



# Rochester Hills Minutes City Council Special Work Session

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*Erik Ambrozaitis, Jim Duistermars, Barbara Holder, Greg Hooper,  
Linda Raschke, James Rosen, Ravi Yalamanchi*

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Wednesday, November 8, 2006

6:30 PM

1000 Rochester Hills Drive

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## DRAFT

In accordance with the provisions of Act 267 of the Public Acts of 1976, as amended, the Open Meetings Act, notice was given that a Special Rochester Hills City Council Work Session would be held on Wednesday, November 8, 2006, at 6:30 p.m. for the purpose of discussing the proposed Brownfield Redevelopment Plan and Initial 381 Work Plan for the Hamlin Adams site and City Council's Committee structure.

## CALL TO ORDER

*President Rosen called the Special Rochester Hills City Council Work Session to order at 6:37 p.m. Michigan Time.*

## ROLL CALL

**Present:** Erik Ambrozaitis, Jim Duistermars, Barbara Holder, Greg Hooper, Linda Raschke and James Rosen

**Absent:** Ravi Yalamanchi

## Others Present:

*Ed Anzek, Director of Planning/Development  
Bryan Barnett, Mayor  
Kurt Dawson, Director of Assessing/Treasurer  
Derek Delacourt, Deputy Director of Planning  
Susan Galeczka, Deputy Clerk  
Jane Leslie, City Clerk  
Roger Rousse, Director of DPS/Engineering  
John Staran, City Attorney  
Laurie Taylor, Chief Appraiser*

## PLEDGE OF ALLEGIANCE

## PUBLIC COMMENTS

*Ms. Melinda Hill, 1481 Mill Race, urged Council to continue to support the use of the Older Persons Commission's (OPC) fitness and wellness facilities by residents 50 years of age and older; however, she cautioned Council to carefully weigh the option of increased fees for participation, noting that residents already pay for the OPC through taxes, and increases in the fees may overburden the taxpayer.*

*Mr. Lee Zendel, 1575 Dutton Road, reminded Council that one year had passed since the previous General Election and the City still faces the same major issues of local roads and police funding. He also cautioned Council that, although the residents of Michigan voted to*

prevent the government from taking property, Council's efforts to address blight in the City could lead to a "slippery slope" wherein neighborhoods are condemned to make way for new development. Finally, he expressed kudos to the City Clerk and her staff for "a great election effort."

## ADMINISTRATION

2006-0707

Discussion regarding the Proposed Brownfield Redevelopment Plan and Initial 381 Work Plan for Hamlin Adams Site, Parcels Nos. 15-29-101-022 and 15-29-101-023; Hamlin Adams Properties, LLC, Applicant

**Attachments:** Agenda Summary.pdf; 11-21-06 Strobl & Sharp Air Quality Letter.pdf; 11-20-06 STS Air Monitoring Letter.pdf; 11-21-06 Revised Brownfield Redevelopment Plan.pdf; 111506 Resolution.pdf; 11-09-06 Assessing Memo.pdf; 111506 Agenda Summary.pdf; Public Hearing N

**Mr. Neil Silver**, Strobl & Sharp, PC, 300 East Long Lake Road, Bloomfield Hills, attorney for the applicant, provided a summary of the proposed project at Hamlin and Adams, noting the following:

- The site consists of 28 vacant acres at Hamlin and Adams.
- Of the three parcels that make up the site, one was subjected to millions of dollars of Michigan Department of Environmental Quality (MDEQ) cleanup efforts.
- Well over \$100,000 has been spent by the applicant for further environmental investigation.
- The results of these investigations are contained within the Brownfield Redevelopment Plan (BRP) and the 381 Work Plan.
- The BRP includes 168,000 square feet of mixed-use retail and office and a conservative estimate of approximately \$4.5 million for environmental cleanup.
- The Consent Judgment requires a cleanup to a greater extent than is normal for a Commercial 3 Cleanup.
- City staff has recommended capping the number of years of tax capture.
- The applicant is anticipating an eight year build out.
- Complete cleanup is required prior to the release of any permits to begin construction.
- It is anticipated that the payback on the project would be fifteen years unless 25% of the annual taxes generated is disbursed to the local taxing jurisdictions, in which case the payback would be approximately nineteen years.
- The Consent Judgment requires that the developer must be fully repaid within seven years following completion of the project.
- The applicant would like the City to consider using tax capture to reimburse interest payments.

**Mr. Derek Delacourt**, Deputy Director of Planning, noted that the BRP has been approved by the Brownfield Redevelopment Authority (BRA) and now requires Council approval. He explained that the plan includes two tax tables:

1) 100% of the Tax Increment Financing (TIF) generated from the site is captured and used to reimburse eligible activities.

2) 25% of the TIF goes to normal taxing jurisdictions associated with the plan.

Mr. Delacourt further noted that both plans have been reviewed by the City Assessing Department and the millages are correct, the estimates seem reasonable as does the total estimated value of the property. He further noted the following:

- If approved by Council, the BRP will be forwarded to the State for review and/or comment by the MDEQ.

- City staff has met with the MDEQ, the applicant and the applicant and City's environmental consultants to discuss the process of utilizing a phased 381 Work Plan, the first phase being the investigation.

- The MDEQ typically likes to see additional investigations of this sort on sites prior to reviewing a full 381 Work Plan.

#### **PUBLIC COMMENT:**

**Ms. Melinda Hill**, 1481 Mill Race, expressed her concern about the BRP's description of the proposed use of a local site remediation revolving fund. She noted that she was not aware the Council had discussed the creation of such a revolving fund that could be used to maintain and monitor the property after the project is complete.

#### **COUNCIL DISCUSSION:**

Council members, **Mr. Silver**, **Mr. Delacourt**, **City Attorney John Staran** and **Mr. John Anderson**, the City's Environmental Consultant discussed the following:

- The Consent Judgment does not automatically grant BRP approval, thus the City will still go through the State-prescribed procedure.

- City Council does not approve the 381 Work Plan, although the City does have input.

- It will take approximately three or four months for the initial evaluation to determine remediation costs.

- The language in the BRP referring to a revolving fund does not obligate the City to establish one but rather provides for the opportunity in the future.

- The BRP states that the tax capture must repay the developer for the remediation of the site seven years following completion of the development.

- If the development is unable to generate sufficient tax dollars to meet the seven year payback obligation then the City is not responsible to make up the short fall.

- If the City chooses not to dedicate the full 100% of tax capture for eligible expenses and the developer does not achieve full reimbursement within seven years of build out, the City is responsible to make up the short fall.

- Reducing the tax capture will increase the time frame to payback eligible expenses.

- The Reimbursement Agreement is the document that determines all the specific details of tax capture, full build out of the development, etc.

- The State must approve the tax capture after reviewing the BRP and the 381 Work Plan.

- *The tax tables in the BRP are merely estimates and the forthcoming Reimbursement Agreement will define these details more clearly.*
- *It is at City Council's discretion to determine whether interest is eligible for reimbursement, and it is not a requirement of the Consent Judgment.*
- *No monies have been captured from past projects and placed in a revolving fund although the mechanism to do so is in place.*
- *The determination of how or when funds would be captured for the revolving fund does not have to be made at this time.*
- *The reference in the BRP to the use of revolving fund dollars can be revised to make it clear that these dollars are not required to be used for this specific project; or the line can be stricken from the BRP entirely.*
- *The MDEQ will require a performance guarantee on the part of the property owners to ensure long-term monitoring of the contaminated property in perpetuity.*
- *The BRA did not make a recommendation as to a preference for capturing taxes at 100% or 75%, having determined that that was a Council decision.*
- *According to the Consent Judgment, if after further investigation the remediation costs are increased, the City and the developer will renegotiate the repayment period.*

**Mr. Hooper** noted that he was in favor of 100% tax capture during the seven years post build out, with 10% of tax capture dedicated on a yearly basis for the BRA's use.

**Mayor Barnett** was also in favor of the 100% tax capture, ensuring a quicker payback.

**President Rosen** and **Mr. Yalamanchi** were both in favor of retaining 25% of the tax capture for the other taxing jurisdictions and extending the payback time frame.

**President Rosen** noted that City staff would return this issue to Council with information defining the pros and cons of all options.

**Discussed**

**(Mr. Yalamanchi Entered at 7:31 p.m.)**

**Present:** Erik Ambrozaitis, Jim Duistermars, Barbara Holder, Greg Hooper, Linda Raschke, James Rosen and Ravi Yalamanchi

## CITY COUNCIL

**2006-0802**

Discussion regarding City Council's Committee Structure

**Attachments:** Agenda Summary.pdf; 110806 Agenda Summary.pdf; Meeting totals 2001-2006.pdf; History.pdf; 120197 CC MInutes.pdf; 012198 CC Minutes.pdf; 011399 CC MInutes.pdf; 012799 CC Minutes.pdf; 021799 CC Minutes.pdf; 030399 CC Minutes.pdf; 031099 CC Minutes.pdf; 0407

**President Rosen** explained that Council was considering restructuring or dissolving their Communication Committees, noting the following:

- *There are too many meetings.*
- *Issues are discussed repeatedly.*

- *These Committees create another layer of bureaucracy.*
- *The Committee structure is too cumbersome.*
- *Ad hoc or technical review committees can be used instead to address important issues.*
- *An additional Work Session can be scheduled for Council's free Wednesday and all Council meetings will be televised.*
- *Items can be debated at Work Sessions with a brief summary at the following Regular Meeting followed by a vote.*
- *Further debate could be permitted by request.*
- *Technical review committees could be created to address specific issues with two or three Council members appointed to serve along with residents and administrative staff members.*
- *Committees with a more limited scope are more productive.*

*Council members and **Mayor Barnett** made the following comments:*

- *Resident involvement should continue and perhaps be increased.*
- *There should be no limit on Council discussion.*
- *All Council meetings should be televised.*
- *The new process of technical review committees and increased Council meetings will preserve the original intent of the Communication Committees to enhance communication.*
- *There should be a bench marking system to evaluate the efficacy of this new process, and whether resident participation is the same or enhanced.*
- *This new system will alleviate some of the work load of the Clerk's Department.*
- *Council members can be "stretched too thin" with multiple committee meetings.*
- *The new system should be tried for six to twelve months and then evaluated.*
- *Council rules do set a time limit on discussion following the making of a motion.*

**PUBLIC COMMENT:**

***Ms. Melinda Hill**, 1481 Mill Race, noted that she was involved in the formation of the Communication Committees and that their intent was to enhance communication. She indicated that while this Committee structure suited previous Councils' needs, processes sometimes need to change and Council needs to "look to the future." She did caution that this may result in very long Work Sessions to cover all the issues that used to be discussed at the Committee level.*

***Mr. Lee Zendel**, 1575 Dutton Road, noted that it must be made clear to the general public that the lion's share of the discussion will take place during Work Sessions, rather than having residents tune in to only hear the summary and the vote at the Regular meeting. He noted that the U.S. Congress limits its speakers to five minutes and Council could consider*

that for their members. He also suggested that the occasional fifth Wednesday of the month be set aside for Strategic Planning issues.

**Mr. Dave Grossman**, 1752 White Water Drive, agreed, noting that he is a consultant in strategic planning and that it takes a different mind set to address those broader issues and should be discussed independent of other more mundane matters.

**Mr. Steve McGarry**, 2164 Clinton View Circle, suggested that another means of keeping residents informed would be to stream Council meetings on the City's website.

**Mr. Paul Miller**, 1021 Harding Road, suggested that Council give more consideration to the time of day that committee meetings are scheduled, as that can often be a deterrent to citizen participation. He also requested that Planning Commission meetings be televised.

#### **COUNCIL DISCUSSION:**

**Mr. Ambrozaitis** requested that Council comments be at the beginning of all meeting agendas.

**President Rosen** noted that it would be beneficial to Council to adopt any new committee process no later than November 29th to give members time to consider which committees they would like to serve on. He stated he would work with the Clerk's Department to return to Council with a package incorporating all of this discussion for consideration on November 15th.

**Discussed**

## **COMMENTS & ANNOUNCEMENTS**

**Ms. Holder**, noting that the Pathways Millage was approved by voters during the recent General Election, asked residents who voted no to let her know why they opposed this millage.

**Mr. Ambrozaitis** offered his condolences to a local family on Auburn Road that had experienced a recent tragedy. He praised the election workers. Mr. Ambrozaitis requested assistance in cleaning up an alley on Auburn Road and asked for an update on the Tienken Road Bridge project.

**Mr. Roger Rouse**, Director of DPS/Engineering, explained that portions of the alley in question are private property. He suggested that a boundary survey be conducted to determine exactly where the private property begins and ends. He stated that the Tienken Road Bridge is scheduled to open by the holiday season.

**Mr. Duistermars** thanked the Clerk's Department for their work on the General Election. He expressed his condolences to the family on Auburn Road for their loss.

**Mr. Hooper** also expressed his condolences and agreed with Ms. Holder that he would also like to know why some residents voted no on the Pathways Millage. He noted that with a police millage expiring in the near future, the information could be used to improve the odds of renewing that police funding. He also requested that the City examine the possibility of purchasing more voter booths in an effort to speed up the voting process.

**Ms. Raschke** also expressed her condolences to the Auburn Road family and praised the election workers. She announced that there would be an informational meeting about proposed design plans for Nowicki Park on the evening of Thursday, November 16th.

**Mr. Yalamanchi** requested that an ad hoc committee be formed to review the City Charter to address "housekeeping issues."

**President Rosen** noted that there would be further discussion regarding the creation of new committees and Mr. Yalamanchi's request would be included.

**Mayor Barnett** praised the Clerk's Department and election workers for their efforts on election day. He noted his pleasure that the Pathways Millage was passed. He acknowledged the recent tragedy in the community and expressed his condolences, and also informed Council that a high school student had also been involved in a fatal car accident. He expressed his condolences to the family of that student as well.

## **ANY OTHER BUSINESS**

*None.*

## **NEXT MEETING DATE**

*Regular Meeting - Wednesday, November 15, 2006 at 7:30 p.m.*

## **ADJOURNMENT**

*There being no further business before Council, President Rosen adjourned the meeting at 9:12 p.m.*

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*JAMES ROSEN, President  
Rochester Hills City Council*

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*JANE LESLIE, Clerk  
City of Rochester Hills*

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*MARGARET A. CASEY  
Administrative Secretary  
City Clerk's Office*

*Approved as presented at the (insert date, or dates) Regular City Council Meeting.*