

**Charter Township of Waterford Township
Dangerous Building Hearing
Summit Place Mall, 315 Telegraph
April 13, 2016**

9:00 am the hearing opened. Walter Pytiak introduced himself and attorney Gary Dovre. Atty. Dovre made opening remarks on behalf of the Hearing Officer (see attached).

On behalf of SD Capital the following were in attendance: Owner representative Shaun Rahbar, Property manager Shirley Griffin, Atty. Wayne Walker, Atty. Richard Rassel. They asked that their letters dated April 6 and 11, 2016 be included in the record. They indicated they may want to adjourn to a later date after hearing testimony.

9:10 Rob Merinsky, Development Services Director, was sworn in and described the ordinance and methodology the inspectors used in conducting the inspection of the mall.

9:14 Brent Gibson, Code Official, was sworn in and described the path the inspectors took on the interior of the mall and showed a Power Point presentation depicting the typical condition of the mall interior.

9:45 Dave Hills, Building Inspector, was sworn in and described the exterior inspection path. He stated of the 217 exterior doors on the mall 116 were welded shut and others were sealed up in various unopenable ways.

10:10 Rick Hutchinson, Electrical Inspector, was sworn in and described the condition of the electrical systems in the mall. He stated that DTE advised him that 13,000 volt service is currently being provided to the structure. He showed a Power Point presentation demonstrating the condition of the electrical systems.

10:45 Russ Walker, Plumbing/Mechanical Inspector, was sworn in and read a summary of the condition of the Plumbing Systems and Heating Systems and showed a Power Point presentation of photographs depicting some of the described conditions.

11:00 Rob Merinsky, Development Services Director, described the infrastructure on the exterior of the property on December 9, 2014. There were 8 open structures at grade and visual inspection cannot determine the extent of the damage underground. Debris and sediment were visible in all structures.

11:15 Matt Covey, Deputy Fire Chief, was sworn in and discussed hazards to first responders and any members of the public or employees of the mall who may enter the building. He showed a Power Point presentation of typical Fire Code Violations. He estimated that it would cost \$7 million to reactivate the sprinkler system, which is necessary to make the building safe.

11:45 Jeff James, Deputy Police Chief, was sworn in and reported the fact that the vacant structure attracts vandals and that in 2013 there were 58 calls to the Mall property and in 2014 there were 27 calls to the property. There were fewer calls in 2014 because there was a "Do Not Enter" directive issued by both Fire Department and Police Department due to the fact that a Police Officer suffered health issues after entering the Mall on a complaint.

11:50 the hearing was adjourned for lunch. Will re-convene at 1:00

1:00 the hearing was called to order.

1:00 Gary Allison was sworn in and presented an 18 min 45 sec. video, edited down from over 2 hours of video footage taken on Dec 8 & 9, 2014.

Additional Comments

Merinsky: There are approximately 5000 lineal perimeter feet around the mall. To repair and properly support the ground in the perimeter to allow emergency vehicles to safely enter the property would cost approximately \$250-300K. The catch basins were estimated to cost \$50K to repair.

Covey: Property owners should maintain the property in all seasons. Snow creates a barrier to emergency vehicles and masks damaged areas that would be unsafe for heavy emergency equipment. To make the structure safe the emergency lights and fire exit signs should be in working order. Each fixture costs approximately \$30-50 and labor costs would be in addition to that cost. Fire exit door hardware costs \$200-1000 per door plus labor totaling more than \$200K to make the building safe. The suppression system repairs would be very expensive since they weren't properly winterized. A best estimate would be \$7 million; and the fire alarm systems has been substantially removed and would cost \$1.4 million to bring back to a working condition to create a safe condition in the building. Heat should be provided at a minimum in the riser rooms to prevent freezing of the system. **No cost was estimated for replacing or repairing the heating system for the riser rooms.**

Gibson: The roof repairs would have to be done in 2 phases, the roof decking must be repaired at an estimated cost of \$650K and then to re-roof the structure would cost in the neighborhood of \$4.5 million to seal all leaking areas.

Hills: The boarding of all open doors and windows is a temporary solution. Our ordinance requires that boarding be replaced with glass in a specific period of time. Many of the exterior structural components are failing and should be repaired. The potential for bodily harm is evident in the façade and wall components that are falling off the building. To correct this condition would cost between \$500-700K and engineering would be required to prove the overhead structures are safe.

Hutchinson: The repair or replacement of the Fire Alarm System can be estimated at \$1.50 per square foot at a minimum which would total \$1.5 million. To run new wiring to replace what was taken out powering the emergency lighting and making the building safe is estimated at \$2 million.

Walker: Sewer gas entering the building must be eliminated to make the structure safe. The easiest way to do that is to bulkhead the sewer where it enters the building, at 9 separate locations costing \$2-4,000 per location and totaling \$36K. Once the sewer is bulk headed the roof vents must be closed off to prevent water entering the building and creating a flooding situation. The estimated cost to seal the roof vents is \$200K. To heat the entire building would mean repairing and replacing many appliances and could total more than \$3.7 million.

1:45 the Township staff concluded their presentation. S D Capital deferred their comments until after the public comment period.

- 1) **Tim Kramer:** if the Mall is being used as a tax write off for other investments then shame on owners for doing this disservice to Waterford

- 2) **Frank Camilleri:** owners did not properly maintain the building for years. The business owners in Waterford do maintain their property and the Mall owners should as well. He questioned whether there was liability insurance on the property.
- 3) **Harold Jacobson:** business owner for 40 years close by. Mall hurts his business, he maintains his property, they should too.
- 4) **Tony Bartolotta:** owns a business nearby. Mall has dragged down property values, caused drop in business for neighboring businesses. He sees people on the mall property and it is unsafe.
- 5) **Sharon Thomas:** is a 40 year resident. She had no idea the property was in such bad condition. She said there was no excuse for the owners to let the property fall into such disrepair. Disgusting.
- 6) **Ken VanHorn:** mall looks bad, suppression system not working, combustibles present; the whole system has been defeated by neglect. Penalize those who caused it, property should be fenced immediately.
- 7) **Marie Hauswirth:** Chamber of Commerce Director, represents the business owners in Waterford. All are angry and upset. Owners should realize the time has come to accept the need for demolition of the mall. It is a catalyst of decay in the Township.
- 8) **Gary Wall:** asked the Hearing Officer to look at all the evidence, it proved the building is unsafe. Don't wait until the unsafe conditions result in a death. Odds increase every day the mall is left standing.
- 9) **Tom Wilhelm:** has the "city" offered to help? He referenced PA 255, says there are many avenues available to assist the owners in rehabilitating the property, that should be explored before we force demolition, which would be like a taking of the property.
- 10) **Sue Camilleri:** Waterford is a township and has different options than cities do. PA 210 overlay was applied to the property in 2013. The Township has worked with the mall owners and the county to bring in interested parties. At this time all deals have fallen through and we have no more patience. Our responsibility is to keep Waterford safe for our residents.

2:05 **Attorney Richard Rassel** spoke on behalf of SD Capital:

- 1) Owners and Township share common interest
- 2) Agrees that the Township and County worked with mall owners for years to bring investors to the table.
- 3) The status quo is 2 years old
- 4) The evidence produced at the hearing is new to the owners where the township has had this information for 16 months.
- 5) Requested 270 days to respond to the evidence.
- 6) The estimated cost of repair makes any argument on behalf of SD Capital moot
- 7) Presentation was like a "fait accompli"
- 8) They received the notice March 8, 2016 and it did not have enough detail. They only saw the detail at the hearing.
- 9) Due process is needed to avoid unconstitutional taking

Attorney Dovre asked what they would do in the 270 days they are requesting. Their response was they would look at the evidence, hire contractors and determine if demolition is really required.

Hearing Officer asked who was managing the property. The response was the local agent is Shirley Griffin. The H.O. stated the condition is nothing new, it didn't happen overnight.

Rassel stated he wasn't here today to respond to the evidence. At this time only one side of the story has been told.

Dovre asked if the owners would install fencing if they were granted a long period of time to respond to the evidence. He asked for a 10 minute adjournment to confer with counsel.

2:15 hearing was adjourned

2:30 hearing called to order. **Dovre** stated his plan was to recommend 30 days to respond not the 270 they requested. He would compromise on 60 days but would recommend no more. Recommend that the hearing be adjourned to June 14 at 9:00 am with the attorneys representing SD Capital providing in writing their objections and any questions they would like to ask of the inspectors to the Clerk's Office one week before the hearing. SD Capital said their request for 270 days stands.

Hearing Officer stated the situation was dangerous and the condition dire. He ordered SD Capital to comply with the conditions Dovre stated above. In addition H.O. ordered the owners to do the following ASAP:

- 1) secure all openings
- 2) cover the holes in the paving/infrastructure properly
- 3) remove all debris from the exterior and combustibles from the interior
- 4) remove all structural members that are hanging from the structure
- 5) fencing must be installed around all dangerous or unsafe areas
- 6) The township inspectors are instructed to inspect the property after 30 days to confirm that these conditions have been met.

2:40 the hearing was adjourned until June 14, 2016 9:00 a.m. in the Township Hall Auditorium.