



Legislation Text

File #: 23-0031, **Version:** 1

Resolution to Approve the Village of Ann Arbor - 1680 Dhu Varren Road Redevelopment Brownfield Plan (BRC Recommendation: Approval - 4 Yeas and 0 Nays)

The proposed resolution would approve the Village of Ann Arbor - 1680 Dhu Varren Road Redevelopment Brownfield Plan. Approval of this resolution will allow the Brownfield Plan to advance to the Washtenaw County Brownfield Redevelopment Authority and Washtenaw County Board of Commissioners, to authorize Tax Increment Financing (TIF) to reimburse the developer and City of Ann Arbor for eligible activities, support of the Local Site Remediation Revolving Fund (LSRRF), and administrative support to the Washtenaw County Brownfield Redevelopment Authority.

The Brownfield Review Committee, at its meeting of January 6, 2023, reviewed the Brownfield Plan, and accepted staff recommendations with the additional following modifications:

- All homes, rental or for sale, shall be constructed with the appropriate electrical supply to enable future conversion from gas to electric heat systems.

The attached Brownfield Plan dated January 30, 2023, incorporates all the recommended modification by staff and period of capture. The proposed Brownfield Plan identifies:

- The site is eligible for brownfield assistance through its designation as a “facility” as defined by the State of Michigan, particularly for the presence of methane at levels greater than State-established criteria. The site was previously utilized as a landfill during the middle of the 20th century.
- The Brownfield Plan would reimburse the developer for environmental-related activities totaling \$26,369,633 including: Baseline Environmental Assessment (BEA) Activities; Due Care Activities; other Response Activities; Brownfield and Work Plan Preparation and Implementation; Interest; and 15% in Contingency Costs.
- The Brownfield Plan would reimburse the development for \$5,000,082 of non-environmental activities, including: Infrastructure Improvements; Site Preparation; Brownfield and Work Plan Preparation and Implementation.

Robertson Brothers Homes, a Michigan based land development company is seeking to redevelop 1680 Dhu Varren Road to construct residential units in the R4A zoning district. The proposed development includes:

- Construction of new 484 dwelling units including attached townhomes and stacked apartment units.
- A public access easement providing members of the public with vehicular and pedestrian access to Leslie Park through the development project.

On September 7, 2022, the Planning Commission approved the related Site Plan.

Prepared by: Brett Lenart, Planning Manager

Reviewed by: Derek Delacourt, Community Services Area Administrator
Marti Praschan, Chief Financial Officer

Approved by: Milton Dohoney Jr., City Administrator

Whereas, Robertson Brothers Homes has requested approval of the Village of Ann Arbor Redevelopment Brownfield Plan in order to pursue tax increment financing through the Washtenaw County Brownfield Redevelopment Authority;

Whereas, The Washtenaw County Board of Commissioners established the Washtenaw County Brownfield Redevelopment Authority (WCBRA), which facilitates the implementation of plans relating to the identification and treatment of environmentally- distressed areas within the County of Washtenaw, pursuant and in accordance with provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the 1996 of the Public Acts of Michigan, as amended (the "ACT");

Whereas The ACT requires explicit consent of each local unit of government included in the Authority, which the City of Ann Arbor joined by resolution R-24-1-02;

Whereas, The Brownfield Review Committee, on January 6, 2023, recommended approval of the petition;

Whereas, The property included in the Plan was determined to be a Facility, as required by Act 381;

Whereas, Any reimbursement by the WCBRA based on an approved Brownfield Plan is for actual eligible expenses only;

Whereas, The burden is on the development to building the project and pay taxes in order for tax capture and reimbursement to occur;

Whereas, The City is not liable for any costs associated with the project if the project is not built or if it fails to achieve the estimated taxable value;

Whereas, It is understood that neither the initiation of the review process by the WCBRA for development of the Brownfield Plan nor the recommendation of the Brownfield Plan to WCBRA by the City is a guarantee that it will be approved by the Washtenaw County Board of Commissioners, EGLE, MSF, or that financial incentives will be obtained; and

Whereas, The City Council held a public hearing on March 6, 2023 to receive public comment on the Brownfield Plan;

RESOLVED, That City Council approve the Village of Ann Arbor Redevelopment Brownfield Plan submitted to the City and dated January 30, 2023;

RESOLVED, That the City Clerk be directed to submit a copy of this Resolution to the Washtenaw County Board of Commissioners as documentation of the City's consideration and concurrence of the Brownfield Plan; and

RESOLVED, That any substantial changes to the Brownfield Plan after the date of this Resolution will require review and approval by City Council.