



**City of Rochester Hills  
AGENDA SUMMARY  
NON-FINANCIAL ITEMS**

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**Legislative File No:** 2006-0707

**TO:** Mayor and City Council Members  
**FROM:** Ed Anzek, Planning and Development (248) 656-4660  
**DATE:** November 22, 2006  
**SUBJECT:** Hamlin Adams Brownfield City File #03-013

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**ADDITIONAL INFORMATION:**

City Council, at its November 15<sup>th</sup> 2006 meeting, requested that prior to approval of the proposed Brownfield Plan the applicants include additional air quality testing prior to conducting any investigation associated with the initial 381 Work Plan. Subsequently, in discussion with the applicant's, the City's Environmental Consultant prepared an outline of the additional testing that is to take place, please refer to the STS letter dated November 20, 2006 for full comments. Attached is a letter from the applicant's attorney agreeing to the proposed work as part of the initial Work Plan.

Based on discussion with Council, the applicant included proposed revisions to Section 3.12, to remove the last sentence, and Section 3.3 to indicate that any decision regarding the payment of interest, the revolving fund and capping of the plan be determined by City Council at the time the Reimbursement Agreement is entered into. City Council must still determine if that is acceptable or if any of those determinations should be made as part of the Brownfield Plan approval.

Staff is recommending an additional revision to the Plan that the City reserves the right to capture an administration fee of up to \$75,000 per year from the Plan. The determination should be made as part of the Reimbursement Agreement, and the Plan language should be revised appropriately prior to submittal to the DEQ.

Conditions of the potential resolution have been revised accordingly and attached.

**REQUEST:**

Approval of the proposed Brownfield Redevelopment Plan for the Hamlin Adams site. The BRA Plan has been approved by the City's Brownfield Redevelopment Authority. The Brownfield Authority has also accepted the initial 381 Work Plan for submittal to the DEQ conditioned on the approval of the BRA Plan by City Council.

**BACKGROUND:**

The applicant is requesting approval of a Brownfield Redevelopment Plan for the capture and utilization of tax increment revenue generated by the proposed development. The Brownfield Authority previously approved a plan for the site; however, that plan was never reviewed or approved by City Council. The approval by the Brownfield Authority of the previous plan was conditioned on resolving issues pertaining

to the zoning of the property and the proposed land uses identified in the plan. The applicant and City Council have now resolved those issues through a Consent Judgment (please refer to the Consent Judgment included as an attachment to the 381 Work Plan).

The Brownfield Plan, as submitted, is consistent with the Consent Judgment. The plan proposes \$4,590,000 in eligible activities; 168,000 square feet of office and retail development, with \$19,300,000 of overall investment in the development. The plan estimates generating enough TIF to repay eligible activities in the 15<sup>th</sup> year of the plan. However, the Consent Agreement does afford the City the opportunity to capture only 75% of the TIF and allow 25% to continue to move to the normal taxing jurisdictions. If Council determines to capture only 75% of the total TIF, it will extend the payback period of the Plan approximately 4 years.

The applicant is proposing, and both Staff and the DEQ have agreed, that the 381 Work Plans for the site should be phased. Each Work Plan shall require acceptance by the Brownfield Authority prior to submittal to the DEQ. Included with this submittal is an initial 381 Work Plan outlining additional investigation proposed for the site. The investigation will be conducted to determine what will be required for full remediation of the site as identified in the Consent Judgment. Staff and the City's Environmental Consultant will review each version of the 381 Plan prior to any recommendation to the Brownfield Authority.

Please refer to the attached Brownfield Authority Staff Report (dated September 21, 2006) for full review comments regarding the Plans.

**RECOMMENDATION:**

**Subject to conditions and City Council determination regarding the above identified issues, Staff recommends approval of the proposed Plan.**

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**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		