



Aaron Geer <geera@rochesterhills.org>

Fwd: Walton Oaks questions

Leanne Scott <scottl@rochesterhills.org>
To: Aaron Geer <geera@rochesterhills.org>

Mon, Apr 22, 2024 at 1:19 PM

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From: **Chris McLeod** <mcleodc@rochesterhills.org>

Date: Mon, Apr 22, 2024 at 11:57 AM

Subject: Re: Walton Oaks questions

To: Theresa Mungiolli <mungiolit@rochesterhills.org>

Cc: Sara Roediger <roedigers@rochesterhills.org>, Joe Snyder <snyderj@rochesterhills.org>, Leanne Scott <scottl@rochesterhills.org>, Laurie Taylor <taylorl@rochesterhills.org>, Bryan Barnett <barnettb@rochesterhills.org>

Good Afternoon Councilperson Mungiolli

Hopefully the following answers some of your questions. We know this is a complex development that most of us have not dealt with before. We have had our legal team involved with this from the start and obviously the site plan has gone through our normal review process, which has been occurring over the last several years. If you would like additional clarification or have additional questions please dont hesitate to ask.

Thank you

Chris

How do we apply property taxes to a property for 3 or more multiple different mortgages/property owners in the same structure? In speaking with Laurie, she indicated each unit with the IDD home would have its own assessment given its square footage and rooms dedicated to the unit along with the access it has to the limited common elements dedicated to it. It would be much like a normal condominium that has multiple units in a building. This one is a bit unique since the units rely on common elements to fully function.

Can there be 3 or 4 mortgages for parts of the same property? How are they registered with the county? Based on conversations with the developer conventional bank funding will be limited due to the uniqueness of the development. But each owner or potential owner will be responsible for securing their own funding for their unit whether it is cash or if a lender is willing to fund the mortgage.

What happens if 1 forecloses? I wouldn't think that would be any different than if any home in the city goes into foreclosure. In this instance there would still be other residents in the structure and the residence would still be maintained as a single family residence, with one less resident.

Why are the IDD homes at \$199,000 for a 3 bedrm and the rest of the 3 bedrm homes at \$795,00 (per the Walton Oaks website)? Is the total IDD building selling for less than the single residential homes? Based on an email request to the developer he indicated that total house price for an IDD home will likely be in the \$670,000 to \$800,000 range, that is total home cost, so a stated cost of approximately \$199 would be in line with that based on whether the unit is 3 or 4 bedrooms total. He also indicated that the remaining homes in the development would likely be \$800,000 to \$1,000,000 depending on finishes and house type. With any single family development the City really can't regulate the anticipated

home prices for each individual home. In speaking with the assessing department these price estimates are generally in line with the anticipated market.

Are the IDD homes a registered group home? Why or why not?

They are not a registered group home pursuant to State Statute. The services / care they provide do not fall under a typical state registered group home. The developer can likely provide a more defined difference between licensing types.

Why are only the IDD homes reserved and none of the other homes? Each IDD has 3+ residents = 9 residents. Why aren't the other 8 homes sold? If the other homes are not owned by IDD families, how are the bylaws impacted, especially if the IDD homes need a tenant/new owner? What happens when the IDD residents don't have family in the subdivision to approve other residents/follow the bylaws? The master deed and bylaws and other deed restrictions are specifically set up to restrict the 3 homes for IDD residents and all residents buying into this development will have the same set of bylaws and master deed and deed restrictions so they should be aware of what they are buying into. The master deed, bylaws and deed restrictions outline the vetting process. In regards to the sales for other homes in the development market will ultimately dictate how fast or slow those homes sell given their anticipated prices.

Can any of the IDD homes or any portion of them be rented at any time? Leasing is an option for an IDD home, however, the preference of the developer is sale. Regardless of lease or ownership the IDD dedicated homes remain dedicated for IDD usage only and follow the vetting process outlined in the Master Deed and Bylaws. While the question typically comes up or is discussed, the City does not typically become involved with whether a development has units for sale or lease.

What is the + on the bedrooms? I think you are referencing this from the website? This may indicate the ability to bring a 4th bedroom into those units that only have 3 shown. For the IDD homes, overall occupancy is capped at 4 persons.

Daylight basement – how is that possible with possible flooding? The City's engineering department has fully reviewed the plans, including the grading plans. Some of the units have grade configurations that may support a daylight basement. That will be reviewed further during the permitting process, they may have to install additional sump pumps or other measures.

What happens if one of the IDD owners wants to sell? And cannot find someone to buy the part of the building?

The developer can likely provide their own answer but as with any property sale if there is not a qualified buyer that meets the criteria for ownership of that unit, the unit would remain vacant.

Rentals? Are any of the IDD properties available for rental? As noted above, the IDD homes are eligible to be leased. The developer has noted that that is not the preference but is an option. The IDD homes will remain for IDD residents only pursuant to the bylaws and master deed.

Property drainage? Not flooding the neighboring property? The site plan has been fully reviewed by the engineering department, as with all site plans and complies with City regulations regarding storm drainage.

Notice to neighbors. Many have attended Planning or past Council meetings.

When and how was notice sent to the neighbors regarding the approval for Walton Oaks for the Planning Commission meeting and City Council meeting? The residents were notified pursuant to City requirements for preliminary approval prior to the Planning Commission last year. Notice is not required pursuant to ordinance for any other portion of

the process. However, due to the interest in the project the Planning Department did provide additional notice prior to final site condominium approval at the Planning Commission. Notice in both instances was given to residents within 300 feet of the proposed development.

On Fri, Apr 19, 2024 at 9:54 PM Theresa Mungiolit <mungiolit@rochesterhills.org> wrote:

Here are some of the questions I have regarding Walton Oaks. There may be more as I delve into the details. Thanks!

How do we apply property taxes to a property for 3 or more multiple different mortgages/property owners in the same structure?

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Thanks!

Theresa Mungiola

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Leanne Scott

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