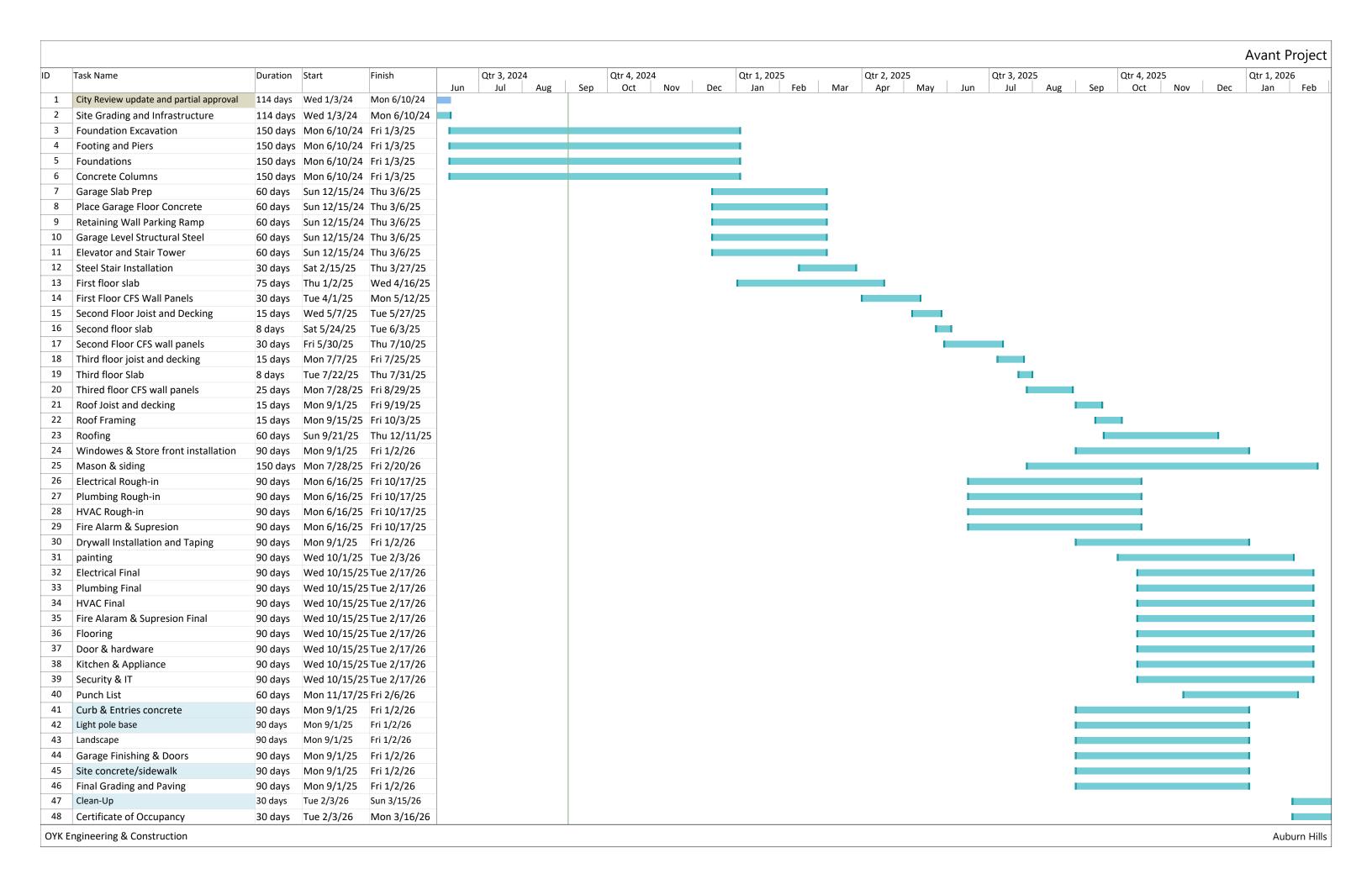
Furthermore, we hope to establish the City's full partnership and cooperation to advance the project's improvements and success. Your support and flexibility would greatly enhance our ability to complete the project efficiently and effectively.

We sincerely appreciate the continued support from the City of Auburn Hills and look forward to your favorable consideration of our request. Please feel free to reach out if you need any further information or would like to schedule a visit to the site.

Thank you for your time and attention to this matter.

Sincerely,

Fred M. Hadid, PE



Devin Lang
Construction Coordinator /
Assistant to the Director of Community Development
September 3, 2024



The Avant at Five Points PUD

Project History

(Before January 2023)

The Auburn Hills City Council approved the PUD for this project on November 18, 2019. Following City Council approval, engineering and construction plans were submitted. The engineering plans were approved on May 21, 2020. After four revisions, the building permit was approved on May 6, 2020. Although the Building Permit was approved on May 6, 2020, it was never pulled/issued to OYK, as the building permit fee and the water/sewer tap fees were never paid by OYK.

OYK began work on the underground stormwater detention system and site utilities in late 2020 with Strata Construction as the contractor. During that time, concerns were raised regarding the masonry screen wall construction along Joswick, which Strata ultimately removed and replaced.

After installing the underground stormwater detention system, the project was halted due to issues between OYK Construction and Strata Construction and COVID-19-related stoppages.

Third-party reports from Professional Engineering Associates (PEA) dated November 5, 8, and 9, 2021, indicate that the underground stormwater detention system installed was backfilled with sand, and the sand was not compacted correctly. This ongoing issue has caused significant delays in the project's construction and has recently been resolved.

Recent Construction Activity Timeline

(January 2023 to Present)

The following timeline is color-coded to the below subsections.

Site Plan/PUD approval – GREEN
Underground detention and site work– BLUE
Building permit – ORANGE
Ordinance enforcement – PURPLE
Meetings – HIGHLIGHTED

2023

January 4, 2023

OHM hosted a pre-construction meeting at the City with the OYK team to discuss outstanding site issues. East Edge, OYK's new underground contractor, was present. The following notes were provided.

 Oakland County Water Resources Commission requires the storm sewer to be cleaned and videotaped to verify it is free of debris before removing the bulkhead.

- The underground stormwater detention system will be opened with Advanced Drainage Systems (ADS), OHM, and City Representatives to determine whether it can be repaired or if it needs to be removed and replaced.
 - Detention system appears to have multiple leaking joints—density reports from PEA note improper compaction between cells.
 - Required to clean out and diagnose the system for repair and/or removal and replacement.
 - ADS to submit recommendations to OHM for review and approval.

January 10, 2023

OHM was on site with East Edge. East Edge was uncovering the end caps of the underground stormwater detention system. Each run of pipe was inspected for ADS repair recommendations.

January 16, 2023

Revised PUD plans were received for review by the City and approval for PUD modification by the City Council. It is noted that the previously approved Building Permit from May 6, 2020 had not yet been issued, and fees had not been paid.

January 26, 2023

Jerry Ashburn, OHM, advised Henry Chang (East Edge), Jim Tack, and Fred Hadid (OYK) that the City was still awaiting submittals, including an assessment by ADS for the proposed joint repairs of the underground stormwater detention system. A schedule was also required to estimate additional engineering escrow needed.

February 7, 2023

Ashburn (OHM) sends an additional email to Hadid, Tack, and Christie Nazal (OYK), indicating that submittals have not been received since the January 4, 2023 agreement.

March 7, 2023

OHM receives some underground stormwater detention repair specifications from Hadid (OYK). However, these documents do not encompass all necessary certifications / hold harmless forms since they are written by the distributor of the ADS system, not ADS.

February 8, 2023- March 23, 2023

East Edge installs the remaining water main and sanitary sewer.

March 9, 2023

Hannah Driesenga (OHM) requests a site meeting to review the proposed repair. Representatives from the City, OHM, OYK, and ADS must attend to ensure the repair is acceptable to all parties.

March 13, 2023

Tim Juidici (OHM) again requests a site meeting to review the proposed repair.

March 20, 2023

The City Council approves the PUD revision, allowing an increased density within the building, with the condition that the project and all site improvements shall be completed by July 1, 2024. Following the approved site plan/PUD revision, changes were required to the building construction drawings approved in May 2020. The previously approved Building Permit was canceled/withdrawn due to the project change, the corresponding invoice was voided as the Building Permit fee, and OYK never paid water/sewer fees.

March 23, 2023

Nazal (OYK) called Ashburn (OHM), requesting that OHM be onsite to monitor the installation and repair of the underground stormwater detention system. Ashburn denied the inspection request since no site meeting had been held. In a follow-up email, Ashburn again requests a site meeting. Hadid (OYK) responds that everyone from OYK, East Edge, and ADS will be on-site on March 24 if the City and OHM want to attend.

March 24, 2023

On this date, OHM, City staff, OYK, East Edge, and ADS held a site meeting. A summary of the meeting is below.

- Current repair work has not been reviewed or approved by the City or OHM.
 - The work conducted is outside the scope of the original engineering approval and, therefore, requires appropriate submittals and approvals.
- On-site Verbal agreement from OYK to close the existing gap in the detention system to prevent further deterioration or erosion.
- City explains submittals needed, including the following:
 - o ADS' recommendation for repairs to be made to the system.
 - Means and methods for repair approved by ADS.
 - Any warranty information available.
 - o Previous photos which were taken of the detention system.
 - Comprehensive scope of repair work.

Hadid (OYK) advised DPW Director Steve Baldante (AH) via phone that submittals will be received no later than March 27, 2023.

March 28, 2023

Lang (AH) emailed Hadid and Tack (OYK) requesting submittals agreed to on March 24. Hadid (OYK) responded with a portion of the required submittals and advised,

"I've been actively involved in further discussions with both our subcontractor and supplier to ensure that moving forward, we are utilizing the most effective, efficient, and acceptable method for the detention system. Once the finalized method is determined on our end, both OHM and City of Auburn Hills will receive the update."

April 10, 2023

Email from Hadid (OYK) to Auburn Hills and OHM:

"I am writing to provide you with the finalized method on the installation for the detention system at Avant. As a part of our commitment to ensuring that the detention system is installed to the manufacturer standards, OYK has conducted a thorough review of possible procedures in consultation with ADS Engineers and our site contractor. After careful consideration, we have determined that the proper approach is to remove and reinstall pipe sections as originally planned, following the manufacturer's instructions and standards. To commence the process, our contractor will first remove the end caps and then proceed to remove the pipe sections from east to west, working their way towards the header pipe. Each section of pipe will be cleaned and inspected as they proceed. This process will continue towards the header section until they find pipe sections that are properly installed and sealed. Our contractor will then begin to reinstall the removed pipes with proper installation and with proper backfill of stone at the appropriate elevation to secure the pipe. Additionally, the contractor will place and compact the correct amount of fill on top of the

system to ensure that it is properly secured from any movement. It is important to note that all of these steps will be carried out in compliance with ADS regulations and standard. We will ensure to keep the City and OHM, informed and updated on the progress schedule, and please advise if you have any questions."

April 27, 2023

East Edge begins removing sand from the underground stormwater detention system to facilitate the removal of the system.

April 27, 2023 - May 6, 2023

Several emails between OYK and OHM discuss appropriate backfill for the underground stormwater detention system. OYK would like to use Class II backfill (sand) instead of the approved Class I (stone) backfill. On May 6, OYK requests a site meeting to review and approve the backfill material and discuss the project's progress.

May 9, 2023

Site meeting to discuss pipe reinstallation and backfill material with City staff, OHM, OYK, East Edge, and ADS representatives. Determined that the pipe needed to be removed from the header, and Class II backfill will be used.

July 11, 2023

No restart date has been determined as OYK is negotiating pricing with East Edge for the removal and reinstallation of the pipe. City staff have requested a start date via email and phone so OHM can prepare for inspections.

August 15, 2023

Tack (OYK) advised they intend to begin foundation excavation before the underground stormwater detention reinstallation. OYK and East Edge are still negotiating a price for the reinstallation. OYK was advised that they could not begin excavating or pouring foundations until the City issued the foundation/shell permit for the building.

August 17, 2023

Nazal, Hadid, and Tack (OYK) were advised via email that revised Building Permit plans and applications must be submitted before foundation work begins. OYK was advised that the previously assessed plan review fee will be credited toward the current permit.

September 19, 2023

Tack (OYK) states that OYK is still negotiating a price with East Edge to reinstall the underground stormwater detention system.

September 25, 2023

The City issued OYK a violation notice for hazardous site conditions and repeated failure to maintain the growth of grass and weeds. The notice was sent via USPS mail.

October 2, 2023

The City received no response from OYK to the violation notices; an email was sent to OYK to follow up on on-site issues.

October 3, 2023

OYK will be fencing the property and will maintain the weeds.

October 20, 2023

OYK submits revised foundation permits to the City. OYK advised that complete sets of plans will need to be submitted for plan review.

October 25, 2023

The property has been fenced, and the weeds have been cut. The site complies with City ordinances.

October 27, 2023

Lang (AH) emails Tack and Nazal (OYK) to remind them that the water/sewer fees (\$192,228) are due in addition to the Building Permit fees when the plan review is completed.

December 7, 2023

The City received full construction drawings (the first submittal reflecting the revised project) from OYK and Designhaus. These include revisions to the architectural, structural, mechanical, electrical, and plumbing plans, which were updated to reflect the City Council's revised PUD approval on March 20, 2023.

December 12, 2023

City staff, OHM, OYK, East Edge, and ADS met to discuss the underground stormwater detention on site. OYK was given the following action items.

- ADS will inspect the underground stormwater detention system, with the City and OHM
 present, to determine whether an existing pipe can be reused.
 - o If re-use is approved, ADS must provide written documentation to the City / OHM
- Underground stormwater detention system to be installed per approved submissions.
 - Any revised submittals must be reviewed and approved by OHM.
- Additional escrow must be paid.
- Water/sewer tap fees (\$192,228) have not been paid and are outstanding.

2024

January 18, 2024

The City completed the Building Plan review of the construction drawings. Based on the ICC cost of construction, a total plan review fee of \$41,061 was calculated. Crediting OYK \$25,528 for the previously paid plan review fee, the outstanding plan review balance is \$15,533.

February 8, 2024

City staff and OHM received notice that East Edge has withdrawn from the project due to OYK's failure to meet the construction requirements.

February 12, 2024

Water/sewer fees (\$192,228) paid to DPW.

February 26, 2024

Site meeting with City staff, OHM, OYK, and ADS. ADS inspected the pipe and determined that most of it should be able to be reinstalled. However, the removal process significantly damaged some sections of the pipe. These sections should be discarded or cut to remove the damaged section and coupled back together. OYK will be reinstalling the detention system and backfilling it to ADS-approved specifications.

March 5, 2024

The City received the updated/revised full construction drawings (second submittal) from OYK and Designhaus. The \$15,533 plan review fee has not been paid.

March 21, 2024

The plan review is completed on the March 5, 2024 submittals. Building Official Jeff Spencer, other City staff, Sal Lorenzo (Designhaus Architecture), Nazal, and Tack (OYK) met at the City offices to discuss revisions to construction documents that must be made before they can be approved. The plan review fee has not been paid.

March 22, 2024

Spencer (AH) sent a follow-up email to Nazal (OYK) and Lorenzo (Designhaus), listing the changes that need to be made to the construction drawings for approval.

April 4, 2024

Lang (AH) emailed Hadid and Nazal (OYK) to request that revisions be submitted. A fee schedule with an explanation of fee calculation was also provided.

April 29, 2024

Director of Community Development Steve Cohen sent Hadid (OYK) a PUD expiration notice via mail and email regarding the Avant PUD's City Council approval. Mr. Cohen explains that a response must be received to request an extension from the City Council, as the project expires on July 1, 2024.

May 2, 2024

No response was received from OYK regarding an extension request; Cohen (AH) sent a second notice via email to Hadid (OYK)

May 10, 2024

Hadid (OYK) responds to the request for a formal explanation of delays with the letter and construction schedule included in the packet.

May 15, 2024

Designhaus provides a response to the plan review and March 21, 2024, meeting.

May 20, 2024

City Council approved PUD extension, subject to deadlines outlined in the development agreement.

May 23, 2024

Building permit revisions (from the March 21, 2024, meeting) were approved based on Designhaus' response (May 15, 2024).

May 28, 2024

Cohen emails Hadid to sign and notarize the 1st amendment to the development agreement per the City Council's May 20, 2024 conditions.

June 5, 2024

Fees were paid, and a foundation shell permit was issued.

June 5, 2024

OYK delivered the development agreement to Community Development.

June 6, 2024

A grass violation was sent to OYK for unmaintained grass/weeds.

June 11, 2024

Footing Inspection.

June 13, 2024

Footing Inspection.

June 18, 2024

Grass/Weeds cut by City.

June 18, 2024

Footing Inspection.

June 20, 2024

Footing Inspection.

July 3, 2024

Footing Inspection.

July 17, 2024

Designhaus (OYK architect) provides structural revisions requesting to change the construction type between the parking deck and first-floor construction.

July 31, 2024

Spencer (AH) requests additional information on the proposed changes, including how this will impact the structure's height.

August 1, 2024

Grass/Weeds cut by City.

August 21, 2024

Footing Inspection.

August 27, 2024

Cohen (AH) e-mails Hadid (OYK) to notify him of the construction deadline (September 9, 2024) that will not be met based on the pace of construction. A response is required by September 3, 2024, at 8:30 a.m. to make the September 9, 2024 City Council meeting agenda for consideration of an extension.

August 30, 2024

City contractor assigned to cut grass/weeds.

September 3, 2024 (10:41 a.m.)

Hadid (OYK) e-mails request for an extension of construction deadlines.



CITY OF AUBURN HILLS

REGULAR CITY COUNCIL MEETING

MINUTES - EXCERPT

MAY 20, 2024

CALL TO ORDER & Mayor Marzolf at 7:00 PM.

PLEDGE OF ALLEGIANCE:

LOCATION: Council Chamber, 1827 N. Squirrel Road, Auburn Hills MI

ROLL CALL: Present: Council Members Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel

and Verbeke Absent: None

Also Present: City Manager Tanghe, Assistant City Manager Skopek, City Attorney Roberts, City Clerk Pierce, Deputy Chief of Police McGraw, Fire Chief Massingill, DPW Director Baldante, Manager of Fleet & Roads Hefner, Community Development Director Cohen, Asst to Dir./Construction Coord Lang, Deputy Assessor Collias, Economic Development Manager Carroll, Assistant to the Manager Hagge, Engineer

Juidici & Driesenga

19 Guests

4. NEW BUSINESS

<u>9e.</u> Motion - To extend the Revised PUD Step Two - Site Plan and Tree Removal Permit Approval / The Avant at Five Points.

Mr. Cohen presented the request from OYK Engineering & Construction for an extension of The Avant's PUD approval due to construction delays associated with addressing the incorrect installation of the project's underground stormwater detention system. He explained the background of the project and noted that a condition of the City Council's approval of the revised project required that the development, including all site improvements, be completed by July 1, 2024. He noted that the detention system has now been resolved and is functioning, but the project will not be completed by July 1st. He stated that Mr. Hadid, with OYK Engineering & Construction, believes that the project will be complete in 18 months, once construction begins on the building foundations.

Fred Hadid, owner and developer of the project, explained that the delays were caused by difficulties with the underground detention system. It is now complete and ready for the foundation. Mr. Juidici confirmed that they have not noted any residual or additional water issues related to the development.

Mayor Marzolf expressed concerns that it is too much building for the site, the water issues, and the substantial amount of permit fees that have not been paid. In addition, he stated his concern that the wetland that was filled in.

Mr. Hadid confirmed for Council that he is able to meet the deadlines in the motion.

Moved by Knight, Seconded by McDaniel.

RESOLVED: To extend the Revised PUD Step Two – Site Plan and Tree Removal Permit approval for The Avant at Five Points from July 1, 2024 to December 30, 2025, subject to the following conditions:

- 1. The First Amendment to the Development Agreement previously drafted by the City Attorney after the revised project's March 20, 2023 approval has yet to be signed by all parties and recorded with the Oakland County Register of Deeds. The City Attorney shall update the First Amendment to the Development Agreement by adding the conditions of this extension approval. If OYK Engineering and Construction (the applicant) fails to sign and return the updated agreement to the City by June 7, 2024, then the applicant will voluntarily terminate the Planned Unit Development approval.
- 2. If the applicant meets the completion deadline for Item #1 but fails to begin pouring the foundations of the building by June 25, 2024, in accordance with the Cityapproved Building Permit, then the applicant will voluntarily terminate the Planned Unit Development approval. The applicant shall obtain Building Permit approval from the Building Official and pay the Building Permit and Building Plan review fees totaling \$149,672 to the City before the commencement of this work.
- 3. If the applicant meets the completion deadline for Item #2 but fails to begin the vertical construction of the first floor in accordance with the City-approved Building Permit by September 9, 2024, then the applicant will voluntarily terminate the Planned Unit Development approval.
- 4. If the applicant meets the completion deadline for Item #3 but fails to completely erect and enclose the entire building (including roof, windows, and doors) in accordance with the City-approved Building Permit by March 1, 2025, then the applicant will voluntarily terminate the Planned Unit Development approval.
- 5. The applicant shall complete all site improvements and landscaping per the approved Site Plan by October 15, 2025.
- 6. The applicant shall complete the development and obtain a final Certificate of Occupancy Permit from the City by December 30, 2025.
- 7. If the Planned Unit Development approval is terminated, then the applicant shall, at its own cost, remove all incomplete structures and foundations from the site and restore the site as directed by staff in accordance with City Ordinances. If the applicant fails to restore the site as directed, then the City Manager and/or his designee shall be authorized to take any reasonable action to enforce the City Council's order, including but not limited to legal action, invoicing the applicant for work performed by the City that the applicant fails to complete and to place a lien against the property if the applicant does not pay such costs incurred by the City.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, McDaniel, Verbeke

No: Marzolf

Resolution No. 24.05.81 Motion Carried (6 - 1)



Thursday, May 9th, 2024

RE: The Avant at Five Points PUD Extension

Dear Mr. Cohen,

I hope this message finds you well. I'm writing to provide an update on the current status of the project and to address the setbacks we've encountered along the way.

Regrettably, we faced a significant setback with the project due to the improper installation of the underground detention system by our original contractor. This oversight raised concerns from OHM regarding potential floating, stemming from inadequate backfill material. To rectify the situation, we devised a strategic plan last year, opting for internal repairs utilizing gasket seals. However, OHM's requests for pipe removal and changes in backfill material significantly impacted the construction budget. In response, we conducted a comprehensive evaluation of the project, resulting in structural foundation design changes that are currently underway.

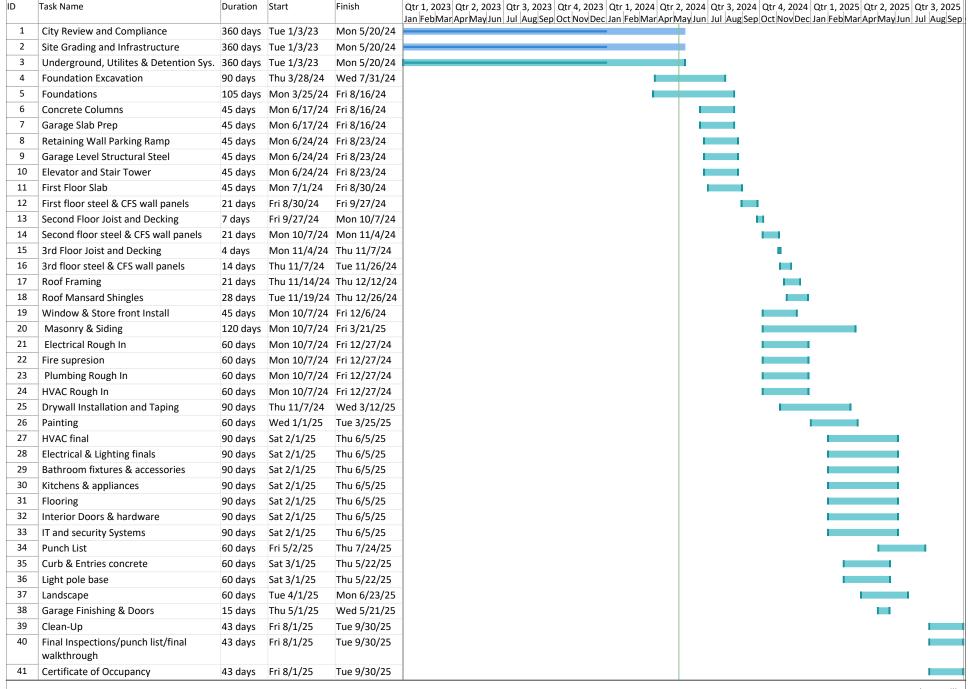
The corrections required for the detention system exceeded our initial expectations, necessitating thorough remediation efforts beyond what we initially anticipated. Furthermore, upon receiving approval on the revised Planned Unit Development (PUD), we encountered another obstacle. The building department requested a comprehensive update to all project drawings, leading to the cancellation of the foundation permit. The PUD approval aimed at adjusting the unit mix, decreasing three-bedroom units while increasing one-bedroom units. Notably, the elevation and structure of the building remain unchanged. Although our team was on schedule to simultaneously complete the detention system and begin foundation preparations, progress has been halted until the updated drawings receive approval, after which the foundation permit will be issued.

To facilitate our team's progress, we have completed the first phase of foundation materials procurement, securing steel and all essential equipment necessary for the project. The second phase materials are poised for shipment, with additional resources arranged for subsequent use. With operations now in full swing, we remain optimistic about project completion by September 2025.

We appreciate your continued support and understanding as we navigate these challenges.

Sincerely,

Fred Hadid, PE





CITY OF AUBURN HILLS

REGULAR CITY COUNCIL MEETING

MINUTES - EXCERPT

MARCH 20, 2023

CALL TO ORDER: Mayor McDaniel at 7:00 PM.

LOCATION: Council Chamber, 1827 N. Squirrel Road, Auburn Hills MI

Present: Mayor McDaniel, Council Members Carrier, Cionka, Knight, Marzolf, Verbeke

Absent: Council Member Hawkins

Also Present: City Manager Tanghe, Assistant City Manager Skopek, City Attorney Ballantyne, City Clerk Pierce, Police Chief Gagnon, Fire Chief Massingill, DPW Director Baldante, Mgr of Fleet & Roads Hefner, Mgr of Municipal Properties Wisser, Mgr. of Public Utilities Deman, Community Development Director Cohen, City Planner Keenan, Construction Coord Lang, Management Assistant Hagge, Engineers Juidici & Driesenga

13 Guests

9. NEW BUSINESS

<u>9a.</u> Motion – To approve the Revised PUD Step Two – Site Plan and Tree Removal Permit / The Avant at <u>Five Points.</u>

Mr. Cohen presented the revisions for The Avant at Five Points PUD project and shared that this project was originally approved by City Council on November 18, 2019. He stated that the developer is wanting to change the interior units from 61 units to 68 units, removing the option for three-bedroom dwellings. These will be rental units per the original agreement. He stated that the physical structure will not be changing, only the interior designs. These changes will require seventeen additional parking spaces. He explained that there have been two main issues causing concerns from residents in the area: landscaping and excess water.

Mr. Hadid, owner of OYK Engineering and Construction was present.

Mr. Juidici explained that the existing water issues are due to the high-water table. He stated that swales will be installed to manage the different elevations allowing water to exit into the Hobart Drain and the storm water system, which at this time is only partially installed. It was also explained that there will be trees installed on the property to help with landscaping issues.

Patty Hassett, 2471 Joswick, addressed her concerns regarding the excess water and the workmanship of the project.

Mario DiBartolomeo, 2401 Joswick, spoke to the concerns regarding the craftmanship and the elevation of the building.

Mayor McDaniel shared that he understands the concerns of the residents. However, he believes the engineering firm will make sure the developer follows the Development Agreement, or they do not get an occupancy permit. He also stated that the engineers have confirmed that what has been proposed will help the current water situation. Staff will handle any concerns with the wall through Code Enforcement. He reminded City Council that this area is zoned for B-2, which could allow for another type of establishment to be developed here.

City Council Meeting – March 20, 2023 Page 2

Mr. Cohen reported that this land is zoned as B-2 but with a PUD overlay. He stated the PUD will address concerns with the wall. He stated that the wall, that was being referenced, did not display proper workmanship, so it was torn down and rebuilt and now displays a high level of workmanship.

Mr. Marzolf stated that he appreciates all the efforts that have been made. He stated that he has a fundamental problem with developing a wetland area. He also questioned the harmonious relationship with the development and the neighborhood, and this may have a detrimental effect on the natural characteristics of the parcel. He feels that there is too much of a development for too small of an area and expressed concern with water issues in the future that will be difficult to remedy.

Ms. Verbeke also shared her concerns regarding this development and is not in favor of developments where there are wetlands. She stated that Council has a responsibility to make sure the PUD is in the best interest of the community. She commented that if she lived in this area, she would have problems with the excess water as well. However, she stated she also understands the situation from the developer's point of view and his struggles with trying to complete a project through difficulties which have delayed the project.

Moved by Cionka, Seconded by Knight.

RESOLVED: To accept the Planning Commission's recommendation and approve the Revised PUD Step Two – Site Plan and Tree Removal Permit for The Avant at Five Points to construct a multiple-family residential development, subject to the conditions of the City's Administrative Review Team. The revised project, including all site improvements, shall be completed by July 1, 2024.

VOTE: Yes: Carrier, Cionka, Knight, McDaniel, Verbeke

No: Marzolf Resolution No. 23.03.032

Motion Carried (5-1)



CITY OF AUBURN HILLS PLANNING COMMISSION MINUTES

October 16, 2019

CALL TO ORDER: Chairperson Ouellette called the meeting to order at 7:00 p.m.

ROLL CALL: Present: Moniz, Hitchcock, Ochs, Beidoun, Mendieta, Pederson, Ouellette

Absent: Shearer, Pierce

Also Present: Director of Community Development Cohen, City Planner Keenan, City Engineer

Juidici Guests: 21

LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326

5. PETITIONERS

5b. The Avant at Five Points (f.k.a. Residences of Five Points (7:24 p.m.)

Public Hearing/Motion – Recommendation to City Council for combined PUD Step One –

Qualification/Step Two – Site Plan approval.

Mr. Cohen introduced the request from OYK Engineering and Construction to build a 61-unit, low-rise multi-family residential development on 2.66 acres of land located north of University Drive, between Joswick Road and Five Points Drive. The parcel is zoned B-2, General Business district. The City's Master Land Use Plan allows the City Council, after Planning Commission recommendation, to approve this type of land use deviation via the PUD process. Mr. Cohen further explained that from a planning and zoning standpoint, multi-family residential land use is traditionally utilized on parcels like this to buffer commercial uses from nearby lower density single-family residential areas.

Mr. Cohen stated that, based on input from both the adjacent property owners and staff, the applicant worked to mitigate potential land-use conflicts in the following ways:

- 1. Lowering the building height from three stories to two stories on the Joswick Road side;
- 2. Positioning the building to be over 100' away from the west property line near Joswick Road;
- 3. Proposing a new concrete masonry screen along Joswick Road that connects to and is consistent with the existing adjacent masonry screen wall located along the roadway.
- 4. Preserving the existing tree stand and underbrush adjacent to Joswick Road in its natural state, with the addition of a 4-foot tall landscaped berm to create a buffer separation between the development and the roadway.
- 5. Significantly reducing the size of the surface parking lot by creating a secured underground parking garage with controlled access.
- 6. There will be no exterior trash receptacle. A trash storage area has been incorporated into the north side of the building.
- 7. Light poles will be shorter than required by City ordinance with LED cut-off fixtures specifically designed to direct light downward and to not allow light trespass.
- 8. There will be no pedestrian or vehicular access to Joswick Road.

Mr. Cohen stated that construction is expected to begin in September 2020, with completion by May 2021. The total investment is estimated at \$15 million.

Peter Stuhlreyer, DesignHaus Architecture, 301 Walnut Blvd., Rochester, MI was available to answer any questions of the Commission. Mr. Stuhlreyer stated that they have met with the neighbors on Joswick Road a number of times, and have designed the project so as to minimize the impact to the neighbors. The proposed berm and setback on the Joswick Road side is designed with the adjoining owners in mind. There will be no balconies on that side and the height of the building has been reduced to two stories on the Joswick Road side. He explained that most of the parking will be underground, providing major security for the tenants.

Ms. Pederson asked if the screening on the Joswick Road side could be higher. Mr. Stuhlreyer explained that it is

Auburn Hills Planning Commission – October 16, 2019 Page **2** of **4**

the perspective of the photograph that makes the vehicles look like they are above the screening.

Ms. Pederson asked if there is a concern that the three-bedroom apartments will be used by students, increasing the number of tenants that can be in each apartment. Mr. Stuhlreyer explained that the price point for the apartments would not support student housing. He also confirmed that there will be a manager on-site.

Mr. Moniz asked where the water from the site will flow. Mr. Juidici explained that the stormwater drainage will be contained on-site with an underground detention system that will run to the County drain. He further explained that while the Hobart drain is clear, some of the yards on Joswick Road have obstructions. The drain was constructed in the late 60s/early 70s.

Mr. Moniz asked if there were any assurances to the residents on Joswick Road that they will be protected if issues arise. Mr. Juidici stated that he does not believe there will be adverse impacts, which would cause the pre-existing water issues on Joswick Road to be increased. Mr. Stuhlreyer stated that because they will be handling all water on-site, he does not foresee any increased impact. They have discussed the possibility of a west edge catch basin, if necessary. If the water were to ever crest the road on the west side, a catch basin could be installed. Mr. Juidici confirmed that Joswick Road was built with ditches on either side, and the Hobart drain was designed to deal with both sides.

Mr. Moniz asked if the underground garage would have security cameras. Mr. Stuhlreyer stated that there would be cameras and full fire suppression. It is anticipated that all residents will utilize the underground parking with any visitor parking utilizing the spaces on the south side.

Mr. Moniz expressed concern that this development will open up the possibility of additional PUD developments on Five Points Drive. Mr. Cohen reminded the Commission that the City has full control over the granting of PUD developments.

Mr. Ouellette asked whether these will be apartments or condominiums. Mr. Stuhlreyer stated that they are being developed as apartments. That may change in the future, but not anytime soon.

Mr. Beidoun asked whether there will be electric charging stations. Mr. Stuhlreyer confirmed that there will be four spaces.

Mr. Ouellette opened the public hearing at 7:47 p.m.

Mario Di Bartolomeo, 2401 Joswick, Auburn Hills, MI stated that he represents most of the property owners on Joswick Road, who are adamantly opposed to this proposal and have signed a petition to this effect. He noted several issues as follows:

- Joswick Road already experiences water issues. Filling in the wetlands could possibly redirect the excess water to their already saturated properties;
- The additional traffic will cut through Joswick Road to get to Walton, increasing traffic through their neighborhood;
- This is a high-density development that is not in keeping with their half-acre lots;
- This high-density development opens the door for other high traffic generating developments:
- The 24-hour unwanted noise and constant traffic impacting the quiet neighborhood;
- A commercial building with a retention pond on-site would be better suited.

Patrick Hassett, 2471 Joswick, Auburn Hills, MI stated that he has a major concern putting an excess of 120 people on this small parcel of land. He feels that it is too high a density for the area. He further expressed concern with the water issues and thanked the Planning Commission and DesignHaus for attempting to work with the property owners.

Antonia Flores, 2379 Joswick, Auburn Hills, MI expressed concern with the water issues on Joswick Road. She is also concerned that cut-through traffic, which is already a problem, will become an even greater issue. She asked if it would be possible to have speed bumps installed.

Kay Reinke, 2359 Dexter Road, Auburn Hills, MI stated that traffic cuts through Joswick Road in excess of 60 mph. She stated that while the police monitor it, they are not there during peak times.

Robert Kittle, 4027 Hillsdale Drive, Auburn Hills, MI does not feel that this development is a good use of the property. He does not feel that additional apartment buildings are needed in the area. He believes that young people are looking for affordable houses, and another apartment building would encourage a transient population. He stated that apartment buildings do not serve the residents and taxpayers of Auburn Hills.

Hearing no further comments, Mr. Ouellette closed the public hearing at 8:06 p.m.

Mr. Beidoun asked for further explanations regarding the water issue. Mr. Juidici explained that the water issues on Joswick Road are not related to the development of this site. The homes on Joswick Road were built in an area with a high water table. The groundwater flows to the south and east toward Galloway Creek, not backward toward Joswick Road. The water levels in the pond on the proposed site fluctuate seasonally.

Mr. Ouellette asked how this site was chosen for this development. Mr. Stuhlreyer explained that the applicant looked at properties along Five Points Drive. This site has been vacant for a number of years.

Mr. Ouellette asked whether Joswick Road could be posted "No Through Traffic." Mr. Juidici stated that he does not believe it could be designated this way because it is a public road. In order to change the designation, it would have to be changed to a private road. He further explained that traffic on Joswick Road has increased over the last couple of years due to a number of large construction projects that are now nearing completion. This may alleviate some of the cut-through traffic.

Mr. Moniz stated that he is very concerned with the water flow and the cut-through traffic on Joswick Road.

Mr. Stuhlreyer stated that this proposal offers much less density than could be proposed according to the zoning. The applicant began meeting immediately with the neighbors in order to bring the best proposal forward, offering the least impact to the neighbors.

Mr. Hitchcock stated that he is impressed with the efforts of both the residents and the developer. He stated that he felt the developer made every effort to lessen the impact on the neighbors and work with them.

Ms. Pederson asked what would make the project work better for the neighbors. Mr. Di Bartolomeo stated that because the property is zoned B-2, some type of commercial project would be more fitting for the area.

Mr. Moniz asked if there has been any interest in a commercial project for the site. Mr. Cohen stated that over his 20-year career at the City, he has not seen any commercial development interest in the property. He further stated that the question would be best addressed by the property owner, Tom Vestevich. Mr. Cohen explained that there is no guarantee that a future developer with a commercial project would be as willing to mitigate any potential nuisances/land use conflict with the adjacent residential area as this developer has been willing to do via the PUD negotiation process.

Mr. Ouellette stated that while the Commission needs to remain cognizant of the objections of the neighbors, they also have to consider what is best for the City as a whole.

Mr. Mendieta asked whether it would be possible to install speed bumps on Joswick Road. Mr. Juidici explained that traffic calming studies have shown that overall, speed bumps on a straight stretch of road actually cause significant speed increases. People tend to accelerate at a higher rate between the speed bumps. They would also create an issue with road maintenance and emergency vehicles.

Ms. Ochs asked if there was anything that could make this project more acceptable to the Joswick Road residents. Mr. Di Bartolomeo stated that the water issues would need to be addressed in writing that any issues would be corrected for them, and they would like Joswick Road to be designated as a dead-end road.

Auburn Hills Planning Commission – October 16, 2019 Page **4** of **4**

Ms. Ochs stated that Joswick Road experiences water issues without the site being developed because of the wetlands. The developer will be doing a lot to mitigate the problems and it is possible that issues would resolve to some extent. Mr. Juidici explained that the development would have an on-site water management system. That underground management system is the same whether the property is developed with this proposal or with a commercial proposal. There will be a sophisticated water system to keep water out of the area. The developer will manage the water to protect his investment. Further, traffic in a commercial development would be significantly higher than a residential use.

Ms. Ochs asked whether there was a way for residents to document their current water situation to show any change if the property is developed. Mr. Juidici explained that a baseline study would have to be done over a number of years, taking into account a number of variables.

Chairman Ouellette allowed additional public comment.

Mr. Di Bartolomeo stated that he has a petition signed by 13 property owners along Joswick Road. A copy of the petition was given to Mr. Keenan (attached).

Moved by Hitchcock to recommend to City Council approval of the combined PUD Step One – Qualification/Step Two-Site Plan for The Avant at Five Points subject to the conditions of the City's Administrative Review Team.

Second by Beidoun.

VOTE: Yes: Pederson, Mendieta, Ochs, Hitchcock, Beidoun, Ouellette

No: Moniz Motion Carried (6-1)

Petition in relation in to the new development proposal at 3555 Five points Drive

Petition promoter- M. Di Bartolomeo 2401 Joswick Road - 586-212-6857 Initiated 9/28/2019

We the undersigned do not want changes made to the area's zoning or implementation of a Planned Unit Development

Printed name	Address	Signature	Date
MARIO DI BARTOLOMEO	2401 JOSWICK	75 DE	9-28-2019
FRANCO DIBAKTOLOMTO	2391 JOSWACK	Hommy &	9-28-19
Patricia Di Bartolomeo	2401 Joswick	tatricia en Bartolomeo	9/28/2019
PATRICK W. HASSETT	2471 JoSWICK C	about Hands	9/28/2015
Vatoricia a Hasset		Patricia Hassett	9/28/2019
JANIE M. Garvin	2335 JOSWick	Janio Garvin	9/28/2019
PETER WINTER	2359 JOSWICK	BLUWK	9/28/2019
Amunda Hollen	2429 Josuvick	atolly	9/28/2019
Dele Coats	undeveloped lot Joseph	Lille	9/34/2019
Antonia Hores		0	9 130 2019
BRENT JOHNSON	2275 JOSWICK	73	10/3/2019
craig Hurst	2321 Jaswick	Gas His	10/3/2019
Filen Nelson	2459 Joswick	A Gtyl be	1014/2019
Aicholas Duratton	2303 bovick Rd.	11/4	10/20/14
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OF THE HOI	MEDWNERS C	N JOSWICK	

Dear Members of the Auburn Hills Planning Commission,

The citizen property owners on Joswick road have reviewed the Five Points proposal documentation you sent. We have reviewed and discussed your proposal prior to this October 16, 2019 Planning Commission meeting. In the paragraphs below we have compiled and brought you the reasons we are unified and against this proposal.

We have been informed the proposed building site will be filled in and the water that currently flows in to that natural basin will be displaced or redirected. Filling in that large body of water that resides there poses the risk that residents might experience additional water on their properties. The city and the engineering firm have clearly stated they cannot and will not accept any liability risk. We feel none of the residents should be asked to accept that risk either.

We know from firsthand experience that there will be additional traffic if sixty-one additional rentals are built across the street. The easiest way to access Walton is to cut through Joswick. An increase in traffic occurred when the apartment buildings went up on the other side of Five Points. Increasing traffic on our residential street will hurt property values, increases the noise level, and presents an increased danger due to reckless speeding. Here too there is no reason to support such a construction project as there is only downside to the residents.

The MSU credit union located next to the proposed property development is moving. If the Five Points project is approved, it could open the door for further multiunit projects which would further drive an increase in traffic. Visitors to commercial buildings generally stay on the main roads and do not learn the quick short cuts. There is no reason the Joswick home owners would want to accept the possibility of even more traffic and road noise.

A sixty-one unit complex across the street will certainly add seven day a week noise to a relatively quiet neighborhood. The density of our neighborhood is one household per ½ acre. Your high density proposal is not what the citizens that purchased homes on Joswick expected, your proposal would definitely change the character of the neighborhood. The home owners knew the types of buildings they would be living next to before buying. Commercial buildings are generally busy during weekdays but in the evenings and weekends it really quiets down.

The original city planners assigned the proposed building site as B2. With the growing University and recent medical school addition there will be a need for supporting businesses requiring commercial buildings. A commercial building with an engineered retention pond would be well suited for that site. There is no reason to deviate from their well laid out plan. The Joswick citizens stand with the original planners zoning assignment (B2) in conformance and without deviation just as the parcels adjacent to it.

Accompanying this letter is a petition signed by virtually all of the Joswick citizens stating we do not want a change in zoning or a PUD implemented. We are missing just two signatures because we are still trying to make contact with them. Should this petition have to be presented at the city council meeting we anticipate it to be at a 100% proposal rejection.

The Joswick road citizens recommend rejecting this proposal prior to the November City Council meeting.

Your point of contact should you have any questions is-Mario Di Bartolomeo 2401 Joswick, mario@comcast.net, 586-212-6857

October, 16, 2019



CITY OF AUBURN HILLS PLANNING COMMISSION MINUTES - EXCERPT

March 8, 2023

CALL TO ORDER: Chairperson Ouellette called the meeting to order at 7:00 p.m.

ROLL CALL: Present: Sam Beidoun, Dominick Tringali, Laura Ochs, Cynthia Pavlich, Brian Marzolf, Greg

Ouellette

Absent: Carolyn Shearer, Chauncey Hitchcock, Ray Saelens

Also Present: Director of Community Development Steve Cohen, City Planner Shawn Keenan

Guests: 10

LOCATION: City Council Chambers, 1827 N. Squirrel Road, Auburn Hills, MI 48326

5. PETITIONERS

5a. The Avant at Five Points (7:02 p.m.)

Public Hearing/Motion – Recommendation to City Council for approval of the Revised PUD Step Two – Site Plan and Tree Removal Permit to construct a multiple-family residential development.

Mr. Keenan explained that this is a request from OYK Engineering and Construction (OYK) for approval to revise the site plan, previously approved by City Council on November 18, 2019. The revised plans call for a 68-unit, low-rise multi-family residential development on the 2.66-acre parcel located at 3355 Five Points Drive that is zoned B-2, General Business district.

The applicant provided a letter from his attorney explaining the reason for the delay and the changes in the plan. The general appearance and function of the proposed building will remain the same as previously approved by the City Council with the following revisions to the site plan:

- 1. Seven apartment units were added to the building, increasing the total number from 61 to 68 units. The unit makeup is now closer to a 50/50 mix of one and two-bedroom units.
- 2. The building facade has fewer windows and balconies than the previously approved building.
- 3. Seventeen parking spaces were added to the outdoor parking lot, with the parallel parking spaces being converted to 90-degree parking spaces.
- 4. The drainage swale was extended along the north, west, and south property lines.
- 5. The number of landscape trees was increased from 65 to 75 trees with the extra trees to be planted in the west buffer.

All seven design elements from the previous plan are carried over to this plan. The applicant also agreed to further enhance the buffer by adding ten more trees to help address residents' concerns about vehicle headlights. Staff would like to note that the site design exceeds City standards for buffer area and screening requirements designed for developments that immediately abut a one-family zoning district.

Construction is anticipated to begin in spring 2023, with completion by spring 2024. The total investment is estimated at \$10 million.

Peter Stuhlreyer, Designhaus Architecture, 3300 Auburn Road, Suite 300, Auburn Hills, MI 48326 and Fred Hadid, OYK Engineering & Construction, 30700 Telegraph Road, Franklin, MI 48025 and the rest of their team were available to answer any questions of the Commission.

Mr. Beidoun asked what precipitated the re-design to smaller units. Mr. Stuhlreyer explained that market analysis revealed that it would be prudent to modify the design given current conditions. The three-bedroom units were changed to one-bedroom units.

Mr. Marzolf stated he was concerned with the wetland area in 2019, and is still concerned. He asked the applicant how the standing water on the site is being handled. Mr. Stuhlreyer stated that drainage and excavation will be part of the engineering process. He explained that they will be installing two sump pumps to redirect the surface water.

Jim Tack, OYK Engineering, explained that around the holidays' OHM requested that a bulkhead be installed at the exit point. Prior to that, the water had been removed down to 2'. The applicant discovered that clay tiles had been installed years ago and the water was draining from the AT&T site. This was mostly surface water. The clay tiles have been removed, and repairs will be done to fix the detention area.

Mr. Marzolf asked if it could be spring fed. Mr. Tack stated that there was no underground spring. PEA and OHM have both been to the site. Mr. Stuhlreyer stated that they would not pursue the project if there was a concern with the engineering.

Ms. Ochs asked where the water was redirected to once those clay tiles were removed. Mr. Tack stated that the water was stopped from entering this property by removing those clay tiles draining water from the AT&T property.

Mr. Tringali asked if the elevation and height of the development would be staying the same as originally approved in 2019. Mr. Stuhlreyer confirmed that elevation and height have not changed.

Mr. Ouellette asked if the lighting on the property would stay on all night. Mr. Stuhlreyer explained that the lighting will be shielded in such a way as to shine down and will not leave the site. It is the minimum lighting required for safety. He stated that they would follow the code and provide calculations in the permitting process.

Mr. Cohen stated that the police department will require lighting to be on all night for safety and security purposes. It will be at a minimum level and directed downward.

Mr. Ouellette asked if the wall, berm and screening will be sufficient to protect neighboring properties from headlights. Mr. Stuhlreyer explained that the light will be completely shielded from Joswick. The applicant has measured the height of headlights on a number of larger vehicles. The 6' screening wall and 4' berm with trees on top will be more than sufficient to screen neighboring properties. He further explained that the proposal exceeds the City's standards.

Mr. Marzolf asked about the building permit that the applicant had referenced. Mr. Cohen explained that a building permit had been issued for construction under the original approved project. The applicant has chosen to modify their plan and will need to apply for a new permit if site plan amendments are approved.

Mr. Ouellette opened the public hearing at 7:26 p.m.

Patricia Hassett, 2471 Joswick, stated that she appreciated the work the applicant did to measure the headlights. She expressed concern with the water in the pond, concern with the underground parking and the noise from two constantly running sump pumps. She also stated that by changing the 3-bedroom units to 1-bedroom units there will be a lot more cars on the site, increasing traffic in the area.

Mario DiBartolomeo, 2401 Joswick, stated that he is concerned with the headlights. He feels the headlights will shine onto his property and requested that the applicant plant arbor vitae to help screen the area. He is also concerned with the water. Additionally, he questioned the applicant's hardship.

Mr. Ouellette asked the applicant to describe the noise from the sump pumps. Mr. Stuhlreyer explained that the sump pumps are submersible pumps in the parking structure, below the slab. The parking structure is enclosed and has a door. He confirmed that there will be no noise pollution from the sump pumps. Mr. Ouellette asked if the sump pump drains into the storm sewer. Mr. Stuhlreyer confirmed that it does drain into the storm sewer.

Mr. Beidoun asked if the applicant was open to adding arbor vitae to provide further screening for Mr. DiBartolomeo's property. Mike Pizzola, Designhaus, explained that 6'-8' evergreen trees are being planted. These trees will provide much more screening than arbor vitae. There will also be deciduous trees, and more evergreens adjacent to the parking area. Ornamental trees will be planted, as well as oak trees. There will be more screening designed to block headlights than is required by the City.

Mr. Tringali asked if engineering had reviewed the plan. Mr. Keenan stated that the swale has been extended and engineering has reviewed the storm management plan.

Ms. Ochs asked Ms. Hassett when she observed standing water. Ms. Hassett stated that there has not been a

Auburn Hills Planning Commission – March 8, 2023 Page **3** of **3**

time that water was not on the site. Mr. Stuhlreyer explained that the clay tiles were removed in the fall of 2021, following record rainfalls. A sump pump was used to pump out the water and it was reduced to a level of approximately 1'-2'. The current water table is below the proposed basement elevation.

Ms. Ochs stated that she is sensitive to preserving trees and asked whether it would be possible to include some arbor vitae to provide additional screening. Mr. Tack explained that it is possible; however, he cautioned that arbor vitae grow to be approximately 3' wide at maturity. An 8' tall evergreen will provide 5'-6' of screening. He explained that the tiered approach that is being proposed will provide a solid mass of screening.

Mr. Keenan explained that the city's woodland consultant has looked at the plan. The future growth of the trees is taken into consideration. The applicant's proposal exceeds what is required for developments built immediately adjacent to a one-family residential district. The distance from the closest parking spot to the closest house is 191'. He also reminded the Commission that headlights are designed to shine out and down and do not stay on indefinitely.

There being no further public comments, Mr. Ouellette closed the public hearing at 7:37 p.m.

Moved by Beidoun to recommend to City Council approval of the Revised PUD Step Two – Site Plan and Tree Removal Permit for <u>The Avant at Five Points</u> to construct a multiple-family residential development, subject to the conditions of the City's Administrative Review Team. The revised project, including all site improvements, shall be completed by July 1, 2024. Second by Tringali.

VOTE: Yes: Ochs, Tringali, Beidoun, Pavlich, Ouellette

No: Marzolf Motion Carried (5-1)



CITY OF AUBURN HILLS

Regular City Council Meeting
Minutes - Excerpt

November 18, 2019

CALL TO ORDER: Mayor McDaniel at 7:00 p.m.

LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326

Present: Mayor McDaniel, Council Members Burmeister, Hammond, Kittle, Knight,

Moniz and Verbeke

Absent: None

Also Present: City Manager Tanghe, Assistant City Manager Grice, City Attorney Beckerleg, City Clerk Pierce, Fire Chief Taylor, Police Lieutenant Gagnon, Community Development Director Cohen, Recreation Director Hegdal, Senior Services Director Adcock, Finance Director/Treasurer Schulz, DPW Director Melchert, Deputy DPW Director Stahly, Director of Authorities Skopek, Deputy Clerk Klassen, Mgr of Business Development Carroll, City Engineer Juidici,

Management Intern Hagge

30 Guests

15. NEW BUSINESS

15f. Motion – To approve the Combined PUD Step One – Concept Plan and PUD Step Two – Site Plan / The Avant at Five Points.

Mr. Cohen presented the new development of a 61 unit, low-rise multi-family residential district through the PUD option. He stated that this is the best use of the land for this area and has less of an impact on the surrounding residential areas then the current zoning for a B-2 district.

Mr. Peter Stuhleyer, of Designhaus and Mr. Fred Hadid and Mr. Motaz Kaakarli of OYK Engineering, LLC were present to answer any questions. Mr. Stuhleyer shared that this area is ideal for this project. He shared that the designers have worked hard to meet all the recommendations that have been asked of them by staff. This site will have underground parking and surface parking which makes this property unique. When designing the property all the setbacks have been followed to make this property fall into full compliance with the ordinance. The storm water will be maintained in an underground detention facility, eliminating standing water. Mr. Stuhleyer shared that there will be interior trash and mail rooms, small gym and the building will have high security with key fobs, cameras and onsite management. The site will also have four electronic charging stations. Mr. Kaakarli stated that City Staff expected high standards thought out the process and they have worked diligently to obtain that.

Mr. Knight shared that the Joswick street residents are concerned about the wetlands being taken away. Mr. Juidici clarified that the wetland area on this site is only 1.05 acre. He stated that this is a "pocket" wetland and there is an outlet from this wetland that runs to the existing Hobart drain which is owned by the County and runs close to Joswick road. This wetland area is not regulated under the DEQ since it is less than 5 acres in size and is not near an inland lake or stream. It is also not regulated by the City wetland ordinance because it is under two acres and is not within 500 feet of a lake or stream nor is it critical to the protection of State resources. Mr. Juidici shared that the developer's proposal is to fill the wetland area that is on the site. He stated that the wetlands to the north of this site are not contiguous with this site and that it is isolated as its own pocket which outlets to the drain to the west. He stated that the intent is to drain towards the drain and then have the water carried away so that there is no standing water. Mr. Juidici stated that any issues with standing water for the residents on Joswick is a different matter. Mr. Moniz shared the concern regarding draining the detention pond by the YMCA. Mr. Juidici shared that there is possible wetland area nearby and that there is an existing detention pond that is part of the storm water management system for the YMCA.

City Council Minutes – November 18, 2019 Page 2

Mr. Kittle questioned the need for pumps for the underground storm water storage. Mr. Stuhleyer stated that the underground storage, which collects from property to property, does not require pumps. He did share that the basement parking may require some type of sump pump to lift water to the storage area and then allow it to gravity drain into the storm sewer main. It was stated that the water on the site is standing water and not spring fed.

Mr. Burmeister shared his concerns regarding the traffic flow in the area, that there is no access to Joswick from the back of the development. He is concerned with traffic flow on Squirrel Road during rush hour and having backups on the surrounding streets. Lieutenant Gagnon stated that vehicles cannot be prohibited from utilizing city streets but he will look at prohibited turns onto Five Points Drive.

Mr. Knight and Mr. Kittle shared their thoughts regarding converting these apartments to condominiums. Mr. Knight wondered if this was a trend anymore with construction companies. Mr. Stuhleyer stated that it was an option that was presented to them but they do not intend to construct condominiums at this time. Mr. Kittle stated that he would love to see units that were for sale due to the City needing more home ownership. Mr. Stuhleyer stated that the provision of underground parking, could make these apartments convert to condominiums.

Mayor McDaniel provided time for residents to speak on the topic but clarified that this was not a public hearing.

Ms. Antonia Flores, 2379 Joswick Rd was present to share her opposition with this project. She spoke on the water pressure issues she has with her property. She is concerned that she could have sinkholes that might develop on her property due to this construction.

Mr. Mario DiBartolomeo, 2401 Joswick was present to share his opposition with this project. He stated that he is concerned that the thinking is the two wetlands are not connected. He stated that the wetlands are important and does feel that they are covered under the wetland articles in the City Ordinance.

Mr. Patrick Hassett, 2471 Joswick was present to share his opposition with this project. He stated that his concern is for the high density of people in this area.

Mr. Marzolf questioned the possibility of an open retention pond. Mr. Stuhleyer stated that it was discussed but not opted for because of the trees it would effect. The retention pond would not allow for the berm. If the retention pond were to be placed to the front of the property it would push the building too far back onto the property. It was discussed that the berm would be roughly five feet in height with plantings on top of that. The design was created to avoid headlights from being a nuisance to the residents on Joswick. Mr. Burmeister stated that he is hoping the trees that are on the property will continue to be a shield to the nearby residents.

Mr. Moniz stated that he originally voted no on this project at the Planning Commission meeting because he wanted to take a closer look at the issues and concerns of the residents. He stated that after taking time to review and walk the property that he is hoping this project will be good neighbors to the residents on Joswick.

Mr. Knight stated that he was not in support of this project until he saw that the PUD would bring about the best use of the property.

Mayor McDaniel stated that he wouldn't want the property to stay vacant or have something else built that would not be pleasant to the surrounding residents.

City Council Minutes – November 18, 2019 Page 3

Moved by Knight, Seconded by Kittle.

RESOLVED: To accept the Planning Commission's recommendation and to approve the combined PUD Step One — Qualification / Step Two — Site Plan for The Avant at Five Points subject to the conditions of the City's Administrative Review Team.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Moniz

No: Marzolf

Resolution No. 19.11.189

Motion Carried (5 - 1)

2020 FEB -6 PM 1: 06

26823
LIBER 53805 PAGE 787
\$26.00 MISC RECORDING
\$4.00 REMONUMENTATION
02/06/2020 01:26:38 P.M. RECEIPT# 21193
PAID RECORDED - DAKLAND COUNTY
LISA BROWN, CLERK/REGISTER OF DEEDS

AVANT AT FIVE POINTS PUD

CITY OF AUBURN HILLS, OAKLAND COUNTY, MICHIGAN

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") dated January 20, 2020 by and between the City of Auburn Hills, a Michigan municipal corporation ("City") and OYK Five Points LLC, a Michigan corporation ("Developer") is entered into to confirm certain rights and obligations relating to the development and use of an approximately 2.66 acre parcel of property located in the City of Auburn Hills, Michigan, and more particularly described on the attached Exhibit A hereto (the "Property" and/or the "Subject Property").

BACKGROUND

- A. The Developer is the owner of the approximately 2.66 acre parcel of property located north of University Drive between and on Joswick Road and Five Points Drive in Auburn Hills, Michigan, as legally described and depicted on Exhibit A which is attached hereto and incorporated herein by reference.
- B. Pursuant to Section 1830 of the Auburn Hills Zoning Ordinance, the Developer has applied for approval of the Site Plan on file with the Auburn Hills Community Development Department (the "Site Plan") which is part of the PUD process for the apartment development being known as Avant at Five Points ("Avant at Five Points") and on November 18, 2019 the Auburn Hills City Council approved combined PUD Step One Qualification and PUD Step Two Site Plan Approval ("Site Plan and PUD Approval"), for the Avant at Five Points, subject to several conditions including, but not limited to, the condition that the Developer and the City enter into a Development Agreement. The City approved Site Plan is on file with the Auburn Hills Community Development Department and is incorporated by reference in this Agreement.
- C. It is the purpose of this Agreement to confirm the rights and obligations of the Developer and the City with respect to the development and use of the Subject Property.

NOW, THEREFORE, for good and valuable consideration given, the receipt of which is hereby acknowledged by the parties, it is agreed as follows:

- 1. The City approved Site Plan and PUD Approval, tree removal permit (administratively approved) and the terms of this Agreement shall govern the development and use of the Subject Property. Among other things, the City approved Site Plan and PUD Approval, tree removal permit and this Agreement shall establish landscaping, tree removal and replacement, drainage, setbacks, building elevations and design, building footprint, building height, building size and density, water course buffer, open space, greenbelt, parking lot, landscape, screening, fences, utilities, dumpster, sidewalks, pathway connections, parking and parking spaces number, size and location including, both the surface parking lot and the underground parking garage, and drive isle requirements and location. The City approved Site Plan and PUD Approval and this Agreement shall also establish the architectural style of the building that may be built at the Avant at Five Points. The Property shall be developed only in accordance with the City approved Site Plan and PUD Approval, including all materials and plans submitted and approved with the City approved Site Plan, City approved grading, utility and engineering plans, City approved tree removal permit, this Agreement, City Ordinances in effect on the date of this Agreement which are not in conflict with the City approved Site Plan, PUD Approval and this Agreement, including, but not limited to, the Auburn Hills Zoning Ordinance and other applicable laws, regulations, requirements and Ordinances (collectively referred to as the "Approval Requirements"). The City approved Site Plan and PUD Approval, the City approved tree removal permit, the City approved grading, utilities, landscaping and engineering plans, this Agreement and the Approval Requirements shall be deemed to satisfy all land use and other requirements for the City, including without limitation, the City's requirements and impositions, if any, under Ordinances relating to size, setbacks, density and heights of buildings, wetlands, woodlands, tree preservation, storm water management, parking, walkway, pathway connections, drive and roadway configurations and geometry, handicapped access, fire protection and fire department design criteria, building elevations and the like. In the event of any conflict with the City approved Site Plan and PUD Approval and this Agreement on the one hand, and City Ordinances on the other, the City approved Site Plan, PUD Approval and this Agreement shall control. To the extent that there are any construction or development issues that are not addressed by the City approved Site Plan and PUD Approval and this Agreement, the City administration shall determine such matters (and issue administrative waivers, if necessary), in order to reasonably achieve the goals and objectives articulated in the City approved Site Plan, PUD Approval and this Agreement.
- 2. Roads/Driveways and curb cuts, pathway connections, public sanitary sewer service, public water service, storm water drainage, detention and retention facilities, gas and electric utilities, parking facilities and parking spaces, including both the surface parking lot and underground parking garage, open space area, sidewalks, pathways, retaining walls, screening, fences, greenbelts, berms, landscaping and trees should be completely constructed, installed and provided by and at the sole expense of Developer to service the building at the Avant at Five Points in accordance with the Approval Requirements. The Developer or all successors in title as to the Property (as well as any and all portions thereof), including but not limited to, successor developer(s) and the purchasers and owners of any individual lot, parcel, or unit within the property, shall be responsible and obligated for the perpetual maintenance, repair and replacement of the roads/driveways, parking areas and spaces, including, but not limited to, the surface parking area and underground parking garage, sidewalks, pathways, retaining walls, drainage facilities, greenbelts, landscaping, trees and open space areas shown on the City approved Site Plan.

The Developer in accordance with the Approval Requirements shall at its own cost develop, install and construct on the Property an apartment building having a height of two stories near Joswick Road and three stories near Five Points Drive (resulting in heights for the building as shown on the City approved Site Plan) as depicted on the City approved Site Plan, containing 61 apartment dwelling units, with one bedroom, two bedroom and three bedroom apartment dwelling units ranging from areas of 520 square feet to 1,300 square feet. The Developer shall not construct any balconies on the building on the Subject Property within the western two story portion of the building, as detailed in the City approved Site Plan. The Developer shall, at its own cost, construct, install, maintain, and locate 53 parking spaces on a surface parking lot on the Subject Property and 100 parking spaces in an underground parking garage located on the Subject Property, with both the surface parking lot and underground parking garage to be constructed, installed and located by Developer, at its own cost, in accordance with the City approved Site Plan. The Developer shall, at its own cost, construct, install, locate and maintain sidewalks from the Avant at Five Points building to the existing eight foot pathway along Five Points Drive. At the time construction commences on the Avant at Five Points development, the Developer shall, at its own cost, construct, install, and locate a concrete masonry screening wall along the Subject Property's boundary with Joswick Road, which wall will also connect to and be consistent with the existing adjacent masonry screening wall along Joswick Road. At the time construction commences on the Avant at Five Points development, the Developer shall, at its own cost, install, locate and maintain a four foot tall landscape berm and other landscaping in accordance with the City approved Site Plan and landscaping plan to create a substantial buffer between the Subject Property and Joswick Road and the existing tree stand and underbrush on the Subject Property adjacent to Joswick Road shall be preserved by Developer in its natural state. The Developer shall, at its own cost, and in accordance with the City approved Site Plan, construct, install, locate and maintain the access drives to Five Points Drive as shown on the City approved Site Plan, with there being no pedestrian or vehicular access from the Avant at Five Points development to Joswick Road. The Developer shall, at its own cost, install, maintain and locate light poles on the Subject Property in accordance with the City approved Site Plan, said light poles not to exceed 17 feet in height and to contain LED cutoff fixtures designed to direct light downward on the Subject Property. The Developer shall, at its own cost, prepare and install at the locations shown on the City approved Site Plan, two vertical electric vehicle charging stations that will serve up to four electric vehicles with one electric charging station to be located on the south side of the building in the surface parking lot and the other electric charging stations to be located in the underground. parking garage. The Developer shall, at its own cost, obtain from the City by November 18, 2020, the building permits for the Avant at Five Points. In the event that the Developer has not obtained from the City the building permits for the Avant at Five Points by November 18, 2020, then the parties agree and acknowledge that the PUD Approval for the Avant at Five Points shall be automatically revoked on November 19, 2020 without any additional hearings and/or actions by either party being necessary to effectuate the revocation of the PUD Approval. In the event that by November 18, 2020 the Developer has obtained from the City the building permits for the Avant at Five Points, then the Developer shall have construction on the Avant at Five Points project "substantially underway" by June 30, 2021, with "substantially underway" being defined for purposes of this Development Agreement as the Developer having, at its own cost, installed the underground utilities and completed the construction and installation of the Avant at Five Points building's footings and foundations. In the event that the construction on the Avant at Five Points project is not substantially underway by June 30, 2021, then the parties agree and acknowledge

that the PUD Approval for the Avant at Five Points project shall be automatically revoked on July 1, 2021 without any additional hearings and/or actions by either party being necessary to effectuate the revocation of the PUD Approval, with the Developer being required, at its own cost, to immediately remove any improvements that the Developer and/or its contractors and/or its subcontractors made on the Property and the Developer shall, at its own cost, revegetate and restore the Property so that the Property is safe and is restored to a grassy and/or vegetative state as the Property existed prior to the Developer purchasing the Property.

- 4. The architecture of the Avant at Five Points building shall be as set forth in the City approved Site Plan, PUD Approval and this Agreement.
- 5. Developer shall, at its own cost, be obligated to design, completely construct, finance and provide financial assurances in accordance with the Approval Requirements for the completion of all the improvements shown on the City approved Site Plan and PUD Approval for the Avant at Five Points project. Financial assurances required by the City shall be in the form and in the amounts required in the City Ordinances; provided, however, that the City agrees that the Developer may satisfy all financial assurances required for Avant at Five Points by escrowing funds with a title company satisfactory to the City, pursuant to an escrow agreement that is satisfactory to the City. In all instances in which the City utilizes the proceeds and financial assurances given to insure completion of the improvements pursuant to the City Ordinances, and the City approved Site Plan and PUD Approval, the City and its contractors and agents shall be permitted, and are hereby granted authority, to enter upon the property for the purpose of completing said respective improvements.
- 6. The foundation permits will be available upon the City approval of the grading to serve the building site. Building permits for the apartment building at Avant at Five Points shall be issued when water mains, sewer lines and other utilities are installed to service the building and have been accepted by the City and/or the appropriate utility companies and paved road access is available. The Developer shall, at its own cost, install, construct and locate all curb cuts and paved access streets/driveways, which curb cuts and paved access streets/driveways shall be constructed, installed and located in accordance with the Approval Requirements.
- 7. The City approved Site Plan and PUD Approval include a final landscaping plan and landscaping details and Developer shall, at its own cost, install, plant and locate all of said landscaping including berms, trees, shrubs and bushes in accordance with the final landscape plan and shall, at Developer's own cost, maintain said landscaping including berms, trees, shrubs and bushes and shall replace any landscaping including trees, shrubs and bushes that die. The Developer shall preserve the existing tree stand and underbrush on the Property adjacent to Joswick Road in its current natural state.
- 8. The City and Developer agree that all matters related to the use of signage on the Avant at Five Points property shall be governed by and comply with the City's Zoning Ordinance.
- 9. Based on the development and use of the Subject Property by the Developer and the Developer's construction of the Avant at Five Points on the Subject Property, pursuant to the Auburn Hills Woodlands Preservation Ordinance, the Subject Property requires 20 replacement

trees and the Developer shall, at its own cost, plant 65 replacement trees on the Subject Property at the locations shown on the City approved Site Plan and City approved landscape plan, with said replacement trees to be of the height, diameter, breast height, kind and species shown on the City approved Site Plan and City approved landscape plan, with the Developer planting all of the 65 replacement trees on the Subject Property prior to a Certificate of Occupancy being issued for the apartment building on the Subject Property. The Developer or all successors in title as to the Property (as well as any and all portions thereof), including but not limited to, successor developer(s) and the purchasers and owners of any individual lot, parcel, or unit within the Property, shall, at its own cost, be responsible for the perpetual maintenance and if necessary, replacement, of the 65 replacement trees planted on the Subject Property. The Developer shall, at its own cost, pay all applicable fees necessary and required with respect to obtaining the administratively approved tree removal permit from the City.

- 10. The Developer's rights to complete Avant at Five Points as described herein are fully vested on the execution of this Agreement by all parties, subject to the terms and conditions of this Agreement. This Agreement shall run with the land constituting the Subject Property and shall be binding upon and inure to the benefit of Developer and the City and their respective heirs, successors, assigns and transferees and immediately upon execution of this Development Agreement by all of the parties, a memorandum of this Agreement, or the Development Agreement itself, shall be recorded with the Oakland County Register of Deeds. The Development Agreement shall be interpreted and construed in accordance with Michigan law, and shall be subject to enforcement only in Michigan courts. The parties understand and agree that this Development Agreement is consistent with the intent and provisions of the Michigan and U.S. Constitutions and all applicable law.
- 11. The Developer has negotiated the terms of this Development Agreement with the City and such documentation represents the product of the joint efforts and agreements of the Developer and the City. The Developer fully accepts and agrees to the final terms, conditions, requirements and obligations in this Development Agreement. The Developer understands that this Agreement is authorized by applicable local, state and federal laws, ordinances and constitutions, and the Developer shall be estopped from taking a contrary position in the future, and the City shall be entitled to injunctive relief to prohibit any actions by the Developer that are inconsistent with the terms and provisions in this Agreement.
 - 12. The Developer may request modifications to the City approved Site Plan as follows:
 - (a) The Community Development Department may approve modifications to the City approved Site Plan that do not:
 - (i) Materially change the parking layout; or
 - (ii) Materially increase the total square footage or density of the proposed buildings.
 - (b) Modifications proposed by the Developer pursuant to this paragraph shall be consistent with the City approved Site Plan and Approval Requirements

and shall not adversely affect the character or quality of the development; and

- Modifications to the City approved Site Plan that the Community (c) Development Department in its sole discretion deems material shall be reviewed for approval by the City Council.
- This Agreement constitutes the entire Agreement between the parties and may not 13. be modified, amended or terminated except in writing executed by all of the parties hereto and this Agreement may be executed in counterparts.

THIS AGREEMENT is executed by the respective parties on the date specified with the notarization with their names. OYK Five Points LLC, a Michigan corporation STATE OF MICHIGAN)ss COUNTY OF OAKLAND) The foregoing instrument was acknowledged before me this 3 day of January, ___, the member of OYK Five Points LLC, a Michigan 2020, by Fred Hadid corporation, on behalf of said corporation. Notary Public MOHAMAD M KAAKARLI NOTARY PUBLIC - MICHIGAN Oakland County, Michigan OAKLAND COUNTY My Commission Expires: 01/15/2026

ACTING IN THE COUNTY OF Oakland MY COMMISSION EXPIRES 01/15/2026 Acting in Oakland County

CITY OF AUBURN HILLS, a Michigan municipal corporation Kevin McDaniel, Mayor Laura Pierce, City Clerk

STATE OF MICHIGAN) ss COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 20 day of 2020, by Kevin McDaniel, as Mayor, and Laura Pierce, as City Clerk, on behalf of the City of Auburn Hills, a Michigan municipal corporation, on behalf of the corporation.

KRISTINE M. KLASSEN
Notary Public, State of Michigan
County of Oakland
My Commission Expires 11-24-2023
Acting in the County of Dakland

Notary Public

Oxtand
County, Michigan

My Commission Expires: //-24-2023

Acting in Oxtand
County

Drafted by and when recorded return to:

Derk W. Beckerleg 2600 Troy Center Drive P.O. Box 5025 Troy, MI 48007-5025

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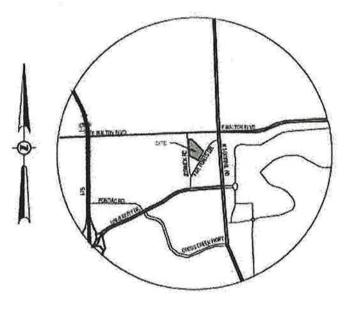
EXHIBIT A

The Avant at Five Points

PID: 14-13-126-008

Five Points Drive

City of Auburn Hills, MI 48326



LOCATION MAP

LEGAL DESCRIPTION

LOT 2, WESSON ESTATES SUB. NO. 1, CITY OF AUBURN HILLS, OAKLAND COUNTY, MICHIGAN, AS RECORDED IN LIBER 35, PAGE 58, OAKLAND COUNTY RECORDS

SITE PLAN DRAWING FOR PUD

The Avant at Five Points

PID: 14-13-126-008

Five Points Drive

City of Auburn Hills, MI 48326

APPLICANT/DEVELOPER:

OYK ENGINEERING & CONSTRUCTION 30700 TELEGRAPH RD. **SUITE 2665** BINGHAM FARMS, MI 48025 T: 248.656.7695 CONTACT: FRED HADID

ARCHITECT:

DESIGN HAUS ARCHITECTURE 3300 AUBURN ROAD SUITE 300 AUBURN HILLS, MI 48326 T: 248.601.4422 PROJECT MANAGER: SAL LORENZANO PROJECT ARCHITECT: PETER STUHLREYER, A.I.A. LANDSCAPE ARCHITECT: MIKE PIZZOLA, L.A.I.A.

CIVIL ENGINEER:

SM ENGINEERING 1939 LINCOLNSHIRE DRIVE ROCHESTER HILLS, MI 48309 T: 810.712.8849 CONTACT: GREG EZZO

LEGAL DESCRIPTION

LOT 2, WESSON ESTATES SUB NO. 1, CITY OF AUBURN HILLS, OAKLAND COUNTY, MICHIGAN, AS RECORDED IN LIBER 35, PAGE 38, OAKLAND COUNTY RECORDS





PROJECT DESCRIPTION

EAST OF JOSWICK ROAD AND WEST OF SQUIRREL ROAD. THE CURRENT ZONING OF THIS PROPERTY IS B-2.

PROPOSED IS A MULTI-FAMILY BUILDING THAT STEPS DOWN IN HEIGHT TOWARDS THE WEST PROPERTY LINE ALONG JOSWICK ROAD, THE 79,334 SQUARE FOOT BUILDING FOOTPRINT (118,530 GROSS SQ. FT. W/BASEMENT) ACCOMMODATES 68 UNITS, AMENITY SPACE, AS WELL AS AN UNDERGROUND PARKING GARAGE. PROPOSED PARKING SPACES FOR THE PROJECT INCLUDE 70 SURFACE SPACES AND 100 UNDERGROUND SPACES FOR A TOTAL OF 170 TOTAL PARKING SPACES.

DRAWING INDEX

G000	Title Sheet and Index
Sheet 1 of 1	Topographic Survey
CS2.0	Tree Removal Plan
S100	Dimensional Site Plan
C2.0	Demolition Site Plan
C3.0	Engineering Site Plan
C3.1	Fire Truck Access Plan
C4.0	Grading Plan
C5.0	Water and Sanitary Plan

C6.0 Storm Water Management Plan L100 Landscape Plan and Details L200 Headlight Offset Site Section

L300 Lighting Plan

A100 Garage and First Floor Plans A101 Second and Third Floor Plans

Architectural Facade Renderings

A102 Roof Plan A200 Elevations Elevations A201

A202



301 WALNUT BOULEVARD ROCHESTER, MI 48307 T:248.601.4422 F:248.453.5854 W W W. DESIGNHAUS.COM INFO @ DESIGNHAUS.COM



PUD Resubmission	23.02.28
PUD Resubmission	23.02.15
PUD Resubmission	23.01.11
PUD Resubmission	22.08.09
Revision/Issue	Date



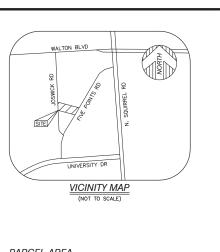
The Avant at Five Points
Proposed Revised PUD
Five Points Drive
City of Auburn Hills, MI 48326

Fitle Sheet and Index

018230

G000

THIS 2.66 ACRE VACANT PARCEL IS LOCATED NORTH OF UNIVERSITY DRIVE.



EDGE OF CONCRETE (CONC.)EDGE OF ASPHALT (ASPH.)

- FENCE (AS NOTED) WALL (AS NOTED)
OVERHEAD UTILITY LINE ELECTRIC LINE — GAS LINE

SANITARY LINE SANITARY LINE
STORM LINE
WATER LINE
MINOR CONTOUR LINE MAJOR CONTOUR LINE BUILDING AREA

---- EDGE OF GRAVEL

CONCRETE



PROFESSIONAL ENGINEERING,
SURVEYING & ENVIRONMENTAL,
SERVICES
Ann Arbor Grand Blanc
(734) 594,0888 (888) 594,0001

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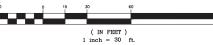
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PARED FOR: POINTS RD,

PREP, FIVE

TOPOGRAPHIC SURVEY

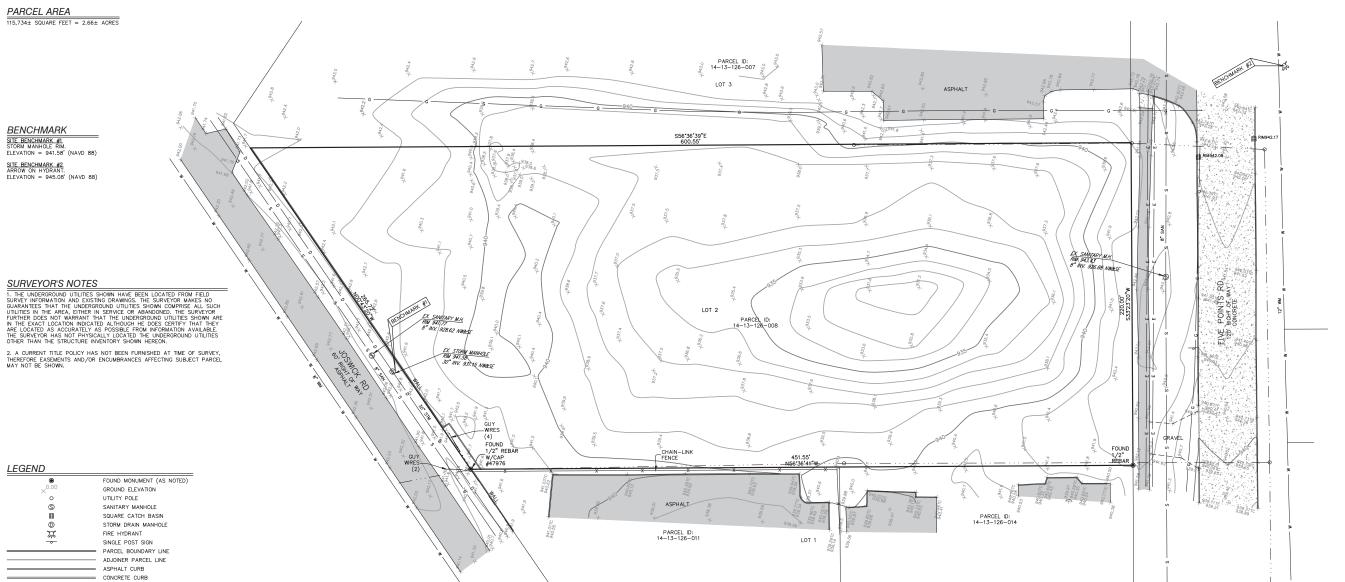
GRAPHIC SCALE



PROPERTY DESCRIPTION

THE LAND SITUATED IN THE CITY OF AUBURN HILLS, COUNTY OF OAKLAND, STATE OF MICHIGAN, IS DESCRIBED AS FOLLOWS:

LOT 2, WESSON ESTATES SUB. NO. 1, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 35, PAGE 58, OAKLAND COUNTY RECORDS.



SURVEYOR'S CERTIFICATION



ANTHONY T. SYCKO, JR., P.S. PROFESSIONAL SURVEYOR MICHIGAN LICENSE NO. 47976 22556 GRATIOT AVE., EASTPOINTE, MI 48021 TSycko@kemtec-survey.com

12/27/22	7, 2022	scale: 1" = 30"			
ATS	DECEMBER 27, 2022	20-02200			
CHECKED BIT	DATE:	PROJECT NO;			
1					

1 OF 1 SHEETS

TREE PROTECTION NOTES

- Identify on site all trees or areas of trees which are being proposed to be preserved with fluorescent orange spray paint (chalk base) or by red flagging tape Erect barriers of four (4) foot high fencing staked with metal "T-posts" five (5) feet on center or all such trees or groups of
- trees proposed to remain Protective barriers are to be erected prior to any clearing or grubbing on the site, and barriers are to remain in tact until
- approved by the City to be removed, or when a Certificate of Occupancy is issued Keep clear all debris of fill, equipment, and material from within the required protective barrier
- During construction, the owner, developer, or agent shall not cause or permit any activity within the fence line of any protected tree or groups of trees including, but not limited to, the storage of equipment, dumpsters, boulders, dirt, and excavated material, building or waste material, or any other material harmful to the life of a tree
- No damaging attachment, wires (other than cable wires for trees), signs, or permits may be fastened to any tree protect by this Ordinance



T:248.601.4422

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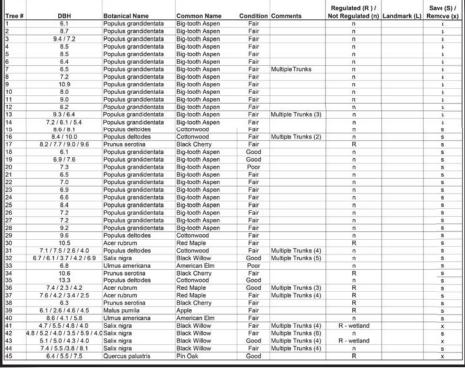


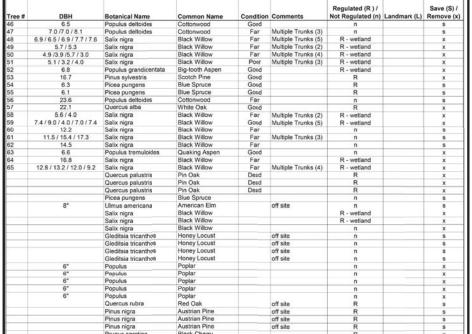
The Avant at Five Points
Proposed Revised PUD
Five Points Drive
City of Auburn Hills, MI 48326

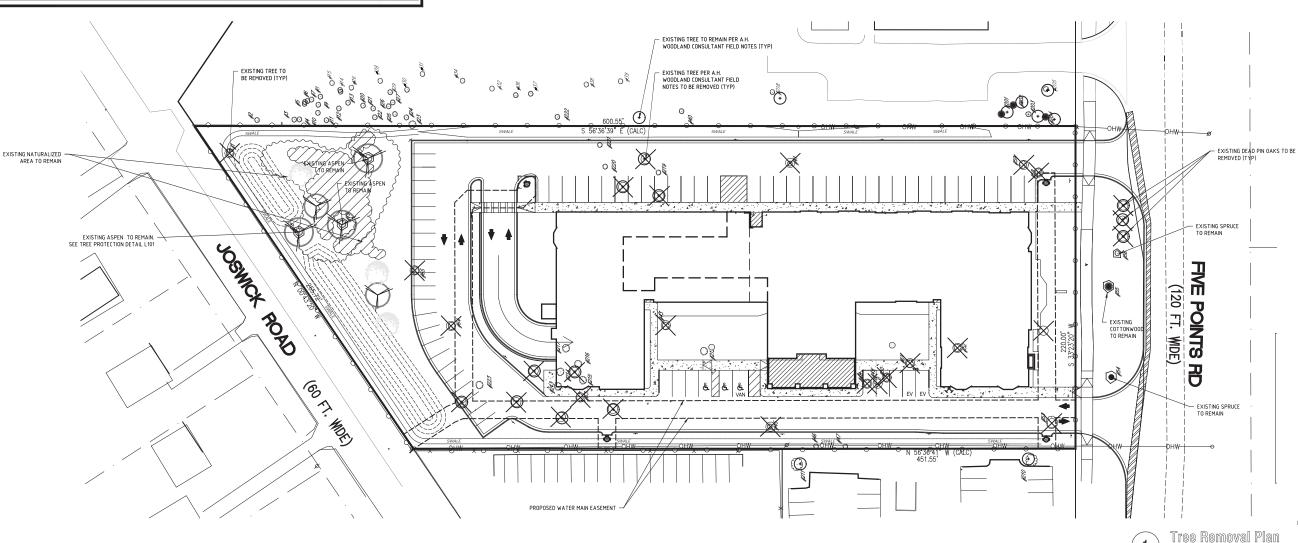
Tree Removal Plan

018230

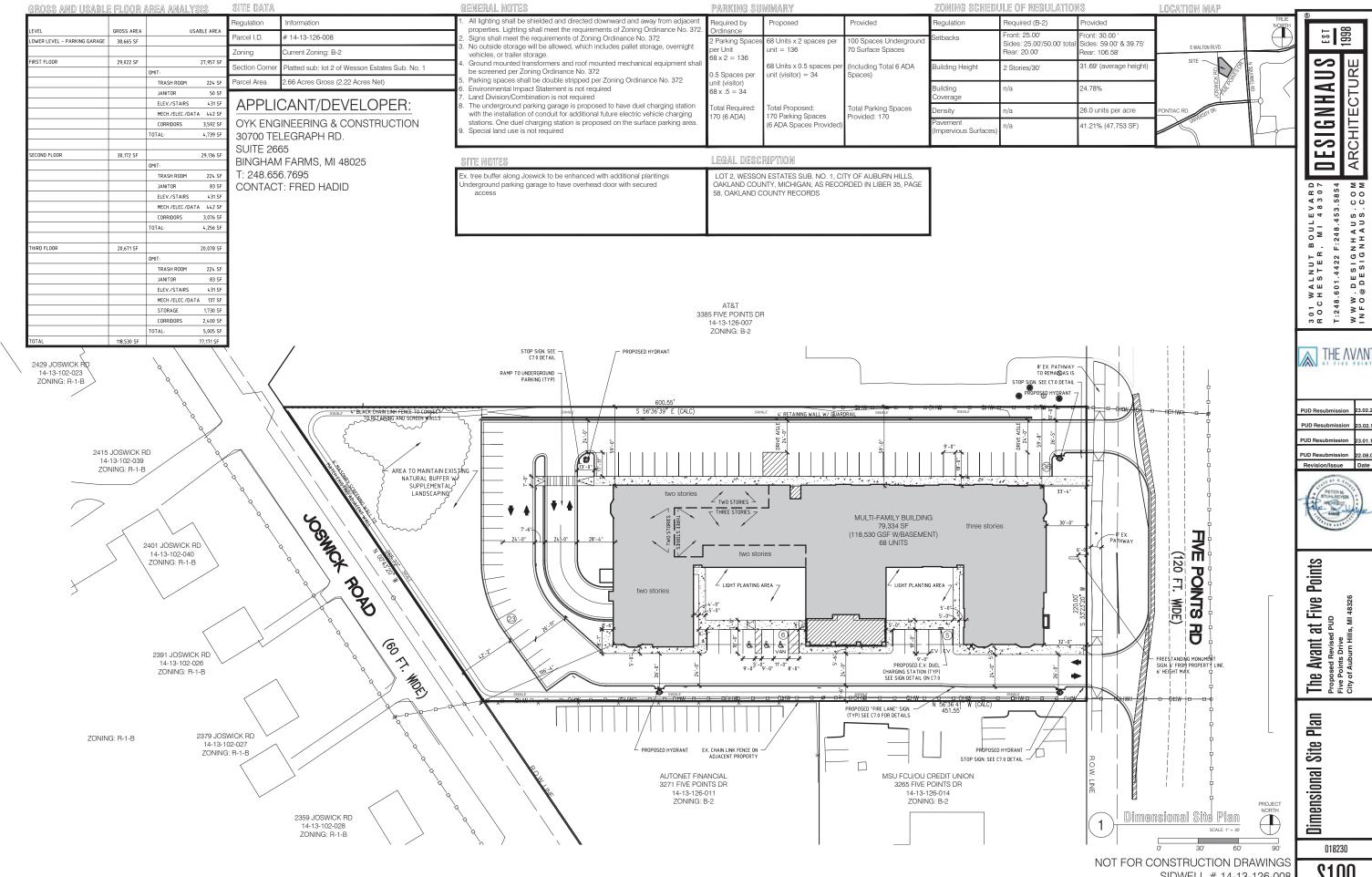
CS2.0





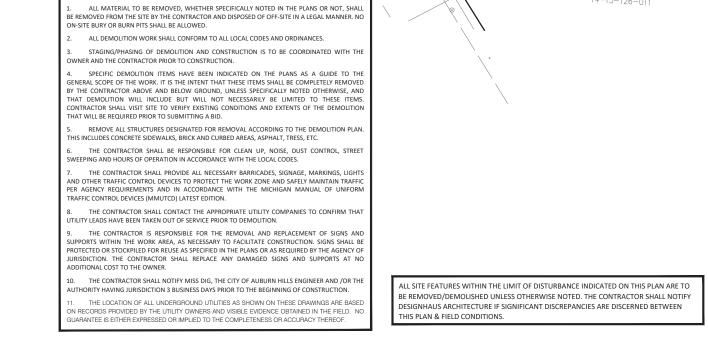


NORTH



SIDWELL # 14-13-126-008

\$100



SIDWELL NO.: 14-13-126-007 BENCHMARK ,942.87 EX. ASPHALT ,942.94 #2.EX. UTILITY POLE TO REMAIN END
BE_PROTECTED THROUGHOUT
CONSTRUCTION, TYP.
#2.37 #2.12 #2.31 Q Q 0 🛭 CONTRACTOR TO INVESTIGATE -AND NOTIFY IF EXISTING STORM 378, CONTINUES ONTO PROPERTY. EX. TREES TO BE -REMOVED, TYP SIDWELL NO.: EX. WETLAND LIMITS TYP. 14-13-126-008 115,734 SQ. FT. , CAUTION, PROTECT EX UNDERGROUND ELEC, PHONE & CABLE, TYP 2.66 ACRES EX. CONCRETE CURB LOT 2 - OPEN WATER AREA AND Ä WETLAND TO BE MUCKED OUT FOR REMOVAL. REFER TO GEOTECHNICAL REPORT **POINTS** BENCHMARK BO 9.39.39 EXISTING ASPHALT, WALK TO BE REMOVED ΘŹ **R** 942.39 EXISTING UTILITY POLE TO — REMAIN AND BE PROTECTED THROUGHOUT CONSTRUCTION. - EXISTING OVERHEAD WIRES AND EXISTING FENCE TO REMAIN AND BE PROTECTED THROUGHOUT CONSTRUCTION, TYP. EXISTING UTILITY POLE TO REMAIN AND BE PROTECTED THROUGHOUT CONSTRUCTION. 939.61 PROPERTY LINE -LOT #1 EXISTING OVERHEAD WIRE TO-REMAIN AND BE PROTECTED THROUGHOUT CONSTRUCTION, **GENERAL DEMOLITION NOTES** SIDWELL NO .: SIDWELL NO .: THESE NOTES APPLY TO ALL CONSTRUCTION ACTIVITIES ON THIS PROJECT: 14-13-126-011 14-13-126-014 EX. G.V. & MEZL RIM 937.02 OPEN WATER TO BE PUMP OUT AND WETLAND TO BE MUCKED OUT PROPOSED LIMIT OF DISTURBANCE

PROPERTY LINE ASPHALT WALK TO BE REMOVED

CONCRETE ROADWAY AND CURB TO BE REMOVED

RIM 943.24

S.M. **ENGINEERS**

CIVIL ENGINEER/ SURVEY / LAND PLANNER / LANDSCAPE ARCHITECT

> 4071 KEATS DRIVE, TROY, MI 48085 T: 248.835.3553

Demolition Plan



Know what's below. Call before you dig.

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Eng Rev Eng. Sub # 3 Eng. Sub # 2 Eng. Sub # 1 Progress 3.25.20 Owner Review Date

The Avant at Five Points
PID: 14-13-126-008
Five Points Drive
City of Auburn Hills, MI 48326

Plan **Demolition F**

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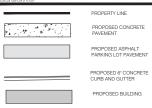
C2.0

- CONSTRUCTION SHALL CONFORM TO CITY OF AUBURN HILLS STANDARDS
- NO WORK SHALL BE PERFORMED WITHOUT INSPECTION.
- * A PERMIT FROM THE DPW IS REQUIRED FOR ALL CONSTRUCTION WITHIN THE CITY ROW, NO EQUIPMENT OR MATERIAL STORAGE WILL BE PERMITTED IN THE PUBLIC ROW.
- : ALL CITY STREETS MUST BE MAINTAINED DURING CONSTRUCTION. STREETS SHALL BE KEPT FREE OF MUD, DIRT, CONSTRUCTION DEBRIS , AND THE LIKE. IF CLEAN UP IS NOT PERFORMED WITHIN 24 HOURS OF NOTIFICATION, THE CITY RESERVES THE RIGHT TO PERFORM SUCH WORK AND CHARGE THE DEVELOPER
- WORKING HOURS (INCLUDING RUNNING OF ANY MACHINERY) SHALL BE RESTRICTED TO MONDAY THRU SATURDAY, 7AM TO 7PM; SUN UP TO SUNDOWN, WHICHEVER IS LESS. CONSTRUCTION OPERATIONS DURING THE PERIODS ABOVE SHALL BE PERMITTED ONLY AFTER WRITTEN APPROVAL OF THE CITY MANAGER OR HIS DESIGNEE
- ALL MATERIALS AND MANUFACTURES SHALL CONFORM TO THE STANDARD DETAILS.
- UTILITY STRUCTURES SHALL NOT BE LOCATED IN DRIVEWAYS, AND WHERE POSSIBLE, SHALL NOT BE LOCATED IN PAVED AREAS.
- THE CONTRACTORS SHALL NOTIFY ALL LITH ITY COMPANIES IN ACCORDANCE WITH ACT 53 OF P.A. OF 1974 AND ALSO CONTACT OAKLAND COLINITY LITH ITY PROTECTION SERVICES (MISS DIG 1-800-482-7171) THREE (3) WORKING DAYS REFORE THE START OF ANY CONSTRUCTION
- THE CONTRACTOR SHALL PROVIDE NECESSARY SIGNS, BARRICADES, AND LIGHTS TO PROTECT TRAFFIC AND THE WORK AS DIRECTED BY THE ENGINEER. SUCH DEVICES SHALL BE PLACED PRIOR TO STARTING WORK IN THE AFFECTED AREAS.
- ALL SOIL FROSION AND SEDIMENT CONTROLS SHALL BE IN ACCORDANCE WITH THE OAKLAND COLINTY STANDARDS AND DETAILS. THE CONTRACTOR SHALL FOLLOW LOCAL BLUES FOR SOIL FROSION AND SEDIMENT CONTROL FOR ALL MATERIALS THAT ARE DISPOSED OF OFF OF THE PROJECT SITE
- ALL SOIL EROSION AND SEDIMENT CONTROL MEASURES MUST BE PROPERLY PLACED PRIOR TO GRADING OR OTHER CONSTRUCTION ACTIVITIES
- FIELD CHANGES TO THE APPROVED PLAN SHALL BE BROUGHT TO THE ATTENTION OF THE INSPECTOR ON SITE WHO WILL DETERMINE IF THE CHANGE IS SIGNIFICANT. SIGNIFICANT FIELD CHANGES SHALL BE SUBMITTED TO THE CITY BY THE DESIGN ENGINEER. THE CITY SHALL NOT BE RESPONSIBLE FOR DELAYS IN THE APPROVED OF CHANGES TO THE APPROVED SITE IMPROVEMENT (ENGINEERING) PLAN
- · WHERE POSSIBLE, PUBLIC UTILITIES SHALL NOT BE PLACED UNDER PAVEMENT. THE CITY OF AUBURN HILLS SHALL NOT BE RESPONSIBLE FOR PAVEMENT, CURB, OR OTHER RESTORATION OF PERMANENT FACILITIES LOCATED WITHIN THE MUNICIPAL EASEMENT.
- '3 WORKING DAYS PRIOR TO STARTING CONSTRUCTION, CONTACT THE CONSTRUCTION DEPARTMENT OF OHM @ (734) 466-4539 TO SCHEDULE INSPECTION. OHM SHALL INSPECT ALL * SITE IMPROVEMENTS INCLUDING UNDERGROUND UTILITY INSTALLATION, EARTHWORK OPERATIONS, RETAINING WALLS, PAVEMENT IN THE CITY ROW, ALL SIDEWALKS OF SAFETY PATHS I ANY PUBLIC ROW, AND ANY ADDITIONAL ITEMS NOTED DURING REVIEW OR AT THE PRE-CONSTRUCTION MEETING. FINAL OCCUPANCY MAY BE AFFECTED IF PROCEDURES ARE NOT FOLLOWED FOR PROPER INSPECTION.

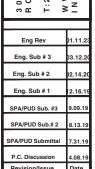
PERMANENT STRUCTURES OF ANY TYPE, INCLUDING BUT NOT LIMITED TO, TREES, LIGHT POLES, DRAINAGE STRUCTURES, BENCHES, TRASH RECEPTACLES, ETC. WILL NOT BE ALLOWED WITHIN THE INFLUENCE OF THE PUBLIC WATER MAIN OR SANITARY SEWER EASEMENTS

CIVIL ENGINEER/ SURVEY LAND PLANNER / LANDSCAPE ARCHITECT

> 4071 KEATS DRIVE, TROY, MI 48085 T: 248.835.3553



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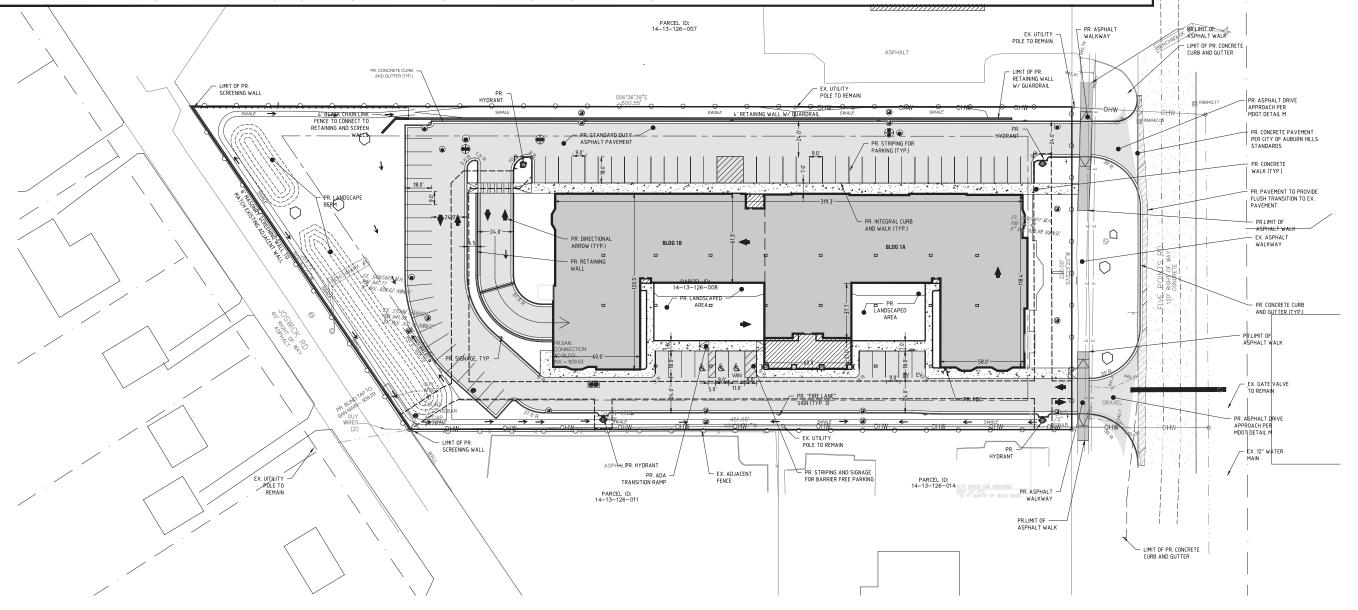
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Plan Site Engineering \$

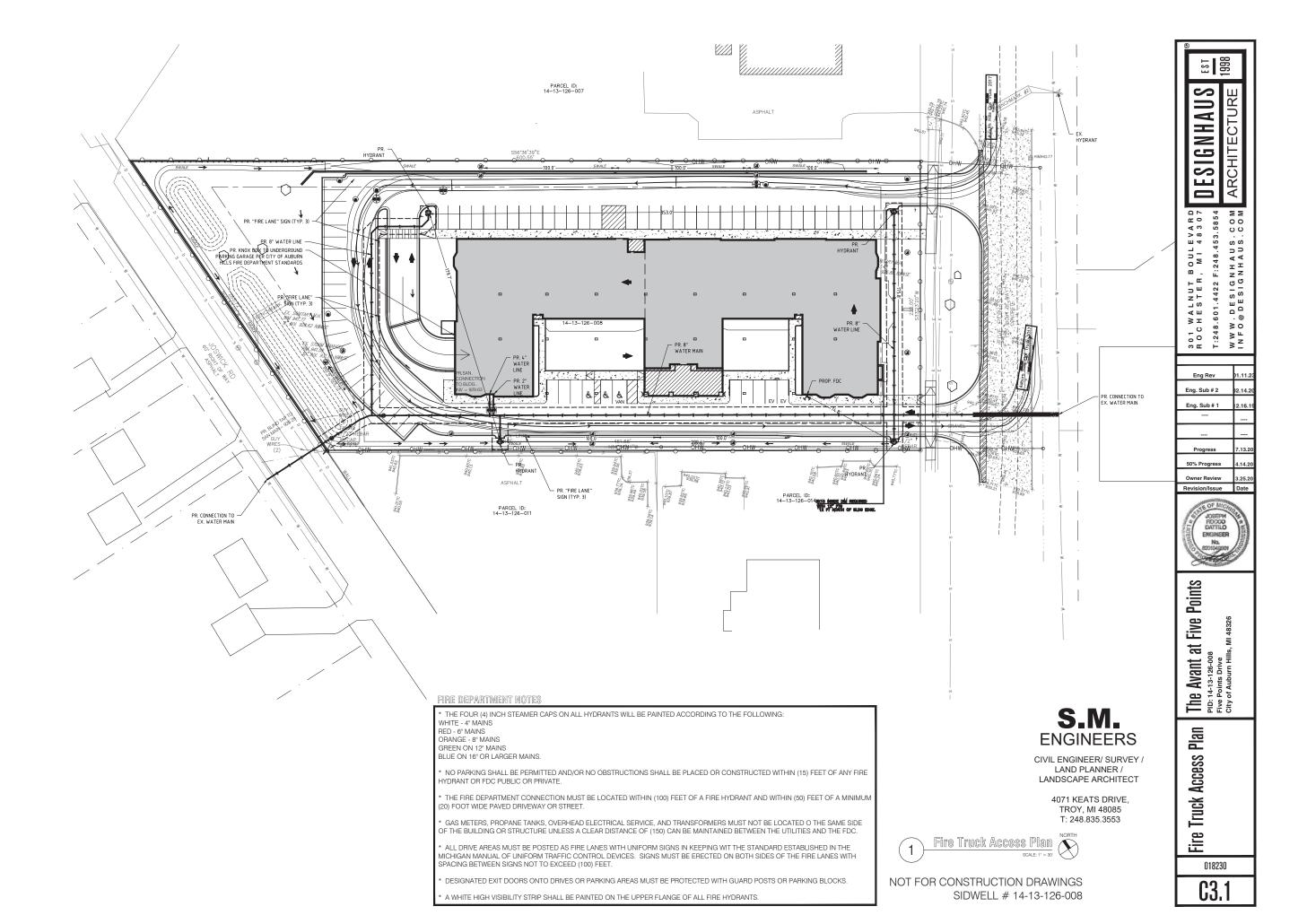
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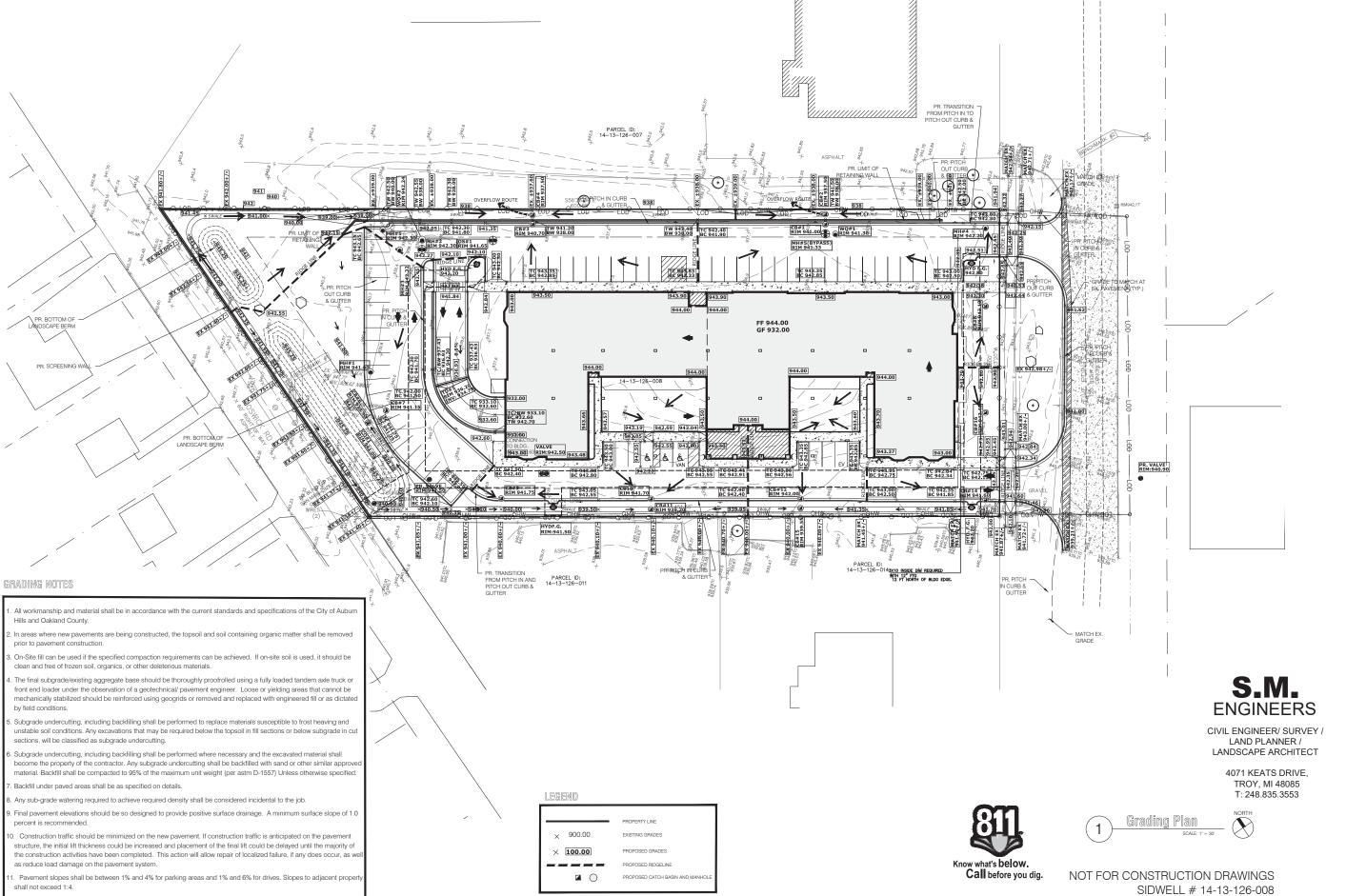
C3.0











. Existing grading is to be matched at the property line unless otherwise shown on the Grading Plan

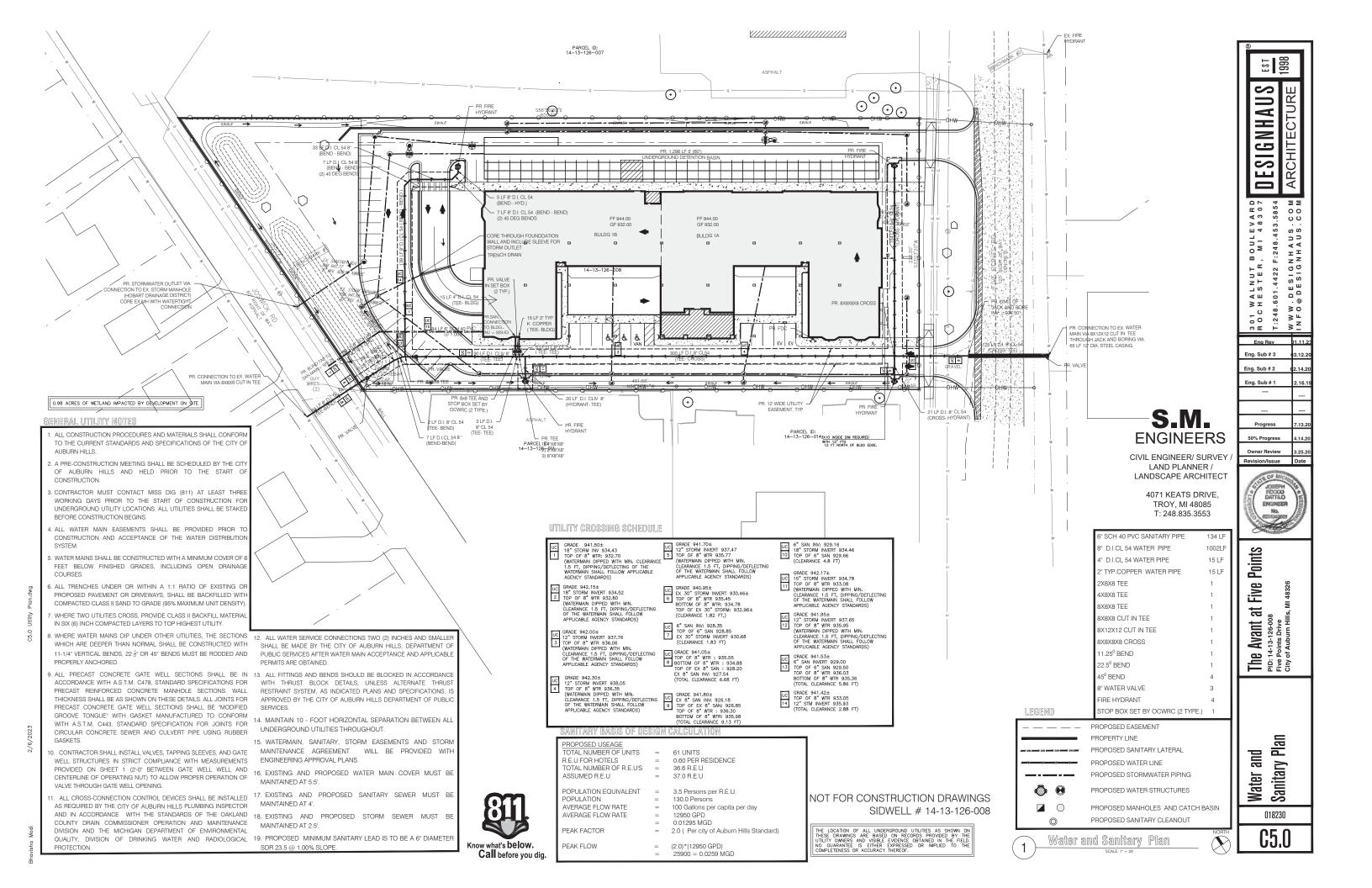
EST 1998 S \triangleleft 4 ES 3.CO CC BOULEVARD ;, MI 48307 . DESIGNHAUS ® DESIGNHAUS WALNUT B 301 WALNUT ROCHESTER T:248.601.4422 F W W W. DESIGN IN FO® DESIG Eng Rev Eng. Sub # 3 Eng. Sub # 2 Eng. Sub # 1 Progress 50% Progress JOSEPH ROCCO DATTILO ENGINEER No.

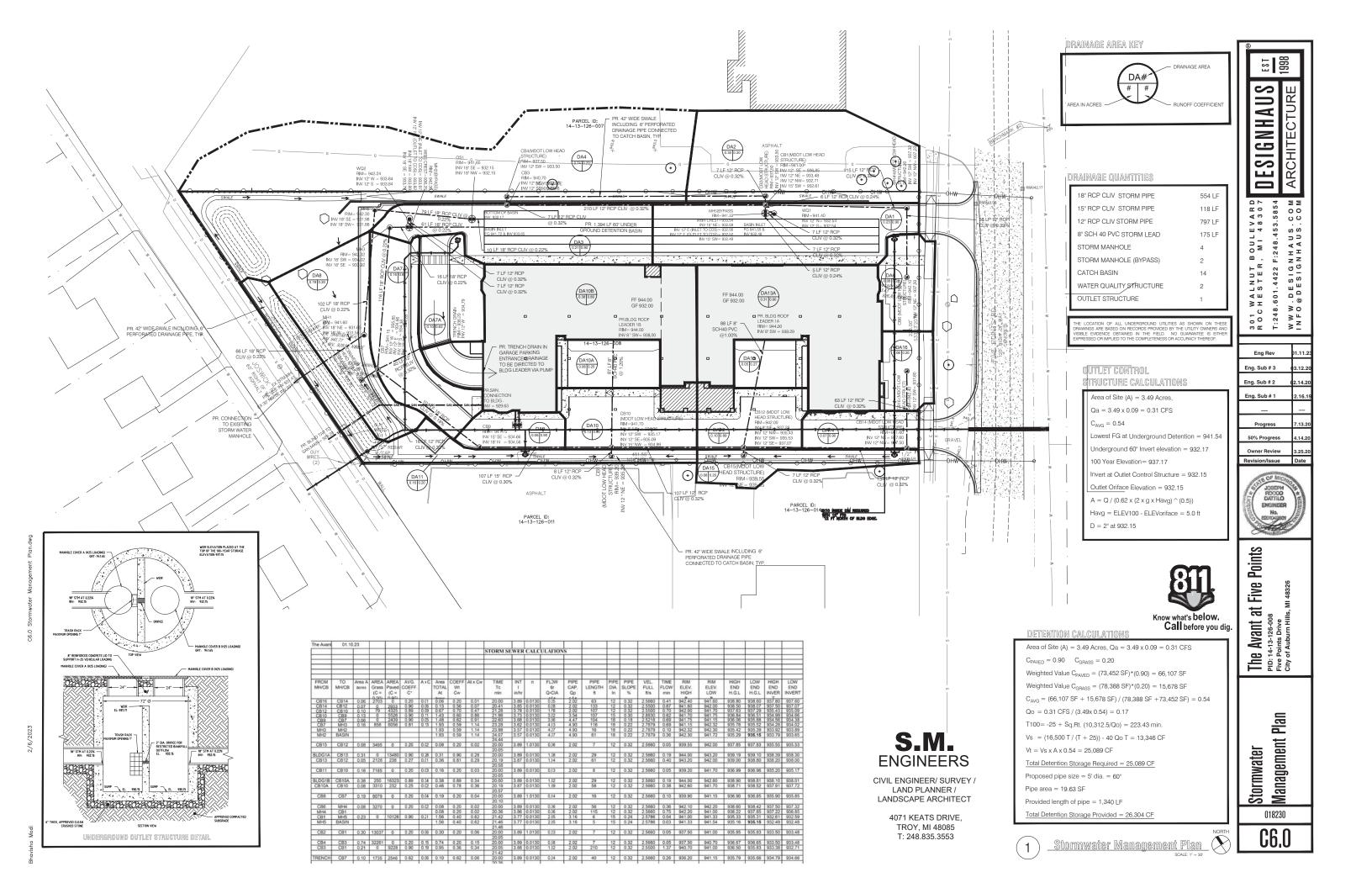
The Avant at Five Points
PID: 14-13-126-008
Five Points Drive
City of Auburn Hills, MI 48326

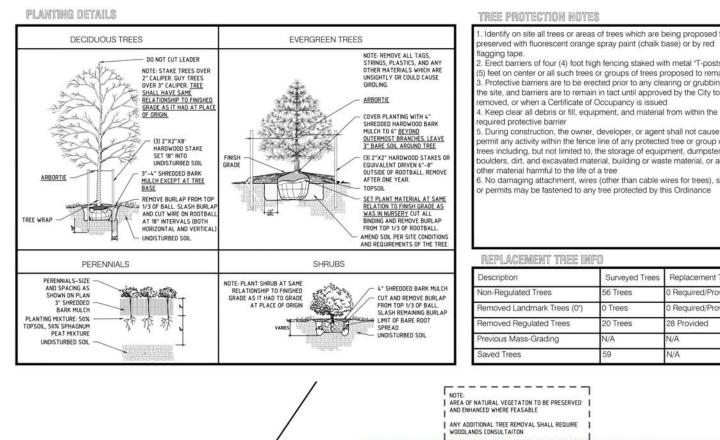
GradingPlan

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Parcel Area: 2.66 Acres Gross (2.22 Acres Net)					
Requirement	Required	Provided			
Net Landscape Area	20% of net area: 19,340 SF	41.07% (39,719 SF)			
Site Area Landscaping	50/50 approx. mix of evergreen & deciduous trees per 1,000 SF of required landscape area 19,340 SF Required = 20 trees	70 Trees Total (40 Deciduous + 30 Evergreen)			
Frontage Landscaping	1 tree per 30' along road 220' frontage/30 = 7 Trees (Five Points) 265' frontage/30 = 9 trees (Joswick)	7 Trees (Five Points) 20 Trees (Joswick) 27 Frontage Trees			
Parking Interior Landscaping	N/A	N/A			
Total Replacement Trees	20 Regulated Trees to be replaced	20 Trees Provided			
Total Landscape Trees	36 Trees Required	86 Total Trees Provided			

Requirement	Required	Provided	
Net Landscape Area	20% of net area: 19,340 SF	41.07% (39,719 SF)	
Site Area Landscaping	50/50 approx. mix of evergreen & deciduous trees per 1,000 SF of required landscape area 19,340 SF Required = 20 trees	70 Trees Total (40 Deciduous + 30 Evergreen)	
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Parking Interior Landscaping	N/A	N/A	
Total Replacement Trees	20 Regulated Trees to be replaced	20 Trees Provided	
Total Landscape Trees	36 Trees Required	86 Total Trees Provided	

QTY	KEY	BOTANICAL NAME/COMMON NAME	SIZE/ROOT (min)	SPECIES	GENUS
12	Af	ACER x freemanii 'ARMSTRONG'/FREEMAN MAPLE	3" CAL	19%	14%
8	Ap	Pinus nigra AUSTRIAN PINE	8" B&B	17%	9%
4	As	ACER rubrum 'RED SUNSET/RED SUNSET MAPLE	3" CAL	19%	5%
6	Al	AMELANCHIER leavis/SERVICEBERRY	8-10' B&B	7%	7%
4	Gt	GLEDITSIA triacanthos f. inermis 'SKYCOLE'/ THORNLESS HONEYLOCUST	3" CAL	5%	5%
6	Pg	PICEA glauca 'DENSATA/BLACK HILLS SPRUCE	8' B&B	23%	7%
	Rc	Juniperus virginiana EASTERN RED CEDAR	8' B&B	8%	8%
16	Тр	THUJA (standish x plicata) 'GREEN GIANT/GREEN GIANT ARBORVITAE	8' B&B	19%	19%
2	Sw	Quercus bicolor SWAMP WHITE OAK	3" CAL	2%	2%
7	Wp	Pinus strubus WHITE PINE	8' B&B	17%	8%
14	Ws	Picea glauca WHITE SPRUCE	8' B&B	23%	16%
			1		1009

PLANT SCHEDULE (TREES

OTAL SHRUBS/PERENNIALS/ORNAMENTAL GRASSES: 325

10

1.	All	installed	trees	are	to	have	a strai	ght trunk	
-	4.41	74-11-4	4.001		4	1	41.		

Surveyed Tree

Replacement Tree

Required/Provide

Required/Provided

- All installed trees are to be northern grown
 All installed trees are to be state department of agriculture nursery grade
- All replacement trees are considered protected regardless of size
 All trees shall be guaranteed for a minimum of two years
 All landscaped areas shall be irrigated with an underground sprinkler

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PUD Resubmission	

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BOULEVAR , MI 4830

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PUD Resubmission	
PUD Resubmission	23.02.28
PUD Resubmission	23.02.15
PUD Resubmission	23.01.11
PUD Resubmission	22.08.09
Revision/Issue	Date



Points Fig

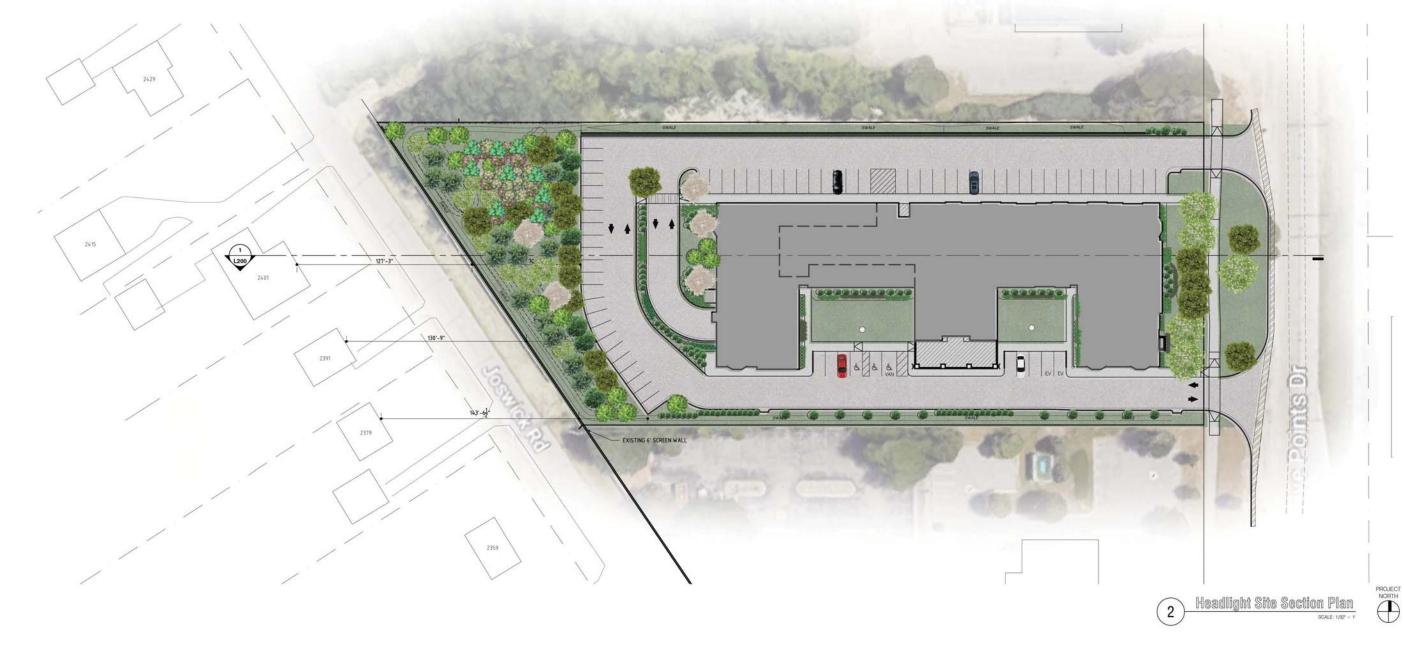
The Avant at Fi Proposed Revised PUD Five Points Drive City of Auburn Hills, MI 4

밂 Landscape 1

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NOT FOR CONSTRUCTION DRAWINGS SIDWELL # 14-13-126-008





ROAD

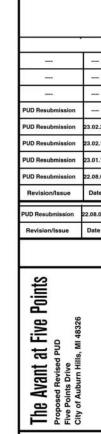
T.O. ROOF DECK

THREE STORY -MULTI FAMILY BUILDING

HEADLIGHT BEAM PROPOSED LANDSCAPING

PROPOSED 4" BERM





Headlight Offset Site Section

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4A @ 12'2.2 0.8 0.2 0.0 0.0 0.0

4.0 6.3 4.1 2.3 1.0 0.3 0.1 0.0 0.0

3.1 4.7 1.7 0.5 0.3 0.1 0.0 0.1 0.1

3. A 65.12' 1.3 0.2 0.1 0.0 0.0 0.4 0.7

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A@14 5.3 2.7 2.0 1.3 1.2 1.2 1.2 1.3 2.8 5.6 8.6 6.2 7.1

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Distributions Mees 3G ANSI C136.31 vibration standard for bridge Syear limited warranty Minimum 3000fm / Maximum 20000fm

Color Rendering 3 SDCM of CR 70+ and 2 SDCM of CRI 80

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ion 23.0	PUD Resubmission	Service .	0.2	0.3	0.4	0.3
ion 23.	PUD Resubmission		1.2	1.5	1.8	1.9
ion 23.0	PUD Resubmission	- 13			i	
ion 22.	PUD Resubmission	100	1.9	2.7	4.1	4.1
e Da	Revision/Issue		15	27	5.2	5

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The Avant at Five Points Proposed Revised PUD Five Points Drive City of Auburn Hills, MI 48326

Plan Lighting

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Allegra Medium 7200 Colors and Color Temperatures --docks, lokeside promenedes and seaside parks. Festiving a noutical design and a small loover, the luminairs is endlessly sociable, with a shoice of cutputs, ooler temperatures, mountin arms (pole, side or decorative), finishes, and colors. 3000K 4000K 5000K Certifications Colors and Color Temperatures Type II, Type III, Type V Optical Option ON/OFF 0-10V Rating Performance :70 70,000 hrs (fix 25 °C) ·@. 5 TM21 L70 527,000 hrs (projected, To 77 °F), 36,000 hrs (reported, To 77 °F) NOTE: The light poles with fixtures shall be no taller than 16.53 feet. measured from the grade to the top of the light fixture.

2)Full cut-off fixtures shall be used to prevent glare and direct illumination away from adjacent properties and streets.

3)The lens shall be flat and flush with the bottom of the shielded light lumenpulse 0.9 1.6 25 27 21 14 10 14 20 27 26 18 1.1 1.1 1.7 25 27 2.1 14 10 1.3 20 27 26 18 1.1 1.1 1.7 2.5 2.7 2.1 14 10 1.3 20 2.7 2.6 1.8 1.1 1.1 1.7 2.5 2.7 2.1 1.4 1.0 1.3 2.0 2.5 2.4 1.6 0.9 0.7 0.5 0.2 0.1

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- F@ 16'

7.3 62 8.6 6.3 3.5 1.6 1.4 1.8 2.5 3.0 6.1 A,@ 14' 5.5 7.4 A @ 14' 2.9 2.0

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5 2.9 2 2.8 32 1.5 3.0 4.0

B@ 12' B@ 12' B@ 12' B@ 12'

UNLESS EXEMPT, PROJECT MUST COMPLY WITH LIGHTING CONTROLS REQUIRMENTS DEFINED IN ASHRAE 90.1 2013. FOR SPECIFIC INFORMATION CONTACT GBA CONTROLS GROUP AT ASG@GASSERBUSH.COM OR 734-266-6705 Catalog Number Number Lamps 7100-0LE3-05 В 0 C LIAM-120_277-CSL M110-40K-CRI 80-0 D 0 0 $0.0 \quad 0.0 \quad 0.1 \quad 0.1 \quad 0.1 \quad 0.1 \quad 0.1 \quad 0.0 \quad 0.0$ -0.0 0.0 0.1 0.1 0.3 /0.7 1.2 1.5

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3 4.2 3.6 4.5

Statistics

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Symbol Avg Max Min

Max/Min

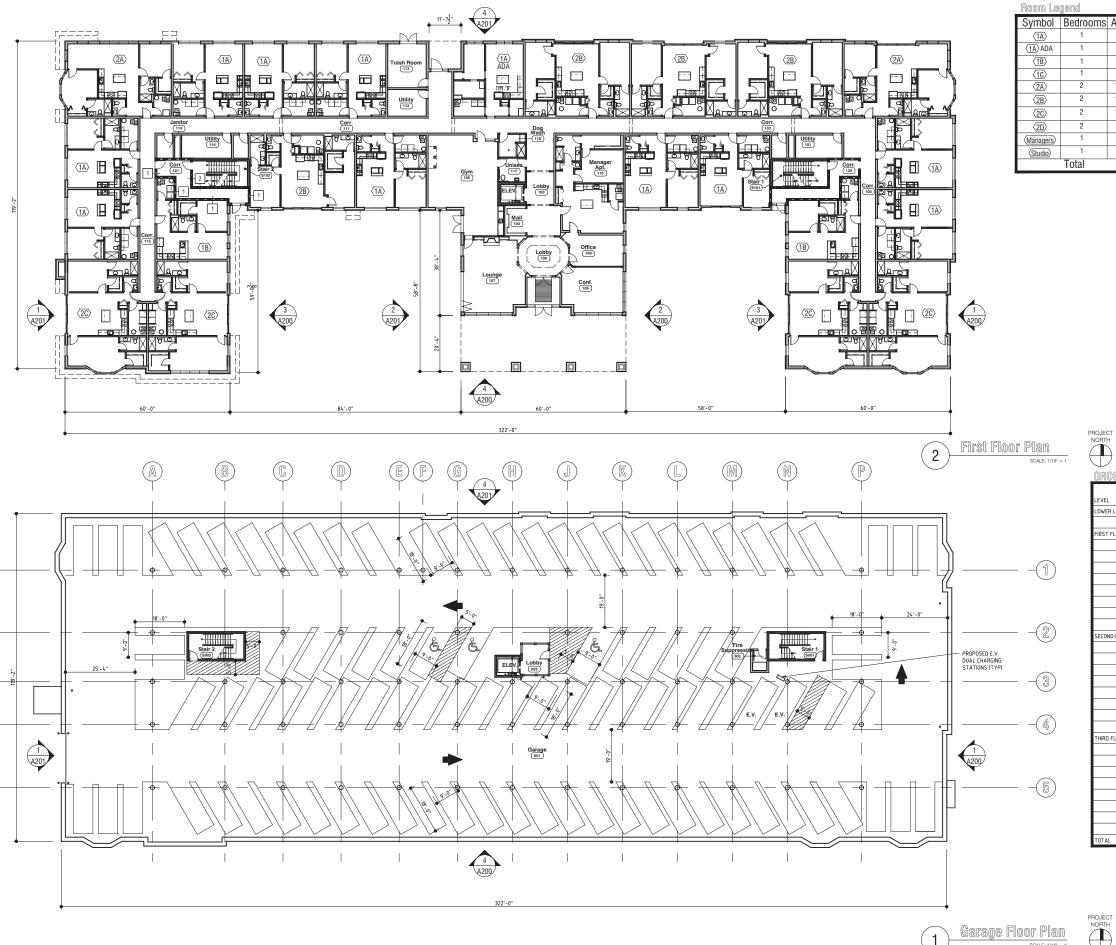
Avg/Min Avg/Max

4.2 3.2 0.9 1.5 2.0 2.1 2.0 1.5 0 0.5 0.2 0.0 0.0 0.1 0.2 0.5 0.2 1.6 1.6 1.3 0.9 0.5 0.2 3.2 | 2.4 1.5 0.0 0.1 0.2 0.0 0.1 0.2 1.1 1.7 2.7 | 3.0 | 2.4 1.7 1.1 0.7 0.6 Plan View 0.1 0.2 1.2 1.9 0.1 0.2 0.6 0.9 1.2 \1.4 1.9 1.6

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Symbol Bedrooms Area 1st Floor 2nd Floor 3rd Floor Total 649 nsf 10 599 nsf 941 nsf 1,015 nsf 1,013 nsf 1,060 nsf 970 nsf 475 nsf 16 24 28

CODE DATA

ODES OF JURISDICTION 2015 BUILDING CODE.

- 2015 MICHIGAN PLUMBING CODE
- 2015 MICHIGAN MECHANICAL CODE.
- 2017 MICHIGAN ELECTRICAL CODE INCORPORATING THE 201 ATIONAL ELECTRICAL CODE (NEC).
- . AMERICANS WITH DISABILITY ACT ACCESSIBILITY

BUILDING DATA

3 LEVELS ABOVE GRADE - 1 LEVEL BELOW GRADE.

TOTAL GROSS SQUARE FOOTAGE: 77,180 SQ.FT ABOVE GRADE 38,634 SQ.FT. BELOW GRADE

CONSTRUCTION TYPE: V-B ABOVE GRADE, I-B BELOW GRADE

IORTH					
1			GROUP, S-2 PARKING FIRE SEPARATION BETWEEN GROUPS.		
GROSS AND	USABLI	E FLOOR A	AREA ANALYSIS	PUD Resubmission	
				PUD Resubmission	
LEVEL		GROSS AREA	USABLE AREA	PUD Resubmission	
LOWER LEVEL - PARK	ING GARAGE	38,665 SF			

TRASH ROOM JANITOR

ELEV./STAIRS

MECH./ELEC./DATA 137 SF STORAGE CORRIDORS

431 SF

2,400 SF

5 005 SE

RST FLOOR	29,022 SF		27,957 9	ŝ
		OMIT:		
		TRASH ROOM	224 9	5
		JANITOR	50 9	S
		ELEV./STAIRS	431 9	S
		MECH./ELEC./DATA	442 9	5
		CORRIDORS	3,592 9	5
		TOTAL:	4,739 9	S
COND FLOOR	30,172 SF		29,136 9	5
		OMIT:		
		TRASH ROOM	224 9	S
		JANITOR	83 9	5
		ELEV./STAIRS	431 9	5
		MECH./ELEC./DATA	442 9	ŝ
		CORRIDORS	3,076 9	S
		TOTAL:	4,256 9	5
				_
HRD FLOOR	20 671 SE		20 078 5	S



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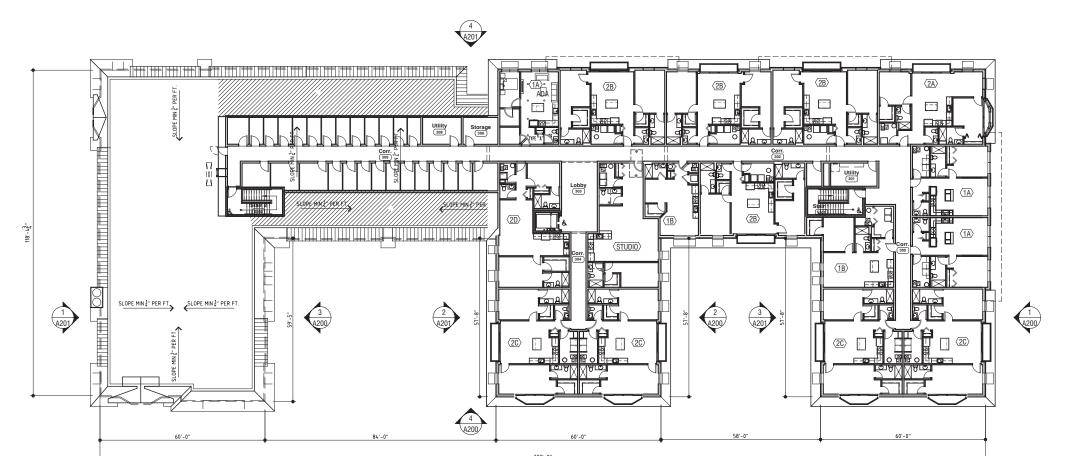
Avant at Five Points The Avant at Fi Proposed Revised PUD Five Points Drive City of Auburn Hills, MI 48

Garage & First Floor Plans

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SIDWELL # 14-13-126-008

NOT FOR CONSTRUCTION DRAWINGS



Lobby 203

(1C)

(2C)

<u>2B</u>⟩

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GROSS AND USABL		
LEVEL	GROSS AREA	USABLE AF
LOWER LEVEL - PARKING GARAGE	38,665 SF	
FIRST FLOOR	29,022 SF	27,957
		OMIT:
		TRASH ROOM 224
		JANITOR 50
		ELEV./STAIRS 431
		MECH./ELEC./DATA 442
		CORRIDORS 3,592
		TOTAL: 4,739
SECOND FLOOR	30,172 SF	29,136
		OMIT:
		TRASH ROOM 224
		JANITOR 83
		ELEV./STAIRS 43
		MECH./ELEC./DATA 442
		CORRIDORS 3,076
		TOTAL: 4,256
THIRD FLOOR	20,671 SF	20,078
		OMIT:
		TRASH ROOM 224
		JANITOR 83
		ELEV./STAIRS 43
		MECH./ELEC./DATA 137
		STORAGE 1,730
		CORRIDORS 2,400
		TOTAL: 5,005
TOTAL	118,530 SF	77,171 :

NOT FOR CONSTRUCTION DRAWINGS SIDWELL # 14-13-126-008

Symbol Bedrooms Area 1st Floor 2nd Floor 3rd Floor Total $\langle 1A \rangle$ 649 nsf 10 22 668 nsf (1A) ADA (1B) 599 nsf 5 941 nsf (1C) (2A) 1,015 nsf (2B) 1,013 nsf 12 14 (2C) 1,060 nsf 970 nsf (2D) 845 nsf (Managers) 475 nsf 0 (Studio)

Total

PROJECT

Third Floor Plan

Second Floor Plan

CODE DATA

24

CODES OF JURISDICTION

- 2015 BUILDING CODE.
- 2015 MICHIGAN PLUMBING CODE.

28

16

- AMERICANS WITH DISABILITY ACT ACCESSIBILITY JUDELINES (ADAAG).

B LEVELS ABOVE GRADE - 1 LEVEL BELOW GRADE.

TOTAL GROSS SQUARE FOOTAGE: 77,180 SQ.FT ABOVE GRADE -38,634 SQ.FT. BELOW GRADE

USE GROUP: R-2 RESIDENTIAL ABOVE GRADE. S-2 PARKING BELOW GRADE.

ONSTRUCTION TYPE: V-B ABOVE GRADE, I-B BELOW GRADE

IXED OCCUPANCIES: R-2 USE GROUP, S-2 PARKING FIRE ESISTANCE RATING: 3 HOUR SEPARATION BETWEEN GROUPS

PUD Resubmissio

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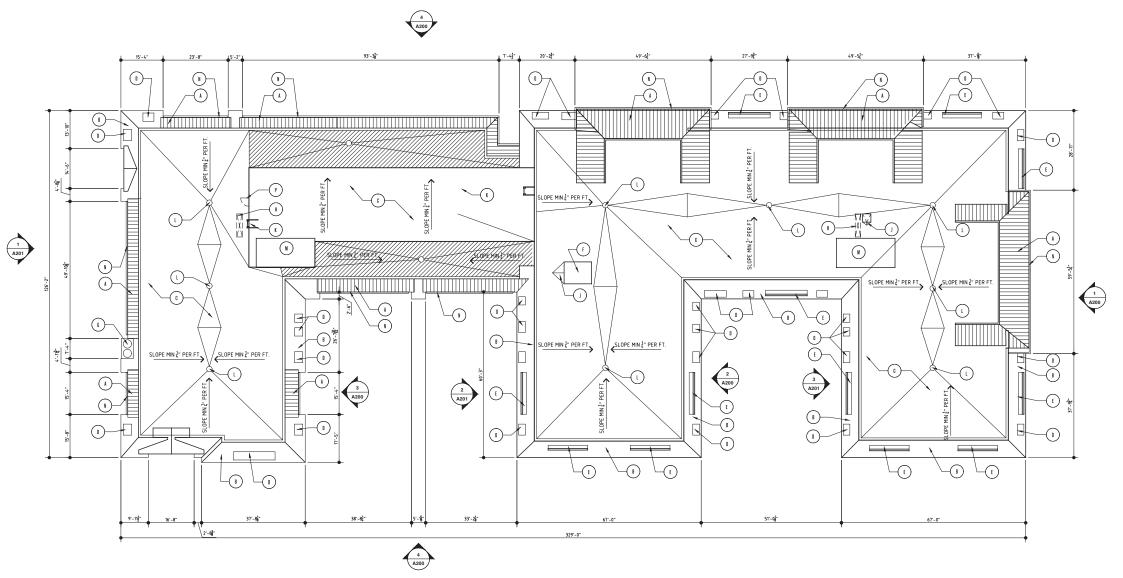


The Avant at Five Points
Proposed Revised PUD
Five Points Drive
City of Auburn Hills, MI 48326

Second & Third Floor Plans

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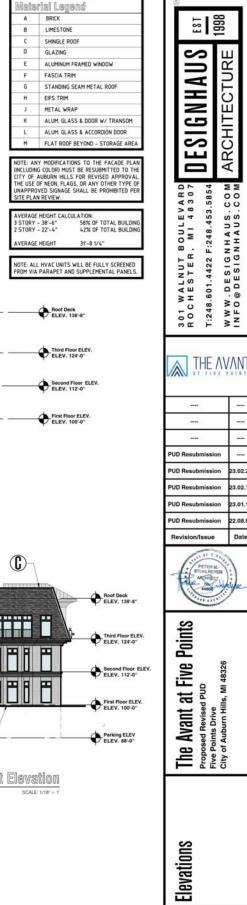
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THE AVAN

PUD Resubmission

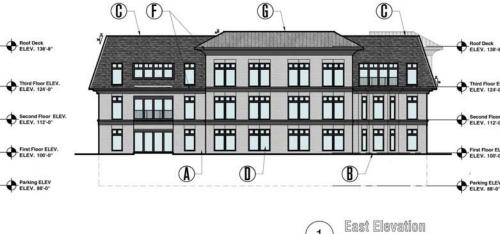
Roof Plan

018230 A102



018230

A200



888

BBB

B (A)

South Elevation

(F) (C) E A

(F)

Ħ

(C)

C

B A

East Elevation

(E)

Roof Deck ELEV. 124'-0"

CG/**C**

(A)

88 8

6

B

Parking ELEV ELEV. 88'-0"

(A)

East Elevation

B 1

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8 1111 8

(B)

A

NOT FOR CONSTRUCTION DRAWINGS SIDWELL # 14-13-126-008

Roof Deck ELEV. 124'-0"



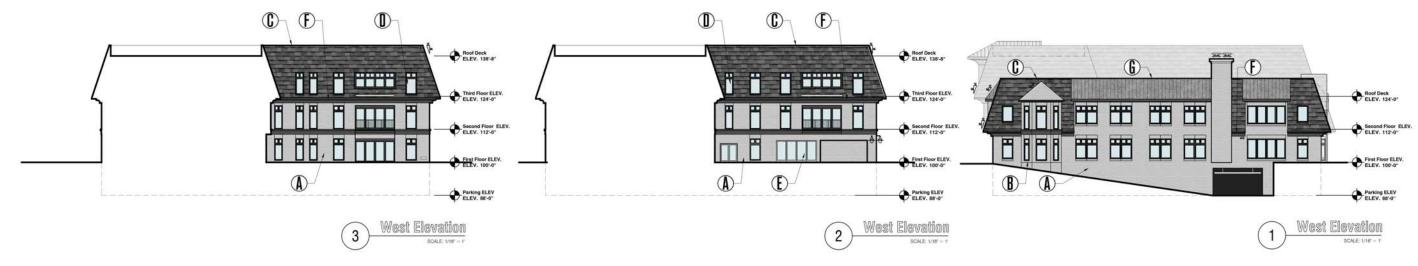
UNCLUDING COLOR) MUST BE RESUBMITTED TO THE CITY OF AUBURN HILLS FOR REVISED APPROVAL THE USE OF NEON, FLAGS, OR ANY OTHER TYPE OF UNAPPROVED SIGNAGE SHALL BE PROHIBITED PER SUITE PILAN PEVIEW

AVERAGE HEIGHT CALCULATION: 3 STORY – 38"-6" 58% OF TOTAL BUILDIN 2 STORY – 22"-4" 42% OF TOTAL BUILDIN

NOTE: ALL HVAC UNITS WILL BE FULLY SCREENED FROM VIA PARAPET AND SUPPLEMENTAL PANELS



North Elevation



PETER M. STURL REYES

UD Resubmission

EST 1998

MOCHESTER, MI 48307
T:248.601.4422 F:248.453.5854

W W W. DESIGNHAUS. COM ARCHITECTURE

The Avant at Five Points
Proposed Revised PUD
Five Points Drive
City of Auburn Hills, MI 48326

Elevations

018230

A201





Rendering 4



Rendering 3



2 Rendering 2



(1) Rendering 1



DESIGNHAUS

301 WALNUT BOULEVARD ROCHESTER, MI 48307 T:248.601.4422 F:248.453.5854 W W W. DESIGNHAUS.COM

THE AVANT

The Avant at Five Points
Proposed Revised PUD
Five Points Drive
City of Auburn Hills, MI 48326 Architectural Facade Renderings

018230

A202



MEETING DATE: SEPTEMBER 9, 2024

AGENDA ITEM NO 9A

ASSESSING

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; Ben Griffin, Commercial/Industrial Appraiser

Submitted: September 9, 2024

Subject: Motion – Public Hearing and request to approve request for four (4) year IFEC for Penske

Vehicle Services Inc.

INTRODUCTION AND HISTORY

An application for a new IFEC has been received for real property located at 2150 Executive Hills Court parcel number 02-14-26-126-032, consisting of 10.11 acres, by Penske Vehicle Services Inc. The application was submitted on August 2nd, 2023, for a complete interior alteration to an existing speculative building. The alteration consists of over 100,000 square feet to the existing building. Penske Vehicle Services Inc is applying for a four (4) year IFEC. Penske will be investing \$23,044,380 on the alteration of their building. This qualifies them for a 4-year abatement under the current abatement policy.



Penske Vehicle Services is a leading provider in customized solutions. Their services include vehicle lifecycle management, mechanical capabilities, and production paint. Penske Vehicle Services is a wholly owned subsidiary of Penske Truck Leasing Co., LP., a leading global transportation services provider.

Today, Penske Vehicle Services employs more than 475 people and operates from over 12 locations across the United States and Canada. Penske Vehicle Services has numerous locations throughout North America as well as team members embedded in our client operations. This combined with the broader Penske organization footprint offers considerable synergistic opportunities and an unparalleled depth of asset management experience.

Penske has been operating in Auburn Hills since 2007. Their first location in the city was at 4400 Purks Road and they later expanded their operations to 2301 Featherstone Road. This project looks to further expand Penske's presence in the City of Auburn Hills.



Real Property is defined by the City's Property Tax Incentive Policy to include:

H. "land, buildings, parking lots, utilities and similar items as defined in the General Property Tax Act and as assessed for property tax purposes."

The project proposed in this application would be eligible for consideration of an IFEC under the provision of the City's current Property Tax Incentive Policy:

A new facility (IFEC) – industrial real property and land improvements, a new business, as provided in PA 198, 1974 as amended may be granted a 50% tax incentive for up to four (4) years based upon the criteria included in this policy. The minimum investment by a business in a new facility has met the requirements below.

- The parcel that this building will be located on has been situated within an established Industrial Development District.
- Penske Vehicle Services Inc will own the property and agrees to uphold the policy requirement to continue operations at the facility for four (4) years beyond the term of the four (4) year certificate agreement.

PENDING APPEALS

To the best of staff's knowledge:

- There are no outstanding and/or pending appeal(s) involving the property that is the subject of this application/request.
- There are no outstanding and/or pending appeal(s) involving the applicant filing for this tax incentive/request within the City of Auburn Hills.

STAFF RECOMMENDATION

Move to approve the request for a 4-year IFEC for Penske Vehicle Services Inc, by adopting the attached resolution.

MOTION

Move to approve the request for a 4-year IFEC for Penske Vehicle Services Inc, by adopting the attached resolution.

I CONCUR:

Thomas A. Tanghe
THOMAS A. TANGHE, CITY MANAGER

CITY OF AUBURN HILLS RESOLUTION APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR PENSKE VEHICLE SERVICES INC.

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **9**th **day of September 2024**.

The following resolution was offered by Councilperson	n and supported
by Councilperson	-

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **9**th **day of September 2024**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **SameIson Development Company Industrial Development District**; and

WHEREAS **Penske Vehicle Services Inc** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed new **real property** within the **Samelson Development Company Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **9**th **day of September 2024** at a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS Penske Vehicle Services Inc started construction on the Speculative Building no earlier than six (6) months before the **9**th **day of September 2024**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the **real property** is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5%** of an amount equal to the sum of the SEV of the unit, plus the SEV of real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

- 1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974, and PA 225 of 1978, **shall not** have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Auburn Hills.
- 2. The application from **Penske Vehicle Services Inc** for an Industrial Facilities Exemption Certificate with respect to the **New Construction of Real Property** on the following described parcel of real property situated within the **Samelson Development Company Industrial Development District**; to which

The real property parcel the facility is located on is identified as tax parcel **02-14-26-126-032**, having an address **2150 Executive Hills Court**, City of Auburn Hills, MI 48326, including:

T3N, R10E, SEC 26 OAKLAND COUNTY CONDOMINIUM PLAN NO 1025 EXECUTIVE HILLS NORTH CONDOMINIUM UNIT 10 L 16844 P 639 5-31-00 FR 030

is hereby approved for real property improvements.

- 3. The Industrial Facilities Exemption Certificate, when issued shall be and remain in force and effect for a period of **four (4) years**, and the starting date for the certificate is **December 31, 2024**, and the ending date is **December 30, 2028**.
- 4. The total project investment approved is \$23,044,380.
- **5.** Penske Vehicle Services Inc agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional **four (4) years** after the date of the certificate's expiration.

AYES: NAYS: ABSENT: ABSTENTIONS:	RESOLUTION ADOPTED
STATE OF MICHIGAN)	
)SS COUNTY OF OAKLAND)	
Michigan do hereby certify that the foregoin	nted City Clerk for the City of Auburn Hills, Oakland Countying is a true and complete copy of a resolution adopted at a ncil held on the 9 th day of September 2024.
IN WITNESS WHEREOF, I have hereunto af	ffixed my official signature on this 9 th day of September 2024
	Laura Pierce, City Clerk

Michigan Department of Treasury 1012 (Rev. 09-22), Page 1 of 4

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the completed application and the required attachments with the clerk of the local government unit. If you have any questions regarding the completion of this form, call 517-335-7491.

To be completed by Clerk	of Local Government Unit		
Signature of Clerk	Date Received by Local Unit		
STC U			
Application Number	▶ Date Received by STC		
APPLICANT INFORMATION All boxes must be completed.			
▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) Penske Vehicle Services, Inc.	▶ 1b. Standard Industrial Classification (SIC) Co 336111	ode - Sec. 2(10) (4 or 6 Digit Code)	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 2150 Executive Hills Court, Auburn Hills, MI 48326	▶ 1d. City/Township/Village (indicate which) City	▶ 1e. County Oakland	
2. Type of Approval Requested	▶ 3a. School District where facility is located	▶ 3b. School Code	
New (Sec. 2(5))	Pontiac City School District	63030	
Speculative Building (Sec. 3(8)) Rehabilitation (Sec. 3(6))	Amount of years requested for exemption (1-1)	2 Years)	
Research and Development (Sec. 2(10)) Increase/Amendment 5. Per section 5, the application shall contain or be accompanied by a general description nature and extent of the restoration, replacement, or construction to be undertaken, a discontinuous construction.	4 Years		
See attached "Form 1012 Section 5 General Description"			
6a. Cost of land and building improvements (excluding cost of land)	▶ \$2	3,044,380	
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.		Real Property Costs	
6b. Cost of machinery, equipment, furniture and fixtures		▶ N/A	
* Attach itemized listing with month, day and year of beginning of inst	\$ \$2	Personal Property Costs \$23,044,380	
6c. Total Project Costs * Round Costs to Nearest Dollar		tal of Real & Personal Costs	
7. Indicate the time schedule for start and finish of construction and equipment installat certificate unless otherwise approved by the STC.	ion. Projects must be completed within a two year	period of the effective date of the	
	End Date (M/D/Y)		
10/31/2010 12	/31/2024 Downed	X Leased	
Real Property Improvements	· L		
Personal Property Improvements	▶ Owned	Leased	
▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Develop Commitment to receive this exemption. Yes No	pment Corporation (MEDC)? If yes, applicant mus	t attach a signed MEDC Letter of	
▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. N/A	▶ 10. No. of new jobs at this facility expected to 75	·	
11. Rehabilitation applications only: Complete a, b and c of this section. You must attac obsolescence statement for property. The Taxable Value (TV) data below must be as c	ch the assessor's statement of SEV for the entire of December 31 of the year prior to the rehabilitation	plant rehabilitation district and on.	
a. TV of Real Property (excluding land)			
b. TV of Personal Property (excluding inventory)			
c. Total TV 12a. Check the type of District the facility is located in:		·····	
	ilitation District		
▶ 12b. Date district was established by local government unit (contact local unit) 12/01/1986	▶ 12c. Is this application for a speculative buildi	ng (Sec. 3(8))?	

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name	13b. Telephone Number	13c. Fax Number	13d. E-mail Address
David Brown	(248) 515-6088	(248) 250-5123	abrowné penskevehicleservices con
14a. Name of Contact Person	14b. Telephone Number	14c. Fax Number	14d. E-mail Address
David Brown	(248) 515-6088	(248) 250-5123	see above
▶ 15a. Name of Company Officer (I David Brown	No Authorized Agents)		
15b. Signature of Company Officer (No Authorized Agents)	15c. Fax Number	15d. Date
David Brown	L	(248) 250-5123	8/26/24
▶ 15e. Mailing Address (Street, Cit		15f. Telephone Number	15g. E-mail Address
1225 E. Maple Rd. Troy	v MI 48083	(248) 729-5400	ste above

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit Abatement Approved forYrs Real (1-12),Yrs Period After Completion Yes No Denied (Include Resolution Denying) 16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable 1. Notice to the public prior to hearing establishing a district 2. Notice to taxing authorities of opportunity for a hearing 3. List of taxing authorities notified for district and application 4. Lease Agreement showing applicants tax liability.	1. Original Application plus attachments, and one complete copy 2. Resolution establishing district 3. Resolution approving/denying application. 4. Letter of Agreement (Signed by local unit and applicant) 5. Affidavit of Fees (Signed by local unit and applicant) 6. Building Permit for real improvements if project has already begun 7. Equipment List with dates of beginning of installation
16c. School Code 17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application
Attached hereto is an original application and all documents inspection at any time, and that any leases show sufficient t	s listed in 16b. I also certify that all documents listed in 16a are on file at the local unit fo ax liability.
19a. Signature of Clerk 19b. Name of	Clerk 19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)	
19e. Telephone Number	19f. Fax Number

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

For faster service, email the completed application and additional required documentation to PTE@michigan.gov.

An additional submission option is to mail the completed application and required documents to:

Michigan Department of Treasury State Tax Commission PO Box 30471 Lansing, MI 48909

		STC USE ONLY		
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

2150 EXECUTIVE HILLS COURT, AUBURN HILLS, MI

LEGAL DESCRIPTION

Land situated in the City of Auburn Hills, County of Oakland, State of Michigan, more particularly described as follows:

Unit 10, EXECUTIVE HILLS NORTH CONDOMINIUM, according to the Master Deed thereof recorded in Liber 16844, Pages 639 through 674, both inclusive; First Amendment to Master Deed recorded in Liber 18611, Pages 741 through 763, both inclusive; Second Amendment to Master Deed recorded in Liber 20197, Pages 501 through 515, both inclusive; Third Amendment to Master Deed recorded in Liber 21417, Pages 633 through 643, both inclusive, Oakland County Records, being known as Oakland County Condominium Subdivision Plan No. 1025, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed and as described in Act 59 of the Public Acts of Michigan of 1978, as amended.

Commonly known as: Vacant, Executive Hills Drive, Auburn Hills, Michigan

Tax Parcel No. 14-26-126-032

Penske Vehicle Services, Inc. Form 1012 Section 5 General Description

This existing speculative 114,366-square-foot facility is to operate a state-of-the-art vehicle painting facility that will primarily provide custom paint enhancements for new vehicles directly from the assembly line. The shell of the building and land balancing was completed in 2020. This project includes general building improvements including flooring and lighting, and those building improvements required for custom paint enhancements including a clean room, wash bay, ventilation, and compression systems. Site improvements include architectural fencing, security systems and powered gates. Equipment includes paint booths, supply crib, racking, IT connectivity, vehicle hoists, and other standard equipment indicative of vehicle paint and mechanical services.

	Completion				Completion				
Building	Date	⋖	Amount	Land	Date	Amount	Other		
Concrete	2022	· \$	1,041,072	Land Cost	2022	\$ 3,484,000	Insurance	\$ 73	73,792
Masonry	2022	↔	743,900	General Conditions/Staffing	2022	\$ 517,719	Permits	\$ 192	192,154
Metals	2022	₩	1,124,500	Demolition	2022	\$ 20,000	Tap Fees	\$ 71	71,778
Carpentry	2022	↔	115,000	Clear & Grubb	2022	\$ 45,000	Tree Fund	\$ 199	199,120
Moisture Protection	2022	↔	776,750	Earthwork	2022	\$ 915,898	Civil Engineering Cost	\$ 98	98,248
Doors & Glass	2022	69	396,742	Paving & Surfacing	2022	\$ 573,300	Architectural Cost	\$ 224	224,580
Finishes	2022	69	432,959	Site Utilities	2022	\$ 440,827	MEP Engineering Cost		40,250
Equipment	Jan-25	↔	23,000	Site Improvements	2022	\$ 182,200		\$ 107	107,792
Mechanical	Jan-25	` ↔	1,076,403	Landscaping & Retaining Wall	2022	\$ 800,520	Bank Fees & Interest		,919
Electrical	Jan-25	↔	607,896	Soil Borings	2022		Taxes	\$ 201	201,277
Tenant Build Out	Jan-25	↔	300,000	Architectural Fencing	Jan-25	\$ 265,000	Commissions	\$ 543	99/'
Clean Room	Jan-25	↔	561,800	Virtual Guard	Jan-25	\$ 291,500	Construction Contingency	\$ 78	78,975
Wash Bay	Jan-25	↔	339,200	Powered Gates	Jan-25	\$ 137,800	Lessee Construction Contingency	€	009'
Air Compressor and Loop	Jan-25	↔	201,400				Fee	\$ 507	507,201
3 Buss Ducts	Jan-25	ઝ	153,700						
Polished/Epoxy Flooring	Jan-25	↔	283,974						
Task Lighting Upgrade	Jan-25	6	79,500						
Offices	Jan-25	↔	658,048						
Paint Booths	Jan-25	↔	1,590,000						
Supply Crib	Jan-25	↔	53,000						
Pit Buildout	Jan-25	↔	26,500						
Single Deep Racking	Jan-25	↔	53,000						
HVLS	Jan-25	₩	222,600						
Utilities For Paint Booth	Jan-25	₩	159,000						
IT/Telecom/AV/Security Infrastructure	Jan-25	↔	60,420						
Total		↔	\$ 11,080,364			\$ 7,686,564		\$ 4,277,452	,452
Grand Total		\$	\$ 23,044,380						

Question 6A Attachment

Building			Land			Other		
Concrete	↔	1,041,072	Land Cost	↔	\$ 3,484,000	Insurance	₩	73,792
Masonry	↔	743,900	General Conditions/Staffing	↔	517,719	Permits	↔	192,154
Metals	↔	1,124,500	Demolition	↔	20,000	Tap Fees	↔	71,778
Carpentry	↔	115,000	Clear & Grubb	↔	45,000	Tree Fund	↔	199,120
Moisture Protection	↔	776,750	Earthwork	↔	915,898	Civil Engineering Cost	↔	98,248
Doors & Glass	↔	396,742	Paving & Surfacing	↔	573,300	Architectural Cost	↔	224,580
Finishes	₩	432,959	Site Utilities	↔	440,827	MEP Engineering Cost	↔	40,250
Equipment	↔	23,000	Site Improvements	↔	182,200	Legal	↔	107,792
Mechanical	↔	1,076,403	Landscaping & Retaining Wall	↔	800,520	Bank Fees & Interest	€	\$ 1,453,919
Electrical	↔	607,896	Soil Borings	₩	12,800	Taxes	₩	201,277
Tenant Build Out	↔	300,000	Architectural Fencing	↔	265,000	Commissions	↔	543,766
Clean Room	↔	561,800	Virtual Guard	↔	291,500	Construction Contingency	₩	78,975
Wash Bay	₩	339,200	Powered Gates	↔	137,800	Lessee Construction Contingency	₩	484,600
Air Compressor and Loop	↔	201,400				Fee	↔	507,201
3 Buss Ducts	↔	153,700						
Polished/Epoxy Flooring	↔	283,974						
Task Lighting Upgrade	↔	79,500						
Offices	ዏ	658,048						
Paint Booths	↔	1,590,000						
Supply Crib	₩	53,000						
Pit Buildout	₩	26,500						
Single Deep Racking	₩	53,000						
HVLS	↔	222,600						
Utilities For Paint Booth	↔	159,000						
IT/Telecom/AV/Security Infrastructure	€9	60,420						
Total	₩.	\$ 11,080,364		₩	\$ 7,686,564		49	\$ 4,277,452
Grand Total	₩	\$ 23,044,380						

TAX INCENTIVE AGREEMENT

Industrial Facility Exemption Certificate

(Revised April 12, 2024)

Penske Vehicle Services, Inc., hereinafter referred to as the "Company" has applied to City Council for the granting of an Industrial Facility Exemption Certificate (IFEC) pursuant to Michigan Public Acts 198, 0f 1974, as amended.

In recognition of the granting of the IFEC by City Council and the benefit of the tax savings for the Company, and the economic growth of the City, I hereby agree on behalf of the Company to the following...

- 1. The Company will furnish notification of the completion of the facility to the City Assessor and the State Tax Commission, within 30 days of the date of completion. If there is no construction progress for a facility under construction for more than 180 days, the Company will notify the City Assessor.
- 2. Within 90 days of the date of completion of the facility, the Company will report...
 - A. The final cost of the facility to the City Assessor and the State Tax Commission.
 - B. The number of jobs created by completion of the facility, not including jobs transferred from other locations.

If the actual project costs are more than 10% less than the estimated costs given in the application, or if the number of jobs created is less than the number estimated in the application, the Company will provide an explanation.

- As a condition of receiving an IFEC, pursuant to this policy, a company agrees to operate the facility for which the IFEC is granted for the term of the IFEC, plus an additional term after the date of expiration of the IFEC equal to one year of business residency per abated year.
- 4. The Company further understands that if it vacates or fails to operate the facility for which the IFEC is granted for the period of time as outlined above, that the company is liable for repayment of any property tax savings benefiting the Company due to the existence of the IFEC, beginning with the initial effective year of the IFEC. In addition, the Company will be liable for repayment of future tax savings if there are any remaining years in the term of the IFEC, under the provisions of Section 21(2) of Public Act 198, 1974 as amended. These

provisions may be waived by the City Council at the request of the Company for justifiable cause.

- 5. The Company further agrees to pay its abated real property taxes timely and without penalty. In addition, the Company agrees to inform the City Assessor and the City Treasurer of any plans to relocate the company from any location within the city, 30 days prior to the relocation.
- 6. The Company agrees to notify the City Assessor and City Treasurer of any change in the ownership of the Company's real property assets or a majority share of the Company's stocks. For the purposes of this agreement, a new owner or lessee shall be defined as follows:
 - i. For those industrial facilities exemption certificates that pertain to real property improvements, the term "new owner or lessee" shall be defined as follows:
 - 1.) A new entity that acquires, owns and occupies or leases and occupies the facility after the existing certificate holder has physically moved from or vacated the facility.

Or

- 2.) An entity that acquires an ownership interest of more than 50% in the existing certificate holder entity that owns and occupies or leases and occupies that facility.
- 7. Whenever there is a new owner or lessee, as defined above, of any real property for which an industrial facilities exemption certificate has been granted, the new owner or lessee shall make application for a transfer of the certificate to the new owner or lessee immediately, but no longer than six (6) months after a change in ownership occurs. The City Council may grant requests to transfer existing certificates, after review and recommendation by the Tax Abatement Review Committee, provided requests are consistent with the City's adopted Tax Abatement Policy, or any amendments made to the policy, that is in effect at the time a request for a transfer is made. An updated tax abatement development agreement shall accompany any request for a transfer of a certificate to a new owner or lessee.
- 8. The Company further agrees to abide by all other city ordinances, building and zoning codes during the operation of the facility.

From the signatures of representatives of both the Company and the City below, it is understood that both the Company's investment in the project and the City's investment through the granting of the IFEC is to encourage the economic growth of all.

WITNESS: Jafer SIGNATURE	COMPANY: BY: David Brown
PRINT NAME PRINT NAME	ITS: VP-Finance
	DATED: 8/26/24
ACKNOWLEDGE	D BY THE CITY OF AUBURN HILLS
WITNESS:	
SIGNATURE	BY: Brian Marzolf
PRINT NAME	ITS: MAYOR TITLE
	DATED:
WITNESS:	
SIGNATURE	BY:LAURA PIERCE
PRINT NAME	ITS: CITY CLERK TITLE
	DATED:



City of Auburn Hills

INDUSTRIAL FACILITIES EXEMPTION APPLICATION AFFIDAVIT OF FEES

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the City of Auburn Hills and the Applicant for Industrial Facilities Exemption Certificate do hereby swear and affirm, by our signatures below, that no payments of any kind, whether they be referred to as "fees," "payments in lieu of taxes," "donations," or by other like terms, more than the fees allowed by PA 198, of 1974, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of an exemption certificate application."

City of Aubu	A A A A A A A A A A A A A A A A A A A
Signed:	
Name:	Brian Marzolf
Title:	Mayor
Dated:	
Applicant/Co	<u>ompany</u>
	A (A m
Signed:	David Brown
Signed: Name:	Navid Brown David Brown
· ·	



1827 N. SQUIRREL ROAD AUBURN HILLS, MI 48326 248.370.9402 W W W . A U B U R N H I L L S . O R G

RESOLUTION APPROVING SPECULATIVE BUILDING DESIGNATION FOR DEMBS DEVELOPMENT INC.

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chamber at 1827 N. Squirrel Road, Auburn Hills Mi, 48326 on the 20th day of May 2024. The following resolution was offered by Councilperson Verbeke and seconded by Councilperson Fletcher.

Whereas, Dembs Development Inc has requested a Speculative Building designation located at 2150 Executive Hills Ct under the provisions of Public Act 198 of 1974, as amended; and

Whereas the building is being constructed as a manufacturing facility before the identification of a specific user of the building; and

Whereas the building has not been occupied; and

Whereas the designation of the building as a Speculative Building would allow future tenants to apply for Industrial Facility Exemption Certificate for real property to be located at 2150 Executive Hills Ct; and

Whereas the availability of tax abatement may serve as an inducement for attracting tenants to occupy the building and increase the tax revenues to the city of Auburn Hills,

NOW, THEREFORE, BE IT RESOLVED that the request for Speculative Building Designation for 2150 Executive Hills Ct is hereby approved with the following conditions,

That the Speculative Building Designation does not constitute approval of an Industrial Facility Exemption Certificate but serves to give notice that the City Council will consider future applications.

AYES:

7 (Ferguson, Fletcher, Hawkins, Knight, Marzolf, McDaniel, Verbeke)

NAYES:

None

ABSENT:

None

ABSTENTIONS: None

RESOLUTION ADOPTED

STATE OF MICHIGAN) COUNTY OF OAKLAND)

I, the undersigned, the duly qualified and appointed Clerk of the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the 20th day of May 2024, the original of which is on file in my office.

IN WITNESS WHEROF, I have hereunto affixed my official signature on this 21st day of May 2024.

Laura M Pierce City Clerk



Industrial Facility Application PA 198, 1974

City of Auburn Hills

Supplemental Information To Be Provided by Applicant/Company

Name of Company: <u>Penske Vehicle Services, Inc.</u>

Company Profile: Provide a brief description of the company including its history, type of incorporation, corporate headquarters location, parent corporation, previous corporate names. Describe the type of products produced, principal markets, and the activity to be carried out at the proposed or existing facility in Auburn Hills.

Penske Vehicle Services, Inc. was incorporated as a C Corporation in 2005, then known as QEK Global Solutions (US) Inc. We are a wholly owned subsidiary of Penske Truck Leasing Co., LP. Corporate headquarters is at 1225 E. Maple, Troy, MI.

Our primary customers are Automotive Original Equipment Manufacturers. Our service offerings include:

- Vehicle Lifecycle Management
- Mechanical Capabilities
- Production Paint

At 2150 Executive Hills Court, we intend to operate a state-of-the-art vehicle painting facility providing custom paint enhancements for new vehicles directly from the assembly line. These services include a paint film program, liquid paint program, and light automotive mechanical.

Please respond to the following questions or state if not applicable:

1. If presently located in Auburn Hills, how long have you been in business here?

Unrelated to this project, Penske Vehicle Services has been operating in Auburn Hills at 4400 Purks Rd. since 2007. More recently we have also been operating at 2301 Featherstone Rd.

2. Has a site plan for the facility requested for tax abatement been submitted and approved?

Yes

3. Will development of the site require a change in zoning or a request for special land use or other variances?

On May 20, 2024, the Auburn Hills City Council approved Penske Vehicle Services' request to complete construction and utilize the existing speculative 114,366-square-foot facility at 2150 Executive Hills Court. Penske Vehicle Services will operate a state-of-the-art vehicle painting facility with associated overnight vehicle storage on the property that will primarily provide custom paint enhancements for new vehicles directly from the assembly line. The 10.12-acre parcel is zoned T&R, Technology and Research District. The development application for Penske Vehicle Services involved the following three Special Land Use Permits, which the City Council approved: 1) light industrial use in the T&R District; 2) overnight storage of vehicles; and 3) landbank parking.

4. What will be required to develop the site? Do water, sewer, and other utilities exist presently at the site? Will any new access roads need to be constructed or upgraded?

This building is an existing spec building. Utilities already exist at the site. No new access roads need to be constructed or upgraded.

5. Will the company request that the City of Auburn Hills assist in paying any costs related to providing infrastructure for this facility?

No.

6. Are any wetlands or environmentally sensitive areas to be impacted by construction of the facility?

This building is an existing spec building. Wetlands or environmentally sensitive areas will not be impacted by finishing the facility.

7. How will water retention and drainage be provided for the facility?

This building is an existing spec building. Water retention and drainage will not be impacted by finishing the facility.

8. Will any raw materials be used or stored at the facility, Will your company require outside storage of any products or materials?

Penske Vehicle Services, Inc. provides services thus there are no raw materials. The only items requiring outside storage are vehicles, which required a special use permit.

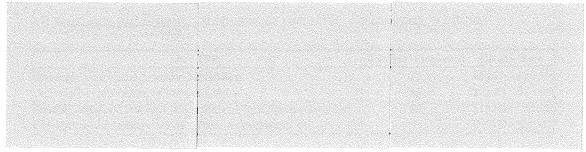
9. What will be the operating hours of the facility? Will any heavy equipment be operated at the facility after completion of construction?

The first shift will be from 6:00 a.m. to 2:30 p.m. The 2nd shift will be from 9:00 p.m. to 5:30 a.m. The facility will operate Monday through Friday, with occasional work on Saturday and, in rare instances, on Sunday. There will not be any heavy equipment operated at the facility after completion of construction.

10. Will the facility produce industrial waste? Will any known hazardous chemicals be used or produced? Will the facility produce any significant air emissions?

The facility will produce industrial waste and hazardous chemicals associated with those existing in an automotive vehicle, and solvents associated with liquid paint services. Air emissions are associated with our liquid paint services but are not considered significant. We are working with the City of Auburn Hills Fire Department regarding storage and sprinkler system requirements. We have engaged KPA and our insurance company (FM Global) as environmental consultants, and utilize Waste 365 for our waste removal services. Regarding air emissions, we have applied for a permit to install paint booths with the State of Michigan Department of Environment, Great Lakes, and Energy.

11.	State the various job classifications, the number employed, and the hourly wage
	rates of non-management employees, i.e. administrative, secretarial, engineering,
	sales, laborers, machinists, etc. State whether any positions are part time or
	temporary.
	^ ·



12. Does the proposed site allow for future expansion of the facility? If yes, state the amount of floor area that can be added after the initial phase of construction.

The proposed site does not allow for future expansion.

13. Has your company received tax abatements from the community where it is presently located? If so, describe the type of abatement.

Penske Vehicle Services, Inc. has not received any other tax abatements.

1827 N SQUIRREL RD AUBURN HILLS, MI 48326-2753 (248) 370-9400 Description: IFT APPLICATION



Receipt 0000677106 Posted Cashier Mjones

08/26/2024

Received Of: PENSKE

> The sum of: 800.00

ABATE **EXEMPTION CERTIFICATE PE** 800.00

CHECK

TENDERED:

800.00 101-000-480.402

Total: 800.00 10133 MJ 00.008

Electrical

Permit No: PE240306



Community Development Department

Office 248.364.6900 / Inspection Line 248.364.6949

Inspection requests must be scheduled by 4:00pm the day prior to inspection date

To apply for permits and schedule inspections online - please visit https://bsaonline.com/?uid=462

Address: 2150 EXECUTIVE HILLS CT

Parcel #: 02-14-26-126-032

Owner:

EXECUTIVE HILLS DRIVE LLC 27750 STANSBURY BLVD STE 200 FARMINGTON HILLS, MI 48334-3803

Issued: 07/17/2024

Category: Electrical

Applicant/Contractor:

MOSHIER & SON ELECTRICAL CONTRACTING

PO BOX 81694

, MI 48308

Phone: (810) 874 6180

Work Description: put in a service

Stipulations:

Invoice #	Fee Item Description	Quantity	Item Total
00071434	Application Fee	1.00	\$31.00
00071434	Minimum Permit Fee Applied	1.00	\$14.00
00071434	Technology Fee	1.00	\$2.00
00071434	Service - Amps 401+	1.00	\$58.00

HETHEY & SPENCEP

Building Official

Fee Total: Amount Paid: \$105.00 \$105.00

Balance Due:

\$0.00

FOOTING INSPECTIONS REQUIRED, WHEN APPLICABLE.

COMMERCIAL/INDUSTRIAL PERMITS MUST HAVE FINAL FIRE INSPECTION 248.370.9461 AND DPW APPROVALS 248.391.3777 BEFORE SCHEDULING FINAL BUILDING INSPECTION.

ALL SIGN PERMITS MUST HAVE FINAL SIGN APPROVAL, THE INSPECTIONS SHOULD BE REQUESTED AFTER COMPLETION.

Please be advised you must adhere to Ordinance No. 693 which states hours and days of construction activity. Monday - Saturday 7:00 a.m. - 7:00 p.m. or sunrise to sunset whichever is less. No construction activity allowed on Sundays unless written permission has been granted by the City Manager because of hardship or emergency conditions exitsting. Please see Ordinance 693 for full details.

I agree this permit is only for the work described and does not grant permission for additional work which requires separate permits. I understand that this permit will expire, and become null and void if work is not started within 180 days, or if work is suspended or abandoned for a period of 180 days at any time after work has commenced; and , that I am responsible for assuring all required inspections are requested in conformance with the applicable code. I hereby certify that the proposed work is authorized by the owner, and that I am authorized by the owner to make this application as his authorized agent. I agree to conform to all applicable laws of the State of Michigan and the local jurisdiction, the City of Auburn Hills. All information on the permit application is accurate to the best of my knowledge.



Community Development Department - Office 248.364.6900 / Inspection Line 248.364.6949
Inspection requests must be scheduled by 4:00pm the day prior to inspection date
To apply for permits and schedule inspections online - please visit https://bsaonline.com/?uid=462

2150 EXECUTIVE	HILLS CT	EXECUTIVE HILLS DRIVE LLC 17800 N LAUREL PARK DR STE 200C
Issued: 10/31/19	Const value: \$3,188,000	LIVONIA MI 48152-3985
Construction Type:	Use Group:	DEMBS DEVELOPMENT INC Contractor
Zoning:	Bldg. Sq. ft. 114,39	DEMBS DEVELOPMENT INC
Permit Category	Commercial, New Building	27750 STANSBURY, STE 200 Ph# (248) 380 7100
Census Type		FARMINGTON HILLS MI 48334
Parcel Pin #	02-14-26-126-032	DEMBS DEVELOPMENT INC Applicant
	02 1. 20 120 002	27750 STANSBURY, STE 200
		FARMINGTON HILLS MI 48334
		Ph# (248) 380 7100

Work Description: Commercial New Construction Spec Building

Stipulations: DEPARTMENT OF PUBLIC WORKS WILL REQUIRE INSPECTIONS BEFORE FINAL BUILDING REQUEST. CALL

248.391.3777 TO SCHEDULE.

FOOTING INSPECTIONS REQUIRED, WHEN APPLICABLE.

COMMERCIAL / INDUSTRIAL PERMITS MUST HAVE FINAL FIRE INSPECTION 248.370.9461 AND DPW APPROVALS 248.391.3777 BEFORE SCHEDULING FINAL BUILDING INSPECTION.

ALL SIGN PERMITS MUST HAVE FINAL SIGN APPROVAL, THE INSPECTIONS SHOULD BE REQUESTED AFTER COMPLETION.

Permit Item	Work Type	Fee Basis Ite	em Total
Application Fee - Non-Residential/Commer	Application Fee	1.00	310.00
NC Value \$200,001 +	Standard Item	1.00	55,890.00
Building Plan Scanning Fee	Standard Item	1.00	62.00
BPR Other < \$500,000	PR Building	1.00	18,790.00
Jeffrey A. Spencer		Fee Total: Amount Paid:	\$75,052.00 \$75,052.00
Building Official	Code Book in Effect	Balance Due:	\$0.00

Please be advised you must adhere to Ordinance No. 693 which states hours and days of construction activity. Monday - Saturday 7:00 a.m. - 7:00 p.m. or sunrise to sunset whichever is less. No construction activity allowed on Sundays unless written permission has been granted by the City Manager because of hardship or emergency conditions exitsting. Please see Ordinance 693 for full details.

I agree this permit is only for the work described and does not grant permission for additional work which requires separate permits. I understand that this permit will expire, and become null and void if work is not started within 180 days, or if work is suspended or abandoned for a period of 180 days at any time after work has commenced; and , that I am responsible for assuring all required inspections are requested in conformance with the applicable code. I hereby certify that the proposed work is authorized by the owner, and that I am authorized by the owner to make this application as his authorized agent. I agree to conform to all applicable laws of the State of Michigan and the local jurisdiction, the City of Auburn Hills. All information on the permit application is accurate to the best of my knowledge.

LEASE

BY AND BETWEEN

EXECUTIVE HILLS DRIVE, LLC

LANDLORD

AND

PENSKE VEHICLE SERVICES, INC.

TENANT

DATED June. 25, 2024

LEASE

THIS LEASE is made between the Landlord and the Tenant hereinafter identified in Sections 1.01(b) and (c) hereof, respectively, and constitutes a Lease between the parties of the "Leased Premises" as identified in Section 1.01(d) hereof on the terms and conditions and with and subject to the covenants and agreements of the parties hereinafter set forth.

WITNESSETH:

ARTICLE I.

BASIC LEASE PROVISIONS

SECTION 1.01 BASIC LEASE PROVISIONS. The following are certain lease provisions which are part of, and, in certain instances, referred to, in subsequent provisions of this Lease:

(a) **Date of Lease:** June <u>25</u>, 2024

(b) Landlord: EXECUTIVE HILLS DRIVE, LLC, a Michigan limited liability company

(c) Tenant: PENSKE VEHICLE SERVICES, INC. a Delaware corporation

(d) Leased Premises: That approximately 10.22 acre parcel of real property located at 2150 Executive Hills Court in Auburn Hills, Michigan, more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Land"), upon which an approximately 114,830 square foot building (the "Building"), together with other permanent improvements set forth in the Plans and Specifications on Exhibit "B" attached hereto and made a part hereof, are to be constructed, in addition to all easements, privileges, appurtenances, rights, alleys, ways, waters and advantages belonging or appertaining to such Land and Building.

(e) Initial Term: One Hundred Twenty-Four (124) full calendar months

(f) Rental:

Months	Minimum Monthly Rent	Minimum Annual Rent
Months 1-4:	\$0.00*	es es
Months 5-16:	\$90,907.08	\$1,090,885.00
Months 17-28:	\$93,407.03	\$1,120,884.34
Months 29-40:	\$95,975.72	\$1,151,708.66
Months 41-52:	\$98,615.05	\$1,183,380.64

Months 53-64:	\$101,326.97	\$1,215,923.61
Months 65-76:	\$104,113.46	\$1,249,361.51
Months 77-88:	\$106,976.58	\$1,283,718.95
Months 89-100:	\$109,918.44	\$1,319,021.22
Months 101-112:	\$112,941.19	\$1,355,294.31
Months 113-124:	\$116,047.08	\$1,392,564.90

* Tenant shall have a free rent period for Months 1-4 only (the "Free Monthly Minimum Rent Period"), during which time Tenant shall have no obligation to pay any Minimum Monthly Rent (as defined in Section 3.01 below). Notwithstanding the foregoing, during the Free Minimum Monthly Rent Period, Tenant shall pay all other sums due under this Lease, including, without limitation, Taxes, insurance, maintenance, and utility charges.

(g) Landlord's Address: 27750 Stansbury, Suite 200

Farmington Hills, Michigan 48334

(h) Tenant's Address: Penske Vehicle Services, Inc.

1225 E. Maple Road Troy, Michigan 48083

Attn: John A. DiSalvo, President & CEO

(i) Tenant's Use of the Leased

Premises: Storage, repair, modification, assembly, painting,

washing, and testing of passenger vehicles and for

any other lawful purposes

(j) Guarantor: PENSKE TRUCK LEASING CO., L.P.,

a Delaware limited partnership

ARTICLE II.

GRANT AND TERM

SECTION 2.01 LEASED PREMISES. The Leased Premises are described and/or depicted in Section 1.01(d) and on <u>Exhibit "A"</u> hereto. Landlord, in consideration of the rent to be paid and the covenants to be performed by Tenant, does hereby demise and lease unto Tenant, and Tenant hereby rents from Landlord, the Leased Premises. Tenant shall have exclusive use of the Leased Premises.

SECTION 2.02 COMMENCEMENT AND ENDING DAY OF TERM. The initial term (the "Initial Term") of this Lease shall commence (the "Commencement Date") on the date that is the later of: (i) January 1, 2025; or (ii) the earlier of: (a) the date the of Substantial Completion (as defined in Section 5.01 below) of the Improvements (as defined in Section 4.01 below) or (b) the

date Substantial Completion of the Improvements would have occurred in the absence of Tenant Delay (as defined in Section 5.01 below). The Initial Term of this Lease shall end on the date which shall be one hundred twenty-four (124) complete calendar months following the Commencement Date, unless sooner terminated as hereinafter provided. Promptly after the Commencement Date, Landlord and Tenant will execute and deliver a memorandum to confirm the Commencement Date and expiration of the Initial Term, the rent schedule and such other reasonably requested terms, a form of which is attached hereto as **Exhibit "D"**.

SECTION 2.03 EXTENSION TERM. Upon expiration of the Initial Term, and provided that Tenant is not in default hereunder beyond any applicable notice and cure period at the time it elects to extend the term of this Lease, Tenant shall have the right to extend the Term of this Lease for two (2) additional terms of five (5) years each (each, an "Extension Term") upon the same terms and conditions set forth herein, except as set forth in this paragraph. Each Extension Term is not assignable separate and apart from this Lease and may not be separated from this Lease in any manner, either by reservation or otherwise, and each Extension Term is personal to the named Tenant and not assignable, with the sole exception to the Guarantor (as defined in Section 1.01(j) above). Tenant must exercise its right to extend the Term for each Extension Term, if at all, by providing written notice of its intention thereof to Landlord no fewer than two hundred and seventy (270) days prior to the expiration of the then-current Term. Time is of the essence with respect to the exercise of each Extension Term by Tenant. For purposes of this Lease, the use of the phrase "Term" herein shall refer to the Initial Term and each Extension Term, if properly exercised Tenant. The minimum rent for the first year of each Extension Term shall be the greater of: (a) the "Fair Market Value" for the Leased Premises (as defined herein); or (b) the annual minimum rent then in effect at the time Tenant exercises the appropriate Extension Term. Minimum rent shall increase on each one-year anniversary of the Extension Term by 2.75%. For purposes of this Lease, the term "Fair Market Value" shall mean the then prevailing fair market rental value based upon leases of similar duration for similar uses, comparable in building class, size and amenities, in the Auburn Hills, Michigan area. Fair Market Value shall be determined in accordance with the following two paragraphs.

Commencing on or before the date that is three hundred and sixty (360) days prior to the expiration of the then-current Term, Landlord and Tenant shall attempt to agree upon the Fair Market Value of minimum rent for the Leased Premises for each Extension Term, with appropriate adjustments to take account of variations in condition of the Leased Premises, land to building ratio, and location. If Landlord and Tenant are unable to so agree by the date that is three hundred and thirty (330) days prior to the expiration of the then-current Term, then the Fair Market Value of minimum rent for each Extension Term shall be determined in accordance with this paragraph. Each of Landlord and Tenant shall appoint a reputable real estate appraiser, each of whom shall be a member of the American Institute of Real Estate Appraisers, and shall have no "disqualifying interest", as that term is hereinafter defined. Each of such appraisers shall be familiar with the values of commercial real estate leases in the general area of the Leased Premises. If either Landlord or Tenant fails to appoint an appraiser by the date that is three hundred and twenty (320) days prior to the expiration of the then-current Term, then the appraiser who has been so appointed shall appraise the minimum rent for the Leased Premises for each Extension Term, and such appraiser's determination shall be final. An appraiser shall be deemed to have a "disqualifying interest" if such appraiser shall have any direct or indirect financial or other

business interest in either of Landlord or Tenant or any of their parent companies, affiliates, or subsidiaries. The appraisers so appointed shall each determine his or her estimate of the Fair Market Value and deliver such estimate to the other appraiser, and to Landlord and Tenant, by the date that is no less than three hundred (300) days prior to the expiration of the then-current Term. If either appraiser fails to deliver his or her estimate of the Fair Market Value by such date, the Fair Market Value shall be the amount determined by the appraiser that did deliver his or her estimate of the Fair Market Value by such date.

If the determination of the two appraisers as to the Fair Market Value shall be identical in amount, the amount shall be deemed to be the Fair Market Value of the minimum rent for the Leased Premises for each Extension Term. If the determination of the two appraisers shall be different in amount, but the lower of such appraisals is within 5% of the higher of such appraisal [i.e. when the lower of such appraisals is multiplied by 105%, the product obtained is equal to or greater than the value of the higher of such appraisals], the average of the two appraisals shall be the Fair Market Value. If the two appraisals are not within 5% of each other, the two appraisers shall immediately appoint a third appraiser. If the two appraisers are unable to agree upon a third appraiser by the date that is two hundred and ninety (290) days prior to the expiration of the thencurrent Term, such third appraiser shall be appointed by the then president of the American Institute of Real Estate Appraisers or such successor body hereafter constituted exercising a similar function. Landlord and Tenant shall equally bear the cost of such third appraiser. The third appraiser shall not appraise the value of the minimum rent, but shall choose—by the date that is two hundred and eighty (280) days prior to the expiration of the then-current Term—one of the other two appraisals as the correct appraisal of Fair Market Value, and the appraisal as chosen by the third appraiser shall be, for all purposes, the Fair Market Value of minimum rent for the Leased Premises for each Extension Term. Notwithstanding anything herein to the contrary, it is understood and agreed that the minimum rent during each Extension Term shall not be less than the annual minimum rent at the time of the expiration of the Initial Term or expiring Extension Term, as the case may be.

ARTICLE III.

RENT

SECTION 3.01 RENT. Minimum annual rent during the Term of this Lease shall be the sums set forth in Section 1.01(f) hereof, which sums shall be payable by Tenant in equal consecutive monthly installments on or before the first day of each month commencing on the Commencement Date, in advance, at the office of Landlord, or such other place as Landlord may designate in writing, without any prior demand therefor and without any deductions or setoffs, except as expressly set forth in this Lease. In the event the expiration date of the Term is other than the last day of a calendar month, the minimum rent for the number of days of such partial last calendar month of the Term will be prorated on a daily basis based on the number of days in the calendar month. Simultaneously with the execution of this Lease, Tenant shall pay to Landlord the fifth (5th) month's minimum rent due hereunder, in the amount set forth in Section 1.01(f) hereof. Upon request by Tenant, Landlord agrees to provide Tenant with Landlord's account information and wiring instructions set forth in **Exhibit "F"** herein to enable Tenant to make such

payments by wire transfer. Landlord shall notify Tenant immediately of any changes to the account information or wiring instructions needed for such wire transfers.

SECTION 3.02 TENANT'S TAX OBLIGATION.

- Commencing on the Commencement Date, Tenant agrees to pay directly to the applicable taxing authority all taxes, existing and future assessments, levies and charges, general and special, and all similar impositions of any kind or nature whatsoever, which have been or may be levied or assessed by any lawful authority, including but not limited to, (a) any town, city, county, state or federal entity, (b) any school, agricultural, lighting, drainage or other improvement or special assessment district, (c) any governmental agency, or (d) any private entity having the authority to assess the same, against the land, buildings and improvements presently and/or at any time during the Term of this Lease comprising the Leased Premises, and which are payable during or for any calendar year during the Term hereof, irrespective of whether such taxes are assessed against real or personal property, including, without limitation any charges or assessment due under any easement agreements, association documents or similar documents encumbering the Leased Premises. Such taxes, assessments, charges, and impositions hereinafter are referred to, collectively, as "Taxes" and shall be considered additional rent under this Lease. Notwithstanding the foregoing, the taxes described in the next sentence shall be accrued ratably during the calendar year. Should the United States, the State of Michigan or any political subdivision thereof or any governmental authority having jurisdiction either: (i) impose a tax and/or assessment of any kind or nature upon, against, measured by or with respect to the rentals payable by Tenant to Landlord or with respect to the Landlord's, or the individuals' or entities' which form the Landlord herein, ownership of the land and buildings presently and/or at any time during the Term of this Lease comprising the Leased Premises, either by way of substitution for all or any part of the taxes and assessments levied or assessed against such land and such buildings, or in lieu of increase thereof; and/or (ii) impose a tax or surcharge of any kind or nature, upon, against or with respect to the parking areas or the number of parking spaces in the Leased Premises, then in either or both of such events, such tax, assessment and/or surcharge shall be deemed to constitute Taxes for the purpose of this Section 3.02 and Tenant shall be obligated to pay the same. Notwithstanding the foregoing, in no event shall any federal or local income tax of general applicability, transfer tax and/or estate or gift tax applicable to Landlord and/or its constituent members, as applicable, be payable by Tenant. For purposes hereof, the Leased Premises shall, in any event, be deemed to include any land upon which off-site utility systems, retention ponds, wetlands and/or off site private roads serving the Leased Premises are located with all improvements situated thereon, and to the extent the foregoing do not exclusively serve the Leased Premises, then only the prorata share of such land shall be included on a fair and reasonable basis.
- (b) Within thirty (30) days prior to the date on which each installment of Taxes may be paid without penalty and/or interest, Tenant shall pay such Taxes and provide to Landlord a receipt from the applicable taxing authority indicating the payment thereof. To the extent that any of the bills for the Taxes are first provided to Landlord by the applicable taxing authority, Landlord shall provide the same to Tenant within fifteen (15) days after Landlord's receipt thereof but in no event later than the date by which such Taxes are due to be paid without penalty or delinquency (the "**Due Date**"). Upon the Commencement Date, Tenant shall pay to Landlord the portion of Taxes for the then current period falling within the Term of this Lease that Landlord has previously paid

with respect to the Leased Premises. Taxes for the last year of the Term shall be prorated for the then current period falling within the Term of this Lease. Penalties and interest for non-payment of Taxes accruing during the Term hereof and thereafter with respect to Taxes applicable to the Term hereof shall be payable by Tenant and the foregoing covenant shall survive the expiration or earlier termination of the Term hereof. Notwithstanding the foregoing sentence, Tenant shall not be obligated to pay (a) any interest, fines or penalties assessed as a result of Landlord's failure to provide to Tenant any bills and/or other statements pertaining to the Taxes prior to the Due Date, to the extent such bills and/or statements are sent to Landlord by the governing authority; or (b) any excess profits taxes, franchise taxes, gift taxes, realty transfer taxes or fees or any income taxes of Landlord. At any time Tenant is in default under this Lease, beyond any applicable notice and cure period, or at the request of any mortgagee of the Leased Premises, Landlord may require, upon written notice, Tenant to pay Landlord, with each monthly payment of minimum rent, additional rent equal to 1/12th of the estimated Taxes for that calendar year, instead of directly to the applicable taxing authority. Notwithstanding anything contained herein, it is expressly acknowledged by Tenant that the failure to pay Taxes prior to the due date published by the applicable taxing authority shall be a default hereunder without any notice and cure rights applicable thereto; provided, however, that the failure by Tenant to pay Taxes prior to the due date published by the applicable taxing authority as the result of Landlord's failure to timely provide Tenant any bills and/or other statements pertaining to the Taxes, as set forth herein, shall in no event constitute a default hereunder.

Provided that Tenant is not in default under this Lease, beyond any applicable notice and cure period, and upon notice to Landlord, which must be provided at least thirty (30) days prior to the applicable deadline, Tenant shall have the right to contest Taxes that relate to a period wholly or partially within the Term of this Lease. Upon reasonable written request from Tenant, Landlord agrees to join in such contest, if required by law, and to permit Tenant to contest the same in Landlord's name; provided, however, that Tenant shall bear all costs and expenses of any such contest, and provided further that Tenant shall take all reasonable steps necessary to ensure that Landlord's interest in the Leased Premises shall not be subject to lien or forfeiture as a result of such contest, including, without limitation, paying all sums directly to the taxing authority or the court, or posting such security, as may be required. Tenant shall be entitled to receive, and Landlord shall promptly pay over to Tenant, any refund of Taxes actually received by Landlord as the result of such contest, and which are attributable to any period occurring during the Term. Tenant agrees to indemnify and hold Landlord harmless from and against any and all losses, costs, damages and expenses reasonably suffered or incurred by Landlord on account of or relating to Tenant's contest of any Taxes. To the extent received by Landlord, Landlord shall immediately send Tenant any notices of any increase in the assessment of the Leased Premises.

SECTION 3.03 DEFINITION OF RENT. The words "rental" and "rent" shall have the same meaning and shall be defined in this Lease as, collectively, minimum rent and all other charges or payments of whatever nature required to be paid by Tenant under this Lease (including the Exhibits hereto), whether payable to Landlord or otherwise, which sums shall be payable in the manner provided in this Lease. All other sums of money or charges required to be paid by Tenant under this Lease shall be promptly paid by Tenant when the same are due without any deductions or setoff whatsoever. Tenant's failure to pay any amounts or charges within five (5) business days shall carry with it the same consequences as Tenant's failure to pay rent. All such

amounts or charges payable to Landlord shall be payable at the place where the minimum annual rent is payable.

SECTION 3.04 RENT TO BE NET TO LANDLORD. It is the intention of the parties that the rent payable hereunder shall be absolutely net to Landlord, so that this Lease shall yield to Landlord the net minimum annual rent specified herein during the Term of this Lease, and except as set forth in Section 8.01 of this Lease, all costs, expenses, taxes, assessments and obligations of every kind and nature whatsoever relating to the Leased Premises shall be paid by Tenant so that the minimum rental together with any such adjustments constitute the minimum income realized by Landlord from the Leased Premises.

ARTICLE IV.

CONSTRUCTION

CONSTRUCTION OF THE LEASED PREMISES. Promptly after SECTION 4.01 the date of this Lease, the Building and other improvements within the Leased Premises as set forth in Exhibit "B" attached hereto (the "Improvements") shall be constructed by Landlord substantially in accordance with Plans and Specifications set forth on Exhibit "B" (the "Plans and Specifications"), which Plans and Specifications have been approved by Tenant. It is understood and agreed to by Tenant that any minor changes from any plans or specifications during construction of the Improvements shall not relieve Tenant of its obligations under this Lease. Landlord's construction work shall be at its sole cost and expense, free of liens, in good and workmanlike manner, and pursuant to applicable ordinances, statues, regulations and laws. Landlord, at its sole cost and expense, shall obtain any and all Requisite Approvals (as defined herein) to complete the construction work. For purposes of this Lease, the term "Requisite Approvals" shall mean all approvals, permits, consents and other authorizations required from any other governmental or quasi-governmental instrumentality having jurisdiction over the Leased Premises ("Governmental Authority") in order for Landlord to construct the Improvements shown and/or described on the Plans and Specifications. Notwithstanding anything in this Section 4.01 to the contrary, Tenant shall be responsible to pay the Landlord for the costs and expenses for the following items contained in the Plans and Specifications or requested by Tenant: (a) the perimeter fencing on the north and west property lines with two (2) manual gates pursuant to that certain quote prepared by Dembs Development Inc. and dated May 29, 2024 (the "Fence Quote"), which Fence Quote is incorporated within the Plans and Specifications; (b) the approximately 6,000 square foot clean room with drop ceiling and air conditioning pursuant to that certain quote prepared by Dembs Development Inc. and dated May 21, 2024 (the "Clean Room Quote"), which Clean Room Quote is incorporated within the Plans and Specifications; (c) approximately 4,000 square foot wash bay with floor drain and sediment collection pursuant to that certain quote prepared by Dembs Development Inc. and dated May 21, 2024 (the "Wash Bay Quote"), which Wash Bay Quote is incorporated within the Plans and Specifications; and (d) expansion of the office area by approximately 3,880 square feet. Such payments will be paid within ten (10) business days after receipt of written notice from Landlord that it has incurred all or a portion of such cost and expenses with reasonable evidence of the foregoing. Any changes which Tenant requests to the Plans and Specifications will require that Tenant executes a change order. Tenant shall be responsible for all costs of such change plus a fee equal to ten percent (10%) of such cost, which shall be payable to Landlord upon completion of the work pursuant to the change order.

SECTION 4.02 LANDLORD'S INSURANCE. During construction Improvements, Landlord shall procure and maintain in full force and effect, at its sole cost and expense, a policy of builder's risk insurance covering the construction of the Improvements. Such insurance shall be issued by Hartford Underwriters or a similar insurance carrier, in a commercially reasonable amount ("Landlord's Insurance"). If prior to the Commencement Date, the Improvements are damaged or destroyed by fire, the elements, accident, or otherwise, Landlord shall, at its sole cost and expense, cause the Improvements to be completed as required in this Article IV; provided, however, that Landlord shall only be required to cause the Improvements to be completed, as required in this Article IV, if the subject casualty is covered by Landlord's Insurance, or Landlord elects, in its sole and absolute discretion, to fund the cost to repair such damage. In the event the subject casualty is covered by Landlord's Insurance or Landlord elects to fund the cost to repair such damage (as set forth above), the subject casualty shall be deemed to be a Force Majeure event and the date set forth herein for completion of construction of the Improvements shall be extended to afford Landlord the necessary time to complete construction of the Improvements. In the event the subject casualty is not covered by Landlord's Insurance and Landlord does not elect to fund the cost to repair such damage (as set forth above), Landlord shall, within five (5) business days following the date of the subject casualty, provide notice to Tenant of the same, at which time Tenant may, at its sole discretion, elect to fund the cost to repair such damage and complete the construction of the Improvements, by written notice to Landlord, to be given, if at all, within five (5) business days after receipt of Landlord's notice. If the subject casualty is not covered by Landlord's Insurance and neither Landlord nor Tenant elects to fund the cost to repair such damage (as set forth above) and complete the construction of the Improvements, then this Lease shall terminate and be of no further force and effect.

ARTICLE V.

DELIVERY OF POSSESSION

SECTION 5.01 DELIVERY OF POSSESSION. If Landlord fails for any reason, other than a Tenant Delay or Force Majeure, to deliver the Leased Premises to Tenant on or before January 1, 2025 (the "Target Date"), then Tenant shall receive an abatement of Minimum Monthly Rent, in an amount equal to one day's Minimum Monthly Rent, for every day after the Target Date, as such date shall be extended by a Tenant Delay or Force Majeure, the Commencement Date occurs and an amount equal to two (2) day's Minimum Monthly Rent for every day after the date that is thirty (30) days after the Target Date, as such Target date shall be extended by a Tenant Delay or Force Majeure, the Commencement Date occurs. For purposes of this Lease, the Improvements shall be deemed substantially completed ("Substantial Completion" or "Substantially Complete(s)(d)") on the date that: (A) construction of the Improvements has been substantially completed in accordance with the Plans and Specifications, in all material respects, subject only to the completion of Punch List Items (as defined below), and (B) the City of Auburn Hills has issued a temporary or conditional Certificate of Occupancy or Certificate of Completion (or the governmental equivalent) allowing Tenant to occupy the Improvements. Landlord shall deliver possession of the Leased Premises to Tenant, and Tenant shall accept delivery of possession of the Leased Premises within five (5) business days of Landlord providing Tenant with written notice of the Substantial Completion of the Improvements. By occupying the Leased Premises, Tenant will be deemed to have accepted the Leased Premises and to have acknowledged that they are in the condition called for in this Lease, subject only to Punch List Items identified during the joint inspection set forth in Section 5.05 below. For purposes herein, a "Tenant Delay" means Landlord is delayed or hindered directly or indirectly in construction (including punch list items) as a result of any Tenant directed change order or other requests by, or acts or omissions of, Tenant, Tenant's failure to give any required approval, disapproval, comment or other input as required herein or as reasonably requested by Landlord, or Tenant's delayed submission of information or selection of construction materials to be installed by Landlord.

SECTION 5.02 ELECTRICAL SYSTEM. Landlord and Tenant acknowledge and agree that, for purposes of this Lease, the electrical system serving the Leased Premises shall be deemed Substantially Completed upon Landlord's installation of a 1200-amp transformer and accompanying equipment and appurtenances (collectively, the "Initial Electrical System"), which Initial Electrical System shall be operational, tested, and in good working order. Notwithstanding anything to the contrary contained herein, Tenant has requested—to which request Landlord has consented—that a 2500-amp transformer and accompanying equipment and appurtenances (collectively, the "Final Electrical System") be installed at the Leased Premises, which transformer is not available as of the date of execution of this Lease. Landlord agrees to use commercially reasonable efforts to replace, at its sole cost and expense and as soon after the Commencement Date as reasonably practicable, the Initial Electrical System with the Final Electrical System, and Tenant shall reasonably cooperate with Landlord during such installation.

SECTION 5.03 EARLY ACCESS. Landlord agrees to make access to the Leased Premises available to Tenant as soon as the same is Substantially Completed and may be legally occupied. Such early access shall be upon the following terms and conditions: (i) as of the date of early access, Tenant has submitted to Landlord a certificate of insurance evidencing the limits and descriptions of coverage required by this Lease and in a form reasonably acceptable to Landlord, (ii) Tenant and Tenant's agents, contractors, workmen, mechanics and suppliers, must not interfere with (except to a de minimis extent) Landlord's Substantial Completion of the Improvements within the Leased Premises, (iii) entry into the Leased Premises shall be deemed to be under all of the terms, covenants, conditions, and provisions of this Lease, except as to the covenant to pay Minimum Rent and additional rent thereunder, (iv) Tenant agrees that Landlord shall not be liable in any way for any injury, loss, or damage which may occur to any property of Tenant that may be placed in the Leased Premises, the same being at Tenant's sole risk and covered solely by Tenant's insurance, except resulting from Landlord's or Landlord's contractors' gross negligence or willful misconduct, and (v) such early access shall be solely for the purposes of setting up its fixtures, furniture and equipment and Tenant shall not be entitled to operate from the Leased Premises until the Commencement Date occurs. If the early access into the Leased Premises by Tenant, or its representatives or contractors, materially interferes with or delays any construction work by Landlord or its contractor(s), Landlord shall promptly furnish Tenant with written notice advising of the same, at which time (a) Tenant shall cause the party responsible for such interference or delay to leave the Leased Premises, and (b) such resulting delay in the completion of the Improvements shall be considered a Tenant Delay hereunder.

LANDLORD ONE (1) YEAR WARRANTY; MANUFACTURER SECTION 5.04 GUARANTIES AND WARRANTIES. Landlord shall provide to Tenant a warranty of the construction of the Improvements against any defect in materials or construction for one (1) year after the Commencement Date. In addition, Landlord shall guarantee the following: (a) for a period of one (1) year after the Commencement Date, all heating, ventilating, air conditioning, and plumbing systems, water heaters, radiant and/or forced air heating, condensers, and ERV's shall be in good working order; and (b) for two (2) growing seasons, all landscaping installed as part of the Improvements, if any, including all lawn areas, shrubs, evergreen, and/or deciduous trees shall be in good working condition (taking into account seasonal growth and dormancy). In addition, Landlord shall warrant the following: (i) all asphalt—which includes sub base, binder, and wearing courses—against all settling, depressions greater than 1/2", alligatoring, delaminating, and wet sub base, for five (5) years after the Commencement Date, provided that Tenant timely complies with its obligation to maintain the wear layer asphalt surface by joint-filling, as necessary, roughpatching any asphalt scaling, as needed, and seal-coating, as needed, and upon written request from Landlord Tenant shall provide reasonable evidence of Tenant's compliance, but not more than two (2) times per calendar year, except in connection with a claim regarding the foregoing warranty; (ii) the roof, including all components attached thereto (to the extent covered by the roof warranty), for fifteen (15) years after the Commencement Date; and (iii) any concrete work against all settlement greater than 1/4", cracking over more than 35% of the area for five (5) years after the Commencement Date. In no event shall Landlord be responsible to make any repairs and/or replacements covered by the foregoing warranties and guarantee if such repairs and/or replacements are occasioned by the intentional act or negligence of Tenant, its agents, employees, invitees, licensees or contractors, or Tenant's failure to comply with its maintenance and repair obligations. Upon Substantial Completion of the Improvements, if any portion of the Leased Premises for which Tenant is responsible for the repair and/or replacement under this Lease is in need of repair or replacement that is covered by a warranty or guaranty as set forth in this Section 5.04, then Landlord may either, at its sole discretion but upon prior written notice to Tenant, directly make a claim under such warranty or guaranty, or assign to Tenant such guaranty or warranty, in order for Tenant to make such claim. Irrespective of Landlord's election to make such claim directly or assign such guaranty or warranty to Tenant, Tenant shall be solely responsible for all excess costs and/or deductibles or other amounts, in connection with such repair and/or replacement.

SECTION 5.05 JOINT INSPECTION. No later than seven (7) days of Landlord providing Tenant with written notice of the Substantial Completion of the Improvements, representatives of Landlord and Tenant shall make a joint inspection of the Leased Premises, and the results of such inspection shall be reduced to a written memorandum, which memorandum shall be approved and executed on behalf of each party and then shall constitute a part of this Lease as **Exhibit "E"** attached hereto and made a part hereof, and be conclusive with respect to the condition of the Leased Premises on such date, except with respect to latent defects of which Tenant delivers notice to Landlord from time to time, but in no event later than one (1) year after delivery of the Leased Premises to Tenant. During such joint inspection, Landlord and Tenant shall identify any punch list items in the construction of the Improvements (as the term "punch list items" is customarily used in the construction industry in the area where the Leased Premises is located), whether such Improvements are newly constructed or were existing prior to execution of the Lease, which list shall include minor or insubstantial details of construction, decoration or

mechanical adjustments, or interior finishes, architectural details or similar work requested by Tenant, or other items related to weather conditions, that remain to be done within the Leased Premises (the "Punch List Items"). Following the joint inspection, Landlord shall commence and with due diligence shall proceed to complete any such Punch List Items. The Punch List Items shall be made in a good and workmanlike manner, in compliance with all laws, rules and regulations of Governmental Authorities, and with as little interference with Tenant's business operations at the Leased Premises as possible.

DELIVERABLES. Promptly SECTION 5.06 POST-CONSTRUCTION upon completion of construction of the Improvements (or such reasonable later date as when such item becomes available), Landlord shall deliver to Tenant the following documents, if applicable: (a) one (1) complete set of as-built construction drawings in their entirety; (b) one (1) complete set of operating manuals; (c) copies of all Requisite Approvals; (d) one (1) copy of the Certificate of Occupancy, including an approval letter from the fire marshal; (e) names and addresses of all contractors used during the construction of the Improvements whether such Improvements are newly constructed or were constructed prior to execution of this Lease; (f) copies of any and all construction warranties from all contractors, subcontractors, and material suppliers used during the construction of the Improvements, to the extent Tenant is responsible for the repair and replacement of such items covered by such warranties; and (g) copies of any and all testing reports completed or issued during the construction of the Improvements.

ARTICLE VI.

CONDUCT OF BUSINESS BY TENANT

SECTION 6.01 USE OF PREMISES. Tenant shall use and occupy the Leased Premises during the continuance of this Lease solely for the purposes set forth in Section 1.01(i) hereof, and for no other purpose or purposes without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business or other activity carried on in the Leased Premises, then Tenant, at Tenant's expense, shall duly procure and thereafter maintain such license or permit and submit the same for inspection by Landlord, at Landlord request. Tenant, at Tenant's expense, shall, at all times, comply with the requirements of each such license and permit. In addition, Tenant shall comply with the provisions of all recorded documents affecting the Leased Premises.

SECTION 6.02 OPERATION OF BUSINESS.

(a) Tenant shall keep and maintain the Leased Premises in a clean, sanitary and safe condition in accordance with the laws of the State of Michigan and in accordance and compliance with directions, rules and regulations of the health officer, fire marshal, building inspector, or other proper officials of the governmental agencies or quasi-governmental agencies having jurisdiction over the Leased Premises, including, without limitation, all requirements under the Americans with Disabilities Act of 1990 ("ADA"), at the sole cost and expense of Tenant, and Tenant shall comply, at the sole cost and expense of Tenant, with any and all requirements of law, ordinance

and otherwise, affecting the Leased Premises, and all documents recorded against the Leased Premises.

(b) Tenant agrees that it will conduct its business in the Leased Premises in a lawful manner and in good faith and will not do any act tending to injure the reputation of the Leased Premises, Landlord and/or its affiliates. Tenant shall not permit noise or odors in the Leased Premises which are reasonably objected to by any adjoining property owner or occupant and upon written notice from Landlord, Tenant shall immediately cease and desist from causing such noise or odor, and failing of which Landlord may deem the same a material breach of this Lease. Tenant shall not use or permit the use of any portion of the Leased Premises as sleeping apartments, lodging rooms, or for any unlawful purposes. No radio or television or other similar device shall be installed on the exterior of the Leased Premises.

SECTION 6.03 CARE OF PREMISES. Tenant shall, at its sole cost and expense: (i) keep the Leased Premises orderly, neat, safe and clean and free from rubbish and dirt at all times, (ii) store all trash and garbage within the Leased Premises and arrange for the regular pick up of such trash and garbage, (iii) keep all landscaping upon the Leased Premises irrigated and in a clean and fresh condition, (iv) arrange for snow and ice removal, and (v) maintain all parking lot lighting systems and controls. Tenant shall not burn any trash or garbage at any time in or about the Leased Premises. In the event Tenant fails to keep the Leased Premises in the condition called for above, Landlord may enter upon the Leased Premises and have all rubbish, dirt, trash and garbage removed and the sidewalks cleaned and the landscaping maintained, in which event Tenant agrees to pay all charges incurred by Landlord therefor. Said charges shall be paid to Landlord by Tenant promptly upon Tenant's receipt from Landlord of an invoice memorializing such charges, along with proof of payment of the same, and Landlord shall have the same remedies as are provided in Section 16.01 of this Lease in the event of Tenant's failure to pay said charges within ten (10) days after being billed therefor. Tenant will not place any load upon any floor of the Leased Premises exceeding the floor load per square foot area which it was designed to carry (i.e. 50 lbs., per square foot, for the office area of the Leased Premises, and 125 lbs., per square foot, for the shop and warehouse areas of the Leased Premises) and which is allowed by law. Such items shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient in Landlord's reasonable and professional judgment, to absorb and prevent vibration, noise and annoyance.

ARTICLE VII.

ALTERATIONS AND SIGNS

SECTION 7.01 ALTERATIONS BY TENANT.

(a) Tenant shall not make or cause to be made any alterations, additions or improvements to the Leased Premises, or install or cause to be installed any exterior signs, floor covering, interior or exterior lighting, plumbing fixtures, shades, canopies or awnings or make any changes to the mechanical, electrical or sprinkler systems without the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, Landlord and Tenant acknowledge and agree that, by executing this Lease, Landlord has consented—and does consent—to those alterations, additions and

improvements to the Leased Premises set forth more fully in the Plans and Specifications. All plans, specifications and working drawings for such any alterations, additions or improvements shall be approved by Landlord prior to commencement of any work. Landlord's approval of the plans, specifications and working drawings for Tenant's alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with laws, rules and regulations of governmental agencies or authorities, including, but not limited to, ADA compliance. All alterations, additions and improvements made by or at the direction of Tenant shall be constructed in a good and workmanlike manner, in compliance with all laws, rules and regulations of Governmental Authorities, using materials of good quality, and all work shall be carried out and completed in an orderly, clean and safe manner, and while the work is being performed. Tenant shall maintain builder's risk insurance coverage with Landlord as a named insured, which insurance coverage shall meet the criteria set forth in Article IX. All alterations, additions and improvements made by or at the direction Tenant shall be of substantially the same or better quality as employed throughout the Building. After completion of any alterations, additions or improvements that require the preparation of plans, Tenant shall deliver to Landlord paper copies of "as-built" plans and specifications for said alterations, additional and improvements.

(b) Any alterations, additions or improvements to the Leased Premises made by Tenant, without the prior written approval of Landlord shall be deemed to be a default under this Lease entitling Landlord, at its option, either to exercise its remedies set forth in Article XVI hereof or to remove the same at Tenant's cost and expense, and in all events, Tenant shall be responsible for repairing any damage caused by virtue of any such unauthorized alteration, addition or improvement installed by or on behalf of Tenant.

SECTION 7.02 REMOVAL BY TENANT. All alterations, decorations, additions, and improvements made by Tenant shall be deemed to have attached to the leasehold and to have become the property of Landlord upon such attachment. Upon the expiration or earlier termination of this Lease, Tenant shall not remove any of such alterations, decorations, additions, and improvements. Landlord may, however, designate by written notice to Tenant—which notice shall be provided to Tenant prior to Tenant commencing construction of such alterations or improvements—those alterations, decorations, additions, and improvements which shall be removed by Tenant at the expiration or earlier termination of this Lease, and Tenant shall promptly remove the same and repair any damage to the Leased Premises caused by such removal. Notwithstanding the foregoing, trade fixtures installed by Tenant shall be removed as provided in Section 8.02(b) hereof.

SECTION 7.03 SIGNS. Except Tenant's Signage as specifically provided for below, Tenant will not place or cause to be placed or maintained on any exterior door, wall or window of the Building any advertising matter or other thing of any kind without Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed. Tenant further agrees to maintain any sign, awning, canopy, decoration, lettering, advertising matter or other thing, as may be approved, in good condition and repair at all times. All signs installed by Tenant shall comply with all applicable governmental and quasi-governmental ordinances, rules and regulations and recorded documents affecting the Leased Premises. Landlord agrees that Tenant shall have the right to place signage inside of the Building and on the exterior of the

Building, and to construct an exterior monument sign on the Land, all as may be approved by the applicable governmental and quasi-governmental authority(ies) (collectively, "Tenant's Signage"). Tenant, at Tenant's sole cost and expenses, shall be responsible for the design, fabrication, manufacturing, permitting, installation, maintenance, repair, and removal of any such Tenant's Signage.

ARTICLE VIII.

MAINTENANCE OF LEASED PREMISES

SECTION 8.01 LANDLORD'S OBLIGATIONS FOR MAINTENANCE. Landlord shall, at its sole cost and expense, except as provided below, be responsible for the repair and/or replacement of the exterior walls, roof, floor slab, and retaining walls of the Building, to the extent necessary during the Term. In no event shall Landlord be responsible to make any such repairs and/or replacements occasioned by the intentional act or negligence of Tenant, its agents, employees, invitees, licensees or contractors, except to the extent that Landlord is reimbursed therefor under any policy of insurance permitting waiver of subrogation in advance of loss, or for Tenant's failure to properly maintain any of the foregoing, including, without limitation, annual inspections and standard routine maintenance. In the event that the Building requires maintenance or repairs for which Landlord is responsible hereunder, Tenant shall give immediate notice thereof to Landlord and Landlord shall perform or cause to be performed any such maintenance and repairs as promptly as possible after receipt of such notice by Landlord.

SECTION 8.02 TENANT'S OBLIGATIONS FOR MAINTENANCE.

Except as provided in Section 8.01 hereof, Tenant shall, at its sole cost and expense, and through its sole efforts, keep, maintain, repair and replace, the Leased Premises and the Building both inside and out (including replacements or repairs of any portion of the Leased Premises or the Building) and every part thereof, and any and all appurtenances thereto wherever located, in good order and condition, including, without limitation, all walls, doors, door frames, door checks, windows, window frames, plate glass, all plumbing and sewage facilities servicing the Leased Premises, including free flow up to the main sewer line, fixtures, electrical systems, sprinkler system, mechanical systems, elevators, walls, floors, and ceilings, parking and drive areas, sidewalks, landscaping, snow removal, the HVAC system of the Building and all other fixtures, machinery and equipment now or hereafter belonging to or connected with said Leased Premises. Additionally, Tenant shall be responsible, at its sole cost and expense, for the routine maintenance of the Leased Premises, including, the exterior walls, roof, floor slab, and retaining walls of the Building, which routine maintenance shall include, without limitation (as applicable), annual inspections of the same, routine washing, painting and sealing of the same, and ensuring proper snow and ice removal, drainage, flashing and ventilation. The plumbing and sewage facilities serving the Leased Premises shall not be used for any purpose other than that for which they are constructed, nor shall Tenant introduce any matter therein which results in blocking the said facilities. Tenant hereby agrees to be responsible for any expenses incurred in connection with any breakage, stoppage or damage resulting from a violation of this provision by Tenant, its agents, employees, invitees, licensees, or contractors. All such repairs and replacements shall be performed in a good and workmanlike manner sufficient for the proper maintenance and operation of the Leased Premises. Notwithstanding the foregoing, in no event shall Tenant be responsible to make any repairs, replacements, or maintenance occasioned by the intentional act or gross negligence of Landlord, its agents, employees, invitees, licensees or contractors, except to the extent that Tenant is reimbursed therefor under any policy of insurance permitting waiver of subrogation in advance of loss. If Tenant, at Tenant's sole discretion, elects to have Landlord contract for the completion of any maintenance item or repair Tenant shall reimburse Landlord for all cost and expenses incurred plus an administrative fee of ten percent (10%). Tenant shall not obstruct or permit the obstruction of the street or sidewalk and shall keep the sidewalk and curb adjoining the Leased Premises clean and free of snow and ice and other hazards.

- (b) At the time of the expiration or sooner termination of the tenancy created herein, Tenant shall: (i) surrender the Leased Premises, including all systems covering the same, in equivalent condition to that in which it was delivered to Tenant, reasonable wear and tear, loss by fire or other unavoidable casualty, and any alterations or improvements which Landlord has provided Tenant written notice stating its election for the same to remain on the Leased Premises excepted; and (ii) at Tenant's sole cost and expense and in a careful manner and as designated by Landlord, remove all of its trade fixtures, furniture and equipment affixed to or located within the Leased Premises and repair any damage caused to the Leased Premises by such removal. Tenant shall contract for, in its own name, and shall pay for a qualified service contractor to inspect, adjust, clean and repair the heating, ventilating and air conditioning equipment which services the Building, including changing filters on a quarterly basis. Upon reasonable written request from Landlord, Tenant shall deliver to Landlord a copy of Tenant's current service contract from time to time during the Term of this Lease. The service contract must include all services suggested by the equipment manufacturer within the operation/maintenance manual and must become effective (and a copy thereof delivered to Landlord) within thirty (30) days of the date Tenant takes possession of the Leased Premises. Tenant shall from time to time, upon Landlord's reasonable written request, furnish proof that all such systems and equipment are being serviced in accordance with the maintenance/service contract. Within the thirty (30) day period preceding move out by Tenant, Tenant shall have the systems and equipment checked and serviced to ensure proper functioning and shall furnish Landlord satisfactory proof thereof upon reasonable written request.
- (c) Tenant shall keep the Leased Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by or for Tenant, and agrees to bond against or discharge any mechanic's or materialmen's lien within ten (10) days after written request therefor by Landlord. Tenant shall reimburse Landlord for any and all costs and expenses which may be incurred by Landlord by reason of the filing of any such liens and/or the removal of same, such reimbursement to be made within ten (10) days after receipt by Tenant from Landlord of a statement setting forth the amount of such costs and expenses. The failure of Tenant to pay any such amount to Landlord within said ten (10) day period shall carry with it the same consequences as failure to pay any installment of rent.
- (d) Tenant, at its own expense, shall install and maintain fire extinguishers and other fire protection devices as may be required from time to time by any agency having jurisdiction thereof and the insurance underwriters insuring the Building, or as otherwise desired by Tenant. Tenant further agrees to comply with any and all requirements of the insurance underwriters insuring the Leased Premises.

(e) Tenant, its agents, employees, licensees or contractors shall not enter upon the Building roof without the Landlord's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. Any damage caused to the roof arising out of the entry by or on behalf of Tenant shall be the responsibility of Tenant, entitling Landlord to make such necessary roof repairs resulting therefrom and charge the cost thereof to Tenant.

ARTICLE IX.

INSURANCE AND INDEMNITY

SECTION 9.01 TENANT'S INSURANCE. During the Term of this Lease, Tenant shall keep in force and effect the following:

- (a) Broad form commercial general liability insurance policy, protecting against claims for bodily injury, personal injury and property damage with respect to the Leased Premises and the business operated by Tenant and any other persons and entities conducting business in the Leased Premises, including steam boiler insurance if applicable, in which the limits for bodily injury (including personal injury and contractual liability) shall be not less than Five Million Dollars (\$5,000,000) per occurrence and Ten Million Dollars (\$10,000,000.00) annual aggregate, and in which the limit of property damage liability shall be not less than Five Hundred Thousand Dollars (\$500,000). The limits required herein may be accomplished through a combination of primary and excess policies;
- (b) property insurance including fire and lightning, extended coverage, sprinkler damage, theft, vandalism and malicious mischief, and flood insurance, in an amount equal to not less than one hundred percent (100%) of the full replacement cost of Tenant's trade fixtures, furnishings, operating equipment, inventory and personal property;
 - (c) comprehensive automobile insurance, if applicable;
 - (d) workers' compensation coverage as required by law; and
 - (e) employer's liability insurance.

The limits of such coverage may be increased from time to time as may be required by Landlord's mortgagee but upon prior written notice to Tenant. All policies shall: (i) name Landlord, Landlord's lender and any other parties in interest designated by Landlord, as additional insured(s), (ii) contain a clause that the insurer will not cancel or change the insurance without first giving Landlord (and any other additional insured) thirty (30) days' prior written notice except in the case of nonpayment which shall be ten (10) days' prior written notice, (iii) be written as primary policy coverage and not contributing with or in excess of any coverage which Landlord may carry, and (iv) provide coverage to Landlord (and any other additional insured) whether or not the event or occurrence giving rise to the claim is alleged to have been caused in whole or in part by the acts or negligence of Landlord (or the additional insured). All insurance required to be carried by Tenant pursuant to this Article IX shall be written by responsible insurance companies, licensed to do business in the State of Michigan, with an A.M. Best rating of at least A-X. In the event any

policy or policies of insurance which Tenant is required to maintain shall be written on a "claims made" insurance form, each policy shall have a "retroactive date" which is not later than the Commencement Date. Furthermore, should insurance coverage be written on a claims made basis, Tenant's obligation to provide insurance shall be extended for an additional period equal to the statute of limitations for such claims in the State of Michigan on the end of the Initial Term. Any such insurance may be furnished by Tenant under any blanket policy carried by it or under a separate policy therefor, provided such blanket insurance complies with all of the other requirements of this Lease with respect to the insurance involved. Upon prior written request from Landlord, a copy of each Certificate of Insurance (i.e. Accord 25 and 28, as applicable) evidencing such insurance shall be delivered to Landlord prior to the Commencement Date and upon renewals not less than thirty (30) days prior to the expiration of such coverage. Any policies required pursuant to subpart (b) above shall be written on a so-called "all risk" form and shall be carried in sufficient amount so as to avoid the imposition of any co-insurance penalty in the event of a loss.

(f) If Tenant fails to provide any of the insurance or subsequently fails to maintain the insurance in accordance with the requirements of this Lease, Landlord may, but is not required to, procure or renew such insurance to protect its own interests only, and any amounts paid by Landlord for such insurance will be rental due and payable on or before the next day minimum rent is due hereunder. Landlord and Tenant agree that any insurance acquired by Landlord shall not cover any interest or liability of Tenant.

SECTION 9.02 PROPERTY INSURANCE.

- (a) During the Term of this Lease, Landlord shall carry insurance for fire and special extended coverage (as determined by Landlord) insuring the Leased Premises and all appurtenances thereto (except Tenant's trade fixtures, furnishings, operating equipment, inventory and personal property) in an amount equal to not less than one hundred percent (100%) of the full replacement cost thereof and commercial general liability (with commercially reasonable deductibles), such insurance coverage shall include the improvements provided by Landlord as part of Landlord's Work, and may include rental insurance.
- (b) Commencing on the Commencement Date, the cost of the premiums for all such insurance, and the expenses incurred by Landlord relative to insurance appraisals (and specifically excluding any appraisal expense unrelated to insurance), adjusters and reasonable insurance consultants' and attorneys' fees in connection therewith, shall be paid by Tenant, as additional rent, to Landlord within thirty (30) days after receipt by Tenant of a statement (or, statements) therefor. Such charges may include the cost of premiums covering more than a single year.
- (c) Tenant will not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Leased Premises which will contravene Landlord's policies insuring against loss or damage by fire or other hazards (including, without limitation, public liability) or which will prevent Landlord from procuring such policies in companies acceptable to Landlord. If anything done, omitted to be done or suffered to be done by Tenant, or kept or suffered by Tenant to be kept, in, upon or about the Leased Premises, shall cause the rate of fire or other insurance on the Leased Premises, in companies acceptable to Landlord, to be increased beyond the minimum rate from

time to time applicable to the Leased Premises for the use permitted under this Lease or to any other property for the use or uses made thereof, Tenant will pay the amount of any increases.

TENANT COVENANT TO HOLD HARMLESS. SECTION 9.03 indemnify Landlord and each of the partners and/or members of Landlord and their respective partners, directors, officers, employees, agents, attorneys, successors and assigns, defend (with counsel reasonably acceptable to Landlord) and save it and them harmless from and against any and all claims, actions, damages, liabilities and expenses in connection with all losses, including loss of life, personal injury and/or damage to property arising from or out of (a) any occurrence in, upon or at the Leased Premises (except for any such occurrence caused by the intentional act or gross negligence of Landlord, its agents, employees, invitees, licensees or contractors), (b) the occupancy or use by Tenant of the Leased Premises or any part thereof, (c) Tenant's failure to comply with any provision of this Lease, and (d) any negligent or intentional acts or omissions of Tenant, its agents, contractors, suppliers, employees, servants, customers or licensees, and any person or entity conducting business in the Leased Premises on behalf of Tenant, or of any subtenants or other occupants of the Leased Premises allowed by Tenant; provided that in no event shall Tenant be liable to Landlord for consequential, punitive, or treble damages. All property kept, stored, or maintained in the Leased Premises shall be so kept, stored, or maintained at the risk of Tenant only.

SECTION 9.04 LANDLORD COVENANT TO HOLD HARMLESS. Landlord will indemnify Tenant and each of the partners and/or members of Tenant and their respective partners, directors, officers, employees, agents, attorneys, successors and assigns, defend (with counsel reasonably acceptable to Tenant) and save it and them harmless from and against any and all claims, actions, damages, liabilities and expenses in connection with all losses, including loss of life, personal injury and/or damage to property arising from or out of (a) Landlord's failure to comply with any provision of this Lease, and (b) any grossly negligent or intentional acts or omissions of Landlord, its agents, contractors, suppliers, employees, servants, customers or licensees, and any person or entity conducting business in the Leased Premises on behalf of Landlord; provided that in no event shall Landlord be liable for consequential damages, such as lost profits or interruption of business, or punitive or treble damages.

ARTICLE X.

UTILITY CHARGES

SECTION 10.01 UTILITY CHARGES.

- (a) Tenant shall be solely responsible for and promptly pay all charges for water, gas, heat, electricity, sewer, and any other utilities used upon or furnished to the Leased Premises during the Term hereof. Tenant shall contract directly with and shall be solely responsible to the public utility companies for the installation of service and the payment of all charges for Tenant's usage of such utility services.
- (b) Landlord shall not be liable to Tenant for any loss, damage, or expense which Tenant may sustain if the quality or character of utilities used upon or furnished to the Leased

Premises are no longer available or suitable for Tenant's requirements, or if said utilities are interrupted as a result of actions by the public utility companies or any cause whatsoever. Notwithstanding the foregoing, in the event any such loss, damage or expense sustained by Tenant is caused, in whole or in part, by the intentional act or gross negligence of Landlord, its agents, employees, invitees, licensees or contractors, then Landlord shall be liable for such loss, damage or expense; provided that in no event shall Landlord be liable for consequential damages, such as lost profits or interruption of business, or punitive or treble damages.

ARTICLE XI.

OFF-SET STATEMENT, ATTORNMENT AND SUBORDINATION; LANDLORD'S MORTGAGEE'S APPROVAL OF THIS LEASE

SECTION 11.01 OFF-SET STATEMENTS. During the term of this Lease, one party ("Requesting Party") may make a request upon the other party ("Certifying Party") for the prompt completion, execution, acknowledgment and delivery of a statement, in writing, certifying (a) that this Lease is in full force and effect, (b) the date of commencement of the Term of this Lease, (c) whether rent is paid currently without any off-set or defense thereto, (d) the amount of rent, if any, paid in advance, (e) that there are no uncured defaults or stating those claimed by either party, and (f) such other information as the Requesting Party may reasonably request; provided that, in fact, such facts are accurate and ascertainable. Notwithstanding anything to the contrary contained herein, without relieving the parties of their obligations under this Section 11.01, a Certifying Party's failure to execute, acknowledge, and deliver this certified statement to the Requesting Party within fifteen (15) days after written request therefor shall constitute an acknowledge and agree that such statement may be relied upon by any third party concerning any transaction related to the Leased Premises or any part thereof.

SECTION 11.02 ATTORNMENT. Tenant shall, in the event any proceedings are brought for the foreclosure of or in the event of exercise of the power of sale under any mortgage made by Landlord covering the Leased Premises, attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease.

SECTION 11.03 SUBORDINATION. Tenant agrees that this Lease shall, at the request of Landlord, be subordinate to any first mortgages or deeds of trust that may hereafter be placed upon the Leased Premises and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof, provided the mortgagee or trustee named in said mortgages or trust deeds shall agree to recognize the Lease of Tenant in the event of foreclosure if Tenant is not in default. For the sake of added clarity, this Lease shall not be terminated or otherwise affected by the enforcement of rights given to the mortgagee or trustee named in said mortgages or trust deeds. Tenant also agrees that any mortgagee or trustee may elect to have this Lease a prior lien to its mortgage or deed of trust, and in the event of such election and upon notification by such mortgagee or trustee to Tenant to that effect, this Lease shall be deemed prior in lien to said mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said mortgage or deed of trust. Tenant agrees, that upon the request of Landlord, any mortgagee, or any trustee, it shall execute any commercially reasonable instruments

that may be required to carry out the intent of this Section 11.03. Within thirty (30) days of the date of this Lease, Landlord agrees to use commercially reasonable efforts to obtain a subordination, non-disturbance, and attornment agreement from the current mortgagee of the Leased Premises, in a form commercially reasonable to Tenant, such mortgagee and Landlord.

ARTICLE XII.

ASSIGNMENT AND SUBLETTING

SECTION 12.01 ASSIGNMENT AND SUBLETTING. Notwithstanding any reference herein to concessionaires or subtenants or otherwise, Tenant agrees not to assign or in any manner transfer this Lease or any estate or interest therein, directly or indirectly, and not to lease or sublet the Leased Premises or any part or parts thereof or any right or privilege appurtenant thereto, and not to allow anyone to conduct business at, upon or from the Leased Premises (whether as concessionaire, franchisee, licensee, permittee, subtenant, department operator or otherwise), either by voluntary or involuntary act of Tenant or by operation of law or otherwise (any of the above, a "Transfer"), without obtaining Landlord's prior written consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned. In the event of a Transfer, including a Permitted Transfer (as hereafter defined), Tenant shall remain fully responsible and liable for the payment of rent and performance of all of Tenant's other covenants and obligations under this Lease, unless Landlord agrees in writing to release Tenant. Any Transfer of this Lease without Landlord's consent shall be void and shall constitute a default by Tenant under this Lease without any notice and cure rights applicable thereto and shall not release Tenant from any of its obligations or liabilities under this Lease. Landlord's acceptance of rent from a subtenant or assignee of Tenant shall not constitute consent to such Transfer. When Tenant requests Landlord's consent to a Transfer, Tenant shall submit to Landlord in writing the following: (a) the name and address of the proposed transferee; (b) a description of the proposed transferee's business; (c) subject to the full execution of a mutually agreeable nondisclosure agreement, current and, to the extent available, prior annual financial statements for the proposed transferee for the preceding two (2) years prior to the proposed Transfer, prepared in accordance with generally accepted accounting principles; and (d) a copy of the proposed sublease or assignment document(s), and any other information reasonably requested by Landlord concerning the proposed Transfer. Each assignee of Tenant shall be required to assume the obligations of Tenant under this Lease in writing, and the form of assignment agreement and sublease shall be subject to the reasonable approval of Landlord, Tenant, and the proposed assignee. Each assignee or subtenant shall be deemed to have assumed and agreed to comply with each term and provision of this Lease. In each instance, Tenant agrees to pay Landlord's reasonable legal fees in connection with a proposed Transfer, not to exceed Two Thousand and No/100 Dollars (\$2,000.00). Tenant hereby acknowledges and agrees that the acceptance of such fees by Landlord shall not constitute consent to the proposed Transfer. The term "assign," as used herein, shall include (1) any merger, consolidation, voluntary and involuntary transfer by operation of law or otherwise, and (2) except in the case of a public offering of securities registered with the Securities and Exchange Commission, the transfer, issuance or dilution of greater than fifty percent (50%) of the ownership or beneficial interests of Tenant, whether in a single transaction or a series of transactions such that the ultimate owners or holders (whether indirect or direct) of such interests as of the date of this Lease cease to own more than fifty percent (50%) of the beneficial interest in Tenant. Notwithstanding the foregoing, provided that (a) the restrictions on use in Section 12.01 hereof are complied with, (b) Tenant is not then in default under this Lease beyond any applicable notice and cure period, and (c) Tenant provides Landlord with prior written notice of such Transfer, Tenant shall be permitted, without Landlord's consent, to Transfer to an entity that controls or is controlled by, or is under common control with Tenant (a "Permitted Transfer"). For this purpose, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the entity, whether through the ownership of voting securities, partnership interests, membership interests, venture interests or other organizational interests.

ARTICLE XIII.

WASTE AND HAZARDOUS MATERIALS

SECTION 13.01 WASTE OR NUISANCE. Tenant shall not commit or suffer to be committed any waste upon the Leased Premises or any nuisance. Tenant shall not use or permit to be used any medium that might constitute a nuisance, such as loud speakers, sound amplifiers, phonographs, radios, televisions, or any other sound producing device which will carry sound outside the Building.

SECTION 13.02 HAZARDOUS MATERIALS.

- (a) As used herein the term "Environmental Law" shall be defined as any statutory law, regulation, ordinances or case law, now existing or hereafter enacted, pertaining to health, the environment, oil, petroleum products, underground storage tanks and/or Hazardous Materials (as herein defined), including, without limitation: (i) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") as codified at 42 U.S.C. Sections 9601 et seq., as amended; (ii) the Hazardous Materials Transportation Act, 49 U.S.C. 1801, et seq.; (iii) the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, et seq.; and (iv) the Michigan Environmental Response Act.
- (b) As used herein, the terms "Hazardous Material" and "release" shall have the meanings specified for those terms in CERCLA; provided however, that in the event CERCLA is amended to broaden the meaning of any term defined thereby, such broadened meaning shall apply subsequent to the effective date of such amendment; and provided further, that to the extent that the laws of the State of Michigan establish a meaning for "Hazardous Material" or "release" that is broader than that specified in CERCLA, such broader meaning shall apply; and provided further, that "Hazardous Material" shall also be defined to include oil, petroleum products, extremely flammable substances, explosives, radioactive materials, mold, asbestos and asbestos containing materials and "release" shall also be defined to include any disturbance or release of asbestos that would call for abatement or removal procedures under any Environmental Law.
- (c) Landlord represents and warrants to Tenant that, to the actual knowledge of Landlord, Landlord is not aware of any Hazardous Materials in, on, beneath, or arising from the Leased Premises which would require investigation or response action under any applicable law. Notwithstanding anything to the contrary contained herein, Tenant shall not be responsible for any Hazardous Materials existing on the Leased Premises as of the date possession of the Leased

Premises is delivered to Tenant or any Hazardous Materials migrating from areas outside the Leased Premises or which Tenant proves were caused by other tenants or occupants of the business park.

- Tenant shall not suffer, allow, permit, or cause: (i) the accumulation of tires, spent batteries, debris, or other solid waste on the Leased Premises, except rubbish placed in designated containers scheduled for normal, scheduled disposal in compliance with all applicable laws; or (ii) the generation, accumulation, storage, possession, release, or threat of release of any Hazardous Materials; provided, however, the foregoing prohibition shall not be applicable to: (1) Hazardous Materials that are present on the Leased Premises prior to the date Tenant first took possession of the Leased Premises, except to the extent that Landlord proves that Tenant exacerbated any such condition; (2) customary and reasonable amounts of ordinary cleaning and pest control supplies necessary for normal maintenance of the Leased Premises so long as such materials are properly, safely, and lawfully stored and used by Tenant and the quantity of same does not exceed a "reportable quantity" as defined under 40 C.F.R. 302, as amended; (3) products and materials (including, without limitation, cleaners, solvents and chemicals) used in Tenant's day-to-day operation of its business, so long as such products and materials are properly, safely, and lawfully stored and used by Tenant and the quantity of same does not exceed a "reportable quantity" as defined under 40 C.F.R. 302, as amended and used in compliance with Environmental Law; or (4) de minimis amounts of leaked or spilled petroleum products from the normal operation of motor vehicles.
- (e) Tenant shall notify Landlord immediately upon learning: (i) that any duty described in this Section 13.02 has been violated; (ii) that there has been a release, discharge, or disposal of any Hazardous Material on a part of the Leased Premises; or (iii) that the Leased Premises or improvements thereto are subject to any third-party claim or action, or threat thereof, because of any environmental condition at, in or originating from the Leased Premises or arising in connection with the operation of the Leased Premises. Tenant shall promptly provide Landlord with copies of all correspondence to or from third parties regarding such claims or actions or regarding environmental conditions at, in or originating from the Leased Premises.
- Premises occurring after the date Tenant first took possession, Tenant shall promptly (i) conduct all reasonable investigation into the presence, extent, distribution, nature, circumstances and conditions of any Hazardous Materials; (ii) cause the complete remediation of such release from the Leased Premises of any Hazardous Materials; (iii) restore the Leased Premises to the condition that existed prior to the release, ordinary wear and tear excepted; and (iv) fully remedy any conditions arising from or related to, whether directly or indirectly and whether in whole or in part, such Hazardous Materials or Tenant's violation of this Section 13.02 (collectively, "Tenant's Remediation Obligations"). Notwithstanding the foregoing, Tenant's Remediation Obligations shall not apply to any Hazardous Materials (A) migrating from areas outside the Leased Premises or which Tenant proves were caused by other tenants or occupants of the business park, (B) to the extent they were present on the Leased Premises prior to the date Tenant first took possession of the Leased Premise, except to the extent that Landlord proves that Tenant exacerbated any such condition, or (C) to the extent they were released by Landlord, its agents, employees, invitees, licensees or contractors.

- Tenant hereby agrees to pay any judgments, fines, charges, fees, damages, losses, (g) penalties, demands, actions, costs and expenses (including without limitation reasonable legal fees and expenses), remedial and response costs, remediation plan preparation costs, and any continuing monitoring or closure costs arising from or pertaining to the application of any Environmental Law to the Leased Premises due to a breach of Tenant's obligations pursuant to this Section 13.02. Further, Tenant hereby covenants and agrees to indemnify and forever hold harmless Landlord, together with its partners (including any officers, directors, stockholders, employees, partners, servants, and agents of Landlord's partners), officers, directors, members, stockholders, employees, servants, and agents (collectively, the "Landlord Indemnified Parties") of and from any and all liabilities (including strict liability), judgments, fines, charges, fees, damages, losses, penalties, demands, actions, costs and expenses (including, without limitation, legal fees and expenses), remedial and response costs, remediation plan preparation costs, and any continuing monitoring or closure costs incurred or suffered by the Landlord Indemnified Parties, or asserted by any third party against the Landlord Indemnified Parties, due to the breach of Tenant's obligations set forth in this Section 13.02. Notwithstanding the foregoing, in no event shall Tenant be liable to any Landlord Indemnified Parties for consequential, punitive, or treble damages. This indemnification shall survive the expiration or earlier termination of this Lease.
- Landlord hereby agrees to pay any judgments, fines, charges, fees, damages, losses, penalties, demands, actions, costs and expenses (including without limitation reasonable legal fees and expenses), remedial and response costs, remediation plan preparation costs, and any continuing monitoring or closure costs arising from or pertaining to the application of any Environmental Law to the Leased Premises, to the extent due to: (a) the presence in, on, beneath or arising from the Leased Premises prior to the date Tenant first took possession of the Leased Premises, except to the extent that Landlord proves that Tenant exacerbated any such condition; or (b) the release at or from the Leased Premises of any Hazardous Materials in violation of any Environmental Law by Landlord, its agents, employees, invitees, licensees or contractors. Further, Landlord hereby covenants and agrees to indemnify and forever hold harmless Tenant, together with its partners (including any officers, directors, stockholders, employees, partners, servants, and agents of Landlord's partners), officers, directors, members, stockholders, employees, servants, and agents (collectively, the "Tenant Indemnified Parties") of and from any and all liabilities (including strict liability), judgments, fines, charges, fees, damages, losses, penalties, demands, actions, costs and expenses (including, without limitation, legal fees and expenses), remedial and response costs, remediation plan preparation costs, and any continuing monitoring or closure costs incurred or suffered by the Tenant Indemnified Parties, or asserted by any third party against the Tenant Indemnified Parties, to the extent due to: (a) the presence in, on, beneath or arising from the Leased Premises prior to the date Tenant first took possession of the Leased Premises, except to the extent that Landlord proves that Tenant exacerbated any such condition; or (b) the release at or from the Leased Premises of any Hazardous Materials in violation of any Environmental Law by Landlord, its agents, employees, invitees, licensees or contractors. Notwithstanding the foregoing, in no event shall Landlord be liable to any Tenant Indemnified Parties for consequential damages, such as lost profits or interruption of business, or punitive or treble damages. This indemnification shall survive the expiration or earlier termination of this Lease.
- (i) Tenant may, in its discretion, at its expense, and prior to the Commencement Date, retain one or more environmental consultants of its choosing (but subject to Landlord's reasonable

approval of such consultant) to inspect the Leased Premises, including any surface waters, wells, and groundwater on or under the Leased Premises, for the purpose of conducting a "Phase I" and, if reasonably recommended by such consultant, a "Phase II" environmental audit of the Leased Premises; provided that any invasive testing shall be subject to Landlord's prior reasonable approval, including, without limitation, as to location and method of sampling. Upon Landlord's reasonable written request, Tenant shall provide copies of the reports to Landlord; provided, however, that such reports shall be provided to Landlord for reference and background purposes only and Landlord shall have no right to rely upon any information set forth in such reports absent a reliance letter from Tenant's consultant, which shall be provided at Landlord's sole cost and expense. In no event shall Tenant be entitled to terminate this Lease as a result of such testing.

(j) Tenant shall, within thirty (30) days prior to the expiration or earlier termination of this Lease, at its expense, cause an environmental audit of the Leased Premises to be conducted by a licensed environmental consultant of its choosing (but subject to Landlord's reasonable approval of such consultant). Tenant shall submit a copy of said environmental audit report promptly to Landlord after its receipt; provided, however, that such report shall be provided to Landlord for reference and background purposes only and Landlord shall have no right to rely upon any information set forth in such report absent a reliance letter from Tenant's consultant, which shall be provided at Landlord's sole cost and expense. In the event that said environmental audit report shows any breach of Tenant's obligations under this Article XIII, Tenant shall, at its expense, be obligated to fulfill its responsibilities regarding hazardous substances as hereinabove required under this Article XIII.

ARTICLE XIV.

DESTRUCTION OF LEASED PREMISES

SECTION 14.01 RECONSTRUCTION OF DAMAGED PREMISES.

- (a) In the event the Building shall be partially or totally destroyed by fire or other casualty insured under the insurance carried by Landlord so as to become partially or totally untenantable, then the damage to the Building shall be promptly repaired at Landlord's sole cost and expense (unless Landlord shall elect not to repair the Building as hereinafter provided), and rent and other charges shall be abated in proportion to the floor area of the Building rendered untenantable. Payment of full rent so abated shall commence, and Tenant shall be obligated to reopen for business, on the date that Landlord substantially completes all necessary repairs to the Building and the Building is tenantable, on which date there shall be no further abatement of rent. In no event shall Landlord be required to repair or replace Tenant's, trade fixtures, furnishings, equipment, plate glass, signs and/or personal property.
- (b) If (i) during the tenth (10th) year of this Lease more than thirty percent (30%) of the floor area of the Building shall be damaged or destroyed by fire or other casualty, or (ii) during any time of the Term of this Lease the Building shall be totally destroyed by fire or other casualty and the Building may not be rebuilt within two hundred seventy (270) days thereafter, then either Landlord or Tenant, at its sole option, may terminate this Lease by giving written notice to the other of its election so to terminate, such notice to be given within ninety (90) days after the

occurrence of such damage or destruction. If all or any part of the Building is damaged or destroyed at any time by the occurrence of any risk not insured under the insurance carried by Landlord, then Landlord shall grant Tenant the option to repair the damages at its sole cost and expense, which option Tenant must exercise, in its sole discretion, within thirty (30) days of the date of receipt of Landlord's request and such repairs must be substantially consistent with the requirements of this Lease with respect to the initial delivery of the Building, and in the event that Tenant does not elect to exercise its option to repair, then Landlord may terminate this Lease by giving written notice to Tenant.

SECTION 14.02 WAIVER OF SUBROGATION. Landlord and Tenant shall each be released from any liability resulting from damage by fire or casualty (irrespective of the cause of such fire or casualty), upon the express proviso that if at any time their respective insurers shall refuse to permit waivers of subrogation, Landlord or Tenant may in each instance revoke said waiver of subrogation effective thirty (30) days from the date of notice to the other unless, within such thirty (30) day period, the other is able to secure and furnish, without additional expense, insurance in other companies with such waiver of subrogation, or if such waiver can only be obtained at additional expense, if the other agrees to pay such additional expense.

ARTICLE XV.

EMINENT DOMAIN

SECTION 15.01 TOTAL CONDEMNATION OF LEASED PREMISES. If the whole of the Leased Premises shall be taken by any public authority under the power of eminent domain, or by deed in lieu thereof, then the Term of this Lease shall cease as of the day possession shall be taken by such public authority and the rent shall be paid up to that day with a proportionate refund by Landlord of such rent as may have been paid in advance for a period subsequent to the date of the taking.

SECTION 15.02 PARTIAL CONDEMNATION.

(a) If less than the whole but more than thirty percent (30%) of the Building or more than twelve and one-half percent (12.5%) of the paved parking area of the Leased Premises shall be taken under eminent domain, Tenant shall have the right either to terminate this Lease and declare same null and void, or continue in the possession of the remainder of the Leased Premises, and shall notify Landlord in writing within ten (10) days after such taking of Tenant's intention. In the event Tenant elects to remain in possession, all of the terms herein provided shall continue in effect, except that rent shall be reduced in proportion to the amount of the Building, if any, taken and Landlord shall, at its own cost and expense, make all the necessary repairs or alterations to the Building so as to constitute the remaining Leased Premises a complete architectural unit.

If thirty percent (30%) or less of the Building or twelve and one-half percent (12.5%) or less of the paved parking area of the Leased Premises shall be so taken, the Term shall cease only on the part of the Leased Premises so taken as of the day possession shall be taken by such public authority and Tenant shall pay rent up to that day, and, to the extent such taking involves any portion of the Building, with an appropriate refund by Landlord of such rent as may have been

paid in advance for a period subsequent to the date of the taking, and thereafter rent shall be reduced in proportion to the amount of the Building, if any, taken. Landlord shall, at its expense, make all necessary repairs or alterations to the Building so as to constitute the remaining Leased Premises a complete architectural unit.

(b) If more than thirty (30%) of the Building or more than thirty percent (30%) of the Leased Premises shall be taken under power of eminent domain, Landlord may, by written notice to Tenant delivered on or before the date of surrendering possession to the public authority, terminate this Lease.

SECTION 15.03 LANDLORD'S AND TENANT'S DAMAGES. All damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Leased Premises, shall belong to and be the property of Landlord whether such damages shall be awarded as compensation for diminution in value to the leasehold or to the fee of the Leased Premises; provided, however, that Landlord shall not be entitled to the award made for depreciation to, and cost of removal of Tenant's fixtures and/or any other award to which Tenant shall be entitled that would be made directly to Tenant, but specifically excluding any award to be made for the leasehold interest in the Leased Premises, which award shall belong exclusively to Landlord. In the event that any award is rendered specifically to compensate Tenant for Tenant's lost business and good will and/or any relocation expenses, such an award shall belong to Tenant.

ARTICLE XVI.

DEFAULT OF THE TENANT

SECTION 16.01 EVENTS OF DEFAULT. The occurrence of any of the following shall constitute a "default" by Tenant hereunder:

- (a) Tenant fails to pay when due any installment or other payment of Rent or any other amount owing to Landlord or otherwise required to be paid by Tenant hereunder, and such failure continues for five (5) business days after the date of Tenant's receipt of notice thereof given by or on behalf of Landlord; provided, however, that notice relating to Tenant's failure to pay minimum monthly rent shall only be required two (2) times per any twelve month period during the Term of the Lease and, thereafter, no notice shall be required in connection therewith prior to the same constituting a default; or
- (b) Tenant fails to keep in effect any insurance required to be maintained hereunder, and such failure continues for ten (10) days after the date of Tenant's receipt of notice thereof given by or on behalf of Landlord; or
- (c) Tenant fails to cause to be released any mechanic's liens filed against the Leased Premises and such failure continues for ten (10) days after the date of Tenant's receipt of notice thereof given by or on behalf of Landlord; or
- (d) Tenant fails to perform or observe any of the other covenants, conditions or agreements contained herein on Tenant's part to be kept or performed or breaches a representation

made hereunder, and such failure shall continue for thirty (30) days after the date of Tenant's receipt of notice thereof is given by or on behalf of Landlord, or if such default is curable but cure cannot reasonably be effected within such thirty (30) day period, such default shall not be a default hereunder so long as Tenant promptly commences cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion; or

(e) if Tenant or another person shall file a petition for relief for Tenant under the bankruptcy laws, or shall make an assignment for the benefit of creditors for Tenant, or if a receiver of any property of the Tenant be appointed in any action, suit or proceeding by or against Tenant, or if Tenant shall admit to any creditor or to Landlord that it is insolvent, or if the interest of Tenant in the Leased Premises shall be sold under execution or other legal process.

All notices required to be given under this paragraph shall be in lieu of, and not in addition to any notice requirements imposed by law, statute, ordinance, governmental regulation or requirement of the United States, the State of Michigan or any local government authority or agency or any political subdivision thereof, now or hereafter in effect.

SECTION 16.02 LANDLORD REMEDIES. The remedies provided Landlord under this Lease shall be cumulative. Upon the occurrence of any default by Tenant, and in addition to any and all other rights provided a landlord under law or equity for breach of a lease or tenancy by a tenant, Landlord shall have the right to pursue one or more of the following remedies:

- (a) Landlord shall have the right to declare this Lease terminated and the Term ended and/or shall have the immediate right of re-entry and may remove all persons and property from the Leased Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Tenant, without evidence of notice or resort to legal process and without being deemed guilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby.
- Should Landlord elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time, without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Leased Premises, and relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such reletting all rentals and other sums received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including reasonable brokerage fees and attorneys' fees and of costs of such alterations and repairs; third, to the payment of rent and other charges due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. If such rentals and other sums received from such reletting during any month be less than that to be paid during that month by Tenant hereunder, Tenant shall pay such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of said premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention shall be

given to Tenant or unless the termination thereof shall be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Landlord shall use commercial reasonable efforts to mitigate its damages by making commercially reasonable efforts to relet the Leased Premises on commercially reasonable terms.

- (c) Should Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur by reason of such default, including the cost of recovering the Leased Premises, and reasonable attorneys' fees, all of which amounts shall be immediately due and payable from Tenant to Landlord. All Rent due on or before the default, and all Rent adjusted as set forth in Section 16.02(b), shall bear interest from the date of default until paid in full in accordance with Section 22.12 below. Additionally, if Landlord has incurred any costs or expenditures to fit the Leased Premises to the needs of Tenant, Tenant agrees to reimburse Landlord such costs and expenditures, including for purposes of illustration but not by way of limitation, expenditures for interior partitions, floor coverings, special paint, plaster or any counter, cabinet, shelving, paneling or other special work done at the request of Tenant and not previously paid for by Tenant, plus the estimated cost to Landlord of restoring the Premises to their original standard condition. For the sake of added clarity, the immediately preceding sentence shall apply only to costs or expenditures incurred by Landlord specific to the needs of Tenant and not to the general improvement of the Leased Premises.
- If the event of default is for the nonpayment of rent, Landlord may, as an alternative to terminating the Lease, serve a written demand for possession or payment. Unless paid in accordance with the demand for possession or payment, Landlord shall be entitled to possession of the Leased Premises and Tenant shall have no further right to possession under the Lease. Tenant shall remain liable to Landlord for the payment of all rent and other charges which Tenant has agreed to pay under this Lease throughout the remainder of its Term. Should Landlord elect to re-enter, as herein provided, it may from time to time, without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Leased Premises, and relet said Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such reletting all rentals and other sums received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including reasonable brokerage fees and attorneys' fees and of costs of such alterations and repairs; third, to the payment of rent and other charges due from Tenant, and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable. If such rentals and other sums received from such reletting during any month be insufficient to pay the rent and other charges due from Tenant, Tenant shall pay such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry by Landlord shall be construed as an election on its part to terminate this Lease. Notwithstanding any such reletting without termination, Landlord may at any time hereafter elect to terminate this Lease for such previous breach. Tenant waives any further right to possession following re-entry by Landlord.

- (e) Notwithstanding anything to the contrary, Tenant acknowledges and agrees that its obligation to pay rent under this Lease is an independent covenant, and that such obligation to pay is not subject to setoff or recoupment in connection with any action for summary proceedings to recover possession of the Premises.
- (f) Tenant shall not be entitled to surrender the Leased Premises to avoid liability for Rent due to the condition of the Leased Premises, nor shall any purported consensual surrender be effective unless expressly agreed to in a writing signed by the Landlord.
- (g) No receipt of money by the Landlord from the Tenant after the termination of this Lease shall reinstate, continue, or extend the term, nor affect or waive any notice given by the Landlord to the Tenant prior to such receipt of money.

SECTION 16.03 LEGAL EXPENSES. In case suit shall be brought or attorney otherwise consulted, for recovery of possession of the Leased Premises, for the recovery of rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of either party to be kept and performed, the non-prevailing party shall pay to the prevailing party all expenses incurred therefor, including reasonable attorneys' fees.

SECTION 16.04 WAIVER OF RIGHT OF REDEMPTION. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Leased Premises, by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise.

SECTION 16.05 WAIVER OF JURY TRIAL AND COUNTERCLAIM. The parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Leased Premises and/or any claim of injury or damage. In the event Landlord commences any proceedings for nonpayment of rent, Tenant shall not interpose any counterclaim of whatever nature or description in any such proceeding, unless the failure to raise the same would constitute a waiver thereof. This shall not, however, be construed as a waiver of Tenant's right to assert such claim in any separate action brought by Tenant.

SECTION 16.06 CURING OF TENANT'S DEFAULT BY LANDLORD. Notwithstanding anything herein contained to the contrary, if Tenant shall be in default in the performance of any of the terms or provisions of this Lease and if Landlord shall give to Tenant notice in writing of such default specifying the nature thereof, and if Tenant shall fail to cure such default within the time provided in Section 16.01 hereof or immediately if such default requires emergency action, Landlord may, in addition to its other legal and equitable remedies, cure such default for the account of and at the cost and expense of Tenant, and the sums so expended by Landlord, including reasonable attorneys' fees, shall be deemed to be additional rent and shall be paid by Tenant on the day when rent shall next become due and payable.

SECTION 16.07 LANDLORD'S DEFAULT. Landlord's failure to perform or observe any of its Lease obligations within thirty (30) days after Landlord receives written notice from Tenant of such default shall be a "Landlord Default" unless such default is curable but cure cannot reasonably be effected within such thirty (30) day period, in which event no Landlord Default shall have occurred hereunder so long as Landlord promptly commences cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion. Tenant's notice to Landlord of a possible Landlord Default shall include reasonable detail describing the nature and extent of such failure and shall identify the Lease provision(s) containing the obligation(s). If Landlord fails to cure a Landlord Default within the period set forth above, then Tenant shall have the right, but not the obligation, to perform Landlord's obligation, upon written notice to Landlord, and Landlord shall reimburse Tenant for the actual, reasonable, documented cost expended by Tenant to cure such Landlord Default. In addition, during the continuance of a Landlord Default, Tenant may pursue any other legal or equitable remedies available to Tenant.

ARTICLE XVII.

BANKRUPTCY OR INSOLVENCY

SECTION 17.01 TENANT'S INTEREST NOT TRANSFERABLE. Neither this Lease, nor any interest herein nor any estate hereby created shall pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law, except as may be specifically provided pursuant to the Bankruptcy Code (11 U.S.C. §101, et seq.).

CREDITORS' SECTION 17.02 TENANT'S **OBLIGATION** TO **AVOID** PROCEEDINGS. Tenant and/or Tenant's Guarantor shall not cause or give cause for the institution of legal proceedings seeking to have Tenant and/or Tenant's Guarantor adjudicated bankrupt, reorganized or rearranged under the bankruptcy laws of the United States, and shall not cause or give cause for the appointment of a trustee or receiver for the assets of Tenant or Tenant's Guarantor and shall not make any assignment for the benefit of creditors, or become or be adjudicated insolvent. The allowance of any petition under the bankruptcy law, or the appointment of a trustee or receiver of Tenant or Tenant's Guarantor or its assets, shall be conclusive evidence that Tenant or Tenant's Guarantor caused or gave cause thereof, unless such allowance of the petition, or the appointment of a trustee or receiver, is vacated within sixty (60) days after such allowance or appointment. In the event the estate created hereby shall be taken in execution or by other process of law, or if Tenant or Tenant's Guarantor shall be adjudicated insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy act, or if a receiver or trustee of the property of Tenant or Tenant's Guarantor shall be appointed by reason of the insolvency or inability of Tenant or Tenant's Guarantor to pay its debts, or if any assignment shall be made of the property of Tenant or Tenant's Guarantor for the benefit of creditors, then and in any such events, Landlord may at its option terminate this Lease and all rights of Tenant hereunder, by giving to Tenant notice in writing of the election of Landlord to so terminate.

ARTICLE XVIII.

ACCESS BY LANDLORD

SECTION 18.01 RIGHT OF ENTRY. Upon at least 24 hours' notice (except in case of an emergency), Landlord or Landlord's agent shall have the right to enter the Leased Premises at all reasonable times to examine same, and to show them to prospective purchasers or mortgagees, and to make such repairs, alterations, improvements or additions as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all material into and upon the Leased Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part, and the rent reserved shall in no wise abate while said repairs, alterations, improvements, or additions are being made, by reason of loss or interruption of business of Tenant, or otherwise; provided that Landlord uses reasonable efforts to minimize interference with Tenant's business operations. During the one year period prior to the expiration of the Term of this Lease, Landlord may exhibit the Leased Premises to prospective tenants and during the six month period prior to such expiration, Landlord may place upon the Leased Premises the usual notices "To Let" or "For Rent" which notices Tenant shall permit to remain thereon without molestation.

ARTICLE XIX.

TENANT'S PROPERTY

SECTION 19.01 TAXES ON TENANT'S PROPERTY. Tenant shall be responsible for and shall pay before delinquency all municipal, county, state and federal taxes assessed during the Term of this Lease against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the Leased Premises by Tenant.

SECTION 19.02 LOSS AND DAMAGE. Landlord shall not be responsible or liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons or entities occupying any adjoining property or for any loss or damage resulting to Tenant or its property from bursting, stoppage or leaking of water, gas, sewer pipes or for any damage or loss of property within the Leased Premises from any cause whatsoever unless such loss or damage is caused, in whole or in part, by the intentional act or gross negligence of Landlord, its agents, employees, invitees, licensees or contractors.

SECTION 19.03 NOTICE BY TENANT. Tenant shall give immediate notice to Landlord in case of fire or accidents in or upon the Leased Premises or of defects in the Building or in any fixtures or equipment therein.

ARTICLE XX.

HOLDING OVER; SUCCESSORS

SECTION 20.01 HOLDING OVER. Any holding over after the expiration of the Term of this Lease shall be construed to be a tenancy from month-to-month at the minimum monthly

rent of 150% of the then current minimum monthly rent provided for in Section 3.01 hereof together with all other rent and charges herein provided and shall otherwise be on the terms and conditions herein specified, so far as applicable. Either party may terminate Tenant's month-tomonth tenancy upon thirty (30) days' prior written notice to the other party. In the event Landlord elects to terminate Tenant's month-to-month tenancy in accordance with the preceding sentence and Tenant nevertheless remains in possession of the Leased Premises beyond sixty (60) days after receipt of such written notice from Landlord, then, in addition to any and all rights Landlord may have as a result thereof, Tenant shall also pay to Landlord all actual damages sustained by Landlord as a result of retention of possession by Tenant, including but not limited to the loss of any proposed subsequent tenant for any portion of the Leased Premises.

SECTION 20.02 SUCCESSORS. All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties; and if there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants, and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Landlord in writing or is a Permitted Transfer.

ARTICLE XXI.

QUIET ENJOYMENT

SECTION 21.01 LANDLORD'S COVENANT. Upon payment by Tenant of the rents herein provided, and upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Leased Premises for the Term hereby demised without hindrance or interruption by Landlord or any other person or entity lawfully or equitably claiming by, through or under the Landlord, subject, nevertheless, to the terms and conditions of this Lease.

ARTICLE XXII.

MISCELLANEOUS

SECTION 22.01 WAIVER. One or more waivers of any covenant or condition by either party hereto shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by either party to or of any act by the other party requiring such party's consent or approval shall not be deemed to render unnecessary such party's consent or approval to or of any subsequent similar act by the other party. No breach of a covenant or condition of this Lease shall be deemed to have been waived by either party, unless such waiver is in writing signed by the other party.

SECTION 22.02 ENTIRE AGREEMENT. This Lease and the Exhibits attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Leased Premises and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between

them other than are herein set forth. No alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by each party.

SECTION 22.03 INTERPRETATION AND USE OF PRONOUNS. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation or rent, nor any other provision contained herein, nor any acts of the parties herein, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant. Whenever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders. In the event any language is deleted from this Lease, said language shall be deemed to have never appeared and no other implication shall be drawn therefrom.

SECTION 22.04 DELAYS. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor stoppages or slowdowns, inability to procure materials, unusually severe weather, acts of public utilities, governmental authorities or inspections, failure of power, unusual transportation delays, whether by sea, rail, air or land governmental laws, regulations or directives, riots, insurrection, war, acts of God, national, regional or local emergencies, pandemics, action taken by a governmental or public authority, including imposing any export or import restriction, quota, or other restriction or prohibition, or other reason of a like nature not the fault of the party delayed in performing the work or doing the acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay (collectively, "Force Majeure"); provided, however, that (i) the affected party provides prompt notice to the other party, stating the period of time the occurrence is reasonably expected to continue; and (ii) the affected party uses commercially reasonable, diligent efforts to end the failure or delay and minimize the effects of such Force Majeure. The provisions of this Section 22.04 shall not operate to excuse Tenant from prompt payment of rent or any other payments required by the terms of this Lease.

SECTION 22.05 NOTICES. Unless specifically stated to the contrary in this Lease, any notice, demand, request, consent, approval or other instrument which may be or is required to be given under this Lease shall be in writing, shall be sent by nationally recognized overnight delivery service (provided that such service is able to provide evidence of receipt or refusal of delivery), shall be deemed to have been given and received upon receipt (or refusal to receive), and shall be sent to the address of such party specified below, or to such other address as the addressee may have specified in a notice duly given to the sender as provided herein:

(a) if to Landlord: at the address set forth in Section 1.01 hereof

with a copy to: Brian S. Raznick

Taft, Stettinius & Hollister 27777 Franklin Road, Suite 2500 Southfield, Michigan 48034 Facsimile: (248) 351-3082 E-mail: braznick@taftlaw.com

(b) if to Tenant: at the address set forth in Section 1.01 hereof

with a copy to: Penske Truck Leasing Co., L.P.

Attn.: Legal Department 2675 Morgantown Road Reading, Pennsylvania 19607 Facsimile: (610) 775-6330

E-mail: LegalNotice@penske.com

with a copy to: Penske Truck Leasing Co., L.P.

Attn.: Vice President - Real Estate

2675 Morgantown Road Reading, Pennsylvania 19607 Facsimile: (610) 775-5820

E-mail: karen.shchuka@penske.com

The inability to deliver notice because of a changed address of which no notice was given as provided above, or because of rejection or other refusal to accept any notice, will be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any party hereto may be given by counsel for such party.

SECTION 22.06 CAPTIONS AND SECTION NUMBERS. The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

SECTION 22.07 BROKER'S COMMISSION. Each of the parties represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease, other than CBRE and Signature Associates (collectively, the "Broker"), and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim including, without limitation, the cost of counsel fees in connection therewith. Landlord shall pay a brokerage commission to Broker pursuant to a separate agreement.

SECTION 22.08 RECORDING. Neither party shall record this Lease. However, the parties agree to execute and deliver any instruments in writing, including a Memorandum of Lease, suitable for recording (for which Tenant shall pay any applicable recording costs), necessary to carry out any agreement, term, condition, or assurance in this Lease whenever occasion shall arise and request for such instrument shall be made.

SECTION 22.09 FURNISHING OF FINANCIAL STATEMENT. Upon the written request of Landlord, and subject to the full execution of a mutually agreeable nondisclosure

agreement, Tenant shall submit financial statements for its most recent financial reporting period and for the prior Lease Year.

SECTION 22.10 LANDLORD'S RESERVATION. Landlord reserves the right, from time to time, to grant easements, for utilities, storm water drainage, landscaping and other purposes, in portions of the Leased Premises, other than the Building, provided that the granting of the same and the use thereof shall not increase the burdens upon Tenant hereunder or decrease the benefits to Tenant hereunder or otherwise materially interfere with Tenant's business operations from the Leased Premises.

SECTION 22.11 TRANSFER OF LANDLORD'S INTEREST. In the event of any transfer or transfers of Landlord's interest in the Leased Premises, the transferor shall be automatically relieved of any and all obligations on the part of Landlord accruing from and after the date of such transfer, provided that (a) the interest of the transferor, as Landlord, in any funds then in the hands of Landlord in which Tenant has an interest shall be turned over, subject to such interest, to the then transferee; and (b) notice of such sale, transfer or lease shall be delivered to Tenant thereafter or prior thereto as required by law.

SECTION 22.12 INTEREST AND LATE CHARGES ON PAST DUE OBLIGATIONS. Any amount due from Tenant to Landlord hereunder which is not paid when due shall bear interest at a rate per annum equal to the lesser of: (i) sixteen (16%) percent per annum; and (ii) the highest rate legally permitted to be charged to Tenant, but the payment of such interest shall not excuse or cure any default by Tenant under this Lease. Such interest will be due and payable as additional rent on or before the day when rent shall next become due and payable, and will accrue from the date that such rent, late charges or other sums are payable under the provisions of this Lease until actually paid by Tenant. Additionally, any rent or other sums due from Tenant to Landlord under this Lease which are not paid within five (5) business days after they are due will be subject to a late charge of five (5%) percent of the amount due. Such late charges will be due and payable as additional rent on or before the day when rent shall next become due and payable, but payment of such late charges shall not excuse or cure any default by Tenant under this Lease. Any default in the payment of rent, late charges or other sums will not be considered cured unless and until the late charges and interest due hereunder are paid by Tenant to Landlord.

SECTION 22.13 LIABILITY OF LANDLORD. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and if as a consequence of such default Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Leased Premises and out of rents or other income from such property receivable by Landlord, or out of the consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Leased Premises, and neither Landlord nor its members and/or the partners, nor any shareholder, officer, employee or agent thereof, shall be liable for any deficiency.

SECTION 22.14 ACCORD AND SATISFACTION. No payment by Tenant or receipt by Landlord of a lesser amount than the rent herein stipulated shall be deemed to be other than on

account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction and Landlord shall accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Lease provided.

SECTION 22.15 EXECUTION OF LEASE; NO OPTION. The submission of this Lease to Tenant shall be for examination purposes only, and does not and shall not constitute a reservation of or option for Tenant to lease, or otherwise create any interest of Tenant in the Leased Premises. Execution of this Lease by Tenant shall be irrevocable. The return to Landlord of Tenant-executed copies of this Lease shall not be binding upon Landlord, notwithstanding any preparation or anticipatory reliance or expenditures by Tenant or any time interval, until Landlord has in fact executed and actually delivered a fully-executed copy of this Lease to Tenant.

SECTION 22.16 GOVERNING LAW. This Lease shall be governed by, and construed in accordance with, the laws of the State of Michigan. If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall not be affected thereby and each provision of the Lease shall be valid and enforceable to the fullest extent permitted by the law.

SECTION 22.17 AUTHORITY. Tenant, and each person executing this Lease on behalf of Tenant, hereby warrant and represent to Landlord that Tenant is validly organized and existing and authorized to do business under the laws of the State of Michigan, that the Tenant has full power and lawful authority to enter into this Lease, and that the execution of this Lease by such individual is legally binding upon the Tenant in accordance with its terms. Landlord, and each person executing this Lease on behalf of Landlord, hereby warrant and represent to Tenant that Landlord is validly organized and existing and authorized to do business under the laws of the State of Michigan, that Landlord has full power and lawful authority to enter into this Lease, and that the execution of this Lease by such individual is legally binding on the Landlord in accordance with its terms.

SECTION 22.18 GUARANTY. The payment of all rents and charges and the performance of all covenants of Tenant, required by this Lease are guaranteed pursuant to that Guaranty, a copy of which is attached hereto and made a part hereof as **Exhibit "C"**. Any default by Guarantor under the Guaranty shall constitute a default under this Lease.

SECTION 22.19 TERMINATION RIGHT. Tenant shall have a one (1) time right at the end of the eighty-eighth (88th) full calendar month after the Commencement Date to terminate this Lease (the "Termination Right"); provided that: (a) Tenant is not in default under the terms of this Lease beyond any applicable notice and cure period, (b) this Lease has not been assigned or subleased, (c) Tenant provides at least nine (9) month's prior written notice of Tenant's exercise of the Termination Right, and (d) Tenant, simultaneously with providing such written notice, pays to Landlord a termination fee equal to (i) the first nine (9) months of Minimum Monthly Rent for the eighth (8th) year of the Lease, and (ii) the unamortized amount (with interest at a rate of 8% per annum) of commissions paid by Landlord in connection with this Lease as of the date of the termination date. If Tenant fails to comply with the conditions of, or does not timely exercise, the Termination Right, the Termination Right shall automatically be null and void and of no further

force or effect. If Tenant properly exercises the Termination Right, the Initial Term shall expire on the last day of the eighty-eighth (88th) full calendar month after the Commencement Date and Tenant shall vacate the Leased Premises in accordance with this Lease on or before such date, and Tenant's right to exercise the Extension Term shall automatically cease.

SECTION 22.20 INTENTIONALLY DELETED.

SECTION 22.21 PREVAILING PARTIES. If there is any legal action or proceeding between Landlord and Tenant to enforce any provision of this Lease or to protect or establish any right or remedy of either Landlord or Tenant hereunder, the unsuccessful party to such action or proceeding will pay to the prevailing party all costs and expenses, including reasonable attorney's fees incurred by such prevailing party in such action or proceeding.

SECTION 22.22 COUNTERPARTS. This Lease may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. Any party to this Lease may deliver an executed copy hereof by facsimile or other electronic transmission to the other party and any such delivery shall have the same force and effect as delivery of a manually signed copy of this Lease.

SECTION 22.23 SEVERABILITY. In case any one or more of the provisions contained in this Lease shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Lease shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein unless to do so would materially alter the benefits and burdens the parties hereto have bargained for.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

WITNESSES:	EXECUTIVE HILLS DRIVE, LLC, a Michigan limited liability company
	By: Stark Name: Jeff Schostark
	Its: AUTANTICO SIGNAPOR
	"Landlord"
	PENSKE VEHICLE SERVICES, INC. a Delaware corporation
I few 6/24/2024	By: Maho
120 R 6/24/2024	Name: / //////////////////////////////////
	6/24/á4"Tenant"

Exhibits:

- A Legal Description B Plans and Specifications
- C Guaranty
- D Commencement Date Memorandum
- E-Leased Premises Joint Inspection Form
- F-EFT Authorization Form

EXHIBIT "A"

LEGAL DESCRIPTION

Land situated in the City of Auburn Hills, County of Oakland, State of Michigan, more particularly described as follows:

Unit 10, EXECUTIVE HILLS NORTH CONDOMINIUM, according to the Master Deed thereof recorded in Liber 16844, Pages 639 through 674, both inclusive; First Amendment to Master Deed recorded in Liber 18611, Pages 741 through 763, both inclusive; Second Amendment to Master Deed recorded in Liber 20197, Pages 501 through 515, both inclusive; Third Amendment to Master Deed recorded in Liber 21417, Pages 633 through 643, both inclusive, Oakland County Records, being known as Oakland County Condominium Subdivision Plan No. 1025, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed and as described in Act 59 of the Public Acts of Michigan of 1978, as amended.

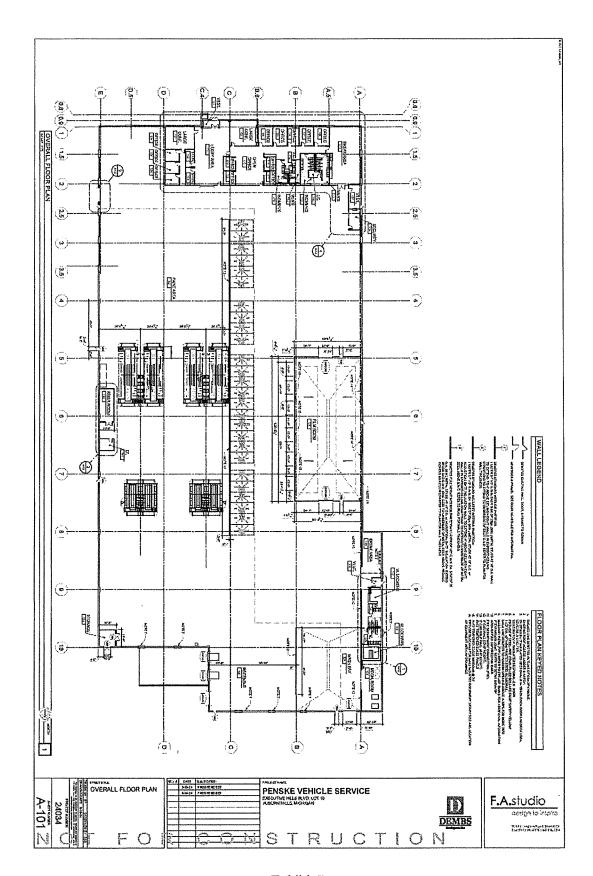
Commonly known as: Vacant, Executive Hills Drive, Auburn Hills, Michigan

Tax Parcel No. 14-26-126-032

EXHIBIT "B"

PLANS AND SPECIFICATIONS

[SEE ATTACHED





27750 Stansbury, Suite 200 Farmington Hills, Michigan 48334 (248) 380-7100 • Fax (248) 560-3030



Proposal Clarifications & Assumptions

Penske Vehicle Services Auburn Hills, MI

May 28, 2024

The following clarifications pertain to the proposed Penske Vehicle Services facility to be located at Unit 10 on Executive Hills Drive in Auburn Hills, MI. The clarifications are general in nature and are not intended to be all inclusive of the scope of work.

General Clarifications:

- 1. Approximately 115,000 square feet of new masonry bearing/ steel building.
- 2. Proposal is based upon similar Building Exterior appearance as depicted in the Architectural Rending as contained in this proposal.
- 3. All civil, architectural & engineering drawings stamped and sealed by registered professionals of the State of Michigan.
- 4. All permits and tap and/or usage fees have been included.
- 5. All special independent testing or inspections, if required, are included.
- 6. All site prep work, underground utilities, concrete curbing and asphalt paving.
- 7. Complete landscaping is included to meet local municipality standards.
- 8. Shell Office and Warehouse areas are to be built out to Penske Vehicle Services size requirements and per Dembs Development outlined specifications.

Penske May 28, 2024 Clarifications & Assumptions



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- System furniture, office furnishings, phone data, security/ access systems, moving expenses are not included.
- 10. Shop Area/ Warehouse equipment and furnishings are not included.
- 11. Window treatments are not included.
- 12. Appliances and related items are not included.
- 13. Millwork/ Casegoods are for the office area are included.
- 14. Shop area Millwork/ Casegoods are not included.
- 15. Shop/ Warehouse concrete floor finishes are included as specified.
- 16. Any finishes included are as per Dembs Development building standard specifications.
- 17. No specialty Fire Suppression or Chemical Extinguishing Systems unless otherwise noted in the specifications.
- 18. Office areas to be Heated and Cooled with constant volume package rooftop units with local 7 day programmable thermostats.
- 19. Warehouse areas to be Heated only with direct fired high efficiency units with local programmable controller. Main duct drops through deck only with 4-way concentric supply diffusers.
- 20. No Vehicle Exhaust Extraction Systems or Gas Detection Systems have been included.
- 21. All HVAC Equipment is roof top mounted.
- 22. Main Electrical Service only, to be designed and installed as DTE Electrical Service to provide for approximately 2400 Amps at 480V.
- 23. Electrical equipment power, wiring, etc. for office areas is included as specified.
- Electrical power and final hookups of Owner supplied Systems Furniture for office areas is included.
- 25. Shop/ Warehouse electrical equipment power, wiring and final hookups of Owner supplied equipment is unknown and is not included.
- 26. For avoidance of doubt for matters shown on the floor plan exhibit, the costs of Improvements for areas or matters developed subsequent to the March 15, 2024, letter of intent (such as the paint booths and the attendant costs such as the gas pipe, electrical hook up, roof penetrations, flashing and supports, and fire suppression) shall be the responsibility

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of Tenant. Accordingly, consistent with such letter of intent, Landlord's responsibility for the costs of for delivering the Leased Premises are for the following improvements (a)

Office: Approximately 5,000 SF of office (b) Grade-Level Doors: One (1) 12' x 14' existing grade-level door and two (2) 14' x 14' new overhead doors in a mutually agreeable location on exterior walls with 35,000 lbs levelers at all dock-high doors and bumpers and shelters, (c) Electric: 2400 amps 480/277 power, (d) Heating: Gas fired unit heaters or co-ray-vac or similar, (e) Lighting: Lighting: LED fixtures to provide an average of 40FC at 36" AFF, and (f) Sprinkler System: Fire suppression system sufficient for Tenant's intended use of the Leased Premises and compliant with all local governmental authorities with jurisdiction over the Leased Premises, without extras for subsequently developed areas such as paint booths. Any other matters on this floor plan shall be at Tenant's sole cost and expense.



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Vehicle Services

Project Description Specifications

Penske Vehicle Services Auburn Hills, MI

May 28, 2024

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	GENERAL SITEWORK CONCRETE WORK MASONRY METALS WOOD AND LAMINATES THERMAL AND MOISTURE PROTECTION DOORS, WINDOWS, AND GLASS FINISHES EQUIPMENT MECHANICAL ELECTRICAL ALLOCATIONS & ALTERNATES CLARIFICATIONS AND EXCLUSIONS



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1) GENERAL

1.1) Summary of Work

- 1.1.1) The Scope of Work anticipated includes design and construction of a new building as described within this Preliminary Project Description Specifications.
- 1.1.2) The new building will be comprised of Approximately 114,366SF +/-(8,880 sf of Office, 105,486 sf of Shop/ Warehouse).

 Tenant will be responsible for build out costs for square footage of office area above request for proposal square footage of 5,000 sf.
- 1.1.3) The scope of work as anticipated for completion of the project is described within the Project Description Specifications.

1.2) Drawings and Specifications

1.2.1) The working drawings and specifications will be prepared in accordance with our best knowledge and interpretation of the codes and regulations of all governing bodies. Working drawings will bear the seal of Licensed Architects and Engineers of the State of Michigan.

1.3) Design

- 1.3.1) Structural framing design shall be in accordance with the International Building Code requirements unless noted otherwise.
- 1.3.2) All concrete work is to be completed in accordance with the applicable standards of the American Concrete Institute (ACI).
- 1.3.3) Structural steel beams, columns, and lintels will be designed in accordance with the Steel Construction Manual of the American Institute of Steel Construction specifications for the design of hot-formed structural members.
- 1.3.4) The bar joist framing will be designed in accordance with the requirements and guidelines of the Steel Joist Institute.
- **1.3.5)** All masonry work will meet or exceed A.S.T.M. standards for masonry construction and the guidelines of the Masonry Institute.



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- **1.3.6)** Asphalt work is to conform to applicable requirements as established by the Michigan Department of Transportation (MDOT).
- 1.3.7) Where the word "Developer" or "Construction Manager" appears, it shall mean Dembs Development, Inc.
- 1.3.8) Where the word "Tenant" or "Owner" appears, it shall mean Penske Automotive Services.

2) SITEWORK

2.1 Earthwork

- **2.1.1)** All trees, stumps, and brush that interfere with new construction are to be removed and properly disposed of off-site.
- **2.1.2)** Topsoil which is stripped to accommodate new construction will be retained on-site for use in landscaping or for construction of earth berms.
- 2.1.3) All debris will be removed from site and properly disposed of.
- **2.1.4)** Site areas which are to be occupied by the building or surface improvements will be rough and fine grades as necessary to meet engineered elevations and grades and to provide for proper surface drainage.
- **2.1.5)** All cutting, filling, and rough grading is to be completed to proper subgrade elevations for finish floor, pavement, and landscaped areas.
- **2.1.6)** A minimum of 4" compacted granular material will be provided under all concrete slabs on grade and will consist of approved material as excavated from sources on-site or as obtained from approved, off-site sources.
- 2.1.7) Fill material will be compacted to 95% maximum density per Modified Proctor Method (AASHTO T-180).

2.2) Storm Drainage

2.2.1) Storm water runoff from the roof will be directed to roof sumps which will then carry runoff for discharge through interior roof conductors to surface drain on parking lot areas.



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- **2.2.2)** Paved and landscaped areas will be contoured and sloped to permit an engineered rate of storm water runoff.
- 2.2.3) Storm water runoff from roof, paved and landscaped areas will be directed to a system of underground storm sewers.
- 2.2.4) From the underground storm sewer system, a final tie-in to the municipal storm sewer will be made at the property line.
- 2.2.5) Storm drainage piping inside the building and above ground will be PVC and/or cast iron (no-hub).
- **2.2.6)** Storm drainage pipe outside the building will be PVC or reinforced concrete pipe as required by local code.

2.3) Sanitary Sewer

- 2.3.1) A Sanitary Sewer system will be completed to accommodate the domestic and process related plumbing needs of the facility.
- **2.3.2)** From the underground sanitary sewer system, a final tie-in to the municipal sanitary sewer will be made at the property line.
- 2.3.3) Sanitary sewer piping inside of the building shall be PVC and/or cast iron. Underground piping outside the building will be approved piping by local municipality.

2.4) Water main

- **2.4.1)** Water main work will be completed to satisfy the domestic and fire protection needs of the facility.
- 2.4.2) A 6"-8" water main is to be extended on site and into the building from an existing municipal main assumed to be available at the property line.
- 2.4.3) The 6"-8" water service is intended to supply water to the building's fire protection system and a 2" water service will be brought in off the 6"-8" main to satisfy the domestic water needs of the facility.
- **2.4.4)** Along the incoming main, fire hydrants will be placed to satisfy what would typically be the fire marshal's site fire protection requirement



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2.5) Natural Gas

2.5.1) Piping and meter is to be provided by the utility company and is included in Developer's cost.

2.6) Electrical / Telephone Service

- 2.6.1) The incoming electrical service is to be fed by 4" underground PVC conduits to a DTE owned pad mounted transformer, positioned adjacent to the proposed facility.
- 2.6.2) The incoming telephone service is to be a 3" PVC underground conduit with pull string.

2.7) Site Concrete

- 2.7.1) Site concrete will consist of those items generally shown on the drawings and as depicted here.
- **2.7.2)** Sidewalk will be provided as generally indicated on the drawings and will be 4" thick.
- 2.7.3) All sidewalks abutting paving will have a 4"-6" raised face.
- 2.7.4) A dumpster pad is to be provided and will consist of a 6" thick concrete slab.
- 2.7.5) The concrete mix will be designed to accomplish strength of 3,000 PSI at a 28-day test and will include air entrainment.
- 2.7.6) Drive approach area will be to local municipal requirements.
- 2.7.7) All exterior flat slabs will be steel troweled and then finished with a broom finish.

2.8) Asphalt Paving

- 2.8.1) Asphalt paving for on-site traffic and parking areas will be provided.
- 2.8.2) Incoming drives and parking areas will consist of a 2" thick asphalt leveling course, and a 2" thick asphalt wearing surface on an 8" thick compacted 21AA equivalent aggregate base of slag, stone, or crushed concrete.



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- 2.8.3) Truck traffic drives areas will consist of a 2" thick asphalt leveling course, and a 2" thick asphalt wearing surface on an 8" thick compacted 21AA equivalent aggregate base of slag, stone, or crushed concrete.
- **2.8.4)** Parking areas will be completed with painted striping per the referenced drawings.

2.9) Landscaping

2.9.1) Landscaping work is included per plans to be developed and will meet all local ordinances.

2.10) Site Specialties

- **2.10.1)** One (1) dumpster enclosure will be provided and includes a double-swing gate.
- **2.10.2)** Handicap parking space signage will be provided per the referenced drawings.

3) CONCRETE WORK

3.1) Standard Foundations

- 3.1.1) Reinforced concrete foundation work will be completed in accordance with applicable codes and will accommodate all building live and dead loads.
- 3.1.2) Concrete strength will be 3,000 PSI at 28 days.

3.2) Interior Flatwork

- **3.2.1)** Interior flatwork is included for the completion of all concrete slabs on grade and supported slabs.
- 3.2.2) The office area floor slab on grade will be 4" thick and reinforced with one (1) layer of 6 x 6 x 1.4 welded wire mesh. The Warehouse area slab will be 6" thick and reinforced with one (1) layer of 6 x 6 x 1.4 welded wire mesh.
- **3.2.3)** Concrete surfaces will be steel trowel finished and properly cured (1 coat of clear cure and seal).



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- 3.2.4) Concrete strength to be 4,000 PSI at 28 days.
- **3.2.5)** Control joints will be provided as required by American Concrete Institute requirements.
- 3.2.6) Perimeter grade insulation consisting of 2" thick x 24" wide rigid board insulation will be laid flat below office floor slabs at all exterior walls along with visqueen vapor barrier throughout.

4) MASONRY

4.1) Masonry

- **4.1.1)** The exterior Building work consists of split face and decorative masonry load bearing walls consisting of unit masonry block.
- **4.1.2)** Exterior building wall masonry work is included for demo and rework of building walls for (2) new 12' x 14' overhead door locations.

5) METALS

5.1) Structural Steel

- 5.1.1) Structural steel clear height in warehouse area to be 30' clear to the underside of steel joist girder.
- 5.1.3) Lab/ Warehouse area structural framing system will consist of suitably sized beams, columns, bar joists, lintels and metal deck to accommodate the loading as required.
- **5.1.4)** Building height to be approximately 30' 0'' under steel height.

5.2) Miscellaneous Metals

5.2.1) Miscellaneous metal items are to be provided where necessary and are to include the following:



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- 6" diameter concrete filled, steel pipe bumper posts at overhead doors.
- Roof or wall opening framing for heating, ventilation or air conditioning equipment.
- · Overhead door jambs.
- · All exterior miscellaneous steel to be non-galvanized factory primed.

6) WOOD AND LAMINATES

6.1) Rough Carpentry

- **6.1.1)** Wood nailers and blocking materials are to be installed for the membrane roof areas.
- 6.1.2) Wood nailers are included as required at the window head and window sill.
- 6.1.3) Lumber that is in contact with masonry, concrete, steel, or that is exposed to weather, will be pressure treated with a preservative.

6.2) Millwork and Laminates

- 6.2.1) Vanity counters will be provided in the toilet rooms, and will consist of manufacturer standard group 1 -2 Solid Surface tops, apron, and back-splash.
- 6.2.2) Standard lower cabinets are to be provided in cafeteria/ coffee stations.
- **6.2.3)** Any coat closet will have a 12" wide shelf and a metal hanging rod for garments.
- 6.2.4) Cabinets will be custom fabricated millwork with manufacturer standard group 1 -2 Solid Surface counter tops. Cabinet finishes to be w/ manufacturer standard Plastic Laminates.

7) THERMAL AND MOISTURE PROTECTION

7.1) Roofing

7.1.1) Single ply EPDM .45 mill roofing layered over rigid insulation board with washed river gravel loose laid at approximately 10 lb/sf.



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- **7.1.2)** A standard sheet membrane similar or equal to that as manufactured by Goodyear or Firestone will be utilized.
- 7.1.3) Roof insulation will provide an insulation value of R-21.
- 7.1.4) All required cants, saddles, flashings, copings, and trims will be provided.
- 7.1.5) The Roof System will include a 15-year written warranty.

7.2) Roof Specialties

- 7.2.1) One (1) 24" x 36" roof hatch is to be provided to accommodate access to the roof areas from within the buildings.
- 7.2.2) Non-insulated metal panels will be installed on the roof as roof screening as required by city ordinance. Screening panels to be 24ga. standard color Kynar finish metal screen panels.

7.3) <u>Soffit</u>

7.3.1) Any required soffits will be painted exterior grade gypsum board or metal panel.

7.4) Damp proofing

7.4.1) Exterior masonry walls at steel lintels over window or door openings are to be damp proofed through use of a flashing membrane.

7.5) Caulking

7.5.1) All wall openings, such as where hollow metal or aluminum framing abuts masonry or siding, will be caulked or sealed as necessary to make the opening weather tight.

7.6) Metal Panel

7.6.1) Portions of the Office Area exterior skin will be comprised of Metals Panels constructed of 4mm "Alucabond" or "Reynobond" system, based upon a route and return dry joint rain screen system.



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8) DOORS, WINDOWS, AND GLASS

8.1) Doors

- 8.1.1) Hollow metal doors and frames will be provided for exit doors.
- **8.1.2)** All frames will be fabricated of 16-gauge, steel-welded jambs and head pieces.
- 8.1.3) All exterior steel doors will be of 3'-0" x 7'-0" x 1-3/4" thick, unless noted otherwise, and are to be constructed of 18-gauge steel.
- **8.1.4)** All doors are to be completed with hardware sets appropriate for the use of each door.
- 8.1.5) All exterior doors will be insulated with thresholds and weather-stripping.
- **8.1.6)** Building main entrance door will be safety glazed in aluminum thin line frame system.
- **8.1.7)** Interior passage doors to carry appropriate fire rating label where penetrating any fire separation walls.
- **8.1.8)** Interior office area doors will be 3'-0" x 8'-0" x 1-3/4" thick, solid core prefinished wood doors.
- **8.1.9)** All interior office doors are to be installed in standard color pre-finished metal Redi-frames.

8.3) Aluminum Frames, Curtain Wall, Doors, and Windows

- **8.3.1)** A portion of the Exterior skin of the Office Building will consist of reinforced aluminum framing curtainwall and storefront wall systems.
- **8.3.2)** Exterior windows of the Building will be with 1" thick insulated glazing units, grey tinted over low "E".
- 8.3.3) Front entry doors will be 1/4" thick safety glazing.
- 8.3.4) Anodized aluminum framing will be used for the window system.



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- 8.3.5) Glass inserts will be safety glazing where required by local code.
- **8.3.6)** Aluminum doors and frames will utilize manufacturer's standard surface mounted hardware.

8.4) Overhead Doors: Exterior

- **8.4.1)** Provide (2) 9' x 10' manual operated overhead doors with 24 gauge steel, insulated with liner panel, full weather-stripping at jambs, factory provided baked enamel finish.
- **8.4.2)** Provide (3) 12' x 14' motor operated overhead doors with 24 gauge steel, insulated with liner panel, full weather-stripping at jambs, factory provided baked enamel finish.

9) FINISHES

9.1) Drywall

- 9.1.1) Interior partitions of the office areas will be constructed of ceiling height insulated metal stud framing and 5/8" thick painted drywall.
- 9.1.2) The interior face of perimeter masonry walls within the office areas will be furred out with metal furring strips with 5/8" thick painted drywall.
- 9.1.3) Interior demising separation partitions between the office areas and shop/warehouse will be constructed of full height insulated metal stud framing, insulated and 5/8" thick painted drywall to meet code.

9.2) Acoustical Ceiling

9.2.1) Standard ceilings throughout the Office area will consist of 2'-0" x 4'-0" x 5/8" thick Armstrong Cirrus Second Look – II – 513 tegular as suspended within a 15/16" white metal "T" bar suspension system. Ceiling heights to be approximately 8.5'-10' throughout the enclosed office areas, and except as otherwise noted herein.

9.3) Resilient Flooring



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- 9.3.1) Floors in lunchrooms/ cafeterias will be finished with Armstrong Standard Excelon 1/8" thick VCT flooring.
- 9.3.2) All areas which are to be finished with resilient tile will be trimmed out and completed with a standard 4" high curved or straight vinyl base.
- 9.3.3) All other storage and or janitor closets will be finished with Armstrong Standard Excelon 1/8" thick VCT flooring.
- 9.3.4) All areas which are to be finished with resilient tile will be trimmed out and completed with a standard 4" high curved vinyl base.

9.4) Carpeting

- 9.4.1) Floors in the General Office Area will be finished with a standard commercial grade carpet tile. An allowance of \$32.00 per sq/yd has been included for labor and material (see Sec 14).
- 9.4.2) All areas which are to be finished with carpet will be trimmed out and completed with a standard 4" high curved vinyl base

9.5) Hard Tile

- 9.5.1) Ceramic tile allocation of \$12 per sf/ft installed for main entry/ lobby vestibule with cut tile base for up to 100 sf of area only (see Sec 14).
- 9.4.2) Ceramic tile allocation of \$12 per sf/ft installed for tile installed in office area restrooms with cut tile base for up to 500 sf of area only (see Sec 14).
- 9.4.3) Ceramic wall tile and base to be at "wet walls" only in Restrooms to meet Code. Any other backsplash tile or tile wainscot has not been included.

9.6) Painting

- 9.6.1) Interior masonry surfaces are to be finished with one (1) application of block filler and one (1) finish coat of enamel paint.
- 9.6.2) Interior drywall surfaces are to be finished with one (1) application of primer and one (1) finish coat of latex paint.



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- **9.6.3)** Hollow metal doors and exposed exterior miscellaneous steel items will be finish painted with one (1) coat of semi-gloss alkyd enamel paint over shop applied primer.
- **9.6.4)** Open Ceiling Metal Deck area are to be finish with one (1) application of waterborne acrylic dryfall paint. Color to be white for light reflectance.
- 9.6.5) Any interior wood carpentry items that are not factory finished will be finished with one (1) coat of stain and two (2) finish applications of stain finish polyurethane.

9.7) Floor Coatings

9.7.1) Shop/ Warehouse areas will have an "Ashford Formula" floor application applied to approx. 110,000 sq. ft. of floor area.

10) MISCELLANEOUS SPECIALTIES

10.1) Toilet Partitions

- 10.1.1) Toilet partitions and urinal screens will be provided as shown or as required by code and, where applicable, will conform to the State's Barrier Free Access requirements.
- 10.1.2) Partitions will be floor mounted and overhead braced urinal screens will be wall hung.
- 10.1.3) Partition panels will be flush metal type with baked enamel finish.

 Partitions are available in manufacturer standard colors.

10.2) Toilet Accessories

- 10.2.1) 42" high mirrors are to be provided at each vanity.
- 10.2.2) Grab bars are to be provided in each handicap accessible toilet compartment.

11) FURNISHINGS & EQUIPMENT

11.1) Loading Dock Equipment



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- 11.2.1) Install (2) semi-automatic 35,000 Lbs. hydraulic dock levelers.
- 11.2.2) Provide (2) ridged frame dock shelters.

11.3) Crane Equipment

N/A

12) MECHANICAL

12.1) Plumbing

- 12.1.1) The Shell area domestic plumbing system is to be built to code.
- 12.1.2) The plumbing work of the entire building is to conform to the following:
 - Storm sewer/roof conductor piping (inside and outside of the building) is to be installed as PVC or cast iron piping at the engineer's discretion and will be connected to the municipality's sanitary lead at the property line
 - Sanitary sewer piping (inside and outside of the building) is to be installed as PVC or cast iron piping at the engineer's discretion and will be connected to the municipality's sanitary lead at the property line.
 - Gas piping is to be extended from a utility company supplied meter.
 - Work is to be completed in a neat, workmanlike manner.
 - All services are to be made complete and functional with final connections having been made to existing utilities.
 - Miscellaneous piping, fixtures and other items of work as might be required to complete the plumbing system, will be provided.
 - Closets are provided as tank style/ floor mount, elongated bowl type w/ power assist flush.
 - Lavatories are provided as self rimming style oval sinks with single handle style chrome facets.
 - Hi-Lo ADA Drinking Fountains provided as required by code.

12.3) Heating, & Air Conditioning

- 12.3.1) Design parameters for the heating and air conditioning (HVAC) system are as follows:
 - Heat to 72 degrees Fahrenheit (F) dry bulb inside when at 0 degrees F outside.
 - Cool to 68 degrees Fahrenheit (F) dry bulb inside when at 90 degrees F outside.



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- Provide (1) ton of Cooling for every 350 sq. ft. of Office area.
- 12.3.2) The description for the heating, ventilation, and air conditioning (HVAC) systems is as follows:
 - Office Area HVAC equipment to be Packaged DX cooling/gas heat Single Zone Roof Top Units. Ventilation per local code requirements. Sheetmetal ductwork per local codes and SMACNA standards. Insulation per local codes. The unit(s) will supply conditioned air through overhead supply duct work which will discharge into the area through ceiling mounted diffusers. The space between the suspended ceiling and roof deck will be utilized as a return air plenum
 - Provide complete local control 7-day programmable thermostats for all Office Area RTU's systems, located per design requirements.
 - The toilet areas will be provided with an air exhaust system to conform to local code requirements.
 - Lab/ Shop area HVAC equipment will be packaged roof-mounted heating only (direct gas-fired) high efficiency unit(s) which sit on prefabricated roof curbs. The system will be complete with programmable local controllers.
 - Provide complete air balance

12.5) Fire Protection

- 12.5.1) Design parameters for the fire protection system are based on the following:
 - The office area Fire Protection System design is based upon Light Hazard Occupancy.
 - The future Shop/ Warehouse area Fire Protection ESFR System is based upon use of Ordinary Hazard Occupancy storage to 24' only.
 - Provide System per NFPA 13, 14 & 20.
- **12.5.2)** General notes for clarifying the Fire Protection System design are as follows:
 - The municipal water supply (flow and pressure) is assumed to be adequate and available at the property line.
 - This proposal provides for the fire protection work as outlined only.
 - This proposal is based on workmanship and methods which conform to N.F.P.A. #13, 14 & 20 criteria and for system design parameters as noted.
 - Changes to the initial design parameters of this system, as may be necessitated through the review and approval process of the municipality or Tenant's insurance carrier will be the Tenant's responsibility.



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- This proposal assumes that the Fire Department connection is to be wall mounted within 10°-0" of incoming water service and that a site fire hydrant will be placed within 100' of this connection.
- Sprinkler heads to be aligned within industry standards, but will not necessarily be centered in the ceiling tiles.
- 12.5.3) The equipment and materials for the Fire Protection System will consist of the following:
 - Provide a wet type of automatic spray sprinkler system with distribution piping, sprinkler heads, and automatic sprinkler riser(s) as required.
 - Provide check valves, Fire Department connections, flow switch, inspector test connectors as required for a complete and operable system.
 - This proposal has no provision for rack or in-rack sprinklers.
 - No specialized fire protection systems such as Dry, Pre-Action, FM200 or clean agent systems.

13) ELECTRICAL

13.1) Service & Distribution

- 13.1.1) The incoming, primary electrical service work will include conduit, panel, switchgear, transformer and cable work.
- 13.1.2) 2400 Amp capable, 480/277 volt, three-phase, four-wire secondary service switchboard will be provided, installed and energized. All Detroit Edison fees, electrical engineering, transformer/service and all associated secondary panels will be determined at time of electrical engineering.
- 13.1.3) Provide three-phase power panels for general building power only as required.

13.2) Lighting

- 13.2.1) In the general office and lab areas, we are providing approximately 40 footcandles through the use of 2'-0" x 4'-0" recessed commercial fluorescent fixtures, lay-in type LED type with prismatic (plastic) lens.
- 13.2.2) Provide exit lighting and emergency battery operated, as required by code.
- 13.2.3) In the shop/ warehouse area we are providing approximately 40 foot-candles through the use of cable hung LED type high bay energy efficient lights.



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13.2.4) Provide wall mounted LED wall packs and/or light poles with "shoe box" style heads for exterior parking lot illumination.

13.3) Convenience Outlets

13.3.1) Provide up to (2) 110-volt duplex receptacles in each enclosed office area, and circuits in the ceilings of the open office areas.

13.4) Miscellaneous Electrical

- 13.4.1) Provide power wiring for motor operated overhead door(s).
- 13.4.2) Provide power wiring for equipment as outlined under mechanical trades only.
- 13.4.3) Provide all power wiring for rooftop HVAC units, Fans, etc.

13.5) Fire Alarm

- 13.5.1) A complete electrical/ fire alarm system is included as described and further clarified through the following notes:
 - All the above provisions include labor and material for a complete fire alarm installation, to meet NFPA and the Local authority having jurisdiction, done in a neat workmanlike manner.
 - This proposal includes a main, centrally located per local Fire Marshal, control panel, smoke detection devices, horn/strobe devices, fire suppression water flow and tamper devices as required by code.

13.6) General Notes

- 13.6.1) The electrical/mechanical work as described is further clarified through the following notes:
 - All the above provisions include labor and material for a complete electrical installation, done in a neat workmanlike manner.
 - This proposal does not include power wiring for the Tenant's process and/ or testing equipment, unless outlined in this Project Description Specifications.
 - All electrical work shall conform to the current edition of the National Electrical Code and Local Code, where applicable.
 - Foot-candle figures given are intended to represent approximate average intensities based on the lumen or zonal cavity method of calculation and



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- are based on an open area with no obstructions (machines, equipment, racks, bins, etc.)
- This proposal has no provision for the reworking or relocation of any existing overhead or underground utility company (power, telephone) lines (poles, conduits, cable, guy wires, etc.).
- This proposal does not include provisions for a clock system, a sound system, a phone system, a paging system, or other miscellaneous electrical signal systems.
- This proposal has no provisions for power or control wiring of any fire pumps.
- All exterior signage by tenant.

13.7) Equipment and Materials

- 13.7.1) The incoming service equipment will be selected from the following:
 - All materials and installation methods to conform to Detroit Edison or local utility company standards.
 - The electrical switchgear and panels will be similar or equivalent to those as manufactured by General Electric, Westinghouse, I.T.E., Square "D", or Park Metal.

14) ALLOCATIONS & ALTERNATES

14.1) Allocations

Throughout the Preliminary Project Description Specifications, we have included references to certain allocations which have been included as a part of the Contractor Scope of Work. These are summarized here for your consideration. All allocations are to include architectural/engineering and additional permit costs.

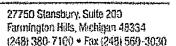
Standard Carpeting/Installed......\$32.00per sq/yd Ceramic Tile/Installed.....\$12.00per sq/ft

15) CLARIFICATIONS AND EXCLUSIONS

15.1) Clarifications

15.1.1) Dembs Development will provide all builders risk insurance for the project.

Dembs Development, Inc. will name Owner as additional insured. All subcontractors will name Owner as additional insured.





- 15.1.2) Materials will be new unless noted otherwise.
- 15.1.3) Construction Manager will obtain all required municipal approvals and permits for the construction of the facility.
- 15.1.4) The facility will be delivered in a detailed final clean condition and all glass, interior and exterior, will be cleaned.
- 15.1.5) Should conditions be encountered that differ from the basis of design and result in a change in the scope of work, the Owner will be responsible for any subsequent changes as might be necessary to be made to the cost of work.
- 15.1.6) Should a governing body require that changes be made to any phase of the working drawings or specifications as they were prepared from preliminary documents, any additional cost for these changes will be paid for by the Owner.
- 15.1.7) Building Code conformance for the scope of work is anticipated to be governed by Building Officials and Code Administration (BOCA) 1996, the National Electric Code (NEC) and the National Fire Protection Associations (NFPA).
- 15.1.8) Any deviation, requirement, modification or change made by the city and/or city official or agency as a direct result of the Owner's requirement will be charged to the Owner. If the city, review engineers, fire marshal and or utility companies hold up a move in or a Certificate of Occupancy, if any, the delivery date will be extended.
- 15.1.9) All site work is assumed to be correct and city site plan approved. Any deviations based on future site plan approvals the Owner will be responsible for any subsequent changes as might be necessary to be made to the cost of work.

15.2) Exclusions of Scope

- 15.2.1) Performance bonds, labor, material, payment bonds or other securities.
- 15.2.2) Unforeseen conditions including but not limited to existing soil conditions, existing underground utilities, obstructions, underground water, etc.



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- 15.2.3) Dembs Development, Inc. is not responsible for any outside contractors hired by Owner.
- 15.2.4) Weather protection, winter conditions, dewatering, shoring, pinning, undercutting, boring and retaining wall work are not included if these situations were to arise.
- 15.2.5) Additional work required by insurance companies including but not limited to IRI, FM, HPR, OS, Builder's Risk, etc. above the requirements of the National Fire Protection Association, the International Building Code, manufacturer's requirements and /or standard building practices.
- 15.2.6) Moving, rigging or handling of Owner's property, furnishings, machines, equipment, interior furniture and/or fixtures. Any equipment, process work or machine mechanical and/ or electrical.
- 15.2.7) Any process piping work and/ or equipment, machine mechanical and/ or electrical.
- 15.2.8) Low voltage wiring and/or equipment including, communications, PA Systems, phone/ data.
- 15.2.9) Monitoring services or monitoring of intrusion alarms and/ or fire alarms.



			TENANT IN	MPROVEMEN	T.ONLY
PROJECT: LOCATION: ARCHITECT: PROJECT EXEC: ESTIMATOR:	Penske Vehicle Services/ Wash Bay Auburn Hills FA Studio Glenn Jones Chris Inch	OFFICE: SHOP: MEZZANINE: TOTAL SF:	5,800 5,800	JOB NO.: DATE: ESTIMATE:	4/8/2024
DRAWINGS:	PFP-3	SF S)TE:	464,785		
CODE	DESCRIPTION	AMOUNT	COST/ SQ. FT.	% OF JOB	NOTES
01-000	GENERAL CONDITIONS/ STAFFING				
01-100	STAFFING	\$9,900	1.71	2.69%	
01-200	TEMPORARY FACILITIES	\$950	0.16	0.26%	
01-300	TESTING	\$2,500	0.43	0.68%	
01-500	PUBLIC UTILITIES-ELECT & GAS	\$0	0.00	0.00%	
01-700	LAYOUT	\$0	0.00	0.00%	
01-750	FINAL CLEAN UP	\$700	0.12	0.19%	
01-800	MISCELLANEOUS	\$0	0.00	0.00%	
01-900	SAFETY	\$0	0.00	0.00%	
	GC'S & STAFFING TOTAL	\$14,050	2.42	3,82%	
03-000	CONCRETE				
03-100	FOUNDATIONS	\$0.	0.00	0.00%	
03-250	SITE CONCRETE	\$0	0.00	0.00%	
03-300	BUILDING CONCRETE	\$5,800	1.00		Prep/ Slope Concrete Floor
03-400	PRECAST CONCRETE	\$0	0.00	0.00%	Lieby Globe Colleter Floor
04-000	MASONRY				
04-000	MASONRY	\$59,248 [*]	10.22	16.12%	Wash Bay Walls to 14ft
07-000	MOISTURE PROTECTION				
07-480	METAL SIDING	\$0	0.00	0.00%	
07-500	MEMBRANE ROOFING	\$3,250	0.00	0.00%	Vant Daaf Elmahimus
07-800	SKYLIGHTS	\$3,250 \$0	0.00	0.88%	Vent Roof Flashings
07-900	JOINT SEALERS (CAULKING)	\$500	0.09		Misc. Sealants
09-000	FINISHES				
09-250	GYPSUM BOARD (DRYWALL)	**	0.05		
09-300	TILE	\$0	0.00	0.00%	
09-500	ACOUSTICAL TREATMENT	\$0	0.00	0.00%	
09-650	RESILIENT FLOORING/ BASE	\$0	0.00	0.00%	
09-680	CARPET	\$0 \$0	0.00	0.00%	
09-800	SPECIAL COATINGS	\$16,356	0.00 2.82	0.00%	Nan Claid Faces
09-900	PAINTING	\$4,186	2.82 0.72		Non Skid Epoxy
09-950	WALLCOVERINGS	\$0	0.72	0.00%	Epoxy Paint Walls
15-000	MECHANICAL				
15-400	FIRE PROTECTION	\$0	0.00	0.00%	

PROJECT: LOCATION: ARCHITECT: PROJECT EXEC; ESTIMATOR: DRAWINGS:	Penské Vehicie Services/ Wash Bay Auburn Hills FA Studio Glenn Jones Chris Inch PFP-3	OFFICE: SHOP: MEZZANINE: TOTAL SF: SF SITE:	5,800 5,800 464,785	JOB NO.: DATE: ESTIMATE:	4/8/2024 1
CODE	DESCRIPTION	AMOUNT	COST/ SQ. FT.	% OF JOB	Notes
15-501	PLUMBING	\$181,250	31.25	49.31%	Trench Dr., HWT & Gas Pipe
15-800	HVAC	\$30,000	5.17		Tube Heaters Wash Bay
16-000	ELECTRICAL				
16-000	ELECTRICAL	\$9,725	1.68	2.65%	Danna
16-000	FIRE ALARM	\$9,725 \$0	0.00	2.65% 0.00%	Power
				0,00,0	
17-000	TENANT BUILD OUT				
17-000	TI ALLOWANCE	\$0	0.00	0.00%	
	CONSTRUCTION TOTAL	\$310,315	53.50	84.42%	
	SUBTOTAL	\$324,365	55.93	88.24%	
18-000	SOFT COSTS				
18-100	GL INSURANCE	\$1,707	0.29	0.46%	
18-110	PERMITS	\$1,000	0.17		Allowance
18-150	CIVIL ENGINEERING COST	\$3,500	0.60		Oil & Gas Incpt. Tie In
18-160	ARCHITECTURAL COST	\$5,800	1.00	1.58%	• • • • • • • • • • • • • • • • • • • •
18-170	MEP ENGINEERING COST	\$2,030	0.35	0.55%	
	SOFT COSTS TOTAL	\$14,037	2.42	3.82%	
	SUBTOTAL	\$338,402	58.35	92.06%	
20-200	CONSTRUCTION CONTINGENCY	\$6,487	1.12	1.76%	2.00%
	SUBTOTAL	\$344.889	59.46	93.82%	
20-300	FEE	\$22,706	3.91	6.18%	
	GRAND TOTAL	\$367,595	63.38	100.00%	



			TENANT IN	IPROVEMENT (DNLY
PROJECT: LOCATION: ARCHITECT: PROJECT EXEC: ESTIMATOR: DRAWINGS:	Penske Vehicle Services/ Clean Room Auburn Hills FA Studio Glenn Jones Chris Inch	OFFICE: SHOP: MEZZANINE: TOTAL SF: SF SITE:	14,200 14,200 464,785	JOB NO.: DATE: ESTIMATE:	4/11/202 3
CODE	PFP-3/ Walls to 14 ft., No Deck/Dust Cover DESCRIPTION	AMOUNT	COST/ SQ. FT.	% OF JOB	NOTES
01-000	GENERAL CONDITIONS/ STAFFING	477	······································		
01-100	STAFFING	\$19,800	1.39	2.84%	
01-200	TEMPORARY FACILITIES	\$1,900	0.13	0.27%	
01-300	TESTING	\$0	0.00	0.00%	
01-500	PUBLIC UTILITIES-ELECT & GAS	\$0	0.00	0.00%	
01-700	LAYOUT	\$0	0.00	0.00%	
01-750	FINAL CLEAN UP	\$1,420	0.10	0.20%	
01-800	MISCELLANEOUS	\$0	0.00	0.20%	
01-900	SAFETY	\$O	0.00	0.00%	
	GC'S & STAFFING TOTAL	\$23,120	1.63	3.31%	
04-000	5.14.000 PM				
	MASONRY				
04-000	MASONRY	\$0	0.00	0.00%	
05-000	METALS				
05-100	STRUCTURAL STEEL	\$0	0.00	0.00%	
05-200	PRE ENG METAL BLDG MATERIAL	\$0	0.00	0.00%	
05-300	PRE ENG METAL BLDG LABOR	\$0	0.00	0.00%	
05-500	METAL FABRICATION (MISC.)	\$15,000	1.06		TU Support/ Bollards
07-000	MOISTURE PROTECTION				
07-480	METAL SIDING	\$14,400	1.01	2 06% 0	TU Screening
07-500	MEMBRANE ROOFING	\$8,000	0.56		TU Roof Flashing
07-800	SKYLIGHTS	\$0	0.00	0.00%	TO ROOF Flashing
07-900	JOINT SEALERS (CAULKING)	\$ 1, 500	0.11		lisc. Sealants
08-000	DOORS & GLASS				
08-110	METAL DOORS & FRAMES	42.200	0.00	0.40%	
08-200	WOOD & PLASTIC DOORS	\$3,200	0.23	0.46% 4	eacn
08-330	OH DOORS	\$0 \$18,000	0.00	0.00%	
08-400	GLASS & ALUMINUM	\$18,000 \$0	1.27	2.58% 4	eacn
08-700	HARDWARE	\$0 \$1,600	0.00 0.11	0.00% 0.23% 4	each
09-000	FINISHES				
09-250	GYPSUM BOARD (DRYWALL)	400 E40	F 64	سيمسمنين	in the state of th
09-300	TILE	\$82,512	5.81		rywali to 14 ft. only
09-000	1 Hala	\$0	0.00	0.00%	

PROJECT: LOCATION: ARCHITECT:	Penske Vehicle Services/ Clean Room Auburn Hills FA Studio	OFFICE: SHOP: MEZZANINE:	14,200	JOB NO.: DATE: ESTIMATE:	0 4/11/2024 3
PROJECT EXEC: ESTIMATOR: DRAWINGS;	Glenn Jones Chris Inch PFP-3/ Walls to 14 ft., No Deck	TOTAL SF: SF SITE:	14,200 464,785		
CODE	DESCRIPTION	AMOUNT	COST/ SQ. FT.	% OF JOB	NOTES
09-500	ACOUSTICAL TREATMENT	\$85,200	6.00	12.21% 2	x4 Vinyl Gyp. 12 ft. AFF
09-650	RESILIENT FLOORING/ BASE	\$2,075	0.15	0.30% 4	" Vinyl Base
09-680	CARPET	\$0	0.00	0.00%	
09-800	SPECIAL COATINGS	\$40,044	2.82	5.74% N	lon Skid Epoxy
09-900	PAINTING	\$14,455	1.02	2.07% E	poxy Paint Walls
09-950	WALLCOVERINGS	\$0	0.00	0.00%	
15-000	MECHANICAL				
15-400	FIRE PROTECTION	\$42,600	3.00	6.11%	
15-501	PLUMBING	\$10,000	0.70		RTU Gas Pipe
15-800	HVAC	\$212,000	14.93	30.39% 4	O Tons/ 10 Micron
16-000	ELECTRICAL				
16-000	ELECTRICAL	\$47,200	3.32		ighting & Power
16-000	FIRE ALARM	\$2,000	0.14	0.29%	
17-000	TENANT BUILD OUT				
17-000	TI ALLOWANCE	\$0	0.00	0.00%	
	CONSTRUCTION TOTAL	\$599,786	42.24	85.99%	
	SUBTOTAL	\$622,906	43.87	89.30%	
18-000	SOFT COSTS				
18-100	GL INSURANCE	\$3,299	0.23	0.47%	
18-110	PERMITS	\$2,500	0.18		Aliowance
18-160	ARCHITECTURAL COST	\$9,230	0.65	1.32%	
18-170	MEP ENGINEERING COST	\$3,550	0.25	0.51%	
	SOFT COSTS TOTAL	\$18,579	1.31	2,66%	
	SUBTOTAL	\$641,485	45.18	91.96%	
20-200	CONSTRUCTION CONTINGENCY	\$12,458	0.88	1.79%	2.00%
	SUBTOTAL	\$653,943	46.05	93.75%	
20-300	FEE	\$43,603	3.07	6.25%	
	GRAND TOTAL	\$697,547	49.12	100.00%	



			TEÑANT	IMPROVEMEN	ITONLY
PROJECT:	Penske Vehicle Services/ Fencing & Gates	OFFICE:	114,335	JOB NO.:	
LOCATION:	Aubum Hills	SHOP:		DATE:	5/29/2024
ARCHITECT:	FA Studio 2	MEZZANINE:		ESTIMATE:	2
PROJECT EXEC:	Glenn Jones	TOTAL SF:	114,335		
ESTIMATOR:	Chris Inch	SFSITE	464,785		
DRAWINGS:	PFP-3/ See Attached Layout		. <u>1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1</u>	21.00	
CODE	DESCRIPTION	AMOUNT	COST/ SQ. FT.	% OF JOB	NOTES
01-000	GENERAL CONDITIONS/ STAFFING				
01-100	STAFFING	\$6,600	0.06	2.56%	
01-200	TEMPORARY FACILITIES	\$475	0.00	0.18%	
01-300	TESTING	\$0	0.00	0.00%	
01-500	PUBLIC UTILITIES-ELECT & GAS	\$0	0.00	0.00%	
01-700	LAYOUT	\$0	0.00	0.00%	
01-750	FINAL CLEAN UP	\$0	0.00	0.00%	
01-800	MISCELLANEOUS	\$0	0.00	0.00%	
01-900	SAFETY	\$0	0.00	0.00%	
	GC'S & STAFFING TOTAL	\$7,075	1.22	2.75%	
02-000	SITE WORK		SITE SQ. FT.		
02-050	DEMOLITION	\$0	0.00	0.00%	
02-100	CLEAR & GRUBB	\$0	0.00	0.00%	
02-200	EARTHWORK	\$0	0.00	0.00%	
02-500	PAVING & SURFACING	\$10,000	0.00		Datah P. Danair agus auta
02-600	SITE UTILITIES	\$10,000	0.02	0.00%	Patch & Repair saw cuts
02-800	SITE IMPROVEMENTS	\$187,735	0.40		Finalized 9 Cohoo with a surface
02-900	LANDSCAPING	\$8,000	0.40		Fencing & Gates w/operators Restoration
16-000	ELECTRICAL	\$6,000	0.02	3.1170	Restoration
16-000	ELECTRICAL	\$22,500	0.20	8.74%	Operator conduits and power
	CONCIDENCE TOTAL				· · · · · · · · · · · · · · · · · · ·
	CONSTRUCTION TOTAL	\$228,235	2.00	88.62%	
	SUBTOTAL	\$235,310	2.06	91.37%	
18-000	SOFT COSTS				
18-100	GL INSURANCE	\$1,255	0.01	0.49%	
18-110	PERMITS	\$1,000	0.01		Site Permits
18-150	CIVIL ENGINEERING COST	\$3,500	0.03		Site Plan
18-160	ARCHITECTURAL COST	\$0	0.00	0.00%	one i ian
18-170	MEP ENGINEERING COST	\$0	0.00	0.00%	
	SOFT COSTS TOTAL	\$5,755	0.05	2.23%	
	SUBTOTAL	\$241,065	2.11	93.60%	
20-200	CONSTRUCTION CONTINGENCY	\$0	0.00	0.00%	0.00%
	SUBTOTAL	\$241,065	2.11	93,60%	
20-300	FEE	\$16,472	0.14	6.40%	
	GRAND TOTAL	\$257,537	2.25	100.00%	

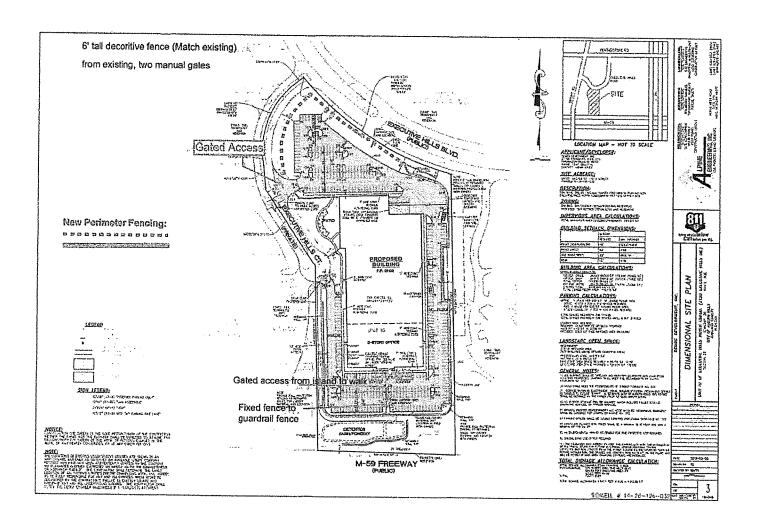


EXHIBIT "C"

GUARANTY OF LEASE

WHEREAS, EXECUTIVE HILLS DRIVE, LLC, a Michigan limited liability company ("Landlord") has entered into a certain Lease dated as of June 25, 2024 (the "Lease") with PENSKE VEHICLE SERVICES, INC., a Delaware corporation ("Tenant"), a copy of the Lease being attached hereto as Exhibit A; and

WHEREAS, Landlord would not enter into the Lease but for the undertakings of PENSKE TRUCK LEASING CO., L.P., a Delaware limited partnership ("Guarantor"), as set forth herein; and

WHEREAS, Guarantor has a substantial financial interest in the Tenant and will derive a direct benefit from the execution of the Lease by Landlord.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as a material inducement to Landlord to execute the Lease, the undersigned agrees as follows:

- 1. <u>Guaranty</u>. The undersigned Guarantor hereby, jointly and severally, unconditionally guarantees the full and timely payment and performance by Tenant of each and every term, condition and covenant to be performed by Tenant under the Lease, including without implied limitation the Tenant's obligation to pay such rents, charges, costs, and any other sums as are set forth in the Lease.
- 2. <u>Direct Enforcement</u>. The undertakings contained in this Guaranty are the personal liability of Guarantor. Guarantor acknowledges that after any event of default by Tenant in the performance of any term, condition or covenant of the Lease, the liability of Guarantor under this Guaranty will be primary and that, in the enforcement of its rights, Landlord will be entitled to look to Guarantor for the performance of the obligations of Tenant which Guarantor has guaranteed, without first commencing any action or proceedings against Tenant, and likewise, enforcement of Landlord's rights against Tenant will not impair the right of Landlord to enforce this Guaranty, and any such action by Landlord will not operate as a release of the liability of Guarantor under this Guaranty. The guaranteed obligations include both payment and performance. The obligations of the Guarantor are absolute and unconditional and will remain in full force and effect until all amounts due pursuant to the Lease have been paid in full and all of Tenant's obligations thereunder have been performed in full.
- 3. <u>Guarantor's Performance of Tenant's Obligations</u>. Guarantor agrees that, in addition to any other rights given to Landlord hereby, in the event of any default by Tenant in the performance of any term, condition or covenant of the Lease, it will forthwith cause Tenant to, or will itself, pay, perform and observe said term, condition or covenant of the Lease.
- 4. <u>Subrogation</u>. From and after the occurrence of any default by Tenant in the performance of any term, condition, covenant or obligation under the Lease, and in the further

event Guarantor fails to either, pursuant to Section 3 of this Guaranty, (i) cause Tenant to cure such occurrence of default or (ii) cure such Tenant occurrence of default itself, Guarantor agrees that it will not accept or receive any dividend, payment or reimbursement from Tenant, including any payment on account of any indebtedness from Tenant to Guarantor, and that if Guarantor does then receive any such dividend, payment or reimbursement the same will be held in trust for Landlord and will be promptly turned over to Landlord in the form received.

- 5. <u>Financial Condition</u>. Guarantor agrees from time to time, upon Landlord's reasonable written request and not more frequently than annually, to deliver to Landlord forthwith financial statements to Landlord; provided, however, that Guarantor shall only furnish such financial statements to Landlord upon the full execution of a mutually agreeable nondisclosure agreement. All financial statements previously delivered to Landlord by Guarantor are, and all financial statements to be delivered to Landlord by Guarantor will be, true and correct in all material respects and fair presentations of the financial condition of Guarantor as of the date thereof, prepared in accordance with generally accepted accounting practices. Guarantor shall notify of Landlord within ten (10) days after any merger or consolidation of Guarantor, any sale of all or any material part of Guarantor's assets and any sale of all or any direct or indirect interest in Tenant, if any. No such merger, consolidation or sale shall constitute a release of the Guarantor hereunder.
- 6. Waivers. Guarantor agrees that none of its obligations and no right against Guarantor hereunder will in any way be discharged, impaired, or otherwise affected by any extension of time for, or by any partial of complete waiver of the performance of any of Tenant's obligations under the Lease, or by any other alteration, amendment, assignment, expansion, extension or modification in or to the Lease, or by any release or waiver of any term, covenant or condition of the Lease, or by any delay in the enforcement of any rights against Tenant, Guarantor or any other person or entity under the Lease. Guarantor agrees that the Lease may be altered, amended, assigned, expanded, extended or modified from time to time on such terms and provisions as may be satisfactory to Landlord and Tenant without notice to or further assent by Guarantor, and Guarantor hereby waives notice of acceptance of this Guaranty and notice of any obligations guaranteed hereby or of any action taken or omitted in reliance hereon, and notice of any defaults of Tenant under the Lease and waives presentment, demand for payment or performance, protest, notice of dishonor, nonpayment or nonperformance of any such obligations, suit or taking of other action by Landlord against, and any other notice to, any party liable thereon and waives suretyship defenses generally, other than full and timely payment and performance of all obligations hereby guaranteed. No invalidity, irregularity or unenforceability of all or any part of such obligations or of any security therefor and no insolvency, bankruptcy, liquidation proceeding or dissolution affecting Tenant or Guarantor will affect, impair or be a defense to this Guaranty. The liability of the Guarantor hereunder is primary and unconditional and will not be subject to any offset, defense (other than the defense of full and timely payment and performance) or counterclaim of Guarantor.
- 7. <u>Enforceability</u>. Guarantor represents that this Guaranty, and the Lease hereby guaranteed, as originally delivered and as modified, amended or supplemented, have been duly authorized and are the legal, valid and binding obligations of Guarantor and Tenant, enforceable in accordance with their respective terms, and Guarantor further agrees that no invalidity of any

such Guaranty will affect or impair Guarantor's liability under this Guaranty. This Guaranty shall automatically terminate upon the date the Lease terminates provided no default then exists and except with regard to any obligations or liabilities that survive the termination of the Lease.

8. <u>Notices</u>. All notices or other communications required or provided to be sent by either party shall be in writing and will be sent by nationally recognized overnight delivery service (provided that such service is able to provide evidence of receipt or refusal of delivery) for next business day delivery, shall be deemed to have been given upon receipt (or refusal to receive), and shall be sent to the address of such party specified below, or to such other address as the addressee may have specified in a notice duly given to the sender as provided herein:

To Landlord:

Executive Hills Drive, LLC 27750 Stansbury, Suite 200

Farmington Hills, Michigan 48334

with a copy to:

Taft, Stettinius & Hollister 27777 Franklin Road, Suite 2500 Southfield, Michigan 48034 Attention: Brian Raznick

To Guarantor:

Penske Truck Leasing Co., L.P. Attn: Vice President – Real Estate

2675 Morgantown Road Reading, Pennsylvania 19607

with a copy to:

Penske Vehicle Services, Inc.

Attn: President & Chief Executive Officer

1225 E. Maple Road Troy, MI 48083

and a copy to:

Penske Truck Leasing Co., L.P.

Attn: Legal Department 2675 Morgantown Road Reading, Pennsylvania 19607

The inability to deliver notice because of a changed address of which no notice was given as provided above, or because of rejection or other refusal to accept any notice, will be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any party hereto may be given by the counsel for such party.

9. <u>Successors and Assigns</u>. This Guaranty will be binding upon Guarantor and its successors or assigns, and will inure to the benefit of Landlord, its successors or assigns. Guarantor agrees that this Guaranty will be assignable by Landlord in connection with an assignment of Landlord's interest in the Lease. The benefit of this Guaranty will extend to any successor of Landlord as owner of the Leased Premises.

- 10. Applicable Law. Guarantor submits and consents to personal jurisdiction in the State of Michigan for the enforcement of this Guaranty and waives any and all personal rights under the laws of any state or the United States of America to object to jurisdiction in the State of Michigan for the purposes of litigation to enforce this Guaranty. Litigation may be commenced either in a court of general jurisdiction in the State of Michigan or any United States District Court located in the State of Michigan
- 11. <u>Waiver of Jury Trial</u>. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY(IES) AGAINST ANY OTHER PARTY(IES) ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS GUARANTY OR THE RELATIONSHIP OF THE PARTIES CREATED HEREUNDER.

Executed as a sealed instrument as of the 25th day of June, 2024.

GUARANTOR:

PENSKE TRUCK LEASING CO., L.P. a Delaware limited partnership By: PTL GP, LLC, its General Partner

Name: Karen L. Shchuka

Title: Vice President of Real Estate

EXHIBIT "D"

COMMENCEMENT DATE MEMORANDUM

LLC, a	_ day of ı Michi	COMMENCEMENT DATE MEMORANDUM (the "Memorandum") is made as of, 20, by and between EXECUTIVE HILLS DRIVE, gan limited liability company ("Landlord"), and PENSKE VEHICLE SERVICES, an corporation ("Tenant").
		$\underline{\mathbf{W}} \ \underline{\mathbf{I}} \ \underline{\mathbf{T}} \ \underline{\mathbf{N}} \ \underline{\mathbf{E}} \ \underline{\mathbf{S}} \ \underline{\mathbf{E}} \ \underline{\mathbf{T}} \ \underline{\mathbf{H}} :$
Lease . Auburi	WHER Agreem 1 Hills,	EAS, on, 20, Landlord and Tenant entered into a tent relating to certain Leased Premises located at 2150 Executive Hills Court in Michigan (hereinafter called the "Lease").
and	WHER	EAS, the term of the Lease has commenced, pursuant to Section 2.02 of the Lease;
the terr		EAS, the parties desire to confirm the dates of commencement and expiration of ent schedule and such other reasonably requested terms.
and Te	-	THEREFORE, in consideration of the mutual covenants herein contained, Landlord ree as follows:
	1.	The Initial Term of the Lease commenced on, 20
	2.	The Initial Term of the Lease shall expire on, 20
	3.	Tenant's obligation to pay Minimum Monthly Rent shall commence on
		, 20
	4.	Tenant's option to terminate the Lease, if exercised pursuant to the terms of the
		Lease, shall be effective on, 20
	5.	The first Extension Term of the Lease, if exercised pursuant to the terms of the
		Lease, commences on, 20
	6.	The first Extension Term of the Lease, if exercised pursuant to the terms of the
		Lease, shall expire on, 20
	7.	The second Extension Term of the Lease, if exercised pursuant to the terms of the
		Lease, commences on, 20
	8.	The second Extension Term of the Lease, if exercised pursuant to the terms of the
		Lease, shall expire on , 20 .

- 9. The execution of this Memorandum shall not constitute the exercise by Tenant of any option it may have to extend the term of the Lease.
- 10. The Lease is in full force and effect and is hereby ratified and confirmed.
- 11. This Memorandum may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. Any party to this Memorandum may deliver an executed copy hereof by facsimile or other electronic transmission to the other party and any such delivery shall have the same force and effect as delivery of a manually signed copy of this Memorandum.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum to be duly executed on the date first written above.

LANDLORD:	EXECUTIVE HILLS DRIVE, LLC
	By:Name:
	Title:
TENANT:	PENSKE VEHICLE SERVICES, INC.
	By: Name:
	Title

EXHIBIT "E"

LEASED PREMISES JOINT INSPECTION FORM

Facility:	Location #: Date:
Address:	
Representing Landlord:	Representing Tenant:
(signature)	(signature)
(print name)	(print name)
(company)	(company)
 Instructions: Inspect each item noted below. Place proper code in "Condition" column. Use "Remarks" column for additional information concerning conditions coded "4. Provide a clear photo of all conditions coded "2". Label photo. Be sure both representatives sign the inspection report. N/A-Not applicable 	Condition-Legend 1-Satisfactory Condition 2-Unsatisfactory Condition 2".

OFFICE	COND.	REMARKS
Walls		
Windows		
Doors		
Stairs & Handrails		
Ceilings		
Lighting		
Exit Sign		
Floors		
Heating		
Air Conditioning		
Restrooms/Plumbing Fixtures		

Water Coolers		
awan.	COND.	REMARKS
SHOP	COND.	NDAMA COLO
Walls Interior & Exterior		
Windows		
Doors		
Stairs & Handrails		
Overhead Doors		
Lighting		
Approach Aprons		
Drains		
Gutters & Downspouts		
Roof		
Pipe Door Guards		
Restrooms		
Office		
Heating		
Air Conditioning		
Equipment		
	T	DEMANDEC
BUILDING EXTERIOR	COND.	REMARKS
Roof		
Handicap Ramp		
Fascia & Siding		
Canopy		
Gutters & Downspouts		
YARD	COND.	REMARKS
Concrete Apron		
Concrete Dolly Strips		

Parking Bumpers		
Yard Condition		
Shrubbery/Landscaping		
Sidewalks		
Storm Sewers & Catch Basins		
Yard Lights		
Fence & Gates		
Employee Parking Lot		
Scale		
WAREHOUSE	COND.	REMARKS
Bumpers / Edge Channel		
Dock Levelers		
Columns		
Overhead Doors / Track		
Stairs & Handrails		
Ladders & Handrails		
Ceiling / Skylights		
Walls		
Floor		
Roof		
Pipe Door Guards		
Lighting		
Personnel Doors		
Warehouse Office		
Warehouse Restroom		
Heating / Air Conditioning		

leating / Air Conditioning		
OTHER COMMENTS:		
		<u> </u>
	Exhibit E	

EXHIBIT "F"

EFT AUTHORIZATION

Landlord hereby (1) authorizes Tenant to make payments by EFT, (2) authorizes Tenant to withdraw funds by EFT in order to reverse and/or adjust any EFT payments made in error, (3) certifies that it has selected the following depository institution, and (4) directed that all such EFT be made as provided below:

DEPOSITORY INSTITUTION:	
ADDRESS:	
BANK ROUTING NO.:	
CHECKING ACCOUNT NAME:	
CHECKING ACCOUNT NUMBER:	
REMITTANCE ADVICE FORMAT EDI (ANSI 820) Email None Fax	
Landlord also agrees to provide Tenant with the Treasurepresentative of Landlord to verify receipt of the \$1.00 receipt of the trial payment before additional payments v	trial ACH payment. Landlord must confirm
Landlord	
Address	
Address	
Signature	
Title	ARTICLE I. A/P USE ONLY
Telephone #	SECTION 1.01 VENDOR NO.
Date	
Contact Information as provided by Landlord:	CO. CODE
Name	INITIALS
Fax #	DATE
E-mail	

Exhibit F

MEETING DATE: SEPTEMBER 9, 2024

AGENDA ITEM NO 9B

DEPARTMENT OF PUBLIC WORKS

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; Stephen Baldante, Director of Public Works

Submitted: September 5, 2024

Subject: Motion – Move to award a contract for Shimmons Road Water Main Relocation

INTRODUCTION AND HISTORY

As part of the ongoing collaborative project between the City of Auburn Hills (City) and Oakland Christian School (OCS) to reconstruct and realign a portion of Shimmons Road, OCS is moving forward with parking lot improvements on their site. With the proposed improvements by OCS, a portion of existing water main located within the former/vacated Shimmons Road right-of-way needs to be removed and reinstalled. Some additional reasons for the required water main relocation are that the new grades in the area are creating an unnecessary bury depth on current pipe and the existing water main would be located under the proposed OCS parking lot making access for future maintenance very difficult.

This water main work was originally going to be completed as part of the City's ongoing Shimmons/Dexter Road project by FH Paschen. The estimated cost for the additional water main work utilizing FH Paschen's contract bid unit pricing is \$194,719.63. Unfortunately, FH Paschen has fallen behind on production for the current Shimmons/Dexter contract and will be unable to complete this additional water main work in a timely manner. Superior Excavating is currently working with OCS on their parking lot improvements, and the city reached out to get a quote for the city required water main relocation. Superior was able to come in under the FH Paschen bid price and has agreed to start the work as soon as possible to keep the project moving forward. The quote received from Superior Excavating totaled \$180,630 and is attached as Exhibit A. The city has worked successfully with Superior Excavating on many projects and is confident in their level of expertise.

STAFF RECOMMENDATION

Staff recommends awarding a contract to Superior Excavating for the removal and relocation of water main associated with the Shimmons Road reconstruction and realignment. In addition, a budget amendment in the amount of \$180,630 to account # 592-536-971.002 will be needed to fund the project.

MOTION

Move to authorize and award a contract to Superior Excavating for the relocation of water main associated with the Shimmons Road curve realignment. In addition, a budget amendment for \$180,630.00 to account #592-536-971.002 will be needed to fund the project.

I CONCUR:

THOMAS A. TANGHE, CITY MANAGER

Thomas A. Taughe

Superior Excavating Pricing

Water Main, DI, 8 inch	900	Ft	\$ 137.70	\$	123,930.00
Fire Hydrant	2	Ea	\$ 7,900.00	\$	15,800.00
Connection to Existing Water Main	1	Ea	\$ 8,000.00	\$	8,000.00
Hydrant, Rem	2	Ea	\$ 700.00	\$	1,400.00
Gate Well, Rem	3	Ea	\$ 1,000.00	\$ \$	3,000.00
Gate Valve and Well, 8 inch	3	Ea	\$ 8,500.00	\$	25,500.00
Connect to FH Paschen Water Main	1	Ea	\$3,000.00	\$	3,000.00

Total \$ 180,630.00

F.H. Paschen Pricing

900	Ft	\$	148.42	\$	133,578.00
2	Ea	\$	8,229.96	\$	16,459.92
1	Ea	\$	10,782.74	\$	10,782.74
2	Ea	\$	872.90	\$	1,745.80
3	Ea	\$	1,217.02	\$	3,651.06
3	Ea	\$	7,039.67	\$	21,119.01
1	LS	\$	7,383.10	\$	7,383.10
	2 1 2 3	1 Ea 2 Ea 3 Ea 3 Ea	2 Ea \$ 1 Ea \$ 2 Ea \$ 3 Ea \$ 3 Ea \$	2 Ea \$ 8,229.96 1 Ea \$ 10,782.74 2 Ea \$ 872.90 3 Ea \$ 1,217.02 3 Ea \$ 7,039.67	2 Ea \$ 8,229.96 \$ 1 Ea \$ 10,782.74 \$ 2 Ea \$ 872.90 \$ 3 Ea \$ 1,217.02 \$ 3 Ea \$ 7,039.67 \$

Total \$ 194,719.63



MEETING DATE: SEPTEMBER 9, 2024

AGENDA ITEM NO 9C

DEPARTMENT OF PUBLIC WORKS

To: Mayor and City Council

From: Thomas A. Tanghe, City Manager; Tim Wisser, Manager of Municipal Properties;

Chip Hierlihy, General Manager

Submitted: September 4, 2024

Subject: Motion - To award the 2024 Fieldstone Golf Club cart path paving and drainage

improvements to Titan Pavement

INTRODUCTION AND HISTORY

Cart paths are essential to Fieldstone Golf Club's infrastructure, providing designated routes for golf cars and enhancing overall functionality. Well-maintained paths ensure player safety, protect the course's turf from wear and compaction, and allow for play during inclement weather. Regular maintenance, including repairing cracks and addressing drainage issues, prevents safety hazards and damage to golf cars while preserving the course's aesthetic appeal. Proper upkeep reduces long-term costs by preventing extensive damage and contributes to a positive player experience, faster pace of play, and improved navigation. These factors are crucial for Fieldstone's reputation and success as a premier public golf destination in Auburn Hills.

The cart path on hole 15 at Fieldstone Golf Club has long required significant maintenance due to its proximity to wetlands and poor drainage. Addressing this pressing issue, staff allocated funding in the 2024 budget for improvements. The project's scope encompasses the removal and replacement of 370 feet of deteriorated asphalt, a 200-foot extension of the path, and the resolution of persistent drainage problems. The scope also involves regrading the affected area, installing a robust limestone aggregate base, and applying high-quality asphalt paving. These enhancements aim to ensure long-term durability and significantly improve playability. Moreover, the project will effectively address the chronic water pooling and soggy conditions that have adversely affected both the path and surrounding turf, thereby elevating the overall quality and enjoyment of hole 15.





Photos of the cart path along hole 15 at Fieldstone Golf Club. Photos taken May 30, 2024 following a rain event.

City staff published a bid for cart path paving and drainage improvements on hole 15 on the Michigan Intergovernmental Trade Network (MITN) on August 16, 2024 seeking bids from qualified contractors (Exhibit 1).

The bid packet was downloaded by 48 different firms. Five firms attended the mandatory site visit coordinated by the City on August 27, 2024. Following the site visit, the City received two sealed bids that were formally opened and announced at the Office of the City Clerk on September 3, 2024.

COMPANY NAME	TOTAL
Vicalci Building Company	\$59,000.00
Titan Pavement	\$43,750.00

Titan Pavement has delivered high-quality work for the City of Auburn Hills in the past, demonstrating their expertise and reliability across various projects. Their recent projects include the successful completion of the Public Safety Building concrete walkway improvements, the sealcoating of the multi-sports field track, and the installation of asphalt approaches at the Fieldstone Golf Club bridges. Given their proven track record of quality workmanship, timely project completion, and competitive pricing, City staff recommends awarding the 2024 cart path paving and drainage improvements contract to Titan Pavement.

STAFF RECOMMENDATION

Staff recommends the 2024 Cart Path Paving and Drainage Improvements bid award to Titan Pavement in an amount not to exceed \$43,750. Funding for this project is budgeted in the 2024 Fieldstone Golf Club budget in account number 584-753-972.000.

MOTION

Move to award the 2024 Cart Path Paving and Drainage Improvements bid award to Titan Pavement in an amount not to exceed \$43,750.00.

I CONCUR:

THOMAS A. TANGHE. CITY MANAGER

Thomas A. Tanghe



FIELDSTONE GOLF CLUB OF AUBURN HILLS

REQUEST FOR PROPOSAL -- 2024 CART PATH PAVING AND DRAINAGE IMPROVEMENTS

PROPOSAL NUMBER: RFP-CAH-09-03-2024-001

PROPOSAL ITEM: Fieldstone Golf Club 2024 Cart Path Paving and Drainage Improvements

PROPOSAL DEADLINE: September 3, 2024, 10:00 AM

The City of Auburn Hills is seeking responses from qualified vendors to repave the cart path and improve drainage on hole 15 at the Fieldstone Golf Club in the Fall of 2024. The following document outlines the nature and scope of work requested and provides a summary for the City of Auburn Hills and Fieldstone Golf Club. Sealed proposals will be received at the City Clerk's Office, located at 1827 N. Squirrel Road, Auburn Hills, MI 48326 until 10:00 AM EST, September 3, 2024. A mandatory pre-submission walkthrough is scheduled for this project at Fieldstone Golf Club (1984 Taylor Road, Auburn Hills) on Wednesday, August 27, 2024, at 9:00 AM.

BACKGROUND

The City of Auburn Hills is a distinguished municipal leader in southeast Michigan. Home to approximately 25,000 residents, with a workday population of approximately 60,000. Auburn Hills is a thriving global business address with over 70 international corporations, including World and North American headquarters for many outstanding businesses. Auburn Hills' residents enjoy the amenities of city and suburban living with parks, a revitalized downtown district, and a welcoming city complex with a library and community center. Additionally, the city has four colleges and universities, and Great Lakes Crossing Outlets (one of the state's largest destination shopping centers)

Fieldstone Golf Club (FGC) is an exceptional 18-hole public golf course located in Auburn Hills, Michigan. Situated in an easily assessable Detroit suburb, Auburn Hills is a distinguished location for automotive and high-tech businesses whose employees' frequent FGC. Fieldstone Golf Club has consistently averaged over 32,500 starts for the past 10+ years. The course offers an exceptional variety of hole designs by the renowned architect, Arthur Hills, that combines diverse landscape and wetlands with gently rolling fairways through majestic hardwoods.

RFP SCHEDULE

August 16, 2024	RFP Post Date
August 27, 2024	Mandatory Walk Through Meeting at 9:00 AM
August 29, 2024	Questions submitted by 4:00 pm
September 3, 2024	Bids due date by 10:00 AM

SCOPE OF WORK

- The City of Auburn Hills requires that all work specified in this Request for Proposal (RFP) be completed no later than December 1st, 2024
- Remove and replace approximately 370' feet of existing deteriorated asphalt cart path and extending the pathway an estimated 200' feet additional on hole 15 at Fieldstone Golf Club. This includes the removal of any tree roots that are causing damage to the existing path.
- Re-grading and installation of a minimum 4" inches of 21 AA limestone aggregate base as necessary to provide a stable base for the new asphalt path.
- Paving of cart path with a minimum of 3" inches of HMA 5EML asphalt. The new cart path should match the existing widths and follow the current alignment.
- Assessment of drainage issues in the areas approximately 457' linear feet along cart path on hole 15.
 These areas have exhibited pooling water and soggy conditions that are impacting the path and surrounding turf.
- Construction of drainage improvements to alleviate the identified pooling issues related to the existing grade flaws.
- Contractor is responsible for mobilization of equipment, installation of any temporary roads/paths
 needed for equipment or material access, and removal of these temporary access ways upon
 completion.
- Contractor shall restore any areas of turf, landscaping, or other property disturbed by the work to their original condition or better.
- Contractor shall coordinate with Fieldstone Golf Club staff to relocate or adjust any irrigation components impacted by the project. Any irrigation components damaged during construction shall be repaired or replaced by the contractor at no additional cost.
- Contractor is required to provide detailed list of needs during construction and a detailed plan of how construction will be performed while the **course** is open and play continues.

PROPOSAL INSTRUCTIONS

Proposals to receive consideration shall be received prior to the specified time of opening as designated on the bid form. NO LATE PROPOSALS WILL BE ACCEPTED. Proposals are considered received when received and date stamped by the office of the City Clerk. Envelopes are to be clearly marked **PROPOSAL NUMBER AND BID NAME.** Sealed proposals may be submitted to the office of the City Clerk at 1827 N. Squirrel Road, Auburn Hills, Michigan 48326.

1) PREPARATION OF PROPOSAL

- A) Proposers are expected to examine specifications and all instructions. Failure to do so will be at the proposer's risk.
- B) Each Proposer shall furnish all information required on the proposal form. Erasures or other changes must be initialed by the person signing the proposal form.
- C) All Proposers shall carefully examine the RFP documents. Any ambiguities or inconsistencies shall be brought to the attention of the City in writing before the due date; failure to do so, on the part of the Proposer, will constitute acceptance by the Proposer of any subsequent decision. Any questions concerning the intent, meaning and interpretations of the RFP documents, shall be requested in writing and received by the City no later than August 21, 2024. The City will not be responsible for any oral

instructions made by any employee(s) of the City regarding this RFP. Oral statements given before the proposal due date will not be binding.

2) SUBMISSION OF PROPOSAL

A) All proposals shall be submitted in sealed envelopes and shall include the following information on the face of the envelope:

Proposer's Name Proposer's Address Proposal Number Proposal Item (Name of Proposal)

Failure to do so may result in a premature opening or failure to open such proposal. All proposals must be hand delivered for mailed to:

Auburn Hills City Clerk's Office 1827 N. Squirrel Road Auburn Hills, MI 48326

- B) Proposers are responsible for submitting proposals before stated closing time. Delays in the mail will not be considered. Any proposal received after the stated deadline will be rejected.
- C) Any proposal may be withdrawn by giving written notice to the Clerk's Office before stated closing time. After stated closing time, no bid may be withdrawn or canceled for a period of Ninety (90) days after said closing time.
- D) The proposer shall specify a unit price for each item listed and total of all items listed. Unit price will prevail on all items.

3) CONSIDERATION OF PROPOSALS

A) Proposals submitted on bid form are understood to be according to specified data. Proposers are responsible for any and all costs associated with the preparation and submittal of their bid.

In cases where an item is requested by a manufacturer's name, trade name, catalog number, or reference, it is understood that the bidder proposes to furnish the item so identified or an item of equal quality and value.

Reference to any of the above is intended to be descriptive but not restrictive and only indicates articles that will not be satisfactory. Bids of "equal" will be considered, provided that the bidder states in his/her proposal exactly what he/she proposes to furnish, including illustration or other descriptive matter which will clearly indicate the character of the article covered by such proposal.

- B) The City of Auburn Hills hereby reserves the right to approve as an equal, or reject as not being an equal, any article proposed which contains major or minor variations from substantially therewith. The City may waive irregularities in the bid process as it deems appropriate.
- C) The City of Auburn Hills reserves the right, when it is deemed to be in the best interest of the City, to award the proposal in its entirety, in part, or not at all.

D) All Proposers, sub-Proposers and their employees must comply with all Federal, State, and Local laws.

4) TERMS

- A) All bids to be tax exempt, State of Michigan #38-6029813.
- B) All bid quotations will be based on F.O.B. Destination.

Please direct your questions by email to Chip Hierlihy, PGA Member Professional – chierlihy@auburnhills.org
by August 29, 2024. Any questions received after this date will not be considered. All questions will be answered by August 30, 2024.

Insurance Requirements & Other Conditions

Pricing shall be stated in units of quantity specified in the Proposal Document. In case of a discrepancy in computing the amount of the proposal, the unit price proposal will govern.

The proposal evaluation criteria should be viewed as standards, which measure how well a vendor's approach meets the desired requirements and needs of the City.

All proposals shall be opened publicly at the date and time specified. Each shall be recorded with the name of the proposer. All proposals shall be in accordance with the Purchasing Ordinance and the requirements of this notice to be deemed "responsive."

No proposal will be accepted from any person, firm or corporation who is in arrears upon any obligation to the City or who otherwise may be deemed irresponsible or unreliable by the City.

No proposal will be allowed to be withdrawn after it has been deposited with the City of Auburn Hills, except as provided by law. All proposers are held to prices proposed for 180 days or award, whichever comes first, except the successful proposer whose prices shall remain firm through contract expiration.

Any deviation from the scope of work must be noted in the proposal.

The Request for Proposal document together with its addenda, amendments, attachments and modifications, when executed, becomes the contract or part of the contract between the parties.

Any proposal submitted which requires a down payment or prepayment of any kind prior to work completion and full acceptance as being in conformance with specifications will not be considered for award.

All costs incurred in the preparation and presentation of this proposal, in any way whatsoever, shall be wholly absorbed by the prospective firm. All supporting documentation shall become the property of the City of Auburn Hills unless requested otherwise at the time of submission. The confidentiality or disclosure of any information submitted is governed by the Michigan FOIA. The City cannot promise, warrant or guarantee confidentiality nor will the information presented be exempt from disclosure under the FOIA. The City may honor requests for confidentiality only to the extent that FOIA permits.

The City reserves the right to waive any informality in the proposal received, and to accept any proposal or part thereof, which it shall deem to be most favorable to the interests of the City of Auburn Hills.

Any deviation from the Auburn Hills specifications must be noted in the proposal.

Insurance requirements for work on or within city property/facilities

1. Liability Insurance

An ACORD certificate of insurance, or its equivalent, shall be furnished to the City of Auburn Hills at 1827 North Squirrel Road, Auburn Hills, Michigan 48326 evidencing insurance in force for the duration of and applicable to this contract and/or temporary events/special event with an insurance company acceptable to the City of Auburn Hills with a minimum A.M. BEST rating of "A-", and the following minimum requirements:

- a. General Liability (affording coverage not less than ISO Commercial General Liability coverage form):
 - a) Check mark indicating occurrence as opposed to claims made form
 - b) Limits of Liability:

\$1,000,000 each occurrence

\$2,000,000 general and products-completed operations aggregates

c) Personal Injury

\$2,000,000 aggregate

b. Automobile Liability:

- a) Check mark indicating coverage as to any automobile.
- b) Certificate must reflect Michigan "No Fault" PIP and PPI statutory coverages are also afforded.
- c) Limits of Liability: \$1,000,000 combined single limit
- c. Commercial Umbrella (Excess) of at least \$4,000,000.
- d. The Proposer shall insure the Proposer's equipment and property and the City and those persons and entities described in section 1(e) herein shall not be liable and/or responsible for any damage to said equipment and/or property.
- e. Description section of ACORD form is to read: It is understood and agreed that the following shall be additional insured: The City of Auburn Hills, including all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities, including but not limited to the Tax Increment Finance Authority, Brownfield Redevelopment Authority and the Downtown Development Authority, and their officers, employees, representatives and volunteers. The coverage shall be primary to the additional insured and not contributing with any other insurance or similar protection available to the additional insured. This shall not apply to the Proposers' required worker's compensation/employer's liability.
- f. The Description of Operation section of the Certificate shall also name or describe the project and/or event for which coverage is provided.

2. Owner's and Proposer's Protective Liability is required by City

If applicable, the Proposers shall procure and maintain during the life of the contract Owner's and Proposer's Protective Liability Insurance in the name of the City of Auburn Hills, in an amount not less than \$2,000,000 per occurrence, and \$4,000,000 aggregate for injuries, including death, to persons and property damage including loss of use thereof. This insurance shall be from an insurance company acceptable to the City of Auburn Hills.

3. Workers Compensation

The Proposers shall procure and maintain during the life of the contract, statutory Michigan Workers Compensation and Employers Liability Insurance for all employees employed at or in the vicinity of the Proposers' property, or any property used in connection with the Proposers' operation or in carrying out any work related to this contract.

Michigan Workers Compensation and Employers Liability Insurance shall be procured and maintained with the

following limits of liability:

- \$500,000 E.L. each accident
- \$500,000 E.L. each disease each employee
- \$500,000 E.L. Disease Policy Limit

This insurance shall comply with all applicable rules and regulations of the State of Michigan and shall be from an insurance company acceptable to the City of Auburn Hills.

4. Professional Liability is required by City

If applicable, if the Proposers are providing professional services/work, then the Proposers shall procure and maintain during the life of the contract Professional Liability insurance in the amount of \$1,000,000. (Professional services is defined but not limited to architects, builders, engineers, agents, attorney, IT services)

5. The proposers shall procure and maintain during the life of the Contract

- a) If applicable, cyber–liability Insurance with limits of at least \$1,000,000 and this policy shall include \$1,000,000 of third-party liability. This coverage is required if the Proposers is providing computer/data services and/or has access to private City data.
- b) Employee dishonesty coverage with limits of at least \$1,000,000 including third party endorsement.

6. Certificate of insurance

The Proposers agrees that he/she will file all required Certificates of Insurance satisfactory to the City of Auburn Hills with the City of Auburn Hills simultaneously with or prior to the execution of this contract indicating that the insurance required herein has been issued and is in full force and effect.

Further, the Proposers will provide updated certificates annually prior to the policies expiration dates, to indicate that the policies and conditions required hereunder are in full force and effect during the life of this contract.

It is understood and agreed that thirty (30) days advance written notice of cancellation, non-renewal, reduction and/or material change in coverage shall be mailed to:

City Clerk's Office City of Auburn Hills 1827 N. Squirrel Road Auburn Hills, MI 48326

7. Sub-Proposers Insurance Requirements

If approval is granted by the City of Auburn Hills for Proposers to subcontract any or all of this contract to others, then prior to commencing the subcontract, the Proposers shall furnish certificates evidencing the same insurance for the City of Auburn Hills as required in Sections 1 through 4 of the requirements. Such approval to sub-contract is at the sole discretion of the City of Auburn Hills.

8. Requirement as Part of Contract

These insurance requirements shall be expressly contained in and/or incorporated by reference into the contract executed between the Proposers and the City.

9. Hold Harmless Agreement

To the fullest extent permitted by law, proposer agrees to release, indemnify, defend, and hold harmless The City of Auburn Hills, including all elected and appointed officials, all employees, representatives, and volunteers, all boards, commissions, and/or authorities, including but not limited to the Tax Increment Finance Authority, Brownfield Redevelopment Authority and the Downtown Development Authority, and their officers, employees, representatives and volunteers from any injuries, liability, damages, expenses, attorney's fees, causes of action, suits, claims or judgments, costs, incurred and/or arising from the Contractor's performing its work, jobs, duties and/or any other actions and/or omissions of the Contractor and/or its employees, representatives and/or agents pertaining to and/or in connection with this process.

10. Experience/Qualifications

Provide general background information on the proposer as well as specialized experience and capabilities. Items to be included are:

- General Experience and Qualifications of the Proposer and all sub-Proposers(s)
 - Provide the proposer's and each of the sub-Proposers(s)'s, if any, general business experience, history, financial stability, types of projects, and overall qualifications. Include an organizational chart identifying key staff and sub-Proposers, if any expected to provide services on behalf of the proposer.
- Qualifications, Experience in Required Areas and Availability of Key Personnel
 - Provide detailed information on experience in running a similar golf course operation. In addition, resumes should be included for each of the individuals and sub-Proposers(s)s referenced. Make known the availability of key personnel's time to accomplish requirements under this contract.

11. References

Proposers should attach a list of professional references. Reference should be able to describe such matters as the Proposer's financial and operational capability. Include the name of the reference, a description of the nature of the listed reference's experience with the Proposer and the name, title, address, telephone number, and email address of a contact person at the reference entity.

12. Project Completion Date

The City of Auburn Hills requires that all work specified in this Request for Proposal (RFP) be completed no later than December 1st, 2024. This completion date is firm and must be taken into account by all bidders when developing their project schedules and work plans. For the purposes of this project, completion is defined as the full execution of all cart path paving and drainage improvement work on hole 15 at Fieldstone Golf Club, in accordance with the specifications outlined in this RFP. Additionally, all disturbed areas must be properly restored, including turf restoration and implementation of erosion control measures. The project site must be fully cleared of all construction materials, debris, and equipment. A final inspection must be conducted and approved by authorized representatives of the City of Auburn Hills and Fieldstone Golf Club. Furthermore, all required documentation, including as-built drawings, warranties, and closeout documents, must be submitted to and accepted by the City of Auburn Hills.

To demonstrate their ability to meet this deadline, bidders are required to submit a detailed project schedule

as part of their proposal. This schedule should outline how the bidder plans to ensure all work is completed by the December 1st, 2024 deadline, taking into account potential weather-related delays and any limitations on work hours or days that may be imposed due to ongoing golf course operations.

13. Warranty

The contractor shall provide a general workmanship warranty for a period of one (1) year from the date of final acceptance of the project. This warranty will cover any defects in workmanship and installation, with the contractor agreeing to repair or replace, at no cost to the City or Fieldstone Golf Club, any work that does not meet the requirements of the contract documents or that fails due to faulty workmanship. Additionally, a materials warranty shall be provided for one (1) year from the date of final acceptance, or the standard manufacturer's warranty period, whichever is longer. This warranty will cover any defects in the materials used in the project, with the contractor passing through to the City all manufacturers' warranties for materials used.

Specific to the asphalt cart paths, the contractor shall provide a two (2) year warranty from the date of final acceptance. This warranty ensures that the cart paths will remain free from significant cracking, heaving, or settling beyond normal wear and tear. Any defects that impair the functionality or safety of the cart paths shall be repaired at no cost to the City. The drainage system installed as part of this project shall be warranted for three (3) years from the date of final acceptance. This warranty guarantees that the drainage system will perform as designed and effectively manage water as specified in the project plans. Any defects in the drainage system resulting in standing water on the cart path or adjacent areas for more than 24 hours after a rain event (excluding extreme weather conditions) shall be addressed by the contractor at no additional cost.

The contractor is expected to promptly address any warranty issues upon notification by the City or Fieldstone Golf Club. For critical issues affecting play or safety, the response time shall be within 24 hours. Any repairs or replacements made under these warranties shall be warranted for an additional one (1) year from the date of repair or replacement. It should be noted that these warranties do not limit any other rights or remedies available to the City under this contract or applicable law. The contractor shall provide written warranties covering all the above items as part of the project closeout documentation. Any exclusions from warranty coverage must be clearly stated and are subject to approval by the City.

The City of Auburn Hills reserves the right to negotiate specific warranty terms with the selected contractor prior to final contract award. These warranty requirements are designed to ensure the quality and longevity of the cart path paving and drainage improvements, providing assurance to the City and Fieldstone Golf Club that the investment in these upgrades will be protected for years to come.

Intentionally Left Blank



Bidders shall provide a written response to the following questions and submit as part of the bid. The Bidders question responses shall follow the same order as listed below.

1. Executive Summary:

a. Provide an executive summary, not to exceed two (2) pages in length providing an overview of your bid and any information the Bidder wishes to bring to the attention of Auburn Hills.

2. Company Questions:

- a. How long has your organization provided these services?
- b. Provide a statement on current workload and status.

3. Product/System/Service Questions:

- a. List and describe other features your solution(s) offers.
- b. Explain what makes your solution(s) better than other solutions available in the market.

4. Warranty/Maintenance:

a. Describe the warranty that is included in the base pricing.

The Bidder is required to respond to the questions where specified. If necessary, additional documentation can be attached to this form. Responses should be concise and stand on their own.

Company Name: THAN PAVEMENT
Address: City: State/Zip: Whiterfeed MT, 48329 Phone: 248-623-5043 Website: WWW. They Parkent. Com
Contact Name: Tolo Fouse of Contact Title: SALES
Contact Phone: 248-520-6618 Email for award notice: Fourth O Trians Parents. Com
Firm Established 2014 Years in Business as said Company:
Taxpayer I.D. #454585223 DUNS Number(s) and respective addresses: (List all that will work with The City of Auburn Hills)
Provide business name, contact and telephone numbers of three (3) customers that have purchased products and/or services from company in the past year, preferably government or commercial clients.
Business Cynah Twp Contact: Ken McdoMd Telephone 734-288-6368 Business Garoles with Contact: Afron Ferral Telephone 586-863-2249 Business Licenta School Contact: Harry Clay Telephone 734-812-8597
The undersigned certifies that the bid submitted meets or exceeds, all the specifications, that all conditions noted here are acknowledged, and the firm prices and terms are specified by the Bidder are true and accurate.
Company Authorization
The undersigned certifies that the bid submitted meets or exceeds, all the specifications, that all conditions noted here are
acknowledged, and the firm prices and terms are specified by the Bidder are true and accurate.
Legal Name of the Firm Signature of Authorized Representative Date Julio Fousech
Print Name & Title

CITY OF AUBURN HILLS HOLD HARMLESS AGREEMENT

As required for approval of the 2024 CART PATH PAVING & DRAINAGE
(Activity)
THAN PAUEMENT herein after referred to as Abbreviated Name Form
agrees to release, indemnify, defend, and hold harmless The City of Auburn Hills, including all elected and appointed officials, all employees, representatives, and volunteers, all boards, commissions, and/or authorities including but not limited to the Tax Increment Finance Authority, Brownfield Redevelopment Authority and the Downtown Development Authority, and their officers, employees, representatives and volunteers from any injuries liability, damages, expenses, attorney's fees, causes of action, suits, claims or judgments, costs, incurred and/or arising from the Contractor's performing its work, jobs, duties and/or any other actions and/or omissions of the Contractor and/or its employees, representatives and/or agents pertaining to and/or in connection with the Activity In addition,
(Abbreviated Name Form)
as required by the City of Auburn Hills with the description of the ACORD form to read as follows: It is understood and agreed that the following shall be additional insured: The City of Auburn Hills, including all elected and appointed officials, all employees, representatives and volunteers, all boards, commissions, and/or authorities, including but not limited to the Tax Increment Finance Authority, Brownfield Redevelopment Authority and the Downtown Development Authority, and their officers, employees, representatives and volunteers. The coverage shall be primary to the additional insured and not contributing with any other insurance or similar protection available to the additional insured. This shall not apply to the contractor's required worker's compensation/employer's liability.
Name of Company Witnesses
By Julio Fausta
Dated 9-3-24

PROPOSAL SUBMISSION

The undersigned does hereby submit a proposal to the City of Auburn Hills for the above stated project. The following costs shall include all labor, materials, and equipment needed to accomplish this work.

Item	Quantity	Unit	Unit Price	Total Price
Mobilization/Demobilization		LS		\$ 2,500
Removal of Existing Asphalt	ting Asphalt			4,500
21AA Limestone Base	se 50			13,000
HMA 5EML Asphalt Paving		TON		22,000
Perforated HDPE Pipe	2	LF		16,500
Drainage Stone		CY		7 -
Swale Construction		LF		
Topsoil		CY		1 750
Seeding and Mulching		SY		\$4,500
Erosion Control		LS		• 1
Other				
Subtotal				
Contingency (10%)				,
Total Bid Price				43,750

	Company:	Tilan Pavement	
	Address:	6460 WAYER FORD	MI 48329
	Telephone:	248-520-6618	Fax:
	Email:	FOURBOARD FONS	ECA @ TITAN PAVEMENT
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	Sist ON.	een	SALES
,	Authorized	Signature	Title
	Julio	FONSECA	9/2/2024
,	Printed Nar		Date
Appro	val of Contrac	et	
Ċ	City Represent	ative	Title

* * * * * NOTICE OF PUBLIC HEARING * * * * *

The Charter Township of Orion Planning Commission will hold a public hearing on Wednesday, September 18, 2024, at 7:05 p.m., at the Orion Township Municipal Complex Board Room, 2323 Joslyn Rd, Lake Orion, MI 48360 on the following matter:

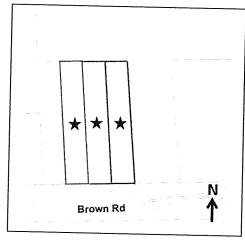
PC-24-36, Raising Cane's, Special Land Use Requests for a drive-thru restaurant with extended hours located at 771 Brown Rd. (parcel #09-33-351-013), 781 Brown Rd. (parcel #09-33-351-015).

If you are not able to attend, send correspondence to Orion Township Hall, 2323 Joslyn Rd. addressed to the Planning Commission to express your concerns and comments. A copy of the proposed Special Land Use is on file in the Planning & Zoning Department office and the Township Clerk's office and may be examined during normal business hours, 8:30 a.m. to 4:30 p.m., Monday through Friday until the date of the public hearing.

Orion Township will provide necessary and reasonable auxiliary aids, and services for individuals with disabilities at the public hearing upon advance notice by writing or calling Penny S. Shults, Township Clerk, 2323 Joslyn Road, Lake Orion, Michigan 48360; 248-391-0304, ext. 4001. Please contact the Clerk's office at least 72 hours in advance of the public hearing.

Scott Reynolds Planning Commission

Penny S. Shults Township Clerk



One Oakland County community is giving away trees, just in time for fall planting



Royal Oak city photo

The tree canopy in Royal Oak covers about 30 percent of the city. Some of it can be seen in this photo of runners on Lincoln Avenue. There are more trees in neighborhoods now than there were 80 years ago. FILE

By Peg McNichol | pmcnichol@medianewsgroup.com UPDATED: September 4, 2024 at 10:24 a.m.

Fall is nearly here and it's one of the best times to plant a tree.

Rochester Hills residents have an opportunity twice a year to get a free tree from the city – though numbers are limited.

Rochester Hills tree program started in 2020 as a partnership with the Arbor Day Foundation. The city gives away 400 trees each year: half in the spring and half in the fall costing \$20,000, which is paid from the municipal tree fund.

"This is one example of the efforts that gets us recognized as a Tree City USA community by the Arbor Day Foundation," said city spokesman Nathan Mueller.

The Arbor Day Foundation's Tree City USA program started in 1976 and includes more than 3,600 communities from all 50 states.

Trees help absorb the sounds of urban traffic by as much as 40%, according to the foundation. And neighborhoods with trees are seven to nine degrees cooler than those without – which in turn reduces energy costs by up to 25% where trees shelter buildings from the sun and offer protection in winter.

In addition to absorbing carbon dioxide and reducing the effects of climate change, trees improve property values, support mental and physical health and a wide variety of wildlife. The most important benefit? Stormwater management.

The Arbor Day Foundation lists 19 "Tree City USA" communities in the county, though not all are cities: Auburn Hills, Berkley, Birmingham, Orion Township, Franklin, Holly, Huntington Woods Ferndale, Madison Heights, Milford, Oak Park, Rochester Hills, Royal Oak, South Lyon, Novi, Rochester, Southfield Troy and Beverly Hills. Royal Oak has been a partner for 47 years.

Rochester Hills is the only city in the county and one of two in Michigan participating in the foundation's Community Canopy program. Holland, through its community-owned public utility, is the other city.

"It is our intention that the free trees we provide help to increase and improve Rochester Hills' community canopy," Mueller said, adding that the program is very popular, and all trees are quickly claimed.

Residents must sign up by Friday to get a tree.

To apply, visit

 $https://docs.google.com/forms/d/e/1FAIpQLSd8RY0BLQmnnYSDbWS15qAHNoQq8FeuF9IeW9XgfGmWm1qdmg/viewform \\. Email forestry@rochesterhills.org with questions.$

Other communities have free or low-cost programs to add trees, including Royal Oak's free street-tree program and Rochester's rebate program for those who purchase trees, call the "treebate" that refunds 50% of the cost of a tree, up to \$250.

Oakland County's water resource office has a two-year pilot program for properties in the George W. Kuhn Drainage District. The county will provide education and up to \$2,000 in rebates for tree planting, rain barrel installation, or creating a rain garden. The program offers information on stormwater management. Learn more at https://www.oakgov.com/government/water-resources-commissioner/rainsmart-rebates.

OU professors' union agrees to new five-year contract Union will meet in the coming weeks to vote on ratification



Students and professors returned for the first day of classes on Sept. 4 after an agreement was reached on a tentative agreement with the AAUP. photo by Matt Fahr Media News Group

By Matthew Fahr | mfahr@medianewsgroup.com | The Oakland Press

UPDATED: September 4, 2024 at 2:28 p.m.

Only hours before classes were set to begin, Oakland University and its professors union reached a tentative agreement on a new contract.

The Oakland University American Association of University Professors (OU-AAUP), tentatively accepted a five-year contract with a total of 16% in salary increases as well as market adjustments and lump sum payments.

Other increases, such as faculty travel and promotion raises, had been agreed upon in earlier negotiations. OU refused all proposals that included retirement contributions for part-time faculty.

"Faculty working conditions are student learning conditions," said OU-AAUP President Mike Latcha. "I'm glad the university and the bargaining team were able to come to an agreement so that I can get back in the classroom to deliver the excellent education Oakland students deserve."

The agreement includes:

- Year 1: 4% merit pool increase, plus one-time lump sum payments of \$1,500 for full-time faculty and \$500 for special lecturers
- Year 2: 3% merit pool increase, plus \$500,000 allocated for market adjustments
- Year 3: 3% merit pool increase, plus \$500,000 allocated for market adjustments
- Year 4: 3% merit pool increase
- Year 5: 3% merit pool increase
- The agreement also includes increases for promotional raises and funds for faculty travel and research. It also
 doubles the retirement stipend for special lecturers.

Classes proceeded as scheduled on Wednesday, Sept. 4, while the full details of the agreement will be presented to the union membership for a ratification vote in the coming weeks.

"I did not think that we were that far apart when the day began and both sides were highly motivated to get this thing done before classes started, but I was surprised that it happened so soon," said Latcha. "I was encouraged that the university finally put a proposal on the table that we could agree to."

"Oakland University and its faculty union reached a tentative agreement late this evening and classes will begin as scheduled," OU said in a statement. "The agreement still needs to be ratified by faculty union members in the next week or two, but it is great news for all concerned."

"Our faculty members' contributions are critical to our mission and achieving our strategic goals," OU President Ora Hirsch Pescovitz said. "This generous package demonstrates our commitment to their continued success."

AAUP Executive Director Amy Pollard said the process moved along better on Tuesday than a negotiation session between the two sides without a mediator on Sunday.

"Proposals went back and forth all day. There was more movement yesterday than Sunday," said Pollard. "On Sunday nothing happened at all, but Tuesday was very encouraging with the proposals coming from both sides to reach an agreement."

Pollard is confident the new agreement will be approved by union members but knows there is still work to be done.

"I absolutely believe this tentative agreement will be ratified, but I believe it is my job to never be satisfied as the executive director," said Pollard. "I am in a unique position as an employee of the union. My job is to continuously strive for more for our faculty."

The new five-year agreement avoids a repeat of 2022 when the two sides could not reach a new contract and the union went on strike, delaying classes for two days.

Originally Published: September 4, 2024 at 2:25 p.m.

Start of the school year in jeopardy at OU as latest contract talks yield no results

Next bargaining session set for Sept. 3



Both sides are scheduled to sit down for one more round of formal negotiations before classes are scheduled to begin on Wednesday Sept 4. Photo by Matt Fahr Media News Group

By Matthew Fahr | mfahr@medianewsgroup.com | The Oakland Press UPDATED: August 29, 2024 at 7:12 p.m.

It's beginning to look a lot like 2021 on the campus of Oakland University.

Three years ago, classes were delayed two days when faculty went on strike after failing to reach an agreement on a new contract. After this week's latest bargaining session, the two sides appear to be heading down the same path.

During the mediator-led session on Thursday, OU offered the faculty, represented by the Oakland University American Association of University Professors (OU-AAUP), a contract which included more than 16% in salary increases over five years.

"All told, the offer includes more than a 21% increase in overall compensation over the life of the proposed five-year deal and reflects what OU believes is the best package it can offer without incurring systemic deficits moving forward," OU said in a statement at the end of the session.

The union does not agree, and the current contract is set to expire on Sept. 3.

"The employer continues to use unrealistically conservative budget projections to excuse their minimal and insufficient salary increases," the faculty union said in their statement about negotiations. "Three years ago, the employer made similarly unrealistic budget projections to argue that adequately paying faculty was not possible."

They added, "Rather than balanced budgets during those three years, revenues exceeded expenditures by over \$80 million. Ultimately, these funds were added to Oakland's reserves rather than funding market-appropriate compensation."

The university did not address those figures in their statement, but the two sides appear far apart on salary increases over the proposed five-year contract.

OU PROPOSAL

- Year 1: 4% merit pool, plus a one-time \$1,000 lump sum payment
- Year 2: 2.25% merit pool, plus \$500,000 in market adjustments (bringing the total to 3.1% increase for the year)

- Year 3: 2.25% merit pool, plus \$500,000 in market adjustments (bringing the total to a 3.1% increase for the year)
- Year 4: 2.75% merit pool
- Year 5: 3% merit pool

AAUP PROPOSAL

- Year 1: 4% merit raises + one-time payment of \$5,000
- Year 2: 3.75% merit raises + \$850,000 market adjustment
- Year 3: 3.50% merit raises + \$850,000 market adjustment
- Year 4: 3.25% merit raises
- Year 5: 3.25% merit raises

AAUP Executive Director Amy Pollard said the union has done more than their share to find common ground on salary raises.

"We have come down way more than they have come up, there is no contest there," said Pollard. "We have moved considerably more than the university has moved."

The union is adamant the raises are necessary to overcome inflation, about 3% according to university budgeting, which have erased past pay increases.

"We're dying the death of a thousand paper cuts," union spokesperson Jeff Youngquist said. "For the last decade or more, we've taken raises so low that they've actually been real world pay cuts. Asking for 4% isn't even a band-aid; it just means we won't bleed more than we already are."

AAUP negotiators point to Oakland's tuition increases of 4.5% per year, as well as large increases in state funding in 2022 and 2023, arguing the university should invest proportionally in the people teaching the classes.

The union claims the faculty received average raises of only 1.25% over the last four years, incurring inflation-adjusted losses of an average \$12,000 annually.

AAUP President Mike Latcha says the union is also concerned with universal workloads proposed by the university, which has been a main sticking point since negotiations began back in May.

In the past, faculty workloads were determined by each department to match the needs of students.

"Accountants work differently than nurses who work differently than people in theater, and the faculty in each unit would develop the workload within each unit," Latcha said.

Since 2006 each department has had to submit an academic policy on their workload to be approved by the university and reviewed every five years.

Latcha said this year OU wanted the workload for special instructors, people typically assigned teaching and service roles, and professors of practice, a non-tenured teaching position, both designated as full-time faculty, to be uniform through every department on campus.

As an example, he said a uniform policy of requiring every special instructor to teach three classes per semester would be untenable based on which department they are teaching in.

"For instance, in engineering, we have a special instructor who teaches an introductory CAD class which has over 300 students in every section, so that person would only be able to teach two of those since the workload would be so massive," Latcha explained. "To assume that person is teaching the same workload as someone who is teaching an introductory course in Spanish, with much smaller enrollment, that is simply not appropriate."

The university said the latest proposal on union workloads was accepted, but the union denied that claim.

"The employer continues to propose changes to impose a uniform workload for full-time faculty," the union said in an update on their website. "The union, likewise, insists that this an entirely unacceptable violation of a deeply held principle

– that faculty remain the best caretakers of the work of faculty."

Pollard said the union knew the university was looking to change that aspect of the contract before talks began.

"The university made it clear they were coming after workload for a year. We expected this and no version of their proposal has been acceptable to us," said Pollard. "Workload has long been under the domain of the departments, because they understand the curriculum and they understand the best delivery method for their curriculum."

She said there is a compromise to be had, but the cost is not an option for the union.

"We have been repeatedly told that unless we come down in salary, Oakland will not agree to a tentative agreement on workload," Pollard told union members in an email update before they meet on Friday. "We have offered multiple side proposal packages to remove workload from the conversation outside of salary and all have been turned down by the university."

Both sides are scheduled to sit down again on Sept. 3 with the mediator, but Pollard said they would be willing to meet with the university this weekend without the mediator.

She also said the union has reached its limit on compromising.

"In order to ensure that our faculty have a fair and equitable contract, we just do not have any more room to move," said Pollard. "By the end of their contract, we are again below inflation. We cannot have that contract."

Originally Published: August 29, 2024 at 4:09 p.m.