

**CITY OF AUBURN HILLS
BROWNFIELD REDEVELOPMENT AUTHORITY**

September 1, 1999

CALL TO ORDER:
at 6:01 p.m.

Chair Capen called the meeting to order

ROLL CALL:

Harvey-Edwards, Love (arrived at 6:15)
Absent.
Also Present.

Present. Capen, Douglas,
Vettel
Assistant Manager Greve
City Attorney Tom Allen
Brian Eggers, Peerless Environmental
Nicole McIntosh, Consumer

Renaissance Development Corp.

3 guests

LOCATION:
Auburn Hills 48326

Civic Center, 1827 N. Squirrel Road,

3. PERSONS WISHING TO BE HEARD

Mr. Greve introduced Tom Allen from the City Attorney's office, a specialist in environmental law, and Brian Eggers, a consultant from Peerless Environmental. He explained both gentlemen will be acting as consultants to the Authority.

4. APPROVAL OF MINUTES

Ms. Harvey-Edwards moved to approve the minutes of April 29, 1999 as submitted.
Supported by Mr. Douglas.

VOTE:
Harvey-Edwards
No:

Yes: Capen, Douglas,
none

Motion

carried (3-0)

5. PRESENTATION OF PROPOSED PROJECT - LAMPOST, LLC

Mr. Greve explained a prospective developer, Lamppost, LLC, is prepared to present their project concept for reuse of the landfill property at I-75 and M-59, and are seeking a letter of intent from the Authority to include the project in the plan and provide reimbursement from tax increments to the extent that they are produced by the project.

Mr. Paul Bohn, attorney for the developer, introduced **Mr. Pat Raye**, Lamppost LLC, and **Mr. Brian Suszko**, Atwell-Hicks. Mr. Bohn indicated this will be his sixth site reclamation project. He reported the subject site was used for disposal of demolition debris from, primarily, the Detroit riots in the early 1970s, and noted the elevation of the property was artificially raised by the fill 25-35 feet.

Mr. Love arrived at 6:15 p.m.

Mr. Bohn presented a brief summary of the project, noting the Authority will be the applicant for a DEQ Site Reclamation Grant (SRG). Grant funding will be used for a portion of the approximately \$2.5 million worth of environmental response activities to be done. Mr. Bohn explained the project presents a good ratio between dollars requested and dollars privately invested, which will be approximately \$110 million.

Mr. Bohn then presented a letter dated August 30, 1999 from the Department of Environmental Quality (DEQ) supporting the implementation of the project, but explaining the funding under the Clean Michigan

Initiative (CMI) bond fund has been fully allocated at this time. Mr. Bohn noted the possibility of additional funding being provided by the Legislature before the end of the year, and indicated the subject project stands a good chance of receiving a grant or loan or both.

Mr. Bohn reported the DEQ will be conducting a site visit on Friday at 10:00 a.m. and invited anyone who is interested to accompany them. He then continued to explain the project, noting it is intended to be light industrial use, with the areas abutting residential property south of the proposed road to remain as a residential zoning designation to provide a buffer to the houses in the area. The proposed road will provide access to the site from Rex Blvd. along the MSX building. In response to a question from Mr. Douglas, Mr. Bohn indicated the area to the east of the site is wetlands.

Mr. Eggers suggested the Grant, if received, be deposited into a local revolving loan fund, loaned by the Authority to Lamppost and repaid through the increased tax increment, as that would be of great benefit to the Authority.

Mr. Bohn agreed with Mr. Greve that he is looking for the Authority to issue a letter of intent to add the Lamppost project to the Brownfield Plan, and also for a resolution from either the Authority or City Council committing to partner with Lamppost LLC as an applicant for a DEQ loan and grant, this being a required portion of the application.

Mr. Bohn, in response to Mr. Capen's question, explained a variety of technologies for constructing pilings in unconsolidated soil. Answering a question from Mr. Douglas, Mr. Eggers explained the developer will have due care obligations to properly dispose of any contamination found, such as barrels. Mr. Allen confirmed such cleanup would qualify as an eligible expenditure. A question regarding drainage was raised, and Mr. Bohn indicated maintenance of storm water will be a required element of the project and that the wetlands would be duly studied as part of the plan.

Ms. Harvey-Edwards left at 6:45 p.m. as her attendance at another meeting was required.

The long term viability of roads built on unconsolidated soil was questioned. Mr. Bohn explained the road will have to be engineered to acceptable standards. Discussion ensued regarding the possibility of using the revolving fund for future road maintenance.

Mr. Greve addressed the fact that a good portion of the site is currently zoned residential, explaining the developer will be requesting rezoning. He reported Mr. Raye has spoken with residents in the area and found them generally supportive of the plan, since it will alleviate the use of the parcel as a track for ATVs and dirt bikes.

In response to concerns raised by Mr. Douglas regarding water run-off, the City's consultants explained that through the construction of buildings and paving of parking lots the parcel will effectively be capped, resulting in much less water infiltrating through the landfill.

Mr. Capen asked if the developer would continue with the project if he failed to get the grant, the loan and a tax abatement. Mr. Bohn's professional opinion was that the undertaking would be too risky. He clarified for Mr. Capen that the developer would proceed with just the tax reimbursement if he failed to get a grant or loan. Mr. Bohn indicated the award of a grant and a loan, in conjunction with the tax reimbursement, would be the preferable situation, based on Mr. Eggers's suggestion to take a grant and turn it back into a loan to the developer, because the Authority would be able to establish a revolving fund immediately.

Mr. Douglas moved to authorize the Executive Director to issue an appropriate letter of intent on behalf of the Authority as requested by the developer.

Supported by Mr. Love.

VOTE:
No:

Yes:
none

Capen, Douglas, Love

Motion

carried (3-0)

Mr. Douglas moved to authorize the Executive Director to draft an appropriate resolution of support for the DEQ grant and loan application and to submit the application on the behalf of the Brownfield Redevelopment Authority.

Supported by Mr. Love.

VOTE:

Yes:

Capen, Douglas, Love

No:

none

Motion

carried (3-0)

6. OTHER BUSINESS

Mr. Capen referenced conversations he had with Mr. Greve in which it was agreed to put each project in a separate plan since not all project will require DEQ approval.

7. ADJOURNMENT

Mr. Love moved to adjourn the meeting.

Supported by Mr. Douglas.

VOTE:

Yes:

All

No:

None

Motion

carried (3-0)

The meeting was adjourned at 7:23 p.m.

Respectfully submitted,
Helen R. Venos
City Clerk

J. Cherilynn Tallman
Records Retention Clerk