



Rochester Hills Minutes

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Brownfield Redevelopment Authority

Chairperson Thomas Stevenson, Vice Chairperson Suzanne White
Members: Stephen McGarry, George Karas, Stephanie Morita,
Thomas Turnbull, Michael Webber

Thursday, May 15, 2008

7:00 PM

1000 Rochester Hills Drive

MINUTES of a **ROCHESTER HILLS BROWNFIELD REVELOPMENT AUTHORITY REGULAR MEETING**, held at the Rochester Hills Municipal Offices, 1000 Rochester Hills Drive, Rochester Hills, Oakland County, Michigan.

1. CALL TO ORDER

The meeting was called to order by Chairperson Stevenson at 7:00 PM.

2. ROLL CALL

Present 4 - **Stephen McGarry, Thomas Stevenson, Suzanne White and Stephanie Morita**

Absent 3 - **George Karas, Thomas Turnbull and Michael Webber**

Also Present: Derek Delacourt, Deputy Director, Planning & Development Department
Judy A. Bialk, Recording Secretary

3. DETERMINATION OF A QUORUM

Chairperson Stevenson stated a quorum was present.

4. APPROVAL OF MINUTES

4A. 2008-0239 March 13, 2008 Special Meeting Minutes

Chairperson Stevenson asked for any comments or changes regarding the March 13, 2008 Special Meeting Minutes. Upon hearing none, he called for a motion. There being no discussion regarding the motion to approve the Minutes as presented, Chairperson Stevenson called for a voice vote.

A motion was made by White, seconded by Morita, that this matter be Approved as Presented. The motion CARRIED by the following vote:

Aye 4 - **McGarry, Stevenson, White and Morita**

Absent 3 - Karas, Turnbull and Webber

RESOLVED that the Minutes of the March 13, 2008 Regular Brownfield Redevelopment Authority Meeting be approved as presented.

5. ANNOUNCEMENTS/COMMUNICATIONS

Chairperson Stevenson called for any announcements or communications. No announcements or communications were provided.

6. PUBLIC COMMENT (Non-Agenda Items)

Chairperson Stevenson called for any public comments regarding non-Agenda related items. No public comments were received.

7. NEW BUSINESS

7A. 2008-0240 Update regarding Act 381 Amendments

Chairperson Stevenson stated that Mr. Tom Wackerman, CHMM, CET, ASTI Environmental, 10448 Citation, #100, Brighton, Michigan, was present and would provide an update regarding the recent amendments to Act 381.

Mr. Delacourt stated that in late 2007 and early 2008 the Act under which the Board operated, Act 381, was amended. The Governor signed those amendments in late December, and early April, and the Board would receive a review on what the amendments mean to the Authority. He introduced Mr. Tom Wackerman from Applied Science and Technology, Inc. (ASTI), who is the City's continuing environmental consultant, and the City's expert on brownfield policy and the Act. He noted Mr. Wackerman would provide a short update on the amendment and answer any questions.

Mr. Wackerman noted that the Authority had been given a copy of a document titled "Overview of New Act 381 Amendments" which provided a basic understanding of the changes made to the Act.

Mr. Wackerman stated he wanted to tell the Authority what the changes were and what they meant, both to the development community and to the municipalities. The big change came in December in terms of reauthorizing the Act and extending the date, and making sure it was coordinating the Michigan Business Tax (MBT) instead of the Single Business Tax (SBT), which had changed last year.

Mr. Wackerman stated the more interesting changes occurred in April, 2008, and noted they will affect most brownfield plans and they have impacts on various communities depending on what the community is.

Mr. Wackerman stated that in Michigan, the definition of a brownfield has not changed, and it was still either a piece of property that exceeds the residential closure standards, or it is a piece of property that is functionally obsolete or blighted in a core community. He noted Rochester Hills was not a core community, but it looked like the next change to the legislation would be to expand all the benefits to all the communities, not just core communities, but in differential percentages. The movement in Lansing is to say that all communities should have access to blighted and functionally obsolete definitions, but core communities might have a 30% credit, and a non-core community would have a 10% credit.

Mr. Wackerman stated that “blighted” by definition, although it did not apply in Rochester Hills, had changed, which was to now allow properties that have substantial buried demolition debris or foundations to be automatically considered blighted. He explained this was driven largely by properties in Detroit, where the modus operandi for a house was to drop it into the basement. He noted there were many properties with basements full of construction debris, and foundations, and this change simplified the process in core communities.

Mr. Wackerman stated there was no change to the “functionally obsolete” definition.

Mr. Wackerman stated there had been some Tax Increment Financing (TIF) changes, which are somewhat significant. The first change opened the door for Rochester Hills and every other Community, which is that demolition and lead abatement costs are now eligible activities in every Community. He explained these were limited to core communities before, but now every Community can include those as eligible activities for purposes of capturing TIF.

Mr. Wackerman stated that “reasonable” costs could also be captured for both developing a brownfield plan and environmental liability insurance, although the definition of “reasonable” is not contained anywhere in the Act, and the State’s definition is quite different than a consultant’s definition. He noted what that really meant still had to be figured out by the State in terms of what is reasonable and what is permitted for TIF capture.

Mr. Wackerman stated that local tax capture would also be allowed prior to approval of the brownfield plan for some activities. Previously there were two “hard” dates - the Authority’s passage of the brownfield plan and the State’s passage of the MBT application, and anything incurred prior to those dates would not be permitted for TIF or MBT capture. However, now there is some flexibility.

Mr. Wackerman stated there were also some timing changes, such as extending the life of the plans to 35 years from the standard 30 years. He explained what the State did was recognize the fact that sometimes projects were delayed, probably because of market reasons, and so even though the brownfield plan still had a 30-year life, there was a 5-year grace period to get started. He noted that helped in situations where there was a speculative project that might not be started for two to five years, but they were bringing a brownfield plan to the Authority. In the past, the project would start with the passage of the brownfield plan, and five years of capture would be lost because they needed time to get started.

Mr. Wackerman stated there were also some changes in the public notice requirements. The net effect was to reduce the amount of time that it takes to get through the process, which was critically important to most developers. He stated it was typically a four to six month process, depending on what city was involved. The notice requirement changes would take about a month and a half off the process. He noted there was also a process reduction at the State level. He stated that the handout included in the packet addressed the specific notice requirements.

Mr. Wackerman stated that the approval process had changed a little bit in that Michigan Department of Environmental Quality (MDEQ) approval is no longer required for Baseline Environmental Assessment (BEA) and BEA and due care related activities on school tax capture. He explained if a brownfield plan was only looking for those types of activities, the DEQ does not have to approve it, which takes a step out of the process. He noted most brownfield plans had more than that in them, which made this a nice idea, but most brownfield plans would have remediation or closure issues in them.

Mr. Wackerman stated that was a summary of the TIF changes, and noted the MBT had also changed. He commented that most brownfield plans relied on the MBT, not the TIF, to make them work. In some cases, the strategy is to deal with the local community only because the local communities had more latitude, were easier to deal with, and there is a relationship between the developer and the community. He stated the Authority would see a category of brownfield plans that were TIF only.

Mr. Wackerman stated that when the plans got into large costs, it was really the MBT credit application that provided that kind of money, and the changes to this area are fairly significant. He noted one of the changes was a timing change such that certain activities can now be captured after approval of the brownfield plan, as long as the MBT application is approved within ninety days. He noted previously the MBT application had to be approved prior to capturing those investments, now those can start after the brownfield plan is approved.

Mr. Wackerman stated another change was that MBT credits would only be given on hard costs, such as equipment or demolition. In terms of the construction costs,

it used to be 10% of hard and soft costs, and there was always a question of which soft costs were legitimate, such as whether a developer's fee was a legitimate soft cost or was it profit; or whether tap fees should be included, or engineering or legal fees. Now that had been simplified. It was now 12.5% of hard costs. He commented that sticks, mortar, brick, concrete, electrical, finish costs, were included and it was 12.5%. He thought that would simplify the process.

Mr. Wackerman stated another problem with many brownfield plans was that they had to either own or lease the property prior to approval of the MBT application. According to the way the development process worked, most developers optioned; got all their material in place; tried to understand the risks associated with environmental; tried to understand the benefits associated with tax incentives, and it was only after they had that information (only after they can do a realistic pro forma) that they are willing to put up money. He commented they got stuck in the process because the old MBT application required purchase or lease, and many were not ready to purchase or lease, but the State wanted a commitment in order to give a commitment letter. He stated that had been loosened up and they can have entered into an agreement to purchase or lease in order to be eligible for the MBT credits. He thought this reflected the reality of the market place in terms of how developers approach a project.

(Arrive Mr. Webber - 7:17 PM)

Present 5 - **Stephen McGarry, Thomas Stevenson, Suzanne White, Michael Webber and Stephanie Morita**

Absent 2 - **George Karas and Thomas Turnbull**

2008-0240

Mr. Wackerman stated he had mentioned the increase to 12.5%, but noted if a project was an "urban redevelopment project" there was up to 15% from now until the sunset date in the legislation. In some instances they may get up to 20% on their MBT credit until 2010, at which time the 15% kicked in.

Mr. Wackerman stated that when he referred to core communities and differential benefits, this was the first one. He stated the project had to be an "urban redevelopment project" which was defined as traditional commerce centers of qualified local units of government and county seats, which did not apply to Rochester Hills. Within that definition, it stated that urban development projects must increase density, promote mixed used and sustainable development, address some sort of area-wide redevelopment plan, or address under-served markets of commerce. He thought what would happen over the next few years, the State would take their benefits program and begin focusing on core "cluster development

concepts” which would be walk-able, downtown areas where there is some advantage to investing because there would be additional, co-located redevelopment spurred by the development. He noted the whole concept of walk-able urbanity, the concept of cluster development, and the concept of differentially offering incentives to those downtown areas, would happen more and more because that appeared to be what the State was looking for.

Mr. Wackerman stated there had also been some changes in the allocations, there was more available in different categories, and it really just reflected the market place. He noted that as far as his clients were concerned, especially those that did not have MBT credit, he thought the biggest change was that the State would give them 85-cents on the dollar if they cannot use the MBT credits. He stated that would change the tone and tenor of the marketplace. Currently, MBT credits are syndicated about 87-cents net, which meant they ended up with 82-cents gross after paying broker fees. He noted they had to find someone, make the deal, consummate the deal, they have to be in the same tax years as the year in which the MBT credit is awarded, and the two companies had to have the same tax year, which was a bit complicated. The State stepped in and said they would handle it, which really simplified the marketplace. They know what the price was, they know how to get it and can put it right in their application. He commented this was the biggest bang in the entire process.

Mr. Wackerman stated there were some other changes, which did not impact Rochester Hills because the City did not have a land bank. He explained land banks were becoming much more valuable to communities as redevelopment tools. He stated a number of different counties had land banks, noting Genesee and Wayne were the two best examples of extreme differences in how they use them. He stated land banks were now given a lot of authority for bringing parcels together for economic development, for operating as a core community even outside of a core community they had some of the benefits of that. Under the new Act, they can also now be reimbursed for the cost of purchasing the land, if it is for economic redevelopment. He noted more tools were being given to land banks as part of the incentive process and this legislation has changed that.

Mr. Wackerman stated those were the highlights of the changes to the Act. He asked if there were any questions about the changes.

Ms. Morita asked if more changes would be made. Mr. Wackerman stated he thought there would be some over the next year or two, which would deal with the core community concept and leveling out that concept so it was a bit easier to implement.

Ms. Morita asked if there were any bills underway at this time. Mr. Wackerman responded that they were in the process of being developed. He did not expect to see anything before the end of the year.

Mr. Delacourt noted with some of the changes that had been made, non-core communities had been given reimbursement for demolition and lead abatement. The Act was starting to equalize what communities could do with TIF as opposed to what core communities could do. It appeared the State was working to eliminate the discrepancy between core and non-core communities. Mr. Wackerman agreed there appeared to be a lot of political will to get rid of those discrepancies. He noted the solution would probably be to have differential percentages, as had been done with the downtown areas - 20% in a downtown area versus 12.5% not.

Ms. Morita asked if Oakland County had a land bank. Mr. Delacourt stated the City of Rochester Hills did not have a land bank, but he believed Oakland County might have one. Mr. Wackerman noted he was not sure Oakland County had one.

Mr. Delacourt noted that where the amendments to the Act impacted the City of Rochester Hills the most were the sections that dealt with reasonable costs and who decides them. He commented the Authority had seen that with the last plan brought before them, with comments made such as “we’d like to do more,” “a higher level of cleanup,” “a different type of cleanup,” “we’d like to talk about doing some additional investigation prior to a brownfield plan being approved,” and “why not go out and find out the answer to this before you come in with a brownfield plan.” He noted the changes to the Act addressed some of those situations. He explained that prior to approving a brownfield plan, additional investigation can be done up front and be a reimbursable expense. Not only the minimum necessary to demonstrate the site is a facility.

Mr. Delacourt noted another comment the Authority often heard was “we’re not going to do that because that is a non-reimbursable item”. He understood that now the MDEQ had more freedom, if the local unit of the government and the applicant have negotiated a clean up item and the cost is reasonable for the project, the DEQ would be less apt to say “that’s more than the minimum necessary”.

Mr. Wackerman stated that was a question of appropriate inquiry and how communities set the need for appropriate inquiries prior to review of a brownfield plan. He noted there had always been two traditional barriers to that - the first being “I don’t want to do more than I need to” and the second being “but, it’s not eligible and I’m not going to be able to recover it, I’ll do it on the back end rather than the front end”. In terms of allowing some investigations to be eligible activities under the TIF if done prior to a brownfield plan, the changes in the Act simplified that. He noted it did not set up what the standard needed to be to investigate.

Mr. Wackerman stated with the question of the DEQ getting involved or not getting involved, there has always been an issue of what is a reasonable amount of due care - engineered controls, administrative controls, institution controls or remediation, or what combination of those things make the most sense on a given site. What was driving that process was that the DEQ would look at a property and if the project was an industrial project, a developer only had to do what was necessary for an industrial closure. If the community wanted to take it down to a different level, the DEQ would not, under Statute or charge, agree it should be taken down to a different level. What happened is that the DEQ has stepped out of the process in many cases, and the Michigan Economic Development Corporation (MEDC) is now approving that, which gives some flexibility in getting approval for cleanups that may go beyond the absolute, strict interpretation of what had to be done on the property based on the DEQ. Again, no specific standards had been provided in the Amendment.

Mr. Delacourt stated that as far as the Amendments, those were the two situations the Authority had encountered in the past, and had played a major role in both brownfield plans. The questions of “what is reasonable” or “what level of cleanup is reasonable” and “what can be reimbursed” through school tax capture versus local tax only.

Chairperson Stevenson asked if it was mandatory that the developer be involved. In other words, could a City chose a site they thought was particularly bad and decide they wanted to clean it up, even if it is not developed.

Mr. Wackerman stated he had a case like that, where the city was taking over the property, purchasing the property, and would be the catalyst for the future developer, with an internal plan of a five-year holding time. He explained they came up with a conceptual site design that they felt worked for their community. He noted a brownfield plan or an MBT credit application had to have a specific site design otherwise it could not be made to work. He stated this particular city devised a specific development and passed a brownfield plan for that development, which would allow them to capture any expenses they incur over the next five years. He noted that frankly they could not capture it until 7, 8 or 9 years out because the developer would come in five years, it would take them two years to develop, and they cannot capture unless there are additional taxes. He noted there was a time value of money associated with this scenario. Secondly, because there was no identifiable investment actually happening on the property, they cannot file an MBT application. The brownfield plan reserved the city’s right to capture future taxes, if they occur, to cover their up front expenses. He noted this was a bit of a gamble because it might not be the site development scenario, it might be less dense or more dense; and the city might never get a developer to do anything, and the cost may be more than anticipated because when a developer comes in, they are usually a bit more robust in terms of the investigation. He noted the city could end up with a property they could not flip. He advised it was a gamble, but there was a way to do it.

Mr. Delacourt thought the key part was that either there had to be cooperation or some type of application from the owner of the property, or the city would have to step in and purchase it. Mr. Wackerman stated that is what happened with the situation he described, and noted he did not think it could be done on behalf of an owner.

Chairperson Stevenson stated he could see the possibility that a site could be so ugly and nasty that the city could not get a developer interested in it without some type of plan for cleanup. Mr. Delacourt stated that many cities were putting the tools in place ahead of time on identified properties, such as counties that had land banks and actually put those tools in place, in hopes of selling the property in the future.

Mr. Wackerman stated that even without land banks, noting he was working with another community that had a particularly nasty site, and the community had a site assessment grant, which was really helpful because the community could do a lot of up front work on the Environmental Protection Agency's (EPA's) nickel. He stated the community did all the assessment on the site, the property was tax reverted back to the county, but the city kept it with the county and did not purchase it, but had a side agreement with the county that they would work on it, and through a series of site assessment grant dollars and getting about \$350,000.00 in in-kind contributions from the EPA, was able to take a 1950's manufacturing facility, demolish the building, take out some of the concrete, get the source area cleaned, fence it off, and clean up the property. He explained he became involved with the site in 1988 when the bank foreclosed on it, and more recently over the last five years working with the city. He noted the site had sat vacant all that time, but the city took the building down and cleaned up the site, and they now had a buyer, and the buyer was going to put their corporate headquarters on the site. He pointed out that a little change, using the EPA funds, with the property remaining with the county with a side agreement, got it to a point where someone was willing to look at it and take a chance on it.

Mr. Wackerman noted the Act 381 Amendments aside, there were a lot of tools to make a project work. It depended on the project and the details of the project what tools would bear on it, but there were success stories in many different areas. He commented it went back to the question of what did the City want to do in terms of its efforts, its money, its time and its talent. He stated some cities were very interested in making properties "development ready" while other cities were not, but wanted to deal with developers who took the risk and went through the process. He suggested the City would have to figure out what its philosophy or objective needs were, and then look at the tools that would help get there.

Chairperson Stevenson asked if there were any other questions regarding the

Amendments. No other questions were asked. He noted the Authority would move on to the next Agenda item.

This matter was Discussed

8. DISCUSSION

8A. 2007-0436 Discussion Regarding City Brownfield Policy

Mr. Delacourt stated there had been several conversations held between Staff, the Authority and the City's Environmental Oversight Committee (EOC) about the City establishing a brownfield policy. He noted those discussions were driven by one project or one issue or another, and many different opinions had been offered. He noted Mr. Wackerman had worked on policies with other communities, and asked the Authority to provide their thoughts and ideas regarding a policy. He asked if this was something the Authority felt would be worthwhile, having been through a couple different brownfield plans, or if there was a certain direction the Authority felt this should go.

Mr. Webber stated that the topic of adopting a City brownfield policy was part of City Council's goals and objectives. He commented it appeared to be a goal Council would like to put in place. He thought it would be worthwhile for the Authority to look at this matter.

Chairperson Stevenson agreed, noting if he were a developer, he would want to know what the City expected of him, and what the policy was. He thought the City should have a policy, and stated it was his understanding that City Council would be responsible for writing the policy, with guidance from the Authority. He felt if the City could not tell a developer what they wanted, the developer would not be too anxious to become involved. He thought it should be more "black and white".

Mr. Delacourt asked if there were certain things the Authority had seen from previous projects or thoughts they wanted a policy to accomplish, other than directions about the process. He noted a policy could be anything from a very simple two or three page document, to a guidebook the size of the City's Code of Ordinances. He would like to know whether the Authority felt it was just a matter or process, or whether it was defining levels of cleanup for certain developments and those related issues being evaluated.

Chairperson Stevenson did not think the City wanted to create a document that deep to the point they would be restricting both the developer and the City to anything in particular. He thought it should be a flexible document, but something more than what the City had now, which was nothing.

Ms. Morita asked whether the Council would want to look at a procedural policy versus a substantive policy. She thought it was for Council to decide whether or not they wanted just a procedural policy versus a substantive one. If it was a substantive policy, she thought the Authority needed more information, such as whether there was an inventory of properties in the City that had been identified; what was planned or envisioned for those areas; and what other types of policies were already in place by the City. She thought Council should provide information on which direction they wanted the Authority to go, and if it was the substantive direction, provide more information about what properties the City may have identified, or areas they would look into.

Mr. Delacourt stated the City did not have an inventory, although the City had an idea of whether properties would or would not qualify as facilities. He stated in the past the City had left it up to the applicant to demonstrate the site was a facility, and then under the discretion of the Authority and/or City Council, reviewed them on a case-by-case basis.

Ms. Morita stated there were some properties under suspicion, such as the old industrial plant that has been sitting unused for thirty years and no buyer could be found for it. Mr. Delacourt stated that facility would qualify.

Ms. Morita pointed out that even an old apple orchard could qualify. She thought the Authority needed more information.

Mr. Delacourt stated this was the reason for the discussion, as he did not want to guess at what the Authority would like to see. He knew Council had this as a goal, but would also look to the Authority and the EOC Committee for guidance in the policy, and for input before going forward.

Mr. McGarry stated if the policy was substantive, the Authority had looked at Ann Arbor's policy, which was a relatively restrictive policy. He did not think the City wanted to go that far. He thought the City may also want to revisit some of the brownfields that had come before the City in the past, and look at the problems that had been encountered because of a lack of a policy or because there was no clear direction. A policy could then be fashioned to see how those problems could be avoided in the future.

Mr. Webber appreciated the comments, and thought this was an issue that would benefit from a work session. He thought that Council would like to know what the Authority thought should be included in the policy, and vice versa. He noted he had not read the Ann Arbor policy in depth, but understood it was fairly restrictive. He thought the Chair's point about trying to cover all scenarios under one policy would

result in too cumbersome of a document. He commented it should be more of a basic, best practice type of approach, while still permitting review on a case-by-case basis. Certainly, each project would be different, including any that may come forward with the properties located on the south side of the City.

Ms. Morita stated that even if a substantive policy were created, there would still be a need for a procedural policy.

Mr. Delacourt assumed a policy would incorporate both to a certain level. He noted procedural would have to be in the policy no matter what, or at least that would be his recommendation. He thought having a defined procedure would provide the most benefit to Staff. It would be something that could be given to a developer that defined the process and the time frames. He commented the procedural part was the best part from a Staff viewpoint.

Mr. Delacourt asked, based on the plans the Authority had seen, what the Authority felt had to be in a policy. It appeared to him that the Authority would prefer that Staff provide something to review that could be fine-tuned and discussed. He thought everyone would have a different idea of what problems existed with each plan. He asked Mr. Wackerman if this was the best direction for the Authority to begin.

Mr. Wackerman commented that looking at other cities' policies was instructive, but those cities were not the City of Rochester Hills. He stated when he did policy development, he tried to make sure the people involved looked at their community and what their community wanted. He noted many times it was a red herring to put together something from another city's policy, although those policies were a good place for ideas.

Mr. Wackerman recommended, especially since there was some uncertainty about whether it was Council or the Authority that began the process, putting together an advisory workshop. The workshop would include representatives from both the Authority and Council, and more importantly representatives from the development community and the business community, with the optimal number of members being about fifteen, although it could go up to twenty or twenty-five. He explained the committee would go through a process where they would identify the issues that are particularly important to the Community. Out of that comes a policy, which is then compared to the historic process, and when that is completed, compared to other cities' policies to see if there was anything that might have been missed.

Mr. Wackerman explained the value of this process was that it created a policy that was specific to the Community. He stated he had worked on five or six policy development programs in the last four months, and each one was absolutely different. He noted when the program was finished, they did some reality therapy and the people on the advisory committee were asked if the policy made sense for

the Community. In most instances, the advisory committee agreed that was what the Community was about and it was what the Community wanted to do and that was how the Community wanted to spend its money.

Mr. Wackerman stated he could not emphasize enough that the policy had to be specific to the Community. He noted that was whether it was substantive or procedural, because procedurally the City would have idiosyncrasies that other communities did not have. Substantively, the City of Rochester Hills would have objectives, goals and emphasis that other communities did not have. He thought the policy would need to be a combination of procedural and substantive, and he also thought it correct that the City did not want it to be restrictive, but should maintain flexibility. He stated it was a balance between the outline that works and maintaining flexibility so the City can actually address development issues when they arise in the Community.

Mr. Delacourt asked what the Authority thought of that suggestion.

Mr. McGarry asked if representative developers would attend as well. Mr. Wackerman stated it was absolutely critical, and in fact, depending on the Community, he would also include some non-government organizations, and certainly have any strong environmental or environmentally focused organizations as well, such as parks and citizens groups. He explained what the City would be striving for was a representation of what's special and therefore what needed to be protected or incentivized, about the Community. If it was just the Authority or just Council, you knew what you were going to get. However, when you bring in dissenting or additional voices, it was amazing what rose to the surface. He noted it had to be done in a facilitated format, so the five hundred pound gorilla was neutralized and everyone got a say, and it worked out in a way that was modulated. He stated the Authority would be surprised at what would come out when people who never really knew what a brownfield was, come in and provide their viewpoints.

Mr. Wackerman indicated when he did these types of workshops in other communities, most of which were focused on assessment grant programs rather than TIF programs, most communities will say their number one concern is having a developer who is serious and who is credible to do a project before they will advance any benefits to them. That made sense to the community. He stated when he did this in Grand Traverse County, the number one issue for them was not having a developer, which in fact did not make the top three, but rather they want to incentivize projects that protected the Grand Traverse Bay and the Grand Traverse Bay watershed. He noted if one considered their major resource up there, it made absolute sense. However, that might not have come out if he had only been dealing with the brownfield authority. It came about because there were watershed people included, and some other environmental activists were included. Once it came to

the surface, everyone looked around and agreed it was their greatest, natural resource, and they wanted to incentivize development and incentivize brownfield redevelopment that protected and enhanced that resource.

Mr. Delacourt stated that a program could be put together and brought back for the Authority's review. He suggested Mr. Webber might want to take the suggestion to Council. Mr. Webber stated he would discuss the suggestion with the Council President.

Mr. Delacourt stated he would work with Mr. Wackerman and provide a proposal if that was the direction the Authority thought would work. He thought it was a great place to start. He noted that policies had been provided previously, which may not have been the best place to begin. He liked the idea, and if the Authority agreed, a proposal could be put together and forwarded to Council to see if they agree as well.

Ms. Morita thought what would be helpful for everyone involved, is if an outline were provided of the steps to take to get through the process. Mr. Delacourt stated that could be done.

Ms. Morita stated that was something that could be given to developers coming in to the City, and it could also be provided to the Authority, so the Authority understood where a particular project was. Mr. Delacourt clarified Ms. Morita was referring to the brownfield process, and not the policy workshops.

Ms. Morita stated she was referring to the brownfield process, so when the Authority reviewed a project, they understood where it was in the process, and where the project went next. She noted it would be helpful, particularly for the newer members on the Authority, such as herself. She commented that currently she would have to go back through years of Minutes to figure out where a project stood. Mr. Wackerman stated Ms. Morita was referring to a status report.

Chairperson Stevenson agreed it would be helpful for everyone involved. Mr. Delacourt stated he did have something he used with the developers, and would review it to make sure it was up to date with the recent Amendments.

Mr. Delacourt stated he would provide a process outline for the facilitation of the policy workshops for the brownfield policy, which would be forwarded to both the Authority and Council for review.

9. ANY OTHER BUSINESS

Mr. Delacourt asked if the Authority had any other questions regarding brownfield

plans, general information, process or current plans while Mr. Wackerman was present.

Ms. Morita asked for an update on the NE Corner of Hamlin and Adams. Mr. Delacourt stated that the 381 Work Plan had been forward to the DEQ after Council approved it, and he had not received any response from the DEQ yet. He noted a copy had also been forwarded to the EPA, based on the City's understanding of what the EPA wanted the process to be. He had requested a letter from the EPA outlining how the dual-review process would work, but had not received anything to date. He stated he had received a return voice mail message from the EPA office indicating the letter would be provided after they reviewed the Plan. He called back to clarify he understood the EPA would respond to the Plan, but would also like some idea of what the process would be. Particularly, if the EPA's review of the Plan said one thing, and the DEQ said another, what exactly that meant. He was still waiting for a response.

Mr. Delacourt stated there had been some discussions with the applicant about storm water, but no meetings had been held. He thought everyone was waiting for the DEQ response.

Ms. Morita asked if there was anything new with respect to the Madison Park project. He stated he had not heard anything from the developer of that project. Chairperson Stevenson stated he did not expect the project to go anywhere with the current economic conditions. Mr. Delacourt stated he did not think there was any intent to abandon the project, but the developer was reviewing his options for a viable solution before coming back to the City.

Mr. Delacourt stated that no new brownfield projects had been received by the City.

Ms. Morita asked if there had been any interest at the recent brownfield convention. Mr. Delacourt stated the City had a transaction booth at the brownfield conference. He explained on the first day of the conference there was an opportunity for cities and developers to market known sites. He stated the City's Economic Development Manager, Dan Casey, was there with a volume of information about the City, as well as site information about properties in the City. He commented the City's booth received a lot of interest, but had not heard anything to date.

Mr. Delacourt stated the conference was a success, and noted ASTI had a lot to do with putting on the conference. Mr. Wackerman stated there were 6,600 attendees, and 1,100 properties at the transaction forum. He noted by comparison, the previous conference held on Boston had 110 properties at their transaction forum. Mr. Delacourt stated the conference was attended by people from all over the country, and there was a lot of information about economic development and the

sale and acquisition of properties. He commented it was interesting to hear how the brownfield programs were working in other states.

Chairperson Stevenson called for any other business. No other business was presented.

10. ADJOURNMENT

Chairperson Stevenson stated that the next regular meeting of the Authority was scheduled for Thursday, June 19, 2008. He then called for a motion to adjourn.

Upon a **MOTION** made by White, seconded by McGarry, Chairperson Stevenson declared the Regular Meeting adjourned at 8:03 PM.

Tom Stevenson, Chairperson
City of Rochester Hills
Brownfield Redevelopment Authority

Judy A. Bialk, Recording Secretary