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August 21, 2025

**CONFIDENTIAL CORRESPONDENCE
ATTORNEY-CLIENT PRIVILEGE**

Mayor Fischer and City Council
City of Novi
45175 Ten Mile Road
Novi, MI 48375

RE: Society Hill Amendment to Consent Judgment
August 25, 2025, City Council Consideration

Dear Mayor Fischer and Council Members:

Enclosed with this letter, and also to be made part of the City Council packet for the August 25, 2025, meeting, is the final version of the Amendment to Consent Judgment in the Society Hill case. City Council will be asked to grant or deny the request to approve a new preliminary site plan to replace the original 1999 Final Site Plan that has been extended under the existing (2001) version of the Consent Judgment every year since 2006.

This version of the Amendment has some new features that make it an improvement from previous versions (including the one presented at the last closed session) from our perspective. **Language has been added that now provides that the 1999 Final Site Plan and the City's obligations under SAD 94 will terminate once the Developer's 2025 final site plan is approved.** This is good news, since the expiration or termination of those two things has been a "want" from the outset of these discussions.

The price for the 1999 Final Site Plan and the SAD 94 obligations going away is straightforward: the Developer's 2025 final site plan (once it is granted) being good for 5 extra years—that is, for a total of 10 years once granted. As we have discussed before, a final site plan for any development is probably going to be good for 5 years, since you get 2 years by ordinance and then up to 3 one-year extensions. Giving final site plan approval for an extra 5 years is arguably a reasonable price to pay to get out from under SAD 94—particularly since a developer whose plan expires can just go back through the process to get a fresh set of approvals and years anyway.

Here's how this all would work if Council approves the 2025 Development and Amendment:

The Amendment approves the 2025 Preliminary Site Plan (and woodlands/wetlands/stormwater permits) for 5 years from the date of the Amendment. It also extends the 1999 Final Site Plan for 5 more years.

The Developer then has 2 years from the date of the Amendment to apply for Final Site Plan. So, if the Amendment is signed on 9.1.25, Developer would have to file a complete application for final site plan approval no later than 9.1.27 (there is a caveat that in the unlikely event he acquires some part of the Bundoff parcel from the City that extends a year).

The Developer then has 5 years in which to achieve 2025 Final Site Plan Approval, from the date of entry of the Amendment. Note that the Developer is obligated to pursue Final Site Plan Approval "diligently." He has to make a good faith effort to get it.

If the Developer doesn't get 2025 Final Site Plan Approval in 5 years, and Council doesn't voluntarily give an extension at Developer's request, the following things happen:

- **The 2025 Preliminary Site Plan expires and there is no 2025 Development Plan at all; this happens just by passage of time (no Council action required).**
- **We're back to square one, because the 1999 Final Site Plan will still be good, and the City Council will have the same annual question before it again.**

This is hopefully a low-percentage scenario. The Developer has spent some real money pursuing this new 2025 Development concept.

If the developer DOES get 2025 Final Site Plan Approval in 5 years, then the following things happen:

- **The City's obligations to build/extend the sewer under SAD 94 go away entirely.**
- **The 1999 Final Site Plan goes away entirely.**
- **The Developer's Final Site Plan is good for 10 years (instead of the usual/likely 5 years).**
- **The Developer gets the money that's in the SAD 94 account, with interest.**

The termination/expiration of SAD 94 and the 1999 Final Site Plan is, as noted, among the outcomes the City Council was hoping for when it determined to enter into these conversations with the Developer.

The rest of the document remains similar to what Council saw last meeting, with the exception of what, exactly, constitutes Final Site Plan Approval and more language about the fact that, if the Developer were ever to convert some portion of the project to for sale instead of for rent (e.g., the townhouse area), more financial performance guarantees might need to be posted.

Letter to Mayor and Council

Re: Society Hill

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Last week, the City Manager sent you the final set of plans that would make up Preliminary Site Plan Approval for the 2025 Development. Among other things, this Amendment approves those plans (with related deviations from some standards); it approves the woodlands/wetlands/stormwater permits; it allows the use of the City Parcel for stormwater improvements; it approves some land divisions (up to 5 parcels created from the current 9 separate parcels); it allows some standards for performance guarantees to be relaxed; and it freezes some fees for a short period of time and clarifies the application of future ordinance amendments to the project.

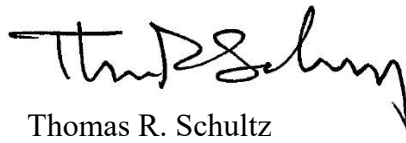
It also confirms that the Developer will be paying all water and sewer connection fees; it includes a phasing plan that the City staff can live with and organizes the development process in an acceptable way; it donates the master-planned right-of-way on 12 and ½ Mile Road; and it has a number of “boilerplate” provisions that aren’t problematic from our perspective.

But mostly it has a timeline to get rid of SAD 94 and to fully substitute the 2025 Development Plan for the 1999 plan, which is an overall benefit to the City. Once the 2025 Final Site Plan is approved, the City Council is effectively “out” of having to do annual approvals with the SAD 94 matter hanging around or over the City’s head. The rest of the work for the 2025 Development will be at the administrative level. Council should not see this 2025 project again unless the Developer needs to ask for extensions beyond those described above—which the City Council would not be obligated to grant unless it found that an extension was warranted on the merits, as opposed to an obligation.

If you have any questions before the meeting, including over the weekend, please don’t hesitate to call.

Very truly yours,

ROSATI SCHULTZ JOPPICH
& AMTSBUECHLER PC

A handwritten signature in black ink, appearing to read "Th R Schultz", written over the printed name.

Thomas R. Schultz

TRS/jah
Enclosure

cc: Victor Cardenas, City Manager
Cortney Hanson, City Clerk