



## CITY of NOVI CITY COUNCIL

Agenda Item T  
August 12, 2013

**SUBJECT:** Approval of a Completion Agreement with Nadlan II, LLC for SP06-58A, Lot #38 of the Beck North Development located north of West Road and west of West Park Drive, in accordance with the requirements of Chapter 26.5.

**SUBMITTING DEPARTMENT:** Community Development Department *CMC*

**CITY MANAGER APPROVAL:** *[Signature]*

### BACKGROUND INFORMATION:

City Council is being asked to consider a request from Nadlan II, LLC to approve Completion Agreement for the commercial development located on Lot #38 (fka Lots#27 &1) of the Beck North Corporate Park, SP06-58A.

Chapter 26.5 of the Novi City Code specifies procedures and required financial guarantees that must be in place if development of a project extends beyond a period of two (2) years. A formal Completion Agreement document outlining the remaining work and timeline for completion is required to be submitted for approval by the City Council. Posting of financial guarantees typically equal to 200% of the value of the outstanding work is also required. The Completion Agreement and financial guarantees protect the residents of Novi from the possible expense if the City had to complete an unfinished project due to developer default or nonperformance.

In this case the owners have requested City Council delay the required agreement and posting of additional financial guarantees (letter attached).

This project is subject to the provisions of Chapter 26.5 of the Novi City Code, and requires a Completion Agreement because the developer had not completed the site improvements shown on the approved site plan within two (2) years of issuance of the initial permit for any improvements (July 30, 2008). On August 13, 2012 the City Council approved an exception from the requirements for a Completion Agreement for the project with a number of conditions. Included in the conditions was the requirement for a completion agreement if any portion of the project remains incomplete after February 15, 2013. The developer has continued to make progress on the building and site since February including completion of much of the exterior building shell, grading and preparation of the site for installation of the parking lot, but the project is incomplete. Inspections to determine the scope of incomplete site work were performed and/or updated between June 28 and August 2, 2013.

As a condition of the Completion Agreement, Nadlan II, LLC the developer, has agreed to provide assurances including provision of a performance guarantee in the amount of no less than 200% of the cost of the work to be completed. The City currently holds financial guarantees of \$51,866.00 in the form of a letter of credit.

The Completion Agreement requires a minimum Performance Guarantee of \$465,376.00 (requiring the developer to post an additional \$413,510) and contemplates completion of:

- Planting of 44 onsite woodland replacement trees prior to issuance of the final Certificate of Occupancy, and in all events by July 1, 2014.
- Completion of the removal of the Woodland Protection Fencing at the time of completion of site construction
- Installation of all site landscaping prior to issuance of the final Certificate of Occupancy, and in all events by July 1, 2014.
- Installation, monitoring and approval of the wetland buffer.
- Repairs and completion of all outstanding utility, pavement, curb and other incomplete site work including curb and gutter, installation of asphalt pavement cross section, and construction of a concrete truck dock prior to issuance of the final Certificate of Occupancy within the development, and in all events before July 1, 2014
- Planting of 6 onsite remaining street trees prior to issuance of the final Certificate of Occupancy, and in all events by July 1, 2014.
- Installation of the complete concrete approach in the Right of Way prior to issuance of the final Certificate of Occupancy, and in all events by July 1, 2014.
- Installation of all Traffic Control signage and pavement markings prior to issuance of the final Certificate of Occupancy, and in all events by July 1, 2014.
- Maintenance of Soil Erosion and Sedimentation Control permit and measures including stabilization for the duration of the project.

The developer has represented that they have sold the property and have an agreement with a future tenant. Work has been continuing during the final preparations of the Completion Agreement. As has been the practice, financial guarantee amounts will be reduced as appropriate to take into account work completed between the last inspection dates and the requirement to post the funds following City Council approval of the agreement. In view of the developers request, these inspections will be performed by August 27 and it is expected that the financial guarantee amounts for Site Work and Landscaping will be reduced significantly.

**RECOMMENDED ACTION** Approval of a Completion Agreement with Nadlan II, LLC for SP06-58A, Lot #38 of the Beck North Development located north of West Road and west of West Park Drive, in accordance with the requirements of Chapter 26.5.

	1	2	Y	N
<b>Mayor Gatt</b>				
<b>Council Member Casey</b>				
<b>Council Member Fischer</b>				
<b>Council Member Margolis</b>				

	1	2	Y	N
<b>Council Member Mutch</b>				
<b>Council Member Staudt</b>				
<b>Council Member Wrobel</b>				



JOHNSON ROSATI SCHULTZ JOPPICH PC

34405 W. Twelve Mile Road, Suite 200 ~ Farmington Hills, Michigan 48331-5627  
Phone: 248.489.4100 | Fax: 248.489.1726

Elizabeth Kudla Saarela  
esaarela@jrsjlaw.com

www.johnsonrosati.com

August 5, 2013

Charles Boulard, Director  
CITY OF NOVI  
Community Development  
45175 W. Ten Mile Road  
Novi, MI 48375

**RE: Beck North – Lot 38**  
***Agreement for Completion and Maintenance of Improvements***

Dear Mr. Boulard:

Enclosed please find the proposed Agreement for Completion and Maintenance of Improvements for Beck North, Lot 38 as required by Chapter 26.5 of the City of Novi Code. The Developer, Nadlan II, LLC, previously received an extension for completion of site improvements from the City's Community Development Director until January 30, 2011 as a result of delay resulting from weather conditions. An additional extension was granted by City Council until February 15, 2013, subject to the condition that a completion agreement is provided if all site improvements were not completed by the extension date. As of August 5, 2013, all site improvements had not been completed.

The incomplete improvements include onsite woodland replacement trees; removal of the woodland protection fencing at the time of completion of site construction; installation of all site landscaping; installation and approval of the wetland buffer; repairs and completion of all outstanding utility, pavement, curb and other incomplete site work including curb and gutter, installation of asphalt pavement cross section, and construction of a concrete truck dock; installation of onsite street trees; installation of the complete concrete approach in the right-of-way; installation of all traffic control signage and pavement markings; and, maintenance of the soil erosion and sedimentation control permit and measures including stabilization for the duration of the project.

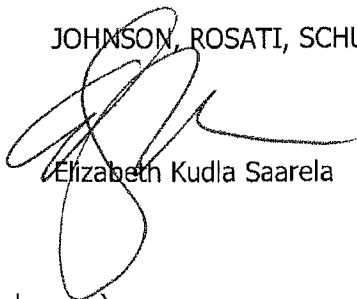
Nadlan II, LLC, will supplement its existing cash bond in the amount of \$51,866.00 with \$413,510.00 to be posted in any form permitted by Chapter 26.5, to be reduced as improvements are completed and inspected. Based on all of the above, the proposed Agreement for Completion and Maintenance of Improvements is acceptable in the format proposed and meets with the requirements of Chapter 26.5.

If you have any questions, please do not hesitate to call.

Charles Boulard, Community Development Director  
August 5, 2013  
Page 2

Very truly yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.



Elizabeth Kudla Saarela

EKS

Enclosures

- C: Maryanne Cornelius, Clerk (w/Enclosures)
- Barb McBeth, Deputy Community Development Director (w/Enclosures)
- Sheila Weber, Treasurer's Office (w/Enclosures)
- Kristin Pace, Treasurer's Office (w/Enclosures)
- Sarah Marchioni, Building Permit Coordinator (w/Enclosures)
- Aaron Staup, Construction Engineering Coordinator (w/Enclosures)
- Dave Beschke, Landscape Architect (w/Enclosures)
- Sue Troutman, City Clerk's Office (w/Enclosures)
- Jackie Varney and Ryan Dembs, Nadlan II, LLC (w/Enclosures)
- Thomas R. Schultz, Esquire (w/Enclosures)

**Nadlan II, LLC**  
46855 Magellan Drive  
Suite 200  
Novi, MI 48377  
248-380-7100

August 6, 2013

Charles Boulard  
City of Novi  
45175 West Ten Mile Rd.  
Novi, MI 48375

Re: Beck North Corporate Park Lot 38 – Chapter 26.5 Notice of Default

Dear Charles,

Thank you for meeting with us to discuss the Completion Agreement for the project.

This letter is a follow up to the requirements that were discussed as well as the circumstances we are asking council to consider.

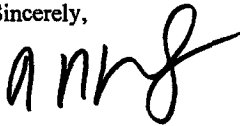
Creform Corporation approached Amson Dembs Development with an interest in the property in February 2013. As part of the deal Amson Dembs stopped construction to allow Creform ample time to complete their building/site studies and allow for changes to be made to the construction of the new facility to meet their requirements (see attached rendering). Amson Dembs felt that the long term benefits for the company and city outweighed the short term delay in construction.

As of August 7, 2013 the parking lot has been installed, all trees and shrubs are on site and pending any unusual weather the remaining small items will be completed in the next 15-30 days.

We have sold the property to Creform Corporation, a global leader in material handling systems. We are currently under contract for the completion of the interior build out and will be submitting construction drawings for review and approval August 7, 2013.

In conclusion we are asking council to take into consideration these variables and allow an extension on the requirement of entering into a completion agreement at this time. Please contact me to arrange a meeting for further discussion of our options.

Sincerely,



Ryan Dembs  
Managing Member

OWNER



PROPOSED FACILITY FOR:

**CREFORM**

BECK NORTH CORPORATE PARK  
29795 HUDSON DRIVE  
NOVI, MICHIGAN



STATE OF MICHIGAN  
COUNTY OF OAKLAND  
CITY OF NOVI

BECK NORTH – LOT 38

**AGREEMENT FOR COMPLETION  
AND MAINTENANCE OF IMPROVEMENTS**

AGREEMENT, dated \_\_\_\_\_, 2013, by and between the City of Novi, a Michigan municipal corporation, whose address is 45175 Ten Mile Road, Novi, Michigan 48375 (“City”), and Nadlan II, LLC, a Michigan limited liability company, whose address is 46855 Magellan Dr., Suite 200, Novi, MI 48377 (“Developer”) who represents itself hereby as the Developer of the Property.

R E C I T A T I O N S:

Nadlan II, LLC is the Developer of the land in the City of Novi, Oakland County, Michigan, described on the attached Exhibit A (the “Property”). The subject land has been approved for development as a light industrial development pursuant to the provisions of the City of Novi Zoning Ordinance (the “Development”).

As part of the approval process, the City granted site plan approval and Developer has agreed to develop the Property, and accordingly, to complete certain improvements, and to proceed with certain undertakings in compliance with applicable City Ordinances. Chapter 26.5 of the City of Novi Code of Ordinances, Section 26.5-5 (b) requires completion of actual construction and installation of all required improvements within two (2) years after the issuance of the initial permit for any improvements, or within six (6) months after a temporary occupancy permit has been issued for any structure on the property, whichever is shorter or occurs first. The initial permit for the Development was issued on July 30, 2008, with an expiration date for completion of July 30, 2010. An extension was granted by the City’s Community Development Director until January 30, 2011 as a result of delay resulting from weather conditions. An additional extension was granted by City Council until February 15, 2013, subject to the condition that a completion agreement is provided if all site improvements were not completed by the extension date.

Because the development remains incomplete, the extension granted by City Council in accordance with Section 26.5-5 (b) has expired, and Developer is requesting an additional extension with respect to the completion of improvements for reasons other than delay resulting from weather conditions and/or approvals/permits from outside regulatory agencies. Developer must request an extension from City Council and must provide a written completion agreement, together with a revised performance guarantee, pursuant to Section 26.5-12 of the City of Novi Code of Ordinances.

Consistent with all applicable laws and ordinances, more particularly Chapter 26.5 of the City of Novi Code of Ordinances, to obtain an extension with respect to completion of

improvements, the Developer has offered to provide, and the City is willing to accept, certain assurances to the City that such improvements relating to the Development will be properly completed and maintained pursuant to a schedule. Such assurances include providing a performance guarantee in an amount no less than two hundred (200) percent of the cost of the work to be completed, and a schedule, for completion and maintenance of the improvements for the Development.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Purpose of Agreement

The City and the Developer enter into this Agreement for the purpose of extending the completion time for certain required improvements, ensuring that certain improvements for the Development will be completed and maintained pursuant to all approvals granted by the City and all applicable laws and ordinances, and that such completion and maintenance occur on a timely basis, in accordance with a schedule approved by City Council.

2. Performance Guarantee Posted

Prior to or with the execution of this Agreement, the Developer has provided, or does provide, to the City, performance guarantees in the total amount of \$ 465,376.00 to guarantee completion and maintenance of improvements for the Development, as estimated and itemized in Paragraph 3, below. Such performance guarantee funds have been posted in the form of irrevocable Letter of Credit Nos. \_\_\_\_\_ issued by \_\_\_\_\_ ("Bank"), to guarantee completion and maintenance of improvements for the Development, as itemized in Paragraph 3, below, for an initial period of two (2) years, and shall provide by its terms that it shall, and shall be renewed by the Developer for successive periods of two (2) years subject to termination by 60 days advanced, written notice by Bank to the City's Assistant Finance Director as follows. As a condition to the termination of the effectiveness of the letter of credit, Bank shall be required to provide to the office of the City's Assistant Finance Director, with 60 days advanced written notice, a statement that the letter of credit shall terminate at the end of the 60 day period. Such notice shall be required regardless of the stated termination date of any other documentation. Prior to the date of termination, the letter of credit shall at all times be effective and payable according to its terms.

3. Items of Improvement and Maintenance

The items of improvements and maintenance included within this Agreement, and the estimated cost of completion and ongoing maintenance, are set forth below:

a. Woodlands:	\$ 27,600.00
b. Woodland Fence:	\$ 7,500.00
c. Landscape:	\$ 81,980.00
d. Wetlands	\$ 1,500.00
e. Incomplete Site Work	\$ 102,575.00
f. Street Trees:	\$ 2,400.00



g. Right-of-Way:	\$ 3,600.00
h. Traffic Control Signs:	\$ 1,600.00
i. Soil Erosion:	\$ 7,866.00 <sup>1</sup>

Subtotal:	\$ <u>228,755.00</u>
200% Multiplier:	x 2
	+ 7,866.00
<b>Total Financial Guarantee:</b>	<b>\$ <u>465,376.00</u></b>

4. Completion and Maintenance of Improvements; Schedule and Requirements

Each of the Improvement Items listed in Paragraph 3, above, shall be completed and maintained by the Developer, at its expense, pursuant to all final approvals granted by the City and all applicable laws and ordinances, according to the following schedule:

- a. Improvement Item 3a contemplates and includes the installation of 44 on-site woodland replacement trees. Woodland replacement trees shall be installed prior to the issuance of the certificate of occupancy, and in all events on or before July 1, 2014. For two (2) years from the date of completion of the installation of all such woodland replacement trees installed as part of the Development, Developer shall, under this Agreement, maintain the replacement trees, which maintenance shall include the replacement of any dead, substantially dead, diseased or removed trees during such two (2) year period. The total financial guarantee includes the posting of an appropriate bond amount pursuant to the applicable City Ordinance, to guarantee replacement of any dead, substantially dead, diseased or removed woodland replacement trees during the two (2) year period following installation of the forty-four (44) trees.
- b. Improvement Item 3b contemplates and includes completion of the removal of woodland protection fencing at the time of completion of site construction.
- c. Improvement Item 3c contemplates and includes the installation of all site landscaping, including all plant materials for the site. Site Landscaping shall be completed prior to the issuance of the certificate of occupancy, and in all events on or before July 1, 2014. For two (2) years from the date of completion of the installation of all such landscape plantings installed as part of the Development, Developer shall, under this Agreement, maintain the landscape plantings that were so installed, which maintenance shall include the replacement of any dead, substantially dead, diseased or removed landscape plantings during such two (2) year period. The total financial guarantee includes the posting of an appropriate bond amount pursuant to the applicable City Ordinance, to guarantee replacement of any dead, substantially dead, diseased or removed site landscaping during the two (2) year period following installation.

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<sup>1</sup> Not doubled per ordinance

- d. Improvement Item 3d contemplates and includes wetland buffer restoration within the Development including installation of seed material and approval of established buffer.
- e. Improvement Item 3e contemplates and includes completion of site work, including, location, exposure and adjustment of the existing storm sewer manhole in City ROW, installation of asphalt pavement cross section, and construction of a concrete truck dock. Improvement Item 3d, above shall be completed prior to the issuance of the certificate of occupancy, and in all events, before July 1, 2014.
- f. Improvement Item 3f contemplates and includes the installation of six (6) street trees within the Development. The remaining street trees shall be installed before the issuance of the certificate of occupancy, and in all events, before July 1, 2014, whichever is earlier. For two (2) years from the date of completion of the installation of all such trees installed as part of the Development, Developer shall, under this Agreement, maintain the trees that were so installed, which maintenance shall include the replacement of any dead, substantially dead, diseased, or removed trees during such two (2) year period. The City shall retain an appropriate amount to guarantee the replacement of dead, substantially dead, diseased or removed trees during the two (2) year period following the installation of the trees.
- g. Improvement Item 3g contemplates and includes the complete of the concrete approach in the Right-of-Way. Improvement Item 3g, above shall be completed prior to the issuance of the certificate of occupancy, and in all events, before July 1, 2014.
- h. Improvement Item 3h contemplates and includes the installation of all traffic control signs and pavement markings within the Development. Traffic control signs and pavement markings shall be installed prior to the issuance of the certificate of occupancy, and in all events on or before July 1, 2014.
- i. Site Improvement Item 3i contemplates and includes without limitation, (i) the immediate installation of all required soil erosion and sedimentation controls; and (ii) completion of repairs and maintenance of the soil erosion and sedimentation controls within the Development on an ongoing basis until issuance of the certificate of occupancy. Developer shall renew and keep the Soil Erosion Permit current. Nothing herein shall limit the City's remedies for violation of the City's Soil Erosion and Sedimentation Control Ordinance.

5. City Authority to Complete and/or Maintain.

In the event Developer has failed to complete and/or maintain the improvements itemized in Paragraph 3, above, within the time periods and in the manner specified in this Agreement, and, provided the City has given the Developer 30 days notice of the failure to timely complete and/or maintain and Developer has not completed and/or maintained all of such improvements

within said 30 days, or has not begun such completion or maintenance within said 30 days period if such completion or maintenance cannot be finalized within 30 days, the City shall have the authority, but shall not have the legal obligation, to take one or more of the following actions:

(a) The City may draw the funds from the letter of credit or other securities posted and enter upon the Development through its officials, employees, agents, and/or contractors and complete and/or maintain the improvements, or restore the Property or areas disturbed by the Development. In such event, all costs and expenses incurred shall be paid from the proceeds of the funds drawn on the letter of credit or otherwise obtained from the performance guarantee posted. Any amounts of unused proceeds of the performance guarantee shall be returned to Developer, or otherwise be credited, as the case may be. Developer, and all of Developer's officers, employees, consultants and agents, shall be obligated to act and work in cooperation with the City to bring about completion and/or maintenance of the improvements as contemplated in this Agreement, or restoration, and shall provide the City with all drawings, contracts, documentation, public and private correspondence, agreements and other materials relating to any such improvements, restoration and/or maintenance. Notwithstanding other provisions to the contrary, in the event the City receives a notice of termination from Bank with regard to the letter of credit, or from any other securing party as to the performance guarantee posted pursuant to this Agreement, and the improvements and/or maintenance itemized in Paragraph 3, above, have not been completed or fulfilled as required by this Agreement, the City shall be entitled to immediately draw the funds from the letter of credit or other performance guarantee posted, without notice to Developer, and proceed as specified in this paragraph.

(b) The City may, but is not required to, initiate a lawsuit for purposes of enforcing and achieving full compliance with the terms and provisions of this Agreement. In the event that the City is awarded relief in such suit, the Developer shall pay all court costs, expenses and reasonable actual attorney fees incurred by the City in connection with such suit.

(c) City Council may, in its discretion, grant Developer additional time beyond the time periods reference in Paragraph 4.

#### 6. Additional Liability

Developer shall also be liable for any costs and expenses incurred by the City in excess of the amounts posted by the Developer under this Agreement as well as any costs and expenses, including reasonable attorney fees, incurred by the City in any action and/or litigation to enforce or collect such funds and/or to otherwise restore the property and/or secure completion and/or maintenance of the improvements itemized in Paragraph 3, above, pursuant to the terms of this Agreement, in the event the City obtains any relief as a result of such lawsuit. The liability of Developer in such regard, if unpaid after 30 days of a billing sent to Developer at its last known address, may be secured by the City recording a lien on the Property, effective as of the date the City is authorized to proceed with the completion and/or maintenance of improvements, or restoration, as provided in this Agreement, and all such unpaid amounts may be placed on the delinquent tax roll of the City as to the Property, and shall accrue interest and penalties, and shall

be collected as, and shall be deemed delinquent real property taxes according to the laws made and provided for the collection of delinquent real property taxes. In the discretion of the City, such costs and expenses may also be collected by suit initiated against the Developer, and in the event the City is awarded relief in such suit, the Developer shall pay all court costs, expenses and reasonable actual attorney fees incurred by the City in connection with such suit.

7. Rebate or Reduction of Performance Guarantee

The City shall not release a performance guarantee until (1) all fees that are due to the City have been paid; (2) a maintenance guarantee has been posted, if applicable; (3) inspection of the development site has been performed when required; (4) expired permits have been renewed; and (5) the City has determined that the conditions and requirements of the permit/approval otherwise specified in the performance guarantee have been met and final approval of same has been granted.

The City may, after performing a site inspection at the written request of an applicant, rebate or reduce portions of a performance guarantee upon determination by the City, in its sole discretion, that the improvements and/or actions for which that performance guarantee was posted have been satisfactorily completed in accordance with the approved plans, any temporary certificate of occupancy, and all other applicable laws, regulations, and ordinances. At no point shall the amount of the performance guarantees held by the city be less than two hundred (200) percent of the cost to complete the remaining required improvements on the property. The applicant is responsible for the actual cost of inspections requested pursuant to this section.

8. Binding Effect

This Agreement shall run with the land constituting the property described on Exhibit A and shall be binding upon and inure to the benefit of the City and Developer and to their respective heirs, successors, assigns and transferees.

9. Developer's Authority

Developer hereby warrants that it is the Developer of the Property described on attached Exhibit A has a legal or equitable right to effect the development or improvement of the subject real property.

10. Delay in Enforcement

A delay in enforcement of any provision of this Agreement shall not be construed as a waiver or estoppel of the City's right to eventually enforce, or take action to enforce, the terms of this Agreement.

11. Severability

Each covenant, requirement, obligation and provision contained herein shall be considered to be an independent and separate covenant and agreement, and, in the event one or more of the covenants, requirements, obligations or provisions shall for any reason be held to be

invalid or unenforceable by a court of competent jurisdiction, all remaining covenants, requirements, obligations and provisions shall nevertheless remain in full force and effect.

12. Lawful Document

Developer and City agree that this Agreement and its terms, conditions, and requirements are lawful and consistent with the intent and provisions of local ordinances, state and federal law, and the Constitutions of Michigan and the United States of America. Developer has offered and agreed to complete the on-site and off-site improvements, at its cost and expense, as specified in this Agreement. Developer has offered and agreed to complete such improvements, and to proceed with other undertakings and obligations as set forth in this Agreement in order to protect the public health, safety and welfare and provide material advantages and development options for the Developer, all of which improvements and obligations Developer and the City agreed were roughly proportional to the burden imposed and necessary in order to ensure that public services and facilities necessary for or affected by the Development will be capable of accommodating the development on the Property and the increased service and facility loads caused by the Development, to protect the natural environment and conserve natural resources, to ensure compatibility with adjacent uses of land, to promote use of the Property in a socially, environmentally and economically desirable manner, and to achieve other reasonable and legitimate objectives of the City and Developer, as authorized under applicable City ordinances and the Home Rule City Act, MCL 117.1, et seq. Furthermore, Developer fully accepts and agrees to the final terms, conditions, requirements, and obligations of this Agreement, and Developer shall not be permitted in the future to claim that the effect of this Agreement results in an unreasonable limitation upon use of all or any portion of the Property, or claim that enforcement of this Agreement causes an inverse condemnation or taking of all or any portion of such property. It is further agreed and acknowledged that the terms, condition, obligations, and requirements of this Agreement are clearly and substantially related to the burdens to be created by the development of the Property, and are, without exception, clearly and substantially related to the City's legitimate interests in protecting the public health, safety, and general welfare.

13. Applicable Law

This Agreement shall be interpreted and construed in accordance with Michigan law, and shall be subject to enforcement only in Michigan courts.

14. Current and Successor Developers .

As used in this Agreement, the term "Developer" shall mean and include the undersigned party designated herein as Developer of the Property, as well as all future and successor persons and entities that become owner or Developer of all or any portion of the Development property in the future until such time as all phases of the Development have been completed and approved, excluding residential homeowners.

15. Headings.

The headings contained herein are for the convenience of the parties and are not to be used in construing or interpreting this Agreement.

16. Effective Date.

This Agreement is deemed effective as of the date first written above.

**“DEVELOPER”**

NADLAN II, LLC, a Michigan limited liability company

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

STATE OF MICHIGAN    )  
  )ss  
COUNTY OF OAKLAND    )

The foregoing instrument was acknowledges before me this \_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, as the \_\_\_\_\_ of \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
Oakland County, Michigan  
My Commission Expires: \_\_\_\_\_

**“CITY”:**  
**CITY OF NOVI**  
a Michigan municipal corporation

BY: \_\_\_\_\_  
Robert J. Gatt, Mayor

BY: \_\_\_\_\_  
Maryanne Cornelius, Clerk

STATE OF MICHIGAN        )  
  ) SS  
COUNTY OF OAKLAND     )

The foregoing Agreement was acknowledged, signed and sworn to before me on this \_\_\_\_\_ day  
\_\_\_\_\_, 2013, by Robert J. Gatt, Mayor and Maryanne Cornelius, Clerk of the City of  
Novi.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_ County, Michigan  
My Commission Expires: \_\_\_\_\_

Beck North - Lot 38, JSP06-0058

Date	Event
Wednesday, July 30, 2008	First pre-construction meeting held, grading permit issued, 2 year expiration date is July 30, 2010.
Monday, June 14, 2010	City sent letter to Amson Dembs that the project would be in default on July 30th so a response was needed by June 30th in the event that inspections were needed. The letter mentions that if a completion agreement is required 200% of the performance guarantee would need to be posted for incomplete work.
Tuesday, June 29, 2010	*Amson Dembs sent letter to City asking for extension of the 2 year project completion requirement (had difficulties with the economy and were looking for a tenant). *CD Director sent letter to Amson Dembs that the project would be extended for 6 months as per Ordinance until January 30, 2011. The letter stated that if the project was not completed by that time a completion agreement would be required.
Tuesday, June 01, 2010	Emails between Amson Dembs and Building Permit Coordinator on what would need to happen for the project to move forward - submit new shell/tenant alteration plans (previous plan was reviewed under old building code). Received confirmation from City staff that the utilities had been installed but no footings or foundation installed.
Tuesday, August 02, 2011	Building Permit Coordinator emailed Amson Dembs to find out the status of the project since the extension had expired on 01/30/11. Amson Dembs said they would need another extension, Building Permit Coordinator said that would require a completion agreement with an increase in financial guarantees from 1.5 to 2.0 and would require City Council action.
Thursday, December 01, 2011	Amson Dembs emailed Building Permit Coordinator on what needed to happen to construct the building. Building Permit Coordinator asked when they planned on being done and Amson Dembs said by August 2012. Building Permit Coordinator spoke with CD Director and City Attorney and everyone agreed that a completion agreement was necessary since the extension was already granted by CD Director. Building Permit Coordinator requested a letter from Amson Dembs requesting the completion agreement to get the process started, which would need to list the time frame for completion of the project.
August 7, 2012	Amson Dembs submitted a letter to City Council requesting a waiver of a completion agreement because they had a strong opportunity to secure a tenant and the tenant's timing requirements "do not allow for the time involved with drafting and finalizing a Completion Agreement."
August 13, 2012	City Council meeting. Was approved with the following conditions: renew all expired permits, a new pre-construction meeting is required prior to start of work, developer needs to pay any additional fees required due to the lapse of time in construction on site and a completion agreement will be required if any portion of the project remains incomplete after February 15, 2013.
September 5, 2012	*Second pre-construction meeting is held. In meeting Amson Dembs said they are looking for a TCO in February 2013. *Building Permit Coordinator emailed the City Council packet to Amson Dembs for their record and wrote that if the work was not completed by February 13, 2013 that a completion agreement would be required.
Wednesday, May 01, 2013	Property is sold to JSP Fern 38 LLC (Jeff S. Pitt, Amson Dembs' attorney).
Wednesday, June 19, 2013	*City Attorney mailed a letter to Amson Dembs and copied new property owner that the project was in default, a completion agreement is now required and that no further building permits or certificates of occupancy will be issued until the default is corrected. *Building Permit Coordinator emailed the inspectors to conduct their appropriate inspections to provide a punchlist of outstanding items and assigning a financial guarantee amount to them. The reports were due July 9th.
Tuesday, June 25, 2013	CD Director emailed Amson Dembs as a follow up to a phone conversation from the previous afternoon that a completion agreement is required and stated all the reasons why. CD Director asked Amson Dembs to submit payment of the required fees so that inspections could be conducted.
Tuesday, July 09, 2013	*Completion agreement and legal fees paid. *Amson Dembs mailed letter to City Attorney addressing the June 19th letter. They stated that they are approximately thirty days out from completion of the project and they had secured a new tenant. They plan to submit construction drawings by Friday, June 12th (building plans were submitted late August 7th).
Wednesday, July 10, 2013	All inspection reports were received.
Thursday, July 11, 2013	Building Permit Coordinator compiled all of the reports and sent email to City Attorney to draft the completion agreement.
Tuesday, July 30, 2013	*First draft of completion agreement sent from City Attorney to Building Permit Coordinator. Emails sent back and forth between the two parties for two days to tweak the agreement. *Meeting request sent to Amson Dembs for 08/02/13 meeting.
Wednesday, July 31, 2013	Draft of completion agreement is sent to Amson Dembs.
Thursday, August 01, 2013	Meeting held between City of Novi staff and consultants to review the completion agreement. Tweaks were made to the agreement and Consulting Engineer conducted an additional site inspection because Amson Dembs had said that more work had been done.
Friday, August 02, 2013	*Consulting Engineer submitted revised site report, which showed a slight decrease in financial guarantee amount. Completion agreement was revised to reflect this and emailed out to all involved parties. *Meeting held between City of Novi staff, consultants and Amson Dembs to review the completion agreement.



## Boulard, Charles

---

**From:** Jackie Varney <jackie@amsondembs.net>  
**Sent:** Tuesday, August 06, 2013 11:22 AM  
**To:** Boulard, Charles  
**Cc:** Ryan Dembs  
**Subject:** Completion Agreement

Hi Charles,

Ryan is currently out of town but will sign the completion agreement upon his return. We ask that you please keep us on the agenda for the council meeting on the 12th.

Thank you.

Jackie Varney  
Property Management  
Amson Dembs Development  
46855 Magellan Dr.  
Suite 200  
Novi, MI 48377  
(248)380-7100 phone  
(248)560-3030 fax



# JSP 13-61 Creform (Beck North Lot 38)

Location



Map Author: Kristen Kapelanski  
 Date: 08-06-13  
 Project: JSP13-61 Creform Beck North Lot 38  
 Version #: 1.0

**Map Legend**

-  Subject Property
-  City Incorporated Boundary



**City of Novi**

Planning Division  
 Community Development  
 45175 W Ten Mile Rd  
 Novi, MI 48375  
[cityofnovi.org](http://cityofnovi.org)



1 inch = 250 feet

**MAP INTERPRETATION NOTICE**

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



Environmental Consulting & Technology, Inc.

2200 Commonwealth Blvd.  
Suite 300  
Ann Arbor, MI 48105  
(734) 769-3004  
FAX (734) 769-3164

SLM

MEMORANDUM

TO: Sarah Marchioni, Building Permit Coordinator

FROM: Peter Hill, P.E. *P.H.*  
Senior Associate Engineer

DATE: July 1, 2013

RE: Beck North Corporate Park Lot 38 (fka 27 & 1)  
(29795 Hudson Drive)  
JSP06-0058  
Status Inspection for Completion Agreement

---

Environmental Consulting & Technology, Inc. (ECT) has visited the above-referenced site on June 27, 2013 for the following inspections:

- Wetland Inspection
- Woodland Inspection
- Woodland Fence Removal

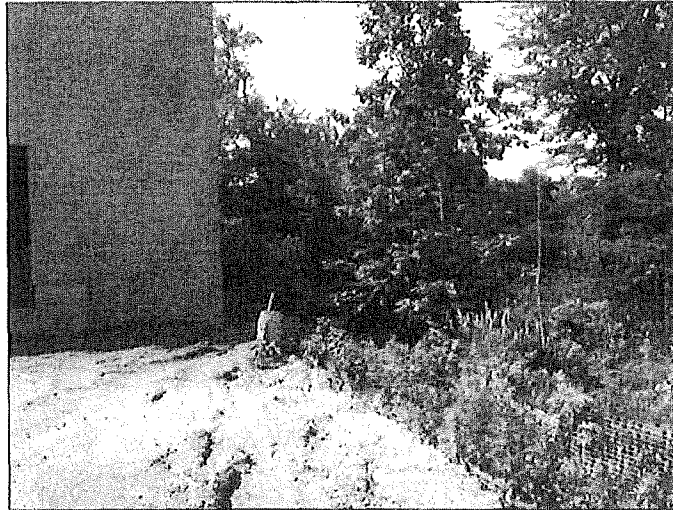
***Reason for Inspection:***

- Status Inspection for Completion Agreement

ECT (Pete Hill) has reviewed the Final Site Plan for the above-referenced project as well as the City of Novi Wetland (PWT07-0012)/Woodland (PWD07-0013) Permits. The site was inspected for conformance with the Wetland and Woodland Requirements associated with these permits.

**Wetland**

The approved Plan notes a temporary wetland buffer impact of 1,996 square feet and associated wetland buffer restoration area of 1,599 square feet. The original financial guarantee associated with the Wetland Permit was \$1,500; associated with the wetland buffer restoration work. The Applicant does not appear to have completed the wetland buffer restoration work at this time (see photo below).



Looking south near area of wetland buffer impact  
(ECT June 27, 2013).

**Woodland/Woodland Protection Fence**

The Woodland Permit (PWD07-0013) calls for the installation of 44 on-site Woodland Replacement Trees. At the time of our site inspection the Applicant does not appear to have provided the required on-site Woodland Replacement plantings.

As construction has not been completed, all Woodland Protection Fence shall remain installed. It is the Applicant's responsibility to ensure that that all protective fencing remains in place and in good condition.

**Recommendation**

At the request of the City of Novi, all outstanding items shall be assigned a financial guarantee that includes a 2.0 multiplier.

At this time, ECT recommends that the following wetland & woodland-related financial guarantees be retained:

Wetland Financial Guarantee (Wetland Buffer Restoration):	\$3,000 (\$1,500 x 2.0)
Woodland Financial Guarantee:	\$55,200 (\$27,600 x 2.0)
Woodland Protection Fence Financial Guarantee:	\$15,000 (\$7,500 x 2.0)

cc: Barbara McBeth, Deputy Director of Community Development ([BMcBeth@cityofnovi.org](mailto:BMcBeth@cityofnovi.org))  
Sheila Weber, Bond Coordinator ([SWeber@cityofnovi.org](mailto:SWeber@cityofnovi.org))  
Cheryl McNamara ([cmcnamara@cityofnovi.org](mailto:cmcnamara@cityofnovi.org))

SLM



cityofnovi.org

### Community Development Department

45175 West Ten Mile  
Novi, MI 48375

### LANDSCAPE STATUS INSPECTION REPORT

TO: Sarah Marchioni, Building Permit Coordinator  
FROM: David R. Beschke, RLA  
DATE: July 9, 2013  
SUBJECT: Beck North Lot 38 – SP06-58A

A landscape inspection was performed on July 9, 2013. At this time no landscape materials have been installed and the building and site work is ongoing. **As a condition of the pending completion agreement, the Applicant must provide a Landscape Performance Guarantee in the amount of \$163,960 (Landscape materials x 200%)**

If there are any further questions, please direct the applicant to contact staff at the address or phone number below.

---

David R. Beschke, RLA  
City of Novi Landscape Architect  
45175 W. Ten Mile Road  
Novi, Michigan 48375-3024  
Phone (248) 735-5621 Fax (248) 735-5600

RECEIVED BY  
BUILDING DEPT

JUL 10 2013

## CITY OF NOVI

Cc: S. Weber  
Applicant

*( \$81,980 x 2 )  
= \$163,960*

Building  
248.347.0415  
248.735.5600 fax

Ordinance Enforcement  
248.735.5678  
248.735.5682 fax

Planning  
248.347.0475  
248.735.5633 fax



SPALDING DEDECKER ASSOCIATES, INC.

905 South Boulevard East • Rochester Hills • Michigan 48307 • Tel 248 844 5400 • Fax 248 844 5404

August 2, 2013

Mr. Matthew Preisz  
Construction Technician  
Department of Public Services  
Field Services Complex – Engineering Division  
26300 Lee BeGole Drive  
Novi, MI 48375

Re: Beck North Corporate Park – Lot 38 (FKA: 27 & 1)  
Site and Pavement Punch List, Cost Estimate and Financial Guarantee  
Novi SP No.: 06-0058  
SDA Job No.: NV08-217

Dear Mr. Preisz:

Please be advised that our field personnel visited the above referenced site on August 1, 2013 to verify the status of the above mentioned site's pavement and site utilities. As a result of the walkthrough, we recommend that the Incomplete Site Work Financial Guarantee be \$212,350. This amount is based on the remaining civil site improvements listed below. These items must be completed prior to substantial completion of the project. This **does** include the City of Novi 2.0 multiplier.

Incomplete Items

As a response to the aforementioned walk-through, these are items that have yet to be addressed:

- |   |             |
|---|-------------|
| 1. Complete concrete approach in ROW (810 SQFT)                   | \$3,600 ROW |
| 2. Provide asphalt pavement cross section (37,450 SQFT)           | \$93,625    |
| 3. Complete concrete truck dock (1,560 SQFT)                      | \$6,950     |
| 4. Located, expose and raise existing storm structure in City ROW | \$2,000     |

As a consequence, SDA recommends the City withhold a minimum amount of \$212,350 for the incomplete pavement.

This letter serves only as an estimate for the Site Work Financial Guarantee necessary to complete the punchlist items for the site. Upon further investigation the fees may increase or decrease depending on the work necessary to complete the project.

If you have any questions, please do not hesitate to contact us at our office.

Engineering Consultants

Infrastructure • Land Development • Surveying

Mr. Matthew Preisz  
City of Novi Engineering Division  
Page 2

Sincerely,

**SPALDING DeDECKER ASSOCIATES, INC.**



Ted Meadows  
Contract Administrator

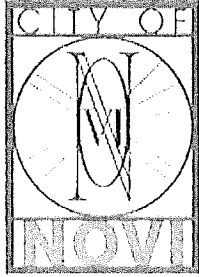
cc: Charles Boulard, City of Novi – Community Development Director (e-mail)  
Aaron Staup, City of Novi – Construction Engineering Coordinator  
Sarah Marchioni, City of Novi – Building Department Clerk (e-mail)  
Sheila Weber, City of Novi – Bond Coordinator (e-mail)  
Christopher Robbins, PE, SDA (e-mail)  
SDA CE Job File

ROW  
\$3600  
x 2  
\$7200

Site  
\$93,625  
6,950  
2,000  
\$102,575  
x 2  
\$205,150

Engineering Consultants

Infrastructure • Land Development • Surveying



cityofnovi.org

SLM

### Community Development Department

45175 West Ten Mile  
Novi, MI 48375

### STREET TREE STATUS INSPECTION REPORT

TO: Sarah Marchioni, Building Permit Coordinator  
FROM: David R. Beschke, RLA  
DATE: July 9, 2013  
SUBJECT: Beck North Lot 38 – SP06-58A

A street tree inspection was performed on July 9, 2013. At this time no street trees have been installed.

As a condition of the pending completion agreement, the Applicant must provide a Street Tree Performance Guarantee in the amount of \$4,800 (Landscape materials x 200%).

If there are any further questions, please direct the applicant to contact staff at the address or phone number below.

RECEIVED BY  
BUILDING DEPT

JUL 10 2013

CITY OF NOVI

David R. Beschke, RLA  
City of Novi Landscape Architect  
45175 W. Ten Mile Road  
Novi, Michigan 48375-3024  
Phone (248) 735-5621 Fax (248) 735-5600

Cc:/ S. Weber  
Applicant

$(\$2,400 \times 2)$   
 $= \$4,800$

Building  
248.347.0415  
248.735.5600 fax

Ordinance Enforcement  
248.735.5678  
248.735.5682 fax

Planning  
248.347.0475  
248.735.5633 fax





# TRAFFIC CONTROL DEVICE INSPECTION REPORT

SLM

Date: June 28, 2013      Site Plan: SP#06-58      Permits Plus: PSC12-0016  
 Project: Beck North Corporate Park Lot 38 (fka 27 & 1)  
 Requestor: Sarah Marchioni (smarchioni@cityofnovi.org)

**INSPECTION CHECKLIST:**

*Mark boxes below with an "X" if item is satisfactorily completed, or "N/A" if not applicable.*

	All signage and pavement markings have been installed in the locations shown in the stamping set (w/sufficient accuracy to ensure functionality and safety). See comments.
	All signage meets MMUTCD standards for color, shape, size and wording.
	All signage is installed on standard u channel posts at the proper height (7' in areas near pedestrians & minimum of 5' in other areas). Non-standard posts within the right-of-way must be crashworthy and must have a license agreement in place.
	All pavement markings meet MMUTCD standards for color, width, and location.
	All signage and pavement markings are reflective.
N/A	Street-name signs meet City requirements effective 09/10/12. All such signs must have white legend and a white border on a green background and have a minimum height of 8 inches (except on roads having a speed limit of 30 mph or more, where the minimum sign height is 12 inches). Each word of the legend shall consist of an upper-case first letter followed by lower-case letters, all Clearview font, with a minimum initial letter height of 4.5 inches (except on roads having a speed limit of 30 mph or more, where the minimum initial letter height is 8 inches).
N/A	Regulatory signs have traffic control order on file. (If not, notify the City Engineering Manager (at 248-735-5632) that a traffic control order is required).
--	<b>Photos are attached to depict the field conditions at the time of the inspection.</b>

**INSPECTION RECOMMENDATION:**

	<b>APPROVED</b>	
X	<b>REJECTED</b>	As documented in this inspection report, only the building shell has been constructed. There is no paving of driveways or parking lots; hence, there are no pavement markings or signs yet installed.
Name of Inspector:		William A. Stimpson, P.E., Clearzoning, Inc.
Phone:		248-423-1776



# TRAFFIC CONTROL DEVICE INSPECTION REPORT

Date: June 28, 2013      Site Plan: SP#06-58      Permits Plus: PSC12-0016  
 Project: Beck North Corporate Park Lot 38 (fka 27 & 1)  
 Requestor: Sarah Marchioni (smarchioni@cityofnovi.org)

**RECOMMENDATION:**

The record should reflect that the applicant has failed to complete site construction.

**PUNCH LIST:**

The following signs and/or pavement markings were installed inconsistent with the approved plan and/or the *Michigan Manual of Uniform Traffic Control Devices*:

Sign / Pavement Marking	Location / Comments
All signs and markings.	Throughout the site.

The attached aerial photo generally portrays the incomplete site construction as I observed it on June 27, 2013. Additional surface photos showing the state of incompleteness are presented below.

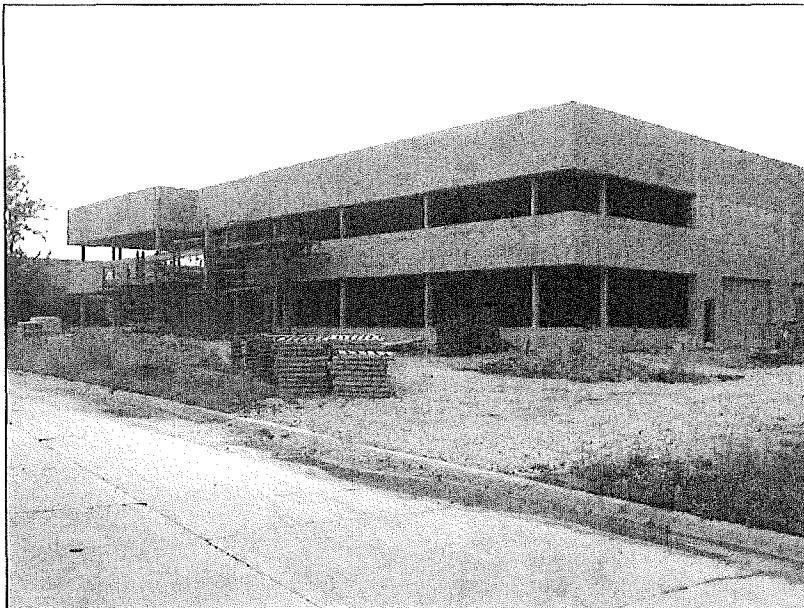


Figure 1. Site Viewed from Hudson Drive



# TRAFFIC CONTROL DEVICE INSPECTION REPORT

Date: June 28, 2013 Site Plan: SP#06-58 Permits Plus: PSC12-0016

Project: Beck North Corporate Park Lot 38 (fka 27 & 1)

Requestor: Sarah Marchioni (smarchioni@cityofnovi.org)

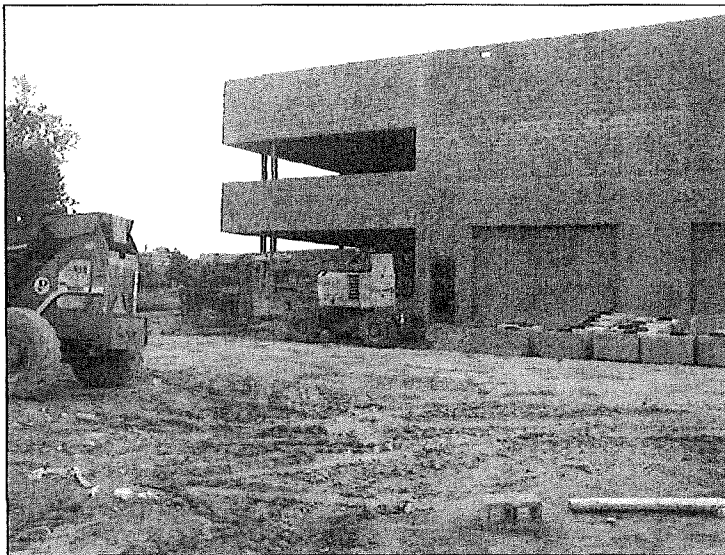


Figure 2. Northeast Building Façade Slated for Barrier-Free Parking Spaces

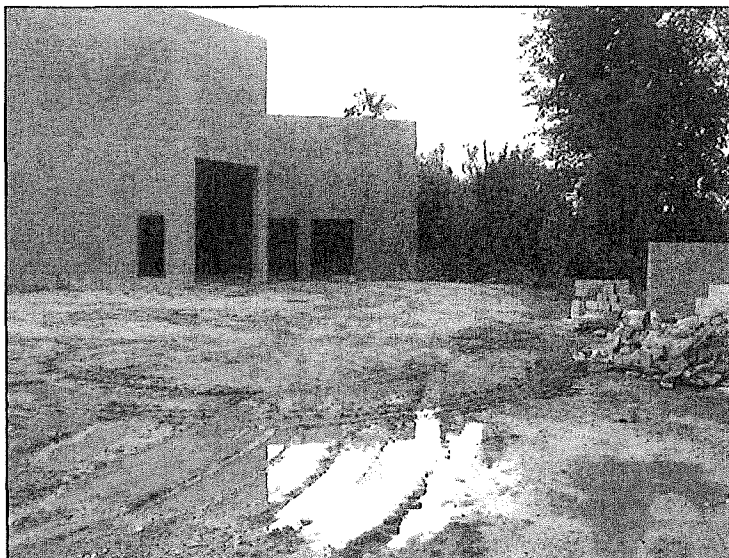
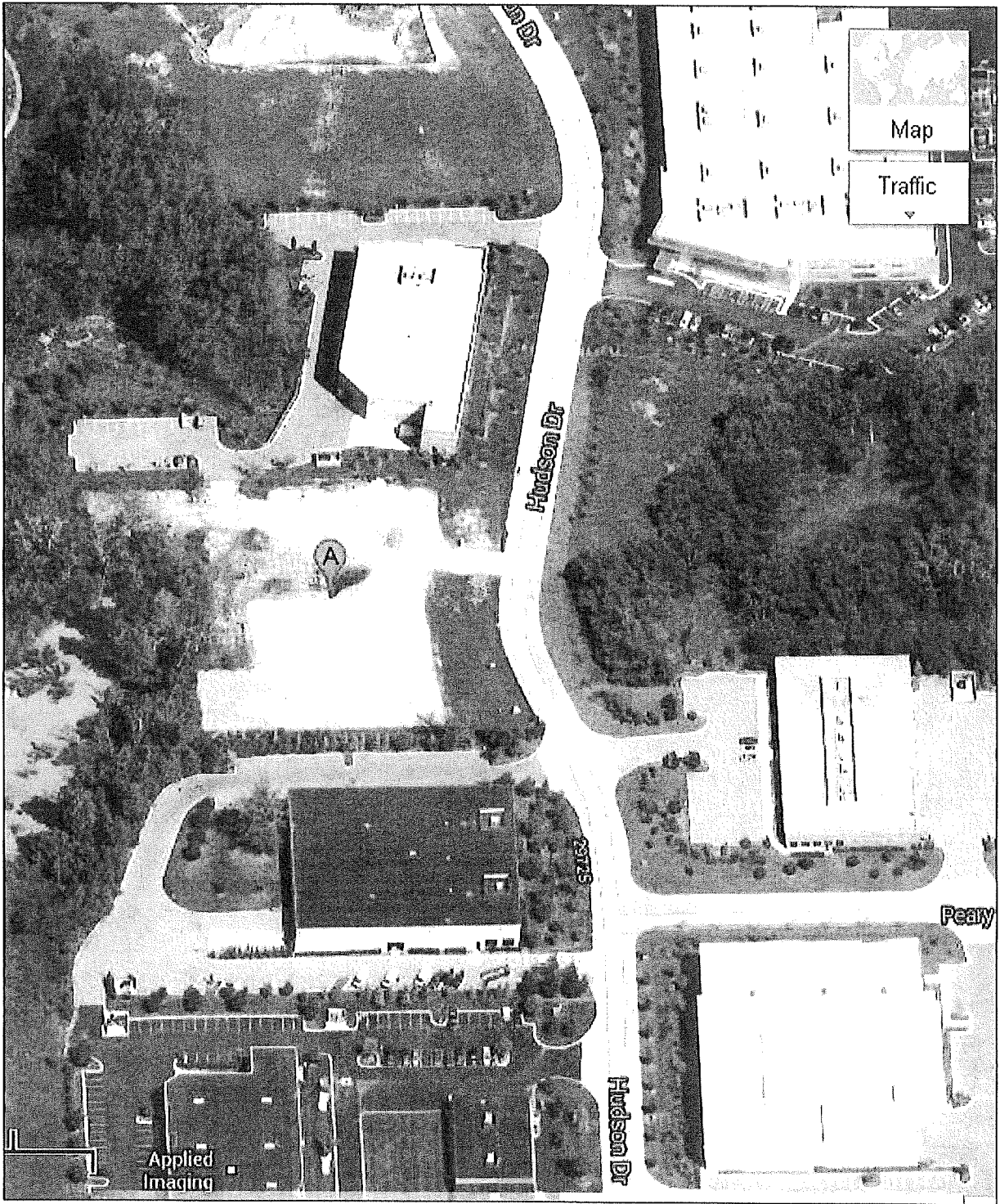


Figure 3. Truck Receiving Doors at Rear of Building



29795 Hudson Drive (Beck North Lot 38, fka 27 & 1)

**Marchioni, Sarah**

---

**From:** Wayne, Adam  
**Sent:** Wednesday, July 03, 2013 4:36 PM  
**To:** Marchioni, Sarah  
**Subject:** RE: Beck North Lot 38 traffic control device inspection

\$3,200. That inspection report looked pretty good though.

$$(\$1600 \times 2.0) = \$3200$$

**From:** Marchioni, Sarah  
**Sent:** Wednesday, July 03, 2013 4:28 PM  
**To:** Wayne, Adam  
**Subject:** FW: Beck North Lot 38 traffic control device inspection

Can you do the FG calculation for me? This is for a completion agreement so 2.0 multiplier.

Thanks,  
Sarah

**From:** William Stimpson [<mailto:bill@clearzoning.com>]  
**Sent:** Monday, July 01, 2013 1:41 PM  
**To:** Marchioni, Sarah  
**Cc:** Weber, Sheila; Wayne, Adam  
**Subject:** Beck North Lot 38 traffic control device inspection

Please see the attached, per your request.

William A. Stimpson, P.E. | Director of Traffic Engineering  
Birchler Arroyo Associates, Inc. is now Clearzoning, Inc.  
New email: [bill@clearzoning.com](mailto:bill@clearzoning.com)  
248-423-1776

SLM

**Marchioni, Sarah**

---

**From:** Meadows, Ted <tmeadows@sda-eng.com>  
**Sent:** Tuesday, July 09, 2013 2:36 PM  
**To:** Marchioni, Sarah; Preisz, Matthew  
**Cc:** Weber, Sheila; Staup, Aaron; Boulard, Charles; Saarela, Beth (Kudla); Robbins, Christopher  
**Subject:** Re: Request for inspection - Beck North Corporate Park (Lot 38 fka 27 & 1), JSP 06-0058  
**Attachments:** 13 07 09 Site and Pavement Punch List, Cost Estimate and Financ.pdf

Please find attached the Site and Pavement Punch List, Cost Estimate and Financial Guarantee letter with the 2.0 multiplier for the above mentioned project.

At this time the utilities have been installed and are satisfactory. That being said the site is an utter disaster. Construction debris is scattered and piled through out the site. The site is heavily rutted and rough grade needs to be established again. Furthermore, the Soil Erosion, Storm Water, nor ROW can be approved at this time, all items are incomplete.

Please contact me with any questions or concerns.

Thanks,

Ted Meadows  
Construction Engineering Dept.  
Contract Administrator  
Spalding DeDecker Associates, Inc.  
39293 Plymouth Road, Suite 102  
Livonia, MI 48150  
[tmeadows@sda-eng.com](mailto:tmeadows@sda-eng.com)  
Phone: (734) 293-5200  
Fax: (734) 293-5202  
Mobile: (248) 762-5116  
Spalding DeDecker Associates, Inc.  
"The Benchmark of Excellence"

*Spalding DeDecker acquires Coyle Engineering, Inc. of San Antonio, Texas. We welcome them into the SDA family! Ask me more about this great addition.*

On Wed, Jun 19, 2013 at 9:56 AM, Marchioni, Sarah <[smarchioni@cityofnovi.org](mailto:smarchioni@cityofnovi.org)> wrote:

Attached please find the request for inspection for status of the project for the completion agreement. Please provide me with a report stating all outstanding items and assign a financial guarantee with a breakdown of the amount. For example, \$100,000 (\$50,000 x 2.0 multiplier). If you do not include this I will email you the report back and request a new one. Please remember that this will require the 2.0 multiplier.

Please have reports to me no later than Tuesday, July 9<sup>th</sup>.

Thanks,

Sarah



Sarah Marchloni | Building Permit Coordinator

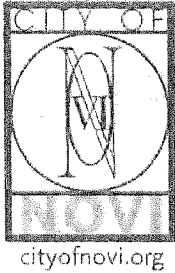
City of Novi | 45175 W. Ten Mile Road | Novi, MI 48375 USA

t: 248.347.0430 f: 248.735.5600

[cityofnovi.org](http://cityofnovi.org) | [InvestNovi.org](http://InvestNovi.org)

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## CITY of NOVI CITY COUNCIL

Agenda Item P  
August 13, 2012

**SUBJECT:** Approval of an exception from the requirements for a Completion Agreement under Section 1-12 of the City Code to allow completion of development on Lot 38 of the Beck North Corporate Park in accordance with Site Plan SP06-58 with the following conditions:

- Renewal of all expired permits
- A new Preconstruction Meeting will be required with City staff and consultants prior to start of work
- The developer pays for any additional consultant fees required due to the lapse in construction on the site
- A completion agreement will be required if any portion of the project remains incomplete after February 15, 2013

**SUBMITTING DEPARTMENT:** Community Development Department 

**CITY MANAGER APPROVAL:**

**BACKGROUND INFORMATION:**

Amson Dembs, the developer of Lot 38 of the Beck North Corporate Park is requesting a waiver of the requirement for a project Completion Agreement required under Chapter 26.5 of the Novi City Code due to their ability and intent to complete the project through occupancy within a 6 month period of time for a specific tenant.

**Background:**

This project was approved under Site Plan SP06-58 and work was begun on the installation of utilities, grading and preparation of the building pad thereby vesting the Site Plan. Work was suspended due to the recent economic challenges before any construction was started on the building or installation of paving. The applicant has periodically renewed the Soil Erosion and Sedimentation Control permit for the site. In late 2010 the developer was notified that a completion agreement would be required as the 2 year construction window for completion of the work had expired. The developer did not pursue the Completion Agreement for the project in part because of uncertainty as to whether the project would ever be completed according to the original Site Plan.

**Today:**

As of the current time the developer is requesting to be allowed to complete construction of the project exactly as originally proposed and approved. The developer has indicated the presence of a tenant with intent to occupy the finished building but needs to provide occupancy within the next 6 months. Chapter 26.5 of the City Code requires a completion agreement, but the developer is requesting an exception as the time required to assemble, negotiate and secure City Council approval for the agreement would prevent the completion of the building and installation of parking within the 6 month window of time needed by their tenant. Chapter 26.5 provides for an appeal of the requirement for a completion agreement pursuant to the standards set forth in Section 1-12 of the City of Novi Code. The applicant must provide facts supporting the following factors to be considered by City Council pursuant to Section 1-12:



- (1) A literal application of the substantive requirement would result in exceptional, practical difficulty to the applicant;
- (2) The alternative proposed by the applicant will be adequate for the intended use and shall not substantially deviate from the performance that would be obtained by strict enforcement of the standards; and
- (3) The granting of the variance will not be detrimental to the public health, safety or welfare, nor injurious to adjoining or neighboring property, nor contrary to the overall purpose and goals of the chapter or article containing the regulation in question.

Based on the short time frame of less than 6 months in which the building is proposed to be completed, and upon the limited size of the project, Staff agrees that preparing a Completion Agreement for a short time frame would be inefficient. Additionally, the alternative of completion within 6 months would be less than the time frame generally required by a completion agreement. Finally, the public health, safety and welfare will not be affected because the site is presently stabilized and secure. Once construction starts, the City may use currently posted performance guarantees to assure timely completion. Furthermore, if completion does not progress, the City may require a completion agreement at a later time. This waiver would be subject to reinstating the requirement for a completion agreement if the 6 month time frame is not observed.

Staff supports the request with the following conditions:

- Renewal of all expired permits
- A new Preconstruction Meeting will be required with City staff and consultants prior to start of work
- The developer pays for any additional consultant fees required due to the lapse in construction on the site
- A completion agreement will be required if any portion of the project remains incomplete after February 15, 2013

**RECOMMENDED ACTION:** Approval of an exception from the requirements for a Completion Agreement under Section 1-12 of the City Code to allow completion of development on Lot 38 of the Beck North Corporate Park in accordance with Site Plan SP06-58 with the following conditions:

- Renewal of all expired permits
- A new Preconstruction Meeting will be required with City staff and consultants prior to start of work
- The developer pays for any additional consultant fees required due to the lapse in construction on the site
- A completion agreement will be required if any portion of the project remains incomplete after February 15, 2013

	1	2	Y	N
<b>Mayor Gatt</b>				
<b>Mayor Pro Tem Staudt</b>				
<b>Council Member Casey</b>				
<b>Council Member Fischer</b>				

	1	2	Y	N
<b>Council Member Margolis</b>				
<b>Council Member Mutch</b>				
<b>Council Member Wrobel</b>				

NADLAN II LLC  
46855 Magellan Dr.  
Suite 200  
Novi, MI 48377  
(248)380-7100 phone  
(248)560-3030 fax

August 7, 2012

City Council  
City of Novi  
45175 W. Ten Mile Rd.  
Novi, MI 48375

Re: SP06-0058 Beck North Corporate Park lot 38

Dear Council,

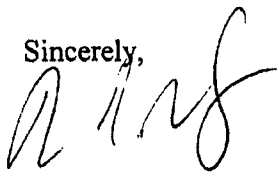
Nadlan II LLC wishes to appeal the requirement for a completion agreement for Beck North Corporate Park lot 38 under Section 1-12 of the code of ordinance.

Nadlan II LLC has a strong opportunity to secure a tenant providing their delivery requirements are met. The tenant's timing requirements do not allow for the time involved with drafting and finalizing a Completion Agreement. The project will not deviate in any way from the proposed building previously submitted and reviewed nor would the variance be neither detrimental nor contrary to the overall purpose and goals of the chapter or article containing the regulation in question.

We feel this prospective tenant is a wonderful fit for the proposed building and a great addition to both Beck North Corporate Park and the City of Novi.

Thank you very much for your time and consideration of this request.

Sincerely,



Ryan Dembs