

Not Yet Approved  
*The City of Auburn Hills*  
Brownfield Redevelopment Authority Meeting

August 10, 2004

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**CALL TO ORDER:** Chair Capen called the meeting to order at 6:00 p.m.

**ROLL CALL:** Present. Burchfield, Capen, Douglas, McDonald, Vettel  
Absent. None  
Also Present. Assistant City Manager Tanghe, Brownfield Consultant Greve  
No Guests

**LOCATION:** City Council Chambers, 1827 N. Squirrel Road, Auburn Hills MI 48326

**3. PERSONS WISHING TO BE HEARD** - none

**4. APPROVAL OF MINUTES: APRIL 27, 2004**

Moved by Mr. Burchfield to approve the minutes of April 27, 2004 as submitted.

Supported by Ms. Vettel

**VOTE:** Yes: Burchfield, Capen, Douglas, McDonald, Vettel  
No: None

**Motion carried (5-0)**

**5. FINANCIAL REPORT**

Responding to Mr. Capen, Mr. Greve explained the two checks made payable to the State of Michigan were for work plan reviews for Auburn Hills Commerce Park and J.A.R. Development. These plans were reviewed quite a few years back, possibly as early as 1998.

Moved by Ms. Vettel to accept the financial statement for the Brownfield Fund for the period ended July 31, 2004.

Supported by Mr. Douglas

**VOTE:** Yes: Burchfield, Capen, Douglas, McDonald, Vettel  
No: None

**Motion carried (5-0)**

**6. REPORT AND RECOMMENDATION ON PROJECT EXPENSES FOR BROWN ROAD GROUP LLC**

Mr. Greve summarized his June 24, 2004, memo as follows:

*I have reviewed the submittal from Brown Road Group, LLC related to their request for reimbursement of various eligible expenses incurred by them for the Sanicem Landfill Redevelopment Project.*

*A summary of the costs incurred compared to the estimated budget is attached. I have reviewed the detailed invoices related to the above referenced charges and find that the expenses qualify as eligible expenses incurred by the developer to conduct eligible activities in accordance with the approved Brownfield Plan. The related detail is attached.*

*I recommend that the Brownfield Redevelopment Authority authorize reimbursement up to \$164,799.50 from available tax increment revenue for the eligible expenses incurred to date for this project.*

*The eligible property has generated approximately \$140,463.00 in tax increment revenue through December of 2003. Approximately \$66,100.00 is the portion of the total captured taxes generated from local taxes with the balance of \$74,363.00 resulting from school taxes. Both local and school taxes collected to date can be applied to the approved amount of \$164,799.50. Additional tax increment revenue should be available upon payment of the July 2004 tax bill.*

Assuming the requested amount listed in this memo is approved the total approved eligible expenses to date will equal \$412,070.50 with \$87,345.00 being eligible for reimbursement from captured school taxes and 324,725.50 from captured local taxes.

The Authority may retain a portion (up to \$17,500.00 per year) of the local tax increment revenues collected to date in order to pay its administrative and operating expenses.

Mr. Greve assured the Authority he had the necessary documents to support the requests for payment and amounts had not been inflated.

**Moved by Mr. Douglas to accept the recommendation of AKT Peerless and authorize reimbursement up to \$164,799.50 from available local tax increment revenue for the eligible expenses incurred to date for this project, to Brown Road Group, LLC, and authorize Mr. Greve to begin the reimbursement process.**

**Supported by Ms. Vettel.**

**VOTE: Yes: Burchfield, Capen, Douglas, McDonald, Vettel  
No: None**

**Motion carried (5-0)**

## **7. REPORT AND RECOMMENDATION ON PROJECT EXPENSES FOR JOSLYN-COLLIER, LLC**

Mr. Greve summarized his June 24, 2004 memo as follows:

*I have reviewed additional submittals from Joslyn-Collier, LLC related to their original request for reimbursement for the Joslyn-Collier, LLC Redevelopment Project.*

*I originally reported to you that the following invoices did not have evidence of payment included with their submittal:*

*Dykema Gossett: 902232 - \$1,032.75 - & 904637 - \$867.00*

*McDowell: 56135 - \$1,625.00, 56663 - \$1,950.00 & 57181 - \$1,140.00*

*Audio Sentry Corp.: 223549 - \$2,352.85*

*The developer has submitted the required information and the total of these invoices should be approved and added to the original approved amount of \$89,766.64 bringing the total amount approved for reimbursement to \$98,734.24.*

*I am still discussing the matter of interest with the developer and will provide you with further information at a future meeting.*

Mr. Greve noted the building on this site has generated approximately \$59,000 in taxes. Another building is being discussed, possibly a spec building. He also stated the cleaning of this site is well under budget, and expects the next property developed will also be less contaminated than previously expected.

**Moved by Mr. McDonald to authorize the reimbursement up to \$98,734.24 from available tax increment revenue for the eligible expenses approved to date for the Joslyn-Collier, LLC project.**

**Supported by Mr. Douglas.**

**VOTE: Yes: Burchfield, Capen, Douglas, McDonald, Vettel  
No: None**

**Motion carried (5-0)**

## **8. OTHER BUSINESS**

Mr. Greve distributed a draft copy of a Plan Summary he had prepared as requested. Mr. Capen requested the year by year Revolving Fund be included in the summary. Mr. Tanghe suggested Mr. Greve request input from City Finance Officer George Martini as well.

Mr. Greve explained the Manabal totals had not been calculated because they are also part of a TIFA District which makes things a little more complicated. He was working with the City Treasurer to get the necessary information.

Mr. Greve noted that the Brownfield Authority has been a wonderful tool, generating tax revenue from less-than-desirable properties. Mr. Greve briefly reviewed the Base Tax Value (BTV) to the Current Tax Value (CTV) and the related captured taxes as shown on the spreadsheet.

Mr. Tanghe stated he would prepare a press release regarding this information and noted he would provide the names and phone numbers of board members, should the newspaper wish to contact them for additional information.

Referring to the Brownfield Plans requested at the last meeting, Mr. Tanghe informed the Authority that nothing has been submitted on either property. Mr. Tanghe suggested that Mocerri may request a Brownfield Plan, even though the area is being developed only as a parking lot.

Mr. McDonald suggested this information also be forwarded to Acting City Manager Culpepper so the information could be shared in the Current Affairs.

**ADJOURNMENT**

There being no objections, the meeting was adjourned at 6:47 p.m.

Linda F. Shannon, City Clerk

Kathleen Novak, Records Retention Clerk

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