



DR. DEIRDRE WATERMAN
MAYOR
CITY OF PONTIAC

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CONTACT:

City Attorney, John Clark
(248)457-7000

City Of Pontiac, Ottawa Towers Reach Settlement In Phoenix Center Litigation

City retains ownership of Phoenix Center, plans to repair, reopen facility

After more than six years of contentious litigation that included four court-ordered facilitations, the City of Pontiac and the owners of the Ottawa Towers have finally reached a global settlement on all outstanding issues and claims.

This settlement, which was approved by a vote of the Pontiac City Council Tuesday, is unique from all prior settlement efforts in that the City of Pontiac retains ownership of the Phoenix Center and rooftop plaza. In addition, the settlement requires significant repairs and improvements to the Phoenix Center that, when completed, will create a state-of-the art parking facility that will generate revenue for the city, as well as provide parking for the city's rejuvenated downtown.

Mayor Deirdre Waterman, who was instrumental in bringing this lengthy legal battle to a successful conclusion, said the settlement represents a positive outcome after years in court.

"While my administration was in no way involved with the initial decision to demolish the Phoenix Center which started the litigation, I am pleased that we have achieved a fundamentally sound resolution to bring a close to this final chapter of emergency manager control to the City of Pontiac. I am most pleased with the fact that the city will retain ownership of the Phoenix Center and in the coming months will oversee the necessary repairs and improvements to regain full use of this property as a valuable asset for the city.

City attorney John Clark, who also served as lead counsel in this matter, said the settlement is in the city's best interest.

"The settlement is a win for the City of Pontiac, its residents and the business community. The city avoids further costly litigation, as well as a potential for a multimillion-dollar judgment which could only be paid through the issuance of a judgment levy."

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