



Emerald Property Group, LLC
17375 Harper Ave. Suite 1524
Detroit, MI 48224-9998
www.EmeraldPropertyGroup.com
Tomie@EmeraldPropertyGroup.com
(313)995-9027 - Main

January 3, 2018

City of Detroit Water & Sewerage Department
Attn: Gary A. Brown, Director
735 Randolph
Detroit, MI 48226

Dear Mr. Michael,

I am writing at this time to express my concern and frustration with the current system for landlord/owner payment agreements for past due water bills. As an owner and property manager of properties exclusively in the City of Detroit, I am continually purchasing and improving properties putting them into productive reuse as rental properties in Detroit neighborhoods. In addition, I manage a number of properties for other owners/investors who are interested in quality renovations.

During the purchase process, I (and other investors) often "inherit" rather large water bills and have entered into payment agreements with your department as the size of the bills does not allow me to pay in a lump sum - since doing so would take away from my ability to invest in the renovation of the property to the standard of quality I desire.

The issue that I have with your policies is that when a new tenant moves into the property after renovation - as soon as they are late on THEIR water bill - it voids my payment plans and I am unable to re-establish a payment plan. Since the cash flow from a property is incremental on a monthly basis - it is essential to the success of a property that any liabilities be incremental as well.

Your policy penalizes my firm that is trying to do the right thing - making me a hostage of my tenants. This puts me and others who want to invest in the future of Detroit neighborhoods in the position where we will either be forced not to make investments OR forced to let the bill be added to our property taxes as the Wayne County Treasurer is more willing than your department to make payment arrangements.

I work with dozens of investors and could work with dozens more if there was a more equitable system for working with these water bills.

It is my hope that you can understand my/our point of view and would be open to further conversation about this important issue. I can be reached at (313) 995-9027.

Sincerely,

Thomas H. O'Neil

cc: Board of Water Commissioners

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