

**CITY OF AUBURN HILLS
BROWNFIELD REDEVELOPMENT AUTHORITY**

April 30, 2001

CALL TO ORDER:
at 6:33 p.m.

Chair Capen called the meeting to order

ROLL CALL:

Douglas, McDonald, Vettel
Absent.
Also Present.

Present. Burchfield, Capen,

None
Brownfield Consultant Greve
City Manager Ross

No guests

LOCATION:
Auburn Hills 48326

Civic Center, 1827 N. Squirrel Road,

3. PERSONS WISHING TO BE HEARD

Mr. Capen welcomed Mr. Burchfield to the Authority.

4. APPROVAL OF MINUTES - February 13, 2001

Mr. McDonald moved to approve the minutes of February 13, 2001 as submitted.

Supported by Ms. Vettel.

VOTE:

Douglas, McDonald, Vettel
No:

Yes: Burchfield, Capen,

none

Motion

carried (5-0)

5. REPORT AND RECOMMENDATION ON BROWNFIELD PLAN PREPARATION AGREEMENT

Mr. Greve introduced the proposed agreement between Brown Road, LLC and the Brownfield Redevelopment Authority (Authority) for the Authority to prepare a Brownfield Plan for property located between Lapeer Road and Bald Mountain Road. Mr. Greve indicated Brown Road, LLC is interested in putting a brownfield plan into place to protect their cleanup expenditures for possible reimbursement if the property is eventually developed. He noted the agreement provides for the Authority to prepare the plan but does not guarantee approval of the plan by the Authority or the City Council. Mr. Greve advised the Authority that he hopes to have the plan ready for the Authority's consideration by the end of May.

Mr. Capen, noting that plans submitted to the Authority in the past have contained building footprints, asked if Brown Road, LLC is in a position to submit a proposed layout. Mr. Greve indicated the plan would be more conceptual at this time, since there isn't a designated end-user. He explained the Authority would be basing values on total projected square footage, and would likely need to amend the plan when the project moves beyond the conceptual stage.

Mr. Greve clarified for Mr. McDonald the subject site is the Fons landfill, located north of the J.A.R. property.

Mr. Ross indicated the subject parcel is a difficult one to develop, as it has never been legally closed and likely contains up to 100' of uncompacted garbage. He further explained that the City Council and Planning Commission recently approved a master plan for the northeast corner of the City, which includes a recommendation to rezone the east portion of the site, which abuts Bald Mountain Road, from its current classification of residential to T&R, Technology and Research. Mr. Ross noted the western portion of the site is zoned for industrial use, and he reported there will be no direct access to Bald Mountain Road from the subject property.

Mr. Ross reported preliminary discussion with a major developer who would bring a lot of experience and quality to the project. Mr. Ross advised that the City is in receipt of a check from Brown Road, LLC, which will be deposited if the Authority approves the agreement.

Mr. Ross confirmed for Ms. Vettel that the portion of the subject site which is currently zoned residential abuts other residential property as well as Bald Mountain Road. He listed other surrounding properties, including a residential piece owned by the Oakland County Road Commission (which may be a landfill site), some single family homes, a small City-owned piece, the Sher-Mer Kennels and Hawk Woods. Mr. Ross noted that the area residents were involved in the neighborhood master planning process and were in favor of T&R zoning. Mr. Ross clarified that the surrounding residential parcels would remain residential.

A short discussion of the natural buffering elements of the site took place, with Mr. Greve pointing out the developed land will be 30' lower than Bald Mountain Road.

Mr. Ross confirmed the Authority will have no financial involvement in completing Dutton Road, suggesting the City could encourage the developer to build the road or institute a special assessment as was done for Brown Road in the Auburn Mile development area.

Mr. Greve, addressing Mr. Douglas' questions about the escrow of \$7,500, indicated the amount will be sufficient to identify and protect the cleanup costs, estimating \$4,500-\$5,000 for preparing the brownfield plan and the development agreement, and \$1,000 for attorney fees. Mr. Greve anticipated possibly refunding a portion of the funds to Brown Road, LLC. He noted it is becoming more prevalent to encourage developers to get a brownfield plan in place early so that development can began quickly when a user is identified.

Mr. McDonald asked if the agreement has been reviewed by the City attorney. Mr. Greve reported that Mr. Tom Allen drafted the agreement. Mr. Greve confirmed for Mr. McDonald many borings have been done on the subject site, giving Brown Road, LLC a good idea of the contamination present and the actions that will need to be taken. Mr. Greve verified, in response to concerns expressed by Mr. McDonald, the City will be held harmless from claims, losses, damages or expenses regardless of the type and extent of contamination discovered on site. He noted that in approving the agreement the Authority is only agreeing to prepare a brownfield plan document, and is not guaranteeing approval of the plan by the Authority or City Council.

Answering Mr. Douglas, Mr. Capen indicated the subject site is not on the Super Fund list.

Mr. Burchfield questioned the potential harm to the wetlands. Mr. Ross explained the City suspects there is leachate going into the wetlands now, which means the cleanup of the site will enhance the wetlands. He further noted the City is very conscious of storm water run off and flooding because what happens in the area where the subject parcel is located affects the City golf course.

Mr. McDonald moved to approve the agreement between Brown Road, LLC and the Auburn Hills Brownfield Redevelopment Authority (Authority) authorizing the Authority to prepare a brownfield plan for the property on Lapeer Road commonly referred to as the "Sanicem Landfill" and to authorize the City Manager to execute the agreement.

Supported by Mr. Douglas.

VOTE:

Douglas, McDonald, Vettel

No:

Yes:

Burchfield, Capen,

none

Motion

carried (5-0)

Mr. McDonald moved to authorize the City manager to execute an agreement between the Authority and AKT Peerless Environmental Services to work in conjunction with PGR, L.L.C. for preparation of the brownfield plan.

Supported by Mr. Douglas.

VOTE:

Douglas, McDonald, Vettel

No:

Yes:

Burchfield, Capen,

none

Motion

carried (5-0)

6. OTHER BUSINESS

Financial Report

Mr. Greve indicated activity to date in the accounts has been small. He noted the Authority will receive its first tax increments for 2001 in July, and pointed out J.A.R.'s previous payments were for 2000. Mr. Greve reported two projects are due to produce tax increments in July and be eligible for reimbursement: J.A.R. and the Willis School project.

Mr. Greve noted the Lamppost, LLC project is not moving forward as yet, and Bruce Brickman, who is developing the site immediately south of the J.A.R. project, just received a letter from the DEQ requesting additional information in the process of getting school tax capture approved.

Mr. Greve confirmed for Mr. Douglas the financial report is subject to City audit.

Mr. Capen questioned the status of the Lamppost project in terms of Michigan Department of Transportation's (MDOT) plans for the site. Mr. Greve indicated MDOT is working to present an offer and noted it remains to be seen if there will be enough land left for a brownfield plan if MDOT proceeds.

Mr. Capen expressed concern with the ability of the Authority to respond within the fourteen day deadline if both J.A.R. and the Willis School submit for reimbursement at the same time, given the detailed, sizable nature of the two projects. Mr. Greve advised the Authority can request an extension if necessary. He reported he is now stipulating 30 days for reimbursement in development agreements.

Mr. Greve suggested waiting to analyze the revolving fund until more projects are in the ground, since at this point the figures would be very speculative.

Mr. Greve asked that a meeting be tentatively scheduled for the end of May in anticipation of having the brownfield plan for Brown Road, LLC ready for consideration. The Authority agreed to tentatively schedule a meeting for May 30, 2001 at 6:30 p.m.

7. ADJOURNMENT

Mr. Douglas moved to adjourn the meeting.

Supported by Ms. Vettel.

VOTE:

No:

Yes:

All

None

Motion

carried

The meeting was adjourned at 7:13 p.m.

Helen R. Venos
City Clerk

J. Cherilynn Tallman
Deputy City Clerk